THE DYNAMICS
OF
BLACK RURAL POVERTY
IN SOUTH AFRICA

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DEVELOPMENT STUDIES UNIT
Centre for Applied Social Sciences
WORKING PAPER NO.
THE DYNAMICS OF BLACK RURAL POVERTY

IN SOUTH AFRICA

by

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Working Paper No. 1
Development Studies Unit
University of Natal
Durban 1983
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As a result of historical circumstance, a great deal of confusion exists concerning the names that are applied to the different population groups in South Africa, and the use of the word 'black' can be particularly misleading.

In this paper the terms have been used in the following manner:

- **African** - denotes all those population groups which are Bantu speaking.
- **White** - refers to those classified as White.
- **Black** - has been used as a synonym for African.
- **black** - refers to all those South Africans who are not White and includes the African, Asian and Coloured groups.
ABSTRACT. This paper argues that the division of the South African economy into three rather than two major interactive segments and the lack of black political power have created conditions that differentiate the growth path of the South African economy from that of other developing countries. The present levels of poverty and deprivation found in the African rural areas are seen as being the direct result of South Africa's development path. It is argued the major engines generating Black rural poverty are continued and growing participation by Blacks in the migrant labour system, the laws governing Black access to land and the movements of the Black population, the population growth rate, the resettlement programme and the patterns of growth in the modern sector.

1. INTRODUCTION

Widespread rural poverty and the presence of a growing gap between urban and rural living standards are common features of developing countries (Lipton (1977)). The situation that prevails in South Africa's Black rural areas might be taken to be another manifestation of this development problem. However, more careful analysis reveals that there are a number of important differences between the factors that generate rural poverty in South Africa and those operating in most other developing countries.

Firstly, there is usually a strong and relatively simple relationship between growing relative and/or absolute levels of rural poverty, the process of rural urban migration and the level of urban unemployment (Harris and Todaro (1970)). Rural poverty generates increased migration to the towns and this, in the absence of a rapid rate of employment creation in the urban areas, results in growing urban unemployment levels.

Secondly, in general the economic structure of developing countries is dualistic in the sense that there is often a strong degree of overlap between the divisions so often made in the development literature, rural, traditional, subsistence and labour intensive on the one hand and urban, modern, commercial and capital intensive on the other. In South Africa's case, however, a more appropriate analytical division

1. The term 'dualistic' has been used here to mean divided into two segments. It does not imply anything in relation to the nature of the linkages between the two segments, which may be independent as implied by the Lewis view of development, or dependent as postulated by Frank (Frank (1967), Lewis (1954)).
of the economic space would be into three rather than two interlinked and dependent segments. South Africa's rural sector is in fact composed of two distinct parts, a largely white owned, capital using, commercially oriented farm sector and a black controlled, traditionally oriented, low productivity subsistence agricultural sector.

Thirdly, the major causes of rural poverty in most developing countries are economic, although political factors do in many instances reinforce the economic tendencies (Lipton (1977)). In South Africa this relationship appears in some sense to have been reversed. It will be argued that the political institutions enforcing the policies of racial separation, whilst not necessarily the original cause, are now the major engines generating poverty in the black rural areas. The economic system in its turn reinforces the tendencies that were established through the political mechanism.

If the characteristics of South Africa's rural crisis are different from those in other parts of the world, it follows that the reform package that will be needed to alleviate the crisis, will also have to be different and to be specially tailored to the particular requirements of South Africa's black rural areas. This paper discusses the extent and importance of the differences in the South African rural situation and asks what the needed reforms are likely to be. The paper is divided into four sections, the first of which discusses the causes of rural poverty, the second the areas of interaction within the economy, the third the engines of poverty generation, whilst the final section asks what can and should be done.

2. THE CAUSES OF RURAL POVERTY

At present five factors contribute to the growing poverty levels in the black rural areas, all of which have their roots firmly fixed in the historical patterns of South African economic development. These are: the inadequacy of the land supply in relation to the agricultural needs of the resident population; a lack of capital; the failure
3.

of technology, in the sense that farming techniques have not been adapted to meet the needs of the changing relationships between the land and the population; rapid population growth, both through natural means and as a result of the impact of the rural resettlement programmes currently being undertaken by the government and, finally, the growth and persistence of the migrant labour system. Although these causes of rural poverty are often discussed separately, they are in fact very closely inter-related as will be seen from the discussion that follows.

