

The HSRC's
Justin Visagie on

trans- forming

South Africa's
cities

The COVID-19 pandemic has illuminated and deepened the geographic inequalities in South Africa's cities and rural areas. For the HSRC's Justin Visagie, a spatial understanding of the economy is critical to addressing enduring poverty and inequality. In May 2021, in partnership with the HSRC, the National Treasury released city-level economic data for the first time – an important first step in transforming our cities. *By Andrea Teagle*



Justin Visagie is an HSRC researcher focusing on city economies.

Cities lie at the heart of countries' prosperity, says urban economist Justin Visagie of the HSRC. "Understanding how cities can become more productive and inclusive places is one of the really big questions. Africa's economic development hinges on taking advantage of the opportunities inherent in urbanisation."

Talking at an HSRC-hosted webinar on post-COVID-19 cities earlier this month, Kuben Naidoo, Deputy Governor of the South African Reserve Bank, observed that – in contrast to developed cities – developing cities' most densely populated areas tend to be at the edges, rather than in or around city centres where jobs are located. This is particularly true for South Africa; however, until now, spatialised economic data has not been available to inform evidence-based policy and planning.

In May 2021, the National Treasury released economic trend reports for each of South Africa's eight metros, compiled from anonymised firm-level tax data. Treasury is entering into a partnership with the HSRC to lead the mining, distribution and analysis of spatialised tax records. Tax data will offer metro officials and policymakers a much more detailed picture of economic activity and changes within cities.

South Africa is now in a far stronger position to address the persistent spatial legacy of apartheid and to tackle the spatial transformation of our cities, said National Treasury Director-General Dondo Mogajane at the launch of the first set of city economy reports.

Neighbourhoods as building blocks

For Visagie, a spatial lens is critical to making sense of socioeconomic data. "We can't understand South Africa and I don't think we can understand most things if we look at it only as one aggregated whole, or one average," he says.

For example, he points out that because of South Africa's highly unequal education system, the national matric pass rate does not reflect any one particular school. In reality, schools' achievements tend to cluster at either end of the spectrum. This calls for a segmented approach that is sensitive to deep-seated inequalities.

In South Africa, geography is linked to a melting pot of factors that affect wellbeing, including quality of schooling, housing, income, job opportunities and access to healthcare. "Where you live impacts your life chances in a fundamental way," Visagie says. "And so I think we need to understand our cities using neighbourhoods as building blocks."

Together with HSRC colleagues Prof Ivan Turok and Dr Andreas Scheba, Visagie is part of the collaborative [Centre for Sustainable, Healthy, Learning Cities and Neighbourhoods](#), which is exploring sustainable

development in fast-growing cities in South Africa, Rwanda, India, China, Bangladesh, and the Philippines. The project explores the intersections of work, health, education and resilience at neighbourhood level.

"If you're going to have any chance of a successful change, you've got to work from the bottom up, and partner with communities," Visagie says.

Multi-storey timber structures

Area-based approaches to upgrading townships and informal settlements look at how to support existing development trends and develop new nodes of economic activity, by integrating plans for building, infrastructure, transport etc.



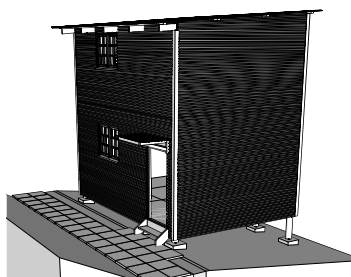
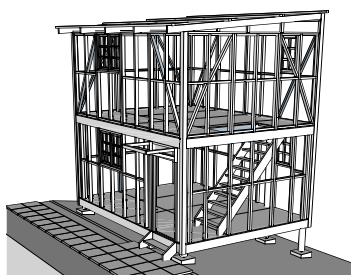
Under construction: this prototype two-storey structure uses safe building methods and aims to create space in informal settlements.
Photo: HSRC

The boom of [backyard rental space](#) across South African cities, for example, could help address the urgent need for low-income housing, while also supporting local employment. Population densification in many townships could be channelled in and around natural 'high streets', making public transport more viable. Multi-storey buildings free up ground-floor space for commercial use by local entrepreneurs.



The completed two-storey structure in Parkington informal settlement in eThekweni.
Photo: HSRC

Visagie recently worked on a collaborative, transdisciplinary project on densification in informal settlements that culminated in the design of a [multi-storey timber structure](#). The first unit has been successfully [erected](#) in Parkington informal settlement in eThekweni (a municipality that includes the city of Durban), with commitment from the municipality to build another 50 units over the next few years. Drawing from local building materials and practices, the structure is lightweight, cost-effective and structurally sound.



Prototype design for a low-cost, lightweight, double-storey timber structure. The prototype was developed by architects from DesigncoLab, and is part of iQhaza Lethu (our participation), a collaborative research project on upgrading informal settlements.

Source: DesigncoLab

This kind of innovation aims not only to support safer building methods in informal settlements, but also to create space. Municipalities would then be able to install bulk infrastructure for electricity, water and sanitation services, [reconfiguring settlements incrementally](#), according to community plans.

The project, which included partners working on the ground, grew from recognition of a disconnect between the promises of density – cheap, efficient transport, better amenities, etc. – and the reality in South Africa, Visagie says.

“Population density needs to be coupled with investments in the built environment and in people themselves. And COVID-19 has really brought that into the limelight.”

COVID-19 and cities

COVID-19 has had uneven consequences for different sorts of people and places. “No one was looking at how geography impacted on how the pandemic played out,” Visagie says.

To better understand the geographic impact, Visagie and Turok [analysed data from the](#) National Income Dynamics Study-Coronavirus Rapid Mobile Survey (NIDS-CRAM), a household income survey. The duo compared economic impacts within different urban areas – suburbs, townships and informal settlements – as well as between cities and rural areas.

Their analysis revealed that the pandemic deepened economic and social divides between cities and rural areas, and between suburbs and townships/informal settlements within cities.

“Shack dwellers were extremely vulnerable to the lockdown and restrictions on informal enterprise and related activities,” Visagie and Turok [write](#). In addition, while suburbs were showing encouraging signs of recovery by June 2020, in poor urban communities recovery was slow. Almost half (42%) of the people in townships and informal settlements remained unemployed, compared to a quarter (24%) in the suburbs.

Noting that government grants helped to offset the worst of the effects, the study recommends more targeted efforts to boost jobs and livelihoods in lagging urban and rural areas.

South African cities in 10 years’ time

As part of the recently launched [SARCHI Chair in City-Region Economies](#) project led by Turok, Visagie is involved in a multi-year collaborative effort to better understand how to accelerate growth and inclusive development in South Africa’s cities. Writing in the [Daily Maverick](#), he and HSRC colleagues argue that improving living conditions is far cheaper when the government is proactive.

Local government needs to understand and support communities where they are at, and at the same time plan for future development.

“If you can build the infrastructure through putting in a service grid before people have even settled, then you’re building the city in a much more cost-effective way,” Visagie says.

In a decade, Visagie hopes to see more integrated and productive cities that promote a better match between the distribution of jobs and people.

“There’s no silver bullet, but integration could include a greater focus on economic development of townships, promoting densification along strategic transport corridors, creating affordable housing in city centres, and encouraging property development with mixed uses.”

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