



Local government, poverty reduction and inequality in Johannesburg

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SUMMARY: *This paper discusses the difficulties facing the post-apartheid metropolitan government of Johannesburg as it reforms itself, seeking to better respond to the needs of all its citizens, while also attracting new investment. These difficulties include high levels of poverty, unemployment and inequality as well as the apartheid legacy of "separate development" with its large backlog of poor quality housing and inadequate basic services, much of it concentrated in former "black townships" and peripheral informal settlements. Limited budgets and overloaded bureaucracy have limited the scale, quality and speed of delivery. Meanwhile, the need for organizational change and for good fiscal performance compete for attention and resources with poverty reduction and with the need for a more integrated, cross-sectoral poverty reduction policy. The paper ends with a discussion of how the principal challenges facing Johannesburg are also challenges for contemporary urban governance in many other cities.*

I. INTRODUCTION⁽¹⁾

IN THE LIGHT of the city's apartheid history, the new Greater Johannesburg Metropolitan Council has faced calls for the radical redistribution of resources in favour of Johannesburg's poorest citizens. The new South African Constitution also envisages a strong and developmental local government. However, the ideals of local level redistribution in a city exhibiting poverty and social exclusion alongside extreme inequality have to be reconciled with investment in economic growth, resource constraints and the political clout of powerful vested interests at local, national and international levels. Although these dilemmas are those of a transitional urban political economy, they nonetheless reflect emerging trends in urban governance all over the world. This makes Johannesburg something of a mirror of our broader urban future.

Greater Johannesburg is a city of about 3 million people but is part of a conurbation comprising a population of something closer to 8 million which includes, for example, Pretoria and Vereeniging. Johannesburg recently has emerged from an apartheid past where wealth, which was largely in the hands of white South Africans, was highly visible. Poverty, which was mainly the fate of black⁽²⁾ South Africans, was, by contrast, discreetly hidden from view. Most post-apartheid studies suggest that poverty remains a predominantly rural issue.⁽³⁾ This derives from apartheid policies associated with the migrant labour system and the

practice of abandoning the poor at the end of their working lives to rural reserves or *bantustans*, many of which were not even included in official definitions of what constituted the Republic of South Africa.

The unwillingness of officials and activists to acknowledge the scale of urban poverty is understandable in the immediate wake of the post-apartheid transition and given the obvious plight of those in the countryside, including the unemployed and unproductive family members of ex-farm and other contract workers. However, this obscures the fact that urban poverty has been increasing steadily since the late 1970s.⁽⁴⁾ In the case of Johannesburg, this bias is compounded because the city and its environs constitute the industrial and commercial heartland of South Africa. It is home to the majority of the country's rich and well-educated population and, as a result, *average* urban wages and overall levels of urban infrastructure do not reflect the extent of intra-urban patterns of inequality. Thus, through the use of statistical averages, a misleading impression of widespread and uniform urban affluence is created and the plight of the urban poor is underestimated.

A focus on issues of poverty in any context, urban or rural, is a recent phenomenon in South Africa. In the past, there was not even a language of poverty in use. The apartheid government couched their policies and interventions in terms of "separate development" and opposition ranks were chiefly concerned with racial oppression. What the poverty lens offers is a new perspective on problems that have tended to be seen in South Africa as the unique consequences of apartheid policies. Today, however, strategies born of contemporary international development discourses are becoming pre-eminent in the actions of both government and NGOs.

In this article, we look at poverty in Johannesburg, highlighting in particular three dimensions of poverty, namely, income and employment, infrastructure and housing, and the role of local government in poverty reduction.⁽⁵⁾ We conclude that the benefits of such an analysis should not obscure persistent and new forms of inequality in the city. We go further, to suggest that those managing the problems being experienced in present-day Johannesburg face problems that are familiar to their counterparts in other regions, and that the successes and failures of urban government in this city will generate lessons for other highly unequal urban centres elsewhere.

II. ECONOMIC GROWTH AND EMPLOYMENT

LOOKING AT HOW the economy of Greater Johannesburg has fared since 1980, it has broadly mirrored the relatively poor performance of the South African economy over the last 20 years and has not reached its potential economic growth. Nationally, the growth of GDP has been relatively low, averaging only 1.6 per cent per annum between 1980 and 1995.⁽⁶⁾ Correspondingly, between 1970 and 1980, the average annual percentage growth in per capita GDP was 0.4 per cent. Since 1984, by contrast, it was only 0.8 per cent. Although there are no definitive explanations for the poor performance of South Africa's economy, existing interpretations fall into two categories. The first tends to blame poor macro-economic management whereas the second blames inappropriate domestic economic policies (specifically industrial decentralization and the lack of investment in education and training).⁽⁷⁾ The two are not unrelated.

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1. This is a summary of one of nine city case studies prepared as part of a research programme on *Urban Governance, Partnerships and Poverty* funded by the UK Department for International Development's ESCOR programme. This involved research teams in each of the cities and a coalition of UK-based research groups from the University of Birmingham, the International Institute for Environment and Development (IIED), the University of Wales, Cardiff, and the London School of Economics. Summaries of other city case studies also feature in this edition of *Environment and Urbanization*. The full version of this study and other city case studies, and also of theme papers, may be obtained from the Publications Office, School of Public Policy, University of Birmingham, Birmingham B15 2TT, UK; tel: (44) 121 414 5020; fax: (44) 121 414 4969; e-mail: u.grant@bham.ac.uk. City case studies cost UK£10 each (including postage) but are free to NGOs and teaching institutions in non-OECD countries.

2. The terms "African" and "black" are used here synonymously and do not include the so-called "coloured" or mixed race population, or South Africans of Indian origin.

3. May, J (1998), *Poverty and Inequality Report*, Praxis, Durban.

4. SANGOCO (1998), "Confronting the segregation and apartheid legacies of urban poverty and inequality", background paper on housing and urban development, *South African NGO Coalition Poverty Hearings*, Johannesburg.

