HOUSING STRATEGIES AND THE URBAN POOR
IN SOUTH AFRICA
A Brief Critical Evaluation

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July 1996
ACKNOWLEDGEMENTS

The author wishes to acknowledge the assistance of the following:

- At the University of Natal in Durban: Professors Peter Robinson, Rodney Harber, Dan Smit and Rob Taylor in the School of Architecture and Allied Disciplines; Norah Walker of the Built Environment Support Group (BESG); and Craig Clark, Carey Wilson and Catherine Cross of the Centre for Social and Development Studies.

- Dr. Doug Hindson of the Urban Studies Unit, Institute for Social and Economic Research at the University of Durban-Westville.

- Roger Behrens of the Urban Problems Research Unit at the University of Cape Town.

- Liz Hicks of the Informal Settlements Unit (Natal Region), Urban Foundation, in Durban.

- Philip Harrison of Seneque, Smit and Maughan-Brown, planning consultants, in Durban.

- Naas Jordaan of the Informal Housing Unit in the Community Services Department, Durban City Corporation.


- Jay Douwes and Kay Brugge of the National Housing Forum in Johannesburg.
# CONTENTS

Acknowledgements
Background Information: abbreviations and explanations; financial data
Preface

1.0 INTRODUCTION: TOWARDS A GLOBAL PARADIGM FOR HOUSING THE POOR

2.0 HOUSING IN SOUTH AFRICA: THE SEEDS OF CRISIS
   2.1 Land appropriation and segregation
   2.2 Rural migration and urbanisation
   2.3 Housing as a political tool

3.0 THE TURNING OF APARTHEID

4.0 THE LAND ISSUE AND HOUSING
   4.1 Access to land
   4.2 Land rights and tenures

5.0 HOUSING STRATEGIES WITHIN THE NEW DISPENSATION
   5.1 Introduction: the changing role of the state
   5.2 Private sector initiatives: the Urban Foundation and the Independent Development Trust
   5.3 The De Loor Commission and report
   5.4 Exploring the alternatives: the National Housing Forum
   5.5 New policy directions: the Bothshabelo Accord, the Housing White Paper and the RDP

6.0 THE INCREMENTAL APPROACH AND STANDARDS: A CRISIS OF EXPECTATIONS

7.0 CONCLUSION: TOWARDS A SUSTAINABLE HOUSING PROCESS

Appendices
References
BACKGROUND INFORMATION

ABBREVIATIONS USED IN THE TEXT

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANC</td>
<td>African National Congress</td>
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<tr>
<td>BLA</td>
<td>Black Local Authority</td>
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<td>COSATU</td>
<td>Congress of South African Trade Unions</td>
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<td>CSS</td>
<td>Capital Subsidy Scheme</td>
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<td>GNU</td>
<td>Government of National Unity</td>
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<td>GSS</td>
<td>Government Subsidy Scheme</td>
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<td>IDT</td>
<td>Independent Development Trust</td>
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<td>MIS</td>
<td>Mortgage Indemnity Scheme</td>
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<td>NPA</td>
<td>Natal Provincial Administration</td>
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<td>NGO</td>
<td>non-government organisation</td>
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<td>NHFC</td>
<td>National Housing Finance Corporation</td>
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<td>NP</td>
<td>Nationalist Party</td>
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<td>RDP</td>
<td>Reconstruction and Development Programme</td>
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<td>RSC</td>
<td>Regional Services Council</td>
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<td>SAHAC</td>
<td>South African Housing Advisory Council</td>
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<td>SABS</td>
<td>South African Bureau of Standards</td>
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<td>SAIRR</td>
<td>South African Institute of Race Relations</td>
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<td>SANCO</td>
<td>South African National Civic Organisation</td>
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<td>UF</td>
<td>Urban Foundation</td>
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<td>UN</td>
<td>United Nations Organisation</td>
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<td>WB</td>
<td>World Bank</td>
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FINANCIAL DATA RELEVANT TO THE TEXT

The South African currency unit is the Rand. At its inception in 1961 its exchange value was fixed at , 1.00 = R2.00. From a relative strength of , 1.00 = R1.50 in the early 1980s, it has markedly declined to a current level of about , 1.00 = R5.80, or $1.00 = R3.63 (July 1995 average.)* The current inflation rate is about 10% (June 1995 average.)* The relative purchasing power of the Rand currently ranges from , 1.00 = R2.50 to R3.00. The British convention is used whereby 1 billion = 1 000 000 000 units.

When I left South Africa at the end of 1987 the country was at a point of crisis. Amidst ever increasing levels of violence, a trenchant impasse had been reached between the regime and a determined opposition dedicated to removing all vestiges of apartheid control. Political change was inevitable.

As a South African architect I believed my contribution in a post-apartheid dispensation ought to be directed towards a critical area of concern, namely the indivisible issues of housing and urbanisation. To this end I have furthered my studies at the Bartlett Graduate School of Architecture and the Development Planning Unit, drawing on a vast pool of research material, and the knowledge and experience of practitioners in the field.

Although not having been in South Africa, other than intermittently, during the recent past has had its obvious disadvantages, I have been fortunate in having had access to excellent local sources in the supply of topical research material. Being on the outside has also afforded me the opportunity of greater exposure to external sources and criticism, which I trust has informed a more balanced perspective in my understanding of the issues that are examined in this paper.

South Africa is currently undergoing the most far-ranging transformation in its history as a nation state, perhaps the most anticipated, prolonged, documented, debated and media-accessible reconfiguration in history. This remarkable process flickered into life during the mid-1980s, sparked by the friction of an intractable confrontation between the repressed black majority and the embattled apartheid regime, which had been intensifying since the Soweto uprising in 1976.

The realisation that this situation could not be maintained indefinitely in the face of internal opposition, international condemnation and economic sanctions, finally precipitated a change in government leadership; the prescient F.W. de Klerk grasped the nettle by unbanning the ANC and releasing its former leader, Nelson Mandela, in February 1990. Four years of protracted negotiations have brought about an agreed interim constitution, democratic elections and the installation in May 1994 of a Government of National Unity (GNU) headed by the ANC. A unique transfer of political power has been achieved in what has been termed a negotiated revolution.

The political will towards resolving the most pressing issues facing the new government is demonstrated in the Reconstruction and Development Programme (RDP) launched at the end of 1994. The RDP aims to be an integrated, achievable and sustainable socio-economic initiative, harnessing all available resources towards improving the standard of living and quality of life for all South Africans within a peaceful and stable society characterised by equitable economic growth.

Housing delivery is considered to be an ideal vehicle for implementing some key aspects of the initiative, such as meeting basic needs, developing human resources and building the economy. In its draft Bill of Rights the ANC also maintains that legislation should be directed at the provision of adequate housing for the whole population through an equitable access to land. The question as to what constitutes adequate housing, with its implicit level of standards, lies at the heart of this paper, and is examined in sections 6.0 and 7.0.

Housing problems in developing countries arise predominantly from rapid population growth which invariably accompanies the process of urbanisation. Generally the larger the urban agglomeration, the more complex the housing problem. Most of the population growth in South African urban areas is as a result of black urbanisation. In 1985 some 53% of the black population was urbanised. By 2010 it is estimated that this will increase to 69% (some 33.2 million people), constituting nearly 84% of the total projected urban population of South Africa.

For over two decades now South Africa’s economic growth rate has lagged behind its population growth rate. The resultant decline in GDP per capita has brought about greater impoverishment, mostly within the black population. It was calculated in 1991 that if poverty were to be eliminated through economic growth, the economy would have had to have grown at a rate of 5% per annum during the preceding 24 years. The current high rate of unemployment indicates, however, that the economy will only grow at
three to four percent by the end of 1996, declining thereafter; and nothing in the RDP indicates that government has applied its mind to the issue.\(^{11}\)

There is ample evidence to show that housing conditions are a reflection of poverty levels, as all indicators of housing quality have been shown to improve with higher incomes and economic development.\(^{12}\) In 1991 some 67% of black households were living in poverty, as compared to 48.9% of all households in South Africa.\(^{13}\) In addition the mean income of the poorest 80% of black households decreased substantially between 1975 and 1991. In the lower 40% of this group the decline was almost 40% below an established minimum living level\(^{14}\) (MLL), indicating a serious increase in poverty levels over the past two decades.

Almost 75% of black rural households in South Africa are living below the MLL as compared to 28.6% of urban households.\(^{15}\) This imbalance is typical of most developing countries and is considered to be a primary contributory factor to urban migration. With an ongoing movement of the poverty locus towards urban areas, and natural population increase, the balance is beginning to change. In 1989 it was estimated that in up to a quarter of the urban areas of developing countries the poor outnumbered their rural counterparts,\(^{16}\) comprising between 30% and 60% of their total populations.\(^{17}\) By 2010 it is estimated that some 84% of the population of Gauteng, the most developed and densely populated urban region in South Africa, will fall into the low-income bracket as compared to 73% in 1990.\(^{18}\) For these reasons it is predicted that urban poverty (in South Africa) will become the most significant and politically explosive problem in the next century.\(^{19}\)

The object of this paper is a critical assessment of recent developments in urban and housing strategies as these affect the urban poor in South Africa, to what extent, if any, they benefit from these strategies, and finally to posit certain interventions towards improving housing delivery in this sector. To this end the paper is structured in seven sections, briefly covering some of the salient aspects of housing and urban issues in the country.

In sections 1.0 and 2.0 the context of the housing issue is considered, both in terms of developments in global strategies and theories during the apartheid era; and locally in terms of the origins of the housing crisis deriving from the consequences of land appropriation, rural migration, urbanisation and political control.

Section 3.0 is a brief analysis of the factors which finally dislodged apartheid controls over black housing and urbanisation, thus revealing the full extent of the crisis. Housing and urban issues cannot be isolated from the crucial questions surrounding land tenures and rights, and these are critically examined in section 4.0.

In section 5.0 the range of housing initiatives undertaken from about 1980 are assessed within that period of profound political change. These were initiated by the incumbent regime in response to the pressures discussed in section 3.0; then increasingly, as state control waned, by private sector and community sector interests; and latterly by a new and inexperienced government of national unity.\(^{2}\)

Section 6.0 focuses on the current conflict surrounding the questions of expectations, standards and affordability. The danger of the housing issue once again becoming a political vehicle to the detriment of a sustainable housing process is emphasised. Finally in section 7.0 some of the more pressing concerns impacting on the effectiveness of housing and urban strategies are summarised, and certain strategic interventions posited towards improving the situation of the urban poor.

NOTES

2. The NP left the GNU in July 1996, some six weeks after the final constitutional proposals had been accepted by the Constitutional Assembly, but not yet ratified by parliament.
14. The MLL is defined at a level that provides for the minimum financial requirements of an urban household if they are to maintain their health and have acceptable standards of hygiene and sufficient clothing for their needs. (Whiteford and McGrath 1992, pp.60-61.)
15. Whiteford, op.cit., p.66.
17. World Bank op.cit., and UF Research, no.1, February 1993, p.11.
19. World Bank op.cit.
1.0 INTRODUCTION

TOWARDS A GLOBAL PARADIGM FOR HOUSING THE POOR

During the 1950s and 1960s urban migration and burgeoning informal settlements around the cities of developing countries generally elicited hostile responses from governments. The urban poor were considered to be parasites on the formal system, and a threat to orderly urban development. The destruction of their makeshift structures proved illusory however, as the perceived problem was not removed, but simply displaced elsewhere.

By the 1960s the concern for controlled urban development and political pressures on governments to intervene in the housing markets on behalf of the poor led to the adoption of public housing programmes. These generally failed to meet expectations; inappropriately high standards and increasing implementation costs required ever higher subsidies that could not be sustained over the longer term. In addition designs and locations were invariably ill-matched to the needs and affordability levels of the intended low-income households, so that higher income groups often ended up as the beneficiaries.

The ad hoc exploration of alternative approaches subsequently led to the emergence of the aided self-help movement. This embodied an implicit shift away from state housing provision, and represented a first step towards an approach to housing delivery. Although its basis lay in the reduction of costs by involving the poor in the construction of their own houses, it was argued that this would foster a commitment by them to their new houses, thereby reducing the incidence of speculative re-sale to higher income groups. In reality however the aided self-help tended to dominate the initiative, so that the intended beneficiaries often perceived their role as being that of a cheap labour resource. They rarely had any more access to basic decision making or choice than had the intended beneficiaries of public housing programmes.

During the 1960s theorists such as Charles Abrams, William Mangin and John Turner posited a reconceptualisation of housing supply and delivery. They maintained that informal settlements were simply a logical response by the urban poor towards solving their own accommodation needs. Furthermore they argued that given access to available resources, and subject to government support in the provision of secure tenure and services, the poor would be able to meet their own housing needs through incremental improvements over time. These first tenets of an enabling theory signalled the beginnings of a fundamental change in perceptions of, and approaches to, housing and its attainment by the poor.

Initially these ideas contributed to the sites-and-services approach, first implemented by the World Bank in terms of its basic needs policy as a pilot project in Senegal in 1972. Low-income households were allocated a plot of land supplied with basic services and encouraged to undertake the incremental construction of their own houses, often within aided self-help programmes. Although projects were driven primarily by technical considerations, the objective remained the reduction of housing unit costs and elimination of subsidies. A 1975 World Bank housing sector paper proposed strategies of project intervention as a means towards the alleviation of poverty. It was believed that an approach such as self-help in site-and-service projects would increase employment opportunities, and simultaneously resolve the housing crisis in developing countries.

The project approach to housing delivery was supported at the 1976 UN Habitat Conference in Vancouver where shelter problems were placed on the international agenda for the first time. The Vancouver Declaration attempted to define a policy framework for adapting project strategies in developing countries according to their specific needs and circumstances. Although focusing on the role of the public sector in formulating these strategies, the importance of the informal sector in project implementation was also recognised.

The sites-and-services approach has however generally not evolved beyond the scale of limited project intervention, to that of large-scale replicable programmes as intended. Projects have experienced problems similar to those of public housing, and have in fact been described as public housing projects, but without the houses. They have proved to be too expensive for poorer groups, in the wrong location and with plot sizes and lay-outs which are ill-matched to the needs and priorities of the intended beneficiaries. Major obstacles have also included access to suitable and adequate land, and high costs requiring continued subsidisation:

It has proved extremely difficult to provide sufficient land at prices affordable to the intended users, or to prevent them from capitalising on the different market values.

