Housing In Former Homeland Areas Of South Africa: Delivery, Issues, And Policy In The Free State Province

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Abstract
Constitutionally, apartheid divided South Africa into "white" and "black" South Africa. White South Africa consisted mainly of the urban areas, while black South Africa was mainly rural. Black South Africa was largely comprised of the homeland areas. However, urban areas have subsequently developed in most of the former homelands. At the same time, a number of dormitory towns were developed, either in these homelands or adjacent to them. Black people who wanted to work in white South Africa had to commute between these dormitory towns and the urban areas in white South Africa. Housing provision under apartheid (1948) started with large-scale investments in the black townships of white South Africa. However, in the late 1960s, funds were redirected to homeland areas and dormitory towns. When the first post-apartheid government took over in 1994, the previous government had been spending only 1.3% of the budget on housing. Although the post-apartheid era has a well-developed housing policy that addresses a variety of aspects, very little has been said, up to now, on how to deal with these previous homeland areas or dormitory towns. For example, how important are they in terms of housing delivery, considering the fact that the apartheid policy actually favoured these areas? At the same time, it should also be acknowledged that they are usually the areas in South Africa that are worst hit by poverty. It is against this background that the paper aims to outline the dilemma concerning spatial policy frameworks in South Africa, as well as delivery figures in former homeland areas and dormitory towns. The Free State province will serve as a case study to outline the dilemma, the absence of policy, and the practice of housing delivery.

1.   Introduction

Under apartheid, housing policy and practice had a direct spatial intent. In essence, housing in the so-called white South Africa was frozen by the late 1960s [1]. The housing investment was then redirected to former homeland areas [2]. By the end of the apartheid era, less than 1.5% of the South African housing budget was being spent in so-called white South Africa. In contrast, huge amounts of housing and infrastructure were established in the former homeland areas or dormitory towns. The South African housing policy, as developed in a post-1994 phase, comprehensively addressed issues

such as housing, funding and finance, the nature of the policy, subsidy systems, ownership issues, and specifications about developers [3]. In essence, the South African housing policy was based on neo-liberal policy principles, with a once-off housing subsidy as a central component of the policy. A number of deviations from the classical new liberal approach should also be noted [4, 5]. Gilbert sums up such deviations in terms of the maxim, "Scan globally, reinvent locally" [6]. However, despite the extensive policy proposals and the historical spatial imbalance in housing delivery, in terms of which previous homeland areas were favoured, the South African housing policy has provided few guidelines with regard to "where" housing delivery should take place [7]. In essence, the South African housing subsidy was seen in terms of a "rights-based approach" – all South Africans qualifying for the subsidy would access it. At the same time, various other policy documents, sometimes mutually contradictory, have intentionally or unintentionally started to shape the spatial allocation frameworks of government departments (including the framework for housing subsidies). In addition, the implementation of most policies was the responsibility of provincial governments. Officials in this sphere of government developed their own guidelines. In terms of academic research, it was not until recently that questions about the "where" of development were asked. However, a pioneering paper by Crankshaw and Parnell laid the foundation in this regard, questioning, *inter alia,* the spatial allocation of housing subsidies [8]. However, by the late 1990s, critical questions with regard to the "where" of development had begun to receive attention in a number of research papers [4, 9, 10, 11]. Against this background, the paper focuses on the question of whether the allocation of housing subsidies to former homeland areas, as practised in the Free State, is an adequate policy response. In essence, my argument is that the current emphasis on housing delivery in the former homeland areas has come about within the context of a contradictory policy environment; secondly, that it does not consider the long-term implications that this emphasis might have for migration and urbanisation trends; thirdly, that the investment in former homeland areas is contradictory to what demographic patterns in the Free State seem to suggest; and finally, that aspects regarding double subsidisation should be addressed. However, before these arguments are put forward, an international perspective and a national policy perspective, as well as a brief overview of former homelands, will be provided.