5. There are obvious omissions in a short article such as this, most notably a broader consideration of urban governance and the role of NGOs and civil society organizations. The urban environment also receives scant treatment, including the psycho-social environment which is of deep importance in a city wracked by problems of crime and violence. These are covered more fully in the longer report (see reference 1).

6. Standing, G, J Sender and J Weeks (1996), *Restructuring the Labour Market: The South African Challenge*, International Labour Office, Geneva.

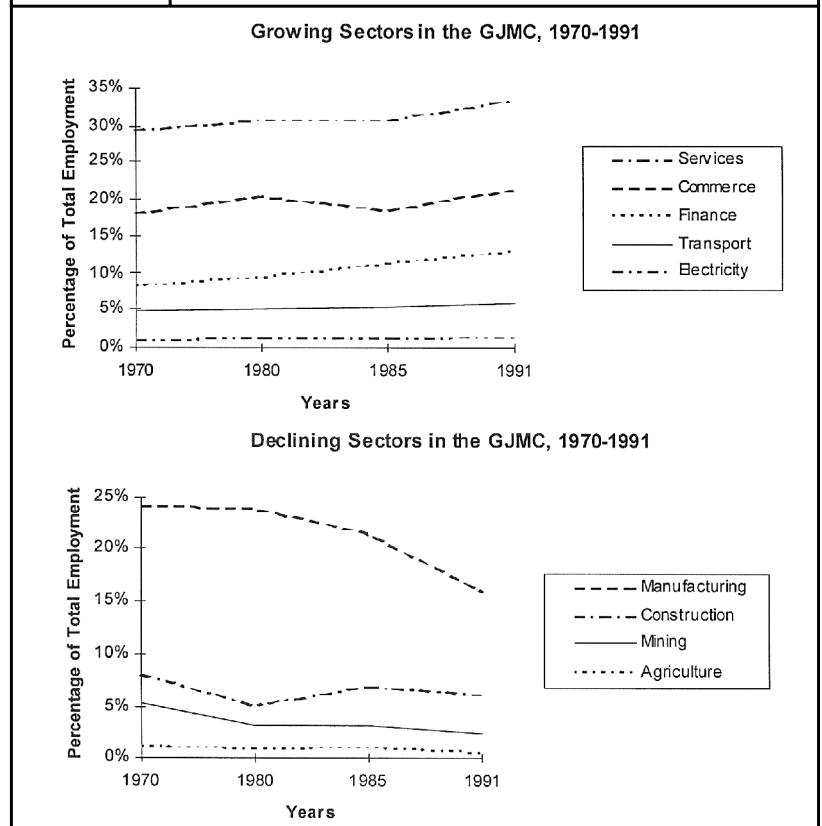
7. See, for example, Crankshaw, O (1997), *Race, Class and the Changing Division of Labour Under Apartheid*, Routledge, London; also Gelb, S (editor), *South Africa's Economic Crisis*, David Philip, Cape Town; Moll, T (1991), "Did the apartheid economy fail?", *Journal of Southern African Studies* 17, pages 271-291; and Posel, D (1991), *The Making of Apartheid: Conflict and Compromise, 1948-1961*, Clarendon, Oxford.

8. Crankshaw, O (1997), "Shifting sands: labour market trends and union organization", *South African Labour Bulletin* 21, pages 28-35.

The shift towards the end of the 1970s, from industrialization based on import-substitution to export-led growth, did little to reverse South Africa's poor economic performance and halt the decline of the manufacturing sector. There has been both an absolute and relative decline in employment in the major primary and secondary sectors of agriculture, manufacturing and mining. In contrast, the tertiary sectors of government and non-government services and finance have increased. In effect, South Africa is exhibiting the same de-industrialization pattern of more advanced industrialized countries but with a growing unemployment level of about 30 per cent.⁽⁸⁾

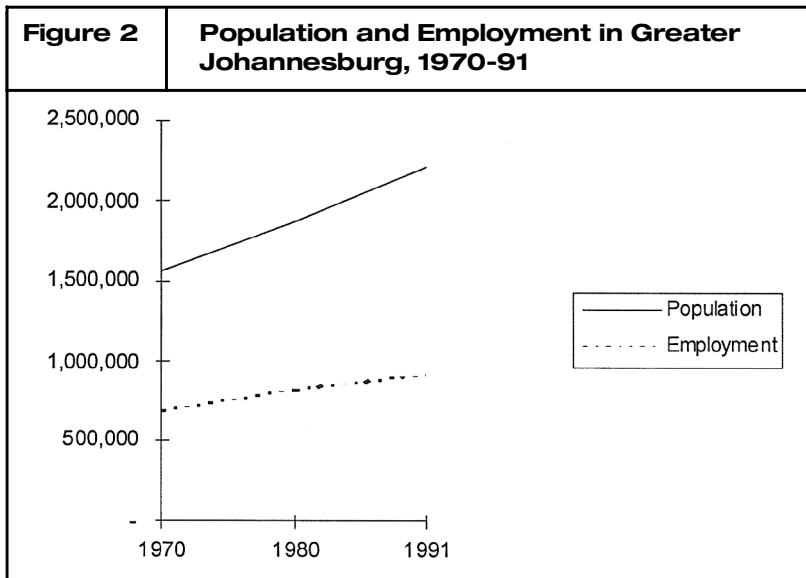
These national patterns are reflected in employment trends within Greater Johannesburg, the area that falls under the jurisdiction of the Greater Johannesburg Metropolitan Council (GJMC). Since 1980, employment in the manufacturing sector has fallen from 24 to 16 per cent of all employment. Employment in the mining sector is a low 5 per cent and declining, as gold production is now mainly to be found elsewhere in Gauteng province, namely the West Rand, and in Free State province. Employment in services (including government services) is a relatively high 33 per cent and has increased steadily over the last two decades. Other tertiary sub-sectors are also growing in absolute and relative terms, namely, the commercial, financial and transport sectors, which employ 21, 13 and 6 per cent of the GJMC's workforce, respectively (see Figure 1).

