



Vulnerability, social exclusion and the state in the informal economy



Conference Report



International Conference
co-hosted by PLAAS,
Isandla Institute and
the Chronic Poverty
Research Centre



isandla
institute



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Vulnerability, social exclusion and the state in the informal economy

International Conference co-hosted by PLAAS, Isandla Institute and CPRC
Cape Town, South Africa, 26-28 March 2007

CONFERENCE REPORT

This report summarises the papers presented at the international conference 'Living on the Margins: Vulnerability, social exclusion and the state in the informal economy', which took place on 26-28 March 2007 in Cape Town, South Africa. The conference was co-hosted by the Programme for Land and Agrarian Studies (PLAAS) at the University of the Western Cape, Isandla Institute and the Chronic Poverty Research Centre (CPRC) at the University of Manchester.

The full conference papers are available on www.livingonthemargins.org.

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Contents

Welcome and Opening Address	1
Setting the Scene: Keynote Addresses	3
Thinking the Margins: Beyond Dualism	6
The State at the Margins: Poverty, Inequality and Informality	8
Parallel Session - The Margins and the Centre (1): Informality and Inequality	11
Parallel Session - Livelihoods at the Margins (1)	13
Parallel Session - Marginality and vulnerability (1): Disability, Poverty and Occupation	15
Invisible Burdens: Unpaid Work and Working Women	17
Globalization, Informalization and Migrancy	20
Vulnerability at the Margins	22
Parallel Session - The Margins and the Centre (2): The State versus the Unregulated	23
Parallel Session - Livelihoods at the Margins (2): Agrarian Pathways	25
Parallel Session - Marginality and vulnerability (2): Social Protection at the Margins	27
Governance, Power and Vulnerability at the Margins	29
Parallel Session - The Margins and the Centre (3): Power, Informality and Poverty in Urban Settings	30
Parallel Session - Livelihoods at the Margins (3): Urban Streets	32
Parallel Session - Governance and Power: Planning, Participation and Informality	33
Closing Plenary	35
Appendix 1	37
Appendix 2: Conference Participants	44

Welcome and Opening Address

Welcome by:

Ms Helen La Lime, US Consul General

Opening Address by:

Mr Joel Netshitenzhe, Office of the President

The US Consul General in Cape Town, Helen La Lime (formerly the US ambassador to Mozambique) welcomed delegates saying the US was committed to strengthening South African government programmes aimed at improving the lives of the poor. HIV and AIDS was intricately linked to poverty and, for now, there was no more important programme for the US than supporting community-based care for those suffering from the disease.

“Aid has to be linked to sustainable development and income generation,” she said. South Africa has to develop an economic strategy that is pro-poor and pro-growth but finding a balance between the two will be a major challenge for the country in coming decades.

Joel Netshitenzhe, head of the South African government’s policy co-ordination and advisory services, delivered the opening address at the conference.

“In South Africa we have two economies. The first (formal) is the dominant economy made up of exporters and manufacturers but alongside this is the second (informal) economy made up of the unemployed and the unemployable.”

The challenge was to eliminate this dualism while at the same time maintaining the growth of the first economy, he said.

Top of the list of interventions by the SA government, in efforts to bridge this divide while ensuring the growth and transformation of the first economy, was the de-racialization of ownership and wealth.

“Poverty and inequality constrain economic growth,” Netshitenzhe said.

There had to be a programme to encourage movement from the second to the first economy and, in so doing, eliminating this dualism.

Netshitenzhe highlighted education as an essential tool in the fight against poverty.

“Education is a great equalizer,” he said, “Our problem is poor quality education in poor areas.” Netshitenzhe described how research had shown that poor women with higher levels of education had “more courage” to make a move that would improve their economic circumstances.

“It is well known that higher levels of education can be equated to higher income.”

Another prerequisite for closing the gap between the two economies was to improve communication between the two.

“There is a lack of information in the second economy,” he said, “How many leaking pipes are there in Soweto? And how many unemployed plumbers?”

Every year the government rolled over millions of rands allocated to micro-credit institutions and intended to alleviate poverty and stimulate economic growth.

“This credit is inaccessible to those operating in the second economy,” he said. The institutions administering the money often operated like commercial banks and “knew very little of the lay of the land in the second economy.” This situation could be improved with proper information about poor areas (a proper census, street addresses).

What the country was undertaking in grappling with these issues, he said, was “reverse social engineering.” In other words, “the art of the impossible”.



Setting the Scene: Keynote Addresses

Andries du Toit:

Welcome and introduction

Marty Chen:

**The working poor in the informal economy:
Different patterns of marginality and exclusion**

Ravi Kanbur:

Conceptualising economic marginalisation

Henry Bernstein:

Capital and labour from centre to margins

PLAAS researcher Andries du Toit welcomed delegates to the Living on the Margins conference and challenged them to engage in discussions that would “go beyond pat answers of the right and of the left”.

Launching the first plenary session, Du Toit said the idea of the conference had first come up in June 2004, in response to growing clarity that existing approaches to ‘the second economy’ and ‘the informal sector’ were inadequate. All too often, the situation of those on the margins of the formal economy was framed in normative and teleological terms, as if the problem was with the informal sector itself, and as if enough economic growth was the solution. “What if informal is normal?”, he asked. What if the marginalisation of hundreds of millions of people in today’s informal economy is not a function of ‘not enough development’ and ‘not enough growth’? What if it is structural feature, a function of the present nature and direction of growth itself?

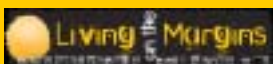
In recent years, much interesting work had been done that can allow researchers and policymakers to reconceptualise approaches to economic marginality and find more realistic policy approaches.

The conference started life as a proposal for a small, focussed workshop – but as time went on, the idea had grown and developed, and it had become clear that a much more ambitious conference was necessary to do justice to the theme.

It was hoped by the organisers that the conference would bring together important research based on practical experience that would engage with dominant theories and ideology, Du Toit said.

Getting to grips with poverty

If you happened to buy a bakkie-load of concrete breezeblocks from a rural hamlet near Durban in mid-March 2007, the chances are pretty good they may have been handmade by Cornell University Professor Ravi Kanbur. As part of an experiential learning programme devised by WIEGO, Kanbur worked side by side with people in the informal sector – helping one woman in her concrete block-making business and another who made school uniforms.



A few days later, he reflected on these experiences in his keynote address at the Living on the Margins conference. Like several of his colleagues addressing the conference, including Harvard University professor Marty Chen who recently spent time working on a tobacco farm in India, Kanbur believes there is no substitute for experience.

You won't get the rich diversity of stories about how people survive on the margins of the formal economy from government fact sheets. You have to roll up your sleeves and immerse yourself in people's lives. "It's important for understanding what goes on in people's lives," he says. "It's a reality check".

Certainly the statistics indicate that the way the world is working and surviving is changing.

Increasingly, people round the globe are not sitting in long-term salaried jobs. They are working from home, selling or making things informally or helping out family and friends.

Economic marginalisation could mean different things. On the one hand, it could refer to an outcome, such as deepening inequality: here, although inequality between countries was globally decreasing, household inequality within countries was definitely increasing. Alternatively it could refer to a process such as adverse integration into market or state structures. The latter meant that policymakers had to look carefully at the danger of monopolistic market structures that could marginalise the poor, and at the design of state intervention with which poor people could have difficulty engaging. As important was the development of membership-based organisations of poor people who could represent the interests of the poor.

Harvard University professor Marty Chen argued that the world was seeing a marked increase in the numbers of the working poor. Some 35% of the workforce in the developed world are self-employed or earn their income from part-time or temporary jobs. This proportion soars in the developing countries of the south where in some countries, such as Ghana, as many as 90% of people work in the informal sector, Chen says.

Increasing informalisation and the growth of the informal sector is widely understood to go hand in hand with deepening poverty and vulnerability. Chen depicted present day labour markets as heterogeneous, with a continuum of privilege ranging from regular workers at the top to casual wage workers, industrial home workers and outworkers, and, right at the bottom, unpaid family workers. This hierarchy of privilege was highly gendered, with men predominating among wage workers and unpaid family labour being mostly female.

In addition, the self-employed are often invisible in national statistics. The problem is that policy planners and economists have traditionally failed to capture adequately the range and type of activities that people do when they work in the informal sector.

Chen argued against dualistic approaches. "We need to change our mindsets and reconfigure the informal economy as part of the overall, formal economy," Chen told delegates.

‘One billion people now short of work’

A billion workers, representing a third of the world’s labour force, were either unemployed or underemployed, according to London University’s Henry Bernstein.

Bernstein raised a chuckle from delegates when he told them this information was sourced from the CIA’s *World Factbook* of 2002.

“I bet you didn’t expect me to quote from that text,” the well-known Marxist academic told the audience of about 120 poverty specialists from around the world.

The enormous number of unemployed or underemployed people constituted the fastest-growing, and most unprecedented social class on earth, Bernstein said.

This had important implications for policy planners most especially concerning how to manage countries’ informal sectors.

The informal sector was where many unemployed and underemployed workers across the globe found the resources to stay alive.

He added, though, that the notion of un- or under-employment could be misleading. “Everyone knows that ‘informal’ workers have to work extremely hard to eat,” Bernstein told delegates. It was also true that there were many sub-groups in the huge, one billion strong army of ‘reserve’ workers.

These divisions included the growing developmental gap between north and south, the size and composition of countries’ informal economies and different classes of employment taken up by members of this group.

Bernstein noted the absence of any mention of ‘class’ in the conference literature, and reminded delegates of the prescience of Marx had been in predicting current trends.

Marx wrote at length, for instance, on the likelihood that a growing number of people would be considered “surplus” to the demands of big business.

“These observations, and many more, resonate powerfully in the twenty-first century world of globalising capitalism – not bad for someone who wrote them in the 1860s,” Bernstein said.

