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Development policy and water services in South Africa: an urban poverty perspective

Ndodana Nleya

This paper explores the impact of overall macroeconomic development policy on water service delivery policy and urban poverty in South Africa. It scrutinises ambiguous definitions of 'urban' in the literature, which tend to obscure the extent of urban poverty in this country. This is crucial given that a large proportion of the urban poor live in informal settlements, which are sometimes lumped with rural areas. Informal settlements are generally characterised by limited essential services such as housing, water supply, storm-water facilities and sanitation services. Water services, like other social services, retain the racial imprint of apartheid. Consequently, water policy in South Africa attempts to address water issues from an equity perspective. By analysing the effects of the tariff subpolicy within the water policy, the paper recommends that free basic water should be made available only to poor households.

1. INTRODUCTION

South Africa's success in achieving a relatively smooth transition to democracy in 1994 is widely celebrated. However, the long-term sustainability of the democratic order could be undermined by discrepancies in living standards that juxtapose opulence and extreme poverty. It is significant that one-half of the population of South Africa is trapped in chronic poverty (Chronic Poverty Research Centre [CPRC], 2005). Undoubtedly therefore, poverty alleviation and social development have a central position in post-apartheid development policy so conditions can be improved for the impoverished sections of the population. This paper analyses how the provision of water services, as a component of urban development policy, addresses poverty in South Africa. It argues that there is a direct link between the standard of water services and poverty. Kapatamoyo (2004), for example, argues that the mere lack of clean water is a manifestation of poverty, with serious ramifications for livelihood capacity for individuals and entire communities. This is especially relevant for poor urban communities whose lack of access to treated water exposes them to the dangers of polluted water in urban rivers.

Urban poverty is a worldwide phenomenon that has worsened significantly in recent years. It is estimated that one-half of the people in urban areas live in absolute poverty (Beall et al., 2000). South Africa has not escaped the problem, notwithstanding the implementation of several policies aimed at tackling urban poverty in the post-apartheid period (Parnell, 2005). A large proportion of urban poor people live in informal settlements with limited access to housing, water and sanitation, among other essential services. The improvement of housing, water services and other forms of service delivery has lagged behind the growth of under-serviced informal settlements, the site of many service delivery protests. There is growing evidence that rural–urban migration is the

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major cause of urban population growth. For example, while the overall population growth for South Africa was 8.2 per cent between 2001 and 2007 (Statistics South Africa [StatsSA], 2007), there is evidence of more rapid growth in urban areas, as evidenced by increases of 16.7 per cent and 13.9 per cent for the largely urban provinces of the Western Cape and Gauteng, respectively. In addition to migration, declining household sizes have added to the difficulty of reducing backlogs in services.

The rest of this paper is divided into four parts. Section 2 provides a short analysis of development policy in order to contextualise the water policy framework in South Africa. Section 3 provides an introduction to the concept of poverty and a review of urban poverty. Section 4 describes progress in service provision in South Africa, analyses the links between poverty and water supplies, and provides a platform for the conclusions presented in Section 5.

2. DEVELOPMENT POLICY IN SOUTH AFRICA

One of the factors that define South Africa is a legacy of spatially differentiated and segregated urban areas where grinding poverty is found side by side with opulence (Parnell, 2005; Smith, 2005). Vast swatches of *shacklands*, as Smith (2005) calls the informal settlements, present a considerable challenge to the government's commitment to eliminating such settlements by 2014, in an effort to improve the lives of citizens who live in deplorable conditions and lack municipal services such as water, electricity, storm water drains and refuse removal.

If only in terms of income, urban poverty has worsened in post-apartheid South Africa, despite the formulation of several policies aimed at tackling urban poverty. Bond (2003) mentions the Water and Sanitation White Paper (Republic of South Africa [RSA], 1994a), the Housing White Papers (RSA, 1994b, 1998b), the Municipal Infrastructure Investment Framework (RSA, 1997b, 2001), the Local Government White Paper and the Energy White Paper (RSA, 1998b), and Parnell (2005) alludes to the Reconstruction and Development Programme (RDP) (African National Congress [ANC], 1994), the Urban Development Strategy, the Urban Development Framework, Developmental Local Government and the Urban Renewal Programme.