Figure 1 Growing and Declining Sectors in Greater Johannesburg, 1970-1991



The slow economic growth rate in Greater Johannesburg since 1980 has been accompanied by a fast rate of population growth. Between 1970 and 1991, the annual population growth rate was 1.7 per cent whereas the employment growth rate lagged behind at only 1.3 per cent (see Figure 2). This means that much of the character of unemployment can be understood from a demographic perspective;⁹ because employment growth is lagging behind population growth, it is largely new entrants to the labour market who are unable to find work. These new entrants are almost always young people and most are also African.

The fact that most young people in South Africa are African is largely due to the smaller proportion of coloureds, Indians and whites in the population (9.3 and 11 per cent, respectively) and to their relatively low fertility rates (1.9, 2.9 and 2.5 respectively). Africans, by contrast, comprise 77 per cent of the population and have a fertility rate of 4.6.¹⁰ Most other major features of unemployment follow on from these demographic characteristics – the unemployed are more likely to be poorly educated, unskilled and female.¹¹ High unemployment and a declining manufacturing sector in Johannesburg have reduced the demand for unskilled and, to some extent, semi-skilled, labour, resulting in lower wages for those in unskilled work and 29 per cent unemployment in Gauteng province as a whole. Africans are the worst affected.¹²



The diverse responses of the GJMC to the prospect of rising unemployment and declining real wages among its citizens reflect the contradictory demands that the city is attempting to contain. The local authority has embraced the imperative of promoting economic growth through partnership and privatization of bulk service delivery, and support to small and medium enterprises. Simultaneously, the municipality, along with the province, is actively courting big business, both nationally and internationally, in its attempt to hold investment grade financial ratings and establish Johannesburg's place as the economic hub of southern Africa. Although the GJMC endorses the operation of safety nets and targeting mechanisms, as well as infrastructure and tariff subsidies, for the poorest of the poor, there is as yet no coherent poverty reduction strat-

9. It is generally accepted that unemployment in South Africa is primarily a result of the low rate of employment growth rather than the relative costs of capital and labour. See Bell, T and V Padayachee (1984), "Unemployment in South Africa: trends, causes and cures", *Development Southern Africa* 3 and 4, pages 426-438.

10. Statistics South Africa (1998), *The People of South Africa: Population Census, 1996, Census in Brief, Report No 03-01-11*, Pretoria.

11. Bhorat, H and M Leibbrandt (1996), "Understanding unemployment: the relationship between the employed and the jobless" in Baskin, J (editor), *Against the Current: Labour and Economic Policy in South Africa*, Ravan Press, Johannesburg, pages 147-150. There are no studies which provide insights into the relatively high unemployment rate for African women although they are undoubtedly over-represented as workers in the informal economy.

12. See reference 7, Crankshaw (1997).

13. GJMC (1999), *iGoli 2002*, Greater Johannesburg Metropolitan Council, Johannesburg.

14. Lupton, M (1993), "Collective consumption and urban segregation in South Africa: the case of two coloured suburbs in the Johannesburg region", *Antipode* 35, pages 32-50.

15. Morris, A (editor), B Bozzoli, J Cock, O Crankshaw, L Gilbert, L Lehutso-Phooko, D Posel, Z Tshandu and E van Huysteen (1999), *Change and Continuity: A Survey of Soweto in the Late 1990s* Department of Sociology, University of the Witwatersrand.

16. Soweto in Transition Project (1997), *Second Preliminary Report*, Department of Sociology, University of the Witwatersrand, Johannesburg.

egy for the city. City priorities are set out in the iGoli 2002 policy, an ambitious framework of institutional and fiscal transformation that will radically reduce the direct role of the GJMC in service delivery and which aims to establish a more secure fiscal platform for the city.⁽¹³⁾ Critics and supporters are divided over the extent to which the iGoli 2002 vision will reduce the developmental powers of the municipality and over the impact of the programmes on the quality of service delivery. As the unequal standard of the living environment lies at the heart of the reconstruction debate in Johannesburg, it is to this issue that we now turn.

III. HOUSING, INFRASTRUCTURE AND SERVICES

THE VAST DISPARITIES in the built environment of Johannesburg are legendary. Housing is a more visible and therefore more powerful symbol of the city's inequality than services. Nevertheless, there is a tendency to talk about housing, infrastructure and services as a single issue in South Africa. This spills over into a number of policy initiatives and funding mechanisms and blurs the distinction between housing on the one hand and on-site infrastructure and services on the other. In this discussion, we keep the two largely separate.

Increasingly, the spectrum of domestic living conditions extends beyond the once ubiquitous racial boundaries of segregated classifications under the Group Areas Act of the apartheid era. Although most Johannesburg citizens, including Africans, live in formal housing, there is a rapidly expanding proportion of the urban poor who are housed in informal accommodation, itself a complex category of many different forms (see Table 1).

It would be an error to assume that poverty in Johannesburg is confined to African areas, as coloured areas in particular exhibit some of the worst residential conditions in the city.⁽¹⁴⁾ Nonetheless, if the position within African townships is examined, the perspective of housing uniformity among the black poor is overturned. In Soweto, for example, only 46 per cent of the population live in ex-council houses (usually four rooms) but as many as 30 per cent live in tiny backyard structures. The Soweto in Transition Project⁽¹⁵⁾ estimates that half of these backyard structures are permanent rooms and that the other half are shacks (see Table 2). The range in the quality of shelter in another virtually entirely African area, Alexandra, is equally great, although different forms of accommodation are available, with flats providing an option not available in other African townships (see Table 3).

The diversity of township housing stock reflects growing social diversity among the poor of Johannesburg. The Soweto in Transition Project⁽¹⁶⁾ notes that the age profile of residents in the different housing types in Soweto varies considerably, with council houses showing older profiles. There are also very marked sociological differences (for example, in female headed households or in migrant households) across the housing types. In income terms, the private sector houses are characterized by higher earnings, followed by council housing, backyard shacks, site and services, and hostels (see Table 2). Similar patterns of differentiation in housing type and income are evident in Alexandra and Soweto (compare Tables 2 and 3).

