
Spatial Inequality in SA: The employment dimension

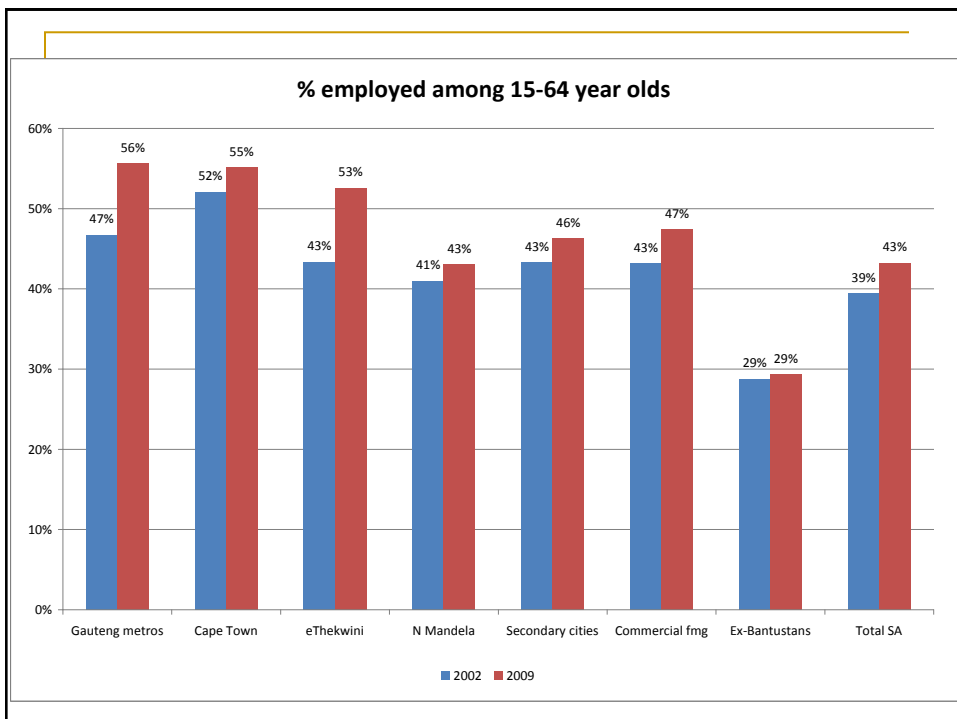
Professor Ivan Turok
HSRC

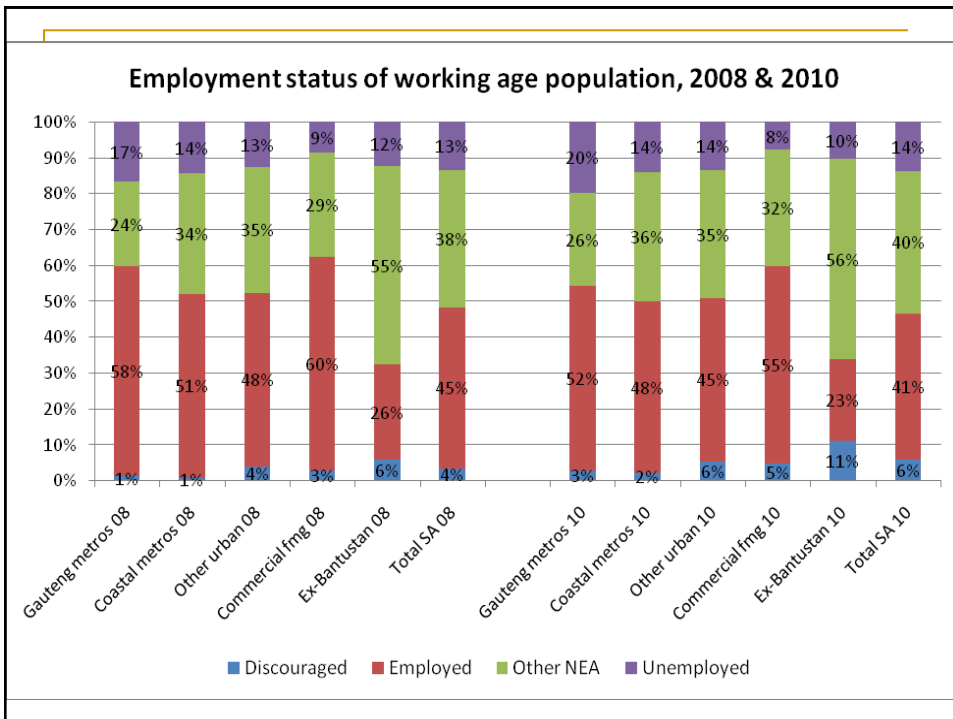
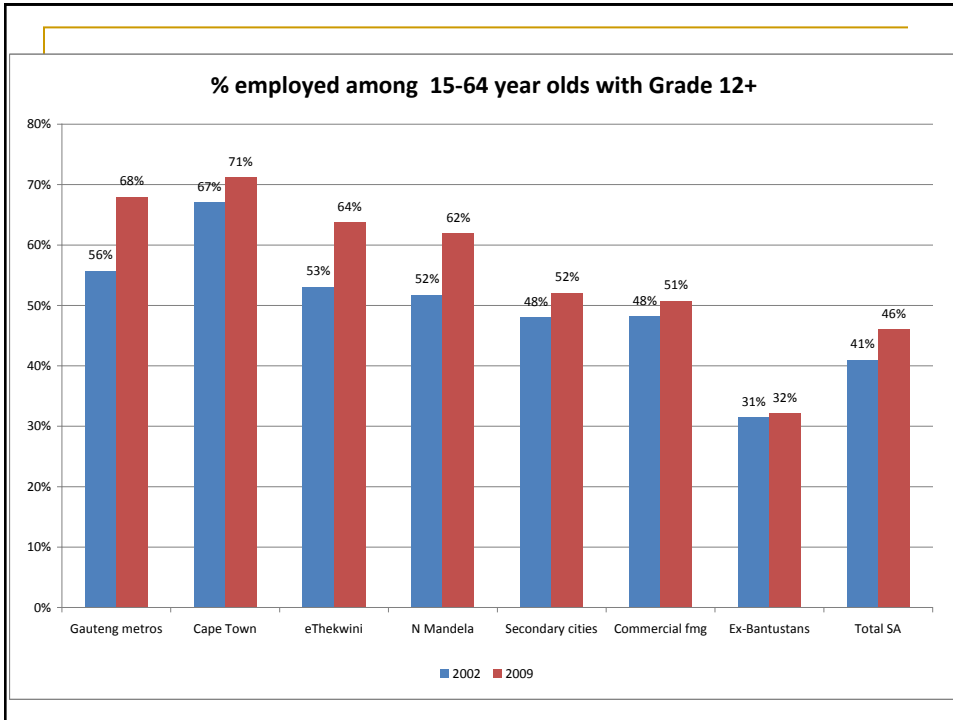
‘People’ versus ‘place’

1. Labour markets adjust: personal characteristics, social composition
 2. Frictions & distance: economic structure, labour demand
 - Stronger case for ‘place’ in SA because of Apartheid
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Two basic forms

1. 'Inter-regional' – former Bantustans versus metropolitan areas
2. 'Intra-regional' – townships versus suburbs





'Intra-regional'

