CHAPTER 3:

In order to understand the present, it is very important to first understand the past, therefore in this chapter, the author dealt with the following issues:

- The economic situation post-apartheid
- Unemployment and under-employment
- The problems of housing and homelessness
- Informal settlements and "shack farming"
- Poverty in the urban areas-cities
- The mushrooming of Pentecostal churches/the ministries and their contribution to poverty
- Informal v/s formal trade
- Preliminary conclusion

3.1. THE STATE OF ECONOMY POST APARTHEID:

It is important to note that when South Africa finally agreed to reinstate the voting rights to all the nationalities in the country, the economy of the country had already suffered a major setback. The pressure from the international community to disinvest from South Africa had left the Nationalist party in a very difficult situation. Almost all their plans to circumvent the international pressure were closed and they had no option but to negotiate for a political settlement. By 1987 the growth of South Africa's economy had dropped to among the lowest rate in the world, and the ban on South African participation in international sporting events was frustrating many whites in South Africa. Examples of African states with black leaders and white

minorities existed in Kenya and Zimbabwe. Whispers of South Africa one day having a black President sent more hard-line whites into Rightist parties. Already in October 1979, Mr Stephanus Botha, popularly known as "Fanie Botha", a Labour Minister in the cabinet led by PW Botha, had proposed the progressive dismantling of petty apartheid. Challenging his fellow Afrikaners to "adapt or die" He had earlier announced that the government was intending to relax or repeal a number of laws that affected black people, among them the mixed marriages act and the Immorality Act. Botha earned himself a name "Kaffirboetie" (nigger lover" and he was heckled in a meeting in Rustenburg, then, that was already a sign that the hardliner Afrikaners were not ready for change. Over the years more and more white people joined the right-wing movements and parties as attempts to stop the government from succumbing to pressure from the international community and the black people in the country.

Early in 1989, Botha suffered a stroke; he was prevailed upon to resign in February 1989. He was succeeded as president later that year by F.W. de Klerk. Despite his initial reputation as a conservative, De Klerk moved decisively towards negotiations to end the political stalemate in the country. First, they had to get the opinion of the white voters through referendum and then start to dismantle the apartheid system. In his opening address to parliament on 2 February 1990, De Klerk announced that he would repeal discriminatory laws and lift the 30-year ban on leading anti-apartheid groups such as the African National Congress, the Pan Africanist Congress, the South African Communist Party (SACP) and the UDF. The Land Act was brought to an end Apartheid was dismantled in a series of negotiations from 1990

to 1993, culminating in elections in 1994, the first in South Africa with universal suffrage.

While people had very high hopes that the new government would assure new job opportunities and better life, the economy had already suffered and there were very little the new government could do to help.

Since1948 when the National Party of South Africa won the elections and started its programme of separate development, the minority white government embarked on a process to ensure that the separate development policy worked, the apartheid system decided to create separate amenities according to rational divisions. 87% of the land was grabbed by the minority white South Africans and the remaining 13% divided among the blacks according to the ethnic groups. Semi-autonomous homelands were created to ensure that the separate policy of self-determination was also maintained among the blacks. This system totally ruled out black South Africans from claiming any land or rights in what was termed white South Africa.

Blacks working and living in the urban areas of white South Africa were tied to the homelands of their ethnic origin. They had to have annual contracts that had to be renewed annually. Those who worked in the urban cities, including migrants from the Homelands, were classified according to the pass law, Section 10: A, B, C, and D. This classification would tell whether you qualify for permission to seek a permanent job and stay in the township or you can only apply for a contract work and be confined to the hostel. At first there were only hostels for men but later on special hostels for women were also erected e.g. the Mzimhlophe Hostel near Orlando in Johannesburg.

The intention of the apartheid government was to, eventually, give these states total independence. Unfortunately, the apartheid government succeeded to give only four of them independence before it succumbed to domestic and international pressure to accept change and let the democratic process take place in the country.

It should be noted that by the time the old South African regime surrendered to negotiations, the economy of the country had already suffered major problems that were caused by the sanctions and the disinvestment by the world investors in support for the fight against the apartheid system. Though painful, the sanctions were applauded by many people within and outside the country except countries that supported the apartheid system such as Britain and others. Their argument was that sanctions would hurt those that were intended to help than the regime itself. True indeed, sanctions created massive retrenchments and unemployment throughout the country. Hardest hit were people from the homelands who had to return to the homelands and face the bleak situation of poverty.

While it was the wish of all the South Africans, particularly those who were previously disadvantaged, to have a better life after the fall of the apartheid regime, the new South Africa came with a lot of challenges. The high hopes many people had in the new government were dashed as soon as people started to realize that what they had hoped for will not come that early. The government seemed to be involved in building its image in the international arena and there was very little attention given to domestic programmes.

The major problem here was that the settlement reached between the black majority and the white minority regime was that it was a

negotiated settlement. Therefore hopes that things were going to change suddenly and give the previously disadvantaged majority access to economy and jobs were dashed by the fact that things could not happen overnight. Serious negotiations had to be made with those who had the power over the economy. Therefore the early years of post-apartheid era were full of expectations and frustrations among the black majority, and people were disappointed when changes for better looked a distance away. Maybe the problem was that people's expectations were raised very high in order to ensure that they voted the old regime out of power and brought the ANC in.

The new government was faced with the dilemma of changing the old laws and putting into place new policies and legislations in order to do away with the past discriminatory laws that would help to change the lives of the people. But, the new government was faced with a number of challenges. There were five fundamental economic problems to be resolved; poverty, inequality, unemployment, stagnation and racism. William M Gumede, in the book entitled "Thabo Mbeki and the Battle for the Soul of the ANC" says:

"*The economy the ANC government had inherited was in dire straits, far removed from the rosy picture usually portrayed to the public. Not only had the apartheid regime rushed through the privatisation of companies such as steel giant, Iscor, placing it in the hands of friendly business consortiums, but billions of rands of tax payers' money had been used to bail out struggling traditional Afrikaner banks, the forerunners of ABSA. Moreover, in the death throes of apartheid, many loyal public servants had been swiftly promoted and given pay rises, thus placing them in a more advantageous position regarding severance or pension packages.* **Gumede (2005:81.)**

Indeed today when one listens to the political campaigns by the parties, one hears reference to the collapsing municipality services, the question is, what was the situation of the municipalities at the beginning of the new government? The city of Johannesburg is one clear example. While for many years before 1994, the city used to celebrate Christmas time with colourful decorations and lighting throughout the city, December 1994 such decorations and celebrations were not possible because the city was bankrupt. Most of the municipalities where it was very obvious that the ANC was going to sweep the elections, the councils literarily emptied the coffers and handed over bankrupt cities. Unfortunately, the ANC government was not prepared to deal with that situation, instead comrades were appointed to senior positions in the local municipalities and they were not able to resuscitate these towns and cities.

The other dilemma the ANC government had to face was that it had to address the imbalances of the past but at the same time assure the Business community, the international investors, the IMF and the World Bank that their actions would not be harmed. At the same time the civil society, under the leadership of the powerful organizations such as COSATU, SANCOGO, SANCO, the Faith Based Organization were all putting pressure on the government to expedite changes in order to address the poverty and the imbalances inherited from the apartheid government. Under the leadership of the then Deputy President, Thabo Mbeki, a number of economic initiatives were developed in order to try to address the economic imbalances, but at the same time being careful not to alienate the donors and business community:

a) The Reconstruction and Development Programme:

The Reconstruction and Development Programme, popularly known as the RDP, which was designed as a basis for the integration and coherent socio-economic progress towards eradicating the legacy of apartheid was not successful. The agenda of the RDP included the following: housing, urban policy, rural development, water, policies on disasters management, environment, transport and my other issues that were intended to correct the wrong of the past. The failure of this programme became an embarrassment to the government that even in the manifesto of the next General Election (1999); the RDP was not included, while it formed the core of the subject of the previous election manifesto.

b) The Growth Employment and Redistribution:

The RDP was replaced by the new controversial macro-economic strategy, The Growth, Employment and redistribution plan intended to provide economic underpinning for the RDP. In 1996 the government created a five-year plan—Growth, Employment, and Redistribution (GEAR)—that focused on privatization and the removal of exchange controls. GEAR was only moderately successful in achieving some of its goals but was hailed by some as laying an important foundation for future economic progress. The government also implemented new laws and programs designed to improve the economic situation of the marginalized majority.

c) Black Economic Empowerment

The Black Economic Empowerment (BEE), focused on increasing the number of employment opportunities for people formerly classified under apartheid as black, i.e. Africans, Coloureds, or Indians, improving their work skills, and enhancing their income-earning potential.

