

RURAL URBAN STUDIES UNIT



UNIVERSITY OF NATAL DURBAN

DIFFERENTIATION AND INEQUALITY

IN THE BANTUSTANS:

EVIDENCE FROM KWAZULU

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Introduction

Although there have been a number of anthropological studies which have examined inequalities in the labour reserves of Southern Africa, this work has tended to be textual in nature and has focussed on the political implications (Cliffe, 1977), household life cycle (Murray, 1980; Spiegel, 1980) or the patterns of land tenure (Spiegel, 1981). In addition, economists have paid scant attention to income inequality within the Black population, and have instead concentrated upon racial inequalities (McGrath, 1984). As a result, the extent of social and economic differentiation in the bantustans, and the specific form which it takes has yet to be examined quantitatively, and has tended to be excluded from political - economic analysis of broader issues in the South African social formation. These include debates over urbanisation, decentralised industrialisation and increasing unemployment levels.

This paper argues, using survey data from KwaZulu, one of the most fragmented of the bantustans, that there is considerable inequality amongst rural households, albeit at very low income levels, and that this inequality is related to the participation of rural households in

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the wage economy of South Africa. In addition to this, it is possible to distinguish a process of differentiation in KwaZulu, whereby distinct sets of social and economic relationships exist both between different sub-groups/classes in the bantustans, as well as with the core economy. To provide some theoretical basis for an examination of the composition of the bantustan population, the notion of peasantry and of its differentiation will be briefly outlined.

Inequality and Differentiation in Rural Areas

Theoretically, the composition of the rural population in underdeveloped communities has been the subject of some debate, particularly with regard to the use of the term "peasant". Generally, it has been accepted that the most common unit of agricultural production in underdeveloped economies has been the household in which the domestic group jointly provides labour, possesses at least part of the means of production, and may dispose of at least part of the product of its labour (Friedmann, 1979, p.159). However, whilst some theorists claim that this type of enterprise is a characteristic of a specifically peasant economy or "peasant mode of production" (Shanin, 1973, p. 64), others argue that this has at best only a descriptive utility, and that a far more rigorous analysis is needed (Bernstein, 1979; Ennew, Hirst and Tribe, 1977; Friedmann, 1979).

The chief unifying and distinguishing characteristic of the peasantry was initially taken to be its use of family labour for production (the

household unit) and its partial integration into the market economy and relied strongly upon its contrast with commodity production (Wolf, 1966). However, this approach does not take into account the internal division of labour within the household, whereby different members may occupy different positions vis-a-vis the market, and further, allows for considerable variation between the extremes of no market integration, and almost complete integration, with no specific level implied for any particular group. As a result, this "peasantry" might include wealthy landowners, or "Kulaks", as well as landless rural inhabitants, who rely heavily upon the remitted wages of those who have migrated in search of employment in the core economy. Clearly, groups such as these will be affected by intervention in vastly different ways, and indeed, benefits to one group might imply costs to the other. This will then prevent any deductive analysis of the dynamics and conditions of household reproduction (Friedmann 1979, p.166), and can lead only to loose generalisations concerning the behaviour of a broad and unspecified "peasantry".

In an attempt to overcome the vagueness inherent in the notion of the "peasantry", recent debate has adopted Lenin's conceptualisation of social differentiation as a starting point. This insists that the internal composition and division of labour within households is largely determined by the household's position in the social formation and should not be seen as taking place in isolation from the dominant relations of production. Further, it is been argued that the nature of an economic system, as a whole, can not be derived from generalising from demographic and economic dynamics of the individual

households (Ennew, Hirst and Tribe, 1977), and indeed, that it is misleading to assume that household production can be theorized without reference to the specific features of wider economic structures. It is this link between the agrarian based household and the economic system which has led to attempts to situate studies of the "peasantry" within political economy.

Bernstein (1979) has followed the work of Ennew, Hirst and Tribe, and has replaced the term "peasantry" with the concept of 'simple commodity producers'. By this, he is referring to a form of production, which has the internal rationale of the fulfilment of household subsistence,¹ which is at least partly achieved by the production of commodities. The commodities can then be exchanged for other items, which are further incorporated into the households consumption, both as productive items, such as tools, as well as for individual consumption, such as processed foods (Bernstein, 1979, p.425), or they can also be directly consumed by the household as a part of its subsistence (Chevalier, 1982, p. 114). This form of production has been called "commodity production without wage labour and capitalist profit" (Ennew, Hirst and Tribe, 1977, p. 309). Further to the production of agricultural commodities, Bernstein (1979, p. 426) does also allow for the production of labour-power as the principle commodity in labour-reserve areas, such as is the case in the bantustans, although regrettably this point is not expanded upon in his article.

