Poverty is an ever-present reality in contemporary South Africa. The distribution of wealth in the country is heavily skewed towards the rich. Despite a radical increase in social welfare over the last decade and a half, the vast majority of households remain poverty-stricken. While the poor are heavily reliant on the state for income in the form of social grants, the majority of people are not eligible for them. This means that the meagre income derived from grants has to support many people besides their intended beneficiaries. A quarter of South Africans are jobless in terms of the official definition of unemployment.\(^1\) When the entire economically active population is taken into account, however, the figure rises to a staggering 32 per cent. Unemployment is likely to get even worse as wage employment declines further. Given this grim picture, the burning question becomes: ‘How do the poor survive?’ This book provides an answer on the basis of evidence from case studies of households in the townships of Enhlalakahle and Mpumalanga in KwaZulu-Natal. It shows that many households are on the brink of collapse. That they keep going at all can largely be attributed to the struggles of older women against poverty. They are the fulcrum on which household survival turns.

Poor households are sites of both stability and conflict. In the absence of waged employment, working class households are the only source of security for many of the poor. People can still call on an ethos of sharing and communal support. In the words of one of the people who was interviewed for this book: ‘We eat from one pot and should always help each other.’ A recurring refrain in the interviews was: ‘I have to share the little I have with my family.’ Despite the sentiments expressed in this sort of
statement, however, it is clear that practices of solidarity and sharing are being steadily eroded by adverse social and economic conditions. Social relations are frequently inharmonious and resources are not always equally shared. In fact, the case studies that are explored in this book suggest that in times of crisis there is more conflict than cooperation in the poorest households, a finding which accords with Amartya Sen’s (1990) notion of co-operative conflict.

Poverty undermines the collective nature of households. Struggles over the control of household income become prevalent. The money that is derived from state grants and employment in the informal economy covers little more than the cost of the most basic foodstuffs. The fault lines in conflicts over access to household income are frequently generational and gender-based. The elderly recipients of pension grants become victims of violence and abuse. Men feel humiliated by the loss of their role as provider for the family. Their frustration often takes the form of domestic violence and alcohol abuse. The disjunction between men’s lack of economic power and their conventional role as head of the household is a common source of tension.

The lives of the women and men in the two townships that the book explores graphically illustrate the contradictions inherent in South Africa’s simultaneous political, social and economic transformation, which has been characterised by a crisis in the reproduction of social relations, society and capital. Indeed, the outcome of the intensification of capitalism in South Africa, along with the advent of neo-liberal and informational capitalism, could be described as a crisis in the production of life itself (Castells, 1998; Bakker & Gill, 2003; Mullings, 2009). This, of course, is not an altogether new phenomenon. The escalation of capitalism in the apartheid era, in conjunction with race legislation that placed restrictions on movement and access to land and resources, resulted in a crisis of social reproduction in poor African households across the country.2

This book argues that the crisis that is evident at both household and societal level today is inseparable from the crisis of the reproduction of capital in the country. The ineffectiveness of the state’s response to this crisis, through its social and economic policies, has resulted in the pursuit of precarious and survivalist livelihood activities at both household and community level. Many households are extremely poor; the majority of them rely on a total monthly income of less than R800. Overcrowding is the norm. The position of the woman who has to share her two-bedroom
house with eleven children and grandchildren, which is described in the next chapter, is not uncommon. Food insecurity is widespread. There is an overreliance on maize meal, tea and sugar. One informant described tomatoes as a ‘luxury item’. Nevertheless, it is important to note that the poor are not passive victims. This is especially true of older women, many of whom show impressive qualities of energy and resourcefulness by engaging in informal sector activities such as sewing and street hawking, even though the income gained is very small. Many of them are also active in faith-based organisations, such as the Manyano Women’s Christian Movement, new community-based organisations, like the Treatment Action Campaign (TAC), and home-based care associations.

SOCIAL WELFARE IN POST-APARTHEID SOUTH AFRICA

This book contains the stories of poor women and men, young and old, from two communities in KwaZulu-Natal. Collected between 1999 and 2004, they provide first-hand testimony of how people respond to poverty and unemployment. This response, the accounts make clear, is shaped to a significant degree by the broader socio-economic and political context in which individuals and households are situated.

The political sea-change that saw the end of apartheid and the introduction of democracy, marked by the epic 1994 elections and the arrival of the much celebrated constitution with its bill of rights, was widely welcomed. In KwaZulu-Natal, though, the transition was ambiguous, complex and marred by violence. While most South Africans voted in local government elections on 1 November 1995, these elections only took place on 26 June 1996 in KwaZulu-Natal because of high levels of political intolerance and violence (Minnaar, 1992). The situation eventually stabilised, however, and the poor began to benefit from new social welfare initiatives, especially the extension of social grants to all race groups. This new social welfare has not addressed the need for real economic transformation in the country, as we shall see.

Before 1994, South Africa possessed, in effect, two, racially-based, welfare systems, in accordance with the idea of separate development. White, Indian and coloured people were entitled to state welfare provisions (Patel, 1991; Pillay, 1995), which had been greatly extended from the 1920s in an attempt to solve the poor white problem. Africans, on the other hand, were largely excluded from the formal social welfare system. Although all
Africans were able to apply for the State Maintenance Grant, its administration deliberately excluded African women and children. This meant that relatively few Africans were able to receive the grant. The social and natural resources of the homelands (and the reserves before them) were considered the proper source of social welfare for Africans. To all intents and purposes, however, the African household, based on cheap labour, provided the main source of social security for Africans (Wolpe, 1972).

The post-apartheid welfare system consists of a mixture of private or family transfers, contributory insurance schemes and non-contributory social assistance (see Table 1.1). This system is inadequate in many ways. For a start, social insurance plans only benefit those people in permanent employment who can contribute to pension and unemployment schemes. The majority of South Africans are either unemployed or are not permanent employees. The benefits from these schemes are often too low to provide effective protection in any case (Van der Berg and Bredenkamp, 2002).