"The concept of BEE was further defined and expanded by the Broad-Based Black Economic Empowerment (BEE) Act of 2003 (promulgated in 2004), which addressed gender and social inequality as well as racial inequality." **Britannica online Article 44032: South Africa, Economy: (2008 Page 15 – 16) (www.britannica.com) accessed 2010.07.23**

The difficulty with BEE is that it is seen to be a platform for the enrichment of few black people and widening the poverty gap. Those involved in BEE have become filthy rich, in terms of millions of Rand while the situation of the poor is not being improved at all. The Archbishop Emeritus of the Church of the Province of Southern Africa, Desmond Tutu, criticised the BEE for widening the gap between the rich and the poor. He lamented that BEE continues where the apartheid system ended.

OTHER ISSUES THAT AFFECTED OR INFLUENCED THE ECONOMY OF THE COUNTRY:

a) Rapid urbanization:

Rapid urbanization took place faster that the government could think. The reasons for this are that when the Homeland system collapsed, the so-called border industries, which were established within the borders of the homelands or in the boundaries along these

establishments, also collapsed. These industries were the extension of the apartheid policy and were mostly run by the companies from the east (mostly Taiwanese) which exploited the homeland people[1]. The salaries paid were so low that people working in there could not make a living out of this. While the government provided buses to ferry people in and out the industrial areas on daily basis, through the Bantu Investment Corporation, people spent their meagre salaries on this.

b) **Massive influx of refugees and economic migrants from African and other countries**:

Prior to 1990's, South Africa was not a signatory to the UN convention on refugees[2] and the OAU declaration on refugees. In fact while this country was a producer of refugees, it did not house any. The situation of the Lesotho and Mozambican refugees during the civil wars in those countries was treated differently. This implied that the UNHCR could not function in South Africa; instead the International Committee of the Red Cross Society was allowed to operate in the country provided they did not interfere with the state. While they could be allowed to stay in the Bantustans as visiting relatives to the inhabitants of these states, they were declared illegal immigrants in what used to be called white South Africa. When found outside the

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[1] Bantu Investment Corporation Act No 34 of 1959

The Bantu Investment Corporation Act No 34 of 1959 provided for the creation of financial, commercial, and industrial schemes in areas designated for black people.

[2] The 1951 UN Convention relating to the Status of Refugees *is the key legal document in defining who is a refugee, their rights and the legal obligations of states. The 1967 Protocol removed geographical and temporal restrictions from the Convention. In July 2001, UNHCR published a special edition of its* Refugees Magazine dedicated to the 50th Anniversary of the Convention.

borders of the homelands, illegal migrants were summarily arrested and deported back to their country. Though there are no reliable statistics it is estimated that more than 370 000 people have been deported between 2008 and 2009.[3]

The first batch of African refugee s arrived in South Africa for the first time after the Rwanda genocide. It is interesting to recall that the first famous 10 refugees who were reported to have come from Rwanda were actually Tanzanian citizens who tried to exploit the genocide situation to come to South Africa. At that time South Africa did not have refugee laws in place and they did not know how to handle the influx. To many African people, South Africa is a place of prosperity. Many people abused the gap and people simply poured into the country.

c) The collapse of the neighbouring countries' economies:

At the time South Africa negotiated for political solution, the country was involved in the destabilization of the neighbouring countries, especially Mozambique and Angola for fear of communism. The collapse of Zimbabwe's economy and its political problems poses a new challenge to the South African economy. Unfortunately the South African government's attitude towards the situation in Zimbabwe did not help. Their silent diplomacy ensured that the ruling party in that country continued with its programmes of destroying its own country. Joblessness and acute shortage of food and other commodities left people of Zimbabwe destitute. Massive influx of migrants from Zimbabwe flooded the country. South Africa cannot ignore the

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[3] The rights of others: Foreign nationals and xenophobic violence (NCHR workshop)

situation of the Zimbabwean immigrants if they wanted to address the economic and development issues in the country.

d) **Failure or slow return of investors who left the country in solidarity with the call for sanctions or disinvestment**:

Most of the companies that traded in South Africa during apartheid and left in solidarity with the calls for sanctions are not returning as expected. A number of issues are making investors nervous to return and therefore efforts to rebuild the economy and create jobs for the people of the country are facing a challenge.

e) **Crime and other social problems:**

The soaring crime in the country can be attributed to a number of issues. Unemployment remains top on the list. Many young people who finish matric cannot continue with studies because of lack of money but cannot get jobs. When the current ANC government took office, it promised to create at least 500 000 jobs a year but reports are that over a million jobs are being at the same time.

f) **The collapse of the homeland system:**

Since the dawn of new democracy, and when the homelands system collapsed, a number of developments followed. As these were intended to keep the dream of homelands alive, they were heavily subsidised and paid very low salaries. When subsidies ended and protection against labour movements disappeared, the owners left. It is ironical that the majority of such industries were of the Oriental

origin. These left the rural areas, which have now been incorporated into the new South Africa, dry and poorer.

While many people anticipated economic boom after the 1994 dispensation, the situation in the country seems to deteriorate. The gap between the rich and the poor seems to be growing by the day. Much as the country has achieved a lot in terms of racial and ethnic relations, as well as abolishment of racially segregating laws, there are still serious challenges that the country is still facing.

3.2. UNEMPLOYMENT AND UNDER-EMPLOYMENT:

One of the major disappointments of the new dispensation is the problem of employment. What drove millions of South Africans to brave scotching heat to cast a vote was the hope that the problem of poverty was going to be resolved. It should be noted that the Bantu Education was designed in such a way that it produced only good employees and not people who could do living for themselves. Even when the opportunities were opened, very few black people could do anything as they were not prepared for this. Secondly, the dispensation came as a result of negotiations and the economic power of the country still remained in the hands of the previously advantaged and access to financial facilities remained difficult to get.

Thirdly, the corruption within those who are in government ensured that only people close to them were able to get access to economic means, i.e., jobs and tenders. One needs to have connection within the system to be able to get a job, even if the job was advertised. (One civil servant, who did not want to be identified, said that

applications are filtered before being presented to the screening committee. All the good applications that are seen to be fitting the requirements are taken away and the preferred candidate is left to compete with weak applications. In this case the innocent interviewing panel will not know that the people they are interviewing are not the only applicants.

The high rate of unemployment, not only affecting the uneducated people, but covering a vast spectrum of highly qualified people, remains to be the major reason for the abject poverty which leads to high crime and social problems in the country. Edmond J. Keller, of the University of California in Los Angeles, in his paper entitled: The Challenge of Enduring and Deepening Poverty in the New South Africa, says:

" While South Africa has living standards that are on average significantly above those in countries where chronic poverty is assumed to be most severe, its particular legacy of polarization and racially embedded poverty naturally raises questions about the ability of the poor to use social mechanisms of access to capital in order to throw off the yoke of poverty." (Keller 2005:1)

He continues to say, *"You can walk down tree-lined streets or drive through well-appointed suburbs that belie (contradict) the notion that South Africa is mired in poverty; but, not far removed from these pleasant environs, the signs of chronic poverty are unmistakably there".* (Keller 2005:1)

The other fact was that, once all the restrictive laws were abolished, people from rural areas were tempted to move to the big cities where it was generally believed that chances of job opportunities were more promising.

The prospect of owning a house in the cities also improved. One had to first build and live in a shack for a while so that when the Provincial Government comes to do counting of those who should qualify for the RDP house; they should find them already resident in the area. *(Refer to case study no 3 in chapter 1, page 4)* In many cases, a lot of people have to pay exorbitant amounts of money to get access to the informal settlement so that they can also be counted as part of the community. The mushrooming of informal settlements in and around the major cities has not brought about any improvement but has worsened the situation of millions of poor people. The cities of Johannesburg, Pretoria, Durban and Cape Town are all surrounded by thousands of hundreds of shacks with squalid conditions.

The Humans Sciences Research Council's Fact Sheet, dated the 26th of July 2004, and indicates that the proportion of people living in poverty in South Africa has not changed significantly for better between 1996 and 2001. It actually indicates a grim reality that households living in poverty have sunk deeper into poverty and the gap between rich and poor has widened. It indicates that 57% of individuals in the country were living below poverty line in 2001 and has unchanged since 1996. Both Limpopo and Eastern Cape remain the poorest of all the provinces, with the highest proportion of poor with 77% and 72% respectively while Western Cape remains the lowest in proportion in poverty at 32%. However, the situation in Western Cape is fast changing as exodus from Eastern Cape into this province is happening at an alarming proportion.