11
A growing realisation by some developing country governments and aid agencies that informal settlements were a potentially efficient method of producing a base housing stock that could then be improved, prompted the introduction of policies of settlement upgrading, primarily through the installation of infrastructure and services. A primary objective was to provide security of tenure with the aim of encouraging households to invest their savings in upgrading their own houses. Resultant increases in value have however tended to attract downward raiding by higher income groups, and the displacement of low-income tenants.

Nevertheless, sites-and-services and settlement upgrading schemes have increasingly been successfully linked at project level, as their complementary natures enable existing housing stock to be retained whilst displaced households are located nearby. Both the lower and lowest income groups would thus be enabled to participate in a combined initiative within existing financial constraints.

Following the generally poor results of direct project interventions, the World Bank had by the mid-1970s already begun moving its emphasis from project orientated lending policies towards supporting urban structural and institutional capacities in the provision of low-income housing finance. This market-led approach was to be carried out within the framework of an Urban Management Programme, as elucidated in a 1984 policy document. It emphasised the need for urban authorities in developing countries to encourage financial innovation in the provision of housing finance to households on a financially viable basis.

These issues were taken up in the agenda of the Second International Shelter Conference held in Vienna in 1986, which arguably proved to be a major departure point in the development of future global housing strategies. The Vienna Recommendations recognised that strategies directed at public sector provision of housing for the poor had generally been a failure, and advocated an enabling role for the state in support of private sector housing delivery, particularly in the development of innovative housing finance institutions. Furthermore they attempted to define principles, policies and procedures necessary in any given context to address housing and urban development within integrated national macro-economic planning frameworks.

This enabling approach informed the new agenda for human settlement produced at the Habitat session in Nairobi in 1987. It proposed a programme towards meeting the global shelter and services needs of the poor as part of the UN initiated International Year of the Homeless in that year. This programme formed the basis of the Global Strategy for Shelter to the Year 2000, which advocates shelter as a basic human right, and was adopted by the UN in 1988. The enabling approach proposes that the role of government be directed towards policy making and institutional support of housing delivery mechanisms. Furthermore, it proposes that the poorest communities be at the centre of decision-making in a self-sustaining development process, determined by their own criteria and priorities.

Although there is broad agreement on the conceptual basis of the enabling approach, and it arguably remains the touchstone in current thinking towards improving housing strategies globally, disagreements have arisen as to the most appropriate vehicles for implementing such strategies. Amidst growing controversy, the development of World Bank policy recommendations have continued to be informed by a market-led approach. This is reinforced in a recent policy paper which advocates private sector responsibility for low-income housing provision in developing countries, and encourages their governments to adopt policies which enable housing markets to work.

Opponents argue that market forces in developing countries are not self-regulating but thrive under conditions of scarcity, thus favouring those with purchasing power in the formal sector. Serious doubts have been expressed as to whether private sector interests, operating within a formal sector market environment, are compatible with achieving affordable housing at the lowest income levels, where repayments are uncertain, costs relatively high and profit margins tenuous. The informal housing sector, invariably operating beyond the bounds of strict legality of tenure, arguably remains the only viable option for the lowest income level group in terms of affordable access to shelter.

Payne maintains that to legalise the informal sector, thus formalising it, would tend to increase values, thereby making previously affordable access to shelter unaffordable to the poor. Furthermore obstacles, such as the inequitable distribution of land ownership, can create further demand constraints that virtually preclude the poor from entering the land and housing markets. Many of the most successful initiatives have arguably not been market-led, but solutions negotiated with poor communities involving concessions that have facilitated their access to land and housing.

Kuhn postulates that when the idea at the core of a paradigm cannot be further adapted to respond adequately to problems arising within its constituency, it is seen to be defective, and a new paradigm emerges
to replace the old one. According to Hamdi, the support paradigm within housing theory, with the enabling approach at its core, has arguably displaced the provider paradigm as represented by centralised state control of housing supply.

Over the past two decades or so, enabling strategies within the support paradigm have been developed and adapted in response to prevailing global concerns, problems encountered during implementation, and the bias of implementing agencies. Thus a technocratic emphasis is evident in sites-and-services and settlement upgrading approaches, an organisational or managerial bias in the restructuring of institutions, and an economic bias in the market-led approach currently favoured by the World Bank.

This paper argues that the guiding principles of the Global Strategy for Shelter reflect a more holistic approach in the convergence of enabling strategies at the level of community action. As originally advocated by Turner, the emphasis is arguably returning to informing and encouraging local community initiatives towards optimising access to housing within a framework of appropriate government supports.

This approach stressed the need to mobilise all the resources of all the actors in the shelter production and improvement process. The approach emphasised that decision making would be left to the people themselves to determine the priorities, the pace and extent of the development process.

Prior to the incipient political changes of the 1980s, housing and urban strategies in South Africa were subsumed within apartheid ideology. Issues of land, tenure and housing for the black population were effectively translated into forms of political control, or responsibility later relegated to the homelands, whose nominal regimes had neither the capacity nor the resources to respond adequately to overwhelming demand. Developments in global housing strategies were also appropriated towards meeting political objectives. Thus sites-and-services were employed within a strategy of forced removals and resettlement of black communities, whereas settlement upgrading formed part of a later strategy of orderly urbanisation in an attempt to gain control of the urban process. It is only within the past decade that the extent of the crisis has become manifest following the granting of limited tenure and removal of urban influx control measures in 1986.

South African isolation from participation in global shelter strategy developments during most of the apartheid era, and the political transformation of the country, do however provide a clean slate opportunity to benefit from the positive lessons of international experience. Although there is clearly no one way to resolve global housing problems, it is the thesis of this paper that appropriate strategy interventions, which enable and empower community level initiatives towards resolving their own housing problems, should be at the core of a housing delivery policy for the urban poor in South Africa. Such an approach would require a fundamental change in the way housing issues are perceived, and responded to, within a revised economic strategy aimed at employment generation, and ultimately the alleviation of poverty.
NOTES

1. Doebele in Angel et al. (eds.) 1983, p.358.
7. Ibid.
10. The ethos of an enabling theory is arguably contained in the extensive writings of John Turner; in particular his books, _Freedom to Build: Dweller Control of the Housing Process_, with R. Fichter (1972), and _Housing by People: Towards Autonomy in Building Environments_ (1976).
11. John Turner's paper, _Uncontrolled Urban Settlements: Problems and Policies_, for the 1966 UN seminar on Urbanisation Problems and Policies, is considered to be a watershed in the development of international housing policies in its contribution to the change from public housing to sites-and-services programmes. (Turner 1976, p.119).
13. Ibid., p.27.
22. Payne, op.cit., p.3.
27. Munjee, op.cit.
34. These concepts are more fully developed by Hamdi 1991, pp.26-32.
2.0 HOUSING IN SOUTH AFRICA: THE SEEDS OF CRISIS

2.1 Land appropriation and segregation

Land issues tend to be political in nature, often having deep and emotive historical associations. In the case of South Africa these originate from the struggle for land rights between the black tribes and white settlers which began during the eighteenth century. The whites, with their superior weapons, ideas of individual ownership and introduction of a land market, generally gained at the expense of the blacks.1

The growth in hunting, trading, prospecting, and the establishment of colonies, all contributed to further land dispossession. Large areas were also distributed by the colonial authorities in lieu of cash payments, or used to obtain revenue from the sale of a public land.2

Title to appropriated land was rapidly introduced for whites. In the Cape Colony some freehold and a quit-rent3 titles were granted to small groups of blacks who were mostly employed by whites. Outside the Cape Colony, however, blacks were increasingly restricted to a reserves4 on the basis of communal tenure arrangements. After the Union of South Africa was formed in 1910, the new national government systematically began segregating blacks and whites, which profoundly affected land rights, access and forms of tenure.

The existing reserves were set aside as a scheduled areas5 for black occupation and ownership in terms of the 1913 Native Land Act.4 These areas comprised 7.3% of the country at a time when blacks constituted some 67% of the population. In 1936 an additional 5.6% was earmarked for allocation; a process that was yet to be completed some 50 years later.5

The resultant overcrowding largely precluded any rights to individual tenure. In any event these were abandoned in terms of the Native Trust and Land Act of 1936, and substituted by a form of trust tenure whereby land was purchased on behalf of blacks for communal use. Unlike quit-rent tenure, trust tenure was Aprecarious5 and also disliked by those who had come to regard their land holding as an investment.6

By the 1940s an elaborate legal structure was dedicated to confining the black majority to rural reserves, although there were exceptions in the so-called Ablackspots.7

With the implementation of apartheid policies after 1948, urban residents were further separated into racially designated settlement areas with the passing of the Group Areas Acts of 1950 and 1957.8 Ten kinds of Agroup area9 were defined for the exclusive occupation of each racial group. Each area was to be proclaimed in terms of ownership rights (with controlled occupation) or occupation rights (with controlled ownership).9 People had no rights to own or occupy property outside their designated areas, although full ownership rights were denied to blacks within the areas allocated for their occupation.10

Land falling outside the group areas and reserves were known as Acontrolled areas10 and comprised mainly agricultural land under white ownership.11 The Group Areas Amendment Act of 1955 further undermined rights of ownership by setting out procedures for regulating property prices in the open market, and for expropriating properties intended for group area development, largely to the benefit of whites.12

It was not until the 1980s that these restrictions were relaxed sufficiently to allow blacks stronger rights of tenure on their land and improvements, including those of full ownership.13 All restrictions were finally removed with the repeal of the Group Areas Acts in 1991. At that time 87% of the surface area of South Africa Abelonged11 to whites, who comprise less than 15% of the total population.14

In the past few decades 3.5 million people have been dispossessed of land rights because of their race. Before that, millions more were deprived of land rights by discriminatory statute, not to mention the earlier dispossession by invasion and occupation.15

2.2 Rural migration and urbanisation

The rural lifestyles of the semi-nomadic black pastoralists and settler farmers were not conducive to urban settlement on any scale. The arrival of urbanised British settlers from the end of the eighteenth century however anticipated the establishment of coastal and later inland settlements, which the whites regarded as their Adomain.6

With a relatively small white population 17 living within a largely agrarian economy, urban development tended to be a slow process. The discovery of diamonds and gold in the latter half of the nineteenth century however stimulated the establishment and growth of new urban centres such as Johannesburg. The necessary importation of capital goods and minerals export also led to further development of the port cities.18

Increasing poverty in the stagnant subsistence economies of the overpopulated black reserves encouraged migration to the emerging urban economies. The Kimberley diamond mines introduced the Acompound system10 of temporary accommodation in the 1880s to ensure a Areservoir15 of labour, and this approach was soon also adopted for other workers.19 Cheap black labour became vital to
the economic development of the gold mines, and by the end of the nineteenth century nearly 100 000 blacks were employed there.\textsuperscript{20}

The growing migrant population soon exceeded accommodation capacities however, and uncontrolled settlements began to appear. The perceived need for controlled residential areas led to the passing of the Native Reserve Location Act by the Cape colonial government in 1902. This authorised the allocation of land for black settlement, or Alocations\textsuperscript{2}, outside Awhite\textsuperscript{2} urban areas, and similar approaches were soon adopted by the other colonial administrations.\textsuperscript{21}

The urbanisation of the primarily male migrant labour proceeded slowly however, and by the early 1920s only about 13\% of the black population was urbanised. Thereafter a combination of deteriorating conditions in the reserves and rapid growth in the urban economies contributed to a dramatic increase in migration.\textsuperscript{22}

The influx exacerbated the already wretched conditions in the locations, which prompted the first black housing schemes near Johannesburg in the early 1920s.\textsuperscript{23} Growing white concern regarding the perceived threat to white labour, and increasing costs and inability to control the growth of the locations, culminated in the passing of the Natives (Urban Areas) Act of 1923. This arguably established the framework for future segregationist legislation in urban areas.\textsuperscript{24}

Urban local authorities were empowered to set aside land for segregated locations, provide housing for those employed in the urban areas, and make them self-financing by raising revenues from fines, rentals and beer hall profits. Proposals to allow freehold title for blacks in Awhite\textsuperscript{2} urban areas were denied. Adoption of the Act was however optional, and most local authorities, fearing excessive financial responsibilities, delayed implementation. Growing state pressure was later translated into legislation which compelled compliance and permitted government intervention in local housing policy. Thus began a process of erosion of local authority autonomy.\textsuperscript{25}

During the Second World War housing provision lagged badly as resources were limited. Rapid industrial growth after the war led to a worsening in the housing situation, and informal settlements proliferated around the urban areas. During the three decades from 1921 to 1951 black urbanisation quadrupled to nearly 2.4 million, comprising some 28\% of the black population.\textsuperscript{26} Efforts to improve housing provision were largely frustrated by the growing enormity of the problem, a continuing reluctance to increase housing subsidies, and uncertainty about the permanence of migrant settlements.\textsuperscript{27}

### 2.3 Housing as a political tool

From the coming to power of the Nationalist government in 1948 until the mid-1980s, the black housing issue was to play a pivotal role in the attempted implementation of apartheid policies. Distinct housing strategies were fragmented and subsumed within policies directed at the implementation of an evolving apartheid doctrine. Comprehensive legislation aimed at controlling black urbanisation was designed at a national level, and progressively set in place to A prescribe the conditions and administration of black urban life, ownership of land and mobility, and to impose segregation.\textsuperscript{28}

Housing supply was to be strictly controlled through state provision of public rental housing and hostel accommodation in dormitory townships.\textsuperscript{29}

All forms of informal settlement were to be eliminated from urban areas by providing Ain every town and particularly in every industrial area, a potentially comprehensive location site, virtually a native group area.\textsuperscript{30} Housing provision was to be made near urban areas for all those black urban residents who qualified in terms of certain state criteria.\textsuperscript{31} They were often forcibly A resettled\textsuperscript{2} in newly developed Atownships\textsuperscript{2} of standardised housing units, sometimes with rail access to industrial sites, and separated from white urban areas by a A cordon sanitaire.\textsuperscript{32}

Those urban residents who did not A qualify\textsuperscript{2} were A repatriated\textsuperscript{2} to A settlement areas\textsuperscript{2} in the homeland identified with their supposed tribal affiliation. The number of blacks who qualified as urban residents were also further reduced by extending homeland boundaries to include existing townships, such as Kwa Mashu near Durban. It is estimated that in excess of a million people were moved without consultation between 1950 and 1990.\textsuperscript{33}

The resettlement policies went hand in hand with the group areas acts. The 1950 Group Areas Act was only made effective after its amendment in 1957; so its real impact was felt in the 1960s and 70s.\textsuperscript{34} Although not specifically aimed at urban blacks, the allocation of racially zoned urban areas meant that the relocations would impact on all urban residents, with the virtual exception of the whites. No less than 99.7\% of whites were already resident in what were to be designated as A white group areas\textsuperscript{2}, mainly inner-city and suburban areas, whilst the other groups were consigned to the urban periphery.\textsuperscript{35} Implementation was to be carried out by the A Community Development Board\textsuperscript{2} in terms of A housing, development of group areas, resettlement of dislocated persons, slum clearance and urban renewal.\textsuperscript{36}
At the beginning of the 1960s the government started introducing its policy of territorial apartheid or 'separate development' of the homelands. Industrial decentralisation was proposed as a primary means of boosting homelands development towards being economically self-sustaining. The political, economic and social containment of urban blacks, influx control, and limits on the growth of black labour in the urban areas were supposed to be balanced by decentralised economic development and settlement. The costs of urban concentration were advanced by government as a major reason in support of industrial decentralisation, although there was no empirical evidence to support this argument.