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Number of Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Family: private transfers</strong></td>
<td></td>
</tr>
<tr>
<td>Unregulated ‘insurance’</td>
<td>Not captured in statistic</td>
</tr>
<tr>
<td>Unregulated ‘assistance’</td>
<td>2 million mostly poor households receive remittances from other households</td>
</tr>
<tr>
<td>Regulated ‘assistance’</td>
<td>Little data on how many people receive maintenance</td>
</tr>
<tr>
<td><strong>Market: contributory schemes – social insurance</strong></td>
<td></td>
</tr>
<tr>
<td>Pension or provident funds</td>
<td>Over 1 million pensioners receive an income</td>
</tr>
<tr>
<td>Unemployment insurance fund</td>
<td>About 700 000 people benefit per year</td>
</tr>
<tr>
<td><strong>State: non-contributory, social assistance</strong></td>
<td></td>
</tr>
<tr>
<td>Old age-pension receive R 740 a month</td>
<td>Almost 2 million pensioners</td>
</tr>
<tr>
<td>Child support grant</td>
<td>More than 1.5 million children receive R 170 a month</td>
</tr>
<tr>
<td>Disability grant</td>
<td>More than 700 000 beneficiaries receive R 740 a month</td>
</tr>
<tr>
<td>Other grants</td>
<td>About 150 000 beneficiaries</td>
</tr>
</tbody>
</table>

Source: Developed from Seekings, (2002:7)
great majority of poor people have to rely on family support and/or social
grants. While most individuals are connected to families, it does not follow
that family members are always willing or able to help them. Most people
in the country are not themselves eligible for social grants but have to rely
on access to other people’s grants. Barchiesi (2000) argues that South
Africa’s current welfare regime displays the features of hyper-commodifica-
tion; it is characterised by a means-tested system, individual contributions
rather than policies of redistribution and cross-subsidisation, very high par-
ticipation of individual customers who want to access basic social services,
and a high level of dependence on the labour market for income.

The state old-age pension grant has a long history in South Africa. People of different race groups received pensions of unequal value in the past. Various legislation and amendments since 1994 have made all perma-
nent residents and South African citizens (men over 65 and women over
60) eligible to receive a pension of an equal amount, R740 in 2004. The
number of state old-age pension grants increased from 566 202 in 1987 to
2 million in 2003 (Department of Social Development, 2003).

The temporary and permanent disability grant benefits those with
permanent physical or mental disabilities, as well as tuberculosis patients
who are unable to work and people with AIDS. The monthly payment is
R740 per person.

The child support grant was initiated in 1997. Following the recommen-
dations of the Lund Committee (1996), the racially-biased State Mainte
nance Grant, which had provided R350 a month to support mothers and children
under the age of 18 in the absence of a father, was abolished and replaced by
a child support grant for children under the age of seven. The mothers or
primary caregivers of these children received R100 a month for each child in
their care. The grant was subsequently increased to R190 in 2006 and ex-
tended to include all children under the age of 14. By 2006, 7,8 million chil-
dren had been registered for the child support grant (see Table 1.2).

The Department of Social Development estimates that 36,6 per cent
of the poverty gap would be filled if the take-up of child support grants
were increased.4 While the department’s records show that take up
increased between 2005 and 2006 across the country, these increases were
insignificant in poor provinces such as KwaZulu-Natal and Limpopo and
hardly affected grants to children below the age of thirteen (see Table 1.3).

A significant number of vulnerable children qualify for a grant but do
not receive one. Even if everyone who was entitled to a grant was to claim
### TABLE 1.2  Trends in number of social-grant beneficiaries, 2000-2006

<table>
<thead>
<tr>
<th>Type of grant</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Old age</td>
<td>1,900,406</td>
<td>1,943,042</td>
<td>1,943,348</td>
<td>2,050,572</td>
<td>2,124,984</td>
<td>2,146,344</td>
<td>2,195,018</td>
</tr>
<tr>
<td>Grant amount</td>
<td>R540</td>
<td>R570</td>
<td>R640</td>
<td>R700</td>
<td>R740</td>
<td>R780</td>
<td>R820</td>
</tr>
<tr>
<td>Disability</td>
<td>655,822</td>
<td>694,232</td>
<td>840,424</td>
<td>1,228,231</td>
<td>1,293,280</td>
<td>1,315,143</td>
<td>1,422,808</td>
</tr>
<tr>
<td>Grant amount</td>
<td>R540</td>
<td>R570</td>
<td>R640</td>
<td>R700</td>
<td>R740</td>
<td>R780</td>
<td>R820</td>
</tr>
<tr>
<td>Child support</td>
<td>1,111,612</td>
<td>1,277,396</td>
<td>1,998,936</td>
<td>2,996,723</td>
<td>4,165,545</td>
<td>7,075,266</td>
<td>7,863,841</td>
</tr>
<tr>
<td>Grant amount</td>
<td>R100</td>
<td>R110</td>
<td>R140</td>
<td>R160</td>
<td>R170</td>
<td>R180</td>
<td>R190</td>
</tr>
</tbody>
</table>

Source: Department of Social Development, SOCPEN dataset (2006)