2.   Regional planning: An international perspective and national policy perspectives

In South Africa, as in Europe, there has been a resurgence of interest in regional development planning and spatial planning at a scale beyond the local level [9]. This renewed interest in spatial planning is the result of the recognition of the role of regional development strategies in economic development and strategic positioning, and a growing concern about the problems in respect of fragmented *ad hoc* development, where strategic spatial planning has been abandoned [12]. Doan documents the results of the United Nations Fifth Inquiry of 1985, during which more than three quarters of African governments indicated the need for spatial development objectives aimed at reducing the "problems" of urban primacy [13]. Most frameworks for regional development and regional development plans in Africa seem to focus on the stimulation of economic activities. This usually has the result that sectoral social investment (e.g. housing) by the public sector is neglected. In contrast to this approach, the European Union focuses strongly on those areas in need, for example, regions whose development is lagging behind; areas in industrial decline; areas with high levels of unemployment; areas that are threatened by changing economic patterns; vulnerable areas with low levels of socio-economic development; and areas with a low population density [14]. However, to simply equate the principles followed in Europe with those of South Africa could be a mistake. The main reasons for this are, firstly, that the main urban areas of Europe are mostly well integrated with the global economy, and secondly, that the scale of poverty in the areas that are lagging behind is considerably smaller than in the case of the developing world in general, and Africa in particular. In addition, Africa's and South

Africa's available funds for investment in poorer areas are considerably lower than is the case in Europe. Furthermore, the history of apartheid-driven decentralisation, which has failed dismally, is not always relevant in Europe.

Harrison and Todes provide a comprehensive overview of spatial policy frameworks at various levels in South Africa [9]. Owing to a lack of space, it will not be possible to reflect on all these plans and levels in this paper. However, five policy frameworks seem to be valid in this regard, and will be discussed in more detail. Their relevance to housing investment will also be addressed. Firstly, the Reconstruction and Development Programme (RDP) makes limited mention of the regional distribution ("*where*") of housing. The document mentions that viable communities should be established (by means of housing) close to places of economic opportunities [15]. At the same time, it places a very strong emphasis on rural housing. In the second place, the White Paper mentions the spatial structure of South African human settlements. It focuses mainly on the spatial structure based on race and class within these settlements (the urban apartheid heritage). Limited reference is made to the regional allocation (*where*) of housing funds in the provinces. In one of the few indications of direction in respect of the regional allocation of housing funds, the White Paper states that Government "… strives for the establishment of viable, socially and economically integrated communities, *situated in areas allowing convenient access to economic opportunities as well as health, educational and social amenities…*" [16] (italics inserted). However, the principle that all people who meet the requirements for a housing subsidy should have access to such a subsidy, underlies the implementation of the housing subsidy system. Thirdly, the Green Paper on Development and Planning was released during 1999. For the first time, explicit guidelines with regard to regional planning in the provinces are provided. One of the recommendations of the Green Paper is that each province should develop its own spatial plan. The main reason for such a spatial or regional plan is to "… accomplish a greater convergence among sectors and spheres of government and decision-making about where public investment should take place" [17]. In the fourth place, the national government has started identifying rural and urban areas that need urgent attention in respect of addressing poverty. The Integrated Sustainable Rural Development Strategy and the Urban Renewal Programme had their origin in the Presidency and the political impetus that President Mbeki gave to the issues of rural and urban poverty. Together, the ISRDP and the Urban Renewal Programme culminated, by 2004, in the creation of 13 rural nodes and eight urban nodes. The ISRDP was born of a deep concern within the government about rural poverty. This problem received top-level attention, from 1999 onwards, when President Mbeki flagged the problem. At that time, the ISRDP did not have a clear standpoint on urbanisation.

Fifthly, in one of the first direct policy frameworks addressing the spatial allocation of government resources, the National Spatial Development Perspective attempts to address the spatial aspects of government investment. According to Atkinson and Marais, the main argument of the NSDP is that areas with "potential" or comparative advantage should be pinpointed and, thereafter, should receive priority in the allocation of resources – in particular, in the allocation of infrastructure funding ("hard investments") [18]. Government spending on fixed investment, beyond the obligation to provide basic services to all citizens, should therefore be focused on localities of economic growth and/or economic potential in order to attract private-sector investment, stimulate sustainable economic activities, and/or create long-term employment opportunities. The NSDP "softens" its spatial strategy somewhat by suggesting that investment in people ("soft investments") should continue to be made throughout the country to enable people to acquire the skills to migrate to areas with developmental potential [18]. In localities with low development potential, government spending should focus on providing social transfers, human resource development and labour market intelligence. This will enable people to migrate, if they so choose, to localities that are more likely to provide sustainable employment or other economic opportunities.   The NSDP identifies five reasons for developing regional guidelines for

public investment [19]. Current budget constraints mean that some form of rationing in the allocation of funds to infrastructure and development programmes does take place. As rationing does take place, choices are either explicitly or implicitly made. Currently, no spatial criteria are in use for determining public spending patterns. Funding usually goes to those communities that attract most of the attention and there is a lack of co-ordination between line departments.