In responding to the post-1994 residential crisis, the GJMC has largely deferred to national and provincial government. One of the key items on

Table 1:		Type of Dwelling in Johannesburg (adapted from own analysis of the unweighted analysis of the October 1995 household survey)
Type of accommodation	Description of form of housing	Proportion of housing type in the Johannesburg metropolitan area
Formal house	In white and Indian areas, these are generally privately built detached houses. In African areas, these are the public housing units known as 'matchboxes'. In coloured areas, formal units are a mix of publicly built detached housing and limited private construction	71.7
Traditional hut	Adobe brick construction	0.1
Flat in block of flats	In white areas, flats are of a very high standard; in coloured areas, multi-floor public construction of a poor quality abounds. Some Indian housing in the inner-city is in flats	9.3
Backyard house or room	These are formal brick structures, often registered as garages	10.6
Backyard shack	These are informal, less permanent structures	1.4
Shack in shack settlement	Informal, generally corrugated iron structures	3.9
Hostel	Single-sex units of shared accommodation built either for miners or municipal workers	2.5
Other	Boarding and lodging houses. This figure is too low to reflect the very common shelter of domestic servants quarters where many African women live on the properties of their employers	0.3
Total		100

Table 2:		Population Distribution across Types of Accommodation in Soweto	
Type of accommodation	Population	Percentage	
Formal Council houses	587,085	57%	
Private sector houses	92,654	9%	
Backyard structures	205,897	20%	
Informal Settlements	61,769	6%	
Hostels	41,179	4%	
Site and Service schemes	40,901	4%	
Total	1,029,485	100%	

SOURCE: Morris, A (editor), B Bozzoli, J Cock, O Crankshaw, L Gilbert, L Lehutso-Phooko, D Posel, Z Tshandu and E van Huysteen (1999), *Change and Continuity: A Survey of Soweto in the Late 1990s* Department of Sociology, University of the Witwatersrand.

Table 3: Housing Types and Income in Alexandra			
	Frequency distribution of dwelling types	Percentage distribution of dwelling types	Total average monthly income (Rands) ^(a)
Formal	14,676	30	1,275
Informal	22,308	45	891
East Bank	1,063	2	2,503
Flats	1,452	3	1,662
Male hostel	5,586	11	719
Female hostel	2,825	6	753
Shtwetla shacks	1,787	3	752
Total	49,697	100	1,029 (average)

^(a) Ten South African Rands are equivalent to about one UK£1

SOURCE: CASE (1998), *Determining Our Own Development: A Community-based Socio-economic Profile of Alexandra*, Report prepared for the CFBN Foundation, Johannesburg.

17. Narsoo, M (1998), director, Gauteng Department of Housing and Land, personal communication.

18. See reference 17.

19. See reference 17.

the ANC election manifesto was the construction of 1 million houses and the guarantee of housing for all South Africans. As a result, the provision of a housing subsidy to the poorest of the poor was the leading edge of post-apartheid housing policy and there should, therefore, be no problem for the poor in Johannesburg to access the national housing subsidy. Government makes available sufficient capital to provide a serviced site and an approximately 20-metre square structure (although there have been dramatic improvements in house design and the size of units, as experience has grown).⁽¹⁷⁾

That is the theory. In practice, there have been a number of problems. The first obstacle to accessing housing in Johannesburg is the red tape and poor institutional capacity. Officials will tell you that the plethora of new legislation has contributed to the slowing down of housing delivery. In fact, many officials find it simpler to use the old era legislation to provide housing developments at speed. Johannesburg has been much less successful than neighbouring local authorities in providing housing. The relatively small municipality to the north of Johannesburg, Midrand, has had 23,000 subsidies while, between 1994 and 1998, all four sub-structures under the GJMC, each larger than Midrand, have had a total of only 41,900.⁽¹⁸⁾

Why has Johannesburg had such a poor record of housing delivery compared to other local authorities? The most obvious explanation is that the GJMC and its sub-structures have suffered badly from local government restructuring, and staff have been preoccupied with internal staffing concerns or constraints on capital expenditure. There has been some opposition from middle-class residents to low-income housing developments but all the blame cannot be attributed to opposition or external factors. Access to housing in Johannesburg has been delayed by the relative tardiness of the local authority itself in forwarding development plans to the province and the strains on competent and motivated individual officials in facilitating housing supply.⁽¹⁹⁾

There are additional problems in meeting housing needs which have to

do with the subsidy itself. Construction costs do not allow very high quality units to be built and there is a genuine concern about the future social consequences of the small size of units constructed under the subsidy. The lack of flexibility in the housing subsidy formula means that the more permanent (and often more expensive) option of home ownership, not favoured by migrants and the very poor, has, until recently, been promoted over rental. Traditionally, there have been very low levels of personal investment in housing by Africans due to their status under apartheid's notorious pass laws, as "temporary sojourners" in so-called "white" urban areas. Even if the growing Johannesburg population can afford to, and are persuaded to, invest more of their own resources into upgrading, and even constructing, housing, it leaves unresolved issues associated with the less visible and therefore less compelling imperative of new underground infrastructure provision.

In addition to attending to the demands of urban growth, a major task facing the GJMC is to rectify the imbalances in services and infrastructure inherited from the previous regime. There are a number of ways in which the apartheid legacy has impacted directly on the current challenges of maintaining and extending the level of services in Johannesburg and on improving the living environments of the urban poor. The most well-known was the policy of providing inferior quality services for blacks. Standards of social and physical infrastructure were intentionally set lower than they were for whites and, from 1968, investment in urban "African areas" practically ceased altogether. In public education, health, housing and transport, racially defined standards of construction and service gave tangible expression to the political and economic hierarchy on which white supremacy was based.