### TABLE 1.3  Take up of child support grant by age group per province: 2004-2006

<table>
<thead>
<tr>
<th>Province</th>
<th>January 2004 take up rate 0-8 year olds (%)</th>
<th>June 2005 take up rate 0-10 year olds (%)</th>
<th>2006 take up rate 0-13 year olds (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern Cape</td>
<td>53</td>
<td>67</td>
<td>87</td>
</tr>
<tr>
<td>Free State</td>
<td>57</td>
<td>71</td>
<td>82</td>
</tr>
<tr>
<td>Gauteng</td>
<td>75</td>
<td>72</td>
<td>86</td>
</tr>
<tr>
<td>KwaZulu-Natal</td>
<td>61</td>
<td>65</td>
<td>85</td>
</tr>
<tr>
<td>Limpopo</td>
<td>67</td>
<td>73</td>
<td>90</td>
</tr>
<tr>
<td>Mpumalanga</td>
<td>67</td>
<td>72</td>
<td>77</td>
</tr>
<tr>
<td>North West</td>
<td>59</td>
<td>58</td>
<td>75</td>
</tr>
<tr>
<td>Northern Cape</td>
<td>58</td>
<td>65</td>
<td>89</td>
</tr>
<tr>
<td>Western Cape</td>
<td>78</td>
<td>60</td>
<td>75</td>
</tr>
<tr>
<td>South Africa</td>
<td>63</td>
<td>67</td>
<td>84</td>
</tr>
</tbody>
</table>

Source: Department of Social Development, SOCPEN dataset (2006)
it, however, poverty itself would hardly be dented since 60 per cent of the poor, some five million people, are ineligible for a state grant in the first place. The system is also riddled with anomalies and problems. A household that depends solely on a state pension grant, for example, is left destitute when the pensioner passes away. A child who has been receiving a state grant for a number of years receives nothing when he/she reaches the age limit, even though he/she might still be poor and have no other possible source of income. It is often assumed that the children who do not qualify for a grant are supported by their parents or are covered by private maintenance. While it is true that the progressive Maintenance Act No. 99 of 1998 has substantially improved the position of mothers who are dependent on child support from their former partners (Hassim, 2003), unemployment and poverty mean that many men are unable to meet their obligations (Bell, 2004; Mashao, 2004; Mills, 2004; Moyo, 2004; Hassim, 2008). The monetary value of the child support grant doubled between 2007 and 2008, from R100 to R200 a month, but the rising cost of living and the high inflation rate meant that this increase was insignificant.

Both forms of social security in South Africa – social assistance through state grants and social insurance through private contributions – protect only a select few. State social assistance only covers the disabled, the aged and the young; it does not cater for vulnerable groups. In a context where the majority of people are unemployed or struggling to earn a meagre income in the informal economy, social insurance is not an adequate measure against poverty. It is not surprising that 22 per cent of households in South Africa in 1999 reported that they were going hungry because they could not afford to buy food (Everatt 2004).

As the later chapters of this book will show, vital gender issues have been neglected in the way in which the state provides social assistance in South Africa. Although men have been traditionally considered as the heads and providers of households, they are only included in the social and welfare system when they reach 65, the pensionable age for men. A newly unemployed man will, therefore, lose his role as household provider until he turns 63. Unemployed women, on the other hand, are eligible for pensions at 60 and are also able to access child-support grants. This radically changes household dynamics: women assume the new role of provider and men feel insecure. While there is no direct causal link between domestic violence and changes in household income distribution, the distribution of household income is undoubtedly a factor in many household conflicts.
State transfers have certainly mitigated the effects of poverty in the country. Not only does poverty remain a major problem in the country, but the gap between the poor and the rest of the population is growing. This is reflected by the statistics. The Human Development Report shows that the Gini coefficient rose from 0.596 to 0.635 between 1995 and 2001. This coefficient measures the levels of income inequality in a country and also between countries: 0 represents perfect equality, while 1 corresponds with extreme inequality. South Africa’s Human Development Index (HDI), the index which measures a country’s average life expectancy, its adult literacy rate and its standard of living, declined from 0.72 in 1990 to 0.67 in 2003. In 2002, 21.9 million (48.5 per cent) of all South Africans fell below the national poverty line of R354 a month. The Eastern Cape emerged as the poorest province but KwaZulu-Natal was not far behind.

CALLS FOR THE INTRODUCTION OF A BASIC INCOME GRANT

The inadequacy of the present system of grants, along with rising levels of unemployment, has led to calls for the introduction of a Basic Income Grant (BIG), by both civil society and organised labour, as part of a ‘comprehensive social security system.’ The Congress of South African Trade Unions (Cosatu) and various NGOs contend that such a system should be an integral part of social citizenship rights. The BIG Coalition has demanded a universal monthly grant of R100 (Cosatu, 2000b; Makino, 2003). A basic income grant, it is argued, would reduce arbitrary discretion, minimise opportunities for corruption and reduce the poverty gap by 74 per cent. With full take-up, the number of poor South Africans excluded from the social security system would be reduced to zero (Samson, 2002:77). Proponents contend that a BIG has the potential to contribute to economic activity and job creation in three ways: by adding to the accumulation of social capital and cohesiveness, by increasing the demand for labour by directly stimulating economic activity, and by its impact on the level and composition of aggregate demand (Samson et al., 2001).

The introduction of a BIG is seen by some as a fiscally unviable and over-ambitious project for South Africa (South Africa Foundation, 2002), an idea that is not even conceivable in many wealthier countries. Trevor Manuel, the former finance minister, argued that the notion of a basic income grant was ‘fundamentally flawed’ and that its implementation would bankrupt South Africa. He estimated that it would cost R83 billion.
The government would ‘probably have to raise VAT by at least another 14 per cent to fund the R83 billion.’ Critics of a BIG have also pointed out that welfare states have been under enormous ideological and political pressure around the world in recent times. The political and social environment that enabled their success no longer exists (Esping-Anderson, 1996; Pierson, 2001; Seekings, 2002). High unemployment rates have resulted in fewer tax contributions to the state. The restructuring of work and shift in government policies towards cost recovery and strict fiscal discipline have challenged the very notion of welfarism.