3.   Former homeland areas in the Free State

With the unification of South Africa in 1994, the Free State inherited three main former homeland areas, namely QwaQwa, Thaba Nchu and Botshabelo (see Fig 1). All three areas were used, during the apartheid era, to redirect urbanising black people to so-called "black" South Africa. During the late 1970s and 1980s, these areas in the Free State experienced massive population growth. For example, the population of Botshabelo grew from zero, when it was established in 1979, to more than 148 000 in 1985 [10]. In QwaQwa, the population grew from 25 000 in 1970 to more than 158 000 in 1985 [10]. Typically, these areas contained the families of migrant workers who were employed elsewhere; or, as in the case of Botshabelo, the inhabitants commuted to Bloemfontein on a daily basis. Existing research has provided a fairly extensive overview in respect of how these areas were favoured for housing investment under the apartheid government, as opposed to the lack of housing investment in the core urban areas of the Free State [1, 10]. In addition to the housing provision in the former homeland areas, large-scale subsidies for industrial decentralisation were also available, while an expensive bus subsidy system was put in place to allow people to commute between the dormitory towns (Botshabelo and Thaba Nchu) and the core urban areas in the Free State.
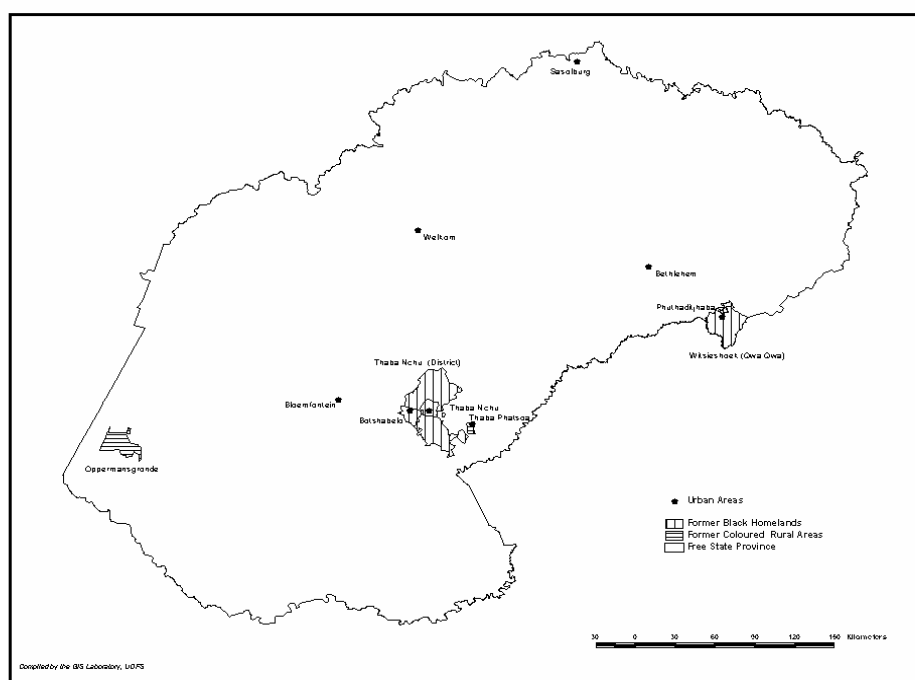

Figure 1: The location of former homeland areas in the Free State province

4.   Post-apartheid housing delivery in former homeland areas: An overview

This section will provide an overview of housing delivery in the former homeland areas of the Free State. Secondly, the dilemmas of housing provision in these areas will be discussed. Finally, the policy issues will be assessed against the broader policy issues and available material.