It is argued that the real reason was not economic but political, which created an unresolved tension between political goals and economic development needs. Inevitably the economic arguments prevailed; decentralised development was costly and generally failed to achieve its objectives. In the face of increasing rural poverty and unemployment, urbanisation was the logical solution, and influx control measures were increasingly ineffectual. In the Durban area, for example, the proximity and extent of the KwaZulu homeland boundary made control measures virtually impossible to enforce.

By the 1970s it was becoming apparent that policies had moved towards the creation of a dual labour force, differentiating between migrant outsiders and settled insiders who were able to meet a growing need for a more skilled labour resource. Vast new townships were once again planned near urban industrial areas, well away from white residential areas. H.F. Verwoerd, regarded as one of the architects of apartheid, saw the total separation of blacks and whites as an ideal to aim at, and in 1956 estimated that it would take twenty years to achieve. Ironically 1976 was the year of the Soweto uprising which arguably marked the beginning of the end of the apartheid ideal, and the relinquishing of housing as a political tool:

\[\text{The energy and resources expended upon housing (were) considerable by any standards; it is only regrettable that they (were) primarily directed to the fulfilment of an ideological commitment, at no small cost to what might have been achieved by devoting the same resources to the solving of housing problems per se.}\]

NOTES

2. Ibid., p.119.
3. Quit-rent was an annual land levy which, if paid, entitled the holder to sell or bequeath the land.
7. A term used to describe black communities who resided on or owned land outside their allocated areas, or resided as a labour resource on land owned by white farmers, mines or industry. (Robertson 1991, p.119.)
13. Robertson, op.cit.
15. Ibid., pp.68-69.
17. It was not until the mid-nineteenth century that the white population of the country reached 200 000 people. (Lemon 1991, p.3.)
18. Lemon, op.cit., p.3.
20. Ibid., pp.74-75.
22. Ibid.
30. H.F.Verwoerd, then Minister of Native Affairs, speaking in 1952.
31. The Native Laws Amendment Act of 1952 limited the rights to live permanently in white urban areas to those blacks who were born there, those who had lived there continuously for at least fifteen years, and those who had worked for the same employer continuously for at least ten years. They were required to carry a reference books as a means to controlling migration into the urban areas. (Davenport 1978, pp.269-270.)
34. Ibid., p.11.
36. Lemon, op.cit.
38. Davies, op.cit., p.83.
40. Ibid.
41. Davies, op.cit.
42. Lemon, op.cit., p.19.
44. Lemon 1976, p.74.
3.0 THE TURNING OF APARTHEID

During the 1950s and 1960s political organisation against oppressive policies affecting migration and urbanisation were largely contained by the state. There appeared to be a co-existence between political and economic objectives as the needs of capital were more or less able to accommodate and adapt to the apartheid system, although economic growth was not fostered.¹ Despite the vigorous pursuit of apartheid policies, by the 1970s they were under increasing strain as the realities of a modernising, urbanising and industrialising society railed at the bounds of the ideological strait-jacket designed to limit these developments.²

The erosion of Agroup areas@ were noticeable by the mid-1970s as Aillegal@ residents, under pressure from chronic land and housing shortages, increasingly started to occupy white group areas on such a scale that it was no longer feasible to attempt eviction. Attempts to remove and resettle communities forcibly had drawn such intense criticism locally, as well as internationally, that the government became increasingly reluctant to continue with this policy on a larger scale.³

The inevitable acceptance of the established black population as permanent residents in Awhite@ urban areas, was tacitly acknowledged in the 1979 Riekert Commission Report. Thus began the disintegration of a core tenet of apartheid ideology, namely the presence, conditions and future of black people living in urban areas.⁴ The Riekert Report nevertheless recommended even stricter influx controls over new migrants, and reaffirmed the policies of industrial decentralisation to homeland areas.⁵

It was becoming increasingly apparent that the disjuncture between political determinism and economic realities could not be sustained indefinitely. Serious problems emerging in the economy during the 1970s were mostly hidden from policy makers by a strong gold price. An over-reliance on volatile commodity export markets, particularly gold, became increasingly evident as prices fell on the international markets, cutting export earnings during the 1980s.

The economic setback was exacerbated by inherent structural problems, including low labour productivity and a high inflation rate, which varied between 12% and 19% per annum after 1980. Interest rates rose rapidly in an attempt to control inflation, averaging about 20% per annum.⁶ In addition the GDP per capita declined at an average annual rate of about 1.5%, resulting in lower real incomes and increasing unemployment.⁷

As political turmoil within the country mounted, international economic pressures intensified in opposition to the intransigence the apartheid regime. Between 1980 and 1985, South Africa's foreign debt increased by 34%, or by 293% in rand currency terms.⁸ The rand value also fell heavily relative to other currencies. The growing effectiveness of sanctions, disinvestment and finally the withdrawal of international credit facilities in 1985, severely
constrained economic growth and development. Gross domestic fixed investment collapsed from an average of 24% of GDP in the 1960s and 1970s to below 15% in the 1980s. By the second half of the 1980s capital growth was down to 1.5% per annum. Declining international investment was also virtually starving the economy of foreign capital.

With the means to capital creation being thus undermined, it was becoming increasingly evident that economic recovery was inextricably linked to political change. The inevitable acceptance by government of blacks as permanent residents outside their homelands marked the beginnings of a reversal in apartheid policies that was to impact directly on future housing and urbanisation strategies:

The nature of housing provision for low-income people in South Africa changed permanently in April 1986. It was from that month that influx control was abolished. Until then, with freedom of movement from rural to urban areas severely restricted, the authorities were able to regulate the demand for housing artificially. The President's Council Report on Urbanisation in 1985, followed by the White Paper on Urbanisation in 1986, exhibited a more flexible and incorporative political approach, but emphasised strategies of deregulation, privatisation and, in particular, orderly urbanisation, which was to be implemented in terms of direct control measures, mainly through existing legislation.

Despite its apparent acceptance of black urbanisation, government was attempting to order the process by substituting its failed policy of decentralisation of industries and related residential areas to the homelands, with one of deconcentration to the urban peripheries. The government also introduced the 1988 Group Areas Amendment Bill in an attempt to prevent greying by imposing more severe strictures on those who contravened group areas legislation, but met with such resistance that it was abandoned.

In reality, the state tried to achieve the old objective of domination under the guise of a new anti-apartheid discourse...and at the centre of this perverse last ditch attempt to hang on to the old order was, of course, the urban system.

With political confrontations escalating during the 1980s, the urban struggle was to play a key role in forcing the white minority government to agree to share political power. A central feature of this struggle was the rejection of the separate system of Black Local Authorities (BLAs), set up as autonomous units independent of adjoining white local authorities. The government attempted to re-introduce the principle of economic self-sufficiency at local level, whilst maintaining control in critical areas such as financial and urban planning policies. As a result municipal subsidies were lost, as was the professional expertise, to be replaced by a regime characterised by corruption and technical incompetence.

With increasing urbanisation, the new BLAs were placed under severe pressure to improve the level of infrastructure and services. Without government assistance they could only do this by increasing the rental and services charges of government supplied housing, their single remaining source of income. However, increasing unemployment, poverty and hardship meant that residents could ill afford these increases. Growing anger and opposition eventually led to a mass boycott that was to provide an ideal focus for internal opposition to apartheid...and the growth of a powerful urban mass movement.

The rent boycotts were organised at grassroots level by highly effective local civic associations, which had evolved from their origins in representing township community issues to a national level in support of political imperatives. The transformation of the civics into a mass movement empowered the township communities to lead campaigns which played a critical role in transforming the course of South African politics in the 1980s. Campaigns to make the country ungovernable got underway in the mid-1980s. The government responded by imposing a series of states of emergency over a period of five years.

These desperate measures were a tacit admission by government that its policies had been eclipsed by political and economic forces. Strategic alternatives
were exhausted and reform attempts outdated even before they could be implemented. These combined pressures left the government with little option but to turn from the apartheid policies it had so long perpetrated. The abolition of influx control measures in 1986 could, with a little hindsight, be taken as the start of the removal of the major features of apartheid.

Despite government efforts more than 50% of the black population was urbanised by the end of the 1980s, and there were an estimated 7 million informal settlers in and around urban areas. They exploited whatever shelter they could find, from rented rooms and backyard shacks in formal townships, to squatting on marginal land in the metropolitan fringes. A recent survey of Cape Town townships revealed that 92% of houses had backyard shacks, more than half of which housed three or more people.

Within government growing controversy as to alternative policy directions intensified an already deepening political crisis, and prepared the way for the radical new approach that F.W. de Klerk emerged to implement after winning the power struggle against the incumbent P.W. Botha in 1989. His landmark speech in February 1990 arguably marked the final turning of apartheid, borne out by the abolition of its last major vestiges, the Land and Group Areas Acts, in 1991.

NOTES

15. The term ‘greying’ was used to describe the process of a black settlement in a white area.
20. Ibid., p.203.
24. Ibid., p.70.
4.0 THE LAND ISSUE AND HOUSING

4.1 Access to land

It is universally accepted that land and housing issues are inextricably linked, to the extent that access to land is a vital prerequisite to any form of housing process. Thus it can be argued that without an initial understanding of land issues limited progress in housing delivery can be expected, and any strategies towards housing the poor would have little chance of success. Despite the many differences between cities in developing countries, constraints on the supply of land and housing are rarely due to an absolute shortage of basic resources so much as to political, social and institutional constraints; mainly to the structures of authority, to the law and its administration and the exchange system, usually finance. A common factor which thus invariably emerges is the exclusion of the poor from the formal land and housing markets.

In South Africa the housing crisis historically has been rooted in the land question, and remains to this day a political issue and one therefore which may not be resolvable solely through the removal of state intervention. The issue of land access, availability and ownership lies at the heart of the political struggle in South Africa, and is a central concern within the new dispensation. The Land and Group Areas Acts regulated the use of land in favour of whites at national and local levels. A relatively sophisticated market economy and a plethora of political, legal and institutional controls also ensured that land holdings outside the homelands were more rigorously defended against informal settlement than in most developing countries.

The inexorable erosion of land rights by successive white regimes meant that at the end of the apartheid era the black population was confined to 13% of the area of the country, the remainder being primarily under white ownership. This proportion was also reflected in urban areas, where whites were allocated an average 87% of the area constituting the designated group areas. Control over land resources, their ownership, use, and distribution was regarded as critical to retaining political power and relations of dominance by the minority white group over the majority.

Although the abolition of the Land and Group Areas Acts in 1991 was a major step towards a more equitable distribution of land, the existing pattern, reflecting previous policies of separate racial and class development, is well entrenched. Primary difficulties have thus emerged with respect to establishing appropriate levels of compensation, or reparation, for past expropriations of land effected through forced removals during the apartheid era; and the role of the market in the reallocation of land.

Far-reaching proposals have included the total nationalisation of land, with citizens being regarded as tenants of the state. The ANC Freedom Charter purported that the land belongs to those who live and work on it; a position that is redolent of traditional tribal forms of communal tenure, but also elicited an alarmed response from the private sector: This is a direct statement of the socialist principle in land apportionment. It has a deep emotional resonance for the dispossessed and is reflected in land invasion, disrespect for private property, rents and services boycotts and, more simply, envy.

A less radical proposal favoured state ownership of all land as a necessary prerequisite to an equitable distribution among legitimate claimants. The De Loor Commission in its report of April 1992 recommended that land acquisition for housing development be left to the private sector, except in the case of the very poor, when in view of its non-commercial nature government was to assume responsibility. De Loor furthermore recommended that, should a public sector land be made available for development, it not be utilised at the detriment of the private sector, but that a full cost recovery should be aimed at before disposal.

Prior to the general election of April 1994, the Nationalist government position was to remove all racial impediments from a process of normalisation within a free market economy. The inherently unequal distribution of resources within the land and housing markets, however, largely precludes the majority of the population from participating in such markets due to their deprived economic status and white class interests. In any event, urban land markets in most countries do not operate freely due to numerous controls over land use, regulations, and development rights.

In South Africa sophisticated property markets and land-use measures established during the period of white political control still favour white property interests; speculation and artificially induced shortages have led to exorbitant land prices. Ironically, the abolition of apartheid controls and promotion of a market-led approach, has released land previously designated for black settlement to white speculators.

According to Turner, land as a commercial commodity is inflationary, both in monetary and spatial terms; speculation reduces the supply artificially and expands built-up areas unnecessarily. If the free market is to remain the prime determinant over the way urban land is used, speculation and sprawling low-density land
use will inevitably force the poor out of areas amenable to higher income groups. The prime urban land has mostly been usurped for white settlement, and what is left are either developed areas that are too costly for the poor to penetrate, or undeveloped land that is itself either too expensive if it is strategically located, or, if it is located far from centres of employment, is also effectively too expensive if transport costs are calculated (sic) into the equation.

