



The social dynamics of rural poverty in the Eastern Cape

David Neves (with acknowledgement to Andries du Toit)
Institute for Poverty, Land and Agrarian Studies (PLAAS)

Overview

- Structural poverty & its causes
- Understanding impoverished livelihoods :
 - i. Social grants
 - ii. Informal economic activity
- Social dynamics
- ‘Informal social protection’
- The downside of ‘social capital’

Poverty in post-apartheid SA:

- Poverty & inequality = structure of economy (not cyclical; not choices of poor).
- Proximate causes: urban joblessness & rural de-agrarianization
 - Decline of smallholder agriculture
 - Decline of un/semi-skilled industrial labour
 - Small, constrained informal sector

Understanding impoverished livelihoods

- African households embedded in migrant systems:
 - High level of spatial mobility
 - Households 'fluid', 'stretched' and 'porous'
 - Central role of 'care chains' (Hochschild)
 - Contested nature of householding
- Hence
 - Complex spatial configuration of livelihoods
 - Not unidirectional or simple circular migration
 - Households : 'rhizome'-like

Migratory dynamics

- Long 'Struggle for the city'
- Post-1994 migration types:
 - Rural-urban oscillatory
 - Urban transitional
 - Intra-district rural
- Continued rural links, provide:
 - Back end of 'carechains'
 - Part of 'safety net' & provisioning for retirement
 - Strong affective links ('authentic home')

A typology of households:

Du Toit & Neves, 2006

Urban household <i>with</i> rural pole	Rural household <i>with</i> urban pole
Rural household <i>without</i> urban pole	Urban household <i>without</i> rural pole

I. Impoverished livelihoods: social grants

- Grants received by 15m, 25% of population
 - Old age grant & Disability grant ZAR 1080 (GBP 94)
 - Child grants ZAR 250 (GBP 22)
- Core component of SA social policy
- Shape: livelihoods, householding & demography
- Progressive tax & grants : ↓ inequality
- Concerns over: dependency, perverse incentives, moral hazards, largely misplaced.

II. Impoverished livelihoods: economic informality

- Constrained
- Low earnings; African female dominated; retail biased.
- 'Survivalist improvisation' (Davis)
- Multiple activities and elaborate inter/intra-household synergies (across actors, time, seasons)
- Articulates with formality (grant & wage income)

Social dynamics

- Social dynamics underpinned by practices of reciprocal exchange
- Analysis needs to go beyond 'social capital'
 - Not 'generalized social trust', inhere in specific relationships
 - Exchange are complex & diverse
 - Shaped by access to resources, wealth and status
 - Shaped by social relationships, culture, ideology, frameworks of entitlement and obligation

'Informal social protection'

- Social networks key to understanding coping strategies
 - A terrain of delicate, complex negotiation and contestation
- Spatially extended nature of social networks means they are a key axis of rural-urban linkages
 - Central role in linking formal and informal
 - Key to the distribution /transmission of resources, shocks, opportunities across spatially extensive areas
 - But highly unequal, and marginalizing

The downside of social capital

- Mitigate poverty and vulnerability
- But
 - Are thinly stretched and overburdened
 - Do not work in fair or equitable ways
 - The weakest / most marginal face constraints (resource and labour) to exchange
 - Incorporated on unfavourable terms

Thank you