The HSRC fact sheet is corroborated by the report prepared for the office of the Executive Deputy President and the Inter-Ministerial

Committee for Poverty and Inequality dated 13 May 1998, edited by Julian May, assisted by Juby Govender. The report states that more than 50% of the entire population live in rural areas which accounts for more than 72% of the poor. The average poor family lives on an average of R353 per month. Due to exodus from the rural areas by young able bodied population, the average household in the rural area is headed by the pensioner who depends on the monthly state grant. This is shared with grand children whose parents live in informal settlements in urban areas and are unemployed. The reports indicate that the distribution of poverty is distributed unevenly among the nine provinces as follows: Eastern Cape 71%, Free State 63%, North West 62%, Limpopo 59% (this is a big gap between this report and the HSRC Fact Sheet which puts this province at 77%), Mpumalanga 57%, Gauteng 17% and Western Cape at 28%.

A further study indicates that the economy grew by 2.9% in the first quarter of 2002, by 3.9% in the second quarter, and 3% in the third quarter, rates that were considered good in view of the world slowdown. The unemployment rate continued to be troubling; it fell only slightly, from an estimated 29.5% in September 2001 to 26.4% in February 2002. Some encouragement could be drawn, however, from growth in the manufacturing sector, which rose from 3.1% in 2001 to 5.1% by the end of July 2002; in addition, by the end of July manufacturing exports had risen 21% year-on-year.

By September, interest rates had been raised 4% in attempts to curb inflation. Consumer price inflation (excluding mortgages) rose from 5.8% in September 2001 to 12.5% by October 2002, owing largely to the fall in the value of the rand. The value of the rand to the U.S. dollar

fell dramatically from January 2001 from about R7.5– $1 to about R12–$1 in January 2002 before recovering slightly in November to 9–1.

The 2002–03 budgets projected a 9.6% increase in spending and a 6.7% rise in revenue. The 2002–03 deficits were estimated at 2.1% of gross domestic product, up from 1.4% in 2001–02. Tax cuts amounting to R 15.2 billion (about $1.3 billion) were announced and social grants for the elderly, the disabled, and veterans as well as child-support grants were increased above the level of inflation. Nevertheless, three million households continued to live below the poverty level.

This situation as depicted by these two reports has given rise to the following:

- High unemployment in both the rural and urban areas

- Family problems that lead to separation and divorce

- High crime rate and the escalation of social problems such as the HIV/AIDS, malnutrition, depression, hypertension and prostitution.

Xenophobia:
The recent ugly face of xenophobia that has swept across South Africa has shocked the whole world. Due to unemployment and scarcity of jobs, foreigners in the country are competing with the nationals for jobs. They are prepared to take any form of employment and remuneration and therefore unscrupulous employers would rather prefer them over the nationals who will not be prepared to accept low salaries and are protected by the labour unions. The bone of

contention that fuels xenophobia is the informal trade market. Foreigners seem to be well ahead of their South African counter parts and therefore efforts by unemployed South Africans to make a living out of this market are challenged.

3.3. THE PROBLEMS HOUSING AND HOMELESSNESS:

Perhaps Jesus may have emphasised the importance of housing when he said *"Foxes have holes, birds of the heavens have nests but the son of man has no place to lay his head*. **(Matthew 8:20)**

Though said in a different context, Jesus here stresses the importance of habitat. Every living creature has a form of habitat that is important to its life. Humans as well, have from the beginning of life had a place where they lived to be protected against wild animals and adverse weather conditions. The phrase: *"Roof over the heads"* has been used to indicate the safety provided by habitat. The type of habitat for humans differs from one country to the other but it has always been accompanied by source of water and food.

The Preamble to the New South White Paper on Housing reads thus:
...is one of the greatest challenges facing the Government of National Unity. The extent of the challenge derives not only from the enormous size of the housing backlog and the desperation and impatience of the homeless, but stems also from the extremely complicated bureaucratic, administrative, financial and institutional framework inherited from the previous government. (White Paper Department of Housing SA, 1994:1) The White paper identifies the following as key issues or challenges of the government of National Unity:

(a) Home Income:

According to the White Paper, in 1995, a total of 8.3 million South African House Holds fell under the income bracket of 0 – 3.5001 per month, making it impossible for them to access Housing Loans through banks.

(b) Living Conditions:

At the time the new government took over, the state of housing in the country was as follows:

- Approximately 3.4 million units existed in Urban Formal Housing
- 1.5 million Urban informal housing units existed
- 5.2% in hostels
- 13.5% of all households lived in squatter housing
- 17.1 million People lived under the poverty datum line in rural areas.
- 1.5 million Households lived in farms

(c) Access to Basic Services:

When the new government came into being, the biggest challenge was to redress the problems of access to basic services such as potable water, sanitation and electricity. Even urban townships were never developed.

- Approximately one quarter of all functionally urban households did not have access to piped water supply. (South African Labour Development and Research Unit 1994)
- 48% of all households did not have access to flush toilets or ventilated improved pit latrines (SALDRU, 1994)

- Approximately 46.5% of all households were not linked to the electricity supply grid in South Africa

- Many households did not have access to socio-cultural amenities within their neighbourhoods. If they existed they were in such bad conditions and neglected while in the white areas all the amenities were available and well cared for.

(The White Paper of the Department of Housing 1994)

In an interview with radio 702, on the 28th of January 2010, www.radio702.co.za the new minister of Human Settlement, Mr Tokyo Sexwale indicated that since the beginning of the RDP Housing programme, 2.3 million low cost houses have been built, he however conceded that, of these, 40 000 needed to be rebuilt as they were poorly constructed. The cost of rebuilding the houses was estimated at R1.3 billion. He further indicated that there was a backlog of 2.1 million still to be built. The White Paper, estimated that the urban housing backlog in 1995 was going to be approximately 1.5 million units. But the figure has jumped to 2.1 million in 2010. Lennox Mabaso, spokesperson for the provincial housing minister Mike Mabuyakhulu, is quoted by Niren Tolsi, in the paper entitled, "State's cure for shack farms, submitted by (Abahlali baseMjondolo" in Mail and Guardian on 2007.06.02") as having said that, *"despite the current housing backlog -- nationally, there is an estimated backlog of 2,4-million units."*

This indicates a negative figure of 0.6 million shortfall. The consequences of this backlog are physically reflected in overcrowding, squatter settlements and increasing land invasions in urban areas, and generally by the poor access to services in rural areas. Socially and politically, this backlog gives daily impetus to individual and communal insecurity and frustration, and contributes

significantly to the high levels of criminality and instability prevalent in many communities in South Africa.

Coupled to this housing shortfall are:

- An estimated 720,000 serviced sites in the urban areas that will require upgrading to meet minimum standards of accommodation;

- a large number of rural houses that lack access to basic services;

- And approximately 450,000 people living in existing public, private and grey sector hostel accommodation that requires upgrading.

- Due to the high rates of population growth and low rates of housing provision, it is estimated that the housing backlog is presently increasing at a rate of around 178,000 units per annum.

The minister further indicated that it would cost R1, 3 billion to rebuild badly constructed houses provided under the government's housing programme, Human Settlements Minister Tokyo Sexwale said on Monday.

He said: *"It's a national shame. This is money down the drain. It is money that should have been spent on new houses,"* Sexwale said during a visit to the Alphendale community in East London, where 339 poorly constructed houses have to be rebuilt. **(Sowetan November 17 2009)**

He laid the blame for the poor service delivery on corruption by construction companies and government officials.

He continued to say: *"Wrong things are being done in the name of*

government," he said. *"These are people we have entrusted with government jobs and government contracts -- they are supposed to serve the people, but they are thieves. If you are corrupt, get out,"* he said.

"We want to know who built these houses. We need to ask serious questions and bring people to book. We are going to fix the problem, but we are also going to fix the people who caused the problem."

"Where we are given knowledge and information you can trust us, we will act." Sexwale introduced a national audit task team charged with investigating irregularities in the housing system.

It is led by Special Investigations Unit (SIU) head Willie Hofmeyr and a senior representative of the Auditor General's office.

"We are working with the SIU because they have the power to investigate, but they also have the power to institute criminal and civil action……..But they don't work alone. They are also working with the office of the Auditor General, which is in charge of looking at all our books, to check how we spend money." Sexwale explained.