Much of the land allocated for low-cost housing remains unaffordable to the urban poor; that which is affordable is subsidised by the state, but is invariably located on urban peripheries at inordinate distances from employment opportunities. The identification, acquisition, and ownership of land have thus emerged as key factors in resolving urban and housing issues. State intervention is required to regulate and protect the supply of adequate and suitable residential land for the urban poor, as market forces alone are unable to address the ever diminishing availability of such land. It is vital that low-income groups have housing sites allocated in areas which are accessible to their workplaces, affordable transport networks and urban services.

Massive overcrowding of formal township areas, together with state and market induced land shortages, have inevitably contributed to the rise of land invasions. Additionally, as political controls receded during the 1980s and 1990s, a clear link (became) apparent between the incidence of land invasion and transition from repressive regimes to more democratic forms of government. Black community organisations responded by increasingly fostering invasions of open land, although, as Mabin points out, by largely establishing themselves adjacent to formal townships, they ironically tended to reinforce the segregationist pattern of apartheid land use. The gradual infiltration of urban land has been more prevalent than the organised forms documented in South America. However, the incidence has increased as housing needs have grown more acute in the face of a relative decrease in the supply of suitable land and cheap rental accommodation.

A good example is that which occurred in February 1991, when households seeking accommodation in the formal township of Mangaung near Bloemfontein, were mobilised by the Mangaung Civic Association (MCA) to settle on adjacent undeveloped land as part of a strategy of land repossession. Plots were measured out in an informal manner and allocated by MCA committee members. The area was called Freedom Square, as this semi-liberated zone was won by the people....which is perceived as a tremendous stride forward for the landless. The occupation of the land led to discussions with the provincial (regional) authorities and formal recognition of the settlement, some two years before the ANC assumed power as the leading partner in the GNU. The MCA met the requirements of the Apoorpest, homeless and landless inhabitants of Mangaung, which neither the state, local authorities or private developers were able to do. Some 3000 structures were erected in three months.

In recent research the Urban Foundation found that invaded land had often been earmarked for residential development; poorer residents in overcrowded townships moved to gain control of housing developments believed to have been targeted at higher income groups. The invasion of inner-urban areas has lately also become more apparent. Informal structures have appeared in public open space in central Johannesburg, and vacant apartment buildings have been occupied by the homeless and poor in raiding parties under the leadership of the Johannesburg Tenants Association (Jota), an activist splinter group formed after the April (1994) Election.

International experience has demonstrated that if affordable land is not available at the scale required, it will be appropriated in unauthorised ways; and land
invasions may yet develop at a scale large enough to be considered as an alternative form of land delivery.  

4.2 Land rights and tenures

Following the imposition of the 1913 Land Act, and increasingly during the apartheid era, blacks were deprived of land ownership outside the homelands. A turning point came in 1975 when some restrictions on black home ownership in urban townships were removed, largely as a result of pressure from homeland leaders. Although ownership of improvements were permitted under a thirty-year leasehold occupation of the land, freehold rights were not introduced until 1986 as the culmination of a tortuous decade-long process of progressively lengthened leasehold systems and legal semantics.

The first proposals towards unrestricted access to land ownership were contained in the government White Paper on Land Reform in early 1991, which included a bill for upgrading certain tenure rights which were less than full ownership to full title rights, and furthermore proposed steps towards simplifying the complex system of land registration. In response the UF advocated a single form of individual tenure based on ownership or freehold. However, communal forms of tenure were also recommended as an option in urban and particularly rural areas, as it was argued that freehold tenure could disrupt long standing social structures, and increase the pressures towards urban migration.

There are currently at least ten types of title or land tenure systems, and varied forms of land and title registration in the country. Much of it is derived from a mix of outdated administrative systems, political control measures, and traditional forms of landholding that are not clearly defined or understood. A thorough investigation is required, involving participation by all sectors of the communities concerned, in the formulation of an acceptable and appropriate land policy based on secure and transferable forms of tenure. In the South African context there are claims that the often ‘tainted’ legal right to land should be superseded by a ‘moral’ right, inclusive of concepts such as birth rights, inheritance rights, and rights based on occupation and productive use of land.

In a criticism similar to that levelled at market-led approaches to housing, it is argued that the removal of racially based legislation to permit a market-led approach to the equitable distribution of land, would simply maintain the privileges of the status quo. Despite the enormous complexity of the issue, the critical challenge of dealing fairly with established land interests and potential claims must be faced, and the means developed towards facilitating access to land by the poor. Questions as to what land should be expropriated, how much compensation should be paid, or restitution made, and who should be placed in possession, pose a challenge which extends beyond legal procedures to the deeper issue of human rights. To this end, the bill of rights in the interim constitution allows for the creation of a land claims court that would be accessible to the poorest in society.

The Restitution of Land Rights Act passed at the end of 1994 was the first measure by the new government towards redressing the imbalance in land ownership. The act provides for a Commission on the Restitution of Land Rights that would attempt to mediate disputes. Claims that could not be settled by the Commission would go to a Land Claims Court which could award compensation in cases where land was not returned. As current land legislation carries the imprint of the apartheid era, a new unified legislative system is being initiated, but will take some years to resolve and implement.

As an interim measure, the Development Facilitation Act (DFA) was also passed at the end of 1994 in support of the rapid implementation of RDP projects. The DFA attempts to set out principles for dealing with land issues on an equitable basis, and will make it possible for communities to challenge decisions taken by government about land.

Government strategies in terms of land reform have yet to unfold, and Wolfson maintains that this may be a
propitious time to act in the remarkable new spirit of reconciliation politics that has emerged in the country. In anticipation of a new White Paper on Land Reform to be released in October 1995, the ANC Minister of Land Affairs recently announced that the expropriation of land to achieve the government's land reform initiative would only occur when there was no land available on the free market.

Nonetheless, as land resources are disproportionately held by a small sector of the population, he felt that land reform could not be left solely to the dictates of the market. The government intention is to impact positively on the land market by removing impediments to land ownership. A freehold form of land title, which could be used as collateral for housing loans, would be encouraged, although the customary tenure system would also be recognised. Although the private sector would have a significant role to play in land reform and provision, he believed that the state had a responsibility to facilitate this through enabling legislation, policies and institutions.

In future, the state as well as the urban poor themselves will of necessity be required to intervene in the allocation and management of land, so as to ensure an affordable delivery of land and services, and optimal use of their potential.

NOTES

6. According to the Urban Foundation, restitution of land as a remedy is more narrowly interpreted as the return of the same land of which the claimants were dispossessed, whereas reparation is more broadly interpreted to include alternative forms of compensation, such as money. (UF Research, no.6, September 1993, p.7.)
9. This government appointed commission was set up in 1991 under the chairmanship of Dr. J. H. de Loor to advise on the formulation of a national housing policy, as well as a strategy to implement the policy. (The De Loor Report 1991, p.7.)
18. Wolfson op.cit.
5.0 HOUSING STRATEGIES WITHIN THE NEW DISPENSATION

5.1 Introduction: The changing role of the state

As apartheid controls receded during the 1980s, the critical nature of emerging housing and urban issues could no longer be ignored. A major policy shift became apparent in a 1983 government circular which advocated greater private sector responsibility for low-income housing delivery and community self-help initiatives facilitated by government.¹

These principles were endorsed and developed in the 1986 White Paper on Urbanisation, which also focused on the financing of land acquisition and bulk infrastructure. In contrast to earlier policy positions, the government now promoted its primary role as that of a facilitator in the creation of favourable conditions and opportunities for private sector participation, particularly in financing the acquisition of land and urban development for low-income groups.²

Lemon comments that having exacerbated the shortage in housing through misdirected policies and resources in previous years, the government withdrew from the direct supply of black housing in the 1980s, apparently to concentrate on the supply of land and bulk infrastructure (and leaving the provision of low-cost housing to the private sector).³ The government had also embarked on the sale of state rental housing in 1983 in the hope of stimulating the emergence of a black housing market to replace the state rental sector. However, until freehold rights were finally sanctioned in 1987, occupancy rights were restricted to a 99 year leasehold.

In the 1986 White Paper the government response to the growing urban crisis was contained within a series of reform measures developed around the concept of orderly urbanisation. By this was meant that the process of urbanisation must be planned and directed by predominantly indirect means of control, such as incentive and restrictive measures, as well as by direct measures comprising legislation and ordinances.⁴ Orderly urbanisation was premised on the belief that the urban crisis had arisen out of too much state intervention and apartheid legislation which only the free market could address.⁵ Yet much in the five primary principles underlying the concept appeared to be a perpetuation of earlier apartheid thinking:

* The maintenance of racially segregated residential areas.
* Social stratification within residential areas.
Industrial and residential deconcentration areas within and between developed areas.

*Increasing privatisation of the means of production.

*The devolution of municipal services and urban management to local authorities.⁶

Housing was to be the primary vehicle for privatisation within the process of orderly urbanisation. Vesting the responsibility for housing delivery in the private sector brought about a convenient convergence of government attempts towards greater social stability through the creation of a property-owning class, and private sector interests in entering a potentially lucrative market with government backing.

As a result housing delivery catered largely for the relatively small middle and upper income groups, and elite residential areas were developed adjacent to, although separated from, the squalor of the older townships. High interest rates, escalating building costs, and growing poverty and unemployment further denied the majority of the population access to private sector housing. Hendler remarks that as the number of houses provided by the private sector increased, the number of people able to afford them decreased.⁷

The state simultaneously embarked on additional strategies in an ongoing attempt to control the urbanisation process. Resettlement programmes incorporated site-and-service schemes within policies of deconcentration and decentralisation, partly to maintain a hold over the poor and retain their value as a source of cheap labour.⁸ However, as has generally been experienced internationally, these schemes were constrained by land shortages, and remained beyond the financial reach of those excluded from the conventional housing market.⁹

Township upgrading schemes were also initiated in an endeavour to placate the majority, whilst isolating the more radical elements, and were later also used as a means towards facilitating negotiations between popular movements and the state.¹⁰ The upgrading was undertaken on a cost recovery basis by mainly private sector contractors as part of the state privatisation initiative. Swilling argues that, as with private sector housing delivery, this approach to upgrading had the effect of creating a middle-class environment which effectively evicts those who cannot pay for the new goods and services provided; and adds that the strategy failed in the end because the trade-off between political citizenship and urban upgrading was roundly rejected by the majority. It was also rejected because the recession induced fiscal crisis made the costs of buying off the majority prohibitive.¹¹

Government strategies in selling off rental housing, granting freehold tenure rights and promoting black home ownership as an asset against which capital could be raised, were arguably also bringing about the commodification of land, housing and services, and their exchange on the market has little regard for the social consequences of the transaction.¹² State strategies of deregulating the housing market only resulted in an increase in the supply of land and housing for the black minority who could afford market-related prices.¹³

The repeal of the Group Areas Acts also enabled the black middle-class to move into equivalent residential areas; but the growing low-income majority were effectively confined to what had been the black group areas, namely the townships. Although the false scarcity of land created by the Group Areas Acts was to be ameliorated by a 1989 Act,¹⁴ conflicting state departments could easily act to block development, especially of low-cost housing, through manipulating the orderly release of state land.¹⁵

With the state no longer providing housing stock for rental, the low-income group, excluded from the housing market, have had to pursue alternative means of land and housing delivery, mostly in the form of land invasions and the building of backyard shacks in formal townships. (Refer to section 4.0) Wolfson maintains that the development strategies, deregulation and privatisation advocated by orderly urbanisation did not address primary issues such as affordability, supply or the underutilization of existing and/or future residential land; and has thus arguably been a failure.¹⁶

By the end of the 1980s government housing strategies were in a state of confusion. The removal of most apartheid constraints to housing was accompanied by a growing policy vacuum at national level, and an increasing proliferation in public sector housing agencies with a variety of responsibilities, policies and subsidy schemes.¹⁷ There was no single housing policy document or proposal; and what there was, was described by the World Bank in 1991 as ranking along with the worst in the world.¹⁸ Policy options were increasingly being debated and promoted beyond the orbit of the public sector.

5.2 Private sector initiatives: The Urban Foundation and the Independent Development Trust

During the 1980s the Urban Foundation (UF) had emerged as the principal private sector organisation concerned with housing and urbanisation issues.¹⁹ The UF argued that shortages and high costs...
A principle of the CSS was that beneficiaries would be involved at community level in decision-making regarding the level and mix of services, site layouts and allocations, and the construction process, making a maximum use of local labour and skills. A flexible approach was intended, with the level of service being negotiated between the developer, the community and the local authority. The IDT’s original intention in the design of the CSS was to provide a built-in incentive to the community...to argue for lower levels of service in order to reduce...the cost and thereby increase the residual available to them for a top structure.

The market-driven delivery model was however structured to place both responsibility and control with developers...rather than with communities or beneficiaries. In the event it can be argued that the involvement of the private sector ensured that the full subsidy amount would be directed at optimal service provision, overheads and profit. It was not necessarily in the interests of the private sector to strive for residuals, as the administrative costs involved invariably outweighed any potential savings. On the contrary, some developers even levied an unauthorised commitment fee on beneficiaries. The social input implied by the intended application of residuals arguably did not accord with the free market approach as espoused:

Residuals did not prove an effective mechanism of keeping costs down, or of reducing levels of services. Beneficiaries general lack of access to information and inability to engage around standards prevented this....Incentives will have to be found in future schemes to encourage competitive innovations for substantially lowering the costs of delivering services.

The CSS was designed as a developer-driven model in which the IDT replaced government as enabler, setting the parameters within which all the role players would operate. The objective of encouraging a rapid developer-led supply of completed serviced sites, together with meaningful community consultation and participation, was largely unsuccessful. It could be argued that these objectives were attempting to reconcile inherently conflicting elements of supply and enabling approaches to housing delivery. In their assessment of the CSS, Robinson et al. recognise the need to involve non-profit, community-based developers; and to nurture community structures acting as developers.

Despite these shortcomings, the CSS initiative did encourage the participation of a much wider range of sectors and organisations in every low-income housing delivery than had previously been the case.
As a result, far more consultation and community participation took place around the CSS than had ever occurred before in a South African low income housing initiative. In addition, the potential substantially to expand capacities was enhanced through the emergence of many NGOs as major players in housing delivery.