It has also been argued that state transfers do not necessarily reduce poverty and do not encourage real economic redress or reduce inequality. Such claims have been rejected by proponents of the BIG who argue that the benefits would have a ripple effect on the economy. Recent evidence from Namibia suggests that there would indeed be important socio-economic benefits if a universal grant were to be introduced. It does not appear likely, though, that the universal income grant will be adopted as national policy in the short term. The BIG initiative does, however, reveal a lot about the role of civil society and its relationship to the state in South Africa, a relationship that, as we shall see, also plays itself out in the two townships that are studied in this book.

**Poverty and unemployment in KwaZulu-Natal**

Between 1990 and 2004, the number of people working in the formal economy in the country declined by almost a million, while the number of those working in the informal economy rose by two million. The majority of the unemployed are located in rural areas and in poor provinces. The provinces with the highest unemployment rate in 2004 were Eastern Cape (32,5 per cent), KwaZulu-Natal (32,2 per cent), Limpopo (30,9 per cent) and North West (30,4 per cent) (StatsSA, 2004).

Poverty in KwaZulu-Natal, home to the two communities that are examined in this book, is increasing. Approximately two million children live in households whose monthly per capita income is less than R350 a month (StatsSA, General Household Survey, 2002-2007). The province also has the biggest HIV and AIDS problem in the country.

South Africa became a signatory of the Marrakech Agreement, which replaced the General Agreement on Tariffs and Trade (GATT), in 1994. This marked the beginning of a new phase of accelerated trade liberalisation in the country, in accordance with the ‘shock treatment’ economic principles...
recommended by the World Trade Organisation (WTO). Manufacturing underwent radical changes as South Africa pursued trade liberalisation and implemented macro-economic policies that were intended to enable it to compete internationally and to position itself on the ‘high road’ – a route that emphasises high skills through training and high wages through effective collective bargaining, rewards and incentive schemes. Trade liberalisation entailed a shift away from the country’s previous import substitution industrialisation policies. This had a devastating effect on the manufacturing sector in KwaZulu-Natal. Retrenchments, relocations, and factory closures became a regular feature of neo-liberal, post-apartheid KwaZulu-Natal. By 1998, it was estimated that 23 per cent of manufacturing jobs in Durban had been lost (Sitats, 2002). The two dominant manufacturing sectors of the province’s economy – clothing and textiles, and footwear – were badly affected. There were massive job losses as factories tried to compete with imports coming from China and Taiwan. The two sectors experienced a 6.3 per cent and 43 per cent decline in employment respectively, between 1992 and 2002. Employment in the footwear industry declined from 27 882 in 1995 to a mere 12 035 in 2002. Production and wages also declined in both sectors in the same period (see Table 1.4.). This trend was accompanied by the growing informalisation of work in the clothing and textile industry and the use of subcontracted labour in order to deliberately evade labour legislation (Fakude, 2000; Skinner & Valodia, 2002). While there has been little export growth in either sector, imports have increased dramatically. Footwear imports increased from 13 per cent in 1992 to 47 per cent in 2002; textile imports increased from 23 per cent to 31 per cent in the same period.

The decline of the region’s two major industries has had a devastating effect on the livelihoods of the households in the two townships that are studied in this book, Enhlalakahle near Greytown andMpumalanga outside Hammarsdale. Enhlalakahle has always been reliant on the footwear sector for employment while people in Mpumalanga have been directly affected by the decline in employment in the textile industry.

The tale of Enhlalakahle and Mpumalanga townships
The apartheid legacy of spatial imbalances and economic inequality epitomises post-apartheid South Africa’s townships. Space was strategically controlled through forced removals and relocations from the land, the creation of townships and homelands and the establishment of industrial zones. The racial character of apartheid’s social and industrial geography meant that
affluent white people lived in the inner cities or suburbs while working class and unemployed Africans were confined to townships or homelands. Even though there has been a radical move away from this sort of spatial engineering in the post-apartheid period, the legacies of apartheid are still very apparent in places like Mpumalanga and Enhlalakhele.

Both townships were built in the 1960s, according to regulations laid down by the Department of Bantu Administration, as part of a policy that aimed to both regulate the large squatter population which rented space on African-owned freehold land and to facilitate the transport, surveillance and monitoring of Africans. Enhlalakhele was proclaimed as a Bantu township by the Drakensberg Bantu Affairs Administration Board much earlier, though, in 1927. It consisted of plots, tents and mud houses and was originally known

TABLE 1.4 Output, employment and wages in the textile and footwear sectors in South Africa, 1993-2002

<table>
<thead>
<tr>
<th>Year</th>
<th>Textiles</th>
<th>Footwear</th>
<th>Spinning, weaving &amp; finishing</th>
<th>Other textiles</th>
<th>Footwear</th>
<th>Textiles</th>
<th>Footwear</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>8501</td>
<td>2564</td>
<td>35 260</td>
<td>30 695</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1994</td>
<td>8858</td>
<td>2551</td>
<td>35 839</td>
<td>32 053</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1995</td>
<td>9032</td>
<td>2618</td>
<td>34 641</td>
<td>32 369</td>
<td>27 882</td>
<td>28 742</td>
<td>24 436</td>
</tr>
<tr>
<td>1996</td>
<td>8833</td>
<td>2229</td>
<td>45 566</td>
<td>32 886</td>
<td>25 088</td>
<td>24 666</td>
<td>24 635</td>
</tr>
<tr>
<td>1997</td>
<td>9370</td>
<td>2171</td>
<td>42 744</td>
<td>32 713</td>
<td>23 699</td>
<td>25 535</td>
<td>22 802</td>
</tr>
<tr>
<td>1998</td>
<td>8393</td>
<td>2135</td>
<td>30 169</td>
<td>26 725</td>
<td>22 450</td>
<td>34 230</td>
<td>24 551</td>
</tr>
<tr>
<td>1999</td>
<td>8273</td>
<td>2213</td>
<td>26 484</td>
<td>26 713</td>
<td>18 748</td>
<td>34 918</td>
<td>23 717</td>
</tr>
<tr>
<td>2000</td>
<td>8399</td>
<td>2035</td>
<td>25 182</td>
<td>30 258</td>
<td>15 317</td>
<td>34 152</td>
<td>22 225</td>
</tr>
<tr>
<td>2001</td>
<td>8593</td>
<td>1693</td>
<td>25 110</td>
<td>28 487</td>
<td>12 758</td>
<td>34 052</td>
<td>23 675</td>
</tr>
<tr>
<td>2002</td>
<td>9315</td>
<td>1676</td>
<td>87</td>
<td></td>
<td>12 305</td>
<td>28 803</td>
<td>22 109</td>
</tr>
<tr>
<td>K/L</td>
<td></td>
<td></td>
<td>87</td>
<td></td>
<td></td>
<td>28</td>
<td></td>
</tr>
</tbody>
</table>