At this stage, the demand for retroactive delivery means that the GJMC's attention is focused on finding capital expenditure to provide new services to all those who were deprived under apartheid. Even so, compared to other cities of the South, and certainly those of sub-Saharan Africa, urban living standards in Johannesburg are comparatively high. For example, as shown in Tables 4 to 7, access to urban water supply and sanitation in Johannesburg is relatively good for all housing types and for all population groups, although there are still considerable inequalities.

Until the 1980s, there was no electricity in the African areas of Johannesburg. Although power is now available, traditional methods of cooking continue to be favoured by many poor households and a recent survey of informal settlements in Gauteng revealed that only 11 per cent of informal residents used electricity as their major source of power. Other figures are substantially higher (29 per cent for backyard shacks and 59 per cent for informal settlements) but they too reflect similar trends of low electricity usage.⁽²⁰⁾ Once power is available, the major reason for low consumption is affordability. For example, the average bill for households with electricity in Soweto is R 97 per month (about UK £10),⁽²¹⁾ a sum substantially beyond the means of many African households.

The provision of services and infrastructure to meet the basic needs of historically disadvantaged populations is a widely accepted priority of the post-apartheid government. Their provision, with that of housing, is a major if not *the* major fiscal commitment to anti-poverty activity in Johannesburg. Although the GJMC does not control the capital budget for most of these projects, its operating budget maintains the services, and the tariffs generated from them through rates or user charges. A worrying tendency of the emphasis on infrastructure, explained in part by the need

20. Beall, J, O Crankshaw and S Parnell (2000), "Victims, villains and fixers: the urban environment and Johannesburg's poor", *Journal of Southern African Studies*, forthcoming.

21. See reference 15.

Table 4:	Main Source of Domestic Water by Race (own analysis of the October 1995 household survey)				
	African	Coloured	Indian	White	All races
Tap in house/flat	67%	100%	100%	97%	80%
Tap on the stand	29%	0%	0%	3%	18%
Public tap/kiosk/borehole	4%	0%	0%	0%	2%
Total	100%	100%	100%	100%	100%

Table 5:	Main Source of Domestic Water by Type of Housing (own analysis of the October 1995 household survey)						
	Formal dwelling (house or flat)	Formal dwelling in back-yard	Informal dwelling in back-yard	Informal dwelling not in backyard	Hostel	Other	All housing types
Tap in house/flat	90%	65%	0%	4%	100%	40%	80%
Tap on the stand	10%	34%	55%	78%	0%	60%	18%
Public tap/kiosk/borehole	0%	2%	45%	18%	0%	0%	2%
Total	100%	100%	100%	100%	100%	100%	100%

Table 6:	Type of Sanitation by Type of Housing (Johannesburg, Randburg, Roodepoort and Soweto only) (own analysis of the 1995 October household survey)						
	Formal dwelling (house or flat)	Formal dwelling in back-yard	Informal dwelling in back-yard	Informal dwelling not in backyard	Hostel	Other	All housing types
Flush toilet in dwelling	79%	54%	0%	0%	98%	0%	70%
Flush toilet on site	20%	43%	55%	13%	2%	100%	23%
Toilet off site (all types)	0%	3%	40%	19%	0%	0%	3%
Other toilet on site (chemical & bucket)	0%	0%	0%	50%	0%	0%	3%
Pit latrine on site	0%	1%	4%	18%	0%	0%	1%
Total	100%	100%	100%	100%	100%	100%	100%

Table 7:	Type of Sanitation by Race (own analysis of the October 1995 household survey)				
	African	Coloured	Indian	White	All races
Flush toilet in dwelling	50%	89%	94%	99%	70%
Flush toilet on site	38%	11%	6%	1%	23%
Toilet off site (all types)	4%	0%	0%	0%	3%
Other toilet on site (chemical & bucket)	5%	0%	0%	0%	3%
Pit latrine on site	2%	0%	0%	0%	1%
Total	100%	100%	100%	100%	100%

for the new government to deliver, is the focus on unsustainable on-site infrastructure and services.

Water, sanitation and electricity are much more politically popular infrastructure investments and seem to be receiving greater attention than bulk sewerage repairs that threaten water quality across the city but especially in poor neighbourhoods.⁽²²⁾ Moreover, as the city continues to grow, some of the contradictions of past planning and servicing are beginning to emerge. The most important new demands on infrastructure are densification of neighbourhoods across the city and the dramatic expansion of low-income areas on the periphery. Approximately 10 per cent of the GJMC area has some spare bulk infrastructure capacity and a further 60 per cent would be able to cope with limited densification.⁽²³⁾ However, shortages in capacity are already apparent. There are also uncoordinated patterns of infrastructure provision across the city, and sewerage and water supplies are not necessarily equally strong in the same location. In practice, therefore, there is a growing tension between the maintenance of established service levels and the extension of services to new and historically under-serviced areas. In managing the city in such a way as to reduce poverty, the GJMC cannot balance the competing demands of new service provision and the maintenance of existing investments in isolation. Areas of extreme infrastructure stress or neglect are often geographically congruent with neighbourhoods that house the population that is most adversely affected by the changing occupational and employment opportunities in the city. As in many cities, there are concentrations of poverty in Johannesburg that merit special attention.

IV. AREA BASED POVERTY AND INEQUALITY

WHAT AGGREGATE FIGURES do not tell us is that, within urban areas, poverty has been increasing steadily. In some areas of Johannesburg, such as the informal settlements of Diepsloot and Orange Farm and those in Alexandra township, the levels of poverty are far higher than the average metropolitan incomes would suggest and the quality of life may be as bad, if not worse, than in some rural areas. Moreover, as the overall proportion of the population living in what is the nation's largest urban centre grows, so too does the absolute number of people living in extreme and relative poverty in Greater Johannesburg.

