

# Series of Papers on Rural-Urban Linkages: Social value chains

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# **Executive Summary**

Social value chains seem to represent the vital process intermediaries to how the rural/urban space economy forms at household level. Made up of webs of relationships among individuals and households which maintain social connections and help each other on a reciprocal basis, define access to work, land, housing and information within the space economy. Their capacities to transfer information as well as social, financial and other forms of value determine where and how households at local level are able tap the resources of the space economy for the income streams that provides them with the means of survival. Because they represent the key to accessing the economy and entering the community, social value chains also play a determining role in how and where population movement takes place.

All the present qualitative samples are located at spatial points of significant rural densification, but at differing distances from the metro spatial pole. The space-related characteristics and functionality of the social value chains recorded appear to differ significantly in terms of both locality and relative distance, and also exert a significant feedback effect on both earning activity and migration.

The Integrated Urban Development Framework notes that the urban and rural sectors are now one interacting field, with exchanges going on constantly between the metro cities and the rural districts. In these exchanges, poor households continually strive to position themselves at their best affordable location for access to the metro and local economies, at the lowest possible cost of living. The immediate household objective is a reliable and adequate income stream, along with decent housing and a safe, welcoming community. Increasing flows of population movement are taking place across the rural sector as it differentiates and refocusses around rural towns and areas of densifying settlement which are coming to function as connects points for access to the metro and local economies.

In this context of a differentiating rural space economy developing closer integration with the metro urban sector, the present study looks at seven areas located along the northeastern migration corridor into Tshwane metro. From the small number of cases scattered out at these vantage points, the study attempts to understand the some of the economic, social and strategic considerations that poor rural households use their social value chains to address.

Using the interviews and qualitative narratives of the 30 respondents, the study attempts to look at their lived experience in terms of using social connectivity through value chains to advance their personal and household goals, emphasizing migration and population movement along the corridor from Jane Furse in the outer northern sector to Mamelodi as the urban gate point which filters and connects demographic flows into and out of the Pretoria metro. Small numbers of case interviews are collected from old-style traditional settlements, shack areas and urban backyards units at the population nodes selected along the migration corridor. The approach taken is anthropological, and emphasises the active agency of poor households whose collective decisions structure the rural space economy.

In the contemporary context, households are no longer autarkic within a local subsistence economy, and distances are not mysterious to a highly mobile and intensively networked population. Key questions for the study include:

- How do rural and urban connect and interact at households level now?
- o How does population migration work to integrate the rural and urban sectors?
- What can be done to promote more effective interaction for the rural/urban relation?



Case material shows new economic activity emerging around rural nodes where population is densifying, with new forms of economic activity in former farming towns previously negative to in-migration by poor African families seeking economic opportunities. Results show half the employed sample population now working inside the local economy of the rural towns as they transform their former agricultural economy into outposts of the developed national urban economy centered in the metro cities. Of the 38 people listed as working for wages, only one was a rural farmworker. In contrast, four were security guards, and three were self-employed informal mechanics catering to emerging car ownership in the poor rural population: of the 30 households represented, eight owned their own cars or vehicles. At a higher level, results point to the crucial role of gate-point population nodes such as Mokopane and Mamelodi as the spatial hinge points of the contemporary rural/urban relation.

With the rural economy more open to the disadvantaged poor and more local employment emerging, the qualitative samples divide overall into:

- (i) Category 1, rural-committed people, those wanting to stay in the rural sector who identify strongly with their local settlement regardless of their migration history;
- (ii) Category 2, rural-mobile people, those currently residing in the rural sector who perceive themselves as relatively footloose, not strongly rooted in the present settlement, who have urban aspirations and may be edging toward moving into or closer to the metro sector
- (iii) Category 3, metro migrants, rural-born people now living or working long-term in the metro sector who expect to remain there and eventually obtain high-quality urban housing.

Of these groupings, Category 1, those expressing a strong commitment to the rural sector and the present community, appears in the qualitative samples as by far the largest. It is a priori likely that Categories 2 and 3 provide the continuing stream of urban migrants, reducing their representation inside the rural sector, and leaving behind a strong nucleus of households which depend on the local-level economy and do not want to urbanize.

Together with individual endowments and capacity, social value chains then appear to represent a major intervening variable in respect of where local populations can look for livelihoods, and therefore affect both where the household members find work and where it can and will migrate to. In spite of high de facto mobility, the population represented in the qualitative samples appears predominantly rural-rooted, tapping the urban economy through its social value chains more often than through urban migration. In the rural sector, ten of the fifteen respondents indicated that they would not move from their present community even under attractive circumstances, although the population was highly mobile and nine of the fifteen had already migrated into their present community away from their birth community. Eighteen of the total 30 household heads expressed the intention of building a good quality house for their own family, against five – all shack residents – who were waiting to obtain government subsidy housing.

Value chains differ substantially between these different categories, and differ in terms of relative spatial location. Results indicate that value chains anchored in rural households rely heavily on friends as ad hoc personal contacts in finding the information needed to obtain work and locate at an optimal point in economic space; in contrast, value chains among rural-born migrants in the metro sector revolved around links among siblings, with own brothers the most significant link for both men and women migrants facing the impersonal city.



The livelihoods and support possibilities inherent in the capacities of respondents' de facto value chain networks are likely to shape the kinds of local vs regional connectivity that determines the likelihood of individuals and households moving within the rural sector or moving into the metro sphere, or staying in place.

Category 1 tends to find paid work inside the local economy at their present spatial point, and predominantly expects to build a new house in the present settlement if able to mobilize the necessary resources; Category 2 usually does not work locally, tends to be less certain about home building intentions, and either is considering other destination points or is already committed to a move into or closer to the metro city; Category 2 migrants may choose to position themselves on the far rural rim, beyond the official boundaries of the metro city region. Only Category 3 clearly appears to represent the flow of poverty-level rural-to-urban migrants who want to live inside the city, and which is most often perceived as threatening to the city's financial sustainability by the city administrations in the metro sector.

How far the emerging rural economy will be able to generate the employment needed to maintain the Category 1 households with rural preferences for local work at their current spatial locations will depend on to what extent the rural sector can continue to generate employment, both inside and outside the farming sector as the rural population continues to move along social value chains into nodes of population densification. Recommendations address the options for using social value chains to leverage the ongoing demographic trend to densification, in order to bring poor rural households into maximum contact with the local economy in well-connected nodes which are generating work.



Friends should please one another, giving [gifts] and clothing Experience makes that clear
In giving and taking friendship endures
If it succeeds in turning out well

The fir-tree standing alone on the heath withers Neither bark nor leaf can sustain it So it is with the man no one loves Why should he go on living?

Know this: if you have a friend you trust freely And want some benefit from him Open your heart to him, exchange gifts Go to see him often.

> From Havamal, anonymous Icelandic poetic collection from the Viking age, circa 800-1100 AD

What I can tell you is this: the only way out in times of need is to get help from brothers and sisters. And from reliable friends.

- Sello P, supporting household at Kwaggafontein, Limpopo

# 1. Background

'Social value chains' might perhaps better be described as webs, like the exchanges in an ecosystem. This social webbing is profoundly important in itself: it forms the base material of social cohesion. It provides both the underlying interconnectivity among its units that allows society to exist, and also the means to overcome the continuing risks of isolation and of income collapse that endanger the survival of individual household units in an industrialized society. In terms of the functionality of rural/urban connections for the disadvantaged poor in the rural sector, the links of social value chains offer

- i), the functionality of opening the way for residential migration around the space economy to improve economic access; and
- ii), the risk-insurance aspect of household economic support, which may pass between households and individuals on a regular basis and/or in emergencies;
- iii), referrals to jobs and access to employment information.

The value that passes along rural/urban social value chains then includes not only financial transfers and goods, but also information, as well as human beings who move between households and between settlements.

For poor rural households, the rural/urban dimension of this functionality is not always more immediate and important than the rural/rural aspect, if the rural sector is conceived of as taking in the farms and mines, the former homelands, and also the rural small towns – the whole space economy outside the metro sector and



the intermediate cities. However, it is the rural/urban interaction that supplies final demand and therefore enables the rural household economy to function. Through the macroeconomy, and without a working production sector at household level, the interaction with the urban sector ultimately generates the employment opportunities on which rural society now relies at household level. Social value chains then bring rural-born work seekers into position relative to rural or urban localities with employment opportunities, open up actual jobs, and provide access to housing and human settlements in the necessary locations. At household level, these forms of access represent rural/urban integration to a large degree.

SACN's call for proposals in respect of rural/urban linkages notes that the view of urban development as entirely separate from development in the rural sector is no longer considered valid, and the IUDF discussion document recognizes urban and rural as one economic, social and demographic field (IUDF 2013, Ndabeni 2014). In this respect, the most recent urban policy documents align with SACN's 2012-2016 Strategic Framework and Discussion Paper (2013), and with SACN's current rural/urban research programme. However, the large cities themselves tend not to recognize their close interpenetration with the rural sector. The cities may often tend to see the underlying relation to the rural poverty sector as in some senses adversarial, in that poor rural communities send waves of migration into the urban sector, which bring with them a partly unfunded delivery mandate (PDG 2011). In this respect, the city-level perception of the countryside may frequently be one of the cities themselves as isolated states (von Thunen, 1932), separated from their rural hinterland, and trying to hold off rural-to-urban migration.

The rural poor in turn recognize their interdependence with the cities, and many rural-born youth leave for the cities with perceptions of ambition and intense hope. Older people are often wary of the relations involved, and may subjectively feel themselves at the wrong end of negative terms of trade. Meanwhile, rural unemployment appears to be deepening, and rural small towns continue to lose population (Stats SA 2013). StepSA's recent research suggests that the coastal cities especially are chronically at risk of a large-scale burst of rural out-migration if unemployment rates or transport costs should reach a tipping point, which their relatively weak present economies would withstand with difficulty (StepSA, 2014 forthcoming; StepSA 2013a,b). Knock-on consequences for rural/urban interchanges would potentially be serious.

# Spatial policy and the rural/ urban linkage

From the theoretical viewpoint, Lipton (1995) first expanded on the established Todaro (1979) interpretation of urbanization dynamics, by suggesting that the rural and urban economies are in effect competing to absorb migration through provision of livelihoods. Lipton's interpretation is based on the principle that the rural sector is essentially capable of generating enough livelihoods to draw migration away from the attraction of urban destinations. Key government plans at present (NDP 2012, NGP 2010) implicitly recognize the demographic/economic rural/urban balance as both competitive and precarious. Current government planning strives to follow the traditional migration-limiting approach, of increasing rural employment and other livelihoods options in order to reduce the chances of increasing numbers of households which are unable to support themselves leaving the rural sector to enter the informal economy of the nearest large city. Most recently, the IUDF has highlighted the issue of rural/urban integration, with a clear conceptualization of the rural/urban relation as a continuous interaction which is vital for the cities themselves (COGTA, 2013; Ndabeni, 2013).



Against this background, the rural poverty sector is entitled to development in its own right, under the democracy dispensation of 1994, and in terms of human rights provided under the democratic Constitution. However, in respect of poor communities on the ground the rural economy remains seriously crippled by the inheritance of apartheid spatial planning, which was deliberately intended to cut off contact between the urban and rural economies, and by the legacy of colonialism, which attempted to cut off the African small farming sector from urban markets, so as to prop up the economic position of a then-weak white farming sector (van Onselen 1997).

At present, with the rural economy again in a weak state, it appears evident that development on any scale capable of influencing migration rates can only happen through the rural/urban connection. As the IUDF and the present national development plans emphasize, the cities have a strong stake in rural household outcomes; at the same time, demographic conditions are changing on the ground. It appears that the urban private sector – together with the overseas private sector – is already moving into the new demographically-defined spaces of opportunity on the ground, which have come into place in relation to rural population movements and rural-to-rural migration. Population nucleation appears as the critical trend for defining new rural opportunities, and population nucleation is critically determined by rural access to urban transport.

Rural densification is therefore likely to play a critical role here in relation to creating focal points for new economic/demographic linkages between South Africa's cities and their rural hinterlands. At the same time, the factor of transport costs emerges as perhaps the single key limit factor on the unfolding integration of urban and rural market linkages (Venter & Cross, 2011), putting a barrier between where rural people can afford to live, and the places which they see themselves as needing to reach in order to maximize their potential livelihoods. To deal qualitatively with these issues in the rural/urban relation, SACN has asked for a narrative approach. Such a narrative will need to focus on the social and economic dimensions of the rural/urban continuum, without entirely neglecting the political aspect, in terms of power relations affecting rural households and communities.

# Developing a rural/urban story

Questions which can be defined include the following:

- How do rural & urban connect and interact now, at household level?
- How does migration work to integrate rural and urban?
- What can be done to promote more effective rural/urban integration? What kind of integration intervention will most assist the rural sector to develop and to connect?

# and:

- Can the rural district hold their population vs the attraction force of the cities?
- Will there be sudden spikes in rural-to-urban migration if the present rural/urban balance collapses?



To work with these issues, the study identifies four interlocked dimensions of the research problem: (1) the space economy, (2) demography and population migration, (3) social process at area and community level, and (4) the lived experience at household and respondent level.

Accordingly, the narrative for this small qualitative study starts with the rural/ urban space economy, which is drawing population in around the points of rural/urban contact. Centering on the northeastern migration corridor from Limpopo through Mpumalanga into northern Gauteng, the study has first looked at the role and dynamics of migration in rural/urban space. From there, it has compared the provincial population and the metro Gauteng population with the population of the wards purposively selected for the qualitative inquiry, and reviewed the kinds of social/economic and demographic processes going on at ground level in the wards themselves.

Against this background, discussion continues on to show how the social networks that form value chains spread out spatially in relation to the wards where they are centred, before turning to the lived experience of the people in the households at the centre of these social chains. With the context sketched in, the last part of the narrative starts a brief comparative analysis of the properties of social value chains from the rural and urban perspectives, before summarizing the possible dynamics at work and suggesting possible recommendations.

# 2. METHODOLOGY AND QUALITATIVE SAMPLE

The present study uses anthropological quick-appraisal methods in communities where substantial field research in the relevant areas has already been completed, together with GIS-based background to locate the study areas in relation to the national context and in relation to the space economy. The overall perspective uses quantitative data available to support, explore, test and apply anthropological interpretation of qualitative data, making use of a brief series of 30 field interviews designed to allow the production of short case histories for these households.

For this study, a combination of qualitative and quantitative approaches to known dynamics from longitudinal studies on the ground supports the interpretation, and relates local findings to national dynamics. The national context is made more clear by the integration of GIS techniques and data sources to map key results on a national basis. The classical anthropological ideal has been described as 'thick description' (Geertz, 1970), with the qualitative description of case dynamics backstopped by the quantitative GIS work.

Interviews in the present study address both in the rural sector and in the urban sector, in order to clarify the social connections involved and the household-level considerations that lead women and men to migrate, to choose their destination, and to remain at the destination or to move on. In particular, considerations around social network linkages, which help to support the grouping of related households scattered among home areas and destination points, can be seen to have a major effect on the composition of households, and on the exchanges which take place among and between households which have migrated and those which have remained in the home communities. This data will then be related to quantitative GIS data on migration patterns and the profiles of the migration streams involved.



### Rural and urban sample areas

The 30 rural case study interviews presently available for analysis have been conducted in the Moutse/Sekhukhune area, on the border of Mpumalanga and Limpopo. This small qualitative sample has been chosen to present the spatial areas of highest activity on the northeastern migration corridor, which can be seen on Map A and Map A.1 in the form of dense settlement extending from the Gauteng City Region north to former Venda and the South African border area. In terms of SACN's brief and the determinations of the project management team, this small qualitative sample has been constructed to include two rural areas, in the deep rural sector and in the mobilized rural periphery, and two urban settlements in close interaction with the rural population source areas. The areas selected are Jane Furse, Dennilton/Moutse, Mamelodi and Mokopane.

The deep rural sector in the densely populated northern corridor is represented by four interviews in the Jane Furse area. Moving closer to the city along a direct track which follows the usual migration route into Tshwane, the inner rural districts are anchored by eight interviews in the Dennilton area of Moutse, a district well served with transport links to the city of Pretoria since the era of apartheid. Three more interviews have been conducted in the vicinity of the rural Kwagga Plaza shopping complex nearby in the greater Moutse area, in order to obtain qualitative light where possible on the role of the rapidly proliferating rural shopping plaza developments in the urban-rural relation; initial results suggest that employment rates may be higher in the vicinity of such plaza developments.

Based on the statements of respondents, the urban study areas are located in Pretoria East, in the vicinity of Mamelodi township, and in Mokopane, former Potgeitersrus. This choice is based on the position of Mamelodi as the terminal endpoint of the northeastern migration corridor. Though Mokopane lies off the direct north/south migration track to the west, the Jane Furse respondents identified Mogopane as the urban centre with which they most often interacted. To reflect the settlement hierarchy as it relates to rural/urban linkages, the project management team accordingly elected to include this rural township in place of a second metro urban settlement. The backyards occupation of Mamelodi East is represented by four interviews, and the Mamelodi shack settlements by four interviews from the informal settlement of Phumolong, lying just northeast of Mamelodi itself. Mokopane is represented by seven interviews in total, with four in the shack areas and three in the township backyards.

Interpretation of these results is supported by prior urban results from Diepsloot, Soshanguve and 'Swedenville', an urban shack community outside Mamelodi in Pretoria, as well as from numerous other poor settlements in the Gauteng city region. Extensive population interchange takes place within the demographic field defined by these human settlements. The extensive qualitative work done for the IPDM and StepSA projects on migration is now focussing on the migration decision, as prospective rural migrants decide between migration into the large cities and the national economy, migration into rural densification and the local economy, and the option of rejecting migration and remaining at home. Work for the case study makes use of this information base to interpret the decision choice contraints, broadly including employment rates at both ends, returns for informal earning activities, and the contribution of social grants.



# Contextual data through GIS

As noted above, qualitative work will be placed in a national context through the use of GIS mapping and statistical analysis using ward-level data from the 2011 national Census dataset and the StepSA dataset. The GIS brief covers the following:

- Mapping of study areas location and situation context
- Social/ economic map profile of the national poverty population at ward level in order to put the study district socioeconomic profiles into their broad relation to the rest of the country
- National mapping of rural population densification in relation to transport routes and former 'homeland' boundaries
- Migration rate and flow data drawn from the 2011 Census at ward level and the 2008/2010 IPDM/StepSA survey dataset (N=5964)

The GIS work supplies the context to the local studies, and serves to locate how these areas appear in relation to profile data for the provinces with significant majority-African rural poor populations. The GIS mapping shows the distribution of rural densification as it provides an overall summary of the rural/urban relation on a national basis. In addition, further mapping work showing the spatial relations that relate population factors to the economy of the poor rural sector is contributed by GIS work carried out for the StepSA project and its ancillary research undertakings broadly concerned with the rural/urban relationship.

## Recording social networks as rural/urban value chains

The recording of network contacts for the present study is partly arbitrary, relying on judgement for how many of the contacts referred to by respondents should be included. Some respondents included in their social contacts people with whom they were rarely in touch, while others tended to limit their listing to close network members whom they interacted with constantly, unless persuaded to extend their spread a little further. The file for contacts from 30 respondents contains 243 listings recorded, each corresponding to a specific spatial location, with type of relationship indicated. Recorded network spread has been cut off at a maximum of ten contacts per person, since beyond that approximate point the further listings appeared to be predominantly of people in very tenuous contact. In addition, to avoid skewing the distribution with individual clusterings, only one contact is recorded for each place referred to, though in a minority of cases one respondent could refer to several network members living in one place. Accordingly, the record of contacts in total contains fewer relationships than the thirty respondents could enumerate, but more on average than they were regularly in touch with.

# 2.1 Assumptions and theoretical models

In terms of the principal assumptions that underpin this study, in line with theoretical principles it is assumed that the base levels of social causality are primarily economic, in that society needs to address first the requirements of providing the population with food and the necessities of life, but the key mechanisms



through which households deal with the demands of making livelihoods are social in the broadest sense. That is, at the base of society is the household and personal economy, and other dimensions rest on this level, but social and political processes are critical to how the household level provisions itself as its single most essential task. The social dimension which is the focus of this study intermediates in how households assemble their livelihoods. Demographic and spatial processes, in terms of how people move to maximize their chances in economy and society, reflect the force of the urban developed economy interacting with the rural household economy, and migration activity takes place in this context. Migration outcomes therefore to a large extent actualize social value chains, which provide the information that enables migration to take place in response to household economic and social needs.

In this light, this study of social value chains tries to understand outcomes in terms of household economy, but approaches this objective through looking at social and demographic intermediation of the rural/urban relation. The main economic factor in relation to the provisioning of society under contemporary conditions is jobs and job search. Though employment is not the only source of household income in cash and in kind, it is the main one. Under these conditions, the demographics around the search for livelihoods – in a post-agrarian economy which is afflicted with severe unemployment – is what moves population, creates settlements and settlement densification, and commonly determines household outcomes. Population movement, enabled and structured by social value chains, is what structures the rural sector in its orbit around the economic attraction of the metro cities.

Rural households and individuals have to align with livelihoods, and to a large extent they do this spatially, giving rise to migration and population shifts. These trends suggest further questions, including,

- Do people have to move to the urban sector in order to build a reliable support configuration and disperse risk through spreading it? That is, is migration the only effective form of rural/urban integration?
- What distinguishes successful and unsuccessful rural households, in terms of their relation to the urban sector?

In this light it is also possible to see social and economic trends through where population concentrates, in respect of how the rural sector is squaring up to the urban economy as its main source of livelihoods. Here some critical issues are raised by recent important research by Rankin (2013) and by Posel, Casale & Vermaak (2013), using the SALDRU/NIDS on-line database. Their work establishes that door to door cold searches for employment in the metro sector very rarely succeed, since the number of candidates per job is so large that rational decisions by the firms between nearly identical candidates become impossible, and job allocation is then decided by means of personal recommendations and job referrals by existing staff. The implication is that rural job-seekers attempting to find work without a personal recommendation will fail in their search in the great majority of instances. In addition, Posel, Casale & Vermaak argue that the statistical chances for a rural job-seeker to find work are almost exactly the same regardless of whether they travel to the urban sector to search in person (active search) or remain at home in the rural sector to wait for a personal referral from a relative or contact (passive search). The implications for how access to work and livelihoods works in the rural sector will be important in understanding how social value chains integrate the rural and urban job markets.



# 3. TOWARD A SPATIAL OUTLINE OF THE RURAL/ URBAN ECONOMY

Drawing from the previous work done in the study areas for StepSA, it is possible to start consideration of rural/urban social value chains with job search as the limiting economic condition, which, together with the social grant programme, largely defines what is possible for a rural household attempting to assemble a reliable income stream

Previous research suggests that urbanization in itself is not a sufficient solution to the challenge of securing a reliable household income under today's conditions of extreme unemployment. Urban migration is often unsuccessful from standpoint of rural youth wanting to find urban work (cf Cross & Ngandu 2014 in press). The rural-born youth at Diepsloot and in other settlements on the metro periphery noted in focus groups they not usually able to try for central city jobs because of the cost of travel, and also because they are not usually qualified for the categories of registered work mostly available in the central-city metro labour market (World Bank 2014).

This market is extremely competitive and tends to involve higher-value skilled jobs. Unregistered work, ad hoc short-term and part-time piece jobs, are also highly competitive although the central city does generate many of these opportunities. Rural migrants therefore arrive to stay in very unfavourable conditions in dark buildings to be close to the most concentrated spatial sources of this kind of employment, but unlike the outer city the central metro zones tend to have very small shack populations. The residential opportunities open to the in-migrating rural poor in the turbulent and risky city core zones are therefore heavily oversubscribed as well as very low-quality and very expensive, and there is reason to believe that these non-formal labour markets have saturated (Cross & Ngandu 2014 in press, Cross 2014 in press).