Notes: Data for 1993 to 1997 are year averages while the data for 1998 to 2001 reflect figures from June of each year. The former homelands were only included from 1996, hence the break shown in the series. Output is in constant 1995 rand millions. Output: labour is rand thousands, constant 1995 prices. Capital: labour (K/L) ratio is total fixed assets per employee in rand thousands for 2002.
as Ezithendeni (an isiZulu word meaning ‘place of tents’). The municipality replaced the mud houses with brick ones in the 1960s. Mud houses can be still be found in the adjacent squatter camp, though, which to this day has no proper sanitation or electricity. In 1996, the township had 4 845 residents. This number had increased to 7 027 by 2001 (see Table 1.5).

Mpumalanga was established in the late 1960s. By 2001, the township had 26 535 residents, the majority of whom lived in 5 328 formal dwellings. 4 377 households had running water while 4 899 used electricity for lighting.

<table>
<thead>
<tr>
<th>TABLE 1.5</th>
<th>Key indicators of Mpumalanga Township &amp; Enhlalakahle Township, 1996-2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicators</td>
<td>Mpumalanga</td>
</tr>
<tr>
<td></td>
<td>1996 (Number and percentage change)</td>
</tr>
<tr>
<td>Population</td>
<td>26 425</td>
</tr>
<tr>
<td>Formal type of dwelling</td>
<td>4 718</td>
</tr>
<tr>
<td>Employment</td>
<td>4 899</td>
</tr>
<tr>
<td>Unemployment and not economically active</td>
<td>12 737</td>
</tr>
<tr>
<td>Dominant industry (employment)</td>
<td>Manufacturing</td>
</tr>
<tr>
<td></td>
<td>1 799</td>
</tr>
<tr>
<td>Individual with zero monthly income</td>
<td>18 639</td>
</tr>
<tr>
<td>Households with zero annual income</td>
<td>1 202</td>
</tr>
<tr>
<td>Households using electricity as source of lighting</td>
<td>3 370</td>
</tr>
<tr>
<td>Households with access to water inside house</td>
<td>4 545</td>
</tr>
<tr>
<td>Households with flush toilets</td>
<td>4 617</td>
</tr>
<tr>
<td>Households with access to municipality refuse service</td>
<td>4 551</td>
</tr>
</tbody>
</table>

Source: Statistics South Africa (1996, 2001c)

EATING FROM ONE POT
As will be shown in later chapters, though, many residents are unable to pay for these services. Illegal electrical connections are rife, and many households have resorted to cheaper forms of energy. The number of households using electricity in Enhlalakahle actually declined by 27.9 per cent between 1996 and 2001, while the number of households using candles increased from 431 to 675 (a 56.6 per cent increase). The number of households with indoor running water decreased by 39.4 per cent in the same period.

By the 1980s, both townships were home to strong and distinctive communities. Several political and community organisations were formed and grew in strength. They included local branches of national political organisations, resident associations, trade unions, student organisations and churches. There was also unrest in Enhlalakahle in this period. Several houses were stoned or burned with petrol bombs. Two residents burned to death in 1984 after the door of their room was wired shut from the outside, a window broken and inflammable material thrown inside (*Greytown Gazette*, 7 December 1984). More people were killed in the 1990s, including church leaders such as Reverend Xaba, who was killed in June 1990 at a cemetery after he had finished conducting a funeral service. Numerous joint peace meetings between the ANC and the Inkatha Freedom Party (IFP) were called, but the violence continued. Residents also signed petitions calling for an end to the violence (*Greytown Gazette*, 27 September 1994). Events took a radical turn in February 1994, when a prominent ANC leader, Mr. Solomon Mzolo, was killed. Several ANC members were arrested but were later released.

Political clashes between supporters of the ANC-aligned United Democratic Front (UDF) and the IFP started in Mpumalanga with the killing of a prominent UDF leader, Victoria Mxenge, in 1985. It was the attack on members of the newly formed, UDF-affiliated Hammarsdale Youth Congress (HAYCO) in 1987, however, that really fuelled political violence in the township. Many lives were lost, houses destroyed, ‘evictions’ and ‘invasions’ increased, and political and territorial no-go zones were introduced. Normal life ceased to exist for a number of years (Bonnin, 1997; 2000; 2001).

The violence was often labelled as ‘black-on-black’ violence. The state posed as a neutral actor that was genuinely concerned with resolving the war. Evidence later emerged, though, that implicated the South African Police (SAP) in the violence. They regularly sided with the IFP against the ANC. Bonnin (2001:194) notes that ‘the deployment of special constables attached to the SAP ... had the immediate effect of strengthening Inkatha’s
firepower and intensifying the violence’ (Bonnin, 2001:194). Several state-
ments and affidavits by the public accused the South African Defence Force
(SADF) and police representatives of being responsible for a series of shoot-
ings which took place in Enhlalakahle. However, the security forces always
denied the claims (Greytown Gazette, 27 September 1990).