1. Distance from jobs – spatial mismatch

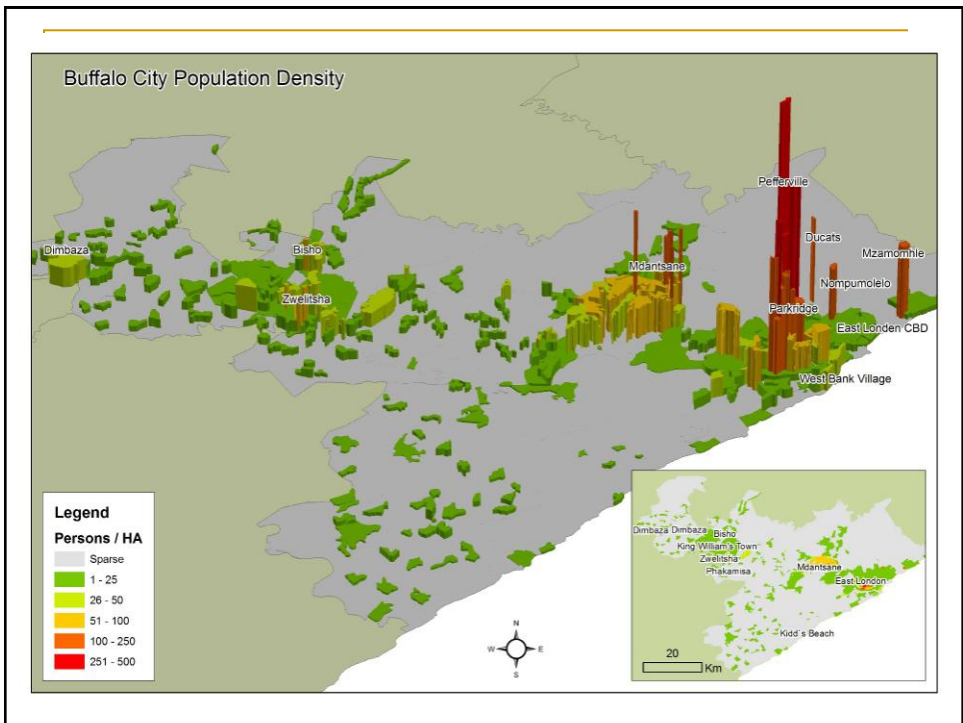
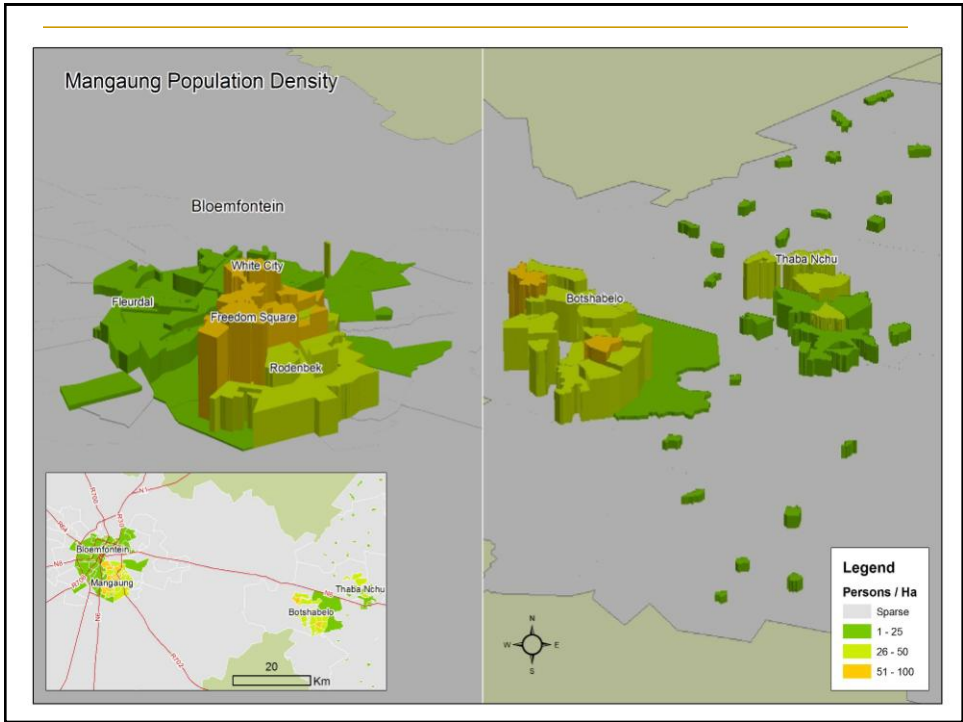
- Exclusion from well-located land
- RDP housing
- Transport subsidies to workers