At the same time, rural-born youth also face challenges in finding work on metro periphery. StepSA results suggest that the outer city zone often contains the right categories of less-skilled jobs, and may have as many or more jobs in total than the city core spaces, but this labour market is widely dispersed and heavily flooded with candidates; the cost of travel also tends to be prohibitive to searching. In a settlement like Diepsloot, no work is available within walking distance, and very poor rural-born households are unable to afford many taxi trips to search for work when these trips have a very low probability of success on any given trip. The extent to which new BRT-based urban integration interventions will shift the parameters of metro job search to enable the rural poor on the peripheries find work is uncertain against this background, although urban integration initiatives offer some hope to the excluded rural poor who are trying to secure livelihoods in the main metro cities.

The conditions in the metro labour markets define the limits of rural-based job search strategies as well as those for the rural poor living inside the cities. In this kind of urban labour market, referrals and recommendations are as necessary from inside the city of poverty as for work-seekers coming into the city from the rural sector. The other pole of the rural household economy remains located in government transfers, in respect of the social grant programme, which provides livelihoods support available within the rural sector. These transfers the level of cash flow in rural communities which is accessible to local economic activity and local transfers.

That is, the further outward from the city core zone, the less spatially concentrated work becomes and the more job search costs in terms of the cost of a single search trip. When job searches are being carried out



from the rural sector, the costs invested in job searches inside the metro cities become very high in relation to the financial resources of poor rural households. The extent to which the rural population approaches the livelihoods challenge by tapping the resources of the cities directly, as opposed to turning to survival based on local sources of food and earning, is critical to perceiving how rural/urban social value chains work at household level.

# The space economy, migration and population densification

Map 1, below, gives a snapshot of the demographic space economy for the entire rural sector, and crystallizes the spatial legacy of apartheid in graphic format. It shows broad zones of rural population densification almost entirely coinciding with the former apartheid 'homelands', while the existing road and rail transport net bends away from the areas of African rural settlement in the old homelands, tending to isolate the rural population socially and spatially from the developed urban sector. This distribution of access routes has historically exerted pressure toward longer-cycle migrant work and away from commutation models of work access, though the qualitative results of the present study align with the finding that commutation access is continuing to increase around local jobs inside the rural sector (cf CSIR 2007).

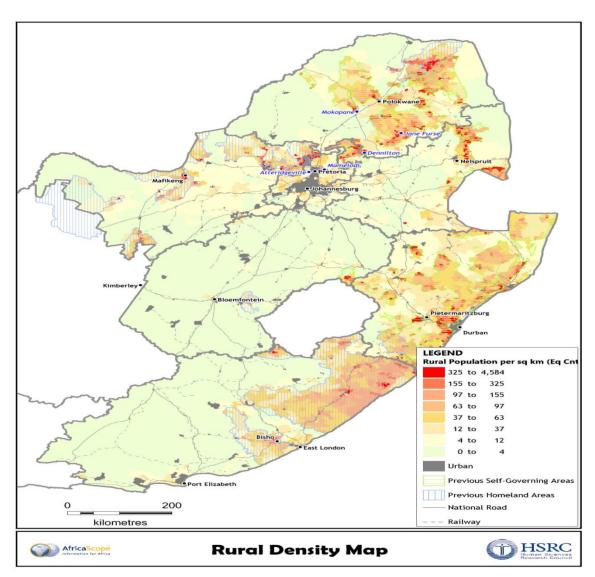
# Migration and rural densification

The process of population densification in the rural sector reflects both population increase and active migration, which draws population to concentrate at specific points in the space economy and also increases density levels broadly across larger regions. Population concentration both responds to and creates economic opportunities, in that dense populations formed to access employment opportunities will at some point start to offer a market to business enterprises.



MAP 1

RURAL POPULATION DENSIFICATION

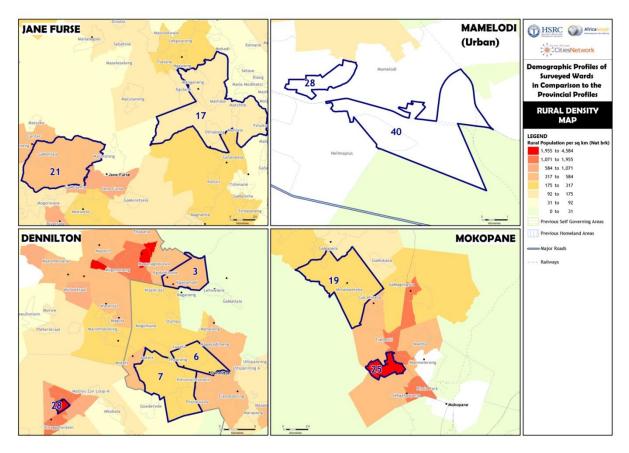


This process is reported to be advanced at Jane Furse and Dennilton. Map 2 below zooms to the local level to indicate the localized population concentrations and sharp density gradients occurring in the study wards.

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MAP 2
POPULATION CONCENTRATION AND RURAL DENSITY LEVELS IN THE STUDY WARDS



In accordance with the role of access to work as the single most critical factor in rural migration patterns (Todaro 1956; Cross et al 2008, 2013, CSIR 2007), within this distribution the red-tinted areas of highest densification stretch toward the major metro cities, and toward transport corridors such as the highway route between eThekwini and Newcastle.

Areas of displaced urbanization such as the northeastern migration corridor linking Jane Furse to Dennilton to Mamelodi show population gathering on a major axis of movement to the main metro cities, facilitated by government subsidisation of transport. However, densification in the rural sector can also be seen occurring around local points of economic attraction, for instance around the borders of the Kruger Park in eastern Mpumalanga. Former Venda to the north has concentrated high population densities in its relatively productive agricultural economy, while Polokwane and Mokopane represent points of urban density forming in the wider rural landscape and drawing in migration. Areas of high population density in the rural sector still tend to be confined to the old 'homelands', with very little densification outside of their former boundaries; the remainder of the rural spatial sphere comprises farming districts with formal property rights, which except under extreme conditions do not permit dense settlement to occur.

The space economy of population distribution therefore appears in two layers: the first of the former white economy, with concentrated economic activity and very high urban densities along with a relatively unpopulated farming hinterland, and the second of the African economy, historically squeezed into the old homelands territories and the urban township areas. The African space economy reflects



high rural densities in a post-agricultural economy, and very high urban densities in the African townships as the main urban window of the black economy for the rural-born poor. In spite of the opening up of imposed boundaries post-1994, the space economy of population location and transport linkages continues to provide relatively constricted access to the urban areas where jobs are most concentrated.

The present qualitative results also reflect the trend for some level of new economic activity to develop inside the rural poverty sector, attracting population and sparking changes in the rural/ urban balance. The critical points of rural/ urban for development are likely to occur where the old-style white rural economy comes to articulate with the emerging African economy, stimulating new economic opportunities. Local accounts suggest that Mokopane is such an area, a smaller town with a rapidly developing local economy that is transforming and attracting in-migration, developing urban-style social problems as it aggregates new activities. The same may hold to some variable extent in the other areas of dense population along the northeastern migration corridor.

The overall distribution of population raises questions – what destinations are people moving toward? It may be important to see the entire picture for all the migration activity that affects the rural sector, rather than simply concentrating on rural-to-urban movement that have mainly concerned urban policy. The model of an interacting rural/urban field in which the rural area can hold its own in migration terms directs attention to the effects and determinants of rural population attraction, and to the high prevailing levels of rural-to-rural migration not usually perceived or addressed in policy terms.

# Active migration in the space economy

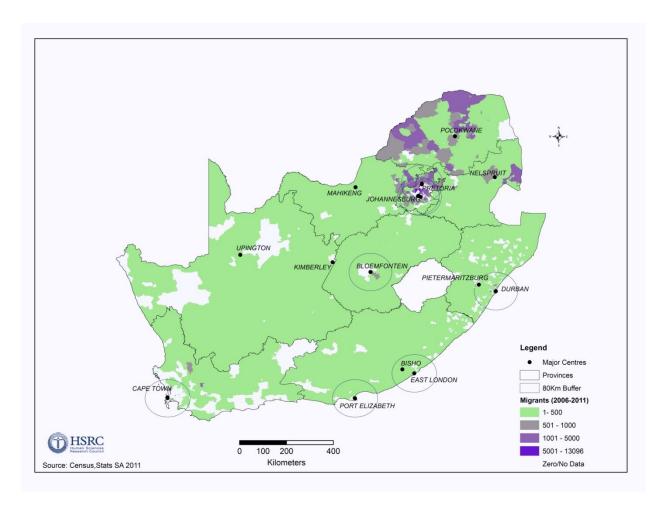
Another view of population distribution is given in Map 3, which shows areas of high migration on the national map, based on the 2011 Census. It can be seen that population is now concentrating in areas near the northern border, around the mining towns and the border crossing points, flowing across the long-standing demographic distribution created inside the old homelands territories by the established pull of the Gauteng conurbation and its labour market.

Both cross-border migration and internal migration into the mining towns around Lephahlale and the Bushveld Complex mineral deposits are involved in these new and powerful population flows in South Africa's northern region. At the same time, migration is reported to be actively flowing into the areas around Mokopane and Polokwane, particularly targeting the tourism industry in the Mokopane area (see below, *Area dynamics*). That is, rural-to-rural migration – historically always substantial but little recognized and poorly understood – appears to be rising sharply in the north part of South Africa.

The overall picture is one in which the northern parts of South Africa appear as generating a new demographic/ economic dynamism, with complex human flows not limited to the north/south movement which has historically dominated the region between Gauteng and the northern border. This process can be



MAP  $_{\rm 3}$  AREAS OF ACTIVE MIGRATION BY POPULATION VOLUME, SOUTH AFRICA 2011



observed in the qualitative results as it creates new linkages and changes the economic imperatives for poor households in the northern provinces.

Migration at household level is a process that rolls the dice and changes all constraints, putting the household into an entirely new situation for better or worse. Social value chains not only enable migration to take place, but also provide the societal backup and reservoir of resources which stabilize the risks of the changeover, helping well-connected households to continue to draw on the resources of their previous home area while they attempt to plug into the resources base of the new area. Without effective value chains to open up information flow and enable access to the local economy, either rural-to-urban or rural-to-rural migration becomes an almost blind undertaking, with increased risk factors. How this increasingly complex space economy will affect the overall wellbeing and economic inclusion of the poor population in the north remains to be seen.

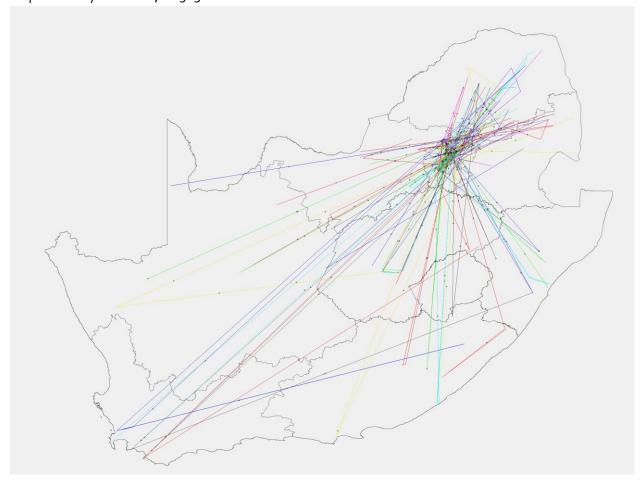
Map 4 sketches the spatial origins of the migration flows into the Tshwane metro as of 2010, using the 6000-case StepSA project survey as the database. It gives the overall direction of migration in relation to source and destination of movement. It can be seen that the human flows into the metro city arrive most densely from the north, and particularly from the districts just south of Mokopane and Polokwane. That is,



migration into Tshwane comes particularly from the former homelands territories of southern Limpopo and along the Limpopo/Mpumalanga boundary line, including Jane Furse district. Flows from KwaZulu-Natal,

MAP 4: MIGRATION FLOWS INTO TSHWANE METRO, 2010

StepSA survey database, N=5632



Eastern Cape and Western Cape are relatively limited, while North West is not well represented. Migration flows from the coastal provinces areas are of greater significance for Ekurhuleni and Johannesburg, while Tshwane draws more of its population inflow from the northern interior as shown.

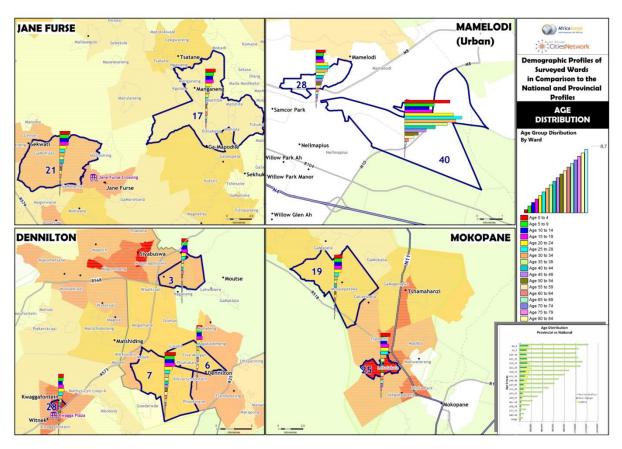
# 4. LOCATING THE DEMOGRAPHICS: AGE AND GENDER RELATIONS

In the light of the discussion in this section, the rural and urban qualitative samples appear reasonably representative of the broad context of the source and destination areas for the northeastern migration corridor that terminates in Tshwane through the contact point of Silverton. No claim is made in this report that the results have any direct bearing on migration flows to other destinations, or from other points in South Africa. This section turns to the GIS results to assemble a picture of how the wards represented in the small qualitative sample fit into the regional and national demographic context. It covers the national, regional and ward-level population distributions for age, gender, employment and income, as represented in Census 2011.



Map 5 above locates the individual wards visited for the study and summarizes the distributions for age of the population. The inset graph at the lower right gives the comparative figures for rural Limpopo, for Gauteng, and for the study wards. Background colour indicates relative population density by ward.

MAP 5: AGE DISTRIBUTION FOR STUDY AREAS Census 2011



It can be seen that the age distribution for the rural districts of Limpopo appears as flattened relative to the national age structure, the distribution showing proportionately fewer working-age adults and older youth, and more old people. Rural Gauteng shows a similar curve, but with less flattening. This kind of age distribution reflects out-migration of the younger adult population, while greater relative presence of young children indicates adults living out of the area sending children back to grandparent families.

Roughly this same kind of age profile appears for most of the wards in the qualitative study. Other than at Mamelodi, all are rural wards on land controlled by Tribal Authorities, though some have been partly developed toward township status.

Ward 7 at Dennilton and Ward 19 at Mokopane, as well as both wards at Jane Furse, show the highest proportion of young children remaining in the area, with the distribution flattening to a lower representation in the adult working years. The highest share of working-age adults in the rural sample wards is at Ward 25 in Mokopane, next to Mahwelereng, the Mokopane township. Although the qualitative sample reflects some modest availability of local employment, the demographics of these areas consistently indicate that any growth in local employment has not yet had a strong impact on the outflow of the working population to the urban sector.



The graph for the main Mamelodi township sample in the backyards category shows the result, with an acute buildup of adults aged 20-44, the main working years. This kind of high presence of working age adults is present but less marked in the Phumulong shack area in Ward 28, which appears to offer proportionately less access to attractive employment, but still accumulates the work-seeking population to a noticeable degree. Results in the qualitative material need to be seen in terms of the underlying population dynamic of youth out-migration connecting the rural migration source areas to the urban destinations.

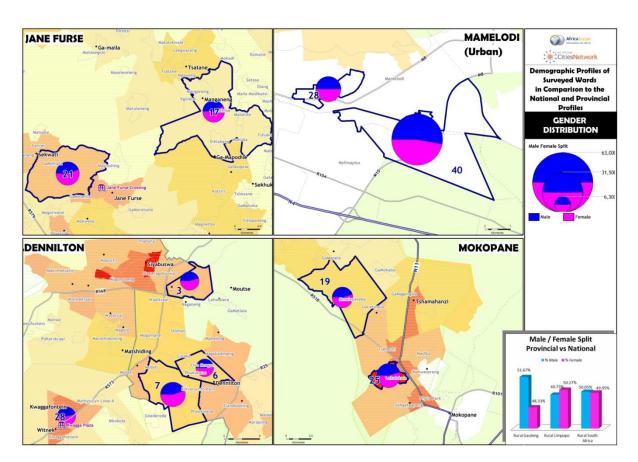
While the respondents generally argued that people were not moving out of their areas, their statements refer to households not formally moving out: numerous references in passing acknowledge that youth as individuals are migrating out on a continual basis, looking for work and/or for education opportunities, while the rural families remain behind in their houses so that the number of households in the community does not show a strong drop.

# Population gender distribution

The gender division in the population structure appears on Map 6. It shows the same kind of migration impact on the population in the study wards: women are consistently over-represented in the rural wards,

# MAP 6: GENDER DISTRIBUTION FOR STUDY AREAS

Census 2011



but men predominate in the pie charts for the Mamelodi backyards and for the Phumolong shacks.

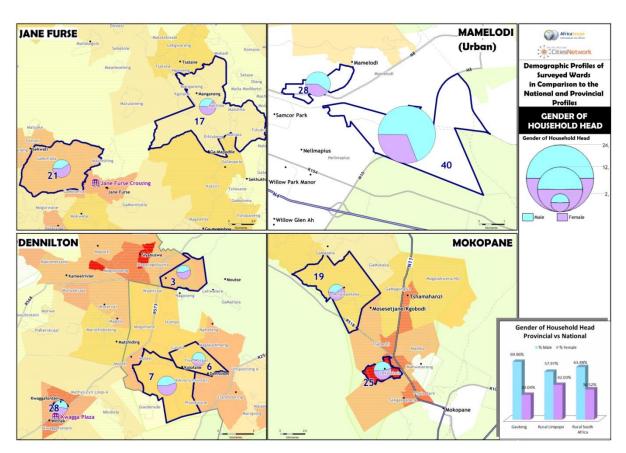


The inset comparison graph shows women predominating in the Limpopo rural population, while for rural Gauteng men the result is the opposite, with men showing a strong preponderance in the intensive agricultural farming areas which surround the metro cities themselves. For rural South Africa as a whole, the effect of farm employment has a similar effect in leading to a slight predominance of men in the rural farming areas in general. The gender distribution for the study wards aligns with the overall distribution for rural Limpopo.

# Gender of household head

The final maps in the demographic series give the comparative distributions for women-headed households. The representation of men and women heads follows the same general trend determined by out-migration as in the case of the age and gender distributions for the population. Women-headed households predominate in the rural study wards, while the Mamelodi backyards reflect about two-thirds male-headed households, and the Phumolong shack areas nearly as many.

MAP 7: GENDER OF HOUSEHOLD HEAD, DISTRIBUTION FOR STUDY AREAS Census 2011



The share of women-headed households in the rest of South Africa shows an overall tilt to male-headed households, which would resemble the township situation rather than the demographic position in the outlying rural areas involved in the qualitative study. Rural Gauteng has a very strong skew toward men

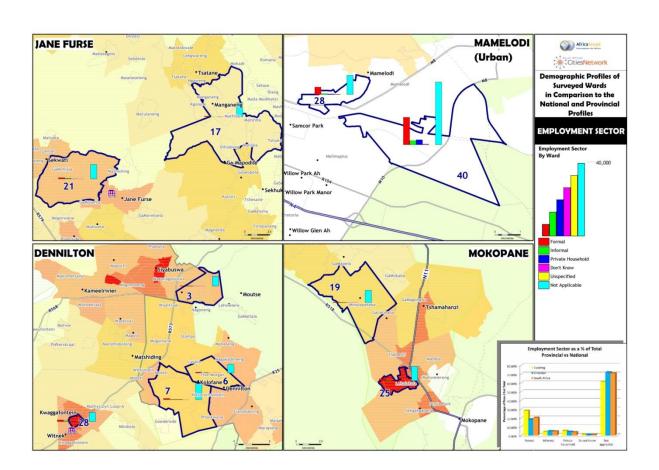


heads, consistent with the high share of men employed in the Gauteng agricultural zone. Rural Limpopo province follows the same distribution but with a less marked differential. It is not clear whether or not province follows the same distribution but with a less marked differential. It is not clear whether or not the higher observed share of women heads in the Limpopo study wards can be accounted for by their spatial position on the mainstream line of the migration corridor, which may expose households in these areas to relatively more out-migration by younger men looking for work.

# Formal and informal employment

The scarcity of formal work in the rural sector is starkly apparent in Map 8, the first map of the economic series, which shows recorded levels of formal and informal work in official Census data. In the study wards, the recorded availability of formal work is so low that the columns representing recorded jobs are almost invisible, leaving only the population that is not known to be economically active appearing in the record. Significant formal employment is only recorded in Mamelodi, at a fairly low level, with the township backyard element again seeing higher levels than the Phumolong shack population. Informal work, which is often poorly enumerated in official data and is not well picked up in the current sample, likewise appears only at a level well below that of formal work.

MAP 8: FORMAL AND INFORMAL EMPLOYMENT, DISTRIBUTION FOR STUDY AREAS
Census 2011





However, the qualitative results for the rural wards appear to reflect a modest level of de facto employment (see below), with the majority of households reporting someone working for wages. The gap here is likely to relate to the strong presence of the informalized shadow labour market in these communities (Cross & Ngandu 2013), with most of the paid work opportunities appearing as unregistered and therefore likely to escape the net of official data collection. If this is the case, this hiatus in official employment data may be a significant concern for analysis and for policy.

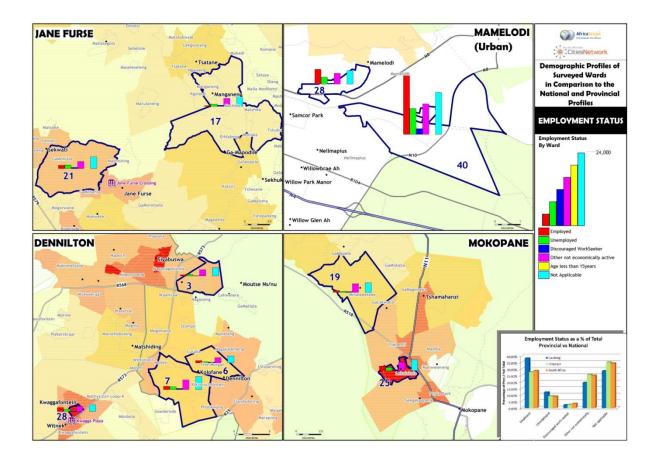
For rural South Africa as a whole, as also for rural Gauteng and rural Limpopo, the distribution of formal and informal work is similar, and roughly resembles that of Phumelong, with a low share of formal work and little recorded in the domestic sphere, and with a high share of the population recorded as not working. There may be a gap in respect of employment between what would be consistent with the small sample of qualitative interviews and what might fit with the official data record.

# Employment of head

The recorded distribution for the actual employment of the head of household in the qualitative sample and in the official statistics tends to follow a similar distribution to that for formal employment. The inactive categories dominate the picture, and though both employment and unemployment are visible in graphic form, they appear only at very low levels in the rural sample wards. Only Mamelodi shows a relatively strong representation of employed heads in its backyards category, with the Phumolong shacks trailing. Unemployment appears at levels below formal employment everywhere, except perhaps at Jane Furse.

MAP 9: EMPLOYMENT OF HOUSEHOLD HEAD, DISTRIBUTION FOR STUDY AREAS Census 2011





For the provincial and national distributions in respect of the rural population, the broadly common distribution shows employment as the single largest category, ahead of either *not economically active* or *not applicable* individually. Recorded levels for unemployment and discouraged work-seeking categories appear as relatively low, and Limpopo province consistently lags the trend of the results for Gauteng and for the country as a whole, which show higher employment and lower unemployment consistently. The Census results for Mamelodi's backyards sector roughly approximates to this picture, while the statistical results for the rural wards show lower levels of employment and unemployment.

