

Chapter 4

Social Inequality and Spatial Segregation in Cape Town



Ivan Turok, Justin Visagie, and Andreas Scheba

Abstract Cape Town is widely considered to be South Africa's most segregated city. The chapter outlines the history of social stratification and spatial segregation, including the coercion of colonial and apartheid governments to divide the population by race. Since 1994, the democratic government has lacked the same resolve and capacity to reverse this legacy and integrate the city. The chapter also analyses the changing socio-economic and residential patterns between 2001 and 2011 in more detail. It shows that the extent of segregation diminished between 2001 and 2011, contrary to expectations. It appears that affluent neighbourhoods became slightly more mixed and people in high-status occupations spread into surrounding areas. Some low-income neighbourhoods also became slightly more mixed by accommodating middle class residents. Further research is required to verify and explain these findings.

Keywords Socio-economic segregation · Labour market inequalities · Social mobility · Apartheid city · Residential desegregation

4.1 Introduction

Cape Town is South Africa's (SA) oldest and second largest city. The municipal area covers an extensive territory of 2,461 km² with a population of 4.6 million in 2020. The population grew by 2.6% per annum between 2001 and 2011. This is slower than Johannesburg, but faster than other cities in SA. The city's population

I. Turok (✉) · J. Visagie · A. Scheba
Human Sciences Research Council, Pretoria, South Africa
e-mail: iturok@hsrc.ac.za

J. Visagie
e-mail: jpvisagie@hsrc.ac.za

A. Scheba
e-mail: ascheba@hsrc.ac.za

I. Turok
SARCHI Chair in Urban Economies, University of the Free State, Bloemfontein, South Africa

growth has been influenced by its economy. Between 2001 and 2011 jobs increased more slowly than in Johannesburg, but faster than elsewhere, making Cape Town a relatively attractive destination for migration (Turok and Borel-Saladin 2014). Cape Town also has a different demographic make-up from the rest of the country, with coloureds outnumbering black Africans.¹ The population is slightly better educated on average than the rest of SA.

Cape Town's social composition and fractured spatial form bear the strong imprint of its colonial and apartheid history. For three centuries the city was managed to favour a privileged minority at the expense of the indigenous majority, based on the colour of their skin. Between 1948–1994, racial discrimination was taken to extreme as the apartheid regime forced different ethnic groups to live in separate places, with different institutions and infrastructure. This was supposed to prevent inter-racial contact under the pretext of 'separate development'. National laws governing the economy, society and built environment systematically favoured white households and disadvantaged blacks. The result was that race became synonymous with socio-economic status (or 'class'). Whites became increasingly better-off than Indians/Asians, followed by coloureds and then black Africans (Statistics SA 2019).

These odious policies were abolished in 1994, but many scars remain. Gaping urban inequalities continue to impact people's well-being and life chances. The subjugation of blacks was so far-reaching that efforts to undo the damage have had muted effects (World Bank 2018a). Economic growth and state-sponsored affirmative action have done little to erase the social and spatial divides. Social class continues to be intertwined with race, even if the relationship is less direct than it used to be. Wide social and spatial gaps inhibit mutual understanding and trust, and undermine policies to draw people together behind a common purpose, such as tackling the coronavirus crisis. SA's Gini coefficient is the world's highest at 0.65, essentially unchanged since 1994 (Statistics SA 2019).

This chapter analyses segregation between different socio-economic groups. It differs from earlier studies focused on racial segregation (Christopher 2000; Parry and van Eeden 2015). Socio-economic status offers a different lens on spatial differentiation. Although the legal basis of racial segregation has been removed, many tangible effects remain and are slow to change precisely because social stratification is still bound up with race. Deep inequalities across both dimensions are compounded by spatial divides to undermine economic inclusion, social progress and racial integration.

Socio-economic status is intimately related to people's occupation, income and wealth (i.e. their labour market position). This drives residential outcomes today, as households are distributed across the city according to their market power, or ability to buy into neighbourhoods with different attributes, infrastructure and housing types.

¹We use the racial terminology common in SA in this chapter: black African, coloured, Indian/Asian and white. The term black is used to refer to everyone excluded from the white group privileged under apartheid. These terms, like any racial classifications, are problematic social constructs from a particular era. They continue to be used to monitor progress since democracy. According to the 2011 census, the largest population group in Cape Town was coloured (42.4%), followed by black Africans (38.6%), whites (15.7%) and Indians/Asians (1.4%).

A steep property price gradient inhibits most people's ability to move into more desirable areas. Residential patterns are also influenced by the activities of the state, both in providing low-income housing and in selling public land. Individual lifestyle preferences are relevant too, and affected by stage in the life cycle, family characteristics and cultural backgrounds.

4.2 Determinants of Residential Patterns

The analysis begins with the powerful historic role of the apartheid state in shaping the city's structure. We then consider contemporary economic forces through the property market, followed by the recent tendency of state-subsidised housing to reproduce segregation.

4.2.1 *Racial Segregation: 1950s–1980s*

Cape Town is a famously divided city, with affluent, leafy suburbs offering exceptional amenities and picturesque mountain and coastal settings, juxtaposed against austere and inhospitable dormitory settlements on the treeless sand-plains of the Cape Flats. At the heart of the city is the vibrant City Bowl, a natural amphitheatre that concentrates enormous wealth, surrounded by the stunning slopes of Table Mountain. A patchwork of intensely crowded informal settlements is barely tolerated in various parts of the city. These unauthorised shanty-towns reflect poor people's efforts to access city opportunities without paying for formal accommodation.

Cape Town's unusual topography and status as a biodiversity hotspot have other consequences for access to housing and segregation. Special nature reserves intended to restrict house-building cover more than 40% of the municipal area. The mountain also shapes the road and rail networks, which have historically guided property investment and acted as barriers between race-based neighbourhoods. The Atlantic Seaboard attracts super-rich international homebuyers and tourists, which inflates house prices throughout the market.