He added that there were, of course, “important issues today that Marx did not consider (or not in any systematic fashion), which is hardly surprising given the momentous historical distance between what he observed and analysed over three or four decades in nineteenth-century England and the world of global capitalism now.” At the same time, Marx’s analysis of the nature of capitalist society and how it systematically produced poverty was essential to understand chronic and structural poverty today.

Deborah Potts:
The state and the informal in sub-Saharan African urban economies

James Heintz:
The limits of dualism (by Marty Chen)

Andries du Toit & David Neves:
In search of South Africa's second economy

There are fears that South Africa could follow the example of many other cities by “demolishing the livelihoods of the poor” when it hosts the Soccer World Cup in 2010.

Deborah Potts of King's College, London, was talking about the resurgence of dualist approaches to economic growth and urban planning in sub-Saharan Africa. Such approaches had been largely discredited in earlier years, and most scholars agreed that dividing economies into 'modern' and 'traditional' sectors and hoping that the former would 'absorb' the latter was to misunderstand the nature of economic growth and social change. Surveying evidence from Kenya, Malawi, Zambia and Zimbabwe, she argued that in spite of this consensus, dualist approaches seemed to be making a comeback. The informal sector, initially reviled and then seen as the answer, was often again being seen as 'the problem' – as a zone of low productivity and illegality. Often governments in the area could be seen to be making common cause *against* poor people in the informal economy in ways that benefited international corporations. A key role, for example, was often played by the notion of 'world class cities', in the name of which it was often supposed that informal traders and settlements had to be 'cleaned up.' Disconcertingly, then, when big events – even a Heads of State visit – were held, authorities willy-nilly demolished informal settlements and destroyed the livelihoods of the poor.

“There are genuine fears of what will happen before the World Cup. These people are South Africans too and it is not their fault that their country is hosting a big event,” Potts said.

Potts also touched on the state's perception of the informal working sector and said that very often this sector was viewed as an inconvenient reality which held a negative image and which contravened a city's “planning” by definition.

“What happens in South Africa is very different. The informal sector here is very small but in relation to this country's economy it is the majority if you look at employment,” she said.

Economist James Heintz, in a paper delivered by Marty Chen, also criticised dualist conceptions of the economy. Classical explanations of labour market segmentation misunderstood the reasons why people were in the informal economy. People's behaviour in real labour markets did not conform to the predictions of classical theory. For example, the theory predicted that when formal wages fall, people would be likely to prefer informal employment.

“However, when real earnings fall, households often increase their supply of labour and you’ll find that more people in that household then enter the informal labour market.”

Heintz said when considering the limits of dualism, one had to be mindful of the nature of the segmented labour market, the market power and market outcomes and the labour supply dynamics.

“Dualist models can be extended or enriched by altering key assumptions, which in its present form needs to be regulated,” he said.

Andries du Toit, of the Programme for Land and Agrarian Studies (PLAAS), focussed on the rise of ‘second economy’ discourse in South Africa in a paper co-authored with David Neves. The discourse on the Second Economy signalled a rethink on the relationship between poverty and growth on the part of government in South Africa. In some ways, it was an advance, in that it questioned the orthodoxies of ‘trickle down’. At the same time, it embodied a misunderstanding of the real causes of chronic poverty. While the ‘second economy’ theory often supposed that the problem was that people were disconnected from the mainstream economy, a more accurate portrayal would be that people are highly integrated – but on disadvantageous terms.

The misunderstanding of the nature and causes of marginalisation meant that policies often failed to engage with the realities of the informal sector, and there were unrealistic expectations about what skills training could achieve.

“Many current informal sector interventions are not of very much use to people who struggle to survive and make a living. The right questions have been asked but we don’t have the right answers yet,” he said.

Armando Barrientos:

Linking informality and chronic poverty

Sue Parnell & Edgar Pieterse:

Poverty and the developmental state: Realising the right to the city

Stephen Devereux:

Cashing in or crashing out: Pastoralists in Somali Region, Ethiopia

Contributing to a government social security scheme had dramatically reduced poverty in Argentina but increasingly the poor chose not to invest in state driven savings schemes mainly because they were afraid of losing their life savings should the fund be raided to support government financial need.

Armando Barrientos, research fellow in the Institute of Development Studies at the Chronic Poverty Research Centre at the University of Sussex, made these comments in his paper: “Linking informality and chronic poverty”.

“Concern with the financial health of social insurance institutions in midst of acute financial crises, a rapid liberalisation of the labour market, and the impact of social security reforms in the 1990s have combined to lower the proportion of the labour force covered by social insurance institutions to around 40 percent,” said Barrientos.

In the last two decades the social protection system in Argentina had shifted from being one of the strongest to one of the weakest.

“Argentina provides a stark example of the effects of labour market liberalisation on poverty and social protection institutions,” he added.

The researcher said the longer people spent working in the “informal sector” the deeper their poverty and that contributing to a safe social security scheme reduced poverty in the long term.

UCT researchers question law that allows compromise on development of low cost housing

If poverty alleviation programmes were to have any real impact they had to be sustainable beyond “the first generation” so that the children of the poor stood a chance of improving their lives.

In a paper titled, “Poverty and the Developmental State,” University of Cape Town poverty researcher Sue Parnell and Isandla Institute’s Edgar Pieterse said the South African government was short sighted in its attempts to help the poor.

“There is no question the political will to help the poor exists,” said Parnell. “What is a problem is that many of the steps being taken now will not improve the lives of future generations of the poor,” said Parnell.

She referred specifically to Act 113 – the Less Formal Establishment of Townships Act – of 1991. This legislation allows compromise, on the usual laws that govern the establishment of communities, in areas zoned for low cost housing.

“It makes it legal to cut corners to keep costs down.”

While this kind of compromise introduced a host of controversial issues in the development of low cost housing Parnell and Pieterse’s concern with the legislation is that it unwittingly maintains the status quo with the poor destined to stay poor despite the attempt at a leg-up by government.

“Any relevant development by the formal sector within these communities becomes impossible,” she said, “because the infrastructure to support development doesn’t exist or has been compromised.”

“A major shopping chain couldn’t build a complex within a low cost community because, for example, the pipes used for sewerage might be too small to support the development.”

People living in new low cost communities were destined to a life of spaza shops and street trading, never enjoying the benefits (like easy access to work of major employers) of the first economy.

Parnell asked for a show of hands of those who had heard of Act 113 and, on seeing none, she observed that most South Africans were unaware of the legislation, never mind the impact it was having.

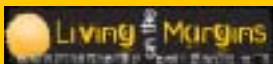
“We need to go back and re-look at territory we find uncomfortable,” she said.

Wealthy pastoralists at risk

Marginality is not always a bad thing, argued Stephen Devereux, of the Institute of Development Studies at the University of Sussex. His presentation entitled “Cashing in or Crashing out: Pastoralists in Somali Region, Ethiopia,” described the situation of nomadic Somali pastoralists, who farmed with sheep, cattle and camels, in the horn of Africa.

Although they existed on the margins of Ethiopian society, many had built up relative wealth through cross border trade with the neighbouring Gulf States. This marginality was the source both of their wealth and their vulnerability, as the Ethiopian government increasingly seeks to control this cross-border trade, through taxation and legislation. The pastoralists in turn, resist these attempts by the state to appropriate their wealth.

Devereux suggests the pastoralists of the Somali region received very little state social spending or infrastructure, graphically illustrating this point by presenting an Ethiopian government map showing the location of primary schools. The entire Somali region is blank; the map simply reads ‘no data’. “The feeling among the pastoralists is why should we give you anything when you do nothing for us,” Devereux explained. However, this defence of their lifestyle and livelihood might not be equally supported by all in the pastoralist community. Devereux pointed out the invisibility of women in any discussion on the future of the Somali pastoralists and cited research that showed women lived shorter, less healthy lives than the men. He also highlighted the aspirations of the younger generation,



who knew about first world luxuries like cell phones and computers and wanted access to these. A teenager quoted by Devereux said that “none of the children” in his school wished to become pastoralists like their fathers. These complexities highlighted the pitfalls both of a simple faith in integration and modernising progress - and of an excessive romanticisation of those remaining outside the grasp of modern governmentality. Being ‘outside’ the grasp of the Ethiopian state was both a source of strength and fragility, and the ways of life did not benefit everyone equally in pastoralist society.



Parallel Session - The Margins and the Centre (1): Informality and Inequality

Jean Triegaardt:

Poverty and inequality in South Africa: Policy options and consequences for planning in an emerging democracy

Tom De Herdt & Wim Marivoet:

Informalization, poverty and inequality in Kinshasa

Imraan Valodia, Richard Devey & Caroline Skinner:

Second best? Trends and linkages in the informal economy

Calling for a coherent and integrated policy response to poverty

In her paper to the conference, Jean Triegaardt of the Development Bank of Southern Africa, told delegates that almost half the South African population exists with earnings below the poverty datum line. Over 8 million people are unemployed and 70% of the unemployed are unskilled, she said.

Triegaardt said it was critical that economic policy and social policy should be integrated. For too long economists had not been talking to social scientists in the framing of policy. This led to ordinary people being trapped by consumption-based and maintenance-oriented social services.

Triegaardt argued that it was important that organisational and institutional arrangements were made at national government level which would give effect to economic and social development, that macro-economic policies were adopted that promoted employment and that investments were made in basic needs and human capital.

“We need to talk about human capital investments in housing, education, health care and nutrition because these show positive returns,” she told delegates.

Surviving in Kinshasa (and Cape Town)

Even in the most dire and difficult circumstances, human beings manage to survive by eking out a living. This usually takes place in the informal sector.