1. In contrast to capitalist commodity production which has the accumulation of capital as its internal rationale.

Friedmann provides some idea as to how this analysis can be furthered and points out that the idea of a "peasantry" referred to a heterogeneous and loose collection of groups and classes. Consequently, it is not possible to label all of these groups with the single concept of simple commodity producers as this is only one of the possible categories into which household units might fall. Instead, she emphasises that household production, and thereby the composition of the rural population, can be adequately theorised with reference to the conditions in the larger economy, in particular, the capitalist relations of production (Friedmann, 1979, p.166). In this way, different forms of integration lead to a differentiated rural population, in which some households may be entirely incorporated into a capitalist based economy as migrant workers; some partially incorporated, through the sale of an agricultural surplus, as simple commodity producers; and some marginalised, reliant upon social welfare, charity or income transfers within the rural population, as a sort of a "lumpen-peasantariat" (Cooper, 1983, ch. 7). This requires, however, a re-evaluation of who makes up the "peasantry" and of the relations which stratify or differentiate this population

To do this, the concept of differentiation should immediately be distinguished from that of stratification. Whilst the latter refers to the determination of levels of inequalities, be it with reference to incomes, output, or land and cattle ownership, differentiation goes beyond this to refer to inequalities in terms of the relationships of production, and thereby to the way in which households are incorporated into the wider economy. Moreover, the processes whereby

this incorporation changes over time are also included as a part of the dynamics of the economic system as a whole. In other words, a differentiation analysis should provide some indication of class structure by reaching behind statistics of inequality to reveal their political-economic implications. Consequently, for a study of differentiation in a particular region, it is not sufficient to produce data showing a percentile ranking of inequality, without an analysis of the interaction of groups, whether classes, or sub-classes, in the rural political-economy.

An adaptation of social differentiation has been derived from the work of Chayanov on the Russian peasantry (Chayanov, 1966). While this analysis has been criticized of excessive demographic determinism elsewhere (Harrison, 1977; Miller, 1970), a brief outline is necessary for the purposes of this paper. Chayanov used the changing demographic composition of the rural household as a basis for analysis whereby the household was seen to change its socio-economic position over time as it moved through a development or life-cycle path. This was determined by the total family size, the age/sex structure, a socially determined minimum standard of living, and a subjective value of any consumption and work which was beyond this minimum. In this way, as household members age and change their economic status (for example, as wage labourers, peasant farmers or the economically inactive) so does the nature of the incorporation of the household into the national economy change, and therefore, its class grouping, economic behaviour and political allegiance. Four stages in the household life-cycle have been suggested. In Stage I

children are too young to participate in the labour process and the consumer/worker ratio increases as consumption needs rise in the face of a fixed number of workers. In Stage II consumption needs reach a maximum, but the number of workers begins to rise as children contribute their labour. Stages III and IV are characterised by a falling consumer/ worker ratio, as children leave the household, the household becomes fragmented, and labour is withdrawn from peasant production (Deere and de Janvry, 1981, pp. 339-341).

Due to the particular nature of the political economy in Southern Africa, both demographic and social concepts of differentiation would seem to be relevant. Amin (1974) has referred to Southern Africa as the "Africa of the labour reserves" and as Cliffe has noted, the African population in this region have principally been integrated into the capitalist world economy through labour migration, rather than by the direct production of commodities (Cliffe, 1978, p.326). In South Africa this has resulted in a system of institutionalised migrant labour whereby most men oscillate between their homes in the bantustans and the core of South Africa in which they are employed for at least a part of their working lives (Magubane, 1975; Nattrass, 1976; Wolpe, 1972). Therefore, both differentiation and income inequalities in these areas are directly determined by the nature and strength of the households' links to the wage economy,¹ and the way in which these relationships would change over time. These in turn,

1. It should be recalled that labour migration has led to a sexual division of labour in which men are "workers" and women may be seen to fall into one of the other peasant categories. Thus household members can be integrated into the national economy in an individually differentiated manner.

would determine the way in which households will react to changes or intervention.¹

This process has led a number of writers to reintroduce an adapted version of Chayanov's development cycle for the analysis of the composition of the bantustans and other labour reserves in Southern Africa (Cooper, 1982; Murray, 1981; Spiegel, 1980, 1981). This allows for changes in the households socio-economic position according to the stage of its life cycle, but is careful to insist on the importance of the social relations of production prevalent at the capitalist core. By noting that involvement in migrant labour, access to tribal land and political family labour power are all related to the age/sex composition of the household, this approach sidesteps the issue of demographic determinism and places the household's position in its life cycle firmly within the capitalist labour process. In this way, the argument is able to avoid the criticism of Chayanovian style analysis, and serves as a useful way in which the internal dynamics of the household can be understood while retaining the importance of the social relations of production.

From the above, a number of essential questions emerge which are necessary for inclusion in the case study. First and foremost, what are the existing inequalities that exist in KwaZulu, in terms of access to the factors of subsistence production, households income and

1. For example, improvements in welfare transfers would be most beneficial for households who are excluded from wage labour; the decentralisation of industry would benefit those who would be prepared to commute from a rural home; and widespread unionisation, those households who are heavily dependent upon migrant wages.

the labour power available to the household? Secondly, is there is any tendency for the concentration of wealth and income into the hands of a privileged group, and if so, what are the characteristics of this group? Thirdly, to what extent are different types of rural households intergrated into the core economy, and on what terms? From this, it is important to resolve whether all or part of the sample population actually does comprise of a "peasantry", however loosely or analitically this is defined, or are the characteristics of some other group or class more in evidence. This should then clarify what are the predominant differentiating relations in rural KwaZulu, and permit a breakdown of the sample based upon these.