The city's physical footprint expanded most in the second half of the twentieth century, when the economy was booming and the southern and northern suburbs became the preferred residential areas for the white middle and upper classes. Population density declined by about 50% between the 1950s and the 1980s (City of Cape Town 2018). This was when racial ideology was most pernicious and the state directly shaped the city's form. Previous growth was slower and segregation by race was not all-pervasive. During the colonial era, the community was highly stratified and unequal, and white settlers exploited indigenous groups and slaves brought in from Asia and elsewhere in Africa (van Rooyen and Lemanski 2020). Discrimination and subjugation were widespread, but the city was not rigidly demarcated by race. In the early twentieth century, public health concerns (infectious diseases) provided

the pretext for dispossessing most black Africans of their prime land and housing in the urban core and relocating them beyond the urban fringe. This laid the legal and political foundations for intensified segregation policies after the second world war.

The National Party won the 1948 general election and launched a spate of laws to entrench white supremacy using explicit spatial instruments, such as urban planning. People were rigidly classified by race and physically separated through a combination of controls and distinct institutions. The notorious Group Areas Act assigned people to particular places kept apart by buffer strips. The racial hierarchy was entrenched by allocating large central areas to whites, peripheral sites to black Africans and spaces in between to coloureds. Implementation destroyed well-established coloured communities and forced the removal of approximately 150,000 people to townships on the Cape Flats by the end of the 1960s. District Six in the City Bowl was most affected, with 55,000 residents forcefully displaced (van Rooyen and Lemanski 2020).

The impact was compounded by separate local authorities created for different areas, and separate schools, healthcare and public transport systems. This redistributed resources from working-class communities to the well-endowed white suburbs, and deepened the regressive effects of racial segregation (Mabin 2005). For example, the education system for whites was vastly superior to that for blacks, with better-equipped teachers, smaller classes and a more advanced curriculum. It is hard to overestimate the lasting impact on contemporary society.

The Cape was declared a 'coloured labour preference area', which inhibited immigration by black Africans and explains the distinctive demographics today. Population movements were strictly controlled by pass laws. By the early 1990s, Cape Town was the most segregated city in the country, and less than 6% of the population lived outside the areas designated for their race, such as domestic workers (Christopher 2000).

Two immense districts on the Cape Flats—Mitchells Plain and Khayelitsha—demonstrate the force of the apartheid state. Mitchells Plain was created in the 1970s as a coloured township for middle- and low-income families, 25–30 km from the CBD. Many residents were victims of forced removals. It was laid out with neighbourhood precincts, basic public facilities and wide arterial roads. There was no effort to develop local industrial estates, employment centres or small business units, let alone to restore the social fabric of dislocated communities. Many precincts soon deteriorated with rising unemployment, gangsterism, drug abuse, physical decay and shack housing. The current township population is around 300,000.

Khayelitsha was created during the 1980s for black Africans and envisaged as the 'solution' to two problems facing Cape Town: the rapid increase in rural migrants from the Eastern Cape and overcrowding in other townships. Thousands of people were forcefully relocated to inferior housing and open land, 30–35 km from the CBD. There was even less effort to create local jobs, a commercial centre or public amenities, ensuring that this would become a major poverty trap. The current population is well over 400,000, with high levels of food insecurity, hardship, crime and informal housing. High transport costs and arduous journeys add to the burden people face in accessing jobs elsewhere in the city.

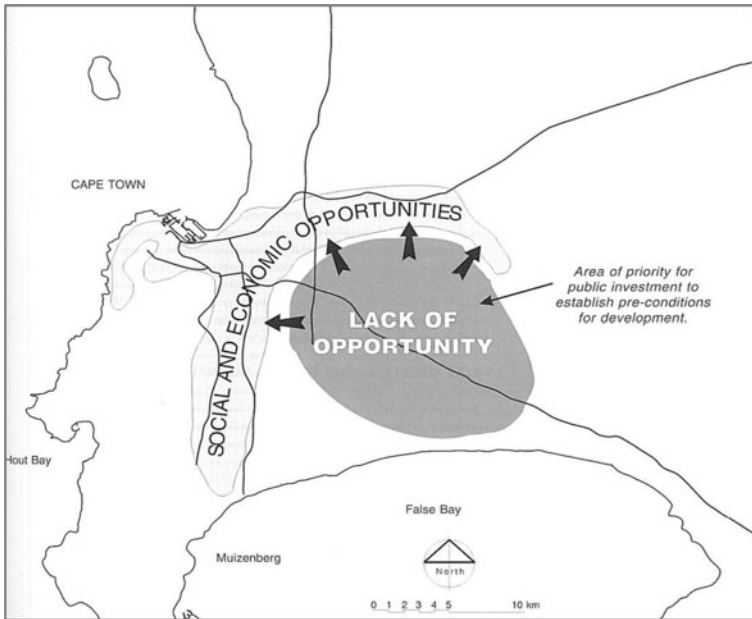


Fig. 4.1 Cape Town’s uneven development. *Source* David Daniels conference presentation, April 1993

The stark challenge facing the post-apartheid government was illustrated by a map used by a senior planner from the city during a presentation in 1993 (Fig. 4.1). It shows the skewed concentration of opportunities in the historic core, with over 80% of all the jobs in the city, despite housing only 37% of the population. The Cape Flats is portrayed as a desert, with black communities locked out of job-rich locations and suburbs with good schools and quality services. The four arrows are poignantly unidirectional, indicating the imperative for the democratic government to enable Cape Flats residents to access the resources in the core. There is no hint of potential resistance from the suburbs to a more inclusive, integrated city. The other telling feature is the label pointing to the priority investment needs of the Cape Flats for economic and human development.