The qualitative results are without statistical validity due to the small numbers and non-random case selection, but the trend may raise questions. Results for the distribution of household income may then shed additional light on dynamics of work and wage income in these rural and semi-rural settlements.

# Household income distribution

Lastly, the comparative results for household income help to illuminate the rural and urban relation as reflected in the qualitative data for the migration corridor. Household income as an indicator expresses the total interaction of household earning capacity with the labour market and with the social wage, and with the state of the urban/rural economy inside the national economy.

The national distribution shows perhaps one in six households recording no income at all; the income distribution then peaks in the interval R 19600-R 38 200. This upper level of household earning is equivalent



to roughly R 3200 per month, or to a per capita income of very roughly R 400-R 800 per person per month. Households earning at this upper level are eligible for the housing subsidy, but also place well above the level of income now being used as a poverty threshold, which occurs in the low R 400s in both the NDP (2012) and in Cosatu's estimate.

However, rural Limpopo does not show this modal level, though the shape of the income distribution tends to follow that for the country as a whole and the similar distribution for rural Gauteng. For Limpopo, the modal income category is R 9601-R 19600, or per capita income of R 200-R 400, indicating severe poverty. About a quarter of the rural Limpopo household population appears to fall below the lower limit of R 200 per person per month.

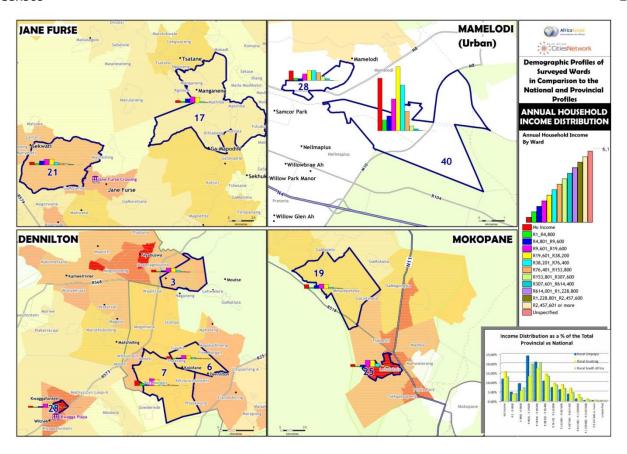
While the Mamelodi backyards and the Phumolong shacks tend to roughly follow the Limpopo distribution, something similar may occur in the rural wards as well. For the rural wards, the modal income category tends to locate in the approximate R 200-400 bracket, followed very closely by the R400-800 interval. In Kwagga A, the R 400-800 interval actually takes over as the modal category by a small margin. These are clearly poverty levels of income.

At the same time, levels of income in the study wards appear to run higher, although the estimates from the respondents and the researchers are in both cases very approximate. Average per capita income in the rural wards reaches R 1285, against R 2268 in the urban wards; in both cases the average is pulled up by outliers. Neither income distribution has a strong single peak (see Table 3.1 and 3.2), but median incomes are not far separated at R 780 for the rural wards and R 850 for the urban wards.



MAP 10: ANNUAL HOUSEHOLD INCOME, DISTRIBUTION FOR STUDY AREAS Census

2011



However, if Mokopane is held aside because its income dynamics closely follow the rural wards, the median monthly per capita income for Mamelodi/ Phumolong alone would appear to be somewhere in the vicinity of R 1600, with the Mamelodi backyards far ahead of the shack area in realized income. Although remittances are a major factor in the realized incomes of the rural households, outside contributions which may not be reported do not appear as an important influence in the small metro township sample.

Based on the national statistics, the median income for the Mamelodi backyards population that reports cash income would be perhaps in the vicinity of R 600. It is not clear how far the estimates for the qualitative sample population may be affected by likely influences such as sampling bias, or how effective the official statistical estimation may be. However, the selection of poor and better-off households in the Mamelodi samples appears plausible, and it is worth noting that both investment-quality housing and car ownership are spreading rapidly in the rural sample areas. The interviewers remark that people in the rural sector are not necessarily as poor as is generally believed, and are better able to fund their own housing than would have been the case at democratisation in 1994. Additional work may be in order to resolve the questions raised about living levels in the rural and urban sectors as they impact on networks and social value chains.



# 5. AREA DYNAMICS IN THE STUDY WARDS

This section gives sketches of the localities selected for the qualitative samples, within the envelope of areas that interact with and around the northern migration corridor. It provides background to the human and economic flows that depend on social value chains, and starts to contextualize the changes in the economy of the north. Location of the study wards is given in the map series, in Map 2 and Maps 5-11.

Key points in respect of the five study areas include

- 1) Conditions around local and external employment, defining the role of commutation vs migrant labour
- 2) Levels and patterns of internal and cross-border migration and labour market implications
- 3) Levels of social connectivity and social capital sustaining social value chains
- 4) Role of specific urban and rural settlements as spatial points of rural/urban articulation in respect of migration and job search.

#### **JANE FURSE**

The Jane Furse area represents a concentration of dense population in an outlying rural area without major towns, under Makhudathameng municipality (Map 1, Maps 5-10). The population faces high rates of poverty and unemployment due to the lack of industries, farming and mining activity within the area, and the residents have been in the practice of travelling to other nearby rural districts to find work inside the accessible rural envelope. However, the area does also generate internal employment.

Work destinations inside commutation distance include the commercial farms at Groblersdal and the mining complex at Burgersfort, as well as Steelpoort and Lydenburg, all more than 30 kilometers from Jane Furse. Available transport is expensive for the unemployed, which has limited the option of job search for commutation employment inside the rural sector by Jane Furse residents. Education levels in the area are high, and economically active youth travel further, to Polokwane, Tshwane or Johannesburg, and may locate there permanently.

The district has been accumulating in-migration flows, including cross-border migration entering the area from Zimbabwe and Mozambique through Polokwane and Nelspruit. The dense population generates opportunities for small business activity, attracting both internal migration and cross-border migration aiming at small enterprise. High levels of social cohesion and extensive social networks in the area provide resources for unemployed residents to enter small business, although there are no stokvels recorded and little reported access to credit or loans for business capital or for house construction. At the same time, interpersonal loans are readily available through the strength of social value chains, with high levels of repayment. Local households without employed members have turned to small business in numbers, concentrating on buying produce from farms outside the area, transporting it back and re-selling it in the Jane Furse communities. The local shopping plaza at Jane Furse Crossing acts as a focal point for business activity and retail selling.



Development on the business side is often held back by the poor state of the roads and infrastructure, and the area has become politically stressed due to the slow pace of service delivery. Land allocation is under the traditional leader, but the municipality has responsibility for services, and registers housing transfers. Residents pay for pre-paid electricity, but water supply is not billed for and is unreliable. Widespread perceptions of corruption in respect of tenders are reported.

The Jane Furse settlements report a cultural tradition of valuing housing and treating it as a key household investment to be passed to the next generation, tending to encourage owner-builder housing development of good-quality housing units in the local absence of an effective subsidy housing programme.

#### **DENNILTON**

The Dennilton area is part of the node of high-density displaced urban settlement in the Moutse area of former KwaNdebele, now part of Limpopo (Maps 5-10). The settlement is predominantly Pedi-speaking, and is located roughly 100 kilometers from the Pretoria CBD. Settlement is reported to go back to the 1950s, but the area become politically contentious in the ethnic politics of the late apartheid period, when it was reportedly separated from the KwaNdebele homeland due to protests which broke down into violence. The area was then administered by the central government. It later fell under Mpumalanga, and was subsequently transferred to Limpopo, leading to further protest activity and political tension around marginalisation and inadequate service delivery. The area now has a reputation for popular dissatisfaction and violent protest.

Both in-migration and population densification were promoted in the area by government transport subsidies under apartheid, which made daily commutation from the Dennilton area to Pretoria a sustainable cost option for workers from Dennilton and made the area attractive to migration. Part of the economically active local population continues to commute daily to jobs in Tshwane, with others commuting to the metro on a weekly or monthly basis.

The local economy relies on farming and government service, but local jobs are not available in the numbers that are needed relative to the size of the area population. As in most of rural South Africa, job search within and outside the local commutation zone is therefore a critical activity. Highly productive large-scale commercial farms are located 10 kilometers away around Groblersdal and Marble Hall, which represent the most important source areas for employment on a commutation basis. Available farm work in the area is not restricted to unskilled and low-skilled employment, so that some educated youth are able to find employment in the local farm sector. Farm employment also draws in migration from other provinces. The Dennilton/Moutse area has no industries of its own, contributing to high unemployment and work-seeking youth migration out of the area, which targets Middelburg, Witbank and Pretoria. Education levels are high, leading to unused capacity, but the area is characterised by serious poverty.

Small numbers of local jobs are provided by Philadelphia Hospital and the Ndlovu Care Centre, an NGO that employs professionals. Several hundred jobs are reported to be involved in total. However, these entities are thought to import most of their staff from outside the Dennilton/Moutse area, limiting jobs access and creating resentment in the local population.



The employment gap is contributing to the slow emergence of small business activity in the area. Women particularly have become involved as middlemen in a kind of vegetable arbitrage trading, buying vegetable produce on the commercial farms and marketing it in Middelburg and Witbank as the nearest towns. The small middle class in the area has arisen based on business activity, often involving government tenders.

Most recently the new school feeding scheme from government has seen a burst of commercial activity around buying and transporting produce to the schools to use in providing lunches to pupils. Local residents are reported to be borrowing funds from banks and relatives to buy trucks and other vehicles to deliver food supplies to the area schools, sometimes using pension cards as security for credit.

Since 1994 significant numbers of cross-border migrants have come into the area to find work or to start businesses. Most foreign nationals have reportedly moved onto the large commercial farms, which are believed to accommodate both legal and undocumented migrants to secure a low-priced workforce. Foreign workers living on commercial farms are said to be effectively out of the reach of the police. Foreign-born teachers of maths and sciences are believed to have significantly improved the quality of the local school system, equipping local youth to make increasing use of internet cafes to obtain information from the Web and to advance their education. School leavers who have not found work often continue to live with the parent household while pursuing adult education at the local school. Others attempt to improve their qualifications at private schools in Pretoria.

The Elias Motswaledi municipality has responsibility for services and administration, with the traditional leader responsible for allocation of residential stands and registration of livestock. Government delivery of subsidy housing has been relatively effective, moving numerous poor households from traditional earthbuilt housing and from shacks into better quality units. At the same time, service and infrastructure delivery in respect of roads, water and other public goods is seen as ineffective, and has contributed to the area's high level of protest activity and political turmoil.

The area still retains intensive social connectivity and social capital, and interpersonal lending and borrowing is a common practice since credit obligations are considered reliable in terms of repayment expectations. Building of good quality housing is a common method for households to save by investing in housing value, with the expectation of passing good housing stock to the next generation as an important mode of inheritance.

### **KWAGGA**

The Kwagga settlements adjoining the Kwagga Plaza shopping centre were established after the Group Areas Act as a removals area for people evicted from the farms around Bethal, Ermelo, Belfast, Hendrina and Machadosdorp in what is now Mpumalanga (Maps 5-10). Today the people are reported to collectively consider themselves to be related due to the cohesion created by the social fact of having been evicted together, and many old people still remember the evictions.

The area around Kwaggafontein is located close to Dennilton about 70 kilometers from Pretoria, on the Mpumalanga side of the provincial boundary with Limpopo. The small, densely populated Kwagga area serves as the spatial gateway to the Pretoria area for the northern settlements, and continues to draw migration into its shack areas. Kwagga has a peri-urban relationship with the metro through its effective



transport links into the metro sector, but the area provides few internal jobs and is characterised by high levels of poverty and crime.

The informal settlements are growing as the area continues to attract migration. In addition to internal migration, the Kwaggafontein area has seen demographic inflows of foreign nationals since 1994, moving toward the commercial opportunities offered by the dense population. Many cross-border migrants have brought their families and started businesses with the apparent intention to stay in the area.

The area includes middle-class families mainly representing taxi owners and business people, but also attracts high-profile criminals for its access to Pretoria. Many residents maintain houses both in Kwagga and in Pretoria, which help to actualize the social value chains linking the rural area into the metro context.

Without local farming or industry, the local economy is heavily dependent on the Tshwane metro and the Gauteng city region for work opportunities. There is a high level of self-employment and small business activity among women particularly, and many residents commute daily into Pretoria to buy stock to retail in Kwagga and the surrounding countryside. Young women help their mothers in retail-vegetable business enterprises, and many drive the 50-kilometer early trip by car to buy produce from the commercial farms at Marble Hall and Groblersdal for re-sale on the same day. Employed youth often tend to work in Pretoria, and in government departments located in KwaMhlanga. Women are believed to be conceiving children to obtain SASSA cards that can enable them to access loans.

The transport industry in various forms is central to business activity in the area. Vehicle owners are reported to go as far as Tzaneen to buy tomatoes in large quantities by truck, a trip of 300 kilometers to the agricultural market. One crate of tomatoes bought for R 70 can reportedly be re-sold into high demand at Kwagga for R 150.

The taxi industry is one of the few local sources of employment, and the government taxi recapitalization scheme has allowed many residents to become taxi owners. Some have contracted their taxis to the mines. A practice has emerged of parents presenting kombi taxis to young men who complete circumcision school, in order to enable the family's youth generation to enter the business mainstream.

The Kwagga settlements maintain commitment to their traditions and value stock-farming, with land formally under the authority of the traditional leader. However, since 1994 the traditional authorities have been losing their social respect and authority, and effective power is now mainly in the hands of the Thembisile Hani local municipality. Social cohesion has been eroded as the traditional polity has lost popular respect, and more and more land is being invaded as in-migration continues to arrive.

Loss of social cohesion and growing social disrespect is cited as the reason for drug-taking among unemployed youth, together with the presence in the area of the large-scale criminals and the high rate of unemployment. The population is heavily dependent on government pensions and social grants. The municipality is trying to reduce unemployment and drug use by introducing government employment programmes. However, local youth are often unwilling to volunteer for the government work schemes, and often prefer to work in construction in Tshwane.



#### **MOKOPANE**

The town of Mokopane was previously designated Potgeitersrus, and during the apartheid era it served as the district farming town in the previous agricultural economy of the Waterberg region (Maps 5-10). The town is surrounded by large commercial farms and by extensive rural village settlements, with citrus fruit and tomatoes as the main crops in the area. It was known locally for the strict application of exclusionary apartheid rules, which prevented the residents of the African communities in the area from moving closer in to settle around the amenities the town provided. At present the economic base of the town is actively expanding as it becomes a travel and tourism hub, drawing migration inflows from within the province and beyond its borders. Respondents in the present study identified Mokopane rather than Polokwane as their most important provincial centre.

Since 1994 the role of the town has changed to become the business gateway to what is now Limpopo province, with the Waterberg's farming enterprises and the mining concentration around Lephalale as attractions to economic activity. High levels of both internal and cross-border in-migration are reportedly taking place, and Mokopane now has the reputation of being more friendly and open to foreign in-migration than the larger rural centre of Polokwane. Numerous foreign nationals own residential stands at Mokopane, allowing them to accommodate new arrivals and network members from their home countries. Part of the previous white farming population is said to have moved away, and informal settlement accommodating the area's poor rural population has also developed around the built-up areas.

The new in-migrant South African population is thought to be coming into Mokopane itself from nearby settlements including Mokgopong, Bakenberg, Zebediela, Mokerong and Bela Bela, as well as locally from Mokopane's former apartheid township of Mahwelereng. Both the tourist industry and the farms have taken up cross-border migrants into their workforce, and the town also serves as a transit point for migration entering Limpopo with Lephalale's mines as the destination. Undocumented cross-border migrants have been attracted into the farming sector particularly, since the police are thought to stay away from the commercial farms in the area.

The area also attracts new settlement because of the tourism industry, with numerous game ranches, hotels and guesthouses in the vicinity. Some local residents in the Mahwelereng township have developed their houses into guesthouses and hotel accommodation to serve the large visitor population. The area also now accommodates small industries that employ both local and foreign workers. Street traders are also said to be migrating into Mokopane from Polokwane, which has become overtraded, while Mokopane is located closer to the farms that supply the traders' produce.

Though the level of education in the area is relatively high, urban challenges such as alcohol and drug abuse have emerged together with prostitution and child trafficking, and the level of HIV and AIDS has risen as the area has expanded. The numbers of homeless people on the streets of Mokopane are reported by local government officials to have increased. Local government is widely thought to be ineffective, and rising rates of crime are attributed to the growing numbers of informal settlements.

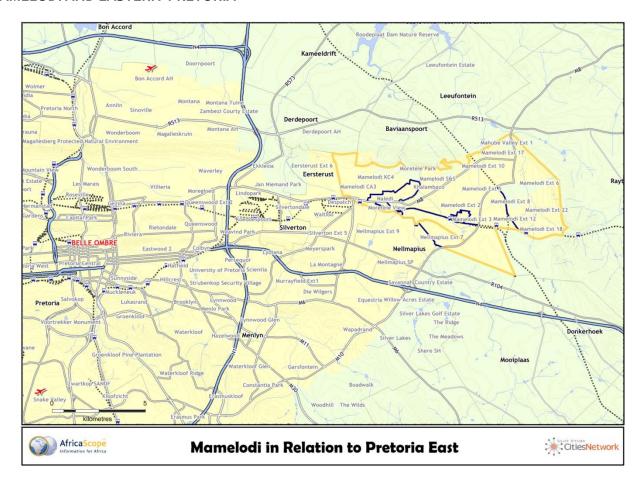


#### **MAMELODI**

Mamelodi in Tshwane represents the urban terminal point of the northeastern migration corridor (Maps 5-10, Map 11). It serves as the spatial interchange nexus that introduces the arriving stream of rural migration into the metro sector. The large Mamelodi township is one of the two main townships of the Tshwane municipality, and has been well established as a de facto suburb with basic urban amenities since the apartheid period. As with nearly all the old townships, Mamelodi is understood to have been established as a removals area for the displaced population of shack areas and illegal settlements closer to the city core zone. It is located to the east of the central city, about 20 kilometers from the CBD on the M8, and now includes a number of satellite extensions and shack areas as the city has expanded through Mamelodi eastward (Map 11 below).

Mamelodi is positioned adjacent to the former KwaNdebele apartheid homeland, and serves as the main entry point for new migrants arriving from northern former homelands in Limpopo (Map 11). Migration moving into Tshwane through the northeastern migration corridor is believed to be chiefly responsible for establishing and populating the shack areas surrounding the township, and is also an important element in the adjacent northeastern suburbs, including Eersterust, East Lynn, Nellmapius, Rietfontein and Wonderboom.

MAP 11
MAMELODI AND EASTERN PRETORIA





In spatial terms the key settlement is Silverton, which lies between Mamelodi and the city centre in the middle-city zone, and serves as the terminal entry point for work search activity sourcing through the northeastern migration corridor. The Silverton suburb is reported to be within a 40-minute walk of Mamelodi, allowing work-seeking in-migration flows to access the city through the Mamelodi shacks and backyards at a sustainable price. As a result, job searches customarily begin in the Mamelodi/Silverton interchange zone which articulates the African city and the white city, and the formal Mamelodi township serves a crucial function as the staging area for the work-seeking population arriving in the metro sector from Limpopo and Mpumalanga. Urban/rural social value chains are therefore established in the first instance through this Mamelodi/Silverton gate point.

Due to Mamelodi's heavily loaded urban/rural functionality and its strategic location in the metro labour market, accommodation in the township is under acute pressure. A high percentage of the householders are believed to make a living through developing and renting out backyards accommodation. Many of the older matchbox houses developed under apartheid are now being renovated by the owners, using the government People's Housing Programme facility for funding the improvements. Replacement of the original asbestos roofing with corrugated iron results in a standard of accommodation similar to RDP-type subsidy housing.

The township is considered an up-market area similar to Soweto, and provides relatively good services which require to be paid for at relatively high rates. Living costs are understood to be very high relative to the rural migration source districts. Internet cafes are increasing in numbers, and assist in job searches. However, the poor overall supply of jobs in the area results in high unemployment rates (Tables 1-5), and may contribute to youth joblessness and drug-taking, as well as to the criminal enterprises believed to be working from Mamelodi and the surrounding shack settlements, and which operate in the Pretoria eastern suburbs.

#### PHUMOLONG, EAST PRETORIA

This shack settlement lies on the eastern edge of Mamelodi (Maps 5-10: the Phumolong informal settlement is shown on the Mamelodi inset maps, as an irregular polygon on the upper left). The spontaneous settlement of the community dates from the early 2000s, and the area lies about 20 kilometers from the Pretoria metro CBD. The settlement has been provided with water, but does not as yet have full services. To date, the area is still informal and poor, but it is located within commuting distance of Silverton and the eastern suburbs of Pretoria, and many residents go back and forth to their city jobs on a daily basis.

The population is relatively young, with working-age people predominating and few elderly people, (see Map 5, Five-year age distribution), and households rely heavily on child grants. Corrugated iron shacks represent the most common form of housing. Unemployment is high, and small business activity is intensive, with street selling on a significant scale. Transport is easily available, but reported to be very expensive for unemployed residents.

Phumolong occupies level ground which has been thought capable of being upgraded. However, a gas explosion in a buried sewerage pipe killed several residents two years ago, due to building of shacks directly above the pipeline. Consequently much of the area was declared unsafe due to buried pipes and cable



infrastructure. An upgrading initiative was put in place, and plans were undertaken to remove and resettle part of the population. Resettlement is to take place in an area of Nellmapius not too far distant, which was found to be acceptable to the population of the settlement. Anxious to obtain subsidy housing and permanent title, the inhabitants have been waiting for the process of upgrading and resettlement to begin on scale.

Part of the settlement has already been moved, and the shacks have been marked to show which households are scheduled to be moved and which will stay. CSIR has confirmed that parts of Phumolong remain safe to be upgraded without risk to the residents or to the installed infrastructure.

# 5.1 Summary of area dynamics

Taken together, the local conditions reported by the inhabitants of the five study areas help to define the need for urban/rural social value chains, and provide the context for such metro/rural connectivity to develop.

# 1) Conditions around local and external employment, defining the role of commutation vs migrant labour

The rural study areas do not generate enough youth employment to accommodate their population, either locally inside the study wards or within the spatial envelope for daily commutation. Local farm work is important especially for lower-skilled residents but the large commercial farm sector in these areas cannot absorb the demand in the absence of other major sources of employment. Roughly the same appears to hold for small business activity, though household small businesses have spread rapidly and help to support increasing numbers of households despite competition from foreign-born business operators with advantages in experience and access to capital. High levels of youth out-migration result and are aimed at job search, often becoming permanent rural-to-urban migration which transfers population into the metro sector.

Significant new local economic dynamism with some job creation is evident in Mokopane around tourism and travel, and to some extent in Kwagga around transport and the area's connections into the metro sector. These areas are said to be drawing rapid in-migration, although in-migration is also occurring in Dennilton and Jane Furse for their location advantages. Informal sector business is developing in all the rural sample areas, and in some cases are becoming a preferred option without resolving the bottleneck in the demand for wage work.

Simultaneously, significant amounts of rural work remain available in these and other wards, which may be accessed on a commutation basis or through rural-to-rural residential migration. Both kinds of migration have the effect of dispersing the social connections that build up social networks and generate active social value chains.

All the study areas record relatively high levels of individual and household migration, resulting in communities that include a large share of outsiders, many of whom may not have been in place long enough to integrate their social networks effectively into the present area. Migration has the effect of spreading social networks widely in space, and also brings urban contacts into the networks operated by



# 2) Levels and patterns of internal and cross-border migration and labour market implications

rural households so that effective value chains can form; at the same time, it may also result in attenuation of local-level networks that provide poorer households with fallback support on a daily basis, within immediate contact distances.