The RDP (ANC, 1994) – on the back of which the ANC campaigned and decisively won the 1994 elections – links growth and equity, primarily through reducing extreme poverty and imbalances inherited from apartheid. The equity-growth premise of RDP predictably attracted a barrage of criticism, with pressure being brought to bear on the ruling ANC. Capitulating to the forces led by, among others, business elites in South Africa and the Bretton Woods institutions, the RDP was soon replaced by the Growth, Employment and Redistribution (GEAR) (RSA, 1996b), a structural adjustment programme similar to those already implemented in much of the Third World. Although official statements insist that GEAR is a home-grown programme, it has been convincingly argued that it was adopted because of both external and internal influence being brought to bear on the ANC (Bond, 1999; Marais, 2001; Peet, 2002; Macozoma, 2003; Naidoo, 2005).

The adoption of GEAR represented an about turn from the redistributive policies that the ANC had proposed as a liberation movement. In the period between the release of Nelson Mandela in February 1990 and the 1994 all-race elections, ANC policy underwent extensive remodelling from its socialist leanings towards a market friendly stance more in tune with prevailing global tendencies (Marais, 2001; Peet, 2002). Peet (2002) notes that, upon his release from prison in 1990, Nelson Mandela declared that

'nationalisation of the mines, banks and monopolies is the policy of the ANC and a change or modification of our views in this regard is inconceivable'. However, by the time he attended the World Economic Forum in Davos in 1992, Mandela had rejected nationalisation as the core policy of the ANC. Macozoma – a long-standing member of the ANC national executive committee up to the 2007 ANC Conference in Polokwane where a number of senior ANC officials seen as close to President Thabo Mbeki were voted out – acknowledges that the complexity of the negotiated settlement produced a diluted form of the ANC vision (Macozoma, 2003).

The loss of ideological allies in the former Soviet bloc at the dawn of the Convention for a Democratic South Africa negotiations reinforced the supremacy of the market system as the dominant development policy. The policy choices were to yield to market orthodoxy or to expose the economy to the wrath of the markets that punish countries that do not make themselves more attractive to capital inflows (Marais, 2001; Macozoma, 2003). Internal business elites and the dominant white interests also had a profound impact on this change of policy thrust (Padayachee, 1998).

Academic criticism of the RDP was swift and resolute, with De Wet (1994:324) arguing that the policy was no more than 'a documentation of the needs of the people of South Africa' and could not count as an economic policy to take the country forward. In an ensuing article, De Wet (1995) argued that South Africa had supply-side constraints originating from poor domestic productivity and poor international competitiveness that had to be tackled before the implementation of redistributive policies. Citing the example of the 'Four Tigers' of Southeast Asia, which he argues achieved success through a 'market-oriented approach', De Wet (1995) further asserts that South Africa could adopt a similar approach to achieve similar success. In the same vein, Bethlehem (1994) argues against what he terms 'macroeconomic populism', and prescribes economic restructuring involving increased export competitiveness and assimilation into global market orthodoxy. These views were in spite of evidence that the success of the 'tigers' was achieved through active state manipulation of the markets (Wade, 1992, 2003; Owusu, 2003). Structural adjustment programmes in Africa, as elsewhere in the Third World, had by the end of the 1990s largely failed to solve development problems. Arguably, these failures were a stark warning that South Africa as a late adjuster could not ignore. The shift in the macro-economic direction of the country inevitably affected the juvenile water policy.

Historically, water policy has by and large reflected the dominant economic policy trajectory of the particular era. For example, in the rapidly industrialising cities of Europe and North America, private water provision was the mainstay. Reflecting the shift from free enterprise to strong government involvement in development thinking in the early twentieth century, public provision assumed greater importance (Bakker, 2003; Budds & McGranahan, 2003). With the emergence of neoliberalism in the 1960s–1970s and its infusion into policy in the 1980s, global water policy followed suit. The adoption of a set of four principles at the 1992 International Conference on Water and the Environment held in Dublin heralded the coming of age of a new water development paradigm whose fourth principle in particular articulated the shift towards market approaches:

Water has an economic value in all its competing uses and should be recognised as an economic good . . . Managing water as an economic good is an important way of achieving efficient and equitable use, and of encouraging conservation and protection of water resources. (Global Water Partnership, no date)

Ever since the adoption of the Dublin principles, it has become customary for the World Bank, the International Monetary Fund and other allied creditor institutions, as part of the structural adjustment and trade liberalisation policies they aggressively promote as solutions to development problems, to use their lending leverage to force countries to privatise their water services sectors (Budds & McGranahan, 2003; Budds, 2004). It has been argued South Africa did not escape efforts by the World Bank to provide prescriptions to municipalities on water service policies, many of which have had adverse effects on the poor (Bond, 1999, 2003). To its credit, however, the South African Government has, since the end of 2000, been implementing a free basic water policy in order to ease the burden on the poor. This is discussed further in Section 4, below.