This is according to Wim Marivoet and Tom de Herdt from the University of Antwerp following a study of life in Kinshasa, the capital of war-torn Democratic Republic of Congo (DRC).

Looking at data going back more than 30 years, Marivoet and De Herdt were amazed that in spite of the collapse of the state and the deterioration of DRC’s Gross Domestic Product, there has been no real decline in people’s standard of living nor in their nutrition levels.

This is in all likelihood due to the rise in informal trading and employment, Marivoet said.

Marivoet noted that people's daily expenditure had fallen by only 5 percent between 1975 and 2004 while calorie consumption, undernourishment and education data both indicated little change in people's standard of living.

Almost 90 percent of households in Kinshasa were found to be involved in the informal sector in some way.

"The combination of data can only conclude that informality must have increased", Marivoet said.

He told delegates this suggested that the process of informalisation had not worsened inequality or poverty in DRC society over the period.

The study also indicated that it was not just the poor who engaged in informal economic activities, but the non-poor too.

South Africans on the move

Experts are amazed at how quickly South Africans move between formal employment and informal business activities.

Recent data that tracks employment trends in 30,000 households indicates that more than 50% of South Africans changed not just jobs but sectors in a two and a half year period from 2002.

This is according to University of KwaZulu-Natal researcher Imraan Valodia and his colleagues at the Centre for Development Studies, Richard Devey and Caroline Skinner.

Presenting their findings, Valodia said he has been amazed by the amount of job swapping, or 'churning', that was going on particularly at the lower end of the salary scale.

The links between the formal economy and the informal economy in South Africa were "extensive", Valodia said, in contrast to common assumptions on the subject.

"There is a surprising level of churning in the labour market. At the bottom end, workers appear to move a lot between formal and informal jobs," he said.

In other interesting data, Valodia said that only 44 percent of South Africans employed in the formal sector earn R2,500 a month or more. Only 0,9 percent of domestic workers earn this amount monthly.

With almost 15 percent of South Africans in formal employment earning less than R1,000 per month (including 87 percent of domestic workers), it was evident that poverty existed even within the formal sector of the economy, he said.

Parallel Session - Livelihoods at the Margins (1)

Rosemarie Mwaipopo & Eleanor Fisher:
Working the margins: Social exclusion and artisanal mining in Africa

Patrick McAllister:
Spatial dichotomies and the realities of everyday practice

Many artisanal miners' working claims in Tanzania would fall through the cracks in any government attempt to regulate the industry and would not benefit from efforts to include them in a more formal approach to mining in that country, according to Eleanor Fisher, a poverty researcher from the Centre for Development Studies at the University of Swansea in the United Kingdom.

"Thousands of informal miners have no legal right to the claim they were mining," she said.

Fisher and fellow researcher Rosemarie Mwaipopo conducted their research in the Mwana region of Tanzania and looked specifically at the hardships faced by artisanal miners in that region.

"The state would like to see artisanal mining integrated into the formal sector mainly because it would be easier to deal with," she said.

This was especially the case where corporate foreign investors were wanting to buy mining rights from claim holders.

Artisanal miners, the most vulnerable in the mining sector, were not easy to regulate because they were not registered claim holders but rather worked claims owned by someone else.

The interests of the hundreds of miners working those claims, but who were not registered as claim holders, was prompting extensive debate in Tanzania.

Recognising cooperation as a survival strategy

Survival techniques developed by peasant communities against poverty must be taken into account in the development of poverty alleviation programmes to avoid destabilising an otherwise well-organised community.

Patrick McAllister, a poverty researcher from the University of Canterbury in New Zealand, discussed the definition of "marginalisation" in his paper; "Spatial dichotomies and the realities of every day practice".

The paper was presented in his absence by Andrew Ainslie, a Grahamstown-based researcher for the Agricultural Research Council.

McAllister has studied the same Xhosa community, the residents of a sub-ward in the Shixini administrative area near Willovale, for the past 30 years. His research has concluded that, although the people in the community are poor, they have developed a moral system, based on cooperation that will ensure their long-term survival and comfort.

“One of the most striking features of Shixini life is ...the dense network of relationships between homesteads... involving collaboration and interaction in a variety of agricultural and other activities.”

In this community every homestead’s assets, in the form of labour, equipment and livestock belong to both the individual and the community.

The motive behind this communal sharing is not a romantic selflessness but a guarantee of survival, he says.

“This is because each homestead that dies out is a threat to the economic survival of the others where economic survival depends on co-operation between homesteads.”

Different degrees of marginalisation within the community occurred when a homestead did not contribute labour or resources to the greater good. Sometimes this was a self-imposed marginalisation where a homestead was no-longer dependent on agriculture for its survival.

McAllister highlighted the importance of beer drinking rituals in the development of the community saying that those who did not take part in beer drinking rituals were also very much on the outside.

In his final remarks he said the concept of marginalisation and how it played out in poor communities needed to be studied and should not be assumed to “exist or to coincide with structural factors such as gender and age.”

Parallel Session - Marginality and vulnerability (1): Disability, Poverty and Occupation

Theresa Lorenzo:

From the Margins – A web of possibilities for disabled women to foster social change

Marion Fourie:

Occupation – A helpful way of viewing what people do every day and how they respond to poverty

Ruth Watson & Madeleine Duncan:

Chronic poverty, disability and occupational deprivation

These three presentations examined issues of marginality and vulnerability in relations to a very specific context, namely poverty and disability. There was a large degree of continuity across the three presentations as they were all informed by a common concept of 'occupation' and rooted in the disciplinary background of Occupation Therapy. In all three presentations, 'occupation' did not simply mean a vocation, or remunerated employment. Instead, it refers to all that a person needs, wants to do and is obliged to do. This rather expansive concept is useful because it locates the lives and experiences of the impoverished, disabled people within their household and social context. It enabled the three presentations to focus on understanding the complex interaction between disability and the livelihoods of disabled people.

Ruth Watson considered the complex interaction between disability and chronic poverty in South Africa. Receipt of a state Disability Grant of R790 per month enables many disabled people to survive, and its income is in many cases augmented by various forms of informal economic activity. Yet Watson argued that many disabled people and the households they inhabit are not simply disabled and poor: rather, they are what she characterised as 'occupationally deprived'. Occupational deprivation is here defined as exclusion from the range of both necessary and meaningful activities a person would normally engage in, on a regular basis. So while the Disability Grant provides an important safety net for many disabled people, Watson pointed out that very little effort is being devoted to educating and rehabilitating the disabled back into society. She therefore argued the potential of this group of people was being wasted because "Disability grants are necessary but often, once given, there is nothing in place to look at the potential of people".

Not only did Watson suggest that the grant is a relatively small amount and therefore difficult for an entire household to live off, but "Many adults have the ability to not just be dependent on the grant". Watson added "People have the power and potential to become what they initially believed was not possible". In this nexus of occupation deprivation, disability and chronic poverty, human potential is not only wasted in the short term, but poverty risks being replicated across future generations. This is because younger generations of disabled children, and children living in households with a disabled parent, risk also becoming estranged from their own human potential too. For instance Watson observed that the Care Dependency Grant for children (a social grant paid to the caregivers

of disabled children) was characterised by “a lack of co-operation between government departments and social development and education”. She pointed out that the grant stops when the child turns 18 years of age. As the parents often cannot afford to educate the disabled child, the disabled child is condemned to being uneducated (or undereducated), and poor.

Occupational therapist Marion Fourie echoed Watson’s sentiments, and spoke of the key task of facilitation of disabled people’s potential. She observed that “People get the disability grant, which is very often temporary. When that runs out, there is nothing and then we find that the reintegration into society is lacking.” She characterised the process of exclusion whereby many people lose whatever jobs they previously had because of the impairment they suffer, but then they are subsequently unable to re-enter the labour market. This is despite the fact that in many of these cases, Marion Fourie noted, people recover and their “injuries are minimal”. Fourie therefore argued that putting human potential at the forefront of rehabilitation programmes was crucial. This understanding of disability looks to the effects of the larger constraining environment and argues that rehabilitative efforts need to build on people’s existing coping strategies. Presenting a case study of an impoverished disabled person, Fourie argued that occupation is not only how she responds to her poverty, but also makes sense of and generates meaning in her life. Fourie therefore argued that these understandings of disability need to be located within the rich fabric of household and communal life.

In a participatory study, Theresa Lorenzo, an associate professor of Occupational Therapy and Disability Studies at the University of Cape Town, found that although the Disability Grant was crucial in assisting people there is scope for further efforts and state intervention. She suggested that issues concerned with disability are typically segregated, rather than integrated into mainstream projects. She observed “It would be better if there is a co-ordinated effort in skilling people on how to address issues of the disabled community, rather than starting projects specifically for the disabled”. She elaborated “We seriously need to look at cross programming because there is a segregated way of thinking”.

Invisible Burdens: Unpaid Work and Working Women

Donna Doane:

Living in the background: Home based women workers in South and South East Asia

Bipasha Baruah:

Women and multiple vulnerabilities: Opportunities and constraints in landed property ownership in the informal sector in urban India

Women homebased workers in the textile industry in South and South East Asia will remain at the bottom of the employment hierarchy because they have no social protection and are discriminated against on the basis of gender, social standing and economics, argues Donna Doane, who has been a research consultant with Homenet South East Asia since 1997. Doane said that this fact left women with very little recourse to remedy their situation.

Doane undertook a study in Thailand, Philippines and Indonesia and interviewed thousands of women for her research. She defines home-based women workers as those who work at their own homes or in small-scale workshops and who are often self-employed people. They also include subcontracted workers.

“In these regions informal workers are at the bottom of the income hierarchy because they have no protection of any sort,” she said.

“Even in this group there is a hierarchy – the upper end of workers who are better off and make high quality, specialised products and the lower end which consists of workers who struggle to make a living and make poor quality and generic products.