Inequality in Rural KwaZulu

The case study of KwaZulu will consist of two parts. In this section, the extent and nature of inequality will be examined so as to develop ways in which the sample can be stratified. In the following section, various possible groupings will be discussed in order to establish whether differentiation does occur and along what lines. The data to be used was gathered from some 1100 households surveyed in five rural magisterial districts between 1983 and 1986. These areas were the Emzombe, Hlanganani, Mapumulo and Nqutu magisterial districts and part of the Inkanyezi magisterial district corresponding to the Mbongolwane area. The sample size was approximately 200 households in each area, with an estimated sampling ratio of between 1:72 and 1:117.¹

1. The populations of each area, taken from the Population Census: 1985, were as follows :- Emzombe = 184 083; Hlanganani = 128 227; Mapumulo = 169 145; Mbongolwane/Inkanyezi = 142 643; Nqutu = 173 511.

There is some variation between the areas, with Hlanganani and Mbongolwane both being "deep rural" areas, with few roads and a dispersed settlement pattern, Emzambe and Mapumulo having areas more densely settled and accessible to Durban, as well as more remote settlements in river valleys, and Nqutu closely interlocked into white controlled South Africa, with the majority of the population concentrated into a number of village settlements.¹ In addition this district has been a receiving area for removed families,² living in landless villages, which could more appropriately be termed "rural slums".³ The Betterment Planning and the removals contributed towards Nqutu having a far higher degree of landlessness than was the case in the other areas. Landlessness for the sample as a whole was 23 percent and although the inclusion of Nqutu, where 68 percent were landless, does bias this result, it was felt that this district should nevertheless be retained in the study since it is representative of the many areas of KwaZulu to which removals have occurred.

Other factors which might have an affect upon the composition of the household include; small sugar-cane growing projects, found in

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1. These villages were established under a programme of rural "development" known as Betterment Planning. Although originally intended to arrest rural degradation, it has been argued that this scheme appears to have done little more than to extend state control in rural areas (Yawitch, 1981).
 2. Most noteworthy in this area was the resettlement camp of Nondweni. Both Nondweni and the denser settlement around Mondlo township were included in the survey.
 3. Hlanganani has also received removed families, with for example, the settlement of Compensation Farm (SPP, 1982, pp 380-394).

Emzumbe, Mapumulo¹ and Mbongolwane;² KwaZulu government run forestries in Emzumbe, which offer limited employment opportunities; the coal mining industry near to Hqutu; and decentralized industrial development in Vryheid and Dundee near Hqutu, Stanger near Mapumulo, Eshowe and Isithebe near Mbongolwane, and Port Shepstone near Emzumbe. In these areas, some workers were able to live at home in KwaZulu and to travel some 50 kilometers on a daily basis to their place of work in Natal as "frontier commuters".

These variations give a broad overview of the conditions in rural KwaZulu.³ However, despite differences in settlement and land-use patterns, all of the areas had similar demographic profiles, and appeared to be fully integrated into the South African economy. Extensive male out-migration began at 18 years of age, with 22 percent of this age-group absent at the time of the survey, rising to 70 percent by 26 years, and sharply falling off after 60 years of age.

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1. For a description of cane-farming in Mapumulo, cf Cobbett, 1984; KFC, 1986, p.10; KFC, 1987, p.10.
 2. Sixty households involved in these projects were included in the survey, comprising 5,3 percent of the total sample. It was established during the field-work that these households received technical advice and assistance from the various sugar mills and that some were hiring local labour.
 3. It must be stressed that although a probability sampling technique was used, it is not possible to accurately generalize from these areas to the whole of KwaZulu. In addition, surveys of this kind suffer from a number of drawbacks. Notably, it is difficult to win the trust of respondents in the short time which is available during an interview. As a result, it is likely the some information may be understated or concealed, particularly that concerning income, debt and livestock holdings. In addition sample surveys tend to be inflexible and do not allow for the initiatives of the respondent. While every effort was made to minimise these problems in the KwaZulu surveys, the data should be seen as indicative of broader trends, and as complementary to more textual anthropological studies.

Over half of the total male population, aged between 18 to 60 years of age, was absent from their homes as migrant workers (57,7 percent), with little regional variation being evident other than that Nqutu had fewer longer - term migrants and more frontier commuters. The average age of migrant men was 34 years.

Rural households can be conveniently stratified according to their ability to engage in subsistence production, both agrarian and pastoral, and their total income. It would be anticipated that the former is largely determined by the households' access to land, the availability of labour power and traction power, usually in the form of cattle, as well as the number of other livestock units, such as sheep, pigs and goats.¹ In addition to these factors, it has been argued that successful subsistence production requires some capital stock, or a regular cash income (Cobbe, 1982; de Wet, 1985; James, 1987; Murray, 1978). Further, as cattle are regarded as a form of saving in black rural areas they can be said to represent a considerable stock of wealth. This relationship between cash income, which in a bantustan such as KwaZulu is principally earned from wage labour, and subsistence production suggests that the combined distributions of land, livestock and household income cannot only reflect stratification, but also show both differential access to the means of subsistence production, as well as differential access to wage labour. Labour power on the other hand, is partly dependent upon the size of the household and the ratio of dependents to the

1. These can be slaughtered for home consumption and for the sale or exchange of the meat, as well as sold live.

economically active, which in turn, are related to the stage of the household's life-cycle.