3. CONCEPTUALISING URBAN POVERTY

3.1 Poverty

Eradicating poverty remains one of the greatest challenges confronting humanity. However, a definition of poverty is fundamentally elusive. Many attempts at defining it associate it with deprivation of the essentials for human well-being (Wratten, 1995; CPRC, 2005; Mubangizi & Mubangizi, 2005). This paper does not engage with the intricacies of the various definitions but merely notes some of the major views. The understanding of poverty has evolved from materialistic perspectives, such as the lack of income and wealth, to include multidimensional deprivation of the means to enhance basic human requirements such as health and education (CPRC, 2005), and also social exclusion and the lack of livelihood assets and rights (Naidoo, 2005). The various definitions have their own strengths and weaknesses. They include the income (or consumption) approach, the relative and absolute needs approach, and the human development indicators approach.

Although South Africa is an upper-middle-income country with a real Gross Domestic Product per-capita income of US\$3985 in 2000 (CPRC, 2005), the majority of its people live in poverty. This is hardly surprising considering that South Africa is one of the most unequal societies in the world. It has a Gini Coefficient of 0.72, including social security transfers, with the bottom 20 per cent of the population accruing only 1.4 per cent of income (StatsSA, 2008). Poverty and inequality in South Africa are often linked to past policies of segregation and apartheid, which promoted active dispossession of assets such as land and livestock while simultaneously – by restricting access to markets, infrastructure and education – denying black people the opportunity to develop new assets (Carter & May, 1999). While South Africa has made tremendous progress on many fronts in the democratic era, poverty remains a significant challenge. Although anti-poverty policies have largely failed to improve conditions for the poorest sections of society, it would be misleading to suggest that this was result of inertia on the part of the government (Naidoo, 2005).

3.2 Urban poverty

During the colonial period, urbanisation in the Third World was seen as part of the spread of capitalism and the ultimate solution to poverty (Wratten, 1995); a view that was later reinforced by the two-stage development theories that envisaged the transfer of surplus labour from low productivity agricultural work in rural areas to high productivity industrial work in urban areas, thus driving growth and raising living standards. However, urban areas soon lost their appeal as the solution to poverty by the 1960s–1970s

(Wratten, 1995). In his 'urban bias' thesis, Lipton (1977, 1984) argues that resource capture by urban elites was the primary reason for rural poverty, a theory that became the basis of a policy refocus in the 1980s–1990s. However, urban poverty has re-emerged at the top of the agenda in the wake of emerging data that highlight the extent of poverty manifestations in urban areas (Wratten, 1995).

One of the biggest difficulties in defining urban poverty is unpacking the concept 'urban' itself (Parnell, 2005; Wratten, 1995). Various criteria have been proposed, which all too often are inconsistently applied. Parnell (2005) notes that population density and settlement size are most frequently included in definitions of 'urban'. Wratten (1995), on the other hand, provides a comprehensive list of criteria to include inconsistent population thresholds (e.g. a settlement with over 1000 people qualifies as a 'town' in Canada, whereas in Japan a town has a population of over 50 000), the density of residential building, the type and level of public services provided, the proportion of the population engaged in non-agricultural work, and officially designated localities. These complexities show up the reductionism of dichotomous definitions that, as in the case of urban–rural debate, fail to reflect the continuum of settlement types, and the heterogeneity and interdependency of human processes (Wratten, 1995). The study of urban settlements therefore needs to take into account the heterogeneity of urban form.