Poverty in Greater Johannesburg is geographically concentrated. Its distribution still follows the pattern of residential segregation laid down during the apartheid period which saw the removal of African people from the central city and their confinement to townships located at some distance from the city centre. Apartheid planners deliberately reinforced this residential segregation,⁽²⁴⁾ as did squatters, more inadvertently, by invading land and developing informal settlements within or on the periphery of black townships. The recent erosion of racial residential segregation has done little to affect the geography of inequality in Johannesburg. Although the residents of many formerly white inner-city neighbourhoods are now predominantly black, and even predominantly African,⁽²⁵⁾ the occupational and income profile of these neighbourhoods has probably not changed significantly.⁽²⁶⁾

Simultaneously, there is increasing differentiation within the African areas of the apartheid era. In physical terms, this is evident in the reconstruction of the customary township landscapes. Johannesburg townships

22. Eagle, J (1998), executive officer, Northern Johannesburg Metropolitan Sub-structure, personal communication.

23. GJMC (1997), *Greater Johannesburg Metropolitan Council, Technical, Functional and Boundaries Analysis of Greater Johannesburg Metropolitan Council*, Johannesburg.

24. Hendler, P (1992), "Living in apartheid's shadow: residential planning for Africans in the PWV region", *Urban Forum* 3, pages 39-80.

25. Morris, A (1999), *Bleakness and Light, Inner-city Transition in Hillbrow, Johannesburg*, Witwatersrand University Press, Johannesburg; also Saff, G (1994), "The changing face of the South African city: from urban apartheid to the deracialization of space", *International Journal of Urban and Regional Research* 18, pages 377-391.

26. Crankshaw, O and C White (1995), "Racial desegregation and inner-city decay in Johannesburg", *International Journal of Urban and Regional Research* 19, pages 622-638.

27. Crankshaw, O and S Parnell (1999), "Interpreting the 1994 African township landscape" in Juden, H and I Vladislavic (editors), *Architecture After Apartheid*, David Philip, Cape Town, pages 439-443.

no longer bear the hallmark of state control and reflect new and different housing stock and forms of accommodation. Almost every backyard hosts sub-tenants who live in shacks or formal outbuildings. Shacks have also sprung up on vacant land within the townships and on the urban fringe. In contrast to these shanty towns, which are the physical evidence of the new poor, there are signs of upward mobility in the older townships. Middle-class neighbourhoods have developed, especially in Soweto, where houses are indistinguishable from the middle-class housing of the white suburbs.⁽²⁷⁾

These dramatic changes to residential stock have been accompanied by fundamental changes in the use of public space. State reforms, which lifted prohibitions on both formal and informal trading in African townships, have resulted in significant changes in land use. By day, township streets are now characterized by hawkers, new retail outlets (especially fast food chains) and taxi services. By night, serviced districts are now illuminated by street lights and advertisements for public "taverns". Although coal smoke, darkness and dust are still features of Johannesburg's townships, they are increasingly restricted to the shanty town areas.

These changes were shaped by political struggle and subsequent government reforms but were driven also by growing class inequality among Johannesburg's urban African population. The escalating pattern of social differentiation and rising inequality in the townships should be moderated, at least in part, by the new poverty reduction programmes of the post-apartheid government. Equally, emerging patterns of inequality among the urban poor are rapidly being solidified through post-apartheid efforts to deliver housing and services to those in need. Limited budgets and the escalation of land prices in Johannesburg have ensured that state subsidized housing is commonly located in peripheral areas. The occupants of the older, larger, better located and more established townships that were settled in the 1950s and 1960s, while still undeniably poor, face fewer hardships than the more newly urbanized occupants of post-apartheid housing schemes. To some extent, the GJMC has sought to address the special needs of the poorest and most sensitive sections of the city through area-based strategies such as a major inner-city programme, and through the proposed devolution of social functions to neighbourhood development offices. The political ramifications of this are yet to manifest themselves but are likely to pose interesting challenges for urban governance in Johannesburg in the future. The imperative of ensuring that the poor have ongoing access to municipal resources is not new in Johannesburg where, for the past five years, the city has been subjected to profound restructuring in the drive to make local government democratic and non-racial.

V. URBAN GOVERNANCE

UNTIL THE END of apartheid, South African cities were run by whites, for whites. Coloureds and Indians were seen as residual or marginal constituents who had no vote. Despite a century of settlement in the city, Africans were not formally recognized as citizens of Johannesburg. In the declining years of apartheid, the name "Johannesburg" referred to that portion of the urban area that was occupied by whites, coloureds and Indians and run by the Johannesburg City Council (JCC). African residential areas such as Soweto and Meadowlands are now included in the

GJMC, having been previously run by black local authorities (BLAs), with Alexandra township being a notable exception.⁽²⁸⁾ In addition to their political illegitimacy, the BLAs had no revenue base and so became the focus of persistent protest from urban African residents, protest which included a sustained rents and services boycott.⁽²⁹⁾ Slogans such as "One City, One Tax Base" and "One City, One Future" were the clarion calls for urban reform emanating from anti-apartheid voices in Greater Johannesburg. More recently, the slogan "One City, One Future" was used to draw together the once disparate parts of the Johannesburg metropolitan area into a cohesive, non-segregated metropolitan whole.⁽³⁰⁾

Given its oppressive and distorted history, it is unsurprising that there should be a fundamental review of the way in which the city of Johannesburg is run (see overview in Table 8). The current period of local government change is fascinating in two respects. First, there is a major technical task underway to establish effective planning, administrative and service delivery systems out of the chaos inherited from the apartheid era. Second, there is a political reconceptualization of the governance process, focused on reorienting state resources and regulatory powers towards the needs of the poor.