As far as the inadequacy of the supply of land is concerned, as is well known African ownership of farmland in South Africa is restricted by The 1913 Land Act and its 1936 Amendments, to roughly 14 percent of South Africa's land area and to some 22 percent of the available arable land. Since nearly four fifths of South Africa's population are members of the African group, this restriction has resulted in land/man ratios in the African rural areas that are far below those in the white controlled portion of the country (Nattrass (1981)).

Exactly how low these land/man ratios now are in the African rural areas of South Africa is shown by the data given in Table 1 which contains estimated average ratios of total agricultural and arable land to the agricultural workforce in the various National States (Homelands).

From the data in the Table, it can be seen very clearly that, whilst there are differences in the availability of land between the National States, the ratio is far from an acceptable one in any instance - particularly when compared with an average land/man ratio in white agriculture of 78 hectares per worker (Nattrass (1981)).

A point that is often made to counter this view is that, notwithstanding the apparent shortage of land in the National States, a high proportion of arable land in these areas still remains uncultivated (Lenta (1981)). Indeed, land utilisation rates in 1979 were estimated to vary from 90 percent in QwaQwa to 41 percent in Kangwane, with 5 of the 10 National States having land utilisation rates of
Table 1. Estimated Average Land/Man Ratios in Black Agriculture by National State

<table>
<thead>
<tr>
<th>State</th>
<th>Agricultural Employment</th>
<th>Land Area (000 Hectares)</th>
<th>Average Land/Man Ratio in Hectares</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Total Farm Land</td>
<td>Arable Land</td>
</tr>
<tr>
<td>Transkei</td>
<td>319 480</td>
<td>4 335,3</td>
<td>669,5</td>
</tr>
<tr>
<td>Ciskei</td>
<td>79 811</td>
<td>482,6</td>
<td>105,1</td>
</tr>
<tr>
<td>KwaZulu</td>
<td>366 141</td>
<td>3 100,0</td>
<td>1 044,6</td>
</tr>
<tr>
<td>Bophuthatswana</td>
<td>106 981</td>
<td>3 956,5</td>
<td>406,5</td>
</tr>
<tr>
<td>Lebowa</td>
<td>151 892</td>
<td>2 162,3</td>
<td>375,8</td>
</tr>
<tr>
<td>Gazankulu</td>
<td>43 088</td>
<td>622,7</td>
<td>109,8</td>
</tr>
<tr>
<td>Venda</td>
<td>43 493</td>
<td>619,7</td>
<td>69,2</td>
</tr>
<tr>
<td>QwaQwa</td>
<td>2 692</td>
<td>45,1</td>
<td>5,1</td>
</tr>
<tr>
<td>Kangwane</td>
<td>17 821</td>
<td>318,2</td>
<td>91,6</td>
</tr>
<tr>
<td>KwaNdabele</td>
<td></td>
<td>97,8</td>
<td>32,7</td>
</tr>
</tbody>
</table>

Notes: 1. Land use patterns are those estimated for 1979.

50 percent or lower (B.E.N.S.O. 1980). In some areas even the irrigated portions of the land have relatively low rates of utilisation and in 1979, rates of irrigated land usage ranged from a high of 100 percent in KwaZulu and KwaNdabele, to a low of 17.4 percent in Transkei, with the remaining National States showing utilisation rates of between 58 and 68 percent.

One should, however, hesitate before drawing the obvious and extremely simplistic conclusion from this data, namely that agriculture in the National States is not short of land and that opening up more land to Black farmers would not help. What one is in fact seeing here is a
situation in which the returns to agriculture are so poor vis-à-vis those to migrant labour, that those who can must opt to leave the land. For it to be a successful competitor to the migration alternative, Black agriculture would have to be upgraded to the point where it could offer a would-be migrant a real economic alternative. However, to do this would imply a virtual agrarian revolution as, not only would the available quantity of land per agricultural worker have to be increased, but the needed capital, technology and expertise necessary to modernise the sector, would also have to be introduced.

The self-perpetuating nature of Black rural poverty is further shown by the fact that the present shortage of capital in Black agriculture in its turn, reflects the shortage of land. With present land/man ratios, returns to peasant agriculture are too low to attract what Black capital there is, into this sector. Rates of return are very much higher on wage labour in the towns and consequently upon the education that equips a person to join the migrant labour system. The capital accumulation that does occur in the rural areas has, therefore, been diverted from the development of agriculture to human capital accumulation in the form of education (Nattrass (1977)).