5.3 The De Loor Commission and Report

In response to the lack of a cohesive approach to poor sector housing delivery, and confusion nationally, the government appointed a South African Housing Advisory Council (SAHAC) commission under the chairmanship of Dr. J. H. de Loor in October 1990, and charged it with the responsibility of advising on the formulation of a national housing policy. The De Loor Commission welcomed the range of housing delivery systems as a positive phenomenon to be left to the market and the personal preferences and abilities of the people involved.

Informal housing was also recognised as a legitimate phenomenon which should not be confused with squatting or the illegal invasion and occupation of private property. It was recommended that informal housing structures be accepted as part of the solution to South Africa’s housing challenge; and that schemes in which such houses are constructed should receive government support in the form of subsidies to individuals, as well as programmes to upgrade standards and tenure rights.

The commission was preparing its policy recommendations during a period of increasingly rapid political and economic change leading up to the formation of an interim government. These developments arguably overtook its terms of reference, leading in May 1992 to the delayed release of the report as a discussion document amongst many other policy proposals by emergent stakeholders in the housing sector. Nonetheless, this extensive document argued the need for the following points for subsequent policy development:

*The onus of responsibility for achieving housing goals to be with the state and not the private sector.

*Government spending on housing to be increased to at least 4.8% of GDP in line with World Bank recommendations.

*The establishment of a single national housing authority with responsibility for policy, strategy and monitoring activities.

*The establishment of a national finance corporation with responsibility for the optimal allocation of available funding.

*The flexible deployment of one-off capital subsidy allocations to the lowest income level groups to provide a minimum of essential services and security of tenure.

Prior to the appointment of the De Loor Commission, SAHAC had concurred with the IDT that a one-off capital subsidy was the most appropriate form of state assistance. However, certain criteria towards creating greater flexibility in the application of subsidies were proposed by SAHAC in consideration that the IDT scheme... needs substantial refinement to meet these criteria. These were that subsidies should:

*Provide some choice to recipients whilst encouraging competition amongst the suppliers of subsidised goods or services.

*Be targeted at those who cannot afford to finance any form of shelter.

*Be large enough for recipients to afford additional recurrent costs, such as payment for use of services.

*Be affordable, sustainable and transparent in terms of costs to the government.

*Be geared to mobilising private sector funding where possible.

*Be easily understood by recipients, cheaply administered, and meet agreed accountability and performance standards.

Further criticism of the IDT capital subsidy scheme (CSS) was that subsidies were only available for projects implemented by public or private sector developers, and not to individual beneficiaries as participants in a housing delivery process. On a reconnaissance mission to South Africa in 1991, the World Bank also advised that their global experience indicated that capital subsidy schemes achieved better results when subsidies were paid directly to beneficiaries. They argued that competition was stimulated and the subsidies not nullified as a result of increases in the price of land.

These criteria clearly informed the De Loor recommendations. A comprehensive housing assistance scheme was proposed to replace a confusion of existing subsidy schemes, and structured so as to improve access to affordable housing for the poor in South Africa:

A housing assistance scheme should be aimed...
at alleviating the housing shortage, increasing the supply of affordable housing, stimulating the deli-very process of especially low-cost sites, promoting home-ownership and encouraging self-help.  

The scheme provided for four categories of assistance to beneficiaries (allowing for some degree of overlapping and choice), graduated according to income levels. It started with the provision of a site with basic services, and progressed to more sophisticated alternatives with decreasing subsidy amounts linked to increasing income levels, as follows:

**Category 1:** Lowest income level households (earning up to R1 000, or approximately US$275 per month) were to be provided with a nominal site with basic services on a non-ownership basis, but with security of tenure. Full site ownership could be acquired at a later stage.  

**Category 2:** Households earning from R500 to R3 000 (approximately US$140 to US$825) per month, who could contribute 10% of their annual income as a deposit, were to be provided with the Category 1 package, together with a five year loan facility of up to R5000 (approximately US$1375) for technical assistance and the erection of a house. Monthly loan repayments were not to exceed 10% of monthly household income, the balance of the repayment up to the market interest rate being subsidised by the state. The unsubsidised portion of the loan would be financed within the private sector. Freehold tenure could be obtained after the five year repayment period. The initial deposit amount would contribute to a community development fund to finance the provision of community facilities.

**Category 3:** Households in the same income range as Category 2, but who could contribute 15% of their annual income as a deposit, were to be provided with access to a one-off capital subsidy of up to R7 000 (approximately US$1925) towards acquiring a housing structure on a freehold basis. The combined downpayment, backed by a government loan guarantee fund and secure tenure, was considered sufficient to access private sector mortgage financing to make up the balance of the purchase price of a more formal housing unit.

**Category 4:** Households having an income of between R500 and R3 000 (between approximately US$140 and US$825) also had the option of rental accommodation in the formal housing sector. A deposit of 20% of their annual income was required to qualify for a government capital subsidy of up to R6000 (approximately US$1650) to be jointly invested, and the proceeds used towards monthly rental payments.

The intention was that Categories 1 and 2 were designed for less formal housing, whereas Category 3 would be a transitional phase between less formal and more formal housing, and Category 4 would cater mainly for formal needs. Only in Category 1 was the state seen as the sole provider, whereas the private sector was encouraged to participate in the remaining three categories in two ways. In the project approach the developer would initiate the undertaking by assembling suitable beneficiaries and applying for the appropriate subsidies. In the second individual approach beneficiaries would apply directly for subsidies. It was anticipated that private sector developers would respond to the market demand created.

The creation of a new Housing Finance Corporation was fundamental to the implementation of the policy proposals. The primary function of the corporation would be to raise funds for housing in the private sector by issuing securities and providing collateral warranties. The corporation would provide or facilitate loans for land acquisition, and the development of bulk infrastructure and serviced sites. Financial support would also be given for project preparation, technical assistance to beneficiaries, the upgrading of informal settlements and urban renewal.

In line with World Bank thinking De Loor argues that production and allocation decisions should be left to market forces, with government playing an enabling role in the mobilisation of private sector resources for housing. Furthermore he argues that in order to bring this about, the housing sector be integrated into the market economy through increased spending on housing which would facilitate changes in demand leading to a redistribution of income which would stimulate growth and job creation. The World Bank agreed that the De Loor policy proposals were in line with current international approaches to housing provision.

Despite recognising the role of informal housing in future housing policy, the De Loor Commission nevertheless argued that it as a preliminary stage to entry into the formal housing market. There is no implicit recognition of the capacity of the informal sector in contributing towards a permanent means of affordable housing delivery; or any attempt to bring about an appropriate interface between the formal and informal market sectors.

The UF maintained that implementation of the De Loor proposals would undermine progress in resolving South Africa’s housing crisis. The proposed approach to the poor was regarded as
paternalistic, and implementation would fail to stimulate upward socio-economic mobility or to protect the interests of poor communities. Consequently the public sector would become the dominant party in housing provision, rather than being the Aregulator and leader.@ The UF argued for private sector (non-government and non-profit) and community-based organisations to be the central providers of housing, with government providing Akey interventions@ such as subsidies, which the UF saw as crucial to securing access to housing by the urban poor.

5.4 Exploring the alternatives: The National Housing Forum

The National Housing Forum was established in August 1992 in an attempt to bring a wider range of role players into the debate and to determine the broader housing requirements of the community and elements of a unitary housing policy.@ It was constituted from government, political, community and private sector groups representing the most inclusive process of policy development ever undertaken in South Africa in respect of housing.@ The long-term aim of the NHF was to develop a new strategy and policy through an extensive negotiating process which would "redress the imbalances in the supply of houses and meet future needs for shelter.@ Several issues were identified in the first phase as priorities for government action. These included access to land by the poor, emergency provision of services, and the inadequacy of community participation in policy formulation and housing delivery. The second phase involved the creation of Aa single housing....structure in South Africa through which all housing funds could be channelled,@ leading in the final phase to Arecommendations for a housing strategy.@

The NHF maintained a close relationship with the interim government, ensuring that Apolicy positions were developed through a process of bilateral negotiations between the Department of Housing and the NHF.@ By August 1993 the Interim Arrangement for Housing agreed between the NHF and the government (and included in the Housing Arrangements Act of 1993), provided for the establishment of a National Housing Board to advise government on national policy issues, and four Regional Housing Boards Ato adjudicate the allocation of fiscal resources to projects at the provincial level.@ These four Boards were later replaced by nine Provincial Housing Boards in terms of the agreed regional structure proscribed in the Housing Amendment Act of 1994.

Initial policy proposals by the NHF advocated housing provision at three levels of affordability:

* The poorest people who could not afford a house Aeven with a subsidy@, were to be provided with rental accommodation Aat low cost@.
* People who could afford housing with a subsidy.
* People who could afford housing loans from institutions and did not need a subsidy.

The NHF advocated a capital subsidy as an interim measure in the provision of a serviced site and structure, although the subsidy could be used for alternative rental or purchase options with concomitant forms of secure tenure. In addition, state interventions underpinned by Aprivate sector NGOs@ were proposed to promote access to Awell located land, to housing credit, to a range of types of housing, and to local government services.@ In developing these ideas, the NHF put together the following Apackage of....new initiatives@ at the beginning of 1994 aimed at Amaking homes affordable to millions more people@.

* Three Aa lump sum subsidy@ amounts were proposed, with the lowest household monthly income level, set at up to R1500 (approximately US$415), qualifying for the highest amount of R12500 (approximately US$3440). This subsidy was targeted at the Amost poor@, and was considered sufficient to Acover the cost of a serviced site and some building materials, but not a home.@ A homeloan was advised as a supplement to Abuy a home@.

* A Mortgage Indemnity Scheme (MIS) to encourage formal sector financial institutions in lending to lower income groups.

* Alternative credit sources, Abecause the banks are unable to supply loans to everyone in the low-to-middle income group@, the NHF was Alooking into how specialised lending institutions can access the money they need to lend to more homebuyers@, whilst also developing financial mechanisms at local and community levels.

* Rental accommodation, subsidised Afor the very poor@ who cannot afford any form of loan, as well as for Apeople who don't want to buy a house.@

It was only towards the end of 1993 with the establishment of National and Regional Housing Boards, which included the NHF and other housing
sector groups, and the imminent coordination of all housing budgets under a Minister of National Housing. That housing policy started becoming more cohesive. A World Bank assessment at the time considered that three primary trends had emerged in the housing policy debate:

* Massive government intervention in the provision of housing.
* Enabling strategies with the state as facilitator of largely private sector and community-based approaches to housing delivery.
* Enabling strategies based on a programme of subsidies aimed at the low-income sector.

The World Bank commented that enabling strategies did not imply a passive public sector role, but active intervention on both the demand and the supply sides of housing. On the demand side this would be to increase the availability of housing finance, securing appropriate forms of tenure and designing effective subsidies. On the supply side this would include adequate infrastructure, servicing, and rationalisation of legal and regulatory frameworks. Approaches combining enabling strategies with well-designed subsidy schemes have the greatest potential of meeting the housing challenge of the urban sector in South Africa. The World Bank recommended that the administration of subsidies be transparent to ensure that the poor were targeted, and that housing strategies ensured a self-sustainable flow of funding through an accessible network of financial institutions.

The debate surrounding low-income housing has implicitly revolved around the issue of supply and financing by formal sector organisations and institutions. Despite the professed aims of recent policy formulation, a vast proportion of the low-income population would not be able meet the requirements stipulated for accessing serviced land or housing. The poor have been considered in terms of a low-cost housing sector... best defined by consumers whose monthly household incomes are R3500 (approximately US$960) or less who qualify for a government capital subsidy. (my italics). The policy debate has arguably focused on ways and means of housing this target group, whilst paying scant regard to those who do not qualify, viz. the poor and destitute who have the greatest need, and constitute a considerable proportion of those requiring shelter. Households earning below R800 (approximately US$220) a month were recently estimated to be in excess of 40% of all households in the country.

In a recent meeting with the People’s Dialogue, a countrywide federation of some 250 affiliated groups of squatters and homeless people, the NHF agreed that in general the problems of homeless people are not being adequately dealt with. A second meeting was described by the NHF as being primarily... for them to get an idea of what the NHF is doing, and to think about how they can participate in the NHF’s work. (my italics). The NHF then advocated a two pronged approach; on the one hand this would be a formal approach to build enough normal houses, whilst on the other an informal approach would be aimed at giving homeless people what they need right now - serviced land where they can build their shacks.

5.5 New policy directions: The Botshabelo Accord, The Housing White Paper and the RDP

The recently appointed National Housing Minister, Joe Slovo, admitted during an address to the NHF plenary in August 1994, that: We are talking about a minority if we focus on people who are able to get home loans. Millions of South Africans - estimates say perhaps 65% - are so poor that they have no hope of getting credit to supplement their subsidies. These are people who earn between R1500 (approximately US$415) month and absolutely nothing. In attempting to meet this need, Slovo announced the introduction of a fourth subsidy amount of R15000 (approximately US$4130) for households earning below R800 (approximately US$220) a month.

More significantly, he also advocated an incremental approach to housing that goes way beyond site and service, and involves a whole lot of back-up to poor communities. A starter home would be provided together with access to technical assistance, pooled tools and equipment, and affordable building materials for people who will add a wall, or a room, or a door when they have cash to do so. The incremental approach would also ensure that the necessary skills are passed on to thousands of small black builders... because they are the ones who will carry out this work.

These principles were further developed in the following October at the Botshabelo Housing Summit where, for the first time, a South African government debated its overall housing policy proposals with the broader public; politicians, bankers and builders, developers and the homeless. The object was to finalise a Housing Accord as a prelude to the release of a Housing White Paper. Representatives agreed that
their goal should be \( \text{to see housing's share of the total state budget increased to 5\% and to increase housing delivery on a sustainable basis to a peak level of} \ 350 \text{ 000 units per annum within a five year period...} \)\( \text{in order to reach the government... target of one million houses within five years.} \)\( \text{The Botshabelo Accord committed housing stakeholders to a policy of incrementalism, as well as a mortgage indemnity scheme to safeguard the banks, the establishment of a National Housing Finance Corporation, and the release of land for housing.} \)

The Housing White Paper, released in December 1994, acknowledged that there is no single formula for solving the housing dilemma, and advocated a multi-faceted approach serving all segments of the market, but emphasised that it is government's first and foremost priority to deal with the problem of housing for the poor. Surprisingly, however, the question of rental accommodation was not addressed. The housing challenge would be pursued by means of seven key strategies through mobilising and harnessing the combined resources, efforts and initiatives of communities, the commercial sector and the State, as follows:

* Stabilising the housing environment through optimal direction of state expenditure and mobilisation of private sector investment.