An uneasy peace returned to the townships after nearly four years of
violence and killings. The trade unions, which were based in nearby
Hammarsdale, helped to negotiate peace deals between the IFP and ANC
in Mpumalanga (Interview, Former Union Leader, 26 March 2003). People
gradually started returning to the homes that they had fled and schooling
resumed (Nzimande & Thusi, 1991). However, both townships became
exclusively ANC communities. IFP members were either ‘chased out’ or
concealed their political affiliation (Interview, ANC official, 5 November
2003). While politically motivated crime and violence had significantly
decreased by the late 1990s, things would never be the same again, social-
ly or politically. A number of organisations disappeared or lost their polit-
ical will. More importantly, the sense of community and social cohesion in
the two areas had been seriously undermined. There is ample physical evi-
dence of the years of conflict in both townships today. While the govern-
ment has rebuilt some of the houses that were destroyed, many others
remain in ruins and have been abandoned by their owners. The taxi route
that was first disrupted and then stopped altogether in Mpumalanga has
still not been re-established.

Most of the employment in the two townships has traditionally been
provided by the footwear, clothing and textile sectors. These sectors were
protected and supported by the apartheid government by means of import
substitution industrialisation policies. Both townships were essentially
established to provide labour for local government-subsidised industries
and accommodation for workers. The process of industrial decentralisation
in the country first emerged in 1940, as part of the Smuts government’s
import substitution industrialisation programme. The state started to sub-
idise industrial decentralisation by giving out direct cash subsidies instead
of granting tax concessions in the 1970s. The so-called border areas
became the preferred location for these subsidised industries.12

The move away from the policy of import substitution industrialisa-
tion, which was completed in the post-apartheid era, began as early as
1980 (Hart, 2001; Bezuidenhout, 2004; Morris, Barnes and Dunne, 2002).
By 1982, many factories had started relocating to places that were deemed
cheaper and politically more stable. The owners of factories frequently used the political violence in the Hammarsdale and Greytown areas as an excuse to move their factories away from the two areas. Given their lax or absent trade union rights, homelands became the ‘hide-away’ place of choice for many clothing and textile factories (Interview, Former Union Leader, 26 March 2003). The relocation of these factories signalled an era of job losses and unemployment in the two townships.

Representatives of industry and commerce formed a committee to study the industrial development potential of Greytown in 1984. This was part of a response to proposals by industrialists to relocate their factories to Ezakheni, Ladysmith, because of the incentives granted to new industries there. The committee concluded that Greytown was unable to compete with other centres in attracting new industries because the government incentives allocated to the area were considerably lower than those offered in designated growth points (Greytown Gazette, 27 July 1984). The relocation of industries from Greytown also coincided with a decline in employment and production in nearby Pietermaritzburg, the ‘shoe city’ that had always provided the most jobs in the area. Many factories closed down, relocated and/or reduced their workforce by more than half. Garage-type and sweatshop factories grew in number.

The clothing and textile sector met the same fate in Hammarsdale, the town adjacent to Mpumalanga. The founders of Hammarsdale, the Industrial Development Corporation (IDC), had argued that ‘a well-established textile industry would have tremendous employment potential for semi-skilled operatives, which meant that it could raise the standard of living of the Bantu’ (IDC, 1971:57, cited in Young, 1972). The first clothing factory, Hammarsdale Clothing, was established in the area in 1957. Within three years of its establishment, Hammarsdale had three textile factories and a factory that manufactured sewing machines which employed 2 135 people. By the end of 1971, there were 13 factories employing 8 500 workers in the area (Young, 1972). Nearly every second person in Mpumalanga worked in one of the factories in Hammarsdale in the 1980s. But from 1990 onwards, an estimated 60 factories closed down, and 3 500 Mpumalanga residents lost their jobs. The majority of those who worked in the factories remain unemployed today. Potential new entrants to the labour market join their ranks every day.

There are many similarities between Enhlalakahle and Mpumalanga. They share a similar economic and political history. Both townships were
part of the KwaZulu homeland. Both were established as labour reserves for clothing, textile and footwear industrial nodes. Both places have been hit hard by mass unemployment, poverty and HIV and AIDS. They both experienced political violence in the late 1980s and early 1990s. The shared legacies of apartheid, political violence and post-apartheid policies have played an important role in shaping the livelihood options that are available to the two communities.

There are also significant differences between the two communities. The size, physical location and political dynamics of the two townships are different. Enhlalakahle is adjacent to the medium-sized town of Greytown, while the nearest sizeable town to Mpumalanga is the city of Durban, almost 30 kilometres away. Agriculture also provides more employment possibilities for the people of Enhlalakahle than it does for those of Mpumalanga. Enhlalakahle is one of only three ANC-led wards among eleven IFP-led wards in the IFP-led municipality of Umvoti, a state of affairs which produces a considerable degree of tension between ward councillors and the local ANC branch.Mpumalanga, on the other hand, has ANC-led wards within the ANC-led municipality of eThekwini.