A number of studies done in areas outside South Africa suggest that once participation in the migration process starts, that is once the migrant is actually away, it assists capital accumulation in the area supplying the migrants (Schapera (1947), Gulliver (1955), Waters (1973)). This does not, however, appear to be the case in the Black rural areas of South Africa. Indeed it seems that the reverse could be true and that participation in the migrant labour system has militated against capital accumulation in Black agriculture. There are two reasons which might explain this: firstly, the wage earnings of migrants are in general too low to permit much saving to be done and, secondly, the migrant labour system causes potential farmers who are members of it, to lose interest in the lower paying pastimes in subsistence agriculture. Arable farming pursuits are increasingly left to women and the men tend to invest what savings they accumulate in cattle, as larger cattle holdings have the added advantage of
6.

bringing the family increased tribal status (Schlemmer and Müller (1980)).

The shortage of capital in Black agriculture has been further intensified by the failure of the financial institutions of the growing modern economy to extend their operations into this sector. Until very recently, when the government-supported Development Corporations started to advance some small loans to Black farmers, it was virtually impossible for such people to obtain loan capital from any source other than the informal sector. Even now such opportunities are still very limited.

Some observers place the major blame for the low productivity levels in African agriculture on its failure to adopt modern methods of production (Hobart Houghton (1964)). However, the lack of capital, growing participation in the migrant labour system and the continued use of inappropriate technology in Black agriculture are also interrelated. The introduction of new techniques, not only needs capital, which is in short supply, but also requires both knowledge and the presence of individuals, who are able to make decisions and who are not averse to risk-taking. The migrant labour system denudes the Black areas of men between the ages of 20 and 50 and, in particular, selects out those who are educated (Nattrass (1976)). It has been argued that the migration process selects the more venturesome individuals in a community, particularly those who are not averse to change (Kuznets (1965)). In South Africa's case it is not necessary to prove the case for psychological selection. The high absentee rate and the age and sex selectivity of the migration process leaves the Black rural areas in the hands of women and old men. It is generally accepted that older people are both risk averse and resistant to new ideas. Further, under the institutions of the tribal systems which prevail in these areas, women have very little decision-making power and virtually no access to the needed capital. The combination of the absence of men, the lack of capital and the persistence of tribal limitations upon women, makes it almost impossible to introduce any meaningful reforms into subsistence agriculture.
The final major cause of the growing rural crisis in Black areas is the increasing degree of overpopulation there. We saw earlier that the land/man ratios in Black agriculture, using the 1970 employment data, were extremely low; available evidence suggests that this ratio has declined over recent years. Between 1970 and 1980 the population of the National States grew from 7.4 million people to 10.7 million people - an increase of over 44 percent. The rapid increase in the population of the National States has two components, a high rate of natural population increase and a high rate of in-migration and these two components need to be separately considered.

As far as the high natural rate of population growth is concerned, there appears to be little that can be done in the short term. Development throughout the world has been accompanied by high population growth rates and all the studies that have been done on this phenomenon show that the increase is due to the fact that mortality rates decline rapidly as living standards start to rise but that fertility rates do not similarly decline until development has reached a reasonably high level. Modernisation and the rise in importance of the nuclear family are both significant contributors to a reduction in the birth rate and neither can be imposed on a community through such things as birth control campaigns. Both factors, however, are likely to accompany further development, particularly if women are active participants in the development programme.

The second element in the increasing overpopulation of the black rural areas is the high level of in-migration that has taken place over the past decade. The causes of this are both economic and political. On the economic front, the labour force requirements in the white dominated commercial farming sector have remained virtually constant over the past twenty years. This has had the effect of forcing the increase in the population normally resident on these farms, to seek work elsewhere. With some exceptions, the normal route for such work-seekers is for them to uproot their families from the farms on which they were living, resettle them in the relevant National State and then seek work in the towns through the migrant labour system.
(Nattrass (1977)). This process means that effectively the rural areas of the National States have to pick up the burden of the dependents of the new migrants, without receiving the benefits from migrants' labours.

On the political side, in-migration to the National States has been intensified by government efforts to remove so-called 'black spots' in the cause of furthering the policy of racial separation. Wholesale removals of black families from areas in which they have lived, in many instances for generations, has caused well documented extensive suffering and hardship to those who have experienced it (Simkins (1981)). This policy has also had the added effect of reducing the living standards of the people in the area into which the migrants are resettled. There is increased pressure placed upon already limited resources such as land and water supplies, as well as the increased loading that is placed upon what social capital there is in these rural areas; particularly affected are schools and hospitals.