* Facilitating or directing the establishment of a range of institutional, technical and logistical housing support mechanisms.

* Mobilising private savings and housing credit at scale on a sustainable basis.

* Providing subsidy assistance to the disadvantaged.

* Rationalising institutional capacities in the housing sector.

* Facilitating the speedy release and servicing of land.

* Co-ordinating and integrating public sector investment.

The involvement of foreign donor agencies is increasingly being considered as crucial to resolving the country's housing problems. The World Bank had undertaken to allocate some R2.1 billion (approximately US$580 million) per annum for housing loans once a coherent national housing policy had been formulated, and had received support from the main role players. On a visit to South Africa at the end of June 1995, the president of the World Bank confirmed that the provision of aid and soft loans would be seriously considered.
The successful implementation of the new housing policy, as encapsulated in the 1994 Housing White Paper, is considered to be crucial to the overall success of the RDP.\textsuperscript{101} Almost half the RDP budget of R6 billion (approximately US$1.65 billion) has been allocated to the provision of housing and infrastructure.\textsuperscript{102} As part of a co-ordinated initiative, the new Ministry of Housing has been committed to fulfilling certain programme targets towards advancing the RDP.\textsuperscript{103} A summary of this Programme is included at Appendix A.

NOTES

14. The Prevention of Illegal Squatting Act of 1989 was supposed to provide for a rapid means of identifying land for black residential purposes. (Fox et al. in Lemon (ed.) 1991, p.12.)
16. Wolfson op.cit.
19. The UF was established in 1977 by leading private sector interests with the aim of focusing on the critical development needs of disadvantaged South Africans, particularly in the urban areas, in contributing to a viable, democratic, and non-racial South Africa. (De Loor 1991, p.180.)
23. Whereby he announced formal recognition of the ANC, and other unlawful organisations, and the release of Mandela. (Hendler in Swilling et al. (eds.) 1991, p.204.)
25. Ibid.
28. Ibid., pp.16-17.
30. Robinson op.cit., p.18.
31. Ibid.
32. Ibid., pp.66-67.
33. Ibid., p.(vi).
34. Ibid., p.74.
35. Ibid., pp.(v)-(viii).
38. Smit op.cit.
39. A body appointed by government to advise on housing issues.
41. Ibid., p.207.
42. Ibid., p.294.
46. Ibid.
47. Ibid., p.227.
48. Ibid., pp.307-308.
51. Ibid., p.13.
52. Smit op.cit., p.3.
53. De Loor op.cit.
54. Ibid., pp.309-314.
55. Ibid., p.314.
56. Ibid.
57. Ibid., p.309.
58. Smit op.cit., pp.3-4.
60. Ibid., pp. 33-34.
63. Ibid.
64. Ibid.
6.0 THE INCREMENTAL APPROACH AND STANDARDS: A CRISIS OF EXPECTATIONS

The incremental approach to housing delivery advocated by Slovo and adopted by central government to reach the poorest of the poor has proved to be controversial. Despite the achievement of an apparent consensus that the incremental approach should be adopted, and described as a key battle won by Mr. Slovo over some provincial ministers, developments since his death in early 1995 could indicate otherwise.

The newly appointed national Housing Minister, Ms. Sankie Mthembi-Nkondo, recently described the incremental housing policy as a short-term solution, starting with the building of toilets in the veld, that would worsen South Africa’s squatter problem. She said that the incremental approach could lead to houses standing half-finished because their owners had run out of money; and would not adequately provide for black families, whose average size was 3.4 people: Is it single quarters or family quarters we are building?

The provincial ministers of Gauteng and Free State also represent an alternate view that favours the erection of completed houses with a minimum area of some 40 square metres, and at least four rooms on larger stands. The Free State provincial leader, Vax Mayekiso, appears to have carried through the reported pledge he made in October 1994 that there will be no incremental housing in this province. A minimum house size of 40 square metres has recently been stipulated, together with further requirements such as the provision of internal walls, effectively ruling out shell or core housing. As a result low-income Free State residents who do not have access to credit or finance, cannot qualify for government subsidised homes administered by the province. In addition developers....have been reluctant to provide 16 sq.metre, one room and a toilet starter homes for fear of a backlash from potential consumers.

In their assessment of the IDT capital subsidy scheme (CSS), Robinson et al. noted that the first announcement of the scheme was accompanied by very high expectations on the part of poor
communities, particularly as it came at the beginning of a new era in South African politics, and against the background of virtually no significant public sector delivery of housing for the poor in many years. As a result, people wanted more than the CSS had to offer -they wanted top structures, and they wanted a far bigger say in the development process.\(^9\)

These expectations were arguably fuelled during the apartheid era by the growing discrepancy between white affluence and black poverty, as reflected in their respective built environments, and the aspirations of the deprived majority. The idealised Ahousing model\(^9\) in South Africa, both in white suburbia and black townships Ahas come to be seen as a fully serviced detached house on a plot.\(^10\) In considering the importance of changing expectations, Mitchell points out that Atthe problem of housing provision and the meeting of housing need is not only the result of increasing demand for the number of housing units....but also that any rise in socially-determined housing standards which make each unit more expensive (in terms of time and resources) to construct and maintain also adds to the size of the task.\(^11\)

The apartheid government is considered to have been responsible for Athe inadequate provision of shelter in South Africa, and it was assumed that a new, non-racial, and democratic state would soon remedy the problem.\(^12\) The adversarial nature of the political process leading up to the first open elections in 1994 inevitably also generated high expectations. Posters promised A‘Homes for All\(^6\), and the delivery of a million houses in five years.\(^13\) Payne has commented that A‘for people encouraged in the belief that government should - and could - provide high-quality housing for all can hardly be blamed for demanding it.\(^14\) The danger is that most governments are committed to meeting the political promises that put them in office, and will respond to the need for housing Aby building houses, which we later find the poor cannot afford to pay for.\(^15\)

Unfortunately the Aincremental approach has come to be identified with A’sites and services\(^\circ\) which have Afrom the outset met with strong resistance from community groups,\(^8\) having been perceived during the apartheid era as being part of a Astate strategy to shift the burden of housing provision from the state to end users.\(^16\) Sites and Services have been Aassociated with attempts to remove squatter settlements and to control where and how people, especially black people, live....Furthermore many communities have argued that the provision of a serviced site is not a sufficient level of housing provision.\(^8\) This view is echoed by Vax Mayekiso in his statement that Apeople are demanding houses, and they won't accept anything less than four rooms. The Verwoerd regime gave black people 51/9s (four-roomed houses) in the 1950s, and the ANC opposed this. Now we find ourselves offering far less.\(^18\) (my italics).

Ironically the state provision of subsidised rental housing, and exclusion of black communities from the housing market prior to the mass sale of rental housing during the 1980s, may have contributed to a form of dependency on the state which has been termed A‘the culture of entitlement.\(^19\) This was arguably a contributory factor to the ten year boycott of rent and services in the townships which intensified after the election of the new government.\(^20\) Rent and services payment boycotts, once aimed at specific dissatisfactions, have A‘taken on a life of their own, giving way to a situation in which people felt encouraged not to pay for housing and services. The response of many sectors was in turn to boycott those most in need of housing assistance.\(^21\)

Since winning the elections, and starting the implementation of the RDP, the government has attempted to temper expectations Aby fiscal and practical realism, if this is not to become a major constraint to housing development,\(^9\) but adds, significantly, that A‘while the nation=s expectations may be deemed in certain quarters to be high, they are also eminently reasonable. The manner in which such expectations are to be achieved becomes the critical policy question.\(^22\)

However the means towards reconciling these expectations with available resources is not articulated in current housing policy. In a recent policy paper, the World Bank warns that developing-country governments seeking to meet urban housing needs cannot command the resources necessary to A‘provide decent housing for everyone\(^2\) by proclaiming housing to be A‘a welfare good or a basic human need.\(^23\) Harber sees A‘the greatest danger as being that of A‘a passive audience....lining up for handouts\(^24\) - a view echoed in the RDP White Paper: A‘Government cannot operate the RDP on the basis of >handouts< - there are not sufficient resources and such a process would effectively disempower the people it has been designed to help.\(^25\)

The availability of sustainable resources is vital to the current policy approach of subsidising the poor in their quest for shelter. The current debate involves optimal use of subsidies so as to provide not only access to serviced land, but also an acceptable top structure. If substantial subsidies are to be applied in providing houses or delivering a set of services at a particular level, government must feel confident that these subsidies can be maintained over time. If not, housing policy must be designed to reduce the subsidy requirement.\(^26\) The current housing director-general has said that the government will not increase
subsidies, and that the only way government can meet the needs of low-income earners is to encourage self-help schemes and innovation.²⁷

With the implementation of the government’s capital subsidy scheme (GSS) from the beginning of June 1995, certain variations in the form of individual consolidation or top-up subsidies²⁸ have been proposed towards making the current subsidy rules more flexible. These refer to separating serviced site costs from the subsidised top structure, so that the entire subsidy amount could be advocated to the purchase of a house²⁹ or used towards building a structure of around 42 square metres.³⁰

The cost of the serviced site would then be funded by a loan at market-related rates extended by a local authority over a twenty year period to those who can prove they have the ability to pay.³¹ This approach is advocated as a means to solving an embarrassing political problem; namely the contradiction between central government incremental housing policy proposals, and a policy of supplying fully serviced, completed houses as insisted on by some provincial housing ministers.³²

At the launch of the GSS, Nkondo said that those with lower incomes would be able to do the same as the higher income groups: A...go out, find a house or a plot and a builder, apply for a subsidy and rapidly be on the way to a home.³³ However, the proposed changes to government subsidy approaches in an attempt to target the poorest communities, will arguably not benefit these intended beneficiaries. Should they even qualify for the lowest income subsidy amount of R15000 (approximately US$4130) per month or less,³⁴ it would be most unlikely that they would meet the relatively stringent requirements for an additional housing loan.

The mortgage indemnity scheme (MIS) was launched simultaneously with the GSS with the aim of granting mortgage loans for the first time to those households earning less than R3500 (approximately US$960) per month.³⁵ A recent report indicates that banks are reviewing their lending criteria in respect of low-income households, and at a time when average lending rates are about 17%, have increased interest rates to as much as 22.5% in the lowest market segment.³⁶ Ironically Slovo had described the agreement signed with the banks at the Botshabelo Housing Summit as a good agreement made better by the reporting mechanisms built into it, and crowned by its spirit - which entails an implicit commitment to help the working poor, and to increase year by year the additional resources to be made available by the banks to people with housing subsidies.³⁷ (my italics).

As with the previous IDT capital subsidy scheme, the GSS is channelled through developers and is not directly accessible to the beneficiaries.³⁸ They thus have no control over the manner in which their subsidy amount is allocated and, as serviced site costs tend to gobble up most of the subsidy,³⁹ it may be even further reduced in the event of poor site conditions. A developer recently complained that the biggest problem...is to make people understand that though they may be entitled to a R15000 (approximately US$4130) subsidy, serviced site costs could take as much as R8000 (approximately US$2200), leaving them with only R7000 (approximately US$1925) at the end of the day.³⁰

The result is that developers are competing with one another in using the subsidy residuals towards maximising house sizes, but have yet to achieve the 40 square metre area threshold.³⁰ Consequently no houses have been approved or built in the Free State for those with household incomes of R15000 (approximately US$415) per month or less.³¹ The danger remains that the pressures to deliver the 300 000 housing units committed for each year over the five-year period of the RDP programme,³² will encourage the subversion of any agreed minimum construction and services standards, simply in order to achieve larger houses. Alternatively the imposition of too many restrictions may also seriously jeopardise the intended rate of delivery.

A recent report reveals that by the end of February 1995 only some 900 houses had been built, although there was an shortage of subsidy applications and almost 200 000 had been approved.³³ Several reasons are advanced for the poor rate of delivery, including the enormity of the task, the along lead times necessary to get projects off the ground, the mandatory use of local labour,³⁴ and the absence of local government infrastructure.³⁵

Prior to the introduction of a housing policy, various organisations and political groupings close to the ANC had argued that housing provision per se was less important than a settlement policy which was directed at providing people with access to urban resources, and thus very closely tied to overall urban development policy.³⁶ The emphasis in such an approach falls on structures for ensuring that poor people have access to well-located land within the cities, have good transportation linking them to work and other opportunities and ensuring that housing policy is part of an integrated overall development strategy.³⁷ Such a position advocated encouraging and facilitating initiatives at local community levels towards securing their own housing.

An alternative position was that the creation of a housing-specific policy should not preclude its
integration into broader development strategy, but cautioned against taking too comprehensive an approach as this would condemn housing policy to a morass of complexity that will mitigate against the formulation of any housing programme. Smit maintains that such an implicit supply orientation is often at the centre of housing policy and its implementation; and its proponents would argue that future growth projections measured in terms of backlogs are such that supply must receive emphasis. As a result, community development through participation would be regarded as a spin-off which should be taken advantage of provided that this does not unduly delay supply.

This argument is supported by Robinson et al. in their assessment of the IDT capital subsidy scheme (CSS). They note that the CSS was a multi-faceted approach that included hitherto unusual elements, such as community participation and labour-based construction, but fell short of treating housing as an integrated process (my italics). As a result the initiative tended to be product-driven, with other aspects being encouraged wherever possible, but not to an extent that would seriously jeopardise the rapid delivery of the serviced site product. Robinson et al. recommend that future schemes would do well to adopt a more fully integrated approach.