Significant levels of cross-border migration from Mozambique and Zimbabwe are also being reported in all the rural study wards. At lower skills levels, it appears plausible that low-priced competition for farm jobs and in small business activity may be squeezing local employment opportunities for area youth, raising levels of job search migration out of these areas and promoting more dispersion of the local population. There is no indication as to whether the entry of experienced outside business operators is opening up new lines of business activity in the local context, but this outcome has been recorded in the urban sector.

At higher skills levels in the category of qualified professionals, positive impacts in maths and science teaching may be helping to open access for local rural youth to internet resources, with knock-on effects in on-line education and in adding potential additional sources of job search information. The rapid spread of internet cafes appears to be indicative of declining rural isolation and increasing rural/urban integration.

# 3) Levels of social connectivity and social capital sustaining social value chains

All the rural study communities appear to be maintaining significant levels of social capital and social interconnectivity, although reliability and integrity in interpersonal relations are appear as perhaps less characteristic of Mokopane and Kwagga – areas with higher metro urban integration – than of Jane Furse and Dennilton, where social practice appears relatively conservative. Individuals and families continue to lend each other money at need, and to expect repayment in due course. At the same time, social differentiation has increased, and local communities now normally include both very well-off and marginalized poor households. It is possible that as social networks spread more widely in response to high migration levels and a thickening transport network, they may also thin at the local community level.

There are indications in the present study that the social value chains that result may also have differing levels of capacity, with poor households usually appearing to participate in value chains that provide less useful employment information, either for the local job market or for metro urban work, and also offer lower levels of emergency support. As a result of migration and economic differentiation it may be that the social networks operated by the rural households have begun to separate and move apart on lines of class formation, so that poor households are now less likely that previously to share networking connections with better-off households in their own community. A larger sample would be likely to show different characteristics and capacities of household networks depending on social differentiation and class formation in the rural communities, though the present small sample does not show a clear-cut result (for network size, see below, rural/urban networks).

Institutional shifting of power and control from the rural traditional leadership to the local municipalities appears to have advanced in all the rural study wards, without necessarily resulting in improved interactions around service delivery. Though all the rural study areas are formally under Tribal Authorities as well as formal local government, the shift away from traditional leadership has probably not advanced at equal speed in all the areas, appearing to progress faster at Dennilton than at Jane Furse. Both types of institutional structure have often attracted attributions of corrupt administration, resulting in popular



dissatisfaction. Social value chains in this context may take the form of entrenched patronage relations, with negative impacts on community cohesion.

Marginal levels of food insecurity also appear in the lower-income households, with a high share of households eating only two meals per day. However, existing social networks appear to retain enough support capacity to play a significant role in the apparent rarity of outright hunger in the qualitative sample households. Nearly all households in the qualitative samples claimed to have connections willing to help them in financial emergencies, though these contacts were not always located inside the local community in reach of a quick response.

All the study areas report youth drug-taking, likely to be associated with unemployment and the shortfall in career paths leading toward marriage, family formation and a secure future. It would appear plausible that youth involvement in negative activities such as the drug culture may be more frequent in instances where existing networks have not had the necessary connections to bring individual youth into the labour market successfully, equipping them to claim social adulthood, marry and establish normal family life, and achieve respect in their communities.

# 4) Role of specific urban and rural settlements as spatial points of rural/urban articulation in respect of migration and job search.

To varying extents, all the qualitative study areas function as active points in the spatial network of migration routes which underpin rural/urban social value chains: all are drawing migration to some degree. Though direct rural/urban migration is taking place from all the rural settlements in the study, both Kwagga and Mokopane are said to be drawing rapid inflows because of their favourable connections to metro Tshwane, which is differentiating settlement and creating densification by pulling population into the vicinity of the key rural transport points.

All the rural study wards were linked through social networks to the major urban gate point at Mamelodi: two respondents, representing 25 percent of the Mamelodi qualitative sample, were migrants from the present northeastern corridor study region at Jane Furse and Kwagga. Job searches therefore pass through this pipeline to reach the urban sector, and spread from there into the urban sector (see below, *Social value chains*) but are by no means confined to the rural /metro transport pipeline. The transport connections at the rural end radiate outward to integrate the countryside through both taxis and private cars, with ownership of private cars appearing to rise rapidly in the settlements with the most significant role in rural transport networks.

The concentration of transport connections passing through Kwagga and Mokopane tends to route social value chains through these spatial gate points: implications for the local economy appear to include localized transport networks spreading from these points outward, which carry local economic activity. Kwagga in particular has developed its local economy around its role as a focal point of rural/urban transport connections, with taxi and haulage industries developing locally as the settlement's key mode of support. To this extent, the development of a self-sustaining local economy at household level is partly related to the existence of a pre-existing rural/urban transport connection, which seems to have reached a critical mass for promoting the outward spread of transport linkages at the rural end.



That is, these activities start from the existence of rural/urban transport connections that exist at these points in space, and then spread outward into the surrounding rural area. These transport links play a key role in connecting the formal farming economy into the local household economy, based on connections originating from the prevalence in these areas of farm work as the key form of local employment inside the rural sector. These local transport linkages tend to involve and support the informal economy rather than the formal economy in the first instance, but some may register and move into formality as they consolidate and grow larger.

The importance of Mokopane and to some extent Kwagga as rural gate points articulating the rural and urban sectors then depends partly on their role in promoting the conditions for access to employment and business opportunities spreading horizontally at the rural end of the corridor, as well as in directly facilitating rural/metro integration around the labour market. In this respect, it looks as if metro-to-rural transport development is encouraging the development of economic activity within the rural sector, at household level specifically.

Qualitative results also reflect urbanization in the form of step-migration moving into the Tshwane urban sector through the connecting points at Mokopane and Kwagga. Social value chains therefore often draw their links inward from the rural countryside to these gate-point rural settlements, and connect from there into the metro urban sphere through the transport flowlines leading through Mamelodi, and then through Silverton.

At the same time, as urban integration increases urban social pathologies have appeared in the rural sector in the form of youth crime and drug-taking, which often accompany high mobility and urban integration, and which interrupt the capability of society to form social value chains with a positive character. These factors also are promoted by unemployment and falling levels of social capital and connectivity. Mokopane in particular appears to be encountering serious social issues of the kinds usually found in cities, including the spread of sex work involving women from low-income households, and the reported appearance of child trafficking; street homelessness has also appeared, relating to the decline in social capital and in rural communities' social capacity to assist economically stranded poor households through their social value chains. Kwagga is also facing social issues as it densifies, including the arrival of organized crime, as an apparent function of the area's role as a rural/urban transport gate point for the Moutse region.

# 6. THE SPATIAL DISTRIBUTION OF NETWORK CONTACTS

The questions asked at the start of this report lead toward the intermediate conclusion that at household level, rural and urban still connect through migration, both population migration and labour migration. The continuing importance of migrant labour is evident in the household case material, together with the rising importance of business activity and self-employment that often depend directly on the rural/urban linkage. At the same time, the qualitative material tends to show that informal small business is likely to be a stopgap activity for most of the poverty-level population that is involved, important to family survival but on average yielding lower levels of income and livelihoods, and less reliable than wage work. Access to wage work therefore remains the single most critical factor in the overall rural/ urban field of interaction.

In this light, access to the metro and local labour market remains the critical economic driver defining the utility of social value chains in a rural/urban spatial context, and migration activity, economic



exchanges and population movement are shaped in this context. Map 6 shows the spatial distribution of the respondent household contacts, and Tables 1 and 2 below summarize some of the important social and economic indicators for the 30-case qualitative sample.

Following the line of the broad northeastern migration corridor through the former homelands but extending beyond it, the overall distribution of the respondents' network contacts in space extends from Sibasa in the north to Sebokeng south of Soweto; contacts from the five study areas also occur as far as Rustenburg and Thabazimbi in the west, and east to Nelspruit, White River and Hoedspruit, along the borders of the Kruger Park.

Within this large region the densest concentrations of networking interaction appear in the Tshwane area itself at the southern end of the corridor, and also in the densely populated zone of displaced urbanization at Moutse, around Dennilton and Kwaggafontein. This population concentration is situated about 100 kilometers northeast of Tshwane and about 60 kilometers from the N1 highway, which brings migrants into metro Pretoria and Johannesburg from northern Limpopo. Jane Furse lies another 80 kilometers to the northeast beyond Dennilton.

Further to the north, contacts are spread more thinly through the old apartheid homelands up into the Venda population concentration, and do not usually appear in the formerly white farming districts in Limpopo. However, individual contacts outside the apartheid homelands are scattered along the transit corridor to Nelspruit, south into Mpumalanga as far as Carolina. West of Tshwane recorded contacts occur densely in the strip of intensive settlement where North West borders metro Pretoria, extending to Winterveld and as far as Brits.

This north-western distribution centres on the Soshanguve township, but in contrast to the Mpumalanga and Limpopo distribution, apart from two contacts in Rustenburg this grouping of contacts drops off without reaching significantly deeper into North West. The overall shape of the urban/rural networks and their value chains is defined from rural Limpopo and Mpumalanga rather than from the metro sector.

# Spatial envelope of network interaction

Most of the value chain network connecting rural households with the urban sector lies within the 100-kilometer radius of the network owners' home settlements, shown by the outer pink circle zone on Map 12, or otherwise remains confined within the 100-kilometer span of the migration corridor as it extends southward to Tshwane. Most outlier contacts occur within 130 kilometers of the network origin point. Only in the far north of the migration corridor do networks extend significantly further away, stretching as far as Sibasa nearly 200 kilometers from Jane Furse.

However, the social networks that originate in the northern settlements are not spatially concentrated around the origin settlements themselves. Contact density for Jane Furse and Mokopane is greatest in the very local context, and then tends to spread thinly. Points of network contact attach to the centres on the N1 and on the routes south to Moutse, as the major transport arteries of the northern migration corridor.

The same characteristic thin dispersion is not found at the southern end of the migration corridor, where economic activity and population density concentrate, and where employment opportunities are clustered. Though not always visible on the map, the Dennilton/Kwagga respondent networks are thickly connected



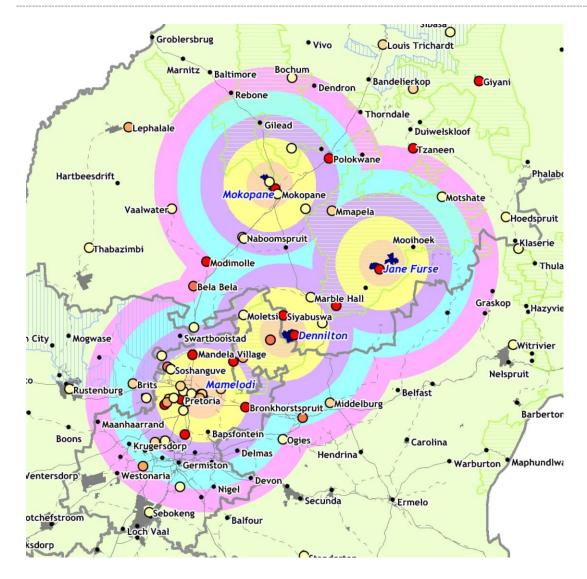
throughout the Moutse concentration of dense settlement, as well as around the rim of the Tshwane/Pretoria city area where African settlement has been most intense before and after the end of apartheid.

This grouping, concentrated within the 4o-kilometer zone out from the Pretoria CBD, is likely to represent the category of contacts that gives most concentrated access to employment opportunities, although the central metro localities often carry implications in terms of rents and service charges that appear in the qualitative material as disincentives to poor migrants. However, in total only a small part of the overall network actually lies within ten kilometers of the metro CBD, though a much greater part is concentrated within the outer metro 4o-kilometer band, shown yellow. This spatial distribution is related to the concentration of African settlement on the periphery of the city, which is partly an artifact of apartheid spatial regulation, but also responds to living costs and the availability of entry-level work in suburban localities, as reflected in the StepSA spatial findings (2013, 2014).

In metro Pretoria itself, network contacts are thickly distributed in and around the employment endpoint of the migration corridor in Silverton and Eersterust. Contacts are listed on the northern edge of the city, in East Lynn, Rietfontein, Wonderboom, and Akasia, extending around to Danville, Saulsville and Atteridgeville on the west, and as far as Brooklyn in the south-west. This distribution of contact households

# MAP 12 SPATIAL DISTRIBUTION OF RECORDED NETWORK CONTACTS





would appear to reflect how rural-origin settlement has spread into the city, radiating from the rural/urban interchange nexus at Silverton/Mamelodi. Some but not all of these contacts belong to the Mamelodi samples, and the Mokopane backyards sample is also intensively networked in the metro sector (Table 3 below).

Overall, the collective shape of the network activity appears to approximate closely to traffic flows and the spatial structure of economic activity. Approximately 30 percent of the 243 total mentions in the listing of contacts pertain to metro Pretoria, with a smaller contribution from metro Johannesburg.

The spatial definition of the networks that establish rural/ urban value chains defines the envelope for access to economic opportunity for the member households. For the northeastern corridor therefore, rural/urban articulation at household level takes place to a considerable extent through this social/spatial interaction, around the Silverton hinge point of the northern migration field.



# 7. LIVED EXPERIENCE: WORK AND POPULATION

Against this background, the pull of local work and livelihoods opportunities is perhaps becoming increasingly significant, and expanding beyond the farm sector. Andries T, Norman P and several others in the rural qualitative sample are all working in the rural sector in non-agricultural jobs or successful informal businesses, and the overall preference for local work within commutation distance was very marked in the qualitative responses. The expansion of jobs in the security sector is also noticeable in the qualitative results, with Andries T and Ernest V both permanently employed in regular but unregistered security work.

Results draw attention to the role of migration and population nucleation in establishing the conditions for local employment to emerge, as well as to the key importance of social value chains both in the migration process and in relation to enabling jobs access. These apparent shifts come together with strong expressed demand among the respondents for government to act to promote new business activity and hiring in the rural sector so as to promote local employment inside commutation distance, as well as to provide skills training for labour market access. The apparent role of local commutation employment for households which express commitment to remain in the rural sector returns attention to the issue of the rural and urban economies competing to absorb labour, and to the pivotal role of rural densification in enabling such labour absorption to take place.

Results would appear to confirm the arguments from Rankin (2013) and from Posel et al (2013) in respect of the ineffectiveness of door to door cold search in respect of urban employment, and in respect of the role of job referrals through social value chains in opening work opportunities. None of the present respondents reported that they obtained jobs by urban cold search. All recorded jobs came through social value chains/networks, but not all were located in the urban sector: Andries T, Ernest V, Samuel B and several others are employed in rural jobs obtained through social value chains anchored in rural work networks, particularly in relation to security work and farm work.

At the same time, access to the metro city core zone appears currently to be of limited significance, though it is possible that enhanced transport initiatives would improve the representation of central city employment options among rural respondents. Only one respondent reported that he had been able to search for work in the metro city centre, and he was unsuccessful. In practice, metro job searches by respondents from the rural sample areas more often concentrated on the Tshwane suburbs rather than on the CBD, in line with the comments of the in-migrant Diepsloot youth that the central metro zones are expensive and different to reach; they argued that as rural-born youth they rarely had the necessary level of qualification for the categories of work available in the central cities, while the suburbs offered jobs in construction, security and domestic work which were most accessible to workers from the rural sector. However, no metro urban cold search in the present small sample succeeded, and the metro jobs in the sample were obtained wholly through social value chains feeding job information back to the rural sector.

At the same time, the present qualitative results appear to align with the StepSA findings (Cross and Ngandu 2014 in press) in regard to the spread and predominance of serial temporary work in the labour markets accessible to the rural-born poor. None of the rural qualitative respondents in the present study who were employed for wages recorded a registered, fully protected formal job. The representation of the rural sector in the shadow labour market identified by StepSA in the poor settlements of the main metro cities raises issues in relation to how safely and effectively poor rural households and individuals are inserted



into the national labour market, but also highlights limitations on the capacity of existing social value chains to provide entry to good-quality employment.

#### The political dimension: access to resources

The political dimension in rural society and economy today is in some ways less important than it formerly was, as the production economy is in decline and fewer of the resources under the control of local political

# MAP 13 DISTRIBUTION OF SHOPPING PLAZAS IN RURAL SOUTH AFRICA



formations are still directly critical to the household economy of the majority. In some areas of the northern districts – as in the communities chosen for study – Tribal Authorities still have control over access to land for residential purposes and to entry to the community and permission to build, but access has perhaps become easier as selling of land has become an accepted process and the requirement for arriving households to obtain sponsors within the community has partly fallen away, replaced by market processes.

Nearly all the respondents in the present rural study areas reported that their household had bought their stand, and sometimes their house, from the Tribal Authority, which also supplied them with a purchase document which the respondents see as equivalent to a title deed. Some respondents indicated that they had still needed a personal introduction or recommendation to the tribal structures, while others did not report having needed any sponsor or intermediary in order to buy a stand and enter the community equipped with the right to build, which confers community citizenship. This process may however be



somewhat more difficult for women heads of household in some areas where the tribal institutions retain more oversight.

Prior studies in other areas in the same and similar northern municipalities indicated that the municipality and the Tribal Authority cooperated in overseeing land transfers, but that effective power was draining away from the apartheid-derived tribal structures and moving to the formal municipality instead. Tribal Authorities were sometimes characterised as arbitrary in their actions, inclined to try to impose charges or levies in unreasonable ways running counter to the accepted informal principles of local governance. This kind of practice was seen as resulting in social anger and further degradation of their remaining legitimacy

At the same time, the production economy is in serious decline in the communities involved in the present study. None of the respondent households had asked for or obtained fields for cultivation when they arrived, though several households were using the backyards of their stands for vegetable gardening on a very small scale, intended for household consumption: none produced any crops for sale, although all indicated their area did have a produce market area designated. In addition, two respondent households reported that they kept some goats, and therefore had the use of open land inside the community boundaries for ad hoc grazing; most reported that their only livestock was a few chickens, which do not impact on land resource claims or land access.

In this contemporary rural context, probably the most critical aspects of public access to resources were in respect of household water claims in these drought-prone areas, and of mining rights on community land: these topics are sometimes highly contentious, but are addressed in the other value chains studies and were not the focus of the present study of social value chains.

# Population nucleation and the private sector presence

Underneath the question of employment location and livelihoods access for rural households is the question of the influence of population concentration through migration. Where such concentrations take place is likely to be the controlling factor in where new rural commercial and investment activity takes place, and in the availability of both formal and informal livelihoods options inside the rural sector that are able to compete with the demographic and economic pull of the main metro cities.

Previous results highlight the role of rural densification in sparking commercial and agricultural activity in the Mpumalanga/Limpopo border zone and northward into Limpopo. In this respect, the spread of rural shopping complexes may be critical in catalyzing a significant expansion of commercial activity from poor households in the rural sector, both in regard to providing outlets for small-scale agricultural production from enterprising self-organized farmer groups, and in relation to informal small business.

Map 13 indicates that shopping plazas are now situated inside a great many poor rural areas, predominantly inside the former apartheid 'homelands'. A comparison of Map 13 with Map 1 reflects the attraction of the new rural shopping plazas to remote and densely populated districts in the former African reserves, with concentrations apparent in KwaZulu-Natal as well as in northern Limpopo and southern Mpumalanga.

It appears that areas of population densification may be providing the necessary volume in respect of commercial client bases for the big business chains to come into the rural sector, led by the major



supermarkets locating in rural towns and at rural shopping plazas. How far this entry into the rural sector by the South African private business sector has influenced population movement and concentration to date remains to be determined, but the direction of change appears to be positive for rural labour absorption.

#### Rural/urban linkages

Against this background, the social value chains that connect rural and urban households and communities enable a range of exchanges and movements. Complex exchanges take place between rural and urban, mediated through these value chains. These include exchanges of people between households, migration from place to place, and exchanges in the financial sphere, in goods and products, and in

For the households remaining inside the rural sector under these conditions, the aggregate preference appears to be for finding work inside commuting distance: asked about staying in the city to take an urban job, 13 out of 15 respondents in the rural sample areas indicated that they would prefer to stay at their rural home and commute to the job. In addition, creating jobs inside the rural sector was the single most popular choice in relation to the question on what government could do to assist the respondent. Failing this kind of local work, some households succeed with informal businesses although these often remain precarious, and many seem to be living on social grants and remittances.

However, actual migrant labour, in terms of working household members living in temporary accommodation at the site of their job, was not common in the rural sample, and only becomes a predominant pattern in the urban area. Andries T, one of two migrant worker in the rural case sample, is a young security worker whose birth family lives in Giyani but who is living on his own in a rented room in Jane Furse to access work. He reports sending R 1500 per month to his birth family, and his expressed preference is to return to Giyani if he can find a local job with equal pay. Solly F, a migrant construction worker in his 30s staying in a hostel in Mamelodi, continues to send R 500 per month home to his birth family in Jane Furse. He returns home rarely but remains a member of his rural household; his perceptions on rural residence are not recorded.

This kind of gravity-flow permanent migration move extends social value chains widely between rural and urban localities in terms of the exchanges they carry and promote, but at the same time draws the younger cohorts of the rural population inexorably into the cities. The role of cell phone technology in structuring and sustaining such networks appears to be very significant, in that visits to urban relatives as well as to rural home areas were generally described as very expensive, but none of the respondents in the qualitative sample indicated that they had difficulty staying in touch. Most respondents reported speaking to their value chain members between once weekly and once monthly, and the uptake of cell communications appears to be partly overcoming the high cost of transport in integrating the rural and urban sectors through social value chains.

However, not all value chains that draw on the urban sector for rural household support are entirely urban. Sello P's family household illustrates how the social value chains that connect to household support can work effectively, using both local and metro wage work as their economic base. As the youngest of his family generation, he is given customary responsibility for the support of the parents in old age, and will inherit the house and perhaps have his marriage arranged and funded by the family in return. He is then able to devote most of his limited earnings to the priorities of the family network. He has not moved into the city, although he searched there fruitlessly for work. Instead, he has obtained at an unskilled job at a



factory in the mobilized semi-rural zone on the edge of Gauteng, through a friend's referral. Both his own siblings and his parents' siblings are contributing to the support of the parent household at the centre of these social value chains, drawing from wages in both the rural and the urban economy. The result is a moderately comfortable and secure rural livelihood for the central family household, with the next generation already moved into place and an adequate network spread to secure survival.

In contrast, Jonathan K (see above) has been less lucky. Now an elderly man past the age of retirement, he has only two adult children, and though both have migrated to the metro sector, neither one is contributing regular support. His daughter is unemployed and living in a one-room urban shack with a boyfriend. She brings her parents R 500 as a gift when she visits home, an event which usually takes place twice a year, but is unable to send routine remittances. Her brother, working at an insecure unregistered job in Rustenburg, does not contribute to the regular support of Jonathan K and his wife, and does not appear to visit home. Jonathan K supports his family and pays the travel for his sick wife to obtain health care at local facilities by doing local casual labour, piecework around the neighbourhood. He has what appears in terms of the number and placement of contacts to be a strong social network, including both urban and rural brothers and sisters as well as his own children and relatives of his own and his late parents' generation, but his network has not crystalized into effective social value chains.

Like Dolores H, and in spite of two old age grants, Jonathan K's household appears too poor to sustain the social exchanges needed to create and maintain active value chains. He comments that his network members would contribute money if he approached them with a request for a specific need, but he does not see himself as able to put together the funding needed either to build a decent house in his home community or to move to Mamelodi, as he would like to do. The fact that he has only two children and that neither has found reliable work with a viable wage remains at the centre of his support dilemma, and appears to forestall the formation of value chains that will contribution to his household's support.

# Functions and content of social value chains

The household stories related by the respondents also start to show the content of the value chains that are linking the rural and urban sector. Remittance income remains vital to older rural households in the middle to low income levels, in that respondents were unanimous in declaring that old age grants are not sufficient to cover basic needs. In relation to this final demand element, social value chains are multifunctional, and provide information and accommodation and other forms of value as well as actual financial flows. The exchanges that actualize social value chains are based on principles of reciprocity as well as on emotional feeling and value.