In most instances, the rural communities are unable to provide the newcomers with agricultural land and consequently these people become totally dependent upon the earnings they can gain through the migrant labour system. This further increases the impact that the migrant labour system has upon the communities' values. Ultimately such communities become so dislocated from the rural areas that it has been argued that they should be seen as displaced urban dwellers rather than true rural people (Mayer (1980)). These tendencies are intensified further by the government's creation of rural 'high density' living areas. Such areas have all the disadvantages of an urban lifestyle but lack the economic 'heart' that makes a town a viable entity.

3. THE AREAS OF ECONOMIC INTERACTION

As was said earlier, one of the major characteristics of the South African economy is that it has three rather than two distinct areas of economic interaction (Nattrass (1981)). These areas are: a
modern, largely urban, industrial and mining sector; a capital-using, market-oriented, agricultural sector; and a very low income agricultural sector, whose main activity is production for its own needs, albeit at an inadequate level. The characteristics of these three sectors and the roles they play in the growth of the overall South African economy are very different. However, notwithstanding these differences, the sectors are nonetheless inextricably interlinked with one another and the nature of the links between them is a major determinant of the characteristics shown by the individual sectors.

The modern sector has a wealthy, capital-intensive economy producing manufactured and processed products, together with a wide range of services. Although all the population groups participate in the economy, capital remains largely in the hands of the white group, whilst the bulk of the labour force is black (Nattrass (1980)). Over half of the black workforce has its origin in the rural subsistence sector and this labour is supplied to the modern sector through the migrant labour system (Nattrass (1977)).

The commercial farming sector is also multi-racial. It has a similar strong racial overlap to the economic classes of capital and labour as that found in the modern industrial sector. This sector exports both the output and the population that are surplus to its needs to the other two sectors of the economy. At the same time, however, like the industrial sector, modern agriculture also draws migrant labour from the subsistence sector through the migrant labour system (Nattrass (1977)).

The third sector is the impoverished African rural sector in which the major characteristics are those of rural degradation and under-development. This sector's ability to support its resident population has declined steadily over the past half century and, with the present tendencies, there seems little hope of reversing this trend (Simkins (1980), Knight and Lenta (1980)).
The trading relationships between the three sectors are unusual. Normally such trade takes place in terms of goods and services, with flows of capital making up any shortfall between the trading partners. Trade between the subsistence sector and the other two sectors of the South African economy, however, does not take this form. Instead the only export from the subsistence sector is labour, which it exchanges for the goods and services it needs, including food. It is this characteristic, one of extreme economic dependence, that has led radical analysts to label the National States as 'labour reservoirs' (Wolpe (1972)).

4. THE ENGINES OF THE UNDERDEVELOPMENT OF THE AFRICAN RURAL AREAS

The earlier discussions showed clearly that historically there have been a number of causes that have contributed to the growing inability of the African rural areas to support their resident populations. It will be argued here that the dynamic forces driving these separate and interlinked causes of the increased underdevelopment of these areas
spring from the nature of the development path followed by the South African economy together with the concomitant changing nature of the political institutions (Nattrass (1978), Schlemmer & Webster (1978)).

Economic development in South Africa over the past century has resulted in a situation in which the spatial distribution of economic resources is very uneven (Nattrass (1981)). The major portion of all economic activity is now heavily concentrated around the major urban areas. These areas were historically centred upon the developing mining industry and the essential seaports, that is away from the existing major population concentrations. Concomitantly political institutions designed to foster racial separation and to control the movements of the black population groups through the economic space, were developed and refined to the point at which by the end of the decade of the sixties, it was virtually impossible for an African family to leave the rural areas to resettle permanently in the growing towns. Indeed, it became increasingly difficult for such people to participate in the modern economy in any capacity other than that of a farm labourer or as a member of the migrant work force. This process institutionalised the dislocation between the distribution of economic activity through space and that of South Africa's population.

The growing spatial dislocation between the capital that was being invested in the economy and the settlement patterns of the population meant that the capital stock became increasingly a source of wealth for those people who were fortunate enough to have access to it and conversely of poverty to those who were excluded. At the same time the continued exclusion of the black groups from the political process meant that they lacked the political muscle to force through a re-allocation of either additional educational resources to increase their access to higher paid jobs in the modern sector, or of packages of factor inputs specifically designed to upgrade the Black rural areas. Whilst government policymakers were quick to adopt measures specially designed to upgrade white agriculture, even today little major funding or policy making is directed towards a serious attempt to upgrade African farming capabilities.
Further, the coincidence of spatially unequal economic development and a political philosophy which ultimately resulted in the present policy of separate development, ensured the perpetuation and expansion of the migrant labour system, with the continuing undermining effect that it had upon the economic and social fabrics of the African rural areas. The increased emphasis on the need for racial separation that developed with the coming to power of the National Party in 1949, brought with it the introduction of the totally inhumane policy of rural resettlement. The present rural resettlement programme springs largely from the State's perceived need to eliminate pockets of Black settlement existing in areas that have been designated as being for the ownership of one of the other population groups (predominantly the white group). The implementation of this policy has not only imposed hardship on the families who were relocated, but has also increased the load on already overstretched resources in the Black rural areas, further fuelling the rural crisis.

