

Moving to cities has lifted over 300,000 South Africans out of poverty, even in difficult times

By Ivan Turok and Justin Visagie 23 Nov 2017

Migration to cities has helped many South Africans to escape extreme poverty, even in tumultuous times. This is the striking outcome of our <u>analysis</u> based on the <u>National Income Dynamics Study</u> which tracks the progress of a representative sample of 30,000 people every two years.



© THISSATAN KOTIRAT - 123RF.com

Scaling up from the sample, we estimate that around 385,000 citizens were lifted above the poverty line between 2008 and 2014 by moving from rural to urban areas. They became better-off by getting onto the jobs ladder.

This finding is all the more surprising considering the anaemic performance of the economy over the last <u>decade</u>. Our study suggests that a proactive urban policy could improve the situation further.

This is a practical and uncontroversial way of reducing poverty and inequality. It means recognising and responding to the reality of people's spontaneous efforts to get ahead by uprooting themselves and moving to cities.

Our research supports evidence from elsewhere in the world that urbanisation has a positive impact on people's lives. China is the <u>supreme example</u>, with 500-million people lifted out of poverty through urbanisation over a 30 year period.

Multiple benefits

Upward social mobility is known to be generally <u>very low</u> in South Africa compared with other countries. Black Africans in many rural localities and urban townships have struggled to improve their incomes and well-being over the last two decades. This reflects entrenched social and spatial divides, combined with a sluggish labour market and persistent failures in the education system.

Poor households face major hurdles in relocating from the countryside to access urban opportunities. The cost of long distance travel is one. Identifying somewhere to live that is safe, secure and affordable is another. The long queue for jobs facing people with low skills is daunting, coupled with the intense competition from city residents with established contacts.

Nevertheless, our results show that most of those who took the gamble by moving to cities succeeded in getting their foot in the door. Some of their jobs were casual and low paid, but better than being unemployed and destitute in a rural area.

This evidence is supported by another recent <u>study</u> which found that migration is the biggest trigger to upliftment of all the events they examined, such as a smaller household size and gaining access to social grants.

There are additional economic advantages of urbanisation. Migration benefits hard-pressed rural communities through the flow of income from family remittances, although this is offset by the loss of an income generator. The broader economy benefits because urbanisation boosts productivity, spurs creativity and strengthens economic development. It also creates efficiencies in the delivery of public services.

Costly double life

That urbanisation is a force for good isn't fully appreciated. For example, current attitudes to migration within government circles are ambivalent. And established city residents tend to <u>resist</u> the emergence of new settlements, fearing more congestion, crime and pressure on services. Nor is the government doing what it could to smooth the process and reduce the risks.

As a result, it appears that many migrants refrain from committing fully to urban lifestyles. They seem to retain a <u>dual existence</u> – a kind of double life in the city and countryside. They remain attached to their rural origins and identities by investing whatever spare resources they have in rural homes and livestock. Many also leave their children and elderly relatives in the rural areas, resulting in split households and disruption to family life.

The dual toehold in urban and rural areas appears to be an unsatisfactory situation in many ways, although more research is required to analyse the costs and benefits. It seems to add to people's cost of living and perpetuates the psychological divide between town and country.

It can be traced back to the forced migrant labour system of the colonial and apartheid eras. And it comes with antisocial traditions anchored on temporary movement of men into urban areas. As such it can leave a trail of misery and broken families.

Cities are relatively complicated social environments where people face burdensome regulations and pay more for housing and transport than elsewhere. They have also become inhospitable places where many migrants are forced to live in precarious, overcrowded conditions without essential services. This means a <u>fraught existence</u>. It is hardly surprising that people's hope of a better future lies elsewhere.

A significant proportion of people in South African cities work to repatriate some of their income back to their rural homes. Repatriating resources that would otherwise have been invested in urban settlements hampers the creation of local jobs, small-scale enterprises and thriving communities.

The way forward

The South African state should endeavour to create more conducive conditions for migrant households to settle, work and invest in cities. A more concerted effort across local, provincial and national government is required to accommodate and integrate new arrivals so that there are steady improvements in well-being and life chances over time.

Stronger alignment between the spending decisions of households, businesses and government is also vital. It makes no sense for their investments to be dissipated in different places, when coordination would help to stimulate prosperity and social progress.

Connected investments would reinforce each other, generate greater value and synergies for families and firms, and attract other resources to build more productive and sustainable communities.

Different sectors need to work together more effectively to plan ahead and prepare for urban growth. They should make public land available for human settlement, and invest in the appropriate infrastructure and amenities to create more liveable, inclusive and enterprising places. This will also require streamlining a range of bureaucratic procedures and red tape to accelerate the upgrading of informal settlements and backyard shacks.

ABOUT THE AUTHOR

Ivan Turok is executive director, Human Sciences Research Council. Justin Visagie is a research specialist, Human Sciences Research Council.

For more, visit: https://www.bizcommunity.com