From the household standpoint, effective social value chains appear to require that the household's youth generation contain several members who have been educated to the level of matric, so that at least one and preferably two or more children are able to find work and establish themselves in a position to send remittances. For households that cannot meet these demographic conditions, compiling a workable household support regime requires that the parents themselves remain employed in viable jobs, a structural arrangement that comes in question as the parents reach the age of retirement and their wage income stops. Households that do not have working adult children may not be able to count of receiving network support past this point, though cases indicate that some are helped by adult siblings.



At the same time, successfully putting one or more of the household youth into the labour market effectively requires job referrals: without successful labour market entry and an income flow, value chains may not connect. Job information appears as a critical value in social exchanges, in that only one of the sample households, rural or urban, reported having successfully obtained a job through a direct application unsupported by a personal recommendation from a network member already employed at the firm. In addition, to put members into the labour market successfully at any spatial point outside the home community, network contacts also need to offer accommodation in the area of job search. For an adult looking to obtain the social respect due to an employed worker, to be able to find accommodation allowing visitors to stay while they search for work is an essential social obligation, and part of becoming employed.

These referrals and offers of accommodation often come from the network members in the parent generation, who are no longer strongly expected to provide routine support to the parent household once the grandparents have died and the youth generation is old enough for the support of their own parents to pass to them. Alternatively, they may come from friends, who represent a smaller but significant component of the recorded networks. Friends do not usually contribute directly to the household support of their contacts' parent households, but are an essential alternate source of job information and job search accommodation. In addition, solidary groups of young men staying and working in the urban sector often share resources to temporarily support their own members while they are unemployed and looking for work, or if a job has been lost. Their value in terms of social value chains may fall once the youth generation is securely employed and the parent household's income streams are in place, but friends appear to remain an important source of personal loans, emergency credit and emergency accommodation throughout the respondent's subsequent life.

From the viewpoint of providing household basic needs for the parent household at the centre of the network, effective social value chains therefore need to provide at least two basic inputs to household survival: first, job referral information to members entering the labour market, or the equivalent in a skill or other value which enables the the youth to set up in business, as in the case of informal mechanics and welders in the household sample. After guiding and securing the entry of the youth generation into the labour market, the members of the parent generation are able to move back and take up the priorities of their own family households, allowing the youth to take over.

# 7.1 Population migration and social value chains

Nearly all rural migration depends directly on the existence of social connectivity. High levels of population mobility both disperse social value chains in space and also abrade connectivity inside the local community or home area: as households move on, it is unlikely that they will again obtain the same density of connections that they would have had if they had remained at their point of origin.

Social value chains provide the information flows through which movement of households and individuals in rural or urban space takes place, and these value chains are attracted into areas where local opportunities are available and where land and accommodation can be accessed easily at an affordable price; as Map 1 shows, not all of these areas are located in the urban sector, though the metro cities remain the primary attractors of population for the entire country.



Dolores H's narration of her dilemma (Case 1) illustrates the crippling effects on poor households of becoming isolated inside a rural community: due to lack of participation in social value chains leading out of the area and into the urban sector, this very poor youth household is effectively trapped in its current rural locality at Jane Furse, and can find no access at all to economic opportunities. Dolores H speaks yearningly of her desire to move to Pretoria to find new economic options, but she and her all-female consanguine household have no entry to the social value chains that could enable them to fund a move and identify an urban destination.

Her case illustrates the potential negative effects of a high-migration rural economy, in which migration into new localities can act to destroy social networks, increasing the vulnerability of less advantaged households to economic shocks as well as to the slow erosion of the value of their limited cash income. Dolores H's family has no relatives in the community into which her mother moved when she was a child, and she appears to have difficulty in sustaining her limited relation with her few friends, which neither provides her with destination information nor with access to significant cash assistance in emergencies. She comments that if she somehow succeeded in borrowing money, she would be unable to pay it back.

Making an essential point, Dolores H further remarks that for very poor households such as hers, which have effectively fallen out of the economy and are living on grants, it is not possible to sustain the reciprocal exchanges with other households that are required to establish and maintain participation in social value chains. At the same time, she has been unable to find local wage work. Caught in this situation without the means of access to paid employment, she sees her neighbourhood community as largely indifferent to the poverty of isolated youth households like hers. If caught up in a local disaster emergency, Dolores H's household was the only one in the rural qualitative sample that could name no alternative location that they could flee to.

The experience of Dolores H's household contrasts with that of Samuel B, an elderly farmworker living in Moutse (Case 2). While his household migrated into their present area after being evicted from a farm and living in a rural township shack while searching desperately for work, he was able to use his value chain in the farm sector to obtain a job referral, and has been employed in the same job for his entire adult life. Accordingly, he has been able to build his own house in a Moutse community and establish his family, and now participates in a rural/ urban value chain that links him and his wife with several urban relatives. Although their financial situation is difficult, they receive remittances from their adult children who have separated off permanently to live in the urban sector, and have several options in the metro sector for where they could move in the event of a local disaster emergency.

Although Samuel B makes it clear that intends to remain inside the farming economy and will not consider moving into the urban sector at his time of life, none of his children are farmworkers. It looks possible that this household may gradually shift into the metro area over time, and may possibly disappear eventually as a rural household entity. If so, this outcome will represent part of a frequent trend in respect of older rural households whose younger members are leaving the rural economy to join the rural-to-urban migration flow.



#### Local and national

Against this background, the social value chains that connect rural and urban households and communities enable a range of exchanges and movements. Complex exchanges take place between rural and urban, mediated through these value chains. These include exchanges of people between households, migration from place to place, and exchanges in the financial sphere, in goods and products, and on other dimensions.

For the households remaining inside the rural sector under these conditions, the aggregate preference appears to be for finding work inside commuting distance: asked about staying in the city to take an urban job, 13 out of 15 respondents in the rural sample areas indicated that they would prefer to stay at their rural home and commute to the job. In addition, creating jobs inside the rural sector was the single most popular choice in relation to the question on what government could do to assist the respondent. Failing this kind of local work, some households succeed with informal businesses although these often remain precarious, and many seem to be living on social grants and remittances.

However, actual migrant labour, in terms of working household members living in temporary accommodation at the site of their job, was not common in the rural sample, though it predominated in the urban samples. Andries T, one of two migrant worker in the rural case sample, is a young security worker whose birth family lives in Giyani but who is living on his own in a rented room in Jane Furse to access work. He reports sending R 1500 per month to his birth family, and his expressed preference is to return to Giyani if he can find a local job with equal pay. Solly F, a migrant construction worker in his 30s staying in a hostel in Mamelodi, continues to send R 500 per month home to his birth family in Jane Furse. He returns home rarely, and his perceptions on rural residence are not recorded.

More often than migrant work by household members who remain rural-based, rural households reported members who appeared to have left the parent family in a permanent move to the cities, but who sometimes continued to send remittances back to the rural family. This kind of gravity-flow permanent migration move extends social value chains widely between rural and urban localities in terms of the exchanges they carry and promote, but at the same time draws the younger cohorts of the rural population inexorably into the cities. What will happen in the future depends on how the rural economy is changing.

# 8. STRUCTURE OF THE RURAL ECONOMY: DISTANCE RELATIONS IN RURAL LIVELIHOODS ACCESS

What does the rural economy look like? Rural/urban relations depend on how distance constrains access to the economy for the poverty sector, in relation to where the economic opportunities are located and where the poor population is situated: social value chains take on their importance in relation to how they allow poor households to deal with distance and its effects on information, access and livelihoods. The present small qualitative samples shed some uneasy light on economic space relations, but it is not possible to make any definitive statements from small purposive samples.

However, present results raise the possibility of two overlapping but very distinct spatial envelopes for access to employment, which appear to differ depending on the individual nodal point in space where the respondent household is located. These would include:



- (i) a close-by local employment envelope, which seems to be preferred by people who stay in rural and don't intend urbanize, and then
- (ii) a second one much bigger which contains the main metro city, reached by the established spatial migration corridor, but also contains the local economy located at the nearest mid-sized town

It looks as if the local job envelope, which extends for perhaps 5-10 kilometers around an individual population node, accounts for most of the jobs and economic activity sustaining the present sample population. The second envelope stretches across much wider distances and includes both commutation work at 10-50 kilometers and long-distance labour migration at 50-100 kilometers or more. Livelihoods inside this second access envelope occurred less often.

That is, most rural jobs and nearly all the rural informal economic activity reflected in the present sample took place inside the immediate local economy, often inside walking distance, and not in the metro sector by way of labour migration. Table 3 vvv and 4 YYY below summarize how jobs are distributed by distance zone for the present sample population.

The furthest outlying population nodes in relation to the metro endpoint continue to rely heavily on labour migration, while the intermediate nodal point at Dennilton offers relatively more local work and the tightly urban-connected gate point at Kwagga had all its three employed workers commuting daily to the metro city and back. In contrast, the Phumolong shack area accommodated mainly migrant workers from the more remote rural source areas, and the more advantaged Mamelodi East backyards units were occupied by better-paid professionals with registered jobs who intended to remain in the city and either buy or build houses in the suburbs.

# Table 3 VVV: SPATIAL DISTANCE CATEGORY DISTRIBUTION OF ECONOMIC ACTIVITY

Percent of economically active adults recorded per sample point; unemployed/ not economically active as percent of all recorded adult household members per sample point

ECONOMIC ACTIVITY DISTANCE CATEGORY	JANE FURSE	IDENINII TON IKWAGGA IMOKODANE I		MAMELODI BACKYARDS	PHUMOLONG SHACKS	
Migrant work*	6o	13	20	33	20	66
Local work**	40	55	-	33	80	-
Commuting work***	-	-	60	-	-	-
Informal work	-	33	20	33	-	33
UNEMPLOYED/ N E A	29	20	29	25	-	25
TOTAL ADULTS	7	10	7	8	5	4

<sup>\*</sup> long-cycle labour migration, usual residence of worker is at employment locality; 70+ km

The available numbers are again too small to support conclusions, but the results from the qualitative interviews are consistent with different kinds of spatial rural/urban adaptation occurring in different population nodes, which seem to have developed different relations to the metro sector.

<sup>\*\*</sup> work within settlement or town of residence, usually within walking distance or short taxi trip from home; 0-30 km

<sup>\*\*\*</sup> work in metro city or other travel destination requiring daily return trip 2+ hours on public transport; 70+ km



Table 2YY: SPATIAL DISTRIBUTION OF EMPLOYMENT CATEGORIES, RURAL + URBAN

Number of workers at each distance category of work location

TYPE OF EMPLOYMENT	LOCAL WORKER	COMMUTING WORKER	MIGRANT WORKER	METRO/ SUB- METRO SETTLED WORKER*, POST- MIGRANT	TOTAL
SECURITY GUARD	2		2		4
CONSTRUCTION			2		2
FACTORY		2			2
FARMWORKER		1	1		2
DOMESTIC – HOUSEMAID	1				1
DOMESTIC – GARDENER	1		1		2
PETROL ATTONT	1				1
MINE LABOUR				1**	
DRIVER			1		1
TEACHER	1				1
NURSE	1		1	2	4
ADMIN/ CLERICAL				2	2
INFORMAL	6			1	7
TOTAL ECONOMICALLY ACTIVE	13	3	8	5	29
UNEMPLOYED	4		1		5
HOUSEWIFE	1				1
RETIRED/ PENSIONER	2				2
TOTAL NOT ECON ACTIVE	8	-	1	-	9

<sup>\*</sup>expecting to move into permanent metro housing and not to return to rural sector

Rural distances, and the relation of residential communities to the space economy of work and earning, together represent the most important factor limiting how households in poor communities can obtain jobs and retain their earnings: the distance factor and the travel costs it implies are also perhaps the major barrier to successful rural/urban integration for poor households. The rural community samples reflect mainly *local-area work* and *migrant labour*, with commutation over middle distances inside the rural sector less commonly found. These opposite modes of labour market integration represent to a considerable extent the factors that define migration choices, leading either toward local population nucleation and densification in the rural region, or toward urban migration and urbanization into the metro sector.

Local work: Table 2YY illustrates how important local work has become to employment for households in the rural sector. The ideal rural preference is the same as inside the metro city: to work inside walking distance or as near to it as possible, so as to minimize the need to pay for transport. About 45 percent of the economically active household members recorded were working in their own local area, within five to ten

<sup>\*\*</sup> settled at point of employment and not expecting to return to rural origin household



kilometers of home. These jobs included all income levels in these rural communities, from teacher or nurse to security guards, domestic workers and informal mechanics and welders. These respondents either worked from home, inside their own community or human settlement, or at the local town or population node adjacent. Of these 13 workers, nearly half were successfully running informal businesses from home.

Entry into these local-level economic options is usually routed through networks contacts who can provide job referrals or steer customers to an informal business. Social value chains involved appear in effect to run horizontally through short links around the area, linking households and individuals living in and near the points where employment or business opportunities are available, which may be farms, towns, shopping plazas or informal settlements. All but one of the employed workers in the community samples obtained their jobs through personal referrals in their social value chains: Colin N, a security guard, was the only employee able to find work by the formal route of answering an advertisement and being selected at an interview.

In the rural settlements in the sample, spatial access to local employment sources was relatively easily achieved at a travel cost that was not prohibitive, and at the local level distances did not represent the most significant barrier for work seekers. The present space economy is supplying a significant number of lower-qualified jobs around the main link points of the north-eastern corridor. Levels of population inflow into these nodes draw attention to a wide contemporary preference for living close to work, so as to overcome rural distance barriers and maximize limited incomes. Under these conditions, success in finding relatively well-paid work seems to depend to a considerable extent on the thickness and productivity of the value chain contacts available in particular networks, but also depends significantly on random chance and luck in receiving a worthwhile referral at the right time.

Commuting work: Commutation, in the sense of short-term movement back and forth to a job in another centre or population node at a middle distance, was less common than local work or labour migrancy for the overall study sample. It appears clear that the available jobs for the rural community samples are not necessarily limited to the local area and the metro city, and that the present rural economy supplies some employment options at other points along the migration corridor. However, commutation work carries extra costs relative to working locally, and distances did appear to present some barrier to employment access even when job information was being supplied through social value chains that spread widely in the rural space economy. At the same time, three workers in the rural community samples were commuting to middle-distance jobs, from ten or twenty kilometers away to 80-100 kilometers or more.

The three workers in the present rural/urban sample who commuted to work outside their local area represented 9 percent of the economically active category, and included two factory workers and a farmworker, with differing travel arrangements. Two of the three were commuting from home to destinations closer to the city, inside the metro zone of high economic activity, while the other was engaged in rural agricultural work. Samuel B commuted from Dennilton to a large commercial farm about 30 kilometers away, but was brought back and forth in a farm vehicle daily by his employer at an agreed cost. Violet O travelled daily on public transport at her husband's instance to and from Kwagga to work at a factory job in Tshwane itself. Failing to get local work, Sello P had found a factory job at Roodepoort nearer to the city. He commuted daily by taxi back to Kwagga so as to support his parents and sister, and to maintain his status as the heir to his parents' home. All three obtained their jobs through referrals from their social value chains.



While Violet and Samuel were in-migrants to their communities at Kwagga and Jane Furse, both had developed strong links to their present rural communities and intended to stay, though Violet remarked that nearly all her wages went on travelling. Samuel also commented on the increasing financial difficulties his family faced, and the difficulty of covering costs. Sello P, whose father had migrated into Kwagga, also remarked that his commutation takes nearly all his wages after he deducts his contribution to his parents' home economy. However, he now has deep roots in the Kwagga community and although he is not able to save money he does not expect to move, or to obtain accommodation at his work, so as to limit his travel costs.

In these cases, commutation work appears as a stable option because of particular factors in the respondents' situation, so that spatial displacement from work does not necessarily imply a residential move to reduce the time and money costs of travel by living closer to the job. At the same time, these cases of commutation work remain significantly fewer in the community samples than the instances of local-area work, which by comparison reduces work-related rural travel costs to a minimum.

Long-distance migrant work: In contrast, about 28 percent of the economically active individuals in the combined rural/urban sample can be counted as migrant workers (Table 2YY), holding jobs at a distance of 80-100 kilometers or more, at places where they had separate living quarters and spent most of their time. Most of the workers in this grouping were employed in the metro sector, in Tshwane itself. Workers in the migrant category still counted their permanent residence as rural, and said they expected to return to their original rural home eventually, or otherwise to build a new house in their rural community. However, Kabelo V's brother Morne held a security job as a migrant worker in Tshwane: he and his unemployed brothers were actively considering moving from Kwagga to Moloto so as to be closer to employment without taking on the risks of a city move without first having work.

In the sample this is a largely semi-skilled grouping, which included security guards and construction workers, as well as one driver and one urban farmworker employed at a project. Pay levels appeared to be relatively poor, and none of the workers in this category held permanent, registered jobs. Three out of four respondents in this grouping were living in the Phumolong shack settlement; Alwyn E, the one part-time gardener, resided in a backyard unit, but expressed an intention to move to an informal settlement as soon as possible in order to escape the higher cost of backyard accommodation.

This grouping can be separated analytically from the *settled metro category*, representing workers who have moved to the metro from different rural areas but intend to remain permanently in the city; most of these permanent migrants were still sending remittances to rural relatives but had formally separated from their rural parent households, did not count themselves as rural citizens, and expected to buy or build elitequality housing in the northeast Pretoria area.

This grouping accounted for about 14 percent of the economically active qualitative samples, and was economically much better off, slanting heavily toward professional and administrative workers living in better-quality backyards. Ustacia B and Lindiwe K are rural-born married nurses staying in decent-quality Mamelodi East backyards, whose husbands are employed in administrative or clerical positions. Both intended to move on when they can buy or build good-quality housing of their own in residential areas of Pretoria.



All of the jobs in the professional and admin grouping were registered and fully protected under labour legislation, representing a higher-level segment of the labour market open only to the better-educated and qualified section of the rural-born population. In addition, one less-educated informal seller living at Phumolong also intended to remain in the city permanently, on the proceeds of his informal enterprise. Soli A, an unemployed job seeker staying at Phumolong, also expressed the intention of buying a house and staying in Tshwane, but after searching for several years with the support of his social value chain he has not been able to find a metro job. An eventual return to Kwagga and the rural sector is likely to follow if he has no better luck in future.

Value chains in metro migration and job search: For the metro migrant categories, the spatial-distance barriers in respect of transport costs and information access tended to make metro job search a high-risk enterprise in respect of the costs and time involved. Coming to the city to tackle the labour market can represent a serious investment for the aspiring worker and his relatives and sponsors in his value chain. Households in the communities sample that were in the process of moving into the city often carried out this move in gradual step-migration stages, starting with individual members finding work, and passing through a series of decision points often determined by available earning and support options which would enable the anchoring of an urban value chain.

Kabelo and Morne V and their brothers had moved locally from Groblersdal to Kwagga looking for better urban access, but were recent migrants who had not put down strong roots in the new community. Facing poor success in the local and regional labour market from their base at the Kwagga urban link point, they were expecting to use Morne's labour migrant employment in Tshwane to support a move to the edge of Gauteng at Moloto, which would carry the possibility of an easy later stepwise move into the metro zone: Moloto, where the north-east migration corridor intersects the eastern corridor on the direct route into Gauteng, in this case appears to represent a rural/urban boundary point on the metro-urban flowline.

Given D's parental household had followed a similar step-migration track toward the city from their relatively remote origin point at Makhado, and at the time of his interview Given D was the only household member still staying in the rural sector; he was supported by his parents' new metro wages while acting as a caretaker for the house his family had built at Dennilton, and expected to be summoned to join his parents in Tshwane within the next few months. The parents, formerly rural-based labour migrants, had now formally transferred the household unit to their metro work location and settled there.

Establishing anchor points in the metro labour market: Accordingly, being in a position to assist others in the value chain with accommodation for job search and urban entry is a very strong priority for rural-born network members living and working at the metro end of the system: this functionality, which connects jobs and migration, is perhaps the single key modality of rural/urban integration for poor rural households. Permanent moves to the cities expand the scope of the parent households' entire social networks or value chains, but specifically help to provide a solid, stable access point for others from the rural network, who need to spend time inside the city at accessible and affordable spatial points in order to find entry to the job concentrations in the urban economy. Newly employed workers often make a point of moving to new accommodation for the specific reason of becoming able to take in work-seeking visitors from their rural networks. Movement of whole households from the rural value chain into the city may or may not follow, depending on circumstances and on social aspirations.



Finding city accommodation that will allow relatives and connections to come and stay while searching for work is therefore a critical task or function vital to anchor and strengthen a rural/urban social value chain. It follows that achieving this outcome is an important social goal for newly employed rural-born migrant workers who do not necessarily see themselves as aspiring urban citizens, but who want to raise the overall capacity of their home social collective by increasing the number of jobs held by value chain members. However, in this lower income band the task of finding affordable accommodation which will allow rural visitors to stay for significant lengths of time appears to be more difficult.

Facilitating entry to the city within networks that are anchored in the shack settlements – rather than in rooms or backyards units – appears in the qualitative accounts as a more difficult, less stable type of entry portal, relative to the higher-priced modes of shelter used by professional and near-professional households who come to the city with the intent of obtaining permanent up-market urban housing; numbers of cases are too small to permit assessment of relative success rates. In addition, the spatial location of the shack settlements is generally marginal compared to the township backyards. More limited and more expensive access to public transport in the informal settlements usually means taxis, rather than bus or train service, for at least the first leg of the trip. Less access to public transport in the shack areas tends to result in higher transport and travel costs associated with job search, making for a higher overall search cost and greater risk for the categories of work seekers who can least afford them.

Spatial impacts of local vs migrant labour modes: Under these conditions of difficult urban access, being in position to tap into the metro economy can mean living very close to a rural spatial point that provides work opportunities, resulting in a flow of rural population toward the spatial focus points of the developed rural/urban space economy: migrant work to the cities with extended stays at or near the workplace continues to represent the alternative at any given point in time.

The pattern of local work therefore acts to nucleate the rural space economy. While migrant work on the one hand supports and maintains the dispersed post-colonial settlement pattern of the old apartheid 'homelands', on the other it simultaneously promotes urbanization through connecting social value chains into the city. This latter mechanism works through the establishment of urban residential points accessible to the whole social value chain, opening the route toward the subsequent movement of rural households into the city itself.

In this aspect, migrant labour has historically made the demographic pathways which have led to urbanization, and toward a relative decline in the numbers of the rural African population as South Africa's total population passes through its urban transition point. The present sample reflects this mechanism continuing to operate today, so that the rural poverty sector witnesses both new population nucleation around economic hotspot points, and continuing relative population decline as the metro sector draws in and absorbs more of the population in total.

For the metro samples, the close concentration of economic activity in the city may limit the spatial dispersion of household support options. Access for metro respondents looks relatively favourable. Although located on the city periphery, four out of the five wage employees worked within 10 kilometers of where they lived, and all three of the informal operators also did business inside the 10-kilometers radius.



At the same time, rural work travel distances for the sample often appeared shorter when measured as linear distance, and urban transport solutions are often tricky and slow. In comparison with the rural samples, it is not wholly clear that travel access in the metro city is always more favourable than the rural equivalent, in spite of more frequent and better developed services.