Gender roles made matters worse: “The lower end workers are seen as housewives who are providing a supplementary income. Women in this group are hit the hardest by poverty,” Doane said.

She pointed out that factors that influenced the relationship between these workers and poverty included economic trends – and the changing organization of international production.

“People are losing out on the domestic and international markets as factories move out. The domestic market is dwindling because of illegal imports and ‘changing tastes’.

“For example, people stitching blouses in Bangladesh now have to face the fact that people no longer want home-made goods,” Doane said.

Another factor was gender discrimination whereby women face a lack of access to education, land and social restrictions. Doane said women were also the social minority on ground of ethnicity, caste and lack of access to resources. She said in these countries, the children’s ability to rise out of poverty was hampered by chronic illness, indebtedness, drug abuse and early pregnancies.

“What is significant, though, is the fact that a vast majority of the women interviewed don’t want their children to follow in their footsteps and want their children to get out,” Doane remarked.

She said that what such women feared most was illness and lack of sufficient work. “Both of these are feared and both are intimately connected because it creates the inability to work. There are consistent health and economic concerns which these women see to be crucial in their lives,” Doane said.

Doane is of the opinion that there should be a national programme to deal with social protection, which encompasses social security, health care and employment programmes. “A vast number of homebased workers rely on family and friends for social protection. Although there are economic programmes to deal with the lack of sufficient work, they need to go hand-in-hand with other social protection programmes, which must be designed correctly. What is not needed is legislation or policies that exist only on paper – and don’t reach the majority of homebased workers – or pilot projects that help only a few.”

“For many homebased workers there is just nothing,” she said.

Women’s right to property ownership impeded

Women in India face a multitude of key challenges in their quest to secure access to and control over landed property in the country’s low-income urban settlements, is the finding in a study by Bipasha Baruah, an associate professor at California State University.

Baruah was speaking on women’s constraints in property ownership in the informal sector in urban India.

“Like men, women acquire property through inheritance, purchase in the market, and/or distribution by the state.

“However, unlike men, urban women face the following key challenges in securing access to and control over property: accessing joint titles to marital property; incurring higher formal and informal transaction costs for sale and transfer of property; and accessing adequate and appropriate financial services to facilitate purchase of new homes and upgrading of existing homes.”

Baruah said other factors that impeded a woman’s right to property ownership were inadequate income and insecure employment; limited access to markets and the wider economy; concerns about physical safety resulting from the lack of basic amenities like toilets and street lights; the existence of pervasive gender-based employment discrimination; inadequate access to life and health and asset insurance.

She said legislative reforms to facilitate urban women’s access to joint property titles, policy changes to waive or greatly reduce property sale and related expenses for low-income women, affirmative action legislation to ensure that women are able to translate vocational training into equal employment opportunities with men and increased collaboration between public, private and community-based organizations on shelter provision and upgrading for low-income populations would go a long way to ease the plight of these disadvantaged women.

Baruah based her findings on the Self-Employed Women's Association (SEWA), a trade union founded in 1972 to organize women in the informal sector in the western Indian state of Gujarat.

"Inadequate and irregular incomes force women to prioritise their most basic short-term needs like food, shelter, clothing, and medicines over other longer-term needs and to reserve what little they can save for exigencies like illness and unemployment. Many women are forced to prioritise basic consumption needs over education for their children," she said.

She said men in households were often reluctant to render a large part of their incomes for household sustenance and frequently spent all or most of their wages on alcohol.

"In contrast, women spent their wages in most cases almost fully on their households. In such situations, carefully designed survival strategies by a woman might be shattered not just by her husband's personal expenditure from his own income, but also by his appropriation of her earnings or her savings."

Baruah said employment discrimination based on gender was pervasive in India.

"Similar experiences narrated by women attempting to enter previously male-dominated occupations support that the gender-based wage differential cannot be overcome by simply improving education and training for women," she said.

Stephanie Barrientos:

**Migrant and contract labour in global production systems:
How to ensure decent work for the most vulnerable workers**

Joris Verschueren:

Informal globalization or global informalization?

Uma Kothari:

**Global peddlers and local networks:
Reworking the spaces of marginality**

Informal street peddlers often took years to settle after leaving their home country, travelling via a complex series of moves to eventually (if ever) reach their goal, establish themselves legally within their adopted country's economy and reunite their family.

This ongoing travelling coupled with the skills they acquired on the road meant the traders on the streets developed a "worldly disposition" that came in useful as they established themselves in a new country.

These remarks by Dr Uma Kothari, Reader at the Institute for Development Policy and Management at the University of Manchester, highlighted the common challenges faced by street traders across the globe.

Kothari's research focused specifically on the Senegalese and Bangladeshi street traders operating in the Spanish city of Barcelona.

"Street peddlers regard the place and activity as a stepping stone to a better life," she said, "they don't imagine street peddling as a permanent way of making a living."

The Bangladeshi traders worked their way into Europe usually via India, to Dubai and then sometimes through Austria or Germany and on to Spain and eventually Britain.

"They are careful of the regulated spaces they inhabit and have learned to dodge the police with remarkable efficiency. They keep moving until they can sort out the paperwork to become legal."

Kothari showed slides of Senegalese traders evacuating a Barcelona pavement ahead of the arrival of an on-foot policeman. They are gone in seconds and the policeman is barely out of sight before they are trading again.

The street traders' supply chain was also becoming increasingly sophisticated.

"One peddler told how he uses his cell phone to take pictures of the latest street fashions. He then sends them to a connection in Italy – and within days he is selling the latest fashions on the pavement, at lower prices than the formal shops."

The eventual arrival of wives and girlfriends from the home country added a new dynamic as they took over decisions on which stock to purchase, especially for trade in fashion.

Street peddlers were changing the nature of public spaces but were tolerated in Spain because of the “ethnic” nature of their goods and a feeling among the local people that tolerance towards black people enhanced their image as a “world city”.

Although these street peddlers were living on the margins they were developing skills, expertise and networks that enabled them to operate successfully in a global context, she said.

In a presentation on the often hidden role of migrant workers in global production systems Dr Stephanie Barrientos, a research fellow from University of Sussex, described how a system of providing low cost labour to meet urgent deadlines by supermarkets was compromising workers’ working conditions and even safety. “These people do not work for the producer but rather a “gang master” who takes a cut of their wages for finding them work.”

It was a system that was becoming increasingly popular in the global production system as big corporates transferred risk and cost down the supply chain. This led to exploitative and dangerous conditions. Her presentation showed that ‘marginality’ was not only something that existed in the South. Some of the worst and most dangerous conditions existed right on Northern consumers’ doorsteps as well

Joris Verschuere from the Belgium Institute of Development Policy and Management described his research among Congolese traders selling curios in Cape Town.

The collapse of the Democratic Republic of Congo meant a renewed influx of Congolese into South Africa where they faced ongoing xenophobia from the local population as well as police harassment. Despite this they were able to operate successfully in the informal economy by establishing networks that ensured an ongoing supply of stock.

“Their situation remains precarious because it takes years to obtain a residence permit and it is only with a residence permit that you can obtain a work permit.”

Verschuere highlighted the degree of sophistication and organisation in traders’ supply chains – and how, ironically, the most sophisticated of these traders based their success on their ability to ‘sell’ an experience of a supposedly ‘primitive’ Africa to credulous European tourists.

Hein Marais: **Buckling – The impact of HIV and AIDS**

South African companies are shifting the cost of the HIV-Aids epidemic off their books and into people's homes. In doing so, they are contributing to the collapse of households and the reinforcement of inequality.

This is according to writer Hein Marais who told delegates that while South African company strategies were "not necessarily conscious or deliberate", the shift of costs amounted to a "massive redistribution of risk and responsibility in South Africa".

These strategies included outsourcing work, shifting to casual or contract workers and the introduction of labour-saving work methods and technologies, according to Marais.

In addition, companies were reducing employer contributions to medical benefits, were cutting death and disability benefits and had overseen the move from defined benefit to defined contribution pension schemes.

"These are the kind of manoeuvres enabling companies to sidestep the effects of HIV/AIDS," Marais said.

While agreeing these strategies were frequently responses to "structural demands", Marais said it was important that their impact was acknowledged.

"The South African economy is seen as a success story but this is because we are blinded to the underlying realities," he said.

While firms were deflecting the cost of the epidemic, these costs were instead being borne in South African households.

This often meant that women were shouldering the mostly unpaid burden of care and support and were subsidising both government and the private sector.

"The burden of care is being shifted into homes and often onto women, many of them poor, some of them desperately poor."

Patients and caregivers were having to subsidise care themselves while government was trumpeting the ingenuity and resilience of South Africans. Frequent calls for volunteerism amounted to little more than an expectation of greater reliance on the unpaid labour of women, Marais said.

He added that while company strategies had shifted the cost of the epidemic off the balance sheet, affected households were already redirecting their resources away from micro-enterprises and businesses and into health-related expenses. This would show up in GDP figures, sooner or later.

Parallel Session - The Margins and the Centre (2): The State versus the Unregulated

Tendai Mugara:

**The impact of Operation Murambatsvina on urban livelihoods of
'informal vendors' in Harare, Zimbabwe**

Kudakwashe Manganga:

**Street vending in post-Operation Murambatsvina Harare:
The case of female vendors at Machipisa, Highfield township**

Richard Tambulasi & Happy Kayuni:

**Can the state perpetuate the marginalization of the poor? An analysis
of the effects of the state's ban on minibus 'call-boys' in Malawi**

The Zimbabwean government's removal of informal traders from the streets of Harare in 2005, known as Operation Murambatsvina (Clean-up) has intensified hardship in the country and shored up support for the opposition Movement for Democratic Change (MDC).