Although enablement strategies towards housing delivery have been promoted in specific housing initiatives, such as the CSS, and emerged in subsequent policy proposals, most notably in Slovo=s 1994 Housing White Paper, current approaches to housing delivery increasingly appear to be veering towards a supply dominated mode of production, without a clear overall strategy. This has given rise to the warning that, if the housing players do not steel themselves and forge ahead with Mr. Slovo=s vision, they will watch their delicate plans unravel in the face of uncertainty.

What is arguably even more disturbing, is the evident and growing move away from the incremental approach advocated by Slovo as an ongoing process of housing consolidation more closely attuned to the shelter needs of the poor, levels of affordability, and compatibility with community based initiatives within the constraints of a limited resource base. This will be to the detriment of building local capacities towards achieving a sustainable future delivery process, and will ultimately deprive the poor of opportunities to house themselves.

The concept of housing as a process and not an end product is paramount....there is simply not enough money to deliver an estimated 330 000 houses needed every year for ten years....Upgrading, supported self-help, incremental growth, and other delivery systems....will come to the fore.

NOTES
7.0 CONCLUSION: TOWARDS A SUSTAINABLE HOUSING PROCESS

In economic development theories housing is viewed as a consumption good by some, whilst others argue that it is an investment good due to its high capital cost relative to its contribution to GDP. An alternative view is that an improvement in the state of human well-being should be the raison d'etre of any form of development, and that measures of economic well-being do not necessarily reflect this. Economic development is measured in terms of aggregate indicators such as the GNP, which regards market transactions as positive, irrespective of whether they have productive or unproductive implications. Max-Neef argues that development indicators should be capable of distinguishing between positive and negative factors in a people-centred process of development which ensures the conservation of natural resources. The concept of a development is increasingly coming to be regarded as a measure of improvement in the state of the human condition, as is evident in the 1975 UN Coyococ Declaration:

"Our first concern is to redefine the whole purpose of development. This should not be to develop things, but to develop man. Human beings have basic needs: food, shelter, clothing, health and education. Any process of growth that does not lead to their fulfilment or, even worse, disrupts them is a travesty of the idea of development." 

Although economic considerations should not be the only measure of the value of housing in development, it is arguably self-evident that facilitating access to housing on a sustainable basis would contribute to social stability and well-being, as well as to economic growth. Housing development would have an indirectly positive impact on the economy through stimulating demand, such as for building materials, construction-related services, and consumer goods in general, which in turn
investing in housing development should thus be regarded as essential to providing a framework for social and economic development in a qualitative approach towards overall economic growth. This view is reflected in the observation by former World Bank president, Robert McNamara:

A...the Bank's experience clearly demonstrates...that investment in the absolute poor's human development is not merely more equitable social policy, but very sound economics as well.

According to Turner, the normal order of the housing development process, in its simplest form, consists of the authorisation of the land to be used, the allocation or self-selection of land to be used, and the carrying out of improvements, inclusive of infrastructure, building, and landscaping. He argues that this normal order has been distorted in recent times by speculative developers and public housing agencies who carry out the improvements before the individual users are known, A....with consequent economic and social losses to the city and nation, though not necessarily to the developers themselves.

The ongoing deregulation of the urban land market in South Africa has in fact encouraged speculation in land previously reserved for black settlement, which has exacerbated the tendency towards low-density land use, thus further excluding the poor from access to well-located land, as previously discussed in section 4.1. Low-density land use seems to be unavoidable if the free market in land and housing is allowed to have unregulated control over the way land is used. Wolfson argues that Amore regulated rather than deregulated residential land structure is required to counter the material constraints that privatised land delivery imposes on people=s access to land.

In market economies the speculative commodification of land is inherently incompatible with its need-based use value. Sarin argues that if both the rich and the poor obtained as much land as required for their own use, there would be no land problem for the poor. Doebele also notes that land, particularly urban land, is uniquely public, in that its value is created to a large extent by the social phenomenon of urbanisation.

The issue is that every citizen should have an inalienable right to secure tenure to land in a location enabling him access to income and employment.

The provision of land to manage the urbanisation process is, however, regarded as one of the greatest development challenges faced by South Africa. Urban land policies thus lie at the heart of any future housing strategies; and state intervention in land markets is vital to securing access by the urban poor to affordable, well-located land.

Most urban areas in developing countries have sufficient unused or under-utilized land sites within their built-up areas to accommodate low-income housing. South African cities are no exception, being characterised by low-density urban sprawl, fragmentation and the apartheid legacy of fractured and duplicated land usage. Policies should be directed towards locating and releasing suitable land, particularly by means of strategic interventions that will promote the compaction and densification of urban settlement patterns. Various innovative strategies towards securing land for the urban poor have been developed and implemented with some success in developing countries, particularly in Asia.

Land banking has proved to be successful in Thailand, and has been advocated by the UF on the basis that the identification of land ahead of need is the most important variable in limiting the rising price of undeveloped land and the scope for speculation in land. A land sharing option would be tenable in South African cities, where comparatively large underdeveloped sites lend themselves to subdivision and mixed uses, and thus increased densities. This approach could also provide realistic alternatives for private sector participation towards reducing or even eliminating external housing subsidies.

As with land sharing, land pooling would contribute to urban densification. Although more complex to implement than the foregoing two approaches, land pooling arguably has the greatest potential for predetermining and securing relatively large areas of land in suitable locations. It is also suited to situations where private rights to land and registration systems are well established, as in South Africa, and may be the least controversial option, as the state would be enabled to share in the wealth producing aspects of urbanisation, whilst the rights to private ownership of property would not be denied. Land pooling strategies have been proposed in the development of the Greater Cato Manor area near Durban, and are considered as crucial to achieving holistic development.

Wolfson proposes an approach for South African cities which includes elements of land pooling, banking and sharing. Suitably located land would be identified by the state in a process of official mapping, prior to the implementation of a land pooling scheme. The land thus acquired would then be banked, but with the long-term objective of securing optimum locations...
for low-income housing as opposed to the investment potential of the land. Some of the land gained through pooling and banking could also be subdivided for mixed-use development, and sold or leased to commerce or industry as a means to cross-subsidising community housing developments in a land share approach. With this dual-sector structure, land could be removed from the speculative market and managed as a public resource by Community Land Trusts (CLTs). Access to urban land by the poor must be accompanied by a basic, easily understood undertaking that tenures will be secure, as insecurity of tenure is recognised as being one of the salient features and causes of the housing crisis in South Africa. Simpler tenure arrangements, such as occupancy licences to structures, can provide ample opportunity to improve registration of more specific rights in future years. De Looz suggests that land registration procedures could also be simplified by only including real rights in title deeds, and removing all other fringe conditions. The 1991 White Paper on Land Reform proposed a more uniform system and upgrading of inferior titles to full ownership status, as well as providing for communal occupation and registration.

The form of tenure should however be appropriate to each situation, and informed by the needs and cultures of the communities involved. One of the most significant short-term interventions by government would be to provide the widest possible range of options for the rapid attainment of security of tenure. Sachs argues that rigid categories of absolute ownership should be loosened up to permit appropriate forms of shared interest in the same land:

If concepts of time-sharing and sectional title, overturning centuries of tight property concepts, could be introduced at the behest of developers eager to make urban land more profitable, it should not be beyond the wit of a new non-racial Parliament to adopt legislation providing for more equitable and flexible access to land.

In countries where much of the land is under public ownership, such as in Zambia, Tanzania and Sudan, governments were among the first to accept the right of the urban poor to residential land. Hardoy and Satterthwaite comment that this approach may have been influenced by traditional attitudes to land, which are more attuned to community needs than individual rights.

So too in South Africa traditional attitudes have brought about more equitable forms of informal tenure. In the Durban region, for example, it has been found that most inhabitants of informal settlements are tenants who abide by an unwritten form of tenure known as tenancy-at-will. The tenants are considered to be the owners of any improvements on the land, but not of the land itself. Although such a system is open to abuse, particularly by unscrupulous shacklords practising shack farming, the basis for the development of an equitable short-term form of tenure arrangement arguably does exist.

Turnbull also proposes a duplex tenure system for a community, whereby the ownership of any structures and improvements on the land are separated from the ownership of the land itself. The land would be collectively owned by a community as a whole by proportional shareholding in a co-operative land bank. Householders would be free to sell their houses on the open market, but would first be obliged to sell their shareholding to the bank, which would then sell it on to the new householder at an agreed higher price. Thus the householder would benefit from increasing house prices, and the community would benefit from increasing land values. Financial gains could be utilised towards infrastructural development and other improvements. Additional revenues could also be generated by leasing some of the land to commercial undertakings on the basis of a temporary land share arrangement.

As mentioned in section 1.0, obtaining security of tenure inevitably leads to increased land values, with a concomitant risk that the poor, particularly tenants, may be displaced by higher income groups. Some countries have introduced measures to prevent this from happening. In Botswana, for example, a certificate of ownership (COR) is granted to occupants immediately following the upgrading of informal settlements. The COR can be converted into full title rights once a series of development conditions have been satisfied.

A specific concern is the neglect by government of forms of tenure that would be appropriate to the large low-income rental sector. Many migrants in particular only require temporary accommodation, as they periodically return to their rural bases, or (as has been established), move between urban centres in search of employment opportunities. The UF has proposed that the development of a short-term rental market should be encouraged in tandem with other forms of tenure. Informal tenancy arrangements do exist that could form the basis for the development of secure short-term forms of tenure.

The question of access to land and security of tenure considered in section 4.0, is not one of absolute shortages, but essentially one of political control. Doebele points out furthermore that land availability is controlled through operational policies, structures, and organisations which are expressions of the political
power of the dominant groups in society.\textsuperscript{56}

The actual implementation of any changes to existing forms of tenure will no doubt be complex, and would require changes in entrenched attitudes, methods and institutions. Progressive structures and institutions are indispensable to the implementation of progressive strategies. Before establishing new institutions, however, governments should be convinced that there is a clear need that cannot be met by adapting or extending existing capacities, so as to avoid duplication and confusion. To be effective, new institutions require a clear mandate, access to adequate funding, and must be invested with adequate authority which is respected by other institutions....\textsuperscript{57}

In South Africa there is currently a plethora of institutions and structures, including many that are a legacy of the apartheid obsession with controls, and interim structures that have fulfilled a perceived need in lieu of ongoing rationalisation under the new government. The 1994 Housing White Paper affirms that effective interventions in the housing sector should be performed by institutions structured, funded and targeted through unambiguous mandates to fulfill facilitative functions\textsuperscript{2}, thereby enhancing overall cost effectiveness, efficiency and sustained delivery in the sector.\textsuperscript{58}

A primary concern is the lack of local level structures, particularly those relating to local authority functions and the financing of low-income housing. During the apartheid era, public sector functions were increasingly centralised in the interests of greater control. The ongoing reform of national structures towards increasing regional decentralisation has yet to impact at local levels. Local authorities are thus in a transitional phase amidst confusion and lack of clarity about responsibilities for different functions by central and local government structures. There is still no direct accountability between many existing local authorities and their constituent communities.\textsuperscript{39}

The development of new local government structures with strong community support is recognised as fundamental to facilitating a sustainable housing process.\textsuperscript{40} The government is hoping to start remedying this problem with the first open local government elections proposed for November 1995. The opportunity would thus present itself for the development of local authority structures that are community-driven in their responsiveness to local needs. These structures are crucial to the creation of an enabling framework that would facilitate the functioning of social compacts\textsuperscript{41} in which the restructured local authorities would need to play a vital part.

Internationally there is an unmistakeable shift towards negotiating institutional arrangements at local levels\textsuperscript{42} and World Bank funding is increasingly being targeted directly at community initiatives through appropriate\textsuperscript{2} locally developed institutional structures.\textsuperscript{43} De Loo\textsuperscript{r} also recommends that government institutions should be as close as possible to the communities they are to serve, if the principle of community participation\textsuperscript{2} is to be facilitated through a decentralised institutional system.\textsuperscript{44}

To this end a new institutional framework was proposed with a single national housing ministry and financing corporation at its core. (Refer to Appendix B). Its primary functions would include the drafting of enabling legislation and a regulatory framework to ensure an efficient utilisation of all available resources.\textsuperscript{45} Despite criticism of many of the recommendations in the De Loo\textsuperscript{r} Report, these institutional proposals have largely been adopted in the 1994 Housing White Paper.

With poor populations, and no industrial or commercial infrastructure, black local authorities have always lacked an adequate tax base.\textsuperscript{46} The reluctance of wealthy white local authorities to cross-subsidise neighbouring black townships and settlements, was partially addressed in 1991 by a new act \textsuperscript{37} which encouraged the formation of new forms of urban local government within the framework of a unified metropolitan structure. As a result De Loo\textsuperscript{r} also recommended the establishment of metropolitan authorities through the amalgamation of black and white urban local authorities.

In determining the extent of the metropolitan authority boundaries, the report also advocated that the principle of a one-city-one-tax-base be generally accepted.\textsuperscript{2} The one-city-one-tax-base\textsuperscript{2} slogan is a call for uniting residential areas with the economic and fiscal base to which they contribute. The use of a metropolitan structure to facilitate a redistribution of fiscal flows to finance the growth of infrastructure in black townships and settlements, will inform local government fiscal policies and organisational structures.\textsuperscript{48}

Hardoy and Satterthwaite argue that if the rich were to be charged the full costs of all the public investments from which they benefit, the revenue base would increase enormously.\textsuperscript{49} On a recent visit to South Africa, a senior World Bank official commented that some of the considerable resources\textsuperscript{2} being spent on white residential areas could be diverted to servicing new and existing black townships.\textsuperscript{50} The integration of local authorities, bringing about a mix of income levels in contributing to a single tax base, would allow possibilities of cross-subsidisation to the benefit of the urban poor, and thus a reduction, or even elimination, of external government subsidies.\textsuperscript{51}
Subsidies are considered central to the government’s approach to the provision of housing to the poorest of the poor. The World Bank argues that subsidies are generally regressive and inequitable. They benefit the few at the expense of the many, are sometimes a heavy fiscal burden on governments, and can lead to under-investment in the housing sector as well as disruption of the housing finance system.

Although subsidy schemes may be necessary, it is important that a means be devised of establishing a realistic threshold at which subsidy support should start being withdrawn, so as to avert a growing cycle of dependency and institutionalism which would not be sustainable in the longer term.