4.2.2 *Market-Led Development: 1990s–2020*

In practice, the post-apartheid government did not address the distorted form of SA cities with much determination. Apartheid legislation was withdrawn and institutions reorganised, but there wasn’t an equivalent commitment to push through a new vision for integrated cities. One reason was the stagnant economy following international sanctions and the turmoil of the transition. So the resources—public

or private—weren't readily available to invest in major public infrastructure and catalytic projects for urban restructuring. The victorious political party was an amalgam of ideologies, and the government—a compromise of different interests. The general mood and leadership disposition were towards reconciliation rather than retribution or restitution. Many progressive policies were approved, but not matched by concrete action (Statistics SA 2019). Institutional practices were often conservative and poorly coordinated across government, and bureaucratic inertia prevailed over calls for transformation.

The new generation of local political leaders lacked experience to formulate a coherent response to their divided cities and towns, and to challenge vested interests. There was an implicit political settlement with white middle- and upper-class households not to disrupt their lifestyles if they accepted democratic rule and continued to pay their taxes. The end of apartheid also coincided with a broader global ideological shift away from planning and state intervention towards the market and a lean state. This further discredited the spatial planning profession (already tainted from its role under apartheid) and creative thinking around urban compaction and integration.

Private investors and developers had a relatively free hand to do as they pleased. They could deliver tangible products and jobs, so decision-makers supported almost any kind of property development. Parliament passed the Development Facilitation Act that streamlined regulatory procedures and enabled municipal objections to be bypassed. Many conventional free-standing houses, shopping malls and business complexes were built at low densities in the suburbs and beyond (Turok et al. 2019). They were targeted at the (white and coloured) upper and middle classes, because demand was strong from the increase in white-collar workers, managers, public officials and professionals, supported by bank lending. Some took the form of gated estates and elite enclaves with privatised security arrangements to restrict access to ordinary citizens.

The private sector built about 10,000 housing units a year in Cape Town during the late 1990s and 2000s. The economic slowdown from 2008 onwards reduced this by a third. These suburban developments contradicted the new municipal spatial plans that envisaged densification, infill development and mixed land-uses so as to encourage urban integration, more efficient land use and better access to public transport for workers from the townships (City of Cape Town 2018). But there was no political appetite to negotiate concessions from developers, who naturally focused on unencumbered greenfield sites: “there continues to be sprawling development towards the edge of the city” (City of Cape Town 2018, p. 217). Key locations included the northern suburbs, west coast, Kuils River and Mitchells Plain, with smaller pockets in the southern suburbs and Somerset West. The public sector often had to fund the infrastructure, even though developers profited from the uplift in land values. The outward drift diverted public investment from upgrading and intensifying underperforming industrial and residential areas surrounding the central city.

A distinctive feature of Cape Town is the strength of the CBD as the principal economic node with approximately 200,000 jobs. Other SA cities have experienced an exodus of property investors and occupiers to satellite centres in the suburbs (Turok et al. 2019). Institutional property owners took early action in partnership with the

municipality to prevent ‘crime and grime’ from causing business relocations. The unique qualities of the City Bowl foster a mixture of diverse activities—tourism, leisure, business and professional services, government functions and higher education—that feed off each other to spur growth and investment. This has coincided with a shift in fashion within the housing market towards apartments in well-located, well-managed areas. The city’s historic core has been the biggest beneficiary. Figure 4.2 shows the concentration of apartments in and around the CBD, followed by the main transport corridors in the southern and northern suburbs. The distribution of free-standing houses is quite different.

Yet, the commercial success of the CBD has inflated property prices and promoted gentrification in surrounding working-class districts, causing the displacement of poorer households. The shortage of affordable housing forces clerical and hospitality workers, shop assistants, security staff and cleaners to undertake lengthy commutes from the townships. Meanwhile, the transformation of Johannesburg and other city centres has improved access to jobs and low-income housing for black working-class communities. A final point is that across all of Cape Town’s economic nodes, the growth in labour demand and earnings has not been sufficient among lower ranking occupations to lift these groups out of poverty, to narrow the income distribution or

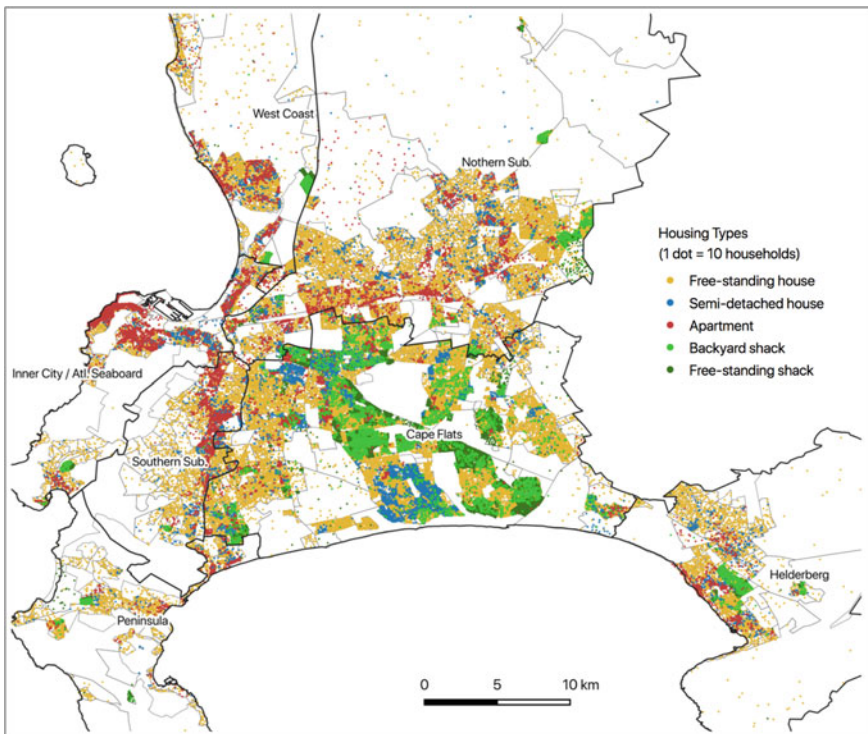


Fig. 4.2 Different housing types, 2011. *Source* Census 2011, small area layer

to encourage private housing developers to broaden their product range to meet the majority's needs for affordable accommodation.