Parnell (2005) notes that in South Africa there is a problematic commitment to the colonial notion of 'rural' as uncivilised and a place where Africans live. Further, many large and dense non-agricultural settlements that sprang up at the edges of the large urban settlements during the apartheid era continue to be classified as rural. Somewhat similar definitional dualism in South Africa is to be found in the so-called and often cited First World and Third World settlements. The definitional complexity here seems to derive from the huge disparity in settlement standards between the middle-class to upper-class suburban housing and the poor, often unplanned, informal settlements. Such duality does not seem to hold when under scrutiny and must be replaced with simpler yet more rigorous criteria such as density and the mix of occupational activity.

South Africa's burgeoning informal settlements have grown by 30 per cent since 1996 and are estimated to house between 40 and 60 per cent of the country's labour force (Dixon & Ramutsindela, 2006). The following graphic description of a section of Khayelitsha illustrates some of the deplorable conditions in informal settlements:

A maze of pathways has been created between the shacks, yet these paths are so small and so irregular that finding one's way around the settlement is a challenging task. There is no space for group gatherings, let alone cars, and one often has to bend lower to avoid hitting washing lines that extend from one shack to another. Two things that are immediately obvious are the lack of a toilet and a tap outside the shacks. The settlement thus consists merely of tiny self-built homes of wood, zinc and cardboard pieces, literally placed on any available space, with no basic services. Rubbish, sewage and any form of waste lie rotting along the banks of the wetland that forms the northern boundary of the settlement. (Dixon & Ramutsindela, 2006:135)

Given that such inhumane conditions are strewn across all major cities and towns, the consistent underestimation of urban poverty can be explained as a fixation with rural poverty (Parnell, 2005) – which is often premised on the fact that average incomes are higher for urban than rural dwellers. Sandbrook (1982) points out that higher income averages for urban areas mask the inequality that is more prevalent in urban

than rural areas. Moreover, safety nets tend to be much thinner in towns than in rural areas where kinship ties are much stronger. Beall et al. (2000) highlight the nature of urban poverty:

If anything distinguishes the day-to-day life of poor urban dwellers from their rural counterparts, it is their relationship with the built environment. Poor living conditions related to contaminated water, inadequate or absent sanitation, lack of services such as electricity, and the constant threat of floods . . . particularly in conditions of appalling overcrowding . . . (Beall et al., 2000:834–5)

President Thabo Mbeki's response to service delivery riots in 2005 reveals a growing fear that inequality and other forms of marginality may undermine the democratic order.

We can say with confidence that none of these instances present an immediate danger to our democracy. But they do reflect and seek to exploit the class and nationality fault lines we inherited from our past, which, if ever they took root, gaining popular support, would pose a threat to the stability of our democratic South Africa. (South African Local Government Research Centre, 2005:37)

Clearly there is a limit to how long the poor can be expected to wait for the benefits of the democratic order to trickle down to them. Moreover, it is important that poverty does not come to be a naturalised condition, as this could trigger policy initiatives that take it for granted that poverty is permanent.

4. WATER SERVICES FOR URBAN POVERTY ALLEVIATION

4.1 Water as an indispensable resource

The concept of water management is theoretically divided into water services and water resources. Loosely, the former refers to water supply and sanitation, and the latter to bodies of water such as lakes and rivers.

Everyone depends on water. Besides being essential for drinking, food preparation and personal hygiene, water is important for industry, agriculture, generating power, as well as for spiritual, aesthetic and recreational purposes. Political and economic power is often embedded in access to water. Inevitably, various elite groups position themselves favourably to the exclusion of poor and subordinate groups in society. In 1994, for example, the power matrix was easily evident in the percentages of populations that had access to piped water: 100 per cent of Indians, 99.9 per cent of whites, 95.4 per cent of coloureds, and only 43 per cent of Africans (RSA, 1994a).

The lack of adequate water services – the problem of collecting water from distant sources, the higher prices charged by water vendors, and so on – has a profoundly negative effect on livelihood coping mechanisms. In addition, many water-related diseases such as cholera are highly contagious. Costs spread beyond the initial point of outbreak, significant public expenditure is needed to contain the outbreak, and there is unnecessary loss of life. Water supply and sanitation bring with them significant benefits that range from 'the easily identifiable and quantifiable to the intangible and difficult to measure' (Hutton et al., 2007:11). Most of the benefits accrue from a reduction in the costs associated with poor water supply and sanitation, such as healthcare costs, and developmental benefits directly associated with improved water supply and sanitation, such as an increase in productive time available (Hutton et al., 2007).