In 2001, Marais, considering the period 1994-1999, noted that a major commitment existed to ensure housing delivery in former homeland areas. However, delivery in the former homeland areas has been limited. Since then, the situation has changed considerably. Figure 2 provides an overview in this regard.
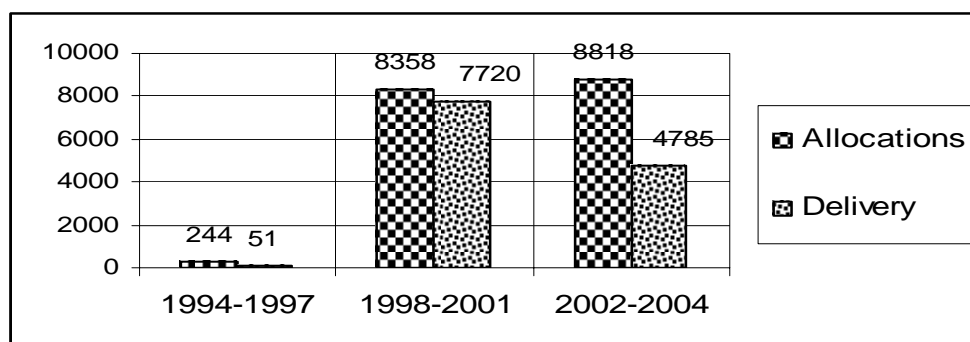

Figure 2: Housing subsidies allocated to the former homeland areas in the Free State, 1994-2004 [23]

Considering housing delivery in the former homeland areas, as well as the figures reflected in the above table, the following comments may be made. In the first place, there seems to be an increase in the level of importance accorded to housing delivery in the former homeland areas. The number of housing subsidies provided to these areas in accordance with the policy increased from a mere 244 subsidies until 1997, to 8358 subsidies for the period 1998-2001. Over the next three years, 2002-2004, this number further increased to 8818. In terms of the percentage of the Free State's subsidies, there was an increase from less than 1% for the period 1994-1997, to approximately 19% for the period 1998-2001 and nearly 27% for the period 2002-2004. Secondly, the low levels of allocations for the period 1994-1997 relate to problems regarding land development. The majority of land in these former homeland areas did not belong to the relevant municipalities. The result was that normal processes of land transfer were not possible during the early stage of the developments. However, once the problem of land transfers had been addressed, major subsidy allocation to these areas began in earnest.

Thirdly, two possible reasons can be provided for the major increase in subsidy allocations. In the first instance, in 2000, the former QwaQwa area was declared a nodal area under the Integrated Sustainable Rural Development Programme. According to the guidelines for these programmes, provincial government departments should allocate 30% of their expenditure to such nodal areas. The main reason for this guideline and the establishment of such nodal areas lies in the fairly high levels of poverty that are present in this area. Existing research on the housing environment of the former homeland areas, and especially the former QwaQwa, suggests that the housing environment is considerably worse than that of the Free State [10]. It is especially in terms of access to services that a huge backlog exists. However, considered in terms of a percentage, informal housing units are remarkably less significant in these areas. Except in Thaba Nchu and isolated areas in Botshabelo, large-scale informal settlement areas are not visible. The second reason is the dominance of the QwaQwa area in the political structures of the ruling party. This dominance probably ensures enough pressure for housing delivery in QwaQwa, in particular.

In the fourth place, housing delivery in the QwaQwa area has resulted in a new urban sprawl. The QwaQwa region, with Phuthaditjhaba as its urban area, consists of land that is classified as urban and land that is managed by traditional authorities. As rural housing provision was originally not possible (involving the provision of housing on land belonging to traditional authorities), new land developments took place to the north of the existing urban area. To a large degree, these developments are moving people from the traditional areas to the newly-developed areas.

Finally, housing delivery in the QwaQwa area also includes examples of rural housing. Approximately 2000 subsidies have been allocated specifically for rural housing. Although the arguments in this paper are made irrespective of where in the former homeland areas the housing delivery would take place, it should be mentioned that, considering the approach to housing delivery in the Free State, delivering housing in the former homeland areas might become an even more prominent choice in future. The Free State requires the construction of a house of at least 40m^2 on land that has already been planned [4]. In the case of rural housing, no land planning is required and an agreement with the tribal authority is the main prerequisite. Thus, should there be a shortage of planned stands in the rest of the Free State, as indicated by existing research [4, 7], the allocation of housing to the rural areas might comprise an easy option for the spending of allocated funds.

5.   Debating the policy issues

In view of the above emphasis on housing delivery in the former homeland areas of the Free State, a number of critical comments need to be made.