4.2.3 State-Led Housing: 1990s–2020

The government has acted with unusual resolve to provide housing directly, using fully subsidised contractors. Apartheid denied blacks the right to own property in the cities and stopped building them houses to discourage urbanisation. This caused serious overcrowding and gave rise to many squatter settlements. The 1994 government saw decent housing as the key to reducing squalor and restoring dignity and respect. Housing was treated as part of a 'social wage', along with welfare grants and free basic services. Households below a certain income were promised a free housing unit on its own small plot.

Direct state provision gave the government control over the quantity of housing it could deliver, without relying on the vagaries of private developers. Ambitious targets were set and broadly met. About 5,000 government houses have been built in Cape Town every year since the early 2000s, amounting to a quarter of all housing supplied, and almost half of the formal supply (City of Cape Town 2018). This could have changed the city's physical growth pattern if it was carefully targeted.

There have been undoubted benefits for households moving out of shacks or overcrowded family homes through improved privacy, protection from the weather, internal services, children's safety and an asset for security. However, the state has borne the full cost, letting the banks and private developers off the hook. Most houses have been built on the outskirts to economise on the land. Large greenfield sites have enabled mass construction of standardised units. A separate production process for private sector housing has kept the occupiers far apart. This has avoided NIMBY resistance, but contradicts the goal of racial diversity and integration.

Most government housing in Cape Town has been built around the periphery, in Delft, Khayelitsha, Mitchells Plain, Kraaifontein and Somerset West. This is far from jobs, good schools, training colleges and other opportunities for advancement. The municipality estimates that poor households spend up to 40% of their disposable income travelling to work, which "inhibits upward socio-economic mobility and deepens household dependency. These features are common to many SA cities but tend to be more acute in Cape Town" (City of Cape Town 2018, p. 215). Many households are trapped in marginal locations because they are not allowed to sell their homes for eight years and have not received their title deeds (Turok 2016). Many build shacks in their backyards to generate rental income (Scheba and Turok 2020). Their concentration on the Cape Flats is shown in green in Fig. 4.2.

A National Treasury review concluded that housing policy: "reinforces the legacy of apartheid and relegates the poor to areas that are far from economic opportunity" (GTAC 2016, p. 1). There is public land available within Cape Town's historic core that could be developed for affordable housing. Some are large parcels that

could accommodate tens of thousands of dwellings, including Culemborg, Ysterplaat, Wingfield, Youngsfield and Denel. There has been insufficient determination to release these strategic assets in the public interest (Turok 2016). Civic activists have begun to target empty buildings, golf courses and undeveloped land to protest at the inertia (Turok et al. 2019).

4.3 Inequality in the Labour Market

4.3.1 *Data and Methods*

The labour market has a major influence on housing patterns. Employment and occupation data were drawn from the 2001 and 2011 Censuses—the most accurate and most recent source of neighbourhood information. Occupations were coded according to the SA Standard Classification of Occupations (SASCO).²

The municipal boundary is used to define the extent of Cape Town. This approximates to the functional labour market area because it includes settlements beyond the continuous built-up area. This reflects the political imperative post-apartheid to incorporate outlying suburbs, commuter belts and dormitory townships with the core city in order to permit effective strategic planning and resource redistribution ('one city, one tax base'). A minor technical issue is that some enumeration areas shifted between years, so the internal configuration of maps between 2001 and 2011 is slightly different if one looks at specific sub-places very closely. This doesn't affect broad spatial trends. A few sparsely populated sub-places were excluded from the analysis, taking the number of sub-places to 858 in 2011.³ Sub-places range in geographical size with larger, more sparsely populated sub-places generally located on the periphery. The median population in 2011 was 10,140 persons and the median area was 0.542 km².

4.3.2 *Occupational Structure*

The growth rate and structure of a city's economy determine the demand for labour, and therefore the occupations of the local workforce. This includes the distribution

²Detailed occupation data for Census 2011 was released in late 2017, thoroughly cleaned with no incomplete information. The occupation data for 2001 included 7% of all responses as 'undetermined'. The effect of such differences in data management between the Censuses is unclear. The problem is fairly common in analysing cross-sectional household data which spans lengthy periods. We omit undetermined responses for greater consistency between years when estimating the results in the figures and tables that follow.

³Sub-places with less than 10 economically active persons are arguably too small for a sensible classification by occupation and hence were omitted.

of income, job security, ability to obtain home loans, and therefore the demand for housing. SA has a very dispersed occupational structure with a very wide range of earnings (Statistics SA 2019). Highly qualified people in high-status jobs command a sizeable premium over those with fewer skills in lower ranking positions.

Table 4.1 and Fig. 4.3 show the broad occupational changes in Cape Town between 2001 and 2011. The ranking classifies almost a fifth of all jobs in the ‘top’ occupational category. This assessment is very similar to the World Bank’s (2018b). They add that the top skill quintile earns almost five times as much as low-skilled workers. This is a powerful driver of unequal demand for housing and attractive neighbourhoods in the city. Real wage growth in SA has been skewed towards high skills over the past two decades (Statistics SA 2019; World Bank 2018a). This has widened income inequality and is bound to have affected spatial divides within cities.