The distributions of each of these individual factors amongst households in the KwaZulu survey is given in Table 1. The Table also provides means for the size of landholding in hectares, the number of livestock units (LSU)¹, annual cash income (excluding income derived from subsistence consumption)², the number of labour power units

Table 1
The Distribution of Land, Livestock, Labour and Household Cash Income

| % of Pop. in terms of access to each factor | Landholding | Livestock | Labour Power | Cash Income |
|------------------------------------------------------|---------------|---------------|---------------|---------------|
| | % of Total | % of Total | % of Total | % of Total |
| Bottom 20% | 0 | 0 | 9,8 | 4,2 |
| Bottom 40% | 10,0 | 0,14 | 22,9 | 13,0 |
| Top 20% | 58,3 | 71,4 | 20,3 | 51,1 |
| Top 5% | 35,1 | 32,1 | 11,4 | 21,0 |
| Mean of hh with factor | 1,4 h | 5,0 LSU | 5,28 LPU | R2 670 |
| % hh w/out | 23,1 | 39,1 | NA | NA |

1. Five small stock units (sheep, pigs, goats) equal one livestock unit (LSU)
2. Income data has been adjusted for inflation to the base year of 1985 using the consumer price index for low income groups.

(LPU)¹, and finally, the percentage of households who have no livestock or land.

The most noteworthy features of this table are:

1. with respect to the distribution of landholdings, the top 5 percent, representing those with the larger plots of land, controlled 35 percent of land as against the bottom 40 percent, who had only garden plots and possessed 9 percent of the total land; the distribution of livestock was also highly uneven, with the top 5 percent, with herds of 12 LSU or more, owning 32 percent of the total herd, whereas the bottom 20 percent owned no animals whatsoever and the bottom 40 percent owned only small stock;
2. the distribution of labour power was more even, with a mean per household of 5,28 and median of 4,9. However 10 percent of the sample had less than 2,5 LPU, that is to say, fewer than two adults and one child of between 9 and 12 years of age. These households were mostly comprised of elderly couples. The largest

1. The measurement of labour power reproduces the work of Deere and de Janvry (1981, pp 343 - 345), who weighted the labour contribution of all household members according to their age. The weights are consistent for both men and women, and are as follows: 0-3 years = 0; 4-5 years = 0,1; 6-8 years = 0,3; 9-12 years = 0,5; 13-17 years = 0,8; 18-59 years = 1,0; 60-65 years = 0,8; 66-75 years = 0,5; 75+ years = 0,3. Whilst this scale cannot be easily tested, and is therefore based solely upon subjective observation, the contribution to household chores that is made by the young and the elderly has been noted by a number of village studies in Southern Africa (de Wet, 1985; Murray, 1981). For this reason, it is felt that there is justification in using this scale as an indicator of the household's position in its lifecycle. Finally, as the scale includes migrants, it also provides an indication of the household's labour market potential.

households in the top 5 percent on the other hand, had 9,5 LPU or more, with a maximum of 25,2 LPU. It must be emphasized that a larger LPU does not necessary imply that a household is in some way fortunate in terms of either income or quality of life. Indeed, households in the top 5 percent of this ranking had a mean **per-capita income** equal to two thirds of the mean for the bottom 20 percent, although they had more than 5 times as many migrants.¹ Ranking by LPU does however mean that the top households have more labour available for field work, wage labour, home chores and so on, and are most likely to be in the second stage of the Chayanovian life-cycle, in which consumption needs have reached their maximum (Deere and de Janvry, 1981, p.339);

3. cash incomes were also unevenly distributed although less so than land or livestock, with the richest households in the top 5 percent of the sample receiving 21 percent of total cash income with a range of between R7 693 and R21 083 per annum. In contrast, the bottom 20 percent, receiving only 4 percent of cash income, had a range of between R30 and R888 per annum.
4. the comparatively large number of households without the necessary factors of subsistence production. Almost one quarter of the rural households did not have access to land, and 39

1. The top 5 percent in terms of labour power had a mean per-capita income of R462 per annum and an average of 2,8 migrant workers per household. The bottom 20 percent on this scale had a per-capita income of R738 per annum and an average of 0,5 migrant workers per household.

percent did not own any livestock. In all 16 percent of the sample did not have access to either of the factors of subsistence production, and 30 percent did not have access to one or other of the necessary factors, 7 percent with only stock, and 23 percent only land. These households are limited with regard to subsistence production; For example, whilst the latter group could still plant, they may be severely constrained with regard to fulfilling the traction requirements of cultivation.¹ Half of the sample, controlling 88 percent of livestock and 75 percent of available land, had the minimum factors of production necessary for self-sufficient cultivation;

5. amongst households which did have access to land, the average plot size was only 1,4 hectare. This is well below the 4,6 hectare of arable land which was suggested by the Tomlinson Commission as being ideal in the mixed farming regions of the bantustans (Union of South Africa, 1955, p.116). In addition, 28 percent of the landholding households had access to only 0,5 hectare garden plots;
6. amongst households which did own livestock, the mean herd size was 5,0 animals. However, Bembridge (1979) has suggested that least 6 animals are needed to adequately meet any of the primary survival and subsistence needs, such as food production and draught;

1. These households could hire or borrow cattle or tractors, or plough by hand. For each of these alternatives ploughing might be completed later, or cash funds might not be available. In either case, the costs of planting are significantly increased.