In the first place, it seems that a fair amount of policy confusion exists. The ISRDP and provincial government require large-scale investments in the former homeland areas. In fact, it is required that 30% of provincial expenditure should take place in the nodal areas (the former QwaQwa). This excludes the other two areas, Thaba Nchu and Botshabelo. In contrast to the principles of the ISRDP, the NSDP suggests that "hard" infrastructure should only be provided to areas with the potential for economic development. The NSDP also suggests that areas with limited potential for economic development should be identified for soft skills development. None of the former homeland areas in the Free State have, according to the NSDP, been identified as areas with potential for economic development. Although some critical comments can be made on how to determine economic potential, it is highly unlikely that these former homeland areas would fall into the category with potential for economic development. Against this background, the main policy question is whether the policy documents drafted by government have in any way assisted in addressing the "where" of development. To a large extent, the question of the "where" of development has not, in fact, been addressed.

A second policy question is that of whether investment in these former homeland areas is not reinforcing apartheid spatial patterns. Crankshaw and Parnell raise the question as to whether rural housing subsidies will not reinforce apartheid planning [8]. Cross further argues that: "Delivering rural housing and infrastructure investment needs to be done in such a way that people are not left with sunk investments that cannot be retrieved if they want to move: it is important neither to force people to urbanize nor to hold them back from migrating closer to the developed economy." [11] She adds: "Economic factors that affect migration and settlement need to be assessed carefully in a developmental framework, including government programmes such as transport subsidies and macro-economic factors like the prospects of an economic expansion affecting employment and incomes" [11]. Against this background, it seems that the major shift towards the provision of housing in the former homeland areas might actually reinforce the spatial patterns of apartheid, and might inhibit

mobility over the longer term. Thirdly, in addition to the above issue, an important question arises: Should housing delivery take place in areas where the population is not growing, or where it is growing at a considerably slower rate than the national average? Of the three former homeland areas in the Free State, only Thaba Nchu has a growing population. Both the former QwaQwa and Botshabelo are experiencing nominal declines in their population. In contrast to the negative growth rate in Botshabelo, Bloemfontein (the core urban area) – to which Botshabelo was linked as a dormitory town – is experiencing major population growth, with large-scale informal settlements. Although some progress has been made to address the initial slow delivery of housing in the main urban areas of the Free State, it seems that the consequences of demographic trends have not been taken into account in the consideration of investment choices. Fourthly, the issue of double subsidisation should be mentioned. The historical subsidisation of the bus service between Bloemfontein and Botshabelo is still in operation. Is it equitable that someone who commutes on a daily basis between Bloemfontein and Botshabelo should also access a housing subsidy in Botshabelo by means of a state grant?

In conclusion, it is difficult not to agree with the Centre for Development Enterprise in respect of the conclusions reached in their assessment of former homeland areas (displaced settlements), which are as follows:

- Displaced urbanisation raises the question of the costs and benefits of state investment in alternative locations in a very tangible manner, with current practices in many such places giving rise to the issue of whether "good money is being thrown after bad".
- People in displaced urban areas are citizens deserving proper treatment – they should, for example, enjoy basic services, to which many persons at present do not have access.
- However, new large-scale public investments in such areas hardly seem to comprise priorities, given the more logical locational alternatives.
- Also, current implicit state subsidisation of displaced urban areas (such as transport subsidies, or service subsidies that are higher than usual) now seems largely unnecessary.
- Finally, the issue of alternative targets for state resources raises questions in respect of where the best long-term returns on state and private investment could be achieved, and, ultimately, what spatial development framework should be adopted for post-apartheid South Africa [20].

6.   Concluding comments

The paper raised the question as to whether the current emphasis on the provision of housing in the former homeland areas of the Free State is appropriate. In order to address this question, a brief overview of the relevant policy documents was provided. The figures for the delivery of housing in the former homeland areas (dormitory towns) suggest that housing delivery in former homeland areas in the Free State is regarded as important. However, in the paper, I have firstly argued that the policy guidelines in this regard are contradictory; secondly, that huge investments in these former homeland areas are likely to reinforce apartheid spatial patterns; thirdly, that the investment in former homeland areas is in conflict with what demographic patterns in the Free State seem to be suggesting; and, fourthly, that aspects of double subsidisation should be addressed. In essence, a more comprehensive framework in respect of the "where" of development is required, with direct implications for housing investment.

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