This is according to Tendai Mugara and Kudakwashe Manganga, two Zimbabwean researchers based at the University of the Western Cape (UWC) who have studied the impact of the forced removals. Manganga said Operation Murambatsvina had probably been launched to pre-empt the riots that were developing on the back of Zimbabwe's deepening economic meltdown. During the operation, thousands of shacks and structures were demolished, goods were confiscated and street vendors were arrested.

The Zimbabwean government said at the time it conducted the exercise to ensure order in the urban areas, eliminate criminal activities and improve living standards, said Mugara. The consequences, however, had been very different. As many as 700,000 people lost their livelihoods and often their houses, with as many as 2,5 million people directly affected by the operation.

"Removals on this scale are truly unprecedented in Africa. Even in South Africa during apartheid, no single eviction was ever on this scale," said visiting UK academic Deborah Potts, who was chairing the session. Many of those affected were already vulnerable with a high proportion of women surviving through informal trading. With almost three quarters of households in Zimbabwe engaged in informal trading, the criminalisation of the activity continues to impede many people's only means of survival, Mugara said.

"Operation Murambatsvina left an indelible mark on urban voters who have been aligning themselves to the opposition MDC, Manganga added. The urban poor were assuming political importance and were tired of being used by politicians as pawns, he said.

Informal trading has become a common activity for everyone from university professors and students to the unemployed. "It's not just poor who are into vending," Manganga told delegates. "It's just the commodities on sale that differ". The researchers said the intensification and persistence of Zimbabwe's economic crisis would inevitably support the revival and growth of informal trading in the future.

Similarly, Richard Tambulasi noted that in Malawi informal sector activity is a common phenomenon, with only 25% of Malawians absorbed by the formal sector. Minibus calling has been one of the ways people earn an income in the informal sector, which has had significant trickle down benefits. Tambulasi presented a paper on taxi touts, or “call boys”, who operated until recently in Malawi. The activity has recently been banned by the Malawian government and anyone involved in minibus calling faces a fine or imprisonment. As a result of the government’s intervention, poverty has increased.

Tambulasi said calls were being made to formalise taxi callboys to allow them to operate within a properly regulated environment.

Parallel Session - Livelihoods at the Margins (2): Agrarian Pathways

Admos Chimhowu & Phil Woodhouse:

Vernacular land markets and rural poverty: Reflections on land transactions in Svosve Communal Area, Zimbabwe

Barbara Tapela:

Vulnerability, marginalisation and the state: Livelihood impacts of agricultural commercialisation in small-scale irrigation schemes in the Limpopo province

Andrew Ainslie:

Band-aid, banditry or bricolage? Cattle production in the borderlands of the Eastern Cape province

Informal land sales across Africa are being driven by the displacement of people who are desperately seeking some security where they can settle and farm to survive. This was especially obvious in Zimbabwe where the formal economy had collapsed and local people were returning to rural areas to farm and guarantee a food source, according to University of Manchester poverty researchers Dr Phil Woodhouse and Admos Chimhowu.

Their paper focuses on land transactions in the Svosve Communal Area of Zimbabwe and highlights the insecurity of the legitimacy of these transactions.

“The evidence we have from Svosve is that land redistribution has done little to produce equitable landholdings,” said Woodhouse, “In the context of widespread collapse in state services to small-scale producers it seems likely that many of the poorest landholders will prove ‘too poor to farm’.” What this means is that these informal land transactions will eventually result in a differentiation between rural labourers and capitalist farmers in communal areas, he said.

Using population figures for the Svosve district Woodhouse showed how dramatic the pressure for land was becoming. In 1900 just 2000 people lived in the area but by 2002 this figure was nearly 20 000.

The potential tax yield of this increasing number of people for the local authorities also motivated land sales.

Woodhouse quoted one interviewee as saying: “In Svosve the ‘selling’ and ‘renting out’ of land is so rampant that the only impediment to the whole process is space itself. If land could be reproduced then local administrative heads could have continued to receive new land occupiers”.

The authors commented that the consequence of this linkage between tax revenue and land sales was that the purchasers of land were registered by the state and enjoyed “a degree of legitimacy”, “albeit acquired through what remains, in law, an illegal process.”

The South African state's attempts to revive small scale irrigation schemes was the focus of a paper presented by Barbara Tapela, from the Programme for Land and Agrarian Studies at UWC. Tapela examined two small-scale irrigation schemes, one at Makuleke near the Kruger National Park and the other near Hereford in the Limpopo province. Encapsulating a policy retreat from traditional models of household orientated social welfare, commercial agricultural schemes such as these attempt to turn the rural poor into commercial producers. As such they represent a policy hybrid between traditional anti-poverty social welfare and neoliberal development approaches. Initiatives such as these sit comfortably with the prevailing orthodoxies of rural spatial and local economic development, and harness current day land and water reform initiatives.

Yet neither of the two projects proved to be a commercial success. On the one hand the projects excluded some of the areas' poorest residents and eroded their food security; on the other hand, several of the less marginalised residents who participated in the project, were left with large debts. Tapela's detailed discussion of the difficulties faced by the two projects calls into question several of the orthodoxies associated with this type of agricultural development. She notes the contradictory objective of both maximising economic gain and, simultaneously, promoting equitable access and participation. In addition the projects struggled with the familiar weakness of institutional co-ordination and monitoring, along with a tendency to marginalise women – whose labour was central to the project. Expecting small scale emerging farmers to compete in increasingly globalised production chains is unrealistic. Ultimately, Tapela suggested, facilitating local agricultural production probably requires different types of strategies for different groups, including a focus on subsistence-orientated initiatives.

In his paper, Grahamstown-based researcher Andrew Ainslie, who currently works for the Agricultural Research Council, looked at cattle ownership on the communal lands in the Eastern Cape. He assessed its role in the "second" economy and questioning whether or not it could provide a route out of poverty. He highlighted the often-disregarded significant value of local cattle. Cattle were at the centre of a vibrant and complex local relational economy - one shaped not only by pure economic considerations, but also by social mores and values around cattle ownership. Cattle ownership in these areas however should not be seen simply as backward or traditional; rather it was well adapted to local challenges, and practices continue to respond to changing realities.

Parallel Session - Marginality and vulnerability (2): Social Protection at the Margins

Sunil Kumar:

**Lines in the sand: A conceptual exploration of the informal worker,
employer, state nexus and social protection**

Beth Goldblatt:

Poverty, gender and the disability grant in South Africa

Poverty, gender and the disability grant in South Africa

Legal scholar and poverty commentator Beth Goldblatt described research conducted on South Africa's Disability Grant. In a social grant system with 10 million recipients (roughly a quarter of the population), the Disability Grant is the sole social grant available to working age adult South Africans. They fall into the demographic gap between 14 and 65 years of age; ineligible for the child support grant or the old age pensions available to recipients at either extreme of the age scale. In the context of high levels of poverty, and a deepening AIDS pandemic Disability Grant recipients doubled between 2000 to 2004 to 1.3 million. It is this context of a deepening HIV pandemic, and the adult age 'hole' in the welfare that Goldblatt addressed.

She suggests that "Recent research has drawn attention to the unintended conflict that this may present for poor people who might be faced with choosing between maintaining health through treatment and obtaining money through a State grant." While some evidence suggested that most Aids affected people would choose anti retroviral treatment over access to a disability grant, many would rather "die than lose the grant". Goldblatt cites the work of anthropologist Leclerc-Madlala, who has documented patients rejecting lifesaving antiretrovirals in favour of retaining their disability grants. In practice what happens is that a doctor takes the decision to put a patient on a grant if that patient's C cell count of 200 or below. However patients realise that if they become too healthy the chances of qualifying for the grant is remote. Leclerc-Madlala quotes a woman – Zolile, a 25-year-old single mother - who made this heartbreaking choice. She said, "I want to get sick so the doctor will give me a grant, and my children will have healthy food" ... "Even if I die, my children will be better taken care of". This dynamic can only serve to confound efforts to control the epidemic.

Goldblatt therefore argues that as the South Africa state continues to broaden its delivery of ARV treatment and Aids support services, it is important that planners incorporate an understanding of how an HIV or AIDS diagnosis in the context of entrenched poverty may simultaneously represent both a threat, and a means to financial survival. In light of the fact that women bear responsibility for the care of children, and predominate amongst those living with HIV/AIDS-related illnesses, attention needs to focus on the gendered dynamics of Disability Grant receipt. Goldblatt concluded by posing the question whether the illness and disability of women is treated in the same way as that of men, and whether women's needs are being adequately met by the social welfare system.

The informal worker, employer, state nexus and social protection

Informal sector employment is often marked by low and precarious wages, adverse working environments and a lack of welfare benefits. Sunil Kumar of the London School of Economics examined the rise of informal sector in much of the developing world and considered the success of efforts to extend social protection to workers in this sector. Throughout much of Africa, Asia and South America the informal sector provides the only growth in waged non-agricultural work; livelihoods are therefore being increasingly generated from self-employment, contract and casual work. In the developing world, even formal employees have been pushed into informality. The growth of increasingly globalized service orientated fields has, similarly, seen informal and contract based employment flourish.

Kumar considered the Indian experience in extending social protection to informal sector workers; these initiatives included a National Commission for Labour and a National Commission for Enterprises. Kumar argues that social protection legislation targeted at the informal sector in India often proved ineffectual. This is partially a result of the fact that the organisation within the sector is often premised on traditional employer – employee relations. Furthermore Kumar notes that informal sector organizations were poorly linked with larger movements, and often relatively ineffective. He concluded that “This results in a fragmented voice coming from the informal sector and for me it will always remain so because it comes from a fragmented society”. The challenges of organising the informal sector therefore remain a key challenge in extending social protection, Kumar concluded.