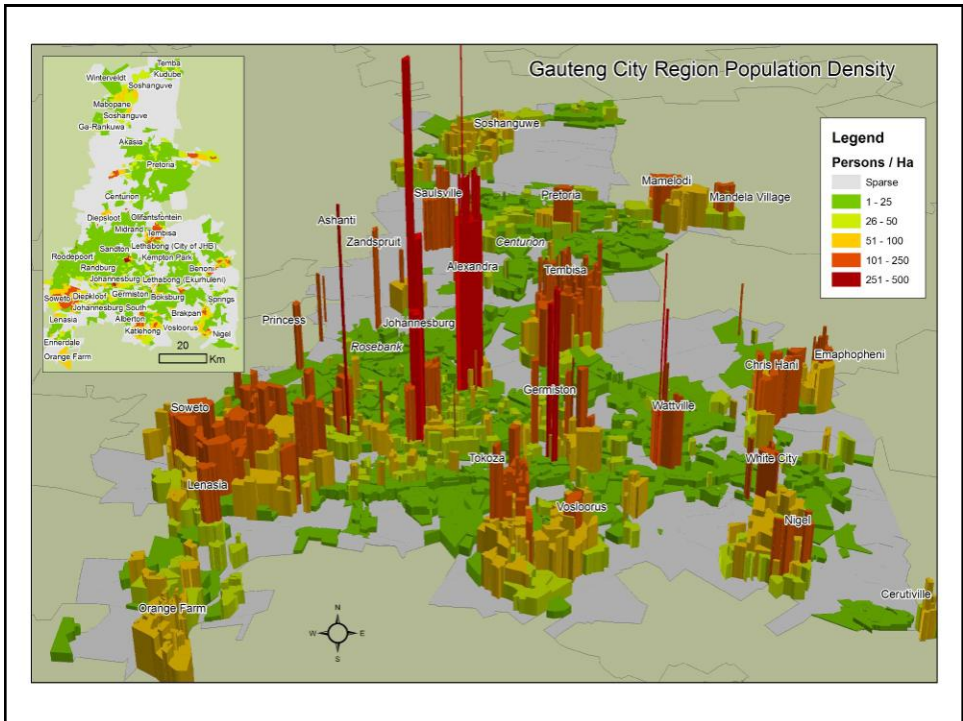
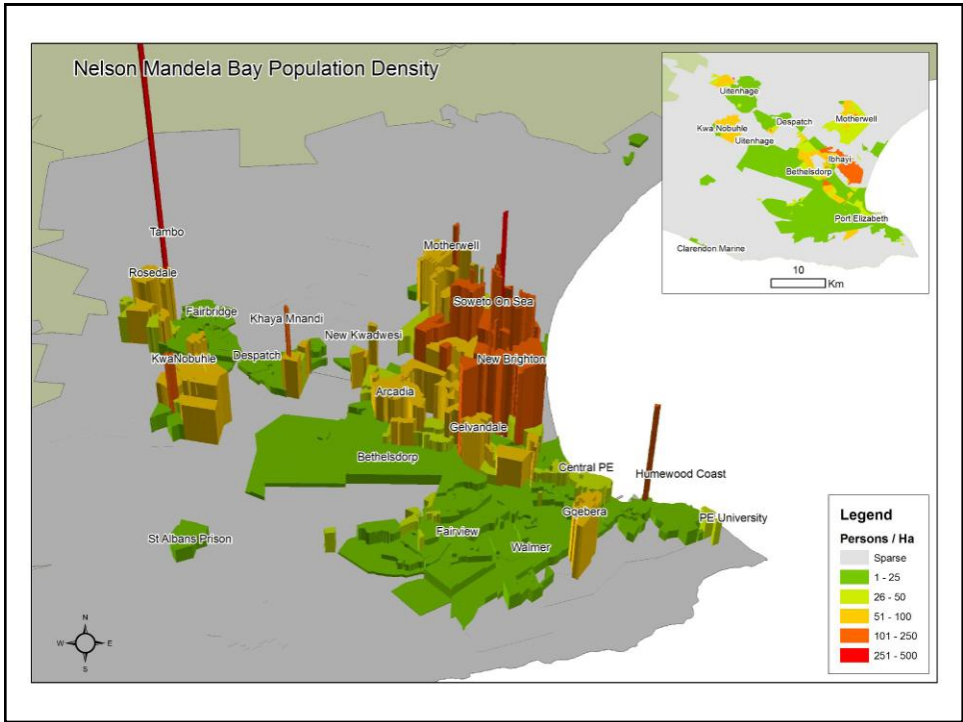
'Intra-regional'