The engines driving the forces for deepening rural poverty are both economic and political. Indeed, it seems that the crisis in the Black rural areas will continue to deepen until both power sources are dampened down. Not only is it crucial that economic resources are redirected to the neglected rural regions and communities but also, and possibly even more importantly, political reforms must be instituted in order to ensure, firstly, that the transfers of economic resources do in fact take place; secondly, that once the transfer has been made, the resources are used in those ways that are seen by the communities themselves as being most necessary, and lastly, that measures are taken to encourage, rather than discourage, meaningful and permanent urbanisation amongst the African group.

South African history has shown in the elimination of the 'poor white problem' and the successful upgrading of the commercial agricultural sector over the period which followed on from the 1924 elections, how important a component political reform is in any successful programme of poverty elimination. The magnitude of the dimensions of the present rural crisis in the Black areas of South Africa makes it
even more imperative that political reform is included in the overall policy package.

5. CONCLUSION

If the rural crisis is not alleviated and is allowed to continue to deepen, it is inevitable that it will spill over into the towns. The mechanism for such an overspill is already in place, namely the migrant labour system. This is a vehicle through which the rural areas can be increasingly politicised; it is also the means by which both rural and urban black communities suffer increasing degrees of social dislocation, creating a fertile seed bed for revolution.

It is particularly in the private sector's interests to play a leading part in ensuring that the needed economic and political reforms are instituted. Existing political and social institutions in the African tribal rural areas are basically communalistic in their orientation. This, coupled with the fact that most Africans who have come into contact with the modern economy, particularly those who participate in it through the migrant labour system have seen little but what might be termed 'the ugly face of capitalism', makes it unlikely that at present they would support the continuation of the system. If the business sector wishes to see the private enterprise system survive in South Africa, it is extremely important that the underprivileged communities start to enjoy some tangible benefits from their participation in the capitalist system.

Poverty-stricken people are largely poor because they were born poor, born encapsulated in the conditions that perpetuate poverty, malnutrition, disease, poor education facilities and generally low levels of public amenities and surrounded by others who are poor like themselves. Poverty generates poverty and because it is a trap situation it is very difficult to break into the cycle.

Progress against poverty will only be achieved with a massive effort.
Effort on the part of both the Public and the Private Sectors of the economy. Whilst wholesale agricultural reform is clearly beyond the scope of private enterprise and the charitable individual, there is a great deal that can be achieved on a fairly small scale. Small scale projects include the provision of clean water facilities, schooling facilities, school equipment, school feeding schemes, the provision of vans for mobile clinics, drug stocks for such clinics, buildings for health workers, the provision of funds to ensure the education of those members of the rural community who are well suited to benefit from it, and even some small scale rural development programmes.

The public sector has an even greater role to play. It is the responsibility of government to provide the necessary physical and economic infrastructure that is prerequisite for rural development. Unless massive inputs of resources are made into the Black rural areas, no progress will be made against the growing tide of rural deprivation. The African group still lacks the political muscle to ensure that these inputs are made and at present the alleviation of Black rural poverty depends upon 'top down' reforms flowing from enlightened self interest.

This is of course one school of analysis, which argues that reforms such as those suggested above are unlikely to be introduced and even if they are that they cannot ever correct the problems that have been outlined in this paper, precisely because of the nature of the links and inter-relationships that have been described here. This radical view argues that since poverty and deprivation are the results of the process of economic growth and accumulation through the mode of capitalist production, they can only be eliminated if capitalism itself is eliminated through a transformation to socialism (Legassick (1982), Wolpe (1972)). There is no doubt that this view poses a significant challenge to capitalism in South Africa.


The Development Studies Unit is a multi-disciplinary unit within the Centre for Applied Social Sciences at the University of Natal in Durban. The Development Studies Unit was established at the beginning of 1982 with the purpose of providing a focus for research into the problems of developing areas, with a view to assisting the University to play a meaningful role in the upgrading of the quality of life in the poorer areas surrounding it.

As well as undertaking research in many areas of South Africa, the Unit offers a post-graduate masters programme in development studies. The Unit has published the following:

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