AbdouMaliq Simone:

**The textures of urban informality in Africa:
Notes toward reaffirming the importance of the deal**

Jo Beall:

Inside out: Informality, exclusion and the state

Deal making in Africa and the extent to which it is shaping the continent was outlined in a presentation by AbdouMaliq Simone, Professor of Sociology from the University of London.

Simone painted a picture of a dark, crowded Lagos hotel bar where desperate city dwellers were trying to agree on how to respond to a deal offered by “the governor” for living space. The odds seem insurmountable, the possibility of compromise impossible. Shady characters lurk on corners with suitcases filled with money. Tempers flair and even the air conditioning is broken. When the circumstances can't seem to get any worse, an old man arrives and within fifteen minutes the whole situation is resolved.

Through this vivid example Simone left his audience wondering exactly how Africa's urban centres really work. His suggestion is that powerful key figures, known and respected by constituents, make deals that are accepted and respected by groups of people who, superficially at least, appear unable to compromise.

“While deals may often involve too many hands in too few pies and the participation of too diverse a crowd of actors that may seem to bog down any forward momentum,” he says, “the combinatorial richness of many deals means that many perspectives are brought to play in scenarios that may seem to have little to work with.”

Simone described how so many urban African institutions are rendered dysfunctional through vested interests and paranoia. This is made worse by the arbitrary application of rules and policies, he said.

“What often passes for administrative dysfunction is rather the maintenance of spaces for deal-making.”

Jo Beall, head of the Development Studies Institute at the London School of Economics, used the examples of Afghanistan, Pakistan and South Africa to highlight how the relationship between society and the state work in different political settings.

“Compared to both Afghanistan and Pakistan, South Africa is a strong and stable state,” said Beall.

“It has huge reserves of legitimacy and state authority has been firmly regenerated following the capitulation of a weak apartheid regime.”

However this was a “fragile stability” at risk from “enormous social problems” like poverty and inequality, unemployment, HIV/AIDS and personal and property insecurity. “All of which have barely improved since the apartheid era and have perhaps even deteriorated,” she said.

Parallel Session - The Margins and the Centre (3): Power, Informality and Poverty in Urban Settings

Gayatri Menon:

Securing shelter in the shadow of violence

Diana Mitlin: A Class Act: Rules, regulations and rituals and the creation, maintenance and reduction of poverty

Mirjam van Donk:

'Positive' urban futures in Sub-Saharan Africa:

HIV/AIDS and the need for ABC (A Broader Conceptualisation)

Being poor in the city exposes people to heightened dangers of violence, HIV infection and exclusion, presenters on this panel agreed.

Mirjam van Donk, the Director of Isandla Institute, highlighted the naivety of models of HIV prevention that saw risk-taking behaviour as irrational. The multiple pressures faced by the poor – especially the urban poor – had to be taken into account in considering behaviour. She pointed out that in sub-Saharan Africa, HIV-infection data clearly indicated that city dwellers in most countries were much more vulnerable to becoming infected with the virus.

This demonstrated how dynamic the epidemic was and how it exploited new opportunities for transmission, she told delegates.

The reasons for this heightened vulnerability in the urban areas included the fact that most new arrivals in the cities were single, young adults. In addition, the urban population tended to marry later, possibly influencing sexual relations, while health services were frequently inadequate or difficult to access. Importantly, informal living conditions, characterised by inadequate shelter and service provision, are associated with enhanced vulnerability to HIV infection. HIV infection levels tend to be disproportionately high among urban slum dwellers and research suggests that the physical environment influences choice about sexual behaviour, sexual behaviour itself and access to HIV prevention technologies.

The lack of secure employment, proximity of commercial sex workers and the transportation networks linking cities with other towns and regions also contributed to enhanced levels of vulnerability to HIV infection particularly among the urban poor, Van Donk said.

Sociologist Gayatri Menon told the conference that about 10 million people live in slums or pavement dwellings in the Indian city of Mumbai. Many of these people are engaged in a relentless struggle with the state to keep shelters over their heads.

“Land is the currency of power in Mumbai”, said Menon, who is based at Cornell University in the United States. “The poor are finding it increasingly challenging to negotiate a home in the city”.

She added that about 60 percent of Mumbai’s 16 million people live in slums or pavement dwellings, frequently “under the shadow of violence”.

The state commonly destroyed shacks and shelters forcing pavement dwellers to escape and then return to build new places to live, according to Menon.

She explained how the urban poor in Mumbai had grown tired of closing legal avenues and bureaucratic cul-de-sacs and had embarked on their own initiative to assert their rights.

This had proven far more effective and had resulted in many cases of successfully negotiated improvements.

The difficulties of the vulnerable, often illiterate poor having to engage with formal rules and procedures and professional or government officials was a theme taken up by UK poverty specialist Diana Mitlin.

Based at the International Institute for Environment and Development in London, Mitlin said professional development officers often carried class biases and attitudes that influenced the kind of solutions that were put forward.

Frequently, these solutions failed to canvass the real opinions and preferences of the poor and were therefore doomed to failure.

“There is a real need to find new forms of relationships that build from below,” Mitlin told delegates.

She said there were about 500,000 illegal workers in the United Kingdom, many of whom were suspicious about formal processes and procedures.

“They are worried that the end result will be them being shipped out”.

She added that even in South Africa, the informal space occupied by many urban dwellers was often characterised by extreme forms of violence.

“There is in some cases a vicious battle for the control of informal land markets, and an undercurrent of violence,” Mitlin said.

Caroline Skinner:

Synchronicities and mismatches:

Urban planning, policy and practice towards street traders in Durban

Happy Kayuni & Richard Tambulasi:

Indispensable livelihoods wiped out?

The case of street vending in Malawi's urban centre, Zomba

Colman Msoka:

Street vending in Dar es Salaam:

The dynamics behind continuing vulnerability

Many of those attending the conference are from countries where street trading is an ongoing headache for local authorities but the only means of earning a living for many of the society's most vulnerable people.

Durban was held up as an example of international "best practice" in the way the city manages its street traders. University of KwaZulu Natal poverty researcher Caroline Skinner delivered a paper in which she described the history of street traders in the city and how challenge of accommodating them had been handled. Skinner highlighted the success of the Warwick Junction, which accommodates an estimated 4000 traders serving 300 000 daily commuters. This success she said was due to a series of factors, which included the right political moment, a well resourced city council, appropriate land that was owned by the city and visionary staff who were "on the streets and not behind desks".

In contrast, Happy Kayuni, a Malawian researcher focusing on public policy analysis, discussed the fraught relationship between the current Malawian government and street traders in the city of Zomba. In April last year the traders were forcibly removed and relocated to a flea market in an attempt by government "to clean up the streets". This was in direct contrast to the traders' relationship with the previous dispensation where they were allowed unlimited liberties. The situation remains unresolved.

Coleman Msoka, a Compton Peace Fellow from the University of Dar es Salaam, described the challenges faced by the Tanzanian government, which originally encouraged the informal sector in a bid to create work. "With the growing size of the private sector in the country and the union of the formal sector vendors with the informal ones, the state has shifted its identity and it is now up against rampant street vending." The goals of the state were to curb tax evasion as well as to tap resources from the ever-increasing number of businesses in the informal sector, he said.

Parallel Session - Governance and Power: Planning, Participation and Informality

Colin Marx:

On the margins of 'the economy'

Maria Fernanda Garcia:

Seeking to participate:

Reconfiguring the relationship between the state and street vendors in Caracas, Venezuela

Participation and the relationship between state and street vendors in Caracas

Maria Fernanda Garcia delivered a paper on the experiences of street vendors in Venezuela, focusing on the informal sector's difficulty in politically engaging with the state. These difficulties stem from two basic causes. The first is the informal sector's inability to organize itself politically; the second is the manner in which the modern state discourses of inclusion and participation are not matched by the reality on the ground.

With Venezuela's new constitution of 1999 came the realization by the many street vendors of Caracas that they had a right to earn a living on the streets. They responded to this by forming local organizations and electing representatives to engage with local government. In 2005 two political parties were registered with the explicit aim of furthering the interests of the sector – one sought to represent the informal sector within the bounds of existing party politics and formal representative channels, while the other styled itself as a 'movement' independent of both the government and the opposition. Yet Garcia argues that both parties were generally distrusted by the street traders, who viewed the parties as ineffective and its leaders as only interested in their own advancement. "They thought the leaders only looked after their own interests and that they would use their struggles as a political platform for personal gain", Garcia explained. Alongside a distrust of political parties and movements set up to represent informal sector interests, Garcia also notes that the local municipal government continued to use informal strategies to effectively exclude informal sector representatives from participating in decision-making. Within this dynamic Garcia notes a key paradox: although the state articulates the notion that marginalized informal sector workers need to be included in local governance, the same state continues to informally exclude them. Garcia explains, "The state symbolically uses participation to gain legitimacy while privately reproducing exclusionary practices."

On the margins of "the economy"

The eThekweni municipality in Durban has had some noted successes with large-scale infrastructural development projects, but to what extent have its most economically marginalised residents benefited from these developments? In a paper, based on his PhD research, Colin Marx suggests that certain patterns and understandings of economic marginality were reproduced in Durban's planning process. He suggests these understandings of the 'margins' continue to endure, particularly as cities compete for investment, visitors and prestige in an increasingly globalized world. Within Durban's two-tier political structure from 1996 to 2000, Marx's research examined local political processes and institu-

tional practices in the city as it engaged in its long-term 'visioning process' - a process sought to draw together various economic, social and infrastructural development activities. However there were tensions between the metropolitan and local government, and mismatches between the political and economic elite, which ultimately saw the economic development imperative predominate. Marx characterises part of this mismatch with "The metro mayor was seen to be too close to business and he was generally immune to challenges, while local councillors were more interested in service delivery".