The most important conclusions which can be drawn from this table are as follows:

1. Although termed rural, a large percentage of the sample population could not really be considered as subsistence farmers as they lacked one or both of the necessary factors of agricultural production. While it is possible that some of those households could borrow or lease land and livestock, it follows that the majority must rely upon non-farm income generation such as from wage labour and transfer payments. Moreover, amongst those households who did have access to both rural factors of production, average land holding and herd size were below the minimum estimated for economic viability.
2. With regard to the impact of development projects, those who have neither land nor livestock can benefit only from non-agricultural employment creation and improved welfare services, such as the provision of clean water or better access to medical care. Those who lack, or do not have sufficient of one or other factor could benefit from a redistribution of agricultural resources, such as through the provision of subsidised ploughing, the reallocation of land or the formation of co-operative farming organisations. However, given that only 65 percent of the landholders with access to land had actually planted all of their land, and some 20 percent had not planted at all, it is clear that there are

widespread constraints upon cultivation beyond simply access to these basic factors of production.¹

3. In addition, the data also show that the sample is highly stratified, both with regard to access to the individual subsistence factors of production, as well as in terms of cash income. Casual inspection of the data suggests that inequalities are most extreme in the case of livestock, and least in the case of labour power. The former may be a result of household's saving in the form of livestock, and would therefore represent the characteristic distribution of wealth, a similar result to that noted in Lesotho (Murray, 1978, p.130).

As it might be expected that differentiation in the rural areas would lead to the concentration of all agricultural resources into the hands of a privileged group, the extent to which livestock, land and cash income are accumulated jointly is indicated in Table 2. This Table shows the relationship between the cash income of the household and whether it has access to one, both or neither of the subsistence factors of production.

Unexpectedly the Table shows that a smaller percentage of the poorest income group did not have access to these factors than was the case amongst households in the wealthiest two groups (12 percent and 28 percent respectively). Despite this, a similar proportion of

1. Better opportunities for income generation as migrant workers appeared to be the most clearly distinguishable reason for this under utilisation, although "the drought" was frequently given as a primary motivation.

households in all groups had access to both factors, and it is those who have one or other of land and livestock, which decrease proportionally as cash income rises. This suggests that higher incomes appear to be associated with an increasing degree of

Table 2
Access to the Subsistence Factors of Production (Subs FoP)
and Cash Income Group

| Income Group in Cash Terms | | % Pop. with no access to Subs FoP | % Pop. with one Subs FoP | % Pop. with both Subs FoP |
|-------------------------------|-------------|-----------------------------------------|--------------------------------|---------------------------------|
| Poorest | 20% | 12,4 | 33,0 | 54,5 |
| Poorest | 40% | 12,7 | 33,3 | 54,0 |
| Richest | 20% | 28,0 | 22,2 | 49,8 |
| Richest | 5% | 28,3 | 22,6 | 49,1 |
| Total | 100% | 16,1 | 30,0 | 53,9 |

n = 1098

specialisation, either towards an exclusive participation in wage labour, or towards the ownership of both subsistence factors of production in conjunction with wage labour. When the actual sizes of landholding and herd are examined, there is a tendency for the wealthier groups to own more. This is shown in Table 3 which provides the means of the size of landholding, the number of livestock owned, and the labour power value of the household, for each income group.

Table 3
Land, Livestock and Labour by Cash Income Group

| Income group in cash terms | Mean Landsize (hectare) | Livestock (LSU) | Labour Power (LPU) |
|-------------------------------|----------------------------|--------------------|-----------------------|
| Poorest 20% | 1,2 | 4,94 | 4,87 |
| Poorest 40% | 1,3 | 4,36 | 4,86 |
| Richest 20% | 1,8 | 6,64 | 5,74 |
| Richest 5% | 3,1 | 9,31 | 6,32 |

n = 1114

Although the proportion of landless households in each income group increases from one fifth of the poorest 40 percent to two fifths of the richest 5 percent, landholdings were notably larger in the higher income groups. In the case of livestock, households with no animals were evenly distributed at around 40 percent of each income group, but again herd sizes were larger for the richer households. Finally, labour power size also increases, although the largest households (those with more than 9,5 LPU) were distributed throughout all of the income groups. This concentration of land and livestock associated with larger households, suggests that there is a tendency for wealthier households to fall into the Chayanovian "Stage II" or "Stage III" period of the life-cycle, in which bigger households command both agricultural resources and higher cash incomes. In contrast, households in the poorer groups tend towards either "Stage I" or "Stage IV", in which family size is respectively, increasing or decreasing, and agricultural resources and incomes are either still

accumulating or dissipating.