Table 1 WWW:

#### STRUCTURE OF THE SPACE ECONOMY FOR EMPLOYMENT & EARNING: DISTANCE TO WORK

			ISTANCE,	LABOUR				
НОМЕ	KILOMET	ERS	T	MIGRATI	ON, KM	NEA/	SAMPLE	
EARN	≤ 5	5-20	20-50	50-100	100+	UNEMP	N H/H	N CASE
14% 6ø%	<b>29%</b> 4ø%	5% 33%	5% 100%	10%	10% 67%	29% 67%	15 50%	21 55%
<b>25%</b> 4ø%	38% 20%	ı	-	-	13%	25% /22%	7 23%	8 21%
-	<b>50%</b>	25%	-	-	-	25%	4 13%	4 11%
-	80% /27%	20%	-	-		-	4 13%	5 13%
5	15	3	1	2	3	9	30	38
	14% 60% 25% 40%	HOME EARN       KILOMET         ≤ 5       14%       29%         6ø%       4ø%         25%       38%         4ø%       20%         -       13%         -       27%	HOME EARN       KILOMETERS         ≤ 5       5-20         14%       29%       5%         6ø%       4ø%       33%         25%       38%       -         4ø%       20%       -         -       13%       33%         -       25%       33%         -       25%       33%	EARN       ≤ 5       5-20       20-50         14%       29%       5%       5%         6ø%       4ø%       33%       100%         25%       38%       -       -         4ø%       20%       -       -         -       13%       33%       -         -       27%       33%       -	HOME EARN       KILOMETERS       MIGRATI         14%       29%       5%       5%       10%         66%       46%       33%       100%       100%         25%       38%       -       -       -         46%       20%       -       -       -         -       13%       33%       -       -         80%       20%       -       -       -         27%       33%       -       -       -	HOME EARN       KILOMETERS       MIGRATION, KM         EARN       ≤ 5       5-20       20-50       50-100       100+         14%       29%       5%       5%       10%       10%         6ø%       4ø%       33%       100%       400%       67%         25%       -       -       -       33%         -       20%       -       -       -         -       13%       33%       -       -       -         -       13%       33%       -       -       -         -       27%       33%       -       -       -       -	HOME EARN         KILOMETERS         MIGRATION, KM         NEA/ UNEMP           14%         29%         5%         5%         10%         10%         29%           66%         46%         33%         100%         10%         67%         67%           25%         38%         -         -         -         -         33%         25%           46%         20%         -         -         -         -         25%           -         13%         25%         -         -         -         25%           -         13%         33%         -         -         -         -           -         13%         33%         -         -         -         -           -         13%         33%         -         -         -         -           -         13%         33%         -         -         -         -         -           -         27%         33%         -         -         -         -         -         -	HOME EARN         KILOMETERS         MIGRATION, KM         NEA/ UNEMP         SAMPLE NH/H           14%         29%         5%         5%         10%         10%         29%         15           66%         46%         33%         100%         100%         67%         67%         7           25%         38%         -         -         -         -         -         25%         7           46%         20%         -         -         -         -         -         25%         4           -         13%         33%         -         -         -         -         4           -         27%         33%         -         -         -         -         4           -         27%         33%         -         -         -         -         4           -         27%         33%         -         -         -         -         4           -         27%         33%         -         -         -         -         4           -         27%         33%         -         -         -         -         -

**50%** 

Row percent

#### Column percent

Moving outward in space from the metro cities, Table 1 illustrates how the spatial structure of rural livelihoods works for the current small quota sample. No claim of statistical representivity can be made, given the very small size of the qualitative sample and the non-probability selection of cases.

While the 15 cases that represent the rural communities as the key target groups for the current study may offer some such initial insights into the insertion of the households into the space economy, the sub-



samples for Mokopane as an actively developing rural town, and especially the sub-samples for the metro sector backyards and shacks, are too small to provide even an initial glimpse in themselves of the variability involved. The metro cases mainly offer qualitative straws in the wind, visible to some extent against the representation of the rural households in combination.

The spatial zone structure of the rural economy is defined by access to rural work, and most of the moves involved are enabled by existing social value chains. However, some household moves count as pioneering moves, where the first representative of a network moves into a new area hitherto unexploited by his web of contacts. When this happens, the new arrival makes a foothold for other members of the pioneer's network to expand their spatial options repertoire to include an additional point of focus and additional economic activity. If the area has sufficient economic attraction and is also effectively connected to the city economy, it eventually become a gate point in its own right. The type of gate point that emerges is likely to define the kinds of jobs that social value chains will be able to supply at that point. While some rural towns continue to lose population, others have become hot spots for economic activity and migration.

At household level, the space economy is structured by movement in pursuit of livelihoods in and around the residential location of the household, as is the case in nearly any other category of human settlement anywhere. When they occur, actual household residential moves from one named place to another largely take place to assist this kind of livelihoods-determined cyclical movement activity, which can be daily, weekly, or on a longer cycle.

Against this background, results hint that for the northeast corridor the weight of the space economy will be concentrated in the relation between the small towns and the community settlements — labour migration to the urban metropole places a distant second. Most earning activity in the communities sample was located within five kilometers of the home location, and most of the recorded informal activity was conducted from home (Table 1). For the rapidly growing small city of Mokopane, economic activity in the rural town sample appeared as even more closely clustered around the town and within five kilometers of home.

Only some 26 percent of the spatial rural/urban movement links or tracks for the economically active individuals in the rural communities sample can be classed as labour migration: that is, as movement back and forth over a significant time cycle between the home location and a destination that supplies work as a livelihood, in which much longer periods of the worker's time are spent at the destination point.

Most of the livelihoods-determined regular movement around the sample households' residential locations can be classed as commutation, which happens on a daily or weekly basis over a much shorter distance, so that the worker can spend half or more of their total living time at home. In addition to wage work, informal sector earning is most often conducted at the point where the individual resides, though cyclic local travel is usually necessary to obtain inputs and/or to deliver outputs.

Commutation within a 50-kilometer radius accounted for seven out of eleven cases of community-sample individuals doing wage work, or 64 percent. Five of these paid workers were employed within five kilometers of their residential home, or 45 percent of the 64 percent who worked within commutation distance. Labour migrants who worked more than 50 kilometers away in the Tshwane metropole accounted for three cases, or 27 percent of the individuals doing wage work. These migrant workers spent most of their time in the metro city. Representing 9 percent of the community sample wage sector, the last



wage employee was a rural-to-rural migrant worker, employed in Jane Furse while his family resided nearly two hundred kilometers away at the northern end of the corridor in Giyani.

To the wage work sector can be added four people doing informal earning to support their families, representing some 27 percent of the economically active individuals in the rural communities sample, as against 73 percent who were doing wage work. All of these activities took place within a 5-kilometers radius. Three out of four of the informal entrepreneurs worked from home in the common informal practice, while one elderly man did local casual work around his neighbourhood.

For the seven households in the rural town sample from Mokopane, the overall pattern of economic access and movement in the space economy broadly resembled that for the rural communities. Four households had wage workers, and three were being supported on informal activities. Three of the paid employees worked in the town of Mokopane itself, within a 5-kilometer distance of their homes. One of these was an urban-to-rural migrant, working on contract in Mokopane and expecting to return soon to her home in Tshwane, while another was a labour migrant residing in Mokopane but working and living in Tshwane more than 200 kilometers away. In addition, all three of the informal businesses were operated from home.

That is, the Mokopane sample reflected no one employed in the outer commutation zone, between 5 and 50 kilometers, and most of the economic support activity took place inside 5 kilometers. No one worked on a farm, and all of the economic activity was part of the wider urban economy, though the share that was located in the metro city itself did not make up the biggest part. As with the rural communities, this pattern is in keeping with a frequently expressed preference from the rural respondents for living in the rural sector and working as close to home as possible.

In view of the high cost of rural transport and the low wages often reported for unregistered employment, it appears that a lot of the underlying dynamics of rural settlement is likely to be around residential moves carried out to come within easy commutation distance or walking distance of work opportunities in the local-level space economy. However, many other moves take place over significant distances, mediated by information passing along social value chains.

Most wage work for the rural samples was inside the rural economy and not in the metro urban sector, though the direct relation to the metro urban sector remains vital. Most workers said they preferred to live and work in the rural sector, inside the community/ small town relation, if the local economy would have the necessary carrying capacity in respect of employment opportunities.

# 9. SITUATING THE QUALITATIVE SAMPLE: SOCIAL VALUE CHAINS

From a social structural standpoint, the qualitative results suggest that successfully constructing social value chains requires that they be re-populated in each generation, as household members separate from the parent household – permanently or for the time being – and spread out to locate in areas where paid work is available.

In practice, this process means the parent generation, particularly the brothers and sisters of the rural household parent couple who are now living in urban areas, provide the urban information and job referrals needed for the adult children to find work and establish themselves in a position to send remittances to their rural parent household. Main responsibility for support of the rural parents then passes to the youth



generation; the responsibility of the parents' brothers and sisters to support the rural family home normally appears to end with the death of the grandparents.

The married couple who have remained at home to inherit the family house will now rely mainly on their own young adult children as the youth of the family, although the household cases record several instances where brothers and sisters of the parents' generation continue to send financial help when the situation at the rural family home is difficult. In the next generation, the job referrals are expected to come again from what will then be the established urban generation, to the succeeding youth generation venturing into the labour market and taking over responsibility for household support.

In cases where this model works effectively, it appears to provide remittances up to the value of R 2000-3000 monthly to the parent household, supplementing social pension income and allowing the rural home to be maintained. The households of Sello P, Samuel B and Andries T show the model working. However, for this social model to work, it requires both available jobs and available job candidates. As households become smaller even in the rural sector, the parent households may hit the demographic limits of a constricted national labour market, and struggle increasingly with a model of value chain formation that still relies in practice on three or four children being raised and educated to be able to enter the job market. Constance F has only one son, who is working at an unregistered construction job and is able to send only R 500 per month. Dolores H and her sister, and the brothers of Kabelo V, have become stranded when their parents died, leaving them without work and without social grants, although Kabelo V's household of four brothers and one sister has one brother employed, though he pays R 1200 transport on his security guard's wages and has little left for support.

Several smaller households in the qualitative sample have fallen down the income distribution through being unable to establish at least one child in the urban or rural labour market. Jonathan K, who has a daughter trapped in a one-room metro shack without work and a son in Rustenburg who is not contributing support, is relying on social pensions and local causal labour to support himself and his wife, who is ill and not able to work. Sello P, who as the last-born will inherit the family home and carries the prime responsibility to support it, is contributing R 1500 each month to his elderly parents, but is also helped by his own siblings and by his parents' urban siblings contributing, and is part of a reasonably successful household support dispensation. Virginia R, who has no one employed in the household itself, receives a reasonable level of income through the remittances contributed by family members outside the household, who now represent the family's social value chain.

Where the household does not have enough members to deploy into the labour market, social value chains can fail to connect, and the parent household is likely to become cut off, with any members of the youth generation who have been unable to find work becoming trapped at home without a reliable income source if their parents die. From this viewpoint, larger families may have a significant advantaged in tackling the urban/ rural interface and successfully forming value chains. Rather than being advantaged in the labour market, it may be that smaller rural households may have difficulty in connecting a value chain that can secure an income stream.

This result, against the demographic trend to declining household size at a time of high unemployment, draws attention to household characteristics in relation to the economic demographics of job search and of rural/urban connectivity.



# 9.1 How households relate to value chains

Against the backdrop of how social value chains are located in space, this section provides background on the respondent households that make up the qualitative sample, and suggests some of the apparent differences between the areas that are included. Tables 1 and 2, ordered according to estimated per capita income for the respondents, summarize some of the socioeconomic parameters to help put the respondent information into context. It is also important to note once below the level of the nurses included, nearly all the jobs recorded in the qualitative samples were stated as temporary, non-contract work. This kind of employment therefore takes place in the unregulated shadow labour market, and tends to be poorly paid as well as insecure. People working at jobs in this uncertain gray area may or may not consider themselves permanently settled at the present location.

# Migration and population origins

Table 1 shows the levels of in-migration reflected in the respondent sample, at an overall 66 percent for the rural wards taken together and 60 percent for the urban wards. This distribution might suggest that the level of migration is roughly as high in rural areas of the northern migration corridor as in the urban centres, but this proposition could be misleading.

The two urban ward samples appear to behave very differently in respect of migration: all but one respondent in the Mokopane wards reporting having been born in one of the wards that make up the rural township, while all eight of the metro Tshwane respondents said they had migrated to the metro city from rural areas in Mpumalanga and Limpopo. That is, the metro respondent replies appear consistent with very high levels of migration into the backyards and shack areas, as temporary-shelter types of metro settlement that accommodate arriving migrants. At the same time, the Mokopane replies did not align with the respondents' information concerning high rates of in-migration arriving in the rural township, underlining the uncertainties involved with very small qualitative samples.

For the individual rural samples, Jane Furse respondents likewise reported local-born status in three out of four cases, while the Dennilton and Kwagga respondents were in-migrants in six out of eight and two out of three instances respectively. It may be plausible to suggest that the rural localities in the northern migration corridor that are less closely integrated with the metro urban sector through transport connections may turn out to show lower levels of residential migration, but as yet there is no evidence to confirm this interpretation. However, the overall level of population instability in the rural ward samples is roughly as high on average as in the combined urban samples, though not as high as the metro respondents' reported rate.

This high apparent level of migration and population instability does not appear to have prevented the formation of widespread social value chains, and may in practice be an active factor in promoting the spatial expansion and spread of social networks over wide areas. If so, the level of networking prevailing in the rural sector may possibly be increasing in terms of spatial spread, and conceivably in terms of network size, though this appears less likely.



#### Household size and earning

In considering household size and structure in the qualitative samples, it is important to bear in mind that the rural households tend to be family households, many of which have sent out workers to live elsewhere, while the urban samples cover the backyards and shacks only: these are temporary housing modalities, which accommodate people who are not ready or able to settle permanently. Accordingly, on the classical South African labour migrancy model the urban households often stand for the missing members of the rural households, and few of them appeared as complete households in themselves (Table 1).

The households recorded for the rural wards appear in the table as slightly larger than the overall average for South Africa, at 4.4 members vs 4.1. However, this average would be raised slightly by including both ends of three split households in the count, in which the main household lives elsewhere and only one or two members – usually migrant workers – actually reside in the area of study at the time of interview. These stretched and split households represent rural-to-urban social value chains in active form, held apart by the needs of the labour market and the needs of household reproduction, and existing largely for the purpose of rural-to-urban value transfers. All of the urban samples either sent or received remittances.

Rural-to-rural labour migration also occurs in the results, represented by Andries T, a security worker who has been transferred by his firm to Jane Furse from his home area at Giyani; he reports he is able to send home R 1500 per month, while living under uncomfortable conditions at Jane Furse and remaining as part of a stretched household which actually resides at Giyani. However, rural-to-rural labour migrancy occurs at a much lower level than rural-to-urban labour migration.

#### Household size and structure

Stretched and split households were much more common in the urban sector, occurring in 9 of the 15 cases recorded. (Table 1). The urban de facto households tended to be very small, averaging 1.6 members in Mamelodi/ Phumolong if the rural component is not taken into account. The Mokopane households were also small, though they came close to the rural household average size if their own migrant out-workers were counted in.

Table 1
SOCIAL VALUE CHAINS: SOCIOECONOMIC PARAMETERS BY TYPE/LOCATION OF SETTLEMENT

					Н/Н	
RURAL	LOCATION	ORIGIN	HSING VAL	H/H SIZE	INCM	EMPLOYMENT
WISEMAN Q	DENNILTON	local born	50-100 000	3	R 15,000	teacher
DAVID N	DENNILTON	local born	50 - 100 000	4	R 10 000	brthr grdnr sist nurse
GERALD L	JANE FURSE	local born	50-100 000	2	R 4,500	M dmestc, son scurty
GIVEN D	DENNILTON	Makhado	50-100 000	1(3)	10 000	not in labour market
SELLO P	KWAGGA	local born	20-50 000	6	R 7,000	factory
VIRGINIA R	DENNILTON	Ermelo	50-100 000	3	R 3,500	no h/h work
ANDREW W	DENNILTON	Tafelkop	20-50 000	3(4)	3500	informal, car wash
SAMUEL B	DENNILTON	farm	20-50 000	6	R 4,700	farm worker
ANDRIES T	JANE FURSE	Giyani	0, renting	1 (4)	R 3,000	security work
JONATHAN K	DENNILTON	Bronkhorstspr	5000-8000	4	R 3,000	local casual work
KABELO V	KWAGGA	Groblersdal	2500-5000	5	R 3,000	unemp, brothr scurty



BERNARD U	DENNILTON	Carolina	8000-20000	5	R 3,000	informal mechanic
VIOLET O	KWAGGA	Tafelkop	2500-5000	6	R 3,000	H ifml mchnc, W fctry
CONSTANCE F	JANE FURSE	local born	20-50 000	6	R 2400	son, construction
DOLORES H	JANE FURSE	local born	5000-8000	3	R 500	unemp, at home
AVERAGE	N/A	N/A	N/A	4.4	R 4475	N/A
URBAN	LOCATION	ORIGIN	HSING VAL	H/H SIZE	H/HINC	EMPLOYMENT
PRUDENCE S	MOKOPANE BKYD	Saulsville, Pta	50-100 000	2	R 20,000	nurse
LINDIWE K	MAMELODI EAST	Seshego	50-100 000	2	20,000	W nurse, H clerical
USTACIA B	MAMELODI EAST	Makhado	100-200 000	2	10,000	nurse
LAWRENCE Y	MAMELODI EAST	Bushbuckrge	100-200 000	3	7000	clerical
ALWYN E	MAMELODI EAST	JANE FURSE	20-50 000	1(5)	4800	pt-tm gardener
JAMESON G	PHUMOLONG	KWAGGA	2500-5000	2(5)	5900	clerical
COLEMAN E	PHUMOLONG	White River	5000-8000	1(5)	4400	informal, car tyres
SOLOMON A	PHUMOLONG	Moketsi	2500-5000	1(4)	3400	job search
GRACE I	MOKOPANE IFML	local born	8000-20 000	3(4)	4050	husband, constructn
COLIN N	MOKOPANE BKYD	local born	20-50 000	2(5)	4000	security work
NICHOLAS L	MOKOPANE BKYD	local born	50-100 000	4(5)	3750	petrol attendant
ORTEN C	MOKOPANE IFML	local born	8000-20 000	1(5)	3500	informal, mechanic
MERLIZE J	PHUMOLONG	Bochum	2500-5000	1(5)	3000	urban farm work
GRIFFEN H	MOKOPANE IFML	local born	5000-8000	4	2000	informal, welding
NAKILE R	MOKOPANE IFML	local born	5000-8000	4(5)	2000	pensioner
AVERAGE	N/A	N/A	N/A	1.6(4.1)	R 5557	N/A

All the Phumolong households were classifiable as stretched households, with one or two migrant workers supporting a rural parent household, though in the Mamelodi East backyards only one household fell into this category. Probably two of the Mamelodi backyards households can be classed as split households, in that they are independent high-income households that send very substantial remittance payments to their parent household. In Mokopane, split and stretched households were

found in all but two of the respondent households in both shacks and backyards. Though the Mokopane households were larger than those in the metro urban samples, they remained small, at an average 3.0 members if only the Mokopane side of the household is taken into account.

For the qualitative sample as a whole, it looks as if it may be the practice for very well-off professionals and admin workers to split formally from their parent household when they start work, but also to for the employed former members in the new households to continue sending substantial remittances back to the parent household after establishing independent residence.

For the households in the middle of the income distribution, migrant work leading to spatially stretched households appears as the common practice for the rural wards and for Mokopane as well, in which the migrant workers have not formally established new households but remain members of the rural parent households while they are still single, and sometimes after forming a partnership if the children are sent back to the rural sector.

Accordingly, for the whole qualitative sample, stretched households occur mainly in the middle income brackets and mainly in the urban wards, which most often provide migrant work. Below the income levels of the households receiving remittances from migrant workers, the households with the lowest estimated



per capita income appear as those which did not have migrant workers. The old economy of labour migrancy therefore still appears to be strong in these rural/ urban value chains, and the collective contribution of migrant work to households incomes is therefore critical to families achieving some level of income adequacy. However, the majority of the rural sample households did not benefit from having urban-based workers, though others benefitted from remittance payments being sent through their social value chains from participants located outside the household membership (Table 2).

# Household income and housing value

At the high end of the per capita income distribution, located in the Mamelodi backyards for the most part, household incomes were estimated at R 7000 to R 20 000 are reported, but the estimation of the total household income is very rough and approximate (Table 1). The reported replacement value of housing was also very high, at R 50 000-200 000, though for the housing in these urban cases the dwelling unit is being rented rather than owned and does not occupy the entire house.

For the Phumolong metro sample, reported income averaged below R 5000 per month for a small household sending home remittances, which is still a substantial level. Per capita incomes averaged out at R 890, appearing relatively high for a very poor informal settlement. Housing replacement values for this shack population averaged in the interval R 2500-5000, an expected level for a lower-quality urban shack. By comparison, the Mokopane samples tended to fall almost entirely below Phumolong in relation to household income. The backyards incomes came to just under R 4000 per month aside from Prudence S, the urban-born specialist nurse, whose income is given at above R 20 000 per month and who is renting in a house valued in the R50 -100 000 bracket. For the shack areas, average income stood at about R 600 for the four households.

De facto housing values at Mokopane in the backyards category were estimated at R20-50 ooo and R 50-100 ooo, against R 5000-8000 and R 8000-20 ooo in the informal areas of Mokopane: on these estimates, Mokopane backyards units could prove to be situated in less valuable properties than those recorded in the metro city, but the shack housing is likely to be less at risk of removals. Housing for these few cases in shacks appeared noticeably more valuable than the metro Tshwane shack units, and may reflect a more permanent community. Values tended to fall below R 20 000 with a mode at R 5000-8000, equivalent to a lower-quality rural house just above the standard of a corrugated iron shack.

Table 2
SOCIAL VALUE CHAINS: INCOME AND REMITTANCES BY TYPE/ LOCATION OF SETTLEMENT

RURAL	LOCATION	INCSOURCE	PER CAP	REMIT IN	REMIT H/H	REMIT OUT	N CLOSE
WISEMAN Q	DENNILTON	W	R 5,000	R 0	0	R 1,000	10
DAVID N	DENNILTON	W, P	R 2,500	0	0	0	50+
GERALD L	JANE FURSE	W	R 2,250	0	0	0	50+
GIVEN D	DENNILTON	R	R 1,700	0	R 1,500	0	6
SELLO P	KWAGGA	W, R, P, G	R 1,250	R 1,700	0	0	30+
VIRGINIA R	DENNILTON	P, G, R	R 1,170	R 2,000	0	0	30+
ANDREW W	DENNILTON	P, IFML, R	R 875	R 1,000	0	0	10
SAMUEL B	DENNILTON	W, R, G	R 780	R 250	0	0	30+



ANDRIES T	JANE FURSE	W		R 750	0	R 1,500	0	5
JONATHAN K	DENNILTON	IFML,	G, R	R 750	R 80	on request	0	20+
KABELO V	KWAGGA	W		R 600	R 300	0	0	20+
BERNARD U	DENNILTON	IFML,	G	R 600	0	0	0	20+
VIOLET O	KWAGGA	W, IFN	ΛL, G	R 500	0	0	0	()
CONSTANCE F	JANE FURSE	G, R		R 400	0	R 500	0	30+
DOLORES H	JANE FURSE	G		R 170	0	0	0	3
AVERAGE	N/A	N/A		R 1286	R 892	R 1167	N/A	20.0
URBAN	LOCATION		INCSOURCE	PER CAP	REMIT IN	REMIT H/H	REMIT OUT	N CLOSE
PRUDENCE S	MOKOPANE BK	YD	W	R 10,000	0	0	R 3,000	3
LINDIWE K	MAMELODI EAS	ST .	W	8,500	0	0	R 3,000	4
USTACIA B	MAMELODI EAS	ST .	W	5000	R 700	0	0	3
LAWRENCE Y	MAMELODI EAS	šΤ	W	2330	0	0	R 1,500	3
ALWYN E	MAMELODI EAS	ST	W, P	960	0	R 600	0	3
JAMESON G	PHUMOLONG		W, P	940	0	R 1,200	0	10+
COLEMAN E	PHUMOLONG		P,G, INFML	880	0	R 800	0	2
SOLOMON A	PHUMOLONG		R	850	R 500	0	0	30+
GRACE I	MOKOPANE IFN	ΛL	W,G	810	0	R 600	0	()
COLIN N	MOKOPANE BK	YD	W,P,G	800	0	R 400	0	2
NICHOLAS L	MOKOPANE BK	YD	W, G	750	0	R 1,000	0	20+
ORTEN C	MOKOPANE IFN	ΛL	IFML, P, G	700	0	R 1,200	0	car owners
MERLIZE J	PHUMOLONG		W, P, G	600	0	R 500	0	4
GRIFFEN H	MOKOPANE IFN	ΛL	IFML,G	500	0	0	R 500	10
NAKILE R	MOKOPANE IFN	ΛL	W,P.G	400	0	R 200	0	10
AVERAGE	N/A		N/A	R 2268	R 600	R 533	R 2000	6.5

In the rural samples at Jane Furse, Dennilton and Kwagga, high-end incomes reported went to R 10 000 and R 15 000 monthly, with accompanying housing replacement values in the R 50-100 000 bracket. However, housing of this approximate quality was not restricted to the highest earners, in that investment in housing is a traditional economic strategy in much of the north, so that about one third of the rural sample population were reported to be occupying dwelling units in this price bracket.