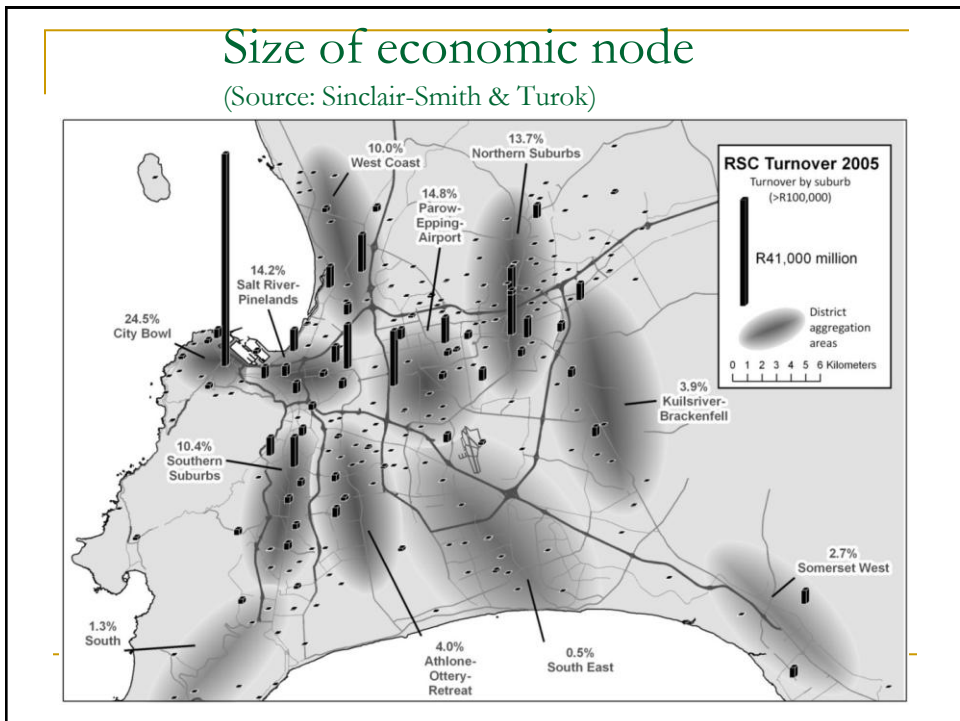
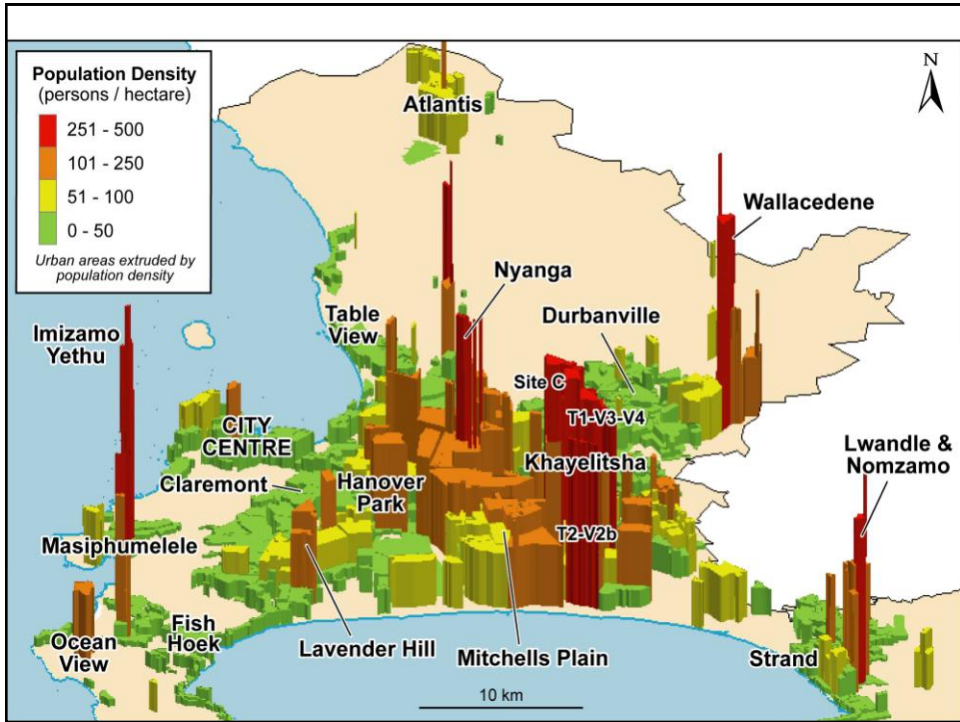
2. Area effects of concentrated poverty

- Inferior basic services
- Other facilities under extreme pressure
- Vulnerability to fire, crime, disease
- Social networks & access to information
- Peer effects & socialisation

Impedes upward mobility – inter-generational