Having examined the relationship between household cash income and access to subsistence factors of production, it remains to consider the productive use to which these assets are put. That is to analyse the amount and importance of "peasant production", or what Bernstein (1979) refers to as "simple commodity production". To do this, a surrogate income from peasant production was calculated. Cash incomes from the sale of farm produce, including sugar cane; incomes from all informal type activities carried out within rural KwaZulu; and a value equivalent income from consumed agricultural products, were summed.¹ The latter value was also added into cash income so as to form a total household income. Although this calculation increased mean annual income by only R100, it increased the proportion of surveyed households who derived on income from agriculture from 22 percent to 85 percent. This income figure will be used in all further analysis.

A comparison of the number of households in the poorest and wealthiest quintile who were in receipt of some income from peasant production, showed that there was no statistical difference between these groups, suggesting that higher incomes neither increase nor decrease the

1. Informal activities included services performed in rural areas, traditional craft work, auto repair and so on. No attempt was made to impute values into gifts/transfers made in return for services such as grinding maize, fetching water or washing clothes. Although, it is likely that such transfers form a large proportion of household income amongst the poorer households, measurement of these is extremely unreliable. Imputed values for home consumption are also at best very rough estimates. In this survey, values were derived from aggregated retail prices in rural KwaZulu for livestock, dried maize and other garden products.

incidence of such production.¹ Nevertheless, Table 4, containing data showing the composition of household income according to income group, shows that the absolute amount of income derived from peasant production increases markedly as income increases.

Table 4
Composition of Total Annual Household Income by Income Group

| Income Groups | Wages & Remittances | | Pensions & Transfers | | Peasant Production | | Miscellaneous ² | | Total Annual Income |
|---------------|---------------------|--------|----------------------|--------|--------------------|--------|----------------------------|--------|---------------------|
| | Mean Rand | % | Mean Rand | % | Mean Rand | % | Mean Rand | % | |
| Poorest 20% | 308 | (49,2) | 155 | (24,8) | 92 | (14,7) | 71 | (11,3) | 626 |
| Poorest 40% | 539 | (57,9) | 178 | (19,1) | 114 | (12,2) | 100 | (10,8) | 931 |
| Richest 20% | 5288 | (76,8) | 447 | (6,5) | 428 | (6,2) | 723 | (10,5) | 6 886 |
| Richest 5% | 9331 | (82,7) | 503 | (4,5) | 671 | (5,9) | 781 | (6,9) | 11 286 |
| Total Rand | 2021 | (73,6) | 348 | (12,7) | 211 | (7,7) | 165 | (6,0) | 2 745 |

n=1114

The poorest 20 percent of the sample had a mean income from peasant production of R92 per annum which increased by more than seven times this amount, to R671 for the richest 5 percent. However, when expressed as a proportion of total household income, that derived from

1. Chi Square test results are: $\chi^2 = 3,616$, $df=1$. However, 28 percent of the wealthiest group derived an income from informal sector production as against only 13 percent of the poorest 40 percent, and 57 percent of the wealthiest group derived a cash income from farming as against only 11 percent in the case of the poorest 40 percent. Thus it would seem that the composition of income from peasant production does differ by income group.
2. This includes income from the rental of accommodation, charity and loans as well as income from unspecified sources.

peasant production declines from 15 percent to only 6 percent. In contrast, income from wages and remittances increases proportionally from under 50 percent to almost 83 percent in the case of the richest 5 percent. Indeed, in absolute terms, this group received thirty times the income from this source than did the poorest group. Pensions and other transfers, and miscellaneous incomes increased in absolute terms, but, as with peasant income, decreased as a proportion of total income.

Thus wages are by far the most important component of income, and moreover this importance increases for the higher income groups. This is supported by the fact that 44 percent of the households in the poorest group did not receive any income from wages whereas all households in the richest group had at least one wage earner/remitter. This means that income from wages are the biggest stratifying force. Further, although higher incomes do not necessarily improve the likelihood of access to the subsistence factors of production, nor the likelihood of generating an income from peasant production, the income and output which can be derived from this source is much larger in the higher income groups. This suggests that households with a higher total income, and therefore a larger income from wages, tend to be better equipped for peasant production than poorer households, but that this production forms a smaller part of their income.

In order to formalise the inter-relationships between the variables discussed thus far, the last section will consider ways in which the

sample can be regrouped. Taking into account the inequalities already identified, it is hoped that the relative positions of different household types vis-a-vis the national economy can be deduced from these sub-divisions.

Differentiation in Rural KwaZulu.

Based upon differing criterion, it is possible to identify a number of ways in which the sample could be appropriately sub-divided. Two of the more important alternatives are firstly, division by access to wage income and access to the subsistence factors of production; and secondly, division by the scale of peasant production. From these, the following groupings are suggested:

(A) Wages/Subsistence Factors of Production.

- 1) Households with no wage earnings,
- 2) Households with wage earnings, but no subsistence factors,
- 3) Households with both wage earnings and subsistence factors.

(B) Peasant Production / Simple Commodity Production.

- 1) Households with no income from peasant production,
- 2) Households with below average income from peasant production,
- 3) Households with above average income from peasant production.

A third categorization suggests itself specifically for the Natal/KwaZulu situation. This is based upon access to employment as frontier commuters and opportunities for the cultivation of sugar-cane and/or other agricultural products which have been exchanged for cash. Thus;

(C) Frontier Commuters / Cash-crop cultivation.