The integration of local government in Johannesburg is not just about political solidarity; there is a desperate need for administrative and bureaucratic uniformity. The task facing the new bureaucrats in local government is complicated. In addition to looking after the city's fiscal base, they are faced with streamlining powers and functions. Whereas in the early 1990s there were 13 different administrative bodies responsible for running the Greater Johannesburg area,⁽³¹⁾ at the start of the new decade there is to be just one metropolitan council. There is a very clear sense across the city that, without success in the technical transformation of local government, the pro-poor goals of reconstruction will not be achieved, and this is the fundamental premise of iGoli 2002.⁽³²⁾

There is also a view that suggests that the post-apartheid transformation of Johannesburg's municipal structures is a litmus test for urban local government changes across South Africa. The ending of apartheid makes the racial integration of the planning, development and administration of the city an issue of national importance.⁽³³⁾ The GJMC has a budget that is more than twice the size of any other South African local authority.⁽³⁴⁾ There are two other major reasons for the symbolic importance of Johannesburg's local government. First, as the Department of Finance is all too aware, in the imagination of the international economic community, Johannesburg is South Africa. Thus, the future of Johannesburg assumes macro-economic importance.⁽³⁵⁾ Second, the city is the laboratory in which post-apartheid local government transition was devised,⁽³⁶⁾ strongly influenced by a number of major personalities active in urban based, anti-apartheid civil society organizations and NGOs such as Planact. They are now in key positions in national, provincial and metropolitan government and are serving to shape post-apartheid urban policy.⁽³⁷⁾ Within each tier of government, these new officials are grappling with the issue of how best to manage the country's largest and most important metropolitan centre. Key issues revolve around how to effect redistribution and the relative autonomy of local government.

The entire South African local government framework, which was forged in large measure out of the Johannesburg experience,⁽³⁸⁾ is explicitly committed to poverty alleviation and has a development agenda. However, the complexity of the transformation of local government has

28. Parnell, S and G Pirie (1991), "Johannesburg" in Lemon, A (editor), *Homes Apart: South Africa's Segregated Cities*, Paul Chapman, London, pages 129-145.

29. Swilling, M and K Shubane (1991), "Negotiating urban transition: the Soweto experience" in Lee, R and L Schlemmer (editors), *Transition to Democracy: Policy Perspectives 1991*, Oxford University Press, Cape Town, pages 223-258.

30. McKenna, L (1998), executive officer and member of the GJMC Technical Task Team, personal communication.

31. Sinnett, P (1998), financial member of the GJMC Technical Task Team, personal communication.

32. See reference 13.

33. Swilling, M and L Boya (1997), "Local government in transition" in Fitzgerald, P, A McLennan and B Munslow (editors), *Managing Sustainable Development in South Africa*, Oxford University Press, Cape Town, pages 165-192.

34. de Lange, D J (1998), presentation to the Urban Sector Network, Municipal Finance Workshop, Cape Town.

35. See reference 31; also Spiropoulos, J (1998), personal advisor to the chief executive officer GJMC, personal communication.

36. Wooldridge, D (1998), independent consultant and commentator on Johannesburg, personal communication.

37. Chipkin, I (1997), *Democracy, Cities and Space: South African Conceptions of Local Government*, unpublished Masters thesis, Witwatersrand University, Johannesburg.

38. See reference 29.

at times blurred the tangible commitment to poverty reduction. In Johannesburg, few would venture a definitive answer to the question of what is the GJMC's commitment to poverty? The morass of bureaucracy and the huge energy being directed at organizational change blunts the strongest of policy statements, while the imperative of balancing the books permeates every aspect of the iGoli 2002 proposals. Nevertheless, there is a solidly pro-poor orientation to most of the activities of the GJMC; this is, implicitly, the motivation of many councillors and officials. The pro-poor bias has been unequivocal in the period of post-apartheid transition but the challenge remains to sustain it in the longer term.

The political process in Johannesburg is clearly a unique response to the ending of apartheid but it is in many other respects typical of a more general process of local government restructuring and reorientation that is taking place globally. While apartheid represented the longest tradition of excluding Africans from structures of urban government, many other African nations also inherited poorly defined and badly structured munic-

Table 8:	Local Government Transition in Johannesburg: A Brief Overview	
Apartheid period 13 racially demarcated local government bodies	Up to 1994	Rather than merely a period of decentralization, from a metropolitan perspective this was essentially a period of disintegration, as the different racial groupings operated under different legal and planning systems, had vastly different resource bases, different service levels and different opportunities
Negotiation phase Central Witwatersrand Metropolitan Chamber	1991 to 1993	The 1990 Soweto Accord led to the formation of the Chamber, to resolve outstanding problems that would lead to the resumption of rent and services payments, and essentially to work out how to unite metropolitan Johannesburg to end the apartheid city
Greater Johannesburg Local Negotiation Forum	1993/94	The Chamber was restructured into the Forum in terms of the Local Government Transition Act of 1993. The Forum was charged with negotiating the appointment of a "pre-interim" council to govern until local government elections in 1995. The Forum proposal of a strong metro with seven sub-structures was proclaimed in November 1994
Pre-interim stage Strong metro with seven sub-structures	Dec. 1994 - Nov. 1995	Strong GJMC established to manage process of transition. This arrangement never came about as disputes about the boundaries of the sub-structures led to a reassessment of the earlier agreement and a revised proclamation
Interim stage Weaker metro with four metropolitan local councils	Nov. 1995 - Oct. 1997	Greater powers and functions assigned to metropolitan local councils
Strengthening of metro	Oct. 1997 onwards	Financial difficulties encountered by GJMC, problems with redistribution and management difficulties throughout the system prompted increasing re-centralization
Final stage Dominant metro	Expected in 2000	The White Paper on local government prescribes a dominant metropolitan government

SOURCE: Tomlinson, R (1999), "Ten years in the making: a history of metropolitan government in Johannesburg", *Urban Forum*, in press.

ipal authorities from their colonial histories, in which the majority of poor residents were not effectively represented. As even the poorest cities in Africa are discovering, there is a place for local government in meeting the needs of the urban poor, albeit an ambiguous role which is difficult to define. In South Africa, as the emphasis of government moves from policy formulation to implementation, there is a new wave of activity to find locally relevant applications of pro-poor development policy. To date, only the Cape Metropolitan Council has a corporate strategy for analyzing and dealing with poverty. Nevertheless, the unambiguous political commitment to post-apartheid reconstruction and to addressing the problems of urban poverty means that the practice of poverty reduction by the GJMC is probably in advance of its analysis of poverty in Johannesburg. Therefore, assessing the validity and commitment of the GJMC's pro-poor stance can only be done on the basis of a review of actions rather than policies.⁽³⁹⁾

Moreover, poverty reduction strategies operating in Johannesburg emanate from different tiers of government. Here, we have focused mainly on activities controlled from within the GJMC, choosing examples that give an illustrative rather than a comprehensive range of poverty reduction programmes and projects that are currently underway. More broadly, initiatives range from policy frameworks to the provision of basic infrastructure, spatial reconfiguration, targeted welfare initiatives and local economic development programmes.