Table 4.1 also indicates sizeable growth in the number of workers in the top occupations between 2001 and 2011. This reflected very strong growth among legislators, senior officials and managers (their numbers more than doubled), and weaker growth among professionals. A similar pattern is evident in Johannesburg. It is striking that the rate of increase in senior officials and managers was faster than for any other

Table 4.1 Changes in the occupation structure of Cape Town, 2001–2011

	Major occupation group	2001	2011	Change	% change (%)
Top	Legislators; senior officials and managers	65,901	149,445	83,544	127
	Professionals	85,269	108,020	22,751	27
Middle	Technicians and associate professionals	100,638	136,224	35,586	35
	Clerks	129,961	191,474	61,513	47
	Service workers; shop and market sales workers	107,380	223,591	116,211	108
	Skilled agricultural and fishery workers	8,191	10,344	2,153	26
	Craft and related trades workers	110,918	154,238	43,320	39
Bottom	Plant and machine operators and assemblers	75,086	65,523	−9,563	−13
	Elementary occupations	188,842	281,608	92,766	49
Undetermined		66,815	0		
Total		939,001	1,320,467	381,466	41

Source Census 2001 and 2011; authors’ own estimates

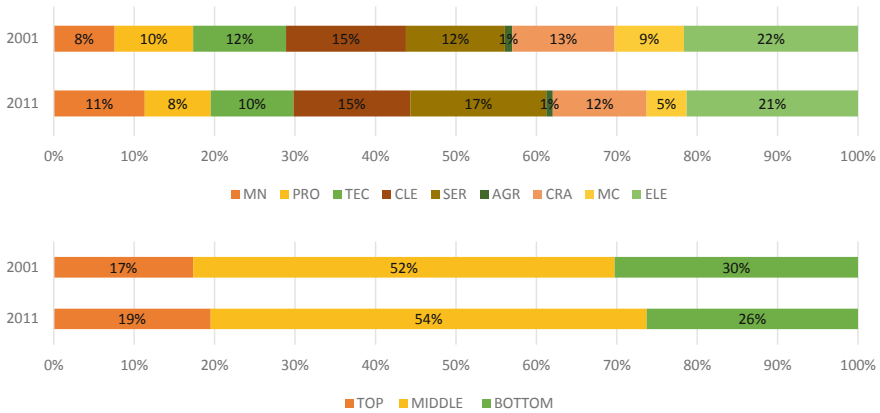


Fig. 4.3 Changes in the share of occupations in Cape Town, 2001–2011. *Source* Census 2001 and 2011; authors’ own estimates

occupation. It was partly a reflection of strong growth in the public sector during this period, as the administration expanded alongside demands for additional service delivery from an enlarged local population.

Table 4.1 also shows the strong growth in mid/low-level service occupations, including retail sales, wholesale and hospitality, which offer limited opportunities for progression into better-paid jobs. The only job losses were among plant and machinery operators and assemblers, reflecting the impact of deindustrialisation. Manual jobs in manufacturing have conventionally provided important routes out of poverty for working-class communities. Jobs in elementary occupations (including security staff and domestic workers) increased slightly faster than the average. They tend to be low paid and offer poor prospects for advancement. Table 4.1 provides some evidence of labour market polarisation, with the strongest growth among high- and low-skilled occupations. The rate of unemployment (narrowly defined) remained close to 25% over the period (World Bank 2018b). Low paid and unemployed groups invariably struggle to compete in the housing market and end up in unsatisfactory and informal accommodation, unless they can get government housing.

SA’s economy experienced moderate growth during the 2000s, but it has faltered since the 2008 global recession. Total employment in Cape Town increased from 939,000 in 2001 to 1,320,000 in 2011. This partly reflected population growth and the demand for additional consumer goods and services, along with extra public services. Growth in tradable goods and services (arguably more productive sectors) was weaker. So, Cape Town’s compound annual employment growth rate was 3.5%, compared with Johannesburg’s 4.8%.

4.3.3 Index of Dissimilarity

An important question arising from a city’s occupational profile is how directly this translates into residential patterns of social privilege and disadvantage. A city with a polarised labour market will not be highly segregated if many of its neighbourhoods are socially mixed. Table 4.2 presents the dissimilarity index (DI), which captures the degree of residential segregation between occupations in 2001 and 2011. The cells in the bottom-left part of the table show the DI values for 2001 and the cells in the top right show the values for 2011. The estimates include a category for the unemployed, because the sheer scale of joblessness cannot be ignored. However, the unemployed are excluded in the subsequent figures and tables as well as in the DI values for the top, middle and bottom occupations in Table 4.2. The Johannesburg chapter follows the same approach.

Table 4.2 reveals that Cape Town was extremely spatially divided by occupation in 2001. The DI values imply that 67% of residents in the top occupations in 2001 would have had to move in order to achieve an even distribution of top and bottom occupations across the city. The equivalent number in Johannesburg was only 48%. This is a huge difference between the two cities, with Cape Town far more socially segregated than Johannesburg. Cape Town’s polarised labour market was matched by a partitioned city with the social make-up of different neighbourhoods being quite distinctive.

Table 4.2 Indices of dissimilarity (multiplied by 100) between major occupations in Cape Town, 2001–2011*

		DI 2011											TOP	MID	BOT
		MN	PRO	TEC	CLE	SER	AGR	CRA	MC	ELE	UNE				
DI 2001	MN		16	21	24	36	38	44	51	53	63				
	PRO	15		27	32	44	45	52	59	60	69				
	TEC	22	28		13	26	30	34	39	45	56				
	CLE	33	40	16		22	25	27	33	41	51				
	SER	38	43	25	23		29	16	25	22	36				
	AGR	62	66	55	53	40		28	32	38	48				
	CRA	55	60	40	30	25	41		17	20	31				
	MC	64	69	49	39	33	48	17		27	34				
	ELE	65	69	54	47	32	34	26	30		25				
	UNE	72	76	62	56	42	42	35	36	18					
	TOP												33	55	
	MID											39		27	
BOT											67	34			

Notes *MN Managers; PRO Professionals; TEC Technicians; CLE Clerks; SER Service and sales workers; AGR Skilled agricultural workers; CRA Crafts and related trade workers; MC Plant and machine operators; ELE Elementary occupations

Source Census 2001 and 2011; authors’ own estimates

Table 4.2 shows that professionals were the most segregated group, and consistently more so than senior officials and managers. The same applied in Johannesburg, albeit not to the same extent. Furthermore, the difference between top and middle occupations was larger than the gap between middle and bottom occupations in both cities in 2001. Therefore, the high-status groups tended to be separated off in enclaves from everyone else, rather than the low-income groups. Among the low-status categories, unemployed people were consistently more segregated from other groups than anyone else. They were more likely to be confined to settlements with other unemployed people. This is unsurprising considering their weak economic position, as explained above.