- 1) Households with neither commuters nor cash-crop cultivation,
- 2) Households with commuters,
- 3) Households with cash-crop cultivation,
- 4) Households with both commuters and cash-crop cultivation.

Finally, since income serves as a useful means of stratification, and by virtue of its composition, also appears to reflect a number of important differentiating mechanisms¹, it would be useful to consider the socio-economic characteristics of the income groups which were used in Table 3. Thus;

(D) Income Groups

- 1) Poorest twenty percent
- 2) Poorest forty percent
- 3) Richest twenty percent
- 4) Richest five percent

Clearly there is an extent to which these categories will overlap, and in no way should this division be thought to be exclusive. Indeed, the development-cycle theorists might argue that over time a household may move through any or all of these groups. Table 5 provides a summary of the socio-economic characteristics of the households in each of the suggested groupings. As 30 of the 130 households producing a cash crop also had a commuting worker, it was decided to

1. For example, access to wages, pensions, agricultural production and so on.

collapse these into one category of cash crop producers as distinct from those with commuters only. Further, the characteristics of the poorest 20 percent and poorest 40 percent were sufficiently similar to warrant presenting data only for the latter group.

Table 5
Selected Characteristics of Groups

| Characteristic | Wages & Subs FcP | | | Peasant Production | | | Commute/Cashcrops | | | Income Groups | | |
|------------------|------------------|-----------|------------|--------------------|-----------|-----------|-------------------|-----------|------------|---------------|----------|---------|
| | No Wage | Wage only | Wage & FcP | None | B'lw mean | Ab'v mean | None | Cash crop | Commu-ters | Bttm 40 % | Top 20 % | Top 5 % |
| Total Income (R) | 1381 | 4232 | 2858 | 3087 | 2327 | 3789 | 2416 | 3665 | 3384 | 931 | 6886 | 11 286 |
| % Wages of Total | 0,00 | 92,5 | 83,6 | 80,0 | 76,8 | 64,7 | 72,5 | 71,3 | 78,2 | 57,9 | 76,8 | 82,7 |
| % H/h who save | 12,0 | 30,2 | 22,6 | 15,6 | 18,9 | 32,0 | 18,2 | 27,7 | 28,9 | 8,6 | 50,2 | 70,9 |
| LPU | 5,05 | 5,04 | 5,36 | 5,33 | 5,03 | 5,86 | 5,15 | 5,37 | 5,67 | 4,81 | 5,78 | 6,26 |
| Worker Ratio | 0,26 | 0,42 | 0,33 | 0,36 | 0,33 | 0,31 | 0,29 | 0,33 | 0,51 | 0,29 | 0,40 | 0,56 |
| Age Ratio | 0,10 | 0,05 | 0,08 | 0,07 | 0,08 | 0,08 | 0,08 | 0,08 | 0,06 | 0,08 | 0,06 | 0,07 |
| % Landless | 46,4 | 100 | 24,1 | 69,3 | 18,3 | 11,0 | 24,0 | 0,0 | 34,5 | 17,6 | 35,7 | 41,8 |
| Mean Land (h) | 1,34 | 0,0 | 1,34 | 0,80 | 1,14 | 1,95 | 1,23 | 2,12 | 1,37 | 1,24 | 1,78 | 3,06 |
| % Stockless | 46,4 | 100 | 24,1 | 79,4 | 38,2 | 19,0 | 37,6 | 29,2 | 51,2 | 43,9 | 41,6 | 38,2 |
| Mean LSU | 5,00 | 0,0 | 5,00 | 3,00 | 4,00 | 7,40 | 4,60 | 5,99 | 5,80 | 4,20 | 6,80 | 9,30 |
| n= | 209 | 149 | 725 | 141 | 726 | 232 | 771 | 130 | 211 | 442 | 221 | 55 |
| % total sample | 19,3 | 13,8 | 66,9 | 12,8 | 66,1 | 21,1 | 69,3 | 11,7 | 19,0 | 40,0 | 20,0 | 5,0 |

A comparison of the annual incomes of the different groups again points to a specialization amongst the higher income groups as was noted for Table 2 above. Income peaks occur for those with wages only, those with frontier commuters, those with above average income from peasant production, and those with an income from the sale of cash crops. Thus, average incomes were higher for those households with very strong links to capitalist core economy through wage labour

and for those households with more successful agricultural involvement. In contrast, income troughs occur amongst the more marginalised households, that is to say, those with no income at all from wages and those with a below average income from peasant production. Nonetheless, in all cases it would seem that the extent to which a household is intergrated into the wage economy is the principle factor affecting the amount of income that the household derives from all sources, although income from peasant and cash crop production can improve household income in a minority of cases. Where this does occur however, it is in conjunction with wage labour and does not supplement wages as the largest component of income. For those groups who received a wage, this made up more than half of household income, and in the case of those with no subsistence factors of production, those with no income from peasant production, and the richest 5 percent, wages comprised over 80 percent of income. Not surprisingly, saving behaviour followed a similar pattern, other than that the more successful peasant farmers had the third highest incidence of formal savings, exceeded only by the two richest income groups with, respectively, 50 percent and 71 percent of the households in each group saving.¹

Turning to the demographic composition of the household, and the stage of its life-cycle, three indices are included in the Table. These are, Labour Power Units as determined in Table 1, a simple worker ratio, based upon the number of economically active members in the household divided by the number of economically inactive, and an age

1. This is simply due to the fact that savings are a function of income.

ratio, calculated by the number of household members over 60 years of age divided by the size of the household.