As argued in section 5.4, a significant proportion of the poor do not qualify for any form of subsidy, or if they do, the complexities involved in applying effectively preclude many eligible applicants. The attempted introduction of mortgage financing is unlikely to meet the needs of the urban poor, or the requirements of the financial institutions. As ventured by the spokesman of an informal sector credit scheme, the reason may simply be that the housing market as defined by government is way out of reach of blacks. Just as the land market, if left to itself, does not benefit the urban poor, so arguably neither do financial institutions in the formal sector.

Mortgage financing instruments are simply inappropriate to a majority of low-income households who, with at best irregular incomes, are unable to make regular payments, and have no insurance against unemployment or health risks, even with adequate collateral. Credit and finance are available in developing countries to the relative few who have secure jobs, with reasonable and relatively secure incomes, and who want to purchase or build a house with recognisable specifications. The mortgage indemnity scheme (MIS) could come to be viewed simply as a form of future subsidy to cover these relatively higher income recipients of mortgages.

Although the World Bank also advocates mortgage type financing of low-income housing, it admits that at the lowest levels of economic development long-term loans through the formal financial system are rare, as is any form of mortgage finance.

The government also admits that the extremely low (almost insignificant) level of end user finance provision to people in the income categories below R3500 (approximately US$960) is cause for great concern.

Encouraging private investment of savings in housing is now being recognised as a way of decreasing subsidisation by the state. This is evident in the 1994 Housing White Paper, as the functions of the newly established National Housing Finance Corporation (NHFC) are to include the identification, encouragement and support of viable, people-driven, innovative approaches to the mobilisation of savings and credit.

Structures for financing low-income housing should be informed by the specific needs, cultures, and financial capacities of the urban poor. Community-based financing structures have achieved success in providing housing finance to poorer households who could not obtain formal sector financing. Various types of group credit scheme have evolved in the informal sectors of developing countries. In South Africa many low-income communities rely on an informal network of credit and lending, including a form of revolving credit association known as stokvels. Group solidarity and peer pressures in close knit communities have been shown to be an excellent alternative form of collateral as compared to conventional forms such as title to land.

A clear need exists for financial institutions to interface with these organisations, to provide loan finance to the urban poor so that they can do collectively what they cannot do individually. The Grameen Bank in Bangladesh successfully targets women as financially responsible members of
For developments to be affordable, both to the state and to the urban poor, the capacities of the poor to pay their own way must be reflected in the application of realistic standards. In the 1994 Housing White Paper these are further advocated as being flexible, according to the needs and technical abilities of different communities. The question of standards in housing is, however, complex and pervasive, affecting virtually every aspect of the process, from conceptual definitions of purpose and adequacy, to technical considerations in construction and servicing. As a result, there are invariably differences of perception and disagreements as to what criteria should constitute an acceptable minimum level of standards. One of the primary causes of delay to the RDP housing delivery programme, is attributed to the debate over minimum standards in housing construction.

The extent of the housing crisis is usually indicated by reference to an alarming and increasing housing deficit or backlog. In 1992 Kleynhans noted that estimates in south Africa ranged from 1.5 to 4 million housing units. This wide range is arguably indicative of a difference in perceptions as to what the minimum standards of a housing unit are, or indeed, what a housing unit is comprised of. Without a clear idea of these parameters, any ensuing reasoning is open to question.

The De Loor Commission maintained that if no minimum standard is set, it can be assumed that there is no backlog, and that housing demand becomes a direct derivative of the affordability profile of newly formed households. On the basis of an established minimum standard, De Loor estimated a housing backlog of at least 1.3 million housing units in 1990, which coincided exactly with the number of informal houses and shacks.

Thus no informal housing is qualified in terms of the De Loor minimum standard. According to this reasoning, De Loor advocated government intervention to bridge the perceived gap between standards which represented an affordable reality, and those which are accepted as a socio-political minimum standard, and concluded that the affordability of housing is directly related to minimum standards set by the Government of a particular country. (my italics).

This begs the question as to whether there are perceived backlogs in informal settlements, in a situation where people can define their housing needs according to choice in optimising the scarce resources available to them. It can be argued that backlogs are a function of legal and institutional constraints imposed through an explicit or implicit level of standards, which would inevitably be beyond the reach of the poor. Turner argues that:

A Housing problems stated as deficits defined by standards that the majority cannot afford, and which government cannot provide in significant quantities, is a recipe for despair.

This does not mean that standards should be abolished, but that they be approached from the informed point of view of those for whom they are intended if they are to be enforceable. If they are not, they will either be ignored, or their implementation will fail to meet the needs of any targeted low-income community. Rather than having a situation where standards are unenforceable, it would be better to have negotiated standards that provide the minimum conditions for a liveable environment. As such, standards should also be upgradeable, to be capable of re-evaluation and adjustment as the community develops and conditions improve.

As Hardoy and Satterthwaite point out, the issue is not necessarily always one of lowering standards, but of reaching consensus as to what can be achieved in a particular community according to their needs and preferences within resource constraints. In fact, technical standards may be agreed as being appropriate in a situation, for example, where a community decides that lower levels of maintenance and ongoing cost savings would be more beneficial to them over the longer term.

Consultation and participation around standards requires a deliberate attempt to build the capacity, particularly of community leaders, to evaluate technical and financial options from a more informed position. In the provision of services, for example, a benchmark level of service should be agreed with the community as a standard against which the cost effectiveness and other agreed criteria of alternative options can easily be evaluated. In this respect the World Health Organisation has developed a Minimum Evaluation Procedure (MEP) for water supply and sanitation installations which could be modified to meet the wider needs of all services provision.

There are, however, certain immutable minimum standards relating to life-threatening aspects, such as fire and disease, which should be considered, clearly
explained and rigorously implemented, so as to avoid the occurrence of settlements designated, according to Harber, as ZEBRAS (Zero Based Building Regulation Areas). The South African Bureau of Standards (SABS) strongly advocates the preservation of minimum requirements for health and safety, but is amenable to greater flexibility in other areas. Most building standards tend to be prescriptive norms informed by technical considerations developed in urban industrialised nations and, as previously argued with respect to mortgage instruments, are inappropriate to the needs and affordability constraints of the urban poor in developing countries. Standards embodied in building regulations should inform and not penalise:

A useful code must be technically feasible, economic, easily understood, responsive to the needs of the poor, compatible with traditional skills, easy to administer, enforceable and consistent with national development.  

According to Turner, the imposition of modern minimum standards on informal housing is an assault on the traditional function of housing as a source of social and economic security and mobility. He maintains that it is a fundamental error to base standards on quantitative measures instead of qualitative relationships, in that standards should be prescriptive in nature, and related to minimum performance requirements.

The concept of performance criteria in assessing the suitability of alternatives in construction and services installations is being advocated in South Africa. It is argued that such certification would provide an appropriate level of technical information and advice, and would be sufficiently flexible to enable incremental upgrading on the basis of an agreed standard of performance criteria.

This approach is also reflected in the recent release by the Department of National Housing of Guidelines for the installation of services. Prescriptive standards are avoided in acknowledgement that standards and levels of service must accord with the community’s priorities. As resources and needs vary from community to community, it is considered inappropriate to specify a standard set of norms for application in all circumstances. These Guidelines, known as the Red Book, are thus intended to provide an indication as to how the design parameters for a particular development may be derived. The parameters relate to up to five levels of service (LOS) for each type of services installation, and are summarised with cost implications in a LOS Matrix. (Refer to Appendix C).

De Loor recommends that apart from standards for sites which should comply with the levels of the LOS Matrix and the Red Book amalgamated guidelines, no formal standards should be set for informal structures to be constructed in recognised informal settlements. In view of the preceding arguments, such a recommendation would still be regarded as being too prescriptive in nature.
The homes and neighbourhoods developed by the urban poor often contain the seeds of an urban development far more appropriate to local climate, culture and resources. The 1994 Housing White Paper acknowledges that housing, particularly informal housing on sites with basic services and community facilities, forms the basis of a continuing process of rapid urbanisation. One of the greatest challenges of the decade is to employ housing strategies in the reconstruction and improvement of the economic viability of the South African city, so that it will yield the true qualities of a city, as opposed to those of townships or housing estates. A primary means would be through strategies of compaction and densification, whereby growth would be imploded within the boundaries of the existing cities, as opposed to constantly pushing the urban edge further outwards.

The housing crisis will have to be resolved within the framework of a comprehensive urbanisation strategy that is balanced in its response to urban and rural concerns and focused on the management of urban areas. It is however vital that sufficient consensus be reached regarding perceptions of standards within realistic affordability and resource constraints, so as to ensure a sustainable housing process that will meet the basic needs of the urban poor.

Housing is the yardstick against which Mandela's government will be judged to have succeeded or failed in its primary task of delivering a better life to black South Africans.

NOTES

2.  Ibid., p.50.
10. Sarin in Angel et al. (eds.) 1983, p.239.
16. Land is purchased in advance by the state, usually for low-cost housing development, so as to obtain savings (particularly in inflationary economies), and also prevent delays in implementation. (De Voi and Rodrongruang in Angel et al. (eds.) 1983, pp.24-25.)
18. Land is purchased by the state for multiple shared use. Part of the land would be sold or let for commercial use, and the revenue used to cross-subsidise or reduce the costs of low-income housing development on the remainder of the site. (Angel and Thipparat in Angel et al. (eds.) 1983, pp.25-29.)
19. Also known as land readjustment, adjoining disparate plots of land are amalgamated by the state into a single entity, which is then replanned and subdivided to improve layouts and services efficiencies to mutual advantage. The state then takes part of the land in payment (usually for low-income housing development), and returns the remainder to the original owners in the form of smaller serviced sites, in the same proportion and equivalent value as the original plots. (McAuslan 1985, pp.89-90.)
26. Ibid.
27. Housing White Paper op.cit.
28. In South Africa, a sectional title is a form of shared freehold tenure incorporating elements of private and shared ownership rights.
33. NPA 1992, p.52.
34. These migration patterns have been identified in research by Cross et al. as oscillatory migration, in terms of which rural to urban migrants are unable to acquire security of tenure in urban areas, and so oscillate between an urban and rural base; and a circulatory migration, in terms of which migrants continue to be based in an urban area, but constantly migrate between urban centres. (Cross et al. in Hindson and McCarthy (eds.) 1994, pp.84-85.)
41. A social compact is an agreement amongst a number of parties over commitments to undertake development in accordance with an agreed development vision, starting with a specific project(s). The social compact includes the institutional mechanisms whereby the stakeholders involved in the compact negotiate, resolve conflict and reach binding agreements. (Appleton, Hindson and Swilling, A Social compacts and the project cycle: A proposed approach for the NHF.)
42. UF Research, no.2, March 1993, p.2.
45. Ibid., pp.335-336.
46. Robinson op.cit., p.137.
49. Hardoy and Satterthwaite 1989, p.293.
56. McAuslan 1985, p.43.
58. McAuslan op.cit.
63. Hardoy op.cit., p.123.
64. A stokvel is an informal community based financing structure, popular amongst lower-income black communities, used for generating small loans, usually for the payment of deposits on the piecemeal procurement of materials for building a house in stages. (De Loor 1992, p.188.)
74. The minimum standard advocated by the De Loor commission in the quantification of backlogs is given, inter alia, as a formal house providing separate living quarters for parents and children and separate living quarters for children of the different sexes once this becomes necessary. Furthermore it must provide private ablution facilities and facilities for the preparation of food, and the household must have access to potable water, sanitary facilities, energy and refuse disposal. The structure must provide adequate protection against the elements, protect the privacy of the inhabitants, provide for security of tenure and allow for integration into a system of housing which in fact relates to the evolution and development of viable communities (De Loor 1992, p.80.)

84. In this context evaluation is defined as a systematic way of learning from experience and using the lessons learned both to improve the planning of future projects and also to take corrective action to improve the functioning, utilisation and impact of existing projects (WHO 1983, cited in Cotton and Franceys 1991, p.134.)

86. Harber 1995, p.46.
87. Financial Mail op.cit., p.75.
88. Saad Yahya, erstwhile Dean of Architecture at the University of Nairobi, cited in McAuslan 1985, p.85.
93. Ibid.
Appendix A: Summary of Ministry of Housing Programme to Advance the RDP.
(Source: The RDP White Paper, November 1994, p.67.)
Appendix B: Schematic Representation of the Institutional Framework and Flow of Funds proposed by the De Loor Commission.

Appendix C: The Levels of Service (LOS) Matrix.

(Source: Department of National Housing, *Guidelines for the Provision of Engineering Services and Amenities in Township Development*, Revised March 1994, Chapter 1, pp.4-6.)
Appendix C /continued.
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Poor quality, overcrowded housing. Risk of forceful eviction. Lack of safe, readily available, water supplies. Poor provision for sanitation, drainage and solid waste collection. Lack of access to healthcare, emergency services and policing. Difficulty accessing government schools, and. Locations at high risk of disasters and with risk levels increasing because of climate change. Recognise the central role of local governments and representative organisations and federations of the urban poor in reducing urban poverty. We will encourage and support the right of such groups to be engaged in setting and monitoring goals and targets, and in co-producing basic services. Successful examples will encourage other local governments to change their approaches. Urban-Think Tank has completed the next phase of its Empower Shack project, bringing safe low-cost housing to residents of South Africa’s informal settlements. The design strategy collective first started studying Khayelitsha, Cape Town’s second largest township, in 2012 and designed and built the first four prototypes alternative slum housing two years later. Poor services and facilities mean the areas become poverty traps that are difficult to escape. Current government schemes have been inadequate, with not enough homes being built and those that are not flexible enough to accommodate different families needs. Urban areas were distinctive in that the poor (African) population came to be located, with few exceptions, furthest from city centres in state planned “townships” and in unregulated and under-serviced settlements on “homeland” borders closest to the main urban areas. The viability of urban apartheid (for Whites) was secured in the short term by the exclusion of Africans and Asians from the centres of economic power; the minimisation of social and infrastructural expenditure for Africans and Asians; low wages and the creation of. There were 40.58 million people in South Africa at the time of the last census in 19961 (RSA 2000, 3) and the national population growth rate is estimated at 1.9% (ibid). The 1996 Census indicates that 53.7 per cent of the population is urbanised (ibid).