A consequence of this process of development was that the metro council concentrated on the city's flagship projects (such as the International Conference Centre), to the detriment of less prominent service delivery targeted at the city's poor. Expenditure on the basic needs of the cities inhabitants therefore became subordinate to the demands of the formal economy. Marx suggests that the process problematically conflated the city's economic development and economic development functions into a (inappropriately) single process. A consequence of this is that a certain conception of the 'margins' becomes entrenched in development processes, as the economic margins are cast in the same image as the formal economy. Marx therefore posed critical questions of how particular representations of the 'margins' are created in institutional and political process, and the political imperatives that these representations typically serve. Finally, the paper also considered some of the internal institutional dynamics, by suggesting that these processes engender a consensus and 'subjectivity' on the part of policy makers and researchers. "The question for us now is how we can be more attentive to the discursive", Marx concluded.

Closing Plenary

Reflections by:

Tony Addison (CPRC), Edgar Pieterse (Isandla Institute), Andries du Toit (PLAAS)

Closing and Vote of Thanks:

Mirjam van Donk (Isandla Institute)

In closing the conference, Andries du Toit explored the insights that have arisen in the previous few days – as well as the questions that still remained. Though the conference had succeeded in exploring the texture and the diversity of different kinds of marginality, he said, it had not come entirely to grips with the causes of marginality. There was a danger, he said, that the conference could be seen to perpetuate the notion that understanding marginality simply required a study of the margins. At the same time, many presentations had suggested, if only implicitly, that attention also had to be paid to what was happening in the mainstream. Many papers suggested that ‘adverse incorporation’, far from being exceptional, was a normal feature of present day capitalism. One important challenge that flowed from this was exploring the implications of different kinds of capitalist economy, and identifying growth paths that were more distributive and less exclusionary. The conference had also highlighted just how complex and ambivalent the role of the state was. Some presentations had suggested that formalization and regulation could reduce marginality; while others had suggested that informality and lack of regulation was also sometimes in poor people’s advantage. In this context there was no simple policy solution.

Edgar Pieterse commented on the value and implications of the conference discussions for public policy. He emphasised the need for concrete responses to the problems faced by marginalised people. Noting the importance of sound theoretical and applied research, he said: “What is important is to figure out what this information is and where one goes with this information, so that it can inform the necessary change in policy and development practice.” He argued that from a policy perspective, research is most valuable if it explains particular manifestations or dynamics of marginality in relation to issues such as proportion and scale, the drivers of the phenomenon, and the negotiation and mutation of the phenomenon. Furthermore, relevant research should allow for a clear categorisation of experiences, practices and responses. Importantly, it should assist in reviewing responses to marginality, specifically to address what to do about it and how it will work.

He outlined various domains of practice, each of which with specific policy implications, and argued that there were many gaps as far as the issues discussed at the conference were concerned.

Pieterse said policy imperatives to address poverty included: economic transformation at all points in the production and consumption dimensions of the system; governance reforms and transformation; citizenship and empowerment through state engagement; and, economic inclusion and livelihood production. While it was evident from the papers

presented at the conference that a lot of interesting work was being done on different dimensions of marginality, at different places and at different scales, Pieterse challenged the audience to ensure that academic research has policy relevance to ensure a qualitative improvement in the lives of those on the margins of society.

Well-researched information relating to global marginalisation was important because “statistics are a form of power”, according to Tony Addison of the University of Manchester’s Chronic Poverty Research Centre. “We have to get the story of how informality stands in the global picture into those statistics,” Addison said. “Regarding the chronically poor, we have to ask whether we have adequate linkage to these poor people and their difficulties so we can get them organised. There are new forms of vulnerability which are moving fast globally and the task at hand is to track them within the present framework,” he said.

“Big companies are keen to push social problems into the informal sector rather than acknowledging it themselves,” he commented.

Addison concluded that the conference had been unclear on the role of the state. Some important issues had been disregarded, for instance the role played by the state in redistribution. Taxation, for instance, was a key issue that needed to be better understood – particularly in regard to its complex role in the informal sector.

In closing the conference, Mirjam van Donk thanked all conference presenters and participants for a stimulating exchange of perspectives and experiences. She acknowledged the financial contributions of CPRC, USAID, the DBSA and the NREI which made the event and related outputs possible. She also thanked Armando Barrientos, Ben Cousins, Sam Hickey, Uma Kothari and Francie Lund for participating in the conference planning committee. She further recognised the hard work of people behind the scenes, most particularly Lulekwa Gqiba and Tersia Warries from PLAAS and Letitia Manter from Isandla Institute, who ensured that all logistical arrangements were taken care of. Last but not least, she thanked her co-conspirators Andries du Toit and David Neves from PLAAS for the partnership with Isandla Institute and for successfully co-convening the ‘modest workshop’, as noted by Du Toit in his opening remarks.

Appendix 1

Opening Address by Joel Netshitenzhe, Head of the Policy Co-ordination and Advisory Services in The Presidency, to the International Conference: Living on the Margins, 26 March 2007

Master of Ceremonies;
Madame Consul-General;
Distinguished delegates;

It's more than just protocol when one says that it is an honour to take part in this Conference, even if it's only at an Opening Banquet. It is not often that policy activists such as myself have an opportunity to rub shoulders with such internationally renowned scholars. And I should say that it didn't take much persuading by my colleagues for me to accept the invitation.

But then came the crunch: what does one say to such a distinguished audience! You either speak your mind in which case most of the audience may disagree with what you say; or reduce your input to such banalities that you merely restate the obvious. I will do both, knowing that either way I would not have earned my supper

One thing that struck me though about this conference is that, in a sense, South Africa is a giant social laboratory. Today, as in the past, we are at the intersection of the most concentrated expression of contradictions of race, class and patriarchal power relations. The fact that we have to reverse centuries of negative social engineering means that we are at once objects of curiosity and frontline activists in the world-wide search for a better life for all.

Thirteen years into democracy, South Africans cannot avoid questions such as whether we are making progress in dealing with the legacy of apartheid; whether we are erasing the old fault-lines and whether as we do so, new ones are emerging; and what the limits and possibilities are in a globalising world!

In this sense you could not have chosen a better country as the venue of your Conference; and your timing could not have been more auspicious. This is because this is one of the most potent periods in South Africa's political calendar: firstly, we have just concluded reflections on our experience during the First Decade of Freedom, and we are starting out along a new trajectory; and secondly and even more interestingly, this year the ANC has one of its 5-yearly Conferences and there are intense debates about policy direction towards 2012 and beyond.

I will try in my input to posit a few theses about the substance of these debates as they relate to "living on the margins", and hope I will thereby add some value to your deliberations.

So here goes...

THESIS I

Starting from the general, I wish to argue that, however one defines it, dualism is a permanent state of domestic and global social relations. It expresses itself as centre and margins; vulnerability and comfortable adaptability; exclusion and inclusion; urban and rural; formal and informal or even worker and employer; young and old; male and female.

But certainly, contained in any duality is of necessity a singleness – a unity of opposites in continuous contestation, either with the capacity for co-existence or with the prospect of one opposite eliminating the other.

In my view, the debate is about levels of abstraction and the social utility of categories identified. It is about whether a particular concept of dualism helps clarify reality and the dynamic ways of resolving negative contradictions. In other words, I'm positing the suggestion that we can never get rid of dualism. Yes, categories or levels of abstraction may change; but dualism will always exist.

THESIS II

Dualism is profoundly reflected in the impact of globalisation.

At the economic level, we have on the one hand, to quote Manuel Castells, a global economy that operates as a unit in real time – with the wonder of ICT, genetics and nano-technology among others. All this has great possibility to improve human comfort; and some countries, especially China, India and in Southeast Asia are taking advantage of this. On the other hand, we have what Castells ominously calls Black Holes of exclusion (maybe a bit of an exaggeration); as well as developing countries that bid one another down in poverty wages, lowest tariffs and lowest taxes in an attempt to attract investments.

At the socio-political level, we have on the one hand communications technology that lays bare the extremes of poverty and the limitlessness of the comfort of the rich; and the reality of environmental degradation, impact of contagious 'global diseases' such as AIDS and Avian flu. These factors tend to encourage human solidarity. But on the other hand we have warped ideologies such as the so-called "clash of civilisations" which suggests that a worker in Cairo and a worker in New York should view one another as enemies, and thus kill one another because they belong to different religions. Attached to this is racial profiling. And we also have unbridled pursuit of self-interest as in the Doha round of WTO negotiations.

So, in both its economic and socio-political expressions, globalisation begets dualism.

THESIS III

In some situations of dualism there are opposites that obviously cannot co-exist. Such was apartheid, a system that had to be overthrown and a democratic state created in its stead. Through the Constitution and its Bill of Rights, raft of legislation and the overarching reconstruction and development programme, we have set out to eliminate the fault-lines of racial oppression, class super-exploitation and patriarchal relations of power.

For us, the economic challenge has always been how to ensure sustainability of the reconstruction project.

In this context and in retrospect one can identify four phases in the evolution of government's economic programmes:

- 1994 – 1996 during which period the liberation movement was settling into government, seeking to understand the environment, clarifying the capacity and limitations of state power, learning the ropes and setting out the constitutional and legal framework for transformation.
- 1996 – 2000 which was characterised by macro-economic stabilisation in the form of GEAR: Unfortunately, GEAR was communicated as an over-arching economic growth strategy (with references to a 6% growth rate, creation of millions of jobs, and so on); whereas it was a necessary and self-imposed structural adjustment programme, without which we would not have had sustainable growth.
- 2000 – 2004 in which focus shifted to microeconomic issues, with the introduction of the Microeconomic Reform Strategy (MERS): Sectors with growth potential were identified, and so were cross-cutting issues such as skills development, Black Economic Empowerment and SMME development and outcomes such as job creation.
- 2004 - 2010 which, based on current developments, one can argue is represented by the integration of macro- and micro-economic programmes of a confident, activist developmental state to expand infrastructure and crowd in the private sector; develop an industrial programme and intervene to guide national development, clear constraints to a higher growth trajectory and address issues of economic marginalisation.