4.2 Reaching the urban poor through water

The *Human Development Report 2006* (United Nations Development Programme, 2006) says a lack of water in the home constrains people's choices and freedoms because it induces ill health, poverty and vulnerability. The *Human Development Report 1994* introduced the concept of human security beyond the narrow confines of absence of military conflict and physical harm. The concept of water security in the 2006 report takes the debate further – here, water security means ensuring that every person has reliable access to enough water at an affordable price to lead a healthy, dignified and productive life and that ecological systems are maintained in a sustainable level. In the early twenty-first century the concept of national security has attracted disproportionate interest and funding worldwide in response to the perceived terrorist threat. I use the term 'disproportionate' to highlight the contrast between expenditure on anti-terrorist measures and expenditure on water supply, especially when one considers the cost in human lives lost due to water borne diseases. The *Human Development Report 2006* suggests that, unlike such threats as HIV/AIDS, terrorism and war, which tend to affect people across class lines, problems of water and sanitation are largely confined to the rural poor and the urban poor in slums and informal settlements. The class nature of water-borne diseases means that elites lack incentive to boost the resources for combating the problem.

Perhaps the biggest water and sanitation problem is how to achieve the triple objectives of efficiency, equity and sustainability. The water supply and sanitation industry is a natural monopoly, given the high initial capital costs of entering the industry. Fostering competition and regulatory oversight are important ways of ensuring that the monopolist considers socially optimum production instead of profit maximisation. Moreover, it is difficult to swap between players because of the viability problems of constructing duplicate conveyance and treatment facilities for the industry. The example of the rail industry, where one player is designated the infrastructure provider, is particularly instructive but of limited value in the water industry. As a result, alternatives are generally narrowed to the presence of public utilities, ring fencing and commercialisation. Current experience tells a story that does not provide easy solutions, with all forms of service provision having their own successes and failures (United Nations Development Programme, 2006).

4.3 Water services delivery progress

The impact of post-1994 water services delivery on urban poverty in South Africa needs to be viewed from the perspective of providing better livelihood mechanisms and enabling poor people to escape from poverty. The provision of a safe water supply service in South Africa has been hailed as one of the biggest achievements of the ANC government (Hemson & Owusu-Ampomah, 2005). Table 1 shows that the percentage of people with access to clean water has increased from 76.7 per cent in 1996 to 88.6 per cent in 2007. Notably, however, clean water delivery has slackened, as highlighted by the increase of only 0.3 per cent between 2003 and 2007.

Caution needs to be exercised, however, when interpreting such statistics. The percentage of people drawing water from streams has decreased only slightly, and at the same time it can be inferred that the increase in access to clean water derives partly from the shift from using boreholes and rainwater – the use of these has decreased significantly from 10.4 per cent to 2.4 per cent. Moreover, although the general trend is quite similar across figures provided by different sources, the actual figures tend to vary widely.

Table 1: Water supply delivery in South Africa (percentage of the population)

Year	1993	1995	1996	1997	1998	1999	2001	2003	2007
Clean water	76.7	78.5	82.0	82.4	81.0	83.4	84.5	88.3	88.6
Borehole/rain water	10.4	10.0	5.9	5.4	5.5	4.7	3.0	2.4	3.2
Stream/dam/well/spring/other	13	11.4	12.1	12.2	13.5	11.8	12.5	9.2	8.2

Sources: Hemson & Owusu-Ampomah (2005), StatsSA (2007).

Improvements in sanitation delivery, on the other hand, are less spectacular. Table 2 shows that access to sanitation improved from 49.8 per cent with access to flush/chemical toilet in 1993 to 60.8 per cent in 2007. Notably, however, access to flush/chemical toilets increased by only 1.5 per cent between 2003 and 2007, while the percentage of those with no access increased from 6.1 per cent in 2003 to 8.6 per cent in 2007.

The use of bucket toilets has been on a slow but generally steady decline, while the use of pit latrines remains relatively steady. Recently the government has put more effort into working on the sanitation backlog. The Bucket Eradication Programme, aimed at eliminating bucket toilets in all established formal settlements, was launched in March 2007 and envisaged eliminating an initial target of 113 085 100 of these toilets, 56.7 per cent of the bucket toilet backlog, by December 2007 (Water And Sanitation Africa, 2008). The government argues that the rest of the bucket toilet backlog, which is located in informal settlements, will be addressed through the National Housing Programme.