The team is already investigating 20 projects, one of which is Alphendale. – South African Press Association (Sapa)

A caller, who preferred to identify himself only as a Democratic Alliance member, disputed the figure of 2.3 million. He said that the minister refers to the number of subsidies paid and not the actual housing units constructed. The minister conceded that, that might have been true due to the level of corruption he found in the department when he took it over. He indicated that it was difficult to

accurately state the actual figures as information from the provinces did not give the real picture. He further promised to dig deep into the statistics from the provinces and that heads would roll if any traces of corruption were identified.

The researcher concurs with the caller who refutes the figures the minister was quoting. The level of corruption in the RDP housing project is alarming and has been going on with no signs of serious intentions to curb it. Every minister who headed this department has said the same words and nothing seem to improve. While the project was intended to alleviate the housing problem of the low income families, those who occupy the houses do not necessarily fall within this category. A typical example is the Diepsloot informal settlement just north of Johannesburg. A double story house is pitching very high among the shacks. Surely the owner does not even qualify to be in a formal township[4], such a house should have been built in high market suburbs such as Sandton. A similar situation can be found in almost all the informal settlements.

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[4] Township according to the Apartheid law definition, i.e. a place specifically reserved for black communities outside the towns or cities

A DOUBLE STORY HOUSE PROTRUDING ABOVE SHACKS IN DIEPSLOOT

People who do not qualify to benefit from the scheme find it very easy to buy houses from the corrupt officials and turn them into houses. This is done to avoid buying land in the expensive suburbs. The other issue is that people who live in formal houses elsewhere buy RDP houses and rent them out to the foreigners as income generating projects.

The minister further indicated that, at the beginning of Democratic South Africa, there were only 300 informal settlements throughout the country and that the figure now stands at 2 629, this, he said, could be attributed to the influx of refugees and economic migrants from the neighbouring countries.   It will also be difficult to accept this statement if we refer to the past. Yes, the minister might be right that this was the case, but considering that the apartheid government was not releasing land for human settlement, there were no visible

squatting but this can distort the facts. Backyard squatting has been a reality in the old South Africa and this might have created an impression that there were fewer shacks then. In fact when unemployment became serious, many families in the townships resorted to creation of backyard squatting and made good income at the end of the month. This brought about temptation of erecting as many shacks as possible. Therefore some of the township houses had more than five families squatting in their backyards.

The old South Africa had very limited housing facilities for black communities as the apartheid system had planned to remove all the blacks to the homelands. The influx that occurred after 1990 prompted the new government into thinking of a quick way of resolving the housing problem. The RDP programme was the strategy the ANC government thought it to be a solution to provide basic housing for the millions of displaced people, particularly in the urban areas.

The historical and existing patterns of land use and allocation, as well as the legislative and policy framework associated with land, provided an immense challenges and constraints to the black communities. A fundamentally different approach will be required to make the housing programme a sustainable reality. However, the impact will have to reach far beyond purely legal and institutional matters, which Government can rectify over time. A wholly new approach to land use and planning is required, impacting both on the professions and the communities. Even today, South Africans tend to view land as an infinite and cheap resource, whereas the opposite is generally true. The country's extremely wasteful approach to land will have to change,

allowing for higher densities and innovation in its use. A different approach to land use not only promises the possibility of social cohesion, but can also have a dramatic and beneficial impact on costs and the efficiency of other resource utilisation such as energy and water. The following issues continue to be a problem towards land access by the poor communities:

a) The inability and unwillingness to release sufficient suitable land for housing continues to be a constraint to timeous housing delivery:

b) Lack of coherent policy on land:

c) No clear outline of responsibilities for the identification, assembly, planning and release of land for low-income housing exists, and inconsistent positions exist between different government departments and tiers of government;

d) **land identification:** previous racial zoning practises, reluctance of certain authorities to accept responsibility for low-income housing, resistance of many existing communities and various legislative constraints have impeded the identification of sufficient, suitable land for low-income housing;

e) **constraints to land assembly:** due to legislative controls and the fact that land was previously assembled according to ability to pay rather than need, insufficient land has been assembled for low-income housing;

f) Land planning:

g) Present planning legislation and approaches are burdensome, inappropriate in the South African context and resource-intensive;

h) Land invasions:

Increases in informal land invasions hamper efforts to timeous release adequate, suitable land for human settlement in a planned manner, and may result in certain people attempting to jump the housing / subsidy queue; and land title: Many different tenure arrangements (many of which are not officially recognised) complicates the registration of secure tenure. Furthermore, notwithstanding the sophistication of South Africa's land registration system; most citizens are forced to acquire accommodation outside this formal system.

Housing and housing provision has become a highly contentious, emotive and political issue. Upon investigating the issues surrounding housing, one realises that housing is more than just shelter, as Charlton (2004: 2) suggests. Similarly, the form of tenure operating in a housing situation is a crucial consideration.

"This relationship between house-dweller and land, or the accommodation and the land, may range from various informal occupations and rental scenarios to full freehold ownership" **(Charlton S, 2004: 2).**

In essence, according to Charlton (2004: 2), the security of tenure is of cardinal importance *"from viewpoint of the occupier, or house-dweller"*. The physical aspects of housing also need to be considered. Housing refers to more than the tangible house structure and includes the infrastructure and services that supply the house.

These include the nature of the water, sanitation, energy and access roads, footpaths, etc. (Charlton, 2004: 3). In addition, the neighbourhood in which the house is situated is significant.

"The living experience of a residential environment is dependent upon the availability and accessibility of facilities and amenities (schools, clinics, police stations, sporting facilities, etc.) in urban settings." Charlton (2004: 3)

The connection between housing and income generation, notes, is also crucial. Location is usually emphasised – the location of housing in relation to the 'higher order' services and facilities in an urban area, such as hospitals, tertiary institutions and art facilities, and crucially, the location of work opportunities. In this regard, travel and transport are also vital –

"How convenient, safe and affordable are the means of moving from home to work or to other facilities" (Charlton, 2004: 3).

The diminishing role of formal jobs in the lives of the poor has been acknowledged and more emphasis has been placed on the escalating importance of a range of income generation and survival strategies, and the linkage between these and the home environment. (Charlton 2004: 3) explains:

"A key issue is the role that the house can play in supporting livelihoods – through, for example, a prime location in the inner city that reduces commuting time and allows a hawking and vending business to flourish". (Charlton 2004: 3).

In other words, the house is important not only for what it is, but for what it does in people's lives.

*In this sense, the house should be an asset to the occupier – either a financial asset with an exchange value, or an asset with a user value, or preferably both. In addition, the housing stock as a whole in an urban area should be an asset to the local authority – a means of generating rates for the city, rather than a maintenance burden which is a financial drain to the cit*y (Charlton, 2004: 3).

3.4. INFORMAL SETTLEMENTS AND "SHACK FARMING"

3.4.1. INTRODUCTION:

The informal settlements, which are perceived to be breeding grounds for all sorts of social problems, are a challenge to Churches. Some people living in the informal settlements do not have access to basic human requirements such as sanitation, right to privacy, right to life. In order to survive some people start engaging in activities such as peddling of drugs, prostitution and many other social problems. Robin Gurney's book, The Face of Pain and Hope is an inspiration to the Churches, especially when we look at the following stories: A real Alternativa—a Real Alternative, the Container City, Hanna's story and Facing Unemployment which depicts the same situation we find in our informal settlements. One needs to follow all the stories and see how the Churches and committed individuals worked very hard to restore people's dignity and self-worth.

3.4.2. LAND OWNERSHIP:

Land within the study area comprises of various informal settlements in the Roodepoort area. They all fall within the Greater Johannesburg Municipality. There is very thin boundary between the Johannesburg and Krugersdorp which falls within the Mogale City municipality.

All land that is vested in the Municipality within the study areas can readily be made available for development of housing but the problem is that the huge chunk of land in the urban areas is privately owned by individuals or companies. Privately owned land will have to be acquired, by expropriation or negotiation, dependant on a number of issues such as land suitability and cost.

3.4.3. DEFINITION INFORMAL SETTLEMENTS:

The word "Squatter camp" derives from the action of squatting and in some countries it is called shanty town or a squatter camp, as is the case with South Africa. These are settlements of impoverished people who live in improvised dwellings made from scrap materials: often plywood, corrugated metal, and sheets of plastic. Shanty towns, which are usually built on the periphery of cities, often do not have proper sanitation, electricity, or telephone services.