In this sense, we are in a post-GEAR period, with phenomenal increases in social and economic expenditure, a growth rate that has averaged 5% in the past three years compared with 3% in the first ten years of our democracy, and labour absorption at about 500 000 per year in the past 3 years or so compared to 200 000 per year in the first ten years.

THESIS IV

The next issue relates to the question of whether we have made progress at the socio-economic level and how we define such progress.

One can rattle off figures about social grants: from R10bn in 1994 covering 2,6-million people to R55bn in 2005 covering 10,5m beneficiaries. This has in part been responsible for the reduction in the Poverty Headcount Index (50% to 44%); and in the Poverty Gap Index showing that the poorest are moving closer to the Poverty Datum Line.

Between 1993 and 2004 access to formal housing improved by 42% and 34% respectively for individuals in deciles 1 and 2; to water by 187% in decile 1 and 31% in decile 4; while for electricity (for lighting) access improved 578% in decile 1. Research also points to the fact that the proportion of people living in poverty decreased from 18,5m in 2000 to 15,4m in 2004.

But we also need to acknowledge that income inequality as measured by the Gini coefficient has grown. While about 2 million net new jobs were created in the period 1995 to 2004, such was the expansion in the job participation rate that the number of unemployed people rose dramatically. Of great concern is that the most affected are youth (unemployment for under-30's in 2005 was at 49% compared to 21% for over-30's) and women (with unemployment among them at 31,7% compared to 22,6% among males).

So progress has been made, but not enough and not fast enough; and we have to contend with the uncomfortable reality about growing inequality.

The critical point arising from this is a methodological one about the definition of poverty in its three dimensions of income, assets and access to opportunity. Indeed, in government's Ten Year Review, what emerged clearly is that provision of services can get discounted if the income issue is not addressed. For instance, unemployed recipients of electricity only use it for lighting and even then they cannot afford the bills. In the inverse, Dr Montek Ahluwalia, Deputy Chairperson of the Indian Planning Commission raises an important observation from their own experience: that where incomes improve but social services do not follow suit, you can have a situation in which poor water provision perpetuates poverty in the form of diseases – thus discounting the improved income.

THESIS V

It is quite clear from the above that, to deal with marginalisation and poverty, economic interventions should constitute the primary form of government action. Proceeding from this premise, the challenge is how to build an economy from which all can benefit, how to eliminate economic marginalisation.

The issue arose in this pointed form when we examined data about employment, inequality and the nature of growth during the First Decade of Freedom which demonstrated, among other trends that the fastest growing sectors were services and capital intensive sectors which not only absorb fewer unemployed workers but mainly those with higher levels of skills. Even in respect of some of the social services, there is a disconcerting suggestion that those most able to access these services are not necessarily the poorest of the poor, but those among the poor who are part of beneficial social networks with some level of social capital.

What this communicated to us was that even if the economy grew by 6% and more, there would still be a large sediment of an 'under-class' imprisoned in the poverty trap. Some estimate these individuals to constitute 25% to 30% of the population.

THESIS VI

It is in response to the question, how do we define the phenomenon of this 'under-class' that the concept of Two Economies emerged. This brings us back to the issue of levels of abstraction when we talk of economic dualism.

There is the one, more orthodox level of abstraction in Development Economics, which refers to the existence of two socio-economic systems in one country (a relatively

advanced industrial economy and a feudal or peasant economy) with tenuous links. Then there is the utilitarian and very specific South African usage which tries to identify specific manifestations of marginalisation in order to elaborate a programme to eliminate them.

How then do we characterise this utilitarian concept of South African dualism?

The Two Economies concept is used as a short-hand for socio-economic dualism. It denotes, on the one hand a First Economy at the cutting edge; globally integrated; and which exports manufactures, services and primary commodities. Alongside this First Economy is another, a Second Economy which is marginalised; at the edges; made up of the unemployed and unemployable; and does not benefit much from progress in the First Economy.

There are a few critical clarifications and qualifications that attach to this conceptualisation; and this is that strictly:

- it does not refer to the urban/rural divide because Second Economy communities are to be found in both geographic spaces: for instance, of the 6 metros in South Africa 4 are among the Top 20 districts with the highest proportion of people living below the Minimum Living Level;
- it does not refer to race as such: blacks are to be found in both the First and Second Economies
- it does not refer to class either: workers in formal employment form part of the First Economy though they are most likely to subsidise dependents in the Second Economy
- it does not necessarily follow the formal/informal divides: some aspects of informal activity such as fashion design and clothing, and suburban week-end street trading are very much part of the First economy

Lastly, while much of the First Economy relationships are mediated through the capitalist market, this market shuns and has little to do with Second Economy communities except as objects of trade, intermittent suppliers of cheap labour, and so on.

THESIS VII

What then is the set of strategic catalytic interventions required to address this specific manifestation of South African economic dualism – and to what end!

In broad terms this requires growth and transformation of the First Economy which in this respect provides resources for the fiscus. Further, many Second Economy activities such as services to the working class depend on a thriving First Economy. And transformation of the First Economy including de-racialisation of ownership and control of wealth does also result in improvements among extended families; it includes community investment by private capital; and it should also mean emphasis in industrial development on sectors that absorb unskilled workers and support to those sectors that lend themselves to Second Economy initiatives.

It also requires a macro-economic stance that appreciates the articulation between “pro-poor economic growth” and “pro-growth poverty reduction” (refer World Bank/Latin American Studies – *Poverty Reduction and Growth: Virtuous and Vicious Circles*). This is

proceeding from the understanding that sector strategies in an industrial policy can favour labour-absorbing industries; that poverty and inequality can in fact act as constraints to growth; and that short-term negative effects of some “pro-growth” actions such as trade liberalisation need to be combined with direct assistance to the poor to mitigate their negative impact.

The aim in broad terms is to build one economy; to obviate the reproduction of duality and eliminate conditions that give rise to it. It is also to ensure that, to the extent that some Second Economy activities will persist, we create conditions for sustainable livelihoods in these communities.

THESIS VIII

This implies the implementation of programmes that encourage mobility from the Second to the First Economy.

Among the most critical of such interventions is education, which has shown its potential as ‘the great liberator’. In the Macrosocial Report produced by government in 2005, among the interesting trends noted is that likelihood of entrepreneurship and prospect of survival of an enterprise are positively linked to the level of education; amongst women, the courage to migrate to areas of economic opportunity depends on the level of education; and the level of household income is also positively linked to the level of education. The problem that needs to be addressed in this regard is one of poor quality of education in poor areas, suggesting diminishing returns to effort.

Public Works Programmes are also critical in dealing with challenges in the Second Economy. In part, these should be combined with training so that beneficiaries exit from such programmes with some marketable skills. But it should also be realised that a sizeable number of public works projects such as Early Childhood Development, maintenance of infrastructure and so on can be transformed into permanent jobs.

Massive interventions are required in the SMME segment, including integration in sectors such as tourism, agriculture, biofuels, catering and other services, arts and crafts and so on. Some may remain informal, but can be integrated into mainstream economic activity.

Yet we also have to accept the reality that not all in the Second Economy will “graduate” to the First. Thus, interventions should include creating space and assisting activities aimed at sustainable livelihoods. These would include services to workers, small co-operatives, street trading and so on.

THESIS IX

A critical prerequisite for a successful programme in the Second Economy is optimal communication.

This requires, firstly, *information within* the Second Economy for communities to share information on opportunities and to find ways of servicing their own needs. For instance, to give a crude example: how many leaking pipes do we have in Soweto houses, and how many unemployed plumbers are there in the township!

It requires *information to* the Second Economy for these communities to know about opportunities from the 'outside', particularly government services. For instance, we have in government rolled over hundreds of millions of Rand in micro-credit resources because the target group is unaware of these services, the systems are too complex, the networks not extensive enough and/or the micro-credit institutions seeking to operate like commercial banks. It is in this context that government has launched a comprehensive review of Development Finance Institutions.

It also requires *information from* the Second Economy: the reality is that for those in the First Economy, including government functionaries, such is the 'social distance' that we know very little about the lay of the land in Second Economy communities; about their needs and aspirations, and what would or would not work for them. We need a proper census in these areas, street addresses and the kind of knowledge that requires a network of foot-soldiers based there. Otherwise, to quote Hernando de Soto (*The Mystery of Capital*, p167): "[The poor] will continue to remain beyond the radar of policy-makers, out of reach of official records and thus economically invisible."

THESIS X

The last thesis consists in merely asserting that, beyond economic interventions, it is critical to have a comprehensive programme of social interventions, properly targeted at various categories of the marginalised, including children, youth, women and people with disability.

But it should also be the kind of programme that identifies specific needs and thus specific interventions in each relevant household; and assists individuals in these households irreversibly to climb out of poverty. Studies of progress made in Chile and Tunisia, in dealing with poverty, do show that this can be done.

CONCLUSION

These then are the Ten Theses on the specific form of economic dualism in South Africa and the interventions required to address them. There may have been a bit of sleight of hand in neatly packaging the ideas into ten theses – some of the categories may belong together and yet others could have been disaggregated.

But the central point we are making is that there is a specific level of abstraction at which the concept of dualism or Two Economies in South Africa is hinged, what I would refer to as a practical utilitarian methodology. It is not meant to be a generic theoretical notion with applicability beyond our borders.

But such is the history and dynamism of social relations that as we resolve this dimension of dualism, other manifestations will gain prominence. And so will our society, as will the rest of humanity, march on in a vain attempt to attain social stasis where all dualism and contradiction is eliminated, in other words engage in the art of the impossible!

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