Below this level, household income in the lower half of the rural income distribution tended to fall below R 3000 per month. However, per capita income was often estimated at R 600-750 or higher. These estimates run out above the usual current poverty estimates, although these households reported financial struggles and often said they could not afford three meals per day.

# Remittances as value exchange

Remittance payments (Table 2) can move in any direction, rural/ urban or horizontally within one sector or the other. However, remittances coming into urban households were less usual, and the main direction of financial support flows was from the metro sector to the rural sample wards. However, though all the metro households reported that they were sending or receiving remittance payments, only six out of 15 rural sample households said they received regular remittance payments, and in at least two cases these payments were very small.



The overall reported value of all the recorded metro urban remittance payments was R 1020, with more than half the value concentrated at the upper end, where two well-off households were sending out remittance payments reported at R 3000 per month. For the metro urban samples at Mamelodi and Phumolong, the average value of all the reported remittances amounted to R 1100 per month. The Mamelodi backyards alone accounted for an average remittance of R 1450, vs R 750 per month for the Phumolong shack sample.

Seven out of the 15 rural households received remittances, ranging from R 2000 monthly to a widow from two urban sons, to a sporadic R 100 from an unemployed urban daughter living in a low-end shack to her elderly parents. Three out of seven households in the lower half of the rural-samples income distribution for per capita income reported that they received regular remittance payments from their urban members which could be counted on for routine household support, and these remittances tended to be low, at R 500 per month or less. One poor household reported that remittance funds would be obtained through network connections only an individual, one-off basis, when requested for a specific need, and this statement probably holds for most of the other poor rural households not receiving regular remittance support.

However, transport costs for urban work, together with the demands of rent and living costs, and the priorities of the migrant worker, have a significant effect on how much of any given urban income is transferred into the rural sector through migrant remittances (Table 2). Very low remittance payments are sometimes sent by construction workers who are informally employed and need to pay for shelter.

#### Rural/ urban integration through social value chains

Overall, the integration of the urban and rural qualitative samples appears on several interlocked dimensions. The demographic and economic interchanges are perhaps the most critical, but they are difficult to separate from the flow of information and the physical modalities of transport flows. Not only the provisioning of the household but also the insurance function in respect of income shortfalls are routed primarily though not entirely between the metro and rural sectors, though by no means all the rural households had through the connection of rural/urban social value chains. Above that level, transfers of resources from the urban sector to the rural sector may also be mediated by value chains connecting individuals in the party political sphere, but exchanges of this type are beyond the scope of the present study.

The support of households in the present qualitative sample is almost entirely in the sphere of cash exchanges. None of the households in the present rural or urban samples had any significant agricultural activity, or sold any crops or livestock: one household reported an unspecified but small number of cattle and goats, and several had backyard food gardens. None reported any cultivated fields, or had rights to any allocated cultivation land. At present, the land transferred to a new household entering the community in the sample areas appears to be restricted to a residential site, with some remaining rights to local natural resources including access to water.

The kind of cash exchanges from urban to rural, and cross-sectorally from rural to rural or from urban to urban, then are put in place through residential migration and labour migration. These demographic exchanges are based almost entirely on information flows coming to prospective workers through social



value chains anchored in the metro urban sector, or otherwise in rural areas that offer employment. Job referrals appear as perhaps the single most valuable input which flows from urban to rural along existing value chains.

Job information that results in employment opens the way for immediate and future residential migration to occur. Therefore, the balance of urban and rural job information is affecting the overall flow of population from the outer rural areas, which moves into either the metro urban sector or into the densified rural areas with better access to work opportunities and economic activity.

The decision for which way the worker will go to find work, and for which way the household will migrate to improve its spatial position, depends partly on preferences but largely on available referrals and information on available jobs and housing. While most of the rural respondents expressed a preference for building a new family house at their present location in the rural sector, four households or 27 percent of the rural samples, indicated that they would like to move into or adjacent to the metro city if they could afford to mobilize a move.

In addition, the outflow of youth migration from existing rural households is continual, and not always perceived. This demographic stream usually represents single youth migrating before the stage of household formation, and therefore need not directly affect the number of households formally living in the rural sector. Both jobs and education aspirations are noted as goals for migrating youth, with small business activity as a fallback option. In the Mamelodi samples, the households already in the metro sector tended to want to build or buy their future houses inside the metro city rather than return to their rural source areas; however, one respondent who was struggling to pay backyards rent on a part-time domestic wage expressed his intention of moving from his backyard rental into a shack, to be better able to cover both his urban living costs and his remittance obligations. It appears that the broad general population movement from the rural sector to the urban sector is continuing, though the dynamic balance of rural-to-urban value chains as against rural-to-rural value chains may shift in the future depending on development occurring in the rural sector.

#### 9.2 How do social value chains work?

Holding aside movement of people between households, what travels along value chains is chiefly information and financial resources. Tables AAA.1-3 show how social linkages manifest differently for immediate and long-term needs, and for the different kinds of transfer that go through the mechanism of the value chain and can be mobilized by the individual or household. Depending on whether value transfers are being sought from the urban or the rural sector, and with what objective, social networks as value chains can be used differently. When urban work is the objective, people searching on their network activate their urban contacts and try to maximize the extent of their urban connections for an immediately usable tip. If financial assistance is the goal, searches appear to be restricted to the existing shell of close kinship which encloses the household itself in social space, and extended negotiations may become involved. If remittance transfers are to be put in place, transfers once set up in terms of accepted social obligations are expected to repeat regularly over extended periods between designated individuals in the social value chain.

Tables AAA.1-3 focus on several types of critical social transfer, involving information resources alongside



financial and other forms of household-to-household assistance. The tables bring in qualitative information on transfers of vital information – job referrals and potential settlement options – and of financial resources and other support at point of need; these include either help with planned funding for an important recognized obligation or household investment, or help in a sudden emergency situation of acute need. Both in turn ultimately trace back to access to the economic means of funding and accumulation, requiring the requesting household or individual to be positioned on a value chain that taps one or more of the essential sources: either the labour market, through the urban economy or through the local economy, or individual informal business earning, or government social transfers.

In the rural/ urban space represented by the present small samples, most networks tend broadly to divide into urban and rural contacts, which then open up access to the main sectors of the space economy. Contacts in the main labour market spread out widely into impersonal urban space when they are most effective in providing job referrals, while the household-level informal economy represented in the study requires very intensive contacts in the household's own immediate local neighbourhood in order to set up and maintain a client base.

In the rural sample areas – Jane Furse, Dennilton, and Kwagga A – most reported attempts to find a job tended to involve door to door cold searches in the local area and adjacent rural town. In line with the findings of Posel et al (2013), without a personal referral to a prospective employer most of these searches were ultimately unsuccessful: nine of the rural respondents could not find work. Of the seven who did, most – including all of those from Kwagga A, who all work outside their own settlement as commuters in the developed economy – either fell back on passive search, by waiting at home until their value chain members made contact with a referral, or were finally able to expand their value chain contacts by networking actively until they obtained a referral from a new contact. Andries T networked intensively among employed security guards until he was able to obtain a recommendation to an employer; Samuel B was finally sent to a farmer by a male friend employed on the farm. Violet O was recommended to a factory in Pretoria by a female contact. However, Wiseman Q, now a teacher, after an unsuccessful cold search for clerical positions in the local area, obtained his post by answering an advert.

It appears that the lower- and middle-tier labour markets open to the rural and urban poor may be sharply segmented: professional posts are advertised, and hiring of professional candidates is then registered, while the bulk of potential work for the rural poor is non-professional and now appears to be heavily casualized. Earlier work with the Quarterly Labour Force Survey (Cross & Ngandu 2015) reflects the great extent of unregistered work in entry-level jobs today: these positions are not advertised, taking the form of legally unprotected temporary work without a written contract. Wiseman Q's local teaching post was the only registered job in the rural districts samples: in addition, Prudence S, a professional nurse, also held a registered post in the rural town sample at Mokopane, which she had obtained through an advert. The remainder of the rural labour economy appears as if made up of extra-legal and informalized employment. Only one non-professional respondent in the present samples reported holding a registered job.

The significant point is that this submerged economy is normally accessible only through social value chains and networking. To describe this lower tier of the developed national labour market as *formal* is likely to be misleading in terms of operational reality.



For work-seekers who are unable to succeed in finding quasi-formal employment through their value chains, the usual backup, or fallback option, is in the household-level informal economy. Three of the unsuccessful work-seekers in the rural districts samples – Bernard U (motor mechanic), Jonathan K (local casual labour) and Andrew W (car wash) were operating informal micro-enterprises at the time of interview. In addition, Griffen H and Orton C at Mokopane had chosen small enterprise deliberately, without having first attempted to find paid work; Griffen H planned by first obtaining a technikon qualification as a welder and then opening his home-based business. Orton C considers himself very successful as a motor mechanic, and employs an assistant. All five of these respondents running informal micro-enterprises in what is usually seen as the survivalist informal sector reported that their households were able to have three meals per day, while Andries T, Violet O, Jameson G, and Colin N, who all work in unregistered jobs at formal firms, reported that their households could only afford two meals per day.

These small businesses appear to relate in a different way to social value chains, with a different spatial footprint. Informal business owners in the sample remarked repeatedly that they are personally known to everyone in their neighbourhood, so that they are contacted when their services or products are needed. This relationship sometimes becomes close enough so that customers are listed as friends and network members, becoming part of respondent value chains. As a result, owners of informal enterprises tended to say that they would not move house again even under attractive circumstances, due to their heavy investment in business-related social capital in their own localities, which creates a thick but restricted knotting together of value chains at the home location.

# The rural district samples

Table AAA.1 covers the rural district households, and reflects sparse employment in these areas. Success in finding employment relates closely to having an ad hoc network of rural friends rather than relatives, with two urban contacts, one institutional connection through church membership and one advertised post appearing, but no recourse to kinship at all. A similar but more strictly localized pattern appears for finding a community to live in: for the ten rural-districts household heads who migrated into their present community, friends introduced them in six cases, with relatives accounting for three cases and the employer accounting for one. Only connections inside the rural sector were involved.

Access to work and locating a spatial point to live at are information processes, and for these cases they appear as depending heavily on the individual's personal contacts and on his or her active success in networking and making strategic friendships and contacts. Under present conditions of high unemployment and very competitive job markets, isolated households like that of Dolores H appear likely to remain permanently without employment. The process for finding a new community seems to follow a similar route in terms of the kinds and spatial placement of value chains linkages involved.

The social value chains for gathering the funds for a substantial socially approved expenditure look quite different. Situations covered by the inquiry included building a house, obtaining furniture and buying livestock. In these hypothetical situations as in actual cases, more than one contact would be involved in the funds-gathering task. Accordingly, the table lists all contacts mentioned as probable contributors by the respondents, for a total of 33 contacts for the 15 households.

These social financing value chains relied primarily on kinship, with own brothers and sisters accounting for more than a third of the contributors mentioned, and uncles and aunts nearly a quarter. Friends in this



context accounted for only 12 percent of mentions, with cousins, in-laws and others making up the balance. The single most important category was *own sisters*, rural and urban, followed by *rural uncles* and *own brothers*: women now appear to have control of sufficient income to make them preferred contributors to social collections. Collection of funding support was located mainly inside the rural sector, but just under a quarter of the social connections to be approached were reported as urban-resident. These kinshipdominated social webs enable important purchases, observances and investments to take place in poor rural-born households, extend across urban and rural space, and routinely appear to pull together resources drawn from both urban and rural space economies. In this light they represent an important modality of rural/urban integration.

Table AAA.1
HOW SOCIAL VALUE CHAINS WORK: INFORMATION AND ACCESS, RURAL SAMPLES

RURAL AREA SAMPLES		FER/ FIND			FINANCE: SIGNIFICAL	RAISE NT SUM		MERGENCY	TOTAL MENTIONS
CONNECTION	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural	R+U
FRIEND, F	1			1			1	3	7
FRIEND, M	1	3		5	1	3		3	16
SISTER					3	5		1	9
BROTHER				1		4			5
COUSIN, F									0
COUSIN, M					1	1		2	4
HUSBAND									0
SISTER-IN-LAW						1			1
BROTHER-IN-LAW				1		1			2
UNCLE				1	1	5		1	8
AUNT						2			2
DAUGHTER									0
SON									0
NEIGHBOUR								1	1
WORKMATE								1	1
EMPLOYER				1				1	2
OTHER CONNCTN		1, church			2			1, church	4
MEDIA INFO		1			N/A	N/A	N/A	N/A	1
COLD INTERVIEW			N/A	N/A	N/A	N/A	N/A	N/A	0
LOCAL BORN	N/A	N/A		5	N/A	N/A	N/A	N/A	5
SELF-EMPLOYED		3	N/A	N/A	N/A	N/A	N/A	N/A	3
NO WORK AT ALL		5	N/A	N/A	N/A	N/A	N/A	N/A	5
NO, UNABLE RAISE	N/A	N/A	N/A	N/A	0	3	0	0	3
TOTAL RURAL AREAS	2	5	0	10	8	25	1	14	63

The rural-districts network context for where to find help and support in case of a sudden emergency looked different again, with friends and ad hoc contacts dominating the picture. It looks evident that the main consideration in how to sort the value chain in an emergency is spatial closeness: respondents tended to choose the spatially closest of their listed connections to go to with a sudden unexpected need. Friends



accounted for nearly half of all first choices; other connections collectively, in the form of neighbour, workmate, employer and church member, represented just over a quarter, equal to the share represented by relatives of all kinds.

Overall, across all listed categories of value chains options, *male friends* dominated the picture with over a quarter of all mentions. The next most important category was *own sister*, at 14 percent, followed by *rural uncles* at 13 percent, and *female friends* at 11 percent. *Own brothers* trailed at 8 percent, with other relatives and other connections in the minor placings. For the respondent households in the rural sector, in dealing with the outside world it looks as if individual personal contacts are the single most important modality, ahead of the size and strength of the family kinship network. In contrast, the kinship value chain seems to operate most significantly in respect of collectively funding important spending priorities inside the household.

# The rural town samples

For the small Mokopane sample of seven cases, only four respondents were working for wages, and of those one was a professional who obtained work through an advertisement in the media. Two had obtained work through their value chains, while Colin N, a security guard, represented the single case in the qualitative study of a non-professional job obtained through a cold search door to door: he successfully approached a firm for an application and interview without a referral, though his position remains unregistered.

Table AAA.2
HOW SOCIAL VALUE CHAINS WORK: INFORMATION AND ACCESS, RURAL TOWN SAMPLES

RURAL TOWN SAMPLES	INFO: REI	FER/ FIND NT	INFO: FI	ND LOCAL LIVE	FINANCE: SIGNIFICAL	RAISE NT SUM	HELP: EN	MERGENCY	TOTAL MENTIONS
CONNECTION	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural	R+U
FRIEND, F	-					1		2	2
FRIEND,M		1							1
SISTER	1					1			0
BROTHER						1			1
COUSIN, F									0
COUSIN, M					2	1		1	4
HUSBAND					1				1
SISTER-IN-LAW					1				1
BROTHER-IN-LAW				1	1			1	3
UNCLE					1	5			6
AUNT					1	1			2
DAUGHTER					1				1
SON									0
NEIGHBOUR		1						1	2
WORKMATE				1				1	2
EMPLOYER									0
OTHER CONNCTN					1, mother		1, mother		2
MEDIA INFO	1	1		1	N/A	N/A	N/A	N/A	2
COLD INTERVIEW		1	N/A	N/A	N/A	N/A	N/A	N/A	1



LOCAL BORN	N/A	N/A		4	N/A	N/A	N/A	N/A	4
SELF-EMPLOYED		2	N/A	N/A	N/A	N/A	N/A	N/A	2
NO WORK AT ALL		1	N/A	N/A	N/A	N/A	N/A	N/A	1
NO, UNABLE RAISE	N/A	N/A	N/A	N/A	0	0	0	0	0
TOTAL	0	7	0	7	9	8	1	6	31

In the two cases where jobs were obtained through personal referrals, both involved ad hoc personal contacts. Neither reflected assistance from a relative, and both went through rural connections.

In respect of locating residential options, most of the households in the sample originated in the Mokopane area, and did not cite information assistance from contacts in finding a place to live: Grace I moved from the house she herself had inherited to the house her husband inherited in another residential section, and other locally born respondents inherited houses from outside their own immediate area.

In contrast, fulfilling obligations requiring significant spending did tend go through social value chains. In the Mokopane sample access to social contributions drew almost equally on both rural and metro urban networks, while remaining entirely restricted to close relatives. Rural uncle and male cousin were the most common categories mentioned, though mentions of aunts, mother, daughter and sister-in-law represented women as potential contributors.

Emergency assistance was again locally bound, and more likely to be associated with near-by personal ad hoc contacts than to relatives. Male friends, neighbour and workmate accounted for most mentions as helpers for sudden household crises. Overall, rural uncles and male cousins appear as the categories of potential sources of assistance most often referred to.

# The metro formal and informal areas samples

The content of value chains in the metro sector is covered in Table AAA.3. It is striking that in the impersonal metro city context, relatives and family relations rather than personal friends are reported as taking the main load of networks functionalities, with some exceptions.

Table AAA.<sub>3</sub>
HOW SOCIAL VALUE CHAINS WORK: INFORMATION AND ACCESS, METRO URBAN

METRO URBAN SAMPLES	INFO: FIND JOB/WORK		INFO: FII	INFO: FIND LOCAL PLACE		FINANCE: RAISE SIGNIFICANT SUM		HELP: EMERGENCY SUPPORT	
CONNECTION	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural	R+U
FRIEND, F			1						1
FRIEND, M	1		2				1		4
SISTER					1	1	1		3
BROTHER	4*		1		4	3	1		13
COUSIN, F	1		1						2
COUSIN, M						1			1
HUSBAND					1		1		2
SISTER-IN-LAW									0



BROTHER-IN-LAW									0
UNCLE			1			6	1		6
AUNT			-			2	-		2
DAUGHTER					1		1		2
SON			-		1		-		1
NEIGHBOUR			-				2		2
WORKMATE			3				-		3
EMPLOYER			-				-		0
OTHER CONNECTION			-				landlord		1
MEDIA INFO	1				N/A	N/A	N/A	N/A	1
COLD INTERVIEW			N/A	N/A	N/A	N/A	N/A	N/A	0
LOCAL BORN	N/A	N/A			N/A	N/A	N/A	N/A	0
SELF-EMPLOYED	1		N/A	N/A	N/A	N/A	N/A	N/A	1
NO WORK AT ALL	1		N/A	N/A	N/A	N/A	N/A	N/A	1
NO, UNABLE RAISE	N/A	N/A	N/A	N/A	0	0	0	0	0
TOTAL	8	0	8	0	8	13	8	0	44

Own brothers were the key recorded source of actual past job referrals, and all reported job referrals for the urban respondents took place inside the metro sector. Aside from the two self-employed and unemployed respondents, one professional nurse reported finding her job through a media advertisement.

However, finding a locality and accommodation in the urban environment still depended heavily on friends and personal contacts. Three quarters of this form of information came from friends, including friends at work who might be the respondent's original sponsor for the job. All these network contacts were located in the city.

Putting together funds for household investment expenditure returned entirely to the kinship sector, and the value chains involved split between urban and rural relations. However, 62 percent of the prospective sources mentioned were located in the rural sector, reflecting rural-born households' value chains tapping both major sectors of the national space economy to fund important spending priorities. The apparent rural tilt for social access to funds suggests that these rural-born migrant households continue to rely heavily on their existing rural connections; this appears to be the case although many now have close relatives in the category of permanent urban residents, and although nearly all of these rural-born respondents living temporarily in metro backyards and shacks also indicated that they now see themselves as permanent urban residents.

Own brothers, urban and rural, were the most important source of funding support for substantial purchases or investments, followed by rural uncles. Aunts, sisters, cousins, husbands, sons and daughters also figured. It appears notable that own brothers seem to be thought more likely to contribute to important spending priorities for respondents who are also working in the urban sector, as opposed to respondents who work and live in the rural districts.

What functional or social differences prevail between the kin-related urban and rural value chains is not clear at this stage, though rural-born male workers coping with impersonal city life may feel obliged to



prioritize their own localized metro-urban value chains over their original rural connections, and/or may systematically prefer male contacts, or those with higher-paying jobs. At the same time, rural uncles – heads of older established families at a higher-earning life stage and in a senior social relation – remained important potential contributors for all respondents regardless of their own spatial location.

In contrast, named sources of emergency help and support remained as local and near-by as possible, entirely located in the metro sector for the metro sample households. Neighbours were cited in two cases, but possible emergency helpers were scattered across kin, friends and other categories.

Overall, the apparent metro emphasis on own brothers as the key element of social value chains for the urban respondents becomes very strong when counted across all categories. Own brothers, urban and rural, accounted for about 30 percent of all mentions in respect of metro-based respondent value chains. Rural uncles made a distant second at 14 percent, and male friends 9 percent. Women, in the form of own sisters, appeared only in fourth position at just under 7 percent. It would appear that the value chains operating for rural-born migrants in the metro sector remain heavily male-dominated, while those prevailing at rural locations now show a strong positioning for women as active roleplayers.

#### Implications at household level

Results suggest that the nature of participation in available social value chains may heavily influence the chances of obtaining wage work for the rural population attempting to enter the labour market. At the same time, the majority of jobs that are open to rural work-seekers under contemporary conditions appear in the present samples as likely to be casualized, legally informal, unprotected and unstable. If so, there will be further knock-on consequences for the fraction of the rural population that does succeed in entering the labour market.

If the present few qualitative cases should turn out to hint of actual trends, obtaining paid work from the rural poverty sector may be likely to relate to the degree of success of the individual in establishing ad hoc contacts, and particularly male contacts. The rural district samples did not seem to show signs of a strong role for relatives in providing referrals to employers, and case histories included successes due to active networking as well as to the passive strategy noted by Posel et al (2013) of waiting at home for network contacts to provide a referral. Employed male friends in the individual social value chain may prove to be the key element in the work relation within the rural sector, though nothing definitive can be argued without substantial further research.

Whether by chance or otherwise, kinship connections showed most significance on the finance side, in relation to obtaining negotiated contributions to socially approved expenditures – where relatives located anywhere in the rural or urban sectors could be approached – and were also cited in relation to providing support in unexpected emergencies, where only connections located very close by were of practical utility. At the same time, in the rural districts women kin were as likely to be cited as prospects for financial support as men, though women were not as likely to be instrumental in obtaining work referrals or in finding places to live.

The tilt toward the central value of male friends may not hold true of the social value chains anchored in the metro urban sector, which are used by rural-born migrant metro work-seekers, and which represent a major



aspect of the rural/urban relation for households in the poverty sector. In the qualitative data, a focus seems to form around access to close male kin already employed in the metro city, in relation to obtaining the personal recommendations on which the lower tiers of the labour market appear to rely. An overall impression of male-centered kinship networks accessed by both men and women work-seekers in the metro city may be emerging. However, case numbers are again too marginal for reliable interpretation; though such micro-samples have proved to have indicative value in respect of labour market relations in prior work, significant further study is required.