John Bundell, in his paper entitled Try, Beloved country: Rumours of South Africa's decline are greatly exaggerated, describes an informal settlement as follows:

"An informal settlement is one that does not conform to government town planning rules. Settlements develop spontaneously, generally on land owned by the central, provincial, or local government in urban areas, though they occasionally develop on private land as well. In the rural areas the informal settlements are generally on

traditional community land currently held by the state but soon to be transferred to the communities under recently enacted legislation. Initially, no services are provided, but in time the government adds roads, electricity, and water. There is great political pressure on the current government to upgrade services in all these areas. A certain amount of tension exists between formal townships and adjacent informal settlements because the latter are seen to undermine the value of the former. This happens regardless of the race of the formal township dwellers. Many of these settlements are the consequence of migration from rural to urban areas."
Bundell (2000:3)

Informal settlements or Shanty towns are mostly found in developing nations, or partially developed nations with an unequal distribution of wealth (or, on occasion, developed countries in a severe recession). In extreme cases, shanty towns have populations approaching that of a city. As of 2005, one billion people, one-sixth of the world's population, lived in shanty towns. It is synonymous with the third world or developing countries although it can also be found in developed countries. The phenomenon of squatter camp or shanty town has a long and old history and is present in many countries of the world.

Anarchist Colin Ward comments:

"Squatting is the oldest mode of tenure in the world, and we are all descended from squatters." (www.sccs.swarthmore.edu) Accessed 10 September 2010)

The name actually indicates a negative and may also be called slum areas; they are associated with grime and dirt. In an attempt to give it a more positive image, in South Africa the name "Informal settlement" is preferred.

THE SPRAWLING DIEPSLOOT INFORMAL SETTLEMENT

While Shanty towns are associated with high rate of crime, suicide, drug use, and disease, Georg Gerster has noted

''*with specific reference to the invasões of Brasilia, that "squatter settlements as opposed to slums, despite their unattractive building materials, may also be places of hope, scenes of a counter-culture, with an encouraging potential for change and a strong upward impetus.''* (**www.askdefine.com. Accessed 12 September 2010)**

In South Africa, squatting or informal settlements have been widely associated with land invasion or land occupation, an apartheid borne concept that sought to politically despise the conceited effort by

disposed blacks to acquire land that was taken from them. The concept creates a negative impression that those who occupy land informally warrant to be dealt with thoroughly.

Yet, the informal occupation of the streets does not warrant the same treatment. Moreover, when the imperialists took land through unscrupulous means from the native people, it was not seen as land invasion but land occupation and/or 'European occupation' of the 'dark continent' **Davidson: (1968).**

In Zimbabwe land seizure,' or 'land grabs.' Moyo's interpretation of land invasion in the context of Zimbabwe is that it denotes a negative view of politically organized 'trespasses of farms lead by war veterans. Squatting is used to refer to invasion in the past (before politicization) and now refers to the illegal stay of people on a piece of land. More widely used recently is the term land seizure (especially in the media) to mean a variety of phenomena including outright repossession of land through armed liberation struggle and conquest in Zimbabwe.

In his paper, *"*Monitoring Paper part I, land occupation in South Africa,'' Sihlongonyane suggests that,

"Land invasion is a racist concept to demonise the efforts of the black people to get access to land. Unfortunately, the post-apartheid government flippantly inherited the land problem with its conceptual malaise and has used it as well. Thus, it is used in a negative sense to despise any form of land acquisition. However in retrospect, land is the only way by which poor blacks that are economically marginalized acquire land in order earn a living and access their inalienable right to land in a situation where the system denies timely access to it. It refers to the physical

utilization of a piece (s) of land by an individual or a group of people in order to fulfil their economic, social or political needs." **Sihlongonyane (2003)**

In many countries, squatting is in itself a crime; in others, it is only seen as a civil conflict between the owner and the occupants. Squatters are usually portrayed as worthless scroungers hell-bent on disrupting society. Property law and the state have traditionally favoured the property owner. However, in many cases where squatters had *de facto* ownership, laws have been changed to legitimize their status. Squatters often claim rights over the spaces they have squatted by virtue of occupation, rather than ownership; *(Refer to Case Study no 3 in chapter 1 page 4 of this thesis.)* The woman was desperate to have basic materials to erect a shack and by doing this, she was actually recording that she is rightful occupier of the piece of land and therefore qualified for inclusion in the housing list.

The problem of squatting in South Africa has always been there though the Apartheid government tried to squash it. As the new minister of Human Settlement, Tokyo Sexwale was quoted as saying that at the beginning of democracy there were 2696 informal settlements, it has been estimated that these formed 7.7 million of the 44 million South Africans. The number has since grown rapidly in the post-apartheid era. Many buildings, particularly in the inner city of Johannesburg have also been occupied by squatters. Property owners or government authorities can usually evict squatters after following certain legal procedures including requesting a court order.

In Durban, the city council routinely evicts without a court order in defiance of the law, and there has been sustained conflict between the city council and a shack dwellers' movement known as Abahlali baseMjondolo.

"There have been a number of similar conflicts between shack dwellers, some linked with the Western Cape Anti-Eviction Campaign, and the city council in Cape Town. One of the most high-profile cases was the brutal evictions of squatters in the N2 Gateway homes in the suburb of Delft, where over 20 residents were shot, including a three-year-old child. There have been numerous complaints about the legality of the government's actions and, in particular, whether the ruling of the judge was unfair given his party affiliations and the highly politicized nature of the case. Many of the families are now squatting on Symphony Way, a main road in the township of Delft. The City of Cape Town has been threatening them with eviction since February 2008." Anti-Eviction Campaign, Western Cape. www.antieviction.org.za (February 2008)

3.4.5. THE PROBLEM OF SHACK FARMING:

In 2006, the Zandspruit informal settlement erupted with violence against the Zimbabwean nationals after the death of a young woman. All the Zimbabwe nationals were driven out of the settlement in a xenophobic manner. All their belongings and shacks looted and burned down. This attracted a number of government departments dealing with issues of security and social welfare, police and NGO's and Churches. The main intention was to try to find solution to the problem of destitute Zimbabweans while the police were solving the criminal part of it, include the murder cases. It emerged that the Zandspruit and a number of informal settlements, came into being because the owners of the land decided to allow people to erect

shacks on their land and pay a monthly rental. This practice brought easy money to the land owner than what the normal farming would.

A Portuguese speaking family in Lindhaven, Roodepoort, lived on a vegetable farm for many years. Their main customers were the Durban and Deep Gold mines nearby and when the mines closed down, the family started to experience slowdown in their business. But, many retrenched mine workers needed a place to stay. The family saw the new potential for business and turned their vegetable farm into a shack farm, allowing miners to erect shacks in their land and charging them fees per month.
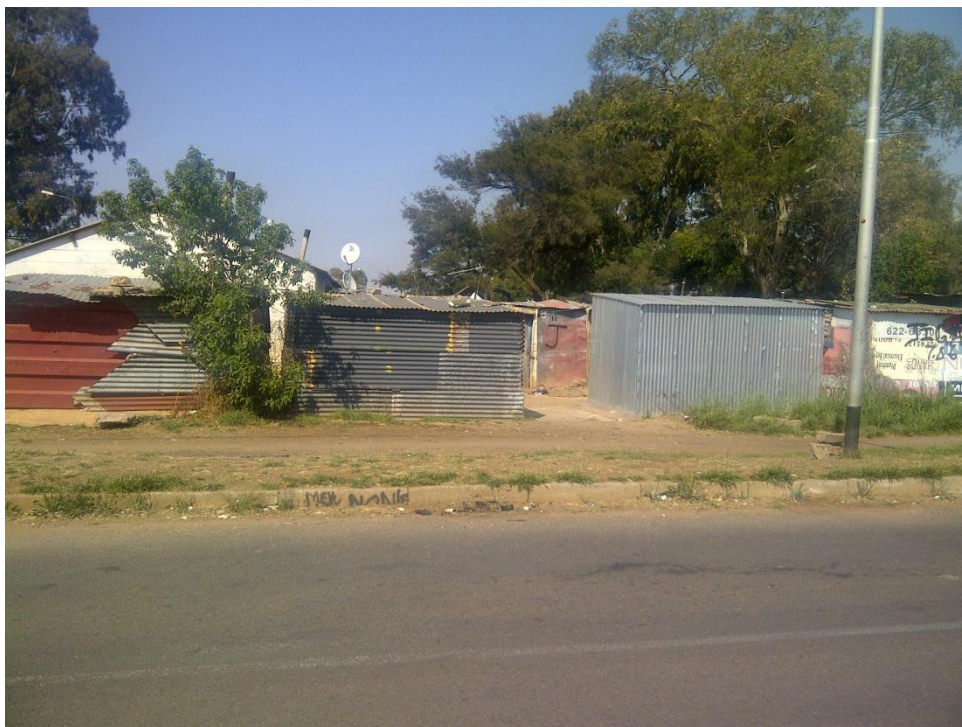
THE MAIN HOUSE IS TOTALLY SURROUNDED BY SHACKS ASINCOME GENERATING PROJECT FOR THE UNEMPLYED OWNER (PHOTOS' BY WHITE RAKUBA)

This phenomenon is popularly known as *"shack farming."* The practice is not only confined to farm land, in the cities of the country many buildings have been left empty and owners or other occupiers rent them to the destitute people. These buildings may also include factory buildings.