An important and original finding from Table 4.2 is that the level of segregation in Cape Town appears to have declined between 2001 and 2011. By 2011, the DI values imply that 55% of residents in the top occupations would have had to move to eliminate segregation—a big reduction over the decade from 67% in 2001. The apparent desegregation occurred across the board. It was not confined to particular occupations. This is surprising considering that the labour market seemed to become more polarised. A steep house price gradient also made it difficult for lower income groups to move into more desirable suburbs. Johannesburg's DI score between top and bottom occupations was 47% in 2011, so the level of segregation hardly changed. Summing up, there was noticeable desegregation in Cape Town during the 2000s, although it remained more segregated than Johannesburg. The two cities seem to have experienced quite different tendencies.

High but falling levels of segregation in Cape Town are borne out upon closer inspection of the DI scores in Table 4.2. The residential difference between pairs of occupations diminished in almost every case. Further evidence is available in most of the maps shown below. The desegregation trend appears to be consistently stronger than in Johannesburg. The veracity and reasons for this need further investigation. Assuming it is correct, part of the explanation may be that Cape Town was much more segregated to begin with, so there has been a degree of 'catch-up' underway.

4.4 Socio-economic Segregation

4.4.1 Occupational Location Quotients

Initial evidence of spatial segregation from the DI matrix in Table 4.2 is carried forward into maps of location quotients (LQ) for the top and bottom occupations in Figs. 4.4 and 4.5, respectively. Sub-places within Cape Town with a LQ score above (below) 1 highlight where an occupation was over-(under-)represented. For example, a LQ score of 2.5 implies that an occupation was 2.5 times more concentrated in that particular sub-place compared to the city-wide average. Hence, areas

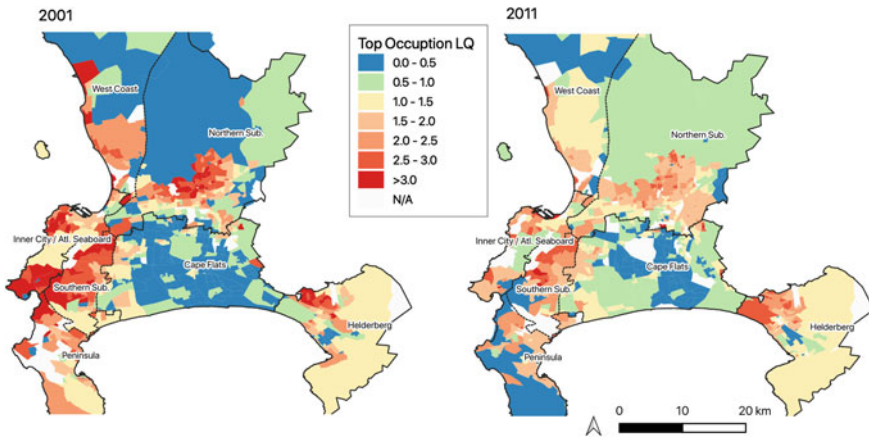


Fig. 4.4 Location quotient of top occupations in Cape Town, 2001–2011. *Source* Census 2001 and 2011; authors’ own estimates

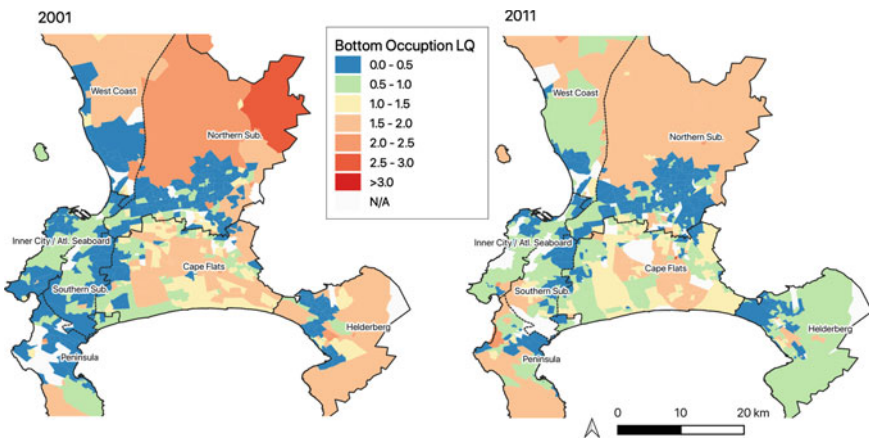


Fig. 4.5 Location quotient of bottom occupations in Cape Town, 2001–2011. *Source* Census 2001 and 2011; authors’ own estimates

shaded dark orange and red ($LQ > 2$) on the map highlight where there is a disproportionate concentration of those occupations, whereas areas shaded blue reflect under-representation ($LQ < 0.5$).

Figure 4.4 shows how individuals in top occupations (i.e. managers and professionals) were clustered within neighbourhoods in Cape Town’s historic core and suburban corridors. In 2001, this included almost all the Southern Suburbs, most of the City Bowl, the Atlantic Seaboard and the Northern Suburbs. Other important nodes included Somerset West in the south-east, and Milnerton and Bloubergstrand along the West Coast. All these areas remained affluent in 2011, although the degree

of concentration of top occupations diminished, i.e. changing from mostly red in 2001 ($LQ > 3$) to orange in 2011 ($LQ > 2$). A few adjacent areas also seemed to increase their share of people in top occupations (especially in the Northern Suburbs and Helderberg).