4.4 Genesis of tariff policy in South Africa

The aim of water services policy in South Africa is to achieve universal access, a requirement stated in Section 27 of the Constitution (RSA, 1996a). This has been translated operationally to mean the elimination of the backlog in the basic water supply service and the basic sanitation service in line with the policy framework of the RDP (RSA, 2003).

Here it may be useful to note how the Strategic Framework for Water Services (RSA, 2003) defines these services. A 'basic water supply service' is defined as the provision of a basic water supply facility (available at least 350 days a year and not interrupted for more than 48 consecutive hours per incident) and the communication of good water use, hygiene and related problems. A basic water supply facility is infrastructure necessary to supply 25 litres of potable water per person per day, supplied within 200 metres of a household and with a minimum flow of 10 litres per minute (in case of communal water points) or 6000 litres of potable water supplied per formal connection

Table 2: Sanitation delivery in South Africa (percentage of the population)

Year	1993	1995	1996	1997	1998	1999	2001	2003	2007
Flush/chemical toilet	49.8	56.9	55	62.1	52.5	55.8	53.8	59.3	60.8
Pit latrine	32.2	29.7	29.8	25.6	30.9	20.3	28.5	32.7	28.3
Bucket toilet	5.3	5.2	4.3	3.7	3.5	3.2	4.1	1.9	2.3
Other/none	12.5	8.3	11	8.5	13.1	10.6	13.6	6.1	8.6

Sources: Hemson & Owusu-Ampomah (2005), StatsSA (2007).

metered per month (in case of yard or house connections). A 'basic sanitation service' is defined as the provision of a basic sanitation facility that is easily accessible to a household, the sustainable operation of the facility, including safe removal of human waste and waste water from the premises where this is appropriate and necessary, and the communication of good sanitation and hygiene and related practices. A basic sanitation facility is the infrastructure necessary to provide a sanitation service that is safe, reliable, private, protected from the weather, ventilated, keeps smells to the minimum, is easy to keep clean, minimises the risk of the spread of sanitation-related diseases by facilitating the appropriate control of disease-carrying flies and pests, and enables safe and appropriate treatment and/or removal of human waste and waste water in an environmentally sound manner.

The growing number of informal settlements in South Africa is exacerbating the already enormous water services backlog. Since large financial resources are essential for developing and maintaining the requisite infrastructure, raising revenue within the sector is crucial for further expansion to cover all South African households (RSA, 1994a, 2003; Goldblatt, 1999; Alence, 2002). The Water Supply and Sanitation Policy (RSA, 1994a) is based on a set of eight principles that 'assume a context of universal human rights and equality of all persons regardless of race, gender, creed, or culture' (RSA, 1994a:8). Three of the principles stand out: Principle Two, which states that water is a human right as enshrined in the Constitution (RSA, 1996a); and Principles Five and Six, which respectively declare that water has an economic value and that the user pays. The racial inequities that characterise the sector dictate that equity perspectives continue to override simple, basic treatment of water as an economic good. While the long-term viability of such a policy remains contentious, ameliorating the effects of past injustices remains the cornerstone of government policy.

Water policy in South Africa (RSA, 1994a, 1997a, 2003) bears testimony to fine balancing between neoliberal ideas and the interventionist RDP. In the revised and updated policy, the Strategic Framework for Water Services (RSA, 2003), water is outlined as an economic and social good, assuring everyone access to free basic water supply and sanitation. Consumption beyond basic water supply and sanitation carry a responsibility of payment, which is essential for operation, maintenance and investment. The problem is how to implement these world-acclaimed policies, as evidence of the appalling effects of the cost recovery measures, illustrated in the case studies below, shows.

4.5 Effects of tariff policy on the poor

The study by Deedat and Cottle (2003) illustrates the effect of cost recovery on the health of the poor. The study shows the way the outbreak of the cholera epidemic in parts of KwaZulu Natal was linked to cost-recovery strategies and frequent piped-network breakdowns that prevented the use of piped water and forced poor people to rely on water from contaminated sources.