The other side of the issue is that some people are allocated RDP houses but the problem of poverty complicates things as the new occupants of the RDP houses cannot afford to maintain the houses and their lives, they choose to remain in the shacks and then rent their RDP houses to other people for income through monthly rentals.

Mabaso said that despite the housing roll-out, slums continued to grow because of the rapid rate of urbanization. The more houses are

built the more shacks are erected. The shacks also play an important role as transit camps. Once the original owners are allocated houses, they call their friends or relatives from rural areas to come and stay in the shacks so that they can be included in the housing wait list. This situation can be seen at the Tshepisong informal settlement near the Loratong hospital in Krugersdorp as well as the Diepsloot, north of Johannesburg. The intention of the municipalities in these areas were to build low cost houses, (RDP) and then clear the shacks to eliminate the informal settlement but this does not seem to be a case. The more they built, the more the shacks are erected.

The proposed Bill was part of a "multi-pronged" attack on the trend. According to Mabaso, government research had shown that there was a growing trend towards "shack-farming" which involves people who have been allocated RDP houses renting out their former homes in the slums. This, he felt, was hindering the eradication of such settlements. Speaking at the Kennedy Road shack settlement in Durban, which is home to about 7 000 people, Zikhode said that the issue of shack-rental was yet another example of the types of misunderstandings that arise when shack dwellers are not consulted. He estimated that about 20% of the shacks at Kennedy Road were probably rented out to or inhabited by people who had been given government housing:

"In a lot of these instances people who were awarded houses [in areas like Parkgate, about 40km from Durban] were moved quite far from their places of work. The majority of people here work as domestics or in the various petrol stations or markets -- their income was never much and, with increasing transport costs and inability to find jobs in the new areas, some have come back or rented out their old

shacks to maintain a living." **Abahlali baseMjondolo – State's cure for shack farms – Mail and Guardian (2007.06.02)**

" *"If we had been consulted about the relocation, this problem would have been highlighted much earlier and solutions could have been found,"* said Zikhode, who felt that a similar lack of consultation with regard to the Bill would only lead to more social problems. **Mail and Guardian, (2007.06.02)**

The Bill also stipulates that municipalities must, within six months of the promulgation of the Act, quantify the number and location of existing slums within their jurisdiction and submit a status report detailing the population of settlements and the ownership and description of shacks. This would be followed up by annual reports noting the progress of the removal and re-housing of inhabitants.

Zikhode said Abahlali baseMjondolo had already made written submissions to the provincial legislature and was currently devising a mass mobilisation strategy against the Bill. **Mail and Guardian (2007.06.02)**

3.5. POVERTY IN THE URBAN AREAS:

Despite the fact that urban areas are closer to work opportunities and cheaper commodities than rural areas, the degree of poverty in this area is more serious than in the rural areas. Money is the key to anything and if you do not have it you are lost.

3.5.1. DEFINITIONOF URBAN POVERTY:

There are many ways people understand or define poverty. It

depends so much on the defined-standard of living in a particular society. For instance, what is defined as poverty in the first world may turn out to be wealth in the third world. Generally, poverty refers to the economic condition in which people lack sufficient income to obtain certain minimal levels of life such as health services, food, housing, clothing, and education. These are generally recognized as the necessary requirements to ensure an adequate standard of living. What is considered adequate, however, as mentioned above, may depend on where you are. Poverty may also be defined as the state of one who lacks a usual or socially acceptable amount of money or material possessions. Poverty is said to exist when people lack the means to satisfy their basic needs. In this context, the identification of poor people first requires a determination of what constitutes basic needs. These may be defined as narrowly as *"those necessary for survival"* or as broadly as *"those reflecting the prevailing standard of living in a particular community or society."* For instance, in the middle class community one may be declared poor if you do not own a car, although you have a house, whereas in the low class community one may be declared rich when you own a Bicycle. The first would extend to people whose nutrition, housing, and clothing, though adequate to preserve life, do not measure up to those of the population as a whole whereas the second criterion would cover only those people near the borderline of starvation or death from exposure. The problem of definition of poverty is further compounded by the non-economic connotations that the word poverty has acquired. Poverty has been associated, for example, with poor health, low levels of education or skills, an inability or an unwillingness to work, high rates of disruptive or disorderly behaviour, and improvidence. While these attributes have often been found to exist with poverty, their inclusion in a definition of

poverty would tend to obscure the relation between them and the inability to provide for one's basic needs. Whatever definition one uses, authorities and laypersons alike commonly assume that the effects of poverty are harmful to both individuals and society.

The type of poverty this part of the thesis is going to deal with is that the Encyclopaedia Britannica defines as concentrated collective poverty.

"In many industrialized, relatively affluent countries, particular demographic groups are vulnerable to long-term poverty. In city ghettos, in regions bypassed or abandoned by industry, and in areas where agriculture or industry is inefficient and cannot compete profitably, there are found victims of concentrated collective poverty. These people, like those afflicted with generalized poverty, have higher mortality rates, poor health, low educational levels, and so forth when compared with the more affluent segments of society. Their chief economic traits are unemployment and underemployment, unskilled occupations, and job instability. Efforts at amelioration focus on ways to bring the deprived ... **(Britannica Online Encyclopedia)** www.brittanica.com

This is the type of poverty that can be found in highly industrialised areas with informal settlements or ghettos where people are attached to the cities but do not belong to the economy of it. They live in these situations because they feel if they are closer to the industrial or agricultural areas would benefit. They are normally people with low education and skills which cannot be used by the industries in their neighbourhood. The best they can offer is security services and cheap labour.

From the Holy Scriptures, it is very clear that poverty is as old as mankind. Already early in the Old Testament time, we are told that laws were made to protect the poor. The Old Testament teaches us that God had always been on the side of the poor, and showed particular biasness towards them.

"During that long period, the king of Egypt died. The Israelites groaned in their slavery and cried out, and their cry for help because of their slavery went up to God. 24 God heard their groaning and he remembered his covenant with Abraham, with Isaac and with Jacob. 25 So God looked on the Israelites and was concerned about them." **Exodus (2:23—25)**

God was touched by the cries of the oppressed Israelites in Egypt and remembered the covenant He had made with Jacob. It is very important to note that poverty at that time was not associated with begging. The laws were made to provide for the poor; therefore Children of Israel were advised not to reap everything from their land during harvest but that they should leave some parts of the land so that the poor could come and reap for themselves.

9 "'When you reap the harvest of your land, do not reap to the very edges of your field or gather the gleanings of your harvest. 10 Do not go over your vineyard a second time or pick up the grapes that have fallen. Leave them for the poor and the foreigner. I am the LORD your God." **Leviticus (19:9-10),**

As there was food available from these lands, there was no need for anybody to go out and beg, unless one was disabled, sick or too old to go out in the field to collect the leftovers.

That the poor existed among the Hebrews we have abundant evidence

"But the seventh year you shall let it rest and lie fallow, that the poor of your people may eat; and what they leave the animal of the field shall eat. In like manner you shall deal with your vineyard and with your olive grove". **Exodus (23:11)**

"For the poor will never cease out of the land: therefore I command you, saying, You shall surely open your hand to your brother, to your needy, and to your poor, in your land." **Deuteronomy (15:11)**

When the researcher grew up, he found that in his community, this compassion towards the poor existed. Poor families were lent milk cows to provide milk for the family and in some cases they were even given oxen to use for themselves; for tilling of the land and other issues. In return the owner would pay them with one cow for every year they had the animals. At the end the poor person is helped to transform from poverty. This is where the concept of "**Ubuntu**" (you are because I am) worked. The poor in turn paid by looking after the cows and making sure that they multiply for the owner.