In either case, where rural-born work-seekers were able to find wage work, the jobs being accessed without professional qualifications were reported as unregistered, and therefore informal, in the great majority of sample cases. The implications for households in poor communities are potentially alarming, since this kind of employment delivers a precarious income stream that lasts only until retrenchment or retirement. Without the legally required benefits, including unemployment insurance, pensions and lump sum payments, the households of individuals who no longer have work are thrown back on state social wage payments that are reported not to cover current living costs.

In this context, labour migrant remittances again become a critical element of household support for families that have no foothold in the labour market and/or have no access to local work or earning (for the distribution of remittances see Table 1 above). The role of social value chains then appears as highly strategic, first in connecting work-seekers into the labour market, and then in directing remittance payments from working family members to parent households which are otherwise without adequate income streams. Six out of ten households represented in the qualitative samples rely on migrant remittance payments, sent both by household members as migrant workers and by former household members who continue to send money to their original family home; more than a quarter of the overall sample have no household members working, and no other income stream aside from government transfers.

Accordingly, it appears that social value chains underpin the household economy not only in enabling access to wage work, but specifically in circumstances of retirement, retrenchment or unemployment when access to wage work is cut off; this may occur because all work searches have failed, because no household members are fit for work, or because all working household members have retired. In these cases the household cannot provide its own support, and relies entirely on social value chains for income transfers to bridge the gap between the social wage and its de facto consumption needs. The difference between households such as those of Constance F and Virginia R, with three meals a day and an acceptable standard of living, and those of Dolores H and Nakile R, where all non-state income streams have collapsed or never been established and serious poverty prevails, lies in the human capital, earning potential and perceived social obligations linked into their respective social value chains. The implications of high structural unemployment and continuing risk of income collapse due to job loss lead back to the importance of social value chains outside the labour market, and in the later life of the household once working members exit the working population.



# 9.3 What links up social value chains?

Table 3 below indicates where the spatial value chains anchored in the different study wards are distributed in space. It looks as if different types of settlement at differing points in space will be likely to operate networks that tend toward different spatial zones of coverage; differing social origins and other historical factors are also likely to play a role in where the collective social value chains of a given human settlement will concentrate their contacts.

In the deep rural sector, the four Jane Furse respondents concentrated their networks within their own province of Limpopo, at 77 percent of recorded contacts. The Jane Furse sample area had no contacts recorded with Mpumalanga, and a moderate 27 percent were located in the Tshwane metro. This seeming pattern may reflect relative simple exchanges between the opposite ends of the migration corridor, but would be unlikely to appear so simple given additional sample cases. Further along the corridor, in the outer fringe of the mobilized periphery and on the Mpumalanga boundary, the Dennilton respondents located 40 percent of their network contacts in Limpopo and another 19 percent in Mpumalanga. Only 30 percent were in Tshwane, but a further 7 percent appeared in northern Johannesburg, which may reflect somewhat easier access to the larger metro. At the same time, the Dennilton respondents still concentrated most of their contacts in the rural areas nearest home.

The apparent Kwagga pattern spread out slightly more, although the number of cases remains inadequate for drawing any inferences. In addition to 42 percent in Limpopo and 27 percent in Mpumalanga, the Kwagga networks included a contact in North West and one in Johannesburg as well as six in Pretoria. Kwagga is reported to be the rural sample ward most integrated with the metro; if so, then intensive metro contact might result in networks spreading further.

For Mokopane, the orientation of the networks for the backyards and the shacks groupings appears to fall out in two different directions. The shacks population records a spreading coverage but appears as if mainly rural-oriented, with 73 percent of network coverage in Limpopo, and one contact each in Mpumalanga and North West. Fifteen percent of the Mokopane shacks contacts were located in Pretoria, the lowest level in the qualitative dataset, with another six percent living in Johannesburg.

In contrast, the few Mokopane backyards respondents appear nearly as engaged with the metro as the metro wards themselves. About 37 percent of their contacts were located in metro Pretoria, with another 11 percent in metro Ekurhuleni. About 44 percent were at the Limpopo end, and the last 7 percent in North West. By comparison, the metro urban Mamelodi backyards respondents located 44 percent of their contacts inside their own metro, with one each in Ekurhuleni, Johannesburg and Free State, and another two in Mpumalanga. Twenty-nine percent were located in Limpopo, seeming to anchor the metro township network in both the rural source areas and the metro area of residence.

# Table 3: SPATIAL CONCENTRATION OF VALUE CHAINS: PROVINCIAL DISTRIBUTION OF NETWORK REPRESENTATION BY TYPE OF STUDY AREA

Number and percentage by province of total contacts listed per study area

•		, ,	,		•	,			
PROVINCE / CITY		Rural	Rural	Rural	Town	Town	Metro	Metro	
PROVINCE / CIT	•		TA	TA	TA	bkyd	shacks	bkyd	shacks



	DNNL	J F	KW	MKPN1	MKPN2	MMLD	PHU
LIMPOPO	28	14	11	12	24	10	10
% of total for area	40%	77%	42%	44%	73%	29%	32%
MPUMALANGA	13	0	7	0	1	2	7
% of total for area	19%	0%	27%	0%	3%	6%	23%
NORTH WEST	2	0	1	2	1	4	0
% of total for area	3%	0%	4%	7%	3%	12%	0%
FREE STATE	0	0	0	0	0	1	0
% of total for area	0%	0%	0%	0%	0%	3%	0%
PRETORIA METRO	21	4	6	10	5	15	12
% of total for area	30%	22%	23%	37%	15%	44%	38%
JOHANNESBURG MET	5	0	1	0	0	1	1
% of total for area	7%	0%	4%	0%	0%	3%	3%
EKURHULENI METRO	1	0	0	3	2	1	1
% of total for area	1%	0%	0%	11%	6%	3%	3%
TOTAL N CONTACTS	70	18	26	27	33	34	31
TOTAL N CASES	8	4	3	3	4	4	4
AVERAGE N CONTACTS	9.7	3.8	9	9.3	7.8	9.3	8

The Mamelodi shack area at Phumolong appeared to have more network representation in the rural sector than in the metro urban area. About 32 percent of the contacts were in Limpopo, and another 23 percent in Mpumalanga, putting more than half the ward's network representation in the rural source provinces. At 38 percent, Phumolong's Mamelodi network representation was not a great deal stronger than that for some of the rural wards, but Phumolong also recorded one contact each in Johannesburg and Ekurhuleni.

Although the sample numbers are too limited to draw on for serious interpretation, the figures would appear consistent with the rural wards tending to locate most of their networks within their own home province, with some outliers in other rural provinces. Metro network representation for the rural study wards appears in the vicinity of 20-40 percent, and may decline with distance and poor transport. The rural and urban backyards samples, at a higher economic level than the shacks, appear to be better equipped with metro urban contacts, while the population in shacks remains rural-rooted to a greater extent.

The shack populations also appear to maintain strong rural representation in their contact networks, reflecting the rural origin of these populations. The Mamelodi shacks recorded more metro urban contacts than the Mokopane shacks, but their networks were still more than half rural. The Phumolong respondents were not far behind the Mamelodi township backyards population in overall share of metro contacts making up their networks, but the total number of metro contacts in the networks for the informal settlements may prove in the end to be smaller than in the case of the better-off backyards residents. If so, the informal settlements populations would still face some disadvantage in the metro labour markets in respect of their overall chances of receiving useful referrals, even after their lower relative qualifications and thinner resources base is factored in. Tables 4 and 5 below offer further discussion of the capacities of rural-sourced and urban-sourced networks.



### Establishing and maintaining metro contacts

The social value chains reported by the respondent sample appear fairly extensive, often including more than ten network contacts. It appears that the whole spread of relationships is likely to be only partly active most of the time, with exchanges often in abeyance for contacts at the outer edge. Results suggest that an inner sub-grouping of perhaps 3-5 regular contacts may usually sustain the most interactions and occupy the most cognitive space in respondents' perceptions; these inner-circle contacts are often close relatives in other households, who may be former members of the respondent household, or otherwise close friends.

Interviews suggest that most respondents can name at least four spatial locations where they would be able to find emergency accommodation in case of some severe local disaster. This list of locations tends to coincide closely with the inner and middle network listing, and also dominates the list of places the respondent cannot usually visit because of the cost of transport.

For the closely related inner circle, maintaining contact by cellphone seems to work effectively, reinforced by holiday meetings two or three times per year as the expected pattern. In other cases respondents expressed frustration that they could not find the money for public transport to visit contacts with whom they had not interacted for some time, and seemed to feel some danger of losing

Table 4
VALUE CHAINS: AVERAGE EXTENT OF SOCIAL NETWORKS BY TYPE/LOCATION OF SETTLEMENT

RURAL LOCALITIES	AVERAGE NETWORK EXTENT
JANE FURSE	7.2
DENNILTON	8.8
KWAGGA A	9.0
TOTAL RURAL NETWORKS	7.7
URBAN LOCALITIES	AVERAGE NETWORK EXTENT
MOKOPANE BACKYARDS	9.3
MOKOPANE INFORMAL	7.8
MAMELODI EAST BACKYARDS	9.3
PHUMOLONG INFORMAL	8.0
TOTAL URBAN NETWORKS	8.5
TOTAL RURAL + URBAN NETWORKS	8.1

touch, or of causing offence through neglect. Exchanges of visits in this respect may represent an actual investment in terms of transport costs required, which is not easy for poor households. These costs trade off against maintaining existing social value chains, avoiding isolation, and keeping the potential of closer contact, information access and/or emergency help.

Beyond the value of cellphones in maintaining network contacts, the high-earning middle class that now normally owns cars may perhaps more easily be able to keep up with exchanges that involve visits: recent journalist accounts from China record enthusiastic endorsements of the positive effects of achieving car ownership on social life and networking for young adults who previously felt isolated (*The Economist*, 2014 xx). Prudence S – a metro-born specialist nurse – indicated that she did not know whether public transport in the Mokopane area is expensive, as her guests and visitors drive their own cars. Although she is working



in a Mokopane hospital, she expects to move back to Tshwane next year, and her personal network remains 70 percent metro urban.

In this light, perhaps two questions look immediately significant in terms of dynamics:

- 1) How much spread the existing value chain networks have at given points in the space economy, implying capability to maximize information flow as well as potential resources capacity;
- 2) How much urban contact is included in individual respondents' networks, in terms of capacity to tap urban information and develop urban support options as well as additional urban contacts.

The analytic possibilities that immediately suggest themselves would be, first, a relation between network spread and the financial resources available to the network owners for maintaining exchanges; and second, a relation between type and location of area and the level of urban representation in the networks of that area.

Table 4 may be read to suggest that the most extensive networks in the qualitative samples are likely to be urban, though the apparent difference within the sample is too minor to point toward any clear relation. Calculating the average size of network for the top half and bottom half of the per capita income distributions in Table 4 and 5 suggests no strong difference in respect of the better-off and the poor in the rural sample wards (7.6 against 7.8); in the urban sector, the upper-half networks averaged 9.0 contacts, as against 8.0 for the lower half, still not suggestive of any strong relation.

On the same lines, Kwagga A is reported as the most closely urban-related of the rural localities, with trips to the metro for various reasons as a regular activity, and Kwagga also records the widest rural networks appearing in Tables 4 and 5. However, due to the small sample size and non-statistical selection, any potential relationships need to be treated as straws in the wind, of potential interest but without any necessary significance.

However, Table 5, which summarizes relative exposure to urban contacts in the recorded networks between the different sample localities, may suggest some trend in terms of type of settlement; the backyards respondents, who tend to be more integrated and to have greater resources, reported more urban contacts than the respondents in the informal settlements, often characterized as relatively isolated. The Mokopane backyards recorded 50 percent metro urban contacts and 4.7 metro urban individuals represented, against the Mamelodi backyards with 43 percent urban contacts and 4.0 urban-resident network members. For the rural areas and the informal settlements only Jane Furse recorded more than 23 percent urban contacts, and only Phumolong reached more than 2.0 urban individuals appearing in the network record.

Table 5
VALUE CHAINS: NETWORKS AVERAGE RURAL / URBAN CONTENT BY TYPE/LOCATION OF SETTLEMENT

RURAL / URBAN LOCALITIES	% METRO URBAN NETWORK CONTACTS	AVGE N METRO URBAN CONTACTS/ RESPONDENT
JANE FURSE	33%	1.25



DENNILTON	23%	2.00
KWAGGA A	19%	1.67
TOTAL RURAL NETWORKS	23%	1.73
MOKOPANE BACKYARDS	50%	4.70
MOKOPANE INFORMAL	23%	1.75
MAMELODI EAST BACKYARDS	43%	4.00
PHUMOLONG INFORMAL	23%	3.00
TOTAL URBAN NETWORKS	34%	3.26
TOTAL RURAL + URBAN NETWORKS	30%	2.4

Meanwhile, the share of urban contacts and the number of urban individuals looks closely identical for the rural localities and the urban shack settlements, which may suggest that rural-born migrants who move into metro backyards will increase their networks' urban component, while this does not follow for rural migrants who move into metro shacks. This combined result differentiates the localities clearly and looks plausible in itself, although other co-factors besides type of area will also be involved in network establishment and maintenance.

Whether there is in practice any general relation between economic standing and scope of networked social value chains cannot be determined from a small qualitative sample, and the same holds for type of settlement. However, there may be hints in the qualitative data that extreme poverty is negative for establishing and maintaining social value chains, the logic behind the classical principle that the very poor are chronically at risk of falling out of their social networks through being unable to maintain exchanges (Sahlins, 1976). This is the situation that seems to have trapped Dolores H and her all-female small household, and may also affect Constance F. It would not necessarily follow that the middle class would then invest in larger networks, and more work with the dynamics of social value chains would be needed to disaggregate the dynamics. If such a relation does obtain for the very poor, it would not necessarily hold at other levels of the income distribution, and social network causalities are likely to be complicated.

# 10. CONCLUSION: SOCIAL VALUE CHAINS IN RURAL/URBAN LINKAGES

Supplying the web-work of South African society at household level, social value chains both enable high levels of rural migration and insure poor households against shocks that can undermine household support structures and result in severe hardship, or cause the breakup of the household itself.

## Articulating rural and urban: toward a conceptual model of social rural/urban value chains

In that nearly all the actual jobs held by household members in the present qualitative sample were obtained by referrals through their networks (see below), participation in the national labour market is likely to be filtered to a significant degree through the network-defined spatial points of articulation in the metro sector, such as the Mamelodi/Silverton hinge zone. It appears that Soshanguve/Mabopane may fill a similar function in respect of the western migration corridor.



Social value chains then extend back into the rural sector from this and similar interchange points, which represent the rural gateway points and mediate rural access to the metro job market. Kwagga and Mokopane now appear to function in this way, and Dennilton continues to maintain its long-established functionality as a gate point linking the Moutse area through the northeastern migration corridor into metro Tshwane. This contact mechanism, and the outward-radiating social value chains it generates, serve to articulate the rural and urban household sectors in the economic sphere, and also channel demographic migration flows into densifying areas of urban contact, and therefore into the larger urbancentred settlement structure as it extends outward from the major cities across the rural districts.

Facing the long transport distances separating the rural and the urban sectors, the rural population is gradually moving closer, concentrating in areas of dense rural settlement and also spreading social value chains more widely as migration levels increase. At the same time, these arrangements appear precarious. Households living on marginal incomes struggle to obtain the job referrals needed to place the family youth in the labour market, against the prevailing levels of unemployment and need for well-connected value chains able to feed job information back to the rural sector, and against the unfavourable odds of youth members finding work.

In this light, the network factors affecting the decision to migrate to the city or to move inside the rural sector, or to remain at home and not move, are critical to the overall articulation of the national space economy, and also to demographic shifts relating to where population flows originating in the rural poverty sector will be building up in the medium to long term.

Not all jobs held in rural households are located in the metro economy. The role of rural-to-rural migration in structuring the national economy is very significant, but hardly recognized at present. However, rural-to-rural migration is likely to increase as the rural space economy continues to differentiate. It appears that many or most poor households located in the rural sector may have a preference for local commutation employment which can be accessed from their selected housing location. Many others are willing to move for short distances within the rural sector, but do not want to take on the economic cost and risks and the potential isolation of the metro cities.

For rural employment as for business opportunities, the role of **rural densification in drawing in migration** and creating rural entry points to the local labour market may then turn out to be critical, fulfilling a spatial function analogous to that of the articulation zones in the metro sector. Specifically, the broader **mobilized periphery zone extending out to 60-100 kilometers** around the main metro cities may require further investigation to understand the national social and spatial implications of rural/ urban labour market articulation, in the light of social value chains' functionality.

In the qualitative material, respondents tended to put a high value on the characteristic low living costs of rural communities in comparison with the metro sector, where access to better-paid work comes at a price in service and transport prices. Migration choices therefore balance living costs against wage returns: more than twice as many households in the metro samples reported living on two meals per day as in the rural districts sample, and three times as many as in the rural town sample. In carefully considering their migration choices, Kabelo V and his brothers are making the assumption that the curves for economic access and for cost of living will cross at the boundary of the Gauteng city region, so that poor rural households can find maximum utility at that point. The spatial strategy they have worked out, of moving



exactly to the Gauteng border in order maximize their access to the metro economy while limiting the concomitant rise in the cost of living, points toward a further future buildup of quasi-urban settlement beyond the recognized periphery of the main cities, on a line chosen by the migrant population to be intermediate between rural and urban.

In this light, future migration movements may bend either toward the rural sector or toward the metro urban sector, depending on the relative payoff to the household as mediated through value chains as they exist at the time. The returns to the household depend in turn on the state of access to employment and other attractions at each end of the national migration corridors, and the extent to which social value chains are able to enable access.

Households without social contacts well placed in regard to employment may then find that they are effectively closed off from entry into wage work, due to being unable to obtain the required job referrals. Of the respondents in the qualitative sample below the professional level, only one had found a job through a direct search, by visiting an employer and making a successful application for an advertised post without a personal recommendation.

Households that are not able to maintain urban/rural social value chains with enough members already placed in the labour market may then become likely to face hardship conditions, and perhaps to become further isolated and marginalized. In a rural context of communities which now often have a high percentage of strangers and face declining social capital, the community as a whole is not often well placed to care for households left with inadequate support options and without help from social connections. The arrival of street homelessness in Mokopane, and the predicament of stranded households such as those of Dolores H and Kabelo V, point to the risks facing households that are inadequately connected into social value chains and unable to draw on outside information or financial transfers.

Should the demographics of rural households change to such an extent that social value chains that can stabilize the income of marginal households become difficult to construct, movement into the metro sector may rise in frequency relative to the population as a whole as people in the rural sector seek direct contact with metro labour markets. If the national economic climate worsens for the rural poverty sector, the balance of the space economy will change, and spikes in rural-to-urban migration become a possibility.

Alternatively, an increase in rural employment or in rural business activity would possibly hold back rural-to-urban migration flows as national policy planning envisages, and send more migrants into the intermediary zones of rural densification instead. In either case, the destinations for rural migration are mediated through the information flows moving through social value chains centered on rural households, and will depend to a significant extent on the dynamics of value chains, and the extent to which they lead migration either into rural employment and livelihoods, or into the metro sector.

In the light of information as a vital commodity, migration decisions with large-scale effects are mediated to a large extent through interpersonal networks and the social value chains they generate, which provide the prerequisite information on settlement and livelihoods opportunities. Subject to this mechanism, the resulting work searches and migration flows may tend to move through specific spatial



contact points where the conditions exist to establish a gateway. Information flow through social value chains will tend to concentrate human settlement around such gate points: like Mamelodi, Kwagga itself appears to be functioning as one such point in the spatial landscape, and Mokopane – tightly networked to Mamelodi – appears to represent another. In terms of social value chains, the human linkages between these points may turn out to be significant to understanding the dynamics of the national space economy, where the balance of population movement depends to a significant extent on the household-level terms of rural/urban articulation.

### 11. Recommendations

The fundamental challenge with rural/ urban integration at household level is that it historically and presently depends on entry to the formal job market. However, there seems to be no doubt that Rankin (2013) and Posel, Casale and Vermaak (2013) are correct: there are not enough jobs in the present state of the economy to supply the need. Large numbers of rural youth who need work to support themselves and their rural families will not find the work they require. Against this discouraging background, rural youth and their families who are losing connectivity need to reestablish their networks so as to restore their information access and backup options as far as possible, but they also need viable means of economic support; this need will not be met in the labour market and cannot be met entirely by government transfers.

Accordingly, recommendations in relation to rural/urban articulation go toward two kinds of intervention:

- 1) In the metro labour market: Support rural youth access both spatial and information approaches can be tried to level the playing field for rural youth competing with urban youth; however, spatial-access approaches will not work miracles, and the employment gap would only be met by:
  - (i) Encouraging the economy to generate more jobs, and
  - (ii) Reducing the barriers to youth labour force participation, using approaches to address entry conditions that go beyond measures like the youth wage subsidy.
- 2) In the rural space economy: Measures to promote rural/urban articulation will need to promote and take advantage of the prior trend to population densification at more advantaged points in space as the rural economy continues to differentiate away from the pre-colonial homogenous household farming economy. These densifying nodal points cluster in the migration corridors themselves and around points of economic activity such as mining towns. New kinds of economic activity appear to be taking hold at urban points that were formerly failing farm towns, such as Mokopane, and the rural economy as reflected in the qualitative samples appears to be generating enough employment to provide jobs to 11 of the 22 non-metro respondents. Together with encouraging spontaneous migration to the active points of densification with housing availability and other incentives, several other options may apply:
  - (i) Promote youth enterprise through network-building measures packaged together with incentives. Plan into the jobs gap, promoting social value chains and connectivity as the vehicle for increasing business activity from rural youth.



- (ii) Respond to migration trends and population nucleation by **intervening in high-migration areas first,** where people are going to, and where they need to start to reestablish their networks after making a move.
- (iii) Build on the **potential of rural densification**: **dense areas by definition offer markets** to business operators who understand how to operate in low-income areas, using the bottom of the pyramid model of high trading volume and low margins.

Once spatial targeting is in place, the objective is to encourage networking itself, broadly around economic activity, but with emphasis on the youth who will be expected to help support jobless relatives, with the objective of **encouraging self-organized youth business activity**. Aside from ensuring that seed capital is available for promising business plans, options may include:

- **Teach small business skills** in school curriculum, emphasizing high volume/ low margin approaches, and consider modalities to make seed capital available for youth passing courses and doing well in business simulation seminars
- Teach short business courses in rural schools, for pupils and for youth who have left school and not found work
- Focus on shopping plazas in the rural sector as a key entry point that already focusses activity ensure rural market areas are attractive and clean, as also for urban market areas that can take rural products
- Promote youth group visits to different kinds of enterprise that are working, including agriculture, crafts and livestock, and conduct business seminars afterwards, with the option of conditional access to capital for viable plans
- Encourage large firms to increase access to sponsorships for youth groups with business ideas, using plazas as link points, and make internships more widely available in the rural sector
- Bring well-known African entrepreneurs to rapidly developing rural areas to give TED talks
- Hold group competitions for identifying business options and offer business courses to be won as prizes
- Promote and fund economic activity that brings people together into groups around enterprise
   rural communities have significant capacity for self-organization, and should not be held to government templates based on formal coop structures.

Youth activities such as sport are positive but do not usually yield earnings for youth involved; however, festivals and regular gatherings of any kind become potential markets, making it possible to hire youth as animateurs and to try entertainment events at local level, allowing youth to understudy experienced people running the event. Socially-based developmental events such as the evening soup occasions practiced at community level in Detroit – where any community member attending pays a small fee to cover refreshments and an award to one of the community projects pitched to the attendees and then chosen by vote – may also be tried out.



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