Virtually every department of the GJMC and its four sub-structures has a project that could justifiably be identified as pro-poor. Perhaps the most striking aspect of the development experience in Johannesburg is the extent to which these wide-ranging projects are uncoordinated. Because poverty reduction is everywhere, it is simultaneously nowhere. In 1995, the Development Facilitation Act (DFA) was passed which aimed at enabling the development of low-cost housing schemes so that the settlement needs of urban Africans would be addressed. Policy guidelines known as land development objectives (LDOs) were prepared which gave clear priority to issues of redress and development for the disadvantaged. They, in turn, informed the preparation of an integrated development plan (IDP) which constituted local authorities' strategic plans. In Johannesburg, the IDP failed to provide a sufficient strategic framework for action towards either growth or poverty alleviation and, to date, the process has failed to establish an overt poverty focus. In practice, and despite a rhetorical commitment to "joined up thinking", Johannesburg, like most South African local authorities, has not yet successfully linked the IDP to the budget. As elsewhere, there are ongoing anxieties about how to move beyond traditional line department budgets to achieve the desired end of integrated objectives and outcomes.

VI. LESSONS FROM THE POST-APARTHEID POVERTY CHALLENGE IN JOHANNESBURG

THE CHALLENGE OF reducing urban poverty and social exclusion is great everywhere but even more so in a highly unequal city such as Johannesburg, which is also addressing the imperative of establishing effective administrative and institutional structures in the context of political transition. This article has explored some of the challenges facing the GJMC against the legacy of apartheid policies. From this city-scale analysis, we

39. The reason that analysis and even policy lag behind action is simple. Most people in government and civil society organizations (including universities) have been so consumed by efforts to implement post-apartheid transformation and development that there has been little time for reflection. At the same time there has been a high level of awareness of the imperatives of community representation and consent in research, policy formulation and planning and the drive for more accountable forms of government has meant that the fundamental conceptions of urban poverty are increasingly under review.

can identify six general tensions of contemporary urban governance.

First, Johannesburg is a highly unequal city in a global context where urban inequality is growing apace. Although a very large percentage of Johannesburg's population is poor, it has a substantial middle- and upper-class which competes in global financial and trade markets and adheres to international norms of urban consumption and culture. Their expectations of what constitutes a well-managed city permeate the aspirations of the newly formed GJMC. Their present demands are pressed as vociferously as are those of the city's poor and historically disadvantaged populations. Therefore, balancing the state's commitment to global competitiveness and poverty reduction programmes, when both objectives carry moral weight in the current political conjuncture, is an essential component of urban governance in Johannesburg.

Second, Johannesburg is a cosmopolitan centre, not just racially but also in terms of ethnicity and culture. As the industrial and commercial heartland of South Africa, Johannesburg has been a magnet for people from across the country and was founded on the entrenchment of the migratory labour system; many of its citizens maintain strong rural or small town links. Its diverse population also hails from across Africa, Europe and Asia and, today, Johannesburg is a multi-lingual, religiously diverse and poly-cultural city. As the local authorities in Johannesburg are well aware, negotiating difference is a crucial aspect of managing urban poverty and social exclusion.

Third, unlike the now atypical cities of the industrialized Northern hemisphere but in common with many cities of the South, Johannesburg's population is expanding. Johannesburg lies at the centre of a fairly rapidly urbanizing region: it must face the challenges of sustained economic prosperity. Among these challenges are the provision of basic services and the simultaneous maintenance of the urban fabric and its connection with its rural hinterland.

Fourth, and in this context, Johannesburg is a city where public and private sectors are renegotiating their relationship. The impact of privatization on the poor of Johannesburg is emerging as a central issue which could, potentially, challenge democratic urban governance. This is shown, for example, in the way organized municipal workers are flexing their muscles for a protracted struggle with the GJMC over anticipated job losses and changes in contractual conditions. Moreover, the city has not fully reversed the "culture of non-payment" for urban services in former black townships.

Fifth, Johannesburg is a city whose economic base is in transition. The economic transformation of Johannesburg goes well beyond the decline in traditional mining and manufacturing sectors although these patterns are still evident in the city. Johannesburg (and the rest of what used to be called the Pretoria-Witwatersrand-Vereeniging or PWV area, which constitutes much of the new Gauteng province) is buying into the vision of "smart Gauteng", being a high-tech hub in a global or at least regional economy. Economic change in Johannesburg, as for many other cities of the South, is also about managing growing economic informality.

Finally, Johannesburg faces immense urban governance challenges. Democratic and accountable local government and participatory processes of decision-making and planning are being promoted in a context of significant forces of illegality and often supremely uncivil society. The failure to reduce and control crime and the breakdown of the rule of law are aspects of this trend that will negatively affect all Johan-

nesburg's citizens but particularly the urban poor.

From these six pointers it is clear that Johannesburg, although caught up in the specificities of post-apartheid transition, presents a very typical scenario of the challenges to local governance internationally, especially within contexts of competing economic and political claims. What the analysis of Johannesburg tells us is that a focus on urban poverty is important as it has much to offer in helping to shift racist or anti-racist conceptions and mind sets. However, what the recent Johannesburg governance experience also reveals, not only for South Africa but also for urban development elsewhere, is that an exclusive or primary focus on the management of poverty reduction can distract our attention from issues such as social exclusion. The example of Johannesburg shows unequivocally that urban governments that are committed to poverty reduction but that are faced with complex, highly differentiated social, physical and economic realities ignore questions of inequality at their peril.