It could be that the strong increase in people in senior positions (shown in Table 4.1) contributed to the spatial deconcentration by spreading into surrounding neighbourhoods. This could have been prompted by shortages of the existing stock and restrictions on new house-building in well-off areas, perhaps reflecting higher land prices, NIMBY resistance or locals displaced by international buyers. Obtaining planning approval in the southern suburbs, City Bowl and Atlantic Seaboard is notoriously difficult. Another explanation could be that affluent households moved out of older, detached properties in neighbourhoods showing signs of decay and into modern properties, gated communities or apartments elsewhere. If they were replaced by households with slightly lower incomes, this would contribute to the spatial deconcentration of the rich. Neighbourhoods in the south such as Wynberg, Muizenberg and Mowbray, and the Voortrekker Road corridor in the north, have experienced such changes in recent years. This could coincide with life cycle changes, such as older people moving into flats when their children leave home and being replaced by younger families.

Workers in less-skilled occupations tended to live in peripheral locations. Clusters of blue-collar workers dominated townships on the Cape Flats, along with some smaller settlements to the north of the city. Low-skilled groups seem less concentrated than high-status occupations, with LQs all below 2.5. This is partly because there are simply more of them, so they cannot be so physically concentrated. In addition, the number of low-skilled workers living in the vicinity of affluent suburbs has increased where informal settlements or townships exist nearby, such as Imizamo Yethu and Hangberg near Hout Bay, Masiphumelele and Ocean View near Sun Valley, and Dunoon and Joe Slovo Park near Milnerton. There are not many of these settlements, so demand to live in them is high because of their access to suburban jobs. Domestic workers, gardeners and security guards living in their own quarters on the sites of affluent households could also increase low-wage workers in the suburbs. Of course, the co-existence of different income groups in the same sub-places does not mean much actual social mixing or integration occurs.

4.4.2 Socio-economic Status

The concentration of people in the top, middle and bottom occupations can be used to rank neighbourhoods according to their socio-economic status (SES). Our SES ranking is based on the proportion of individuals in each category and follows a similar approach to the Johannesburg chapter. Figure 4.6 divides the city into sub-

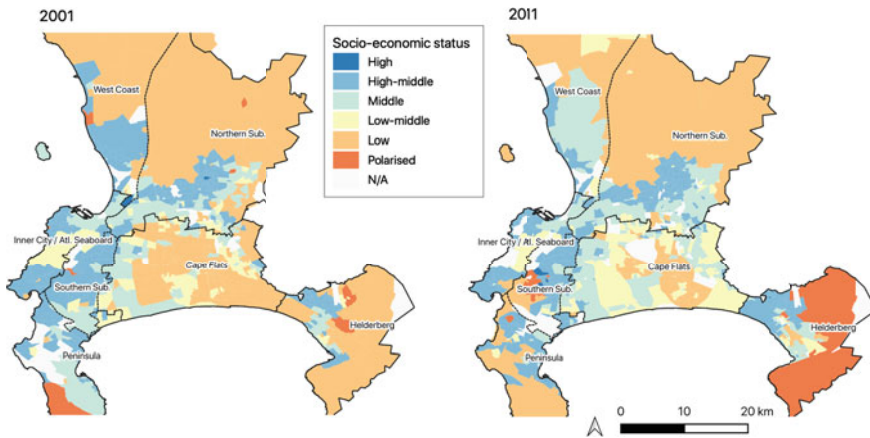


Fig. 4.6 Socio-economic status of neighbourhoods in Cape Town, 2001–2011. *Source* Census 2001 and 2011; authors' own estimates

places with a high, high-middle, middle, low-middle or low SES.⁴ Polarised SES is a residual category with considerable socio-economic mix.

Figure 4.6 confirms the highly segregated character of Cape Town, with a stark divide between the historic core and the Cape Flats. The status of most neighbourhoods appears to have been stable over time, with two exceptions. First, some parts of the Cape Flats changed from low to low-middle SES, or from low-middle to middle SES. Examples are Pelican Park, Blue Downs and Mitchells Plain. This appears to have come about partly through new housing schemes, both private and government-subsidised. Other heavily populated places remained as low SES, particularly Khayelitsha, Philippi and Delft. Second, selected parts of the Southern Suburbs apparently shifted from high to low or polarised SES. The extent of this phenomenon seems to be overstated on the map by the inclusion of sparsely populated sub-places around the mountain and by the strong growth of a few informal settlements and townships, as mentioned above.

The earlier discussion of Fig. 4.4 suggested that people in high ranking occupations became slightly more dispersed in 2011 than in 2001. This is less apparent when SES is considered (Fig. 4.6). It seems that the status of the most prestigious neighbourhoods was not diminished, even if the gap with other parts of the city did narrow slightly.

Very few areas had a polarised SES. They included agricultural areas east of Helderberg and the Groot Constantia Wine Estate in the Southern Suburbs. There is little or no actual residential mixing in these places. Segregation prevails through

⁴SES categories were defined as follows: High SES (top $\geq 40\%$; middle $\leq 60\%$; bottom $\leq 20\%$), High-middle SES (top $\geq 25\%$; middle $\geq 25\%$; bottom $\leq 25\%$), Middle SES (top $\leq 35\%$; middle $\geq 50\%$; bottom $\leq 35\%$), Low-middle SES (top $\leq 25\%$; middle $\geq 25\%$; bottom $\geq 25\%$) and Low SES (top $\leq 20\%$; middle $\leq 60\%$; bottom $\geq 40\%$). Polarised SES is a residual category.

gated communities for the rich and housing compounds and informal settlements for farm workers. Poor communities here may live closer to affluent residents than in most suburbs, but they are kept apart by high walls and access controls.