3.5.2. POVERTY AMONG URBAN WHITES:

The area under research has some areas where one finds extremely poor white people. Historically, these are the people who were protected by the apartheid system's job reservation. As this has been some of the laws repealed, even long before negotiations, such people are left vulnerable when they lost the reserved job. Krugersdorp West While the situation of poverty in rural areas is mainly affecting the black community, the reality is that not only black communities are victims of urban poverty but that more and more white people are falling into streets. The phenomenon of begging whites at the main intersections of streets is fast becoming a common sight. The apartheid system had protected poor whites by the job

reservations legislation that ensured that no white family would be reduced to poverty. Unfortunately some of the white people, who never believed that the political situation in the country would one day change, did not take pains in improving their educational level.

When the new dispensation came into effect, all the discriminatory laws were abolished and the job reservations for whites was abolished but unfortunately replaced with the new measures to ensure that the wrongs of the past were corrected. This left many whites vulnerable and had to face the reality of unemployment for the first time in their history. To get a white person to stand on the corner of the street and beg for money takes courage. To understand this humiliation one needs just to look at the fellow white people's attitude towards the white beggars. They feel ashamed of the person. Sometimes the white beggar would rather face people of other races than his/her own fellow people. The other category that is visibly humiliated by the situation of poverty is the people who used to have rights to stay in the township and qualified for Section 10A. Such people used to qualify for jobs without any problem while their counter-parts from the rural areas were employed on a yearly contract which had to be renewed from the homeland. The pride of people of the township was spoiled by the massive retrenchments as a result of disinvestment and ultimately by the scrapping of all restrictive laws which then allowed people to compete for jobs as equals irrespective of origin or identity. This in a way became humiliation to the township boys who used to have the right to employment.

Edward Wimberley, in his two books, Claiming God Reclaiming Dignity(2003) and in, Moving from Shame to Self-worth (1999), deals with the issue of losing dignity and self-worth because of unexpected change in one's life. This is the challenge the Pastoral Care givers are facing today in South Africa. Dealing with the insights from the Book of Job, Wimberley discusses how Job, a once prosperous and highly esteemed member of his community suddenly finds himself poor and *"a nobody".* **Wimberly (1999:28 – 31)**

The respect he commanded from his family and community evaporated over a short space of time and finds him in a very compromising position. His wife, children and even servants lost respect to him. This situation is very rife in the sudden loss of employment and dignity by many people. The major problem here is that people internalise the values of social class to which they belong and once that status is lost, it becomes difficult to face the community. Some people either commit suicide or degenerate into self-pity.

Wimberley also dealt extensively with the issue "shame" and the restoration of dignity to people who have lived in shame. The story Banquet in the Gospels also deals with the restoration of dignity to people who have been excluded from attending a very important function. Although this has been accidental, those who never thought that they would be made important found themselves sitting around the table that was meant for the special ones.

"Then the master told his servant, 'Go out to the roads and country lanes and make them come in, so that my house will be full." **Luke (14:23)**

As discussed earlier, the Church should be guided by the commandment to love their neighbours as themselves.

"Do not seek revenge or bear a grudge against anyone among your people, but love your neighbour as yourself. I am the LORD. **Leviticus (19:18)**

And the second is like it: 'Love your neighbour as yourself. **Matthew (22:39)** *See* also **Mark (12:31), Luke (10:27)**

3.6. THE MUSHROOMING OF PENTECOSTAL CHURCHES AND THEIR CONTRIBUTION TO POVERTY:

3.6.1. CASE STUDY: 4

"*Merriam Bokaba, not her real name, left the Church in which she was born and bred to join the mighty Pentecostal Church, which has its origin in Southern America, when it arrived in Soweto. She was approached by a neighbour who had attended a number of services and was convinced that she had found the real church. The neighbour related to Merriam how she suffered poverty and how her life changed since she attended the Universal church; she found the job and her life had changed to better. She related to Merriam how her life remained stagnant while he remained the member of her former church, even though she was praying regularly, things never changed until she joined the new Church. She assured Merriam that if she joined the Church her miserable life would change to prosperity. Indeed, her neighbour got a job which was just a temporary job organised by the agents of the Church, knowing that this would not last longer. The strategy was to make people see practically how this change comes but did not care what happened to the person once the temporary job expires.*"

The most important thing about these temporary jobs was that they were meant to make people see that the Church indeed has the power to change people's life. The slogan used by the Church is *"Come and we shall wipe off your tears."* Merriam left her church and joined the charismatic church[5] with the hope that she was going to change her life. She was introduced to the stewards of the church and given information about the Church and how it could change her life. But, first she had to start giving generously to the church if she wanted to be richly blessed. She had to give 10% of her monthly earnings and in addition give more to get more blessing.

Another church, whose origin can be traced from a country in West Africa, used the slogan "*Stop Suffering*," promoted the word-faith teaching with particular emphasis on the seed-faith, Believers are promised healing and riches for a price. The price is, the more you give the more your blessings will be. When you give freely, you will prosper. But one of the former pastor of the Church, Mario Justino confirmed that during a decade of preaching for the same Church in Brazil, Portugal and Brooklyn, his superiors instructed him to tell people that: 'If you don't give, God does not look at your problems."

In the case of Merriam, she was employed as a domestic worker and did not have to get into a temporary job. She kept on giving but nothing happened and instead she became poorer. By the time the researcher met her, she was so devastated; she had

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[5] It should be noted that the phenomenon of the "Prosperity Gospel Charismatic Churches is not the policy of all; the Charismatic Churches,

spent all her hard earned savings with the hope that she was going to get more. Instead she was so impoverished that she could no longer afford school fees for children in High School.

The case of Merriam is one of the many, especially in the urban areas. Some cases of similar situation can also be found in remote rural areas where the. Certain charismatic movement and Ministries are mushrooming all over with the message of prosperity; most of them tagged "international" and will always talk about a membership of over five thousand and above. Leadership of such churches is normally around an individual or a group of acquaintances who all benefit from the proceeds of the church but members of the congregations do not have access to the property or finances of the church. They are associated with opulence and drive flashy cars and live in up market places.

3.6.2. EXCERPT

Perhaps the following excerpt from Uganda by John Lloyd may help shed light in what we are discussing. This is about a controversial pastor in Uganda:[6]

"He told his congregation that a few weeks earlier he had flown back from the US first class ("the only way to do it") and landed in Nairobi to change planes for the 50-minute flight to Entebbe, Kampala's airport. In Nairobi, Kayanja learnt that he was not booked first class for the final leg of his trip. Angered, he had summoned a manager. Kayanja then described a scene that ended with him triumphantly

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[6] **Uganda's controversial pastors**
By John Lloyd.

securing a first-class seat. I wondered, as the story unwound, what point he could be making to an audience which, though certainly not the poorest in Uganda, would mostly struggle to fly economy class to anywhere.

Then he answered my unspoken question. "Why did I demand first class?"

I demanded first class because the Lord sees me as first class. If you see yourself as first class the Lord will see you as first class. But you have to demand it! You didn't hear what I just said! You have to demand for it!" **John Lloyd –** [**www.christianportal.com**](http://www.christianportal.com) **(2008.10.27, accessed 2011.03.15)**

As the sermon progressed, he told the congregation to come forward with their tithes. Queues snaked up the aisles. Kayanja cited Malachi 3:10 – *"Bring ye all the tithes into the storehouse, that there may be meat in mine house."* (Malachi, one of the shortest books of the Old Testament, is popularly used for syphoning money out of unsuspecting Christians. Malachi is stern towards those who do not give a percentage of their income to their preachers; he has become the patron saint of the "Mega church.")

3.6.3. <u>CASE STUDY</u>: 5 A second case of charismatic Church

"Christina, not her real name, reported almost a similar case that occurred in Roodepoort. She was invited by her friend to a charismatic service where a famous prophet from Nigeria, was going to be a guest preacher. The hall was packed to capacity before the service and by the time the preacher arrived there was no space to walk around. What stunned the congregation is that right at the beginning of his sermon the preacher wanted to see how much every person was bringing as a thanksgiving for his "powerful sermon." He invited people to wave the money they were going to offer but got so irritated when he saw R20's and R50's notes. He was expecting at least R1000 from each person as the message he was going to deliver

was worth that much. He told the local prophets,(themselves citizens of the same country the "powerful preacher" was coming from), that the spirit does not encourage him to deliver a sermon unless the congregation changed their minds and offer more.   When there was no indication that many people were able to respond to his demand the preacher left the pulpit and the local prophet continued with the service."

Jesus says: *"Watch out for false prophets. They come to you in sheep's clothing, but inwardly they are ferocious wolves. By their fruit you will recognize them".*
Matthew (7:15 – 16)

The mushrooming of tents and huge and expensive churches are a common phenomenon in most of the cities and townships of South Africa.