Households in the richest 5 percent tended to be larger, with a higher worker ratio, in other words, with fewer dependents per worker. This indicates that these households are most probably in the Chayanovian Stage III. In contrast, households in the poorest 40 percent and with no wages were smaller, and had far more dependents per worker whereas those with wages only although small, had a much higher worker ratio. This suggests that the latter are younger households in Stage I of the life-cycle, and the former are older households in Stage IV. This would seem to be supported by the age-ratios of the groups. Finally, larger households were also in evidence amongst those with above average income from peasant production, a factor which might in itself be a contributing factor towards this income.

With regard to the agricultural ability of households, amongst those groups with land, plot sizes were largest in the richest 5 percent, those producing a crop for sale, and the more successful peasant producers. Stockholdings followed a similar pattern, although the more successful peasant producers had more animals than those who were producing a cash crop.

Conclusion

The overall picture which emerges from the case study of KwaZulu is;

- (1) The most important factor which structures the total income of

households in all groups is access to wage employment. Indeed, those without this income form the most poor group, with an income which is half the average of the total sample.

- (2) Peasant production, including the production of commodities does allow a minority of households to increase their income and to save, both in the traditional form of cattle, as well as at banks and building societies. Nonetheless, these households are still heavily reliant upon wage income.
- (3) Households who were marginalised, in the sense that they were excluded from the wage economy, or were less successfully combining wage labour with some peasant production, had lower incomes and were less likely to have any kind of savings.

This confirms the importance of the arguments of those theorists advocating the use of a social differentiation analysis. Amongst all groups in the bantustans, the relations of capitalist production in white controlled South Africa are clearly the dominant forces structuring the rural population. Even those who are able to make productive use of their land and livestock are fully intergrated into this system, whereas those who are apparently excluded, suffer most from this very exclusion. It is suggested therefore, that the empirical categories above can be very roughly collapsed into the following theoretical typography.

- (A) Proletariat - wholly committed to wage labour, some 10 to 15 percent of the sample;
- (B) Simple Commodity Producer - able to farm, although also engaged in wage labour, some 10 to 15 percent of the sample;

- (C) Prolo-peasantry/peasantariat - the archtypal migrant labourer, unable to farm effectively but unable to forsake agriculture as a last resort, some 60 to 70 percent of the sample;
- (D) Lumpen-peasantariat - marginalised and poor, relying upon transfers, charity and on other survival strategies, some 15 to 20 percent of the sample;

Of course, any categorization such as this is static and neglects the dynamics of a social system, but as the life-cycle theorists have argued, having picked out the principle mechanism/engine of change in the rural areas (the supply of labour power) the movements of households can now be broadly deduced from their sociographic composition. Further, as noted in the theoretical introduction of this paper, the rural population does not exist in isolation of the social forces in the wider economy. Thus, the groups will be affected by factors such as increasing urbanization and rising unemployment in different ways. For example, it could be expected that those households with the strongest links to the wage economy and the weakest links to subsistence/peasant production will be most inclined to surrender any land rights, and to move into semi-urban areas. Interestingly, the case study has shown that this group is amongst the wealthiest, and is likely to have the means to meet the costs of urbanization. Unemployment, on the other hand, will have the most serious impact upon those households with only one employed member and with little or no peasant production. Should these households lose their access to a wage income, they may well fall into the poorest group, the "lumpen-proletariat". At the same time, the chances of ever moving out of their poverty-stricken position will become increasingly remote for those already in this group.

Unfortunately, the typology is able to only single out the more easily distinguished groups and is unable to breakdown the migrant group, some 60 - 70 percent of the total. Consequently it is difficult to decide whether the identification of this typology constitutes the identification of class formation in the bantustans. Poverty was prevalent in all groups, and most households would have been involved in the migrant labour system at some period in their life-cycle. Certainly, it is impossible to conceptualise any of the sample from KwaZulu as constituting a "peasantry" in Shanin's or Wolf's terms, somehow distinct from wage labourers. It would seem that further research taking into account factors such as work histories, links to urban settlements, unionisation and political affiliation, is necessary before the stratification discussed in this paper can be ascribed to a process of class formation.

Finally, the case-study has shown that any expectation that the rural population as a whole would have similar resources, goals, needs and expectations is false. Indeed, with regard to developmental projects or intervention in rural areas, on the basis of the data it would seem that agricultural based development can at best, only benefit those households who have the necessary factors of production, which in the case of the sample, was less than a quarter of the population. In addition, only those few high income households who are also generating an income from peasant production are in a position to fully benefit from agricultural inputs. Provision of these may well have the undesirable effect of widening rural inequalities and would

probably lead to the entrenchment of a privileged group of small scale cultivators amidst a massive population of the families of longer-term migrant workers, and a growing "reserve army" of the unemployed.

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