In a study of the effects of neoliberalism on water services in Cape Town, Smith (2004) notes that the city provides 6000 litres of free water per household, based on an average household size of eight. This fails to take into account the number of people per plot, which Smith found ranged from 15 to 30. These large numbers result from the prevalence of backyard shacks and extended families. This highlights the problem of relying on the use of municipal plots to define households. Between 1999 and 2001 there were

159 886 water cut-offs for non-payment in the former City of Cape Town and Tygerberg municipalities. (The present-day City of Cape Town municipal area was formed through the amalgamation of six municipalities in 2000: Cape Town, Tygerberg, Blaauwberg, Oostenberg, Helderberg and South Peninsula.)

However, Jaglin (2004) notes that the City of Cape Town implemented an indigent policy in 2001 to reduce the public indebtedness of households with an income less than R800 per month. The policy, entitled 'Credit control, debt collection and indigent policy', did not, however, cancel existing debts but promised indigent support to those clearing these accounts, something that discredited the policy.

Various explanations have been put forward for the non-payment for water services in poor communities in South Africa, the most prevalent being the 'culture of non-payment' (Chipkin, 1995; Goldblatt, 1999; Alence, 2002; McDonald, 2003). This culture relates to the rent and services payment boycott used as a political weapon by black communities in the late 1980s. Goldblatt (1999) and Alence (2002) agree on at least three of the possible causes for this non-payment: the inefficiencies in tariff collection mechanisms, the poor quality of services, and the residual attitudes of residents to urban institutions and municipal authorities. To combat this attitude, the government launched the *Masakhane* campaign (*Masakhane* is a Zulu/Xhosa verb meaning literally 'let's build one another') to appeal to citizens to take on the responsibility of paying rates, and to inculcate the notion of the reciprocity of rights and obligations (Chipkin, 1995; McDonald, 2003). Although the campaign did not achieve much success in increasing rent and services payments, Chipkin (1995) argues that it is inconceivable that the democratic national state lacks popular support, given the massive mandate given to the ANC in the 1994 elections, a majority that has increased with each subsequent election 1999 and 2004. Tapscott (2005) may provide the answer in his analysis of social capital and trust relations in local government by arguing that South Africans have little faith in the workings of local government.

The issue of tariffs needs to be considered in the context of the need to provide investments for infrastructure provision, maintenance and affordability to the poor. Given that the poor, even if they are willing to pay, are seldom able to cover the full cost of water supply and sanitation, there is a need to design a suitable subsidy mechanism that ensures they are able to access the basic amount of water needed for survival, set at 25 litres per person per day in South Africa. However, given the demographic profile of rich households, which are seldom bigger than four people, compared with the much larger households in the poorer communities, often extending beyond the nuclear family, the 6000 litres per household may actually be skewed in favour of richer households. A household of eight receives the prescribed per-capita allocation, while that of four receives double the per-capita allocation. Targeting property values as a way of differentiating the poor from the non-poor is a useful way of removing unintended subsidies and obtaining further funding for cross-subsidies.

5. CONCLUSION

This paper has considered water services in the context of development policy in South Africa. The current water services policy is situated within the neoliberal framework subsumed under GEAR. However, since water services provision was given urgency of implementation when the ANC-led Government of National Unity took office in May 1994, it retains some strong fiscal bias, especially with regard to infrastructure rollout

and the free basic water policy. Although significant infrastructural outlays have been put into servicing poor people, there is an urgent need to speed up sanitation delivery, which has so far lagged behind water supply delivery. It needs to be emphasised, however, that many poor people who have benefited from delivery and free basic water still grapple with the problem of the affordability and reliability of the water services.

The emerging picture of water services in the years after democracy is one of relative success, although there is still a measure of anger with the pace, as evidenced by demonstrations across the country about the state of delivery. From that perspective, there is need to develop pro-poor policies as a way of reaching under-serviced sections of the population. Such policies may take form of targeting households' assets, such as the value of the house, to determine the affordability of rates. Such a system is easy to administer and reliable, since there is a strong correlation between income and asset portfolios. The paper has highlighted the challenges the government must deal with to keep up with the needs of the poor while ensuring economic growth and development. There is a growing consensus that the greatest threat to the democratic order will come from the unserved masses of poor people. Research into the nature of citizenship mobilisation on water services can help unmask the nature of mass demonstrations over service delivery.

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