THE RISE OF THE FAITH HEALERS:

The rise of faith healers, especially those coming from outside the country, with Malawi topping the list has escalated over the past few years in the urban areas, targeting the poor people. This can be linked to the topic above, where the vulnerable poor are targeted with the promise that their problems would be solved. The services of such healers are advertised in the newspapers such as the Daily Sun and the Sunday Sun where the majority of the readers are people struggling to find jobs. These adverts promise to solve their promises and at the end of the day they are fleeced out of their money.

"I delete your loans and be free from loans....win any competition that can give you millions of rands easily....Magic stick to bring you money, Spirit that can make you

rich in small businesses, I can clean money with bad luck...." **Sun classifieds, Sunday Sun, (26 December 2010)**

The other one reads: "**BABA PHIRI MALAWIAN HERBALIST***; my muti is 100% guaranteed same day/time. No matter how big is the problem. Bring back the lost lover within a day and get more from your partner, get married or stop divorce, enlarge breast, stomach problems, love powder to look more beautiful, remove bad luck, penis enlargement – all sizes, bigger, stronger and more rounds, erection problems same day, Magundwane, short boys magic, wallet sendewane oil to help you get money same time, Order or call 0787322644.* **Sun classifieds, Sunday Sun (8 May 2011)**

People who are likely to be attracted by these services are the poor struggling to find jobs and money to survive. They go all out of the way to borrow money in order to get these promises and thereafter find themselves deep in debt of having to get money to repay the loans they made, let alone money for the family.

3.7. INFORMAL V/S FORMAL TRADING

The informal trade in South Africa can be traced back to the 50's. At that time black people were not allowed to ply their trade in the streets of the cities but many managed to establish themselves along the railways stations, inside the trains and the taxi ranks. White and Indian informal traders were allowed to trade in designated areas within the boundaries of the cities while black were not allowed. In Johannesburg the Diagonal Street, including part of Market Street were designated to the Indian informal traders. The persecution of hawkers was intensified in the 1950's until the then apartheid government

realised that it was fighting a losing battle and in 1980's decided to relax the regulations, allowing even black traders to obtain licences to trade from designated spots.

Thomas Thale, in the history of informal trade in the city of Johannesburg, entitled, *"The rise of hawking in the city"*, dated 30th September 2002[7], gives a vivid history of how the government tried to control the informal trade. He says,

"The succession of governments during the apartheid era tried in vain to get rid of the sector. Motivated by the notions of racial purity, they sought to remove the mainly black traders from the streets of the city, to keep its streets lily white." Thale (2002)

In 1993, the South African Chamber of Business complained that the activities of the informal sector, particularly in respect of retailing in uncontrolled manner, affect formal business interests and in broad terms such activities are seen as a threat, not only from the point of competition, but also from a competitive point of view, but also from the point of adversely affecting the ambience of the trading environment.

The economic sanctions that affected the South African economy at the height of the struggle against apartheid had done a tremendous harm to the employment especially to factory and manufacturing sectors. Many companies that left the country in solidarity with the black majority did not return back as expected. Those who remained in the country scaled down their

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[7] City of Johannesburg website; www.joburg.org.za

works force or automated their factories to cut on labour costs. When the ANC led government took over, the major challenge was how to get employment to the millions of people who had been excluded from the economy of the country except that they were used as cheap labour. The period from the 1990, was generally acknowledged as a period of unprecedented, rapid, but unplanned growth of the informal sector. This can be attributed to a number of factors. The relaxation or repeal of the apartheid laws, including influx control allowed people to come of the bondage of the homelands to seek better life in the cities.

When it became obvious that employment was becoming a major problem in the new government under President Mandela, laws against informal trading were relaxed again to allow people to make a living for themselves.

When interviewed about the state of the informal trade since 10 or 20 years ago, Lawrence Mavundla, then president of the African Council of Hawkers and Informal Business (ACHIB), a nongovernmental advocacy group that writes model street commerce laws designed to influence legislation in South African cities responded by saying:

"Now we can talk openly without fear of repercussions," he said. *"The difficulty is that the officials who enjoyed enforcing apartheid are still there. These officials do not buy fruits on Friday because they know they are going to raid the hawkers."*
John Bundell (2004:1)

ACHIB was founded 17 years ago by 250 street vendors as a reaction to police brutality. Today it has 110,000 members; many have built big businesses; others have gone into politics. President Mbeki's

roots are firmly planted in this sector; his mother still runs a spaza shop (a small informal supermarket) where the president worked as a young boy.

Mavundla himself was fired from his position as shop steward at the East Driefontein gold mining company in 1985 after organizing a strike to protest the poor treatment of his fellow black miners.

"The black mine workers were being asked to eat the insides of the cow, while the whites were getting all the meat," he said. "That was it. Whites could eat whatever they wanted, but management was deciding for us." Bundell (2004:2)

He left his job with a mere R400 ($60) in his pocket. Not much, but enough to start him off selling cosmetics on streets and trains.

Today this former hawker has his fingers in several enterprises. One of them, his tire business in the Central Business District, sells mainly Goodyear products to a customer base that is now 90% black. *"I just today employed my first white guy on wheel alignment,"* Mavundla said, laughing out loud at the irony of his black customers' demanding a white man to perform a technically complicated job. But, he said, *"The customer is king!"*

Mavundla is confident about his company's future. *"Even if my price is higher than a white company's,"* he said, *"I'll get the government contract."* How does this favouritism square with his free market rhetoric? Mavundla's justification: *"Certain changes must happen, and we need time. White businesses have had 10 years to change, and they haven't. However, in another decade things will have changed so much that white and black will be together in owning businesses, and there will be no such thing as a 'white' business or a 'black' business*.**" Bundell (2004:2)**

This persistent divide between black and white is, of course, one of apartheid's many terrible legacies. The racial tension manifests itself in many ways, some subtle, others not.

John Bundell says:

 "The entrepreneurial-minded are pouring into South Africa. My taxi driver was from Mozambique. My hotel doorman was from Zimbabwe. Another street trader was from Senegal. Fully half of the economically active black people I talked to were not from South Africa at all. Far from indicating a lack of energy on the part of South Africans, this instead indicates that there is so much room for entrepreneurial activity in South Africa that the country is providing room for all, or at least a great many, comers. **Bundell (2004:3)**

Bundell describes Patrick Makone as follows:

"The most memorable entrepreneur I met was Patrick Makone. Tall, fit, young, and handsome, he was selling geckos and other animals made out of wire on the street.

Ah, inexpensive gifts, I thought as he approached my table and asked permission before squatting down to show them to me. They ranged in price from 20 rand ($3) to 150 ($22.50). I bought a chameleon for my 12-year-old cousin Candice and a lizard for my 14-year-old son, James. Makone's English was superb. In exchange for a further payment, I asked for his story.

He was from Zimbabwe, where he made the animals. Once he'd made as many as he could carry, he would buy a city-to-city return bus ticket from Harare to Johannesburg, costing $37.50, with a further duty of $18 at the border." **Bundell (2004:4)**

The influx of people from the rural areas into cities were matched by equally, if not more, by the numbers of economic migrants and refugees from the neighbouring countries, from Africa and Asia, who were better organised and experienced in terms of informal trading.

The exact number of foreigners in the country has always been a mystery to almost everybody, including the government Ministry of Foreign Affairs, the UNHCR and others. It is roughly estimated that there were 43 850 recognised refugees in South Africa at the end of 2008, 276 000 asylum seekers and 32 344 documented economic migrants.[8] These figures do not include undocumented foreigners and the figures are estimated between 3 and 5 million. It is generally estimated that Zimbabweans alone, range from 2 to 3.5 million.

This situation meant that competition for space and market became an issue. The foreign hawkers started to show progress far better than the locals and this created conflict between the two groups. The situation came into headlines when a group of foreigners were attacked and thrown out a moving train between Johannesburg and Pretoria. They were on their way to Pretoria to join the other foreigners who were trying to lobby the government for support and protection.

The conflict was narrowed to particular groups who were seen to be succeeding in informal business. A number of shops belonging to the Somali community were targeted by South Africans, including killing the owners. In 2005 three Somali refugees were stabbed to death outside their shop. In 2006 Somali shop owners outside Knysna, in the Cape were chased out of the area at least 30 spaza's burned down.

3.8. PRELIMINARY CONCLUSION:

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[8] The rights of others: Foreign national and xenophobic violence, NCHR Workshop

The situation as described in this chapter will help to lead us into our next discussion to deal with the consequences of the issues described in this chapter. The topics to be discussed in the next chapter emanate directly from the situations described in this chapter.