The economic and political trends that have emerged in the two townships will be described in the chapters that follow. Despite difficulties, the two communities are showing embryonic signs of political recovery. While the years between 1984 and 1994 can be described as a ‘decade of devastation’, ‘proliferation of war zones’, and ‘the destruction of pillars of the home’ (Sitas, 2002), the post-1994 period represents the beginning of an era of reconstruction and rebuilding in the two communities. However, while there is hope politically, the economic situation is bleak. Both townships have been sinking deeper into poverty and unemployment despite a plethora of ‘progressive’ post-apartheid economic policies, and poverty alleviation programmes. The evidence presented in this book, and confirmed by similar studies, suggests that South Africa’s post-apartheid economic, social and labour policies have failed to adequately address the systemic causes of poverty, inequality and unemployment, even though they represent a radical departure from the racially-based economic policies which preceded them. The macro-economic policies that have aimed at accelerating the integration of the South Africa’s economy into the global economy have had the adverse effect of deepening inequalities within the country itself (Webster and Bezuidenhout 2000; Ruiters, 2002; Webster and von Holdt, 2005; Seekings and Nattrass, 2005).
Conducting research in Mpumalanga and Enhlalakahle

The emphasis of this book is on the stories of poor households rather than on analysis. Drawing on over 100 intensive interviews, the book provides a space in which multiple voices can speak. Chapters one, two and three provide a vivid picture of individual lives, perceptions and experiences. Chapter four uses evidence from the interviews in order to present a deeper analysis of the socio-economic context of contemporary South Africa. It also demonstrates the limitations of the sustainable livelihoods approach and specifically the ‘asset vulnerability framework’, which is widely accepted in the development literature (Rakodi, 1992, 1999; Beall, 2002; Francis, 2000; De Haan and Zoomers, 2005). Contrary to the conventional view, the study shows that households are not just places of consumption and leisure, but significant places of production and services, a significance that has increased considerably with the growing levels of unemployment, poverty and HIV and AIDS infections in the country. The book concludes with a summary of its key findings, arguing that poor households have become crucial but fragile sites of survival.

The book is based on in-depth qualitative research that was conducted in the two communities of Enhlalakahle and Mpumalanga at selected intervals in 2002, 2003 and 2004. Face-to-face interviews formed the core of the research. Pilot interviews, complemented by two focus group interviews, were undertaken initially in each of the research sites. Sixteen households in Enhlalakahle and thirteen households in Mpumalanga were selected for further study on the basis of these initial interviews. Forty-four semi-structured interviews were then conducted. This was followed by 29 oral history interviews with older women from the 29 selected households in the two townships. These were augmented by oral history interviews and fifteen key informant interviews with members of local community organisations, local leaders and government officials.

Participant observation was the key to collecting data. It was often the only research technique that was appropriate given the sensitivity of the household issues I was exploring and the need to gain people’s trust. Many of the respondents were reluctant to accept the use of a tape recorder. As a result, the household visits generally involved conversation and observation rather than note-taking and recording. In addition, all the household informants were guaranteed anonymity. Accordingly, pseudonyms have been used for them as well as for those informants from the community who requested not to be named. Community members are usually referred to in terms of their affiliation and/or role in the community.
Archival or documentary research and analysis also formed an important component of the research methodology. I examined the correspondence and documentation that related to land ownership, the renting and buying of houses, and work permits in the two areas. Newspaper articles from the archives of the Greytown Gazette and the Natal Witness proved especially valuable in enabling me to understand the broader political economy of the two townships. They were also important sources of information about the political violence and resistance that took place in the townships in the 1980s and 90s and the economic development of the two areas.

I also kept a fieldwork journal in which I recorded direct observations during household visits, interviews and informal discussions with community members. The journal also included my personal research process notes. These notes served three main purposes: they offered a way to evaluate direct observation or make inferences when I went over the notes later, they served as a source of data, and they helped me to relieve the stress that accompanied the process of participant observation. I also included analytical notes in the journal, which I used to record methodological issues and to plan the way forward.

The dynamics of the research process were often complicated. Entering people’s personal spaces and asking difficult questions such as, ‘How do you survive?’ required great sensitivity. I was overwhelmed by the way that people opened their homes to a stranger. Most of the people interviewed had experienced suffering and hardship. I found that they were willing to share their problems and frustrations with me. They also tested me by asking me questions. The interviews were conducted in the informants’ home language, isiZulu. This facilitated communication although differences in accent sometimes had to be overcome. We often laughed about how Setswana speakers (my home language), and particularly those from Gauteng (my home province), speak isiZulu differently to isiZulu speakers from KwaZulu-Natal.

Although the dichotomy between researcher and informant, between ‘us’ and ‘them’, often fell away during my interactions with the respondents, my level of education, my perceived class status and the fact that I came from Gauteng (a big urban and metropolitan area) were frequently seen as separating me in some way from the experience of local people. I could not possibly understand what they were experiencing, they intimated, because I was not poor, I was studying at a university, I could afford to travel and stay in KwaZulu-Natal, and I lived in Johannesburg, a comparatively rich
city. People responded to me with expressions such as ‘you young people of today’, ‘you young girls’, and ‘you are too young to understand.’ Many people were initially suspicious and reluctant to talk to me or they would ask: ‘What’s in it for us?’ Later, though, they began to trust me and became willing to ‘educate’ me because of my ‘lack of knowledge.’

Ultimately, it was my direct experience of real people, the places in which they lived and their stories and silences that enabled me to write this book.
1 The official definition of unemployment only includes people within the economically active population aged between 15-64 who (a) were not employed in the reference week and; (b) actively looked for work or tried to start a business in the four weeks preceding the survey interview and; (c) were available for work, i.e. would have been able to start work or businesses in the reference week or; (d) had actively looked for work in the past four weeks but had a job or business to start at a definite date in the future and were available (StatsSA, 2009).

2 The concept of social reproduction refers to the unpaid work, performed chiefly by women, that enables societies to sustain themselves and maintain their economies. Class and gender inequities are maintained and entrenched in the process of social reproduction. Women perform most of the unpaid work, while men’s work is remunerated. In *Who pays for the kids?*, Nancy Folbre (1994) identifies three aspects of social reproduction: biological (child-bearing), general (cooking, cleaning, maintaining the physical and mental life of self and others) and socialisation (teaching of values, norms and roles). She concludes that the cost of social reproduction is borne by women and that the whole phenomenon works in favour of men. Isabella Bakker and Stephen Gill (2003) also define social reproduction in these terms but place more emphasis on the links between social reproduction (unpaid work) and production (paid work). They argue that no production can take place without social reproduction since it reproduces the labour force. Social reproduction, therefore, is integral to the reproduction of capital itself.