4.4.3 Distribution of the Top Socio-economic Group

Figure 4.7 shows the absolute size and concentration of people working in well-off occupations across the city. Sub-places were divided into five quintiles depending on their share of individuals in the top occupational category. In 2001, the top 2% of sub-places with the highest concentrations of managers and professionals contained 20% of this group. This included a sizeable cluster in the Southern Suburbs (Rondebosch, Newlands, Claremont and Wynberg), a few neighbourhoods around the City Bowl (Gardens and Sea Point) and the Northern Suburbs (Pinelands, Edgemoed, Tableview and Durbanville). The pattern was very similar in 2011, although it increased slightly to 2.5% of all sub-places, including affluent neighbourhoods in Hout Bay, Milnerton and Brackenfell.

A big contrast with Johannesburg is the CBD. Cape Town’s City Bowl has become an increasingly desirable residential location for high income earners, as explained earlier. Its diverse amenities and growing traffic congestion for suburban commuters have added to its attractions as a place to live, work, study, visit and play (Turok et al. 2019).

Changes in the distribution of sub-places in the second and third quintiles were more noticeable. Several areas in the Cape Flats (such as Mitchells Plain) and around Somerset West seem to have moved up in status. Casual observation suggests that this could be linked with gradual upgrading of selected neighbourhoods in the former

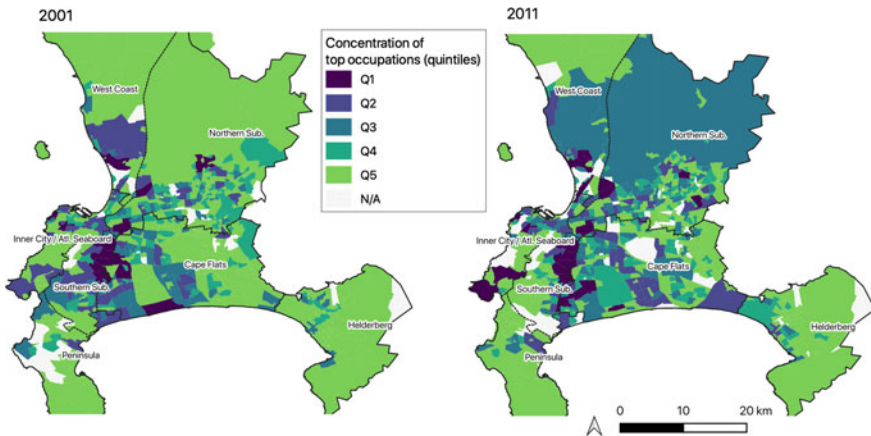


Fig. 4.7 The concentration of the top socio-economic group in Cape Town, 2001–2011. *Source* Census 2001 and 2011; authors’ own estimates

and new private housing in the latter. A few large sub-places on the city's northern periphery also raised their status. This has a visible effect on the maps, but the real impact is quite limited because most areas were very sparsely populated in 2001 and a few middle income housing projects and wine farms that opened during the following decade could have had this effect.

4.5 Conclusion

Cape Town remains sharply divided by socio-economic status. Social inequalities continue to be aligned with race, although the causes have shifted from apartheid controls to the economy and labour market. The scale and nature of employment growth have not been sufficient to lift many people out of poverty and into better-off social strata. Geography reinforces social divides through the gulf in opportunities available to residents of different neighbourhoods. Townships on the Cape Flats are literally worlds' apart from the southern and northern suburbs, where the contours of affluence remain the same.

Despite the economic, social and spatial barriers to change, there appears to have been a noticeable reduction in the degree of segregation between 2001 and 2011. This is more substantial than in Johannesburg. The index of dissimilarity and location quotients both indicate that the extent of socio-economic segregation diminished. On the one hand, it appears that the concentration of top occupational groups was somewhat diluted as some of them spread out into surrounding neighbourhoods. On the other hand, a number of lower income neighbourhoods seemed to move up in status.

It is important to validate this analysis with further investigation. Other economic and social trends suggest increasing polarisation and a steeper social gradient between the suburbs and townships, yet the statistical analysis presented here indicates a narrowing of the gap. It is unclear whether the decline in segregation is a real phenomenon, or more of a construct arising from the indicators and spatial units used to measure it. The apparent desegregation needs additional analysis, including the application of different socio-economic indicators and the use of different sized spatial units. Drilling deeper should help to identify which neighbourhoods and social groups have been most affected, and by how much conditions have changed.

In addition, it is vital to improve understanding of the reasons for these shifts and the detailed mechanisms involved. Research and policy concerned with spatial segregation tend to focus on changes in land-use and the built environment, particularly the housing stock. This is highly visible and relatively easily measured. The assumption is that new housing developments are the main driver of change. Sometimes this is extended to include the conversion, upgrading, extension or redevelopment of existing buildings, in recognition that the social make-up and number of households in a neighbourhood are affected by in situ property dynamics and not simply new greenfield investments.

This analysis is important and needs to be extended to investigate the less visible social processes underway within and between neighbourhoods, including detailed forms of household movement, household formation and in situ occupational mobility, upwards and downwards. Unfortunately, the information available on these trends is limited. Changing patterns of segregation are bound to be the outcome of a complex interplay between alterations to the built environment and intricate social shifts. For example, new house-building may set in train long filtering chains that affect multiple households and neighbourhoods in unexpected ways. A better grasp of these dynamics is essential for more effective policies to tackle spatial divides. There are few more important research agendas in SA today.

Acknowledgements The research was partly funded by the UK Government's Global Challenges Research Fund via UK Research and Innovation and the ESRC through the GCRF Centre for Sustainable, Healthy and Learning Cities and Neighbourhoods. Thanks to David MacLennan for useful feedback.

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