   Social reproduction is always shaped by a complex set of historical factors that relate to the family, community, market and the state. Changes to social relations, the economic structure and state institutions all produce changes in the household, the site of social reproduction. Disruptions to the life of the household, such as those that are associated with unemployment and HIV and AIDS, produce a crisis of social reproduction.

3 Access rate amongst African children was 2 per 1,000 as compared to 48 per 1,000 for coloured children, 40 per 1,000 for Indian children and 15 per 1,000 for white children. The relatively low rate for white children can be attributed to the high income status of white people rather than to their ‘being denied access’ (Budlender et al, 2008:8).

4 It is estimated that the poverty gap in South Africa was 12.8 billion rand in 1999 (Bhorat, 2002).

5 A measure of income inequality and wealth equality between and within countries. A number between 0 and 1 is given, where 0 represents perfect equality and 1 corresponds with complete inequality.

6 The Human Development Index (HDI) is a UNDP index that measures a country’s average life expectancy at birth. The adult literacy rate and standard of living are measured by GDP per capita. The index can have a value
between 0 and 1. Countries with an index over 0.800 are part of the High Human Development group. An index between 0.500 and 0.800 locates a country within the Medium Human Development group while countries with an index below 0.500 fall into the Low Human Development group.

The basic idea of social security is to use social means to prevent deprivation, and vulnerability to deprivation, through cash support, guaranteed employment and famine prevention (Dreze & Sen, 1989).


A BIG pilot project was started in 2008 in the village of Otjivero-Omitara by the BIG Coalition of Namibia. All residents over the age of 60 received a Basic Income Grant of N$ 100 a month without any conditions. The documented evidence revealed that the receipt of this grant had a positive impact on the lives of those who received it. The Assessment Report (DiSd & LaRRI, 2009) concluded that the BIG should be a universal national grant. It argued that in a single year, between 2007 and 2008: (a) the grant had made an effective contribution to community mobilisation and empowerment, (b) household poverty dropped significantly (with the food poverty rate decreasing from 76 percent to 37 percent), (c) the average household debt decreased from N$ 1,215 to N$ 772, (d) the rate of those engaged in income generating activities increased from 44 percent to 55 percent, (e) the overall crime rate fell by 42 percent. The report noted that the cost of a BIG would be substantial (2.2 per cent to 3.0 per cent of national income) but that Namibia had the capacity to find the additional resources needed to fund the grant.

Of the 5.5 million South Africans living with HIV, 14.8 per cent of them are women between the ages of 15 and 49 (UNAIDS, 2005). KwaZulu-Natal is estimated to have the highest HIV prevalence among ante-natal clinic attendees. About 39 per cent of pregnant mothers are reported to be infected. This supports the argument that AIDS is ‘a crisis for women.’ There is a growing number of women living with HIV and AIDS and women also have to care for the sick (Tallis, 1998).

This involved the removal of quantitative restrictions and reductions in tariffs to well below the WTO binding levels that South Africa had committed to in 1995 (see Chapter 3).

The political conflict between the IFP and UDF/ANC and its alliance partners, Cosatu began in the province in the mid-1980s and intensified in the late 1980s and early 1990s. This period was marked by massacres of people in ANC strongholds, in particular, and assassinations of members of ANC/UDF and Cosatu affiliated union members. IFP vigilantes (amabutho) orchestrated these and many other acts of violence. The political power and influence of the IFP was challenged by the formation of UDF in 1983 and Cosatu in 1986, both strong allies of the then banned ANC. The IFP also blamed the ANC for the killing of its leaders. It claimed that an ANC
government would undermine traditional leaders, many of whom were IFP supporters (see Seekings, 2000; Hassim, 1990; Minaar, 1992; Gwala, 1992). The violence soon spread to other provinces where it was characterised by clashes between hostels dwellers (IFP members) and township residents (ANC supporters) (see Segal, 1992; Zulu, 1993). The Truth and Reconciliation Commission report concluded that the IFP was ‘the primary non-state perpetrator of gross human rights abuse in South Africa from the latter 1980s through to 1994.’ (Truth and Reconciliation Report, Volume Five, Chapter 6, Conclusion Number 119)

13 Border areas were formed in the 1960s. They were located on the borders of homelands (commonly known as bantustans). The idea was that industries should move as close as possible to where black workers lived; this would restrict urban migration and would encourage black workers to continue living in the homelands, where, in the view of the apartheid government, they belonged. Industries in the border areas were given tax breaks and were not required to provide minimum wages. The border areas formed a critical component of the industrial geography of the apartheid era.

14 In 1991, Pietermaritzburg accounted for 21 per cent of the area’s formal workforce. Three of the eight largest employers in the area were footwear manufacturers (Mosoetsa, 2001a). These companies provided 30 per cent of the jobs in the manufacturing sector The city has since shed a lot of jobs, particularly in the footwear sector. However, a few footwear factories, such as Eddels, still remain in the area. Between 2002 and 2004, Pietermaritzburg still contributed the most to the areas’ economy, but the manufacturing sector had declined dramatically. About 71 per cent of businesses in the district were located in the city and of these only 6.8 per cent were in manufacturing. Pietermaritzburg has become a ‘service city.’ 65 per cent of the businesses in the district are involved in sales and trade, real estate or offer business, social and personal services. Unemployment was estimated to be more than 50 percent in Pietermaritzburg in 2004 (Hickson and Oldham, 2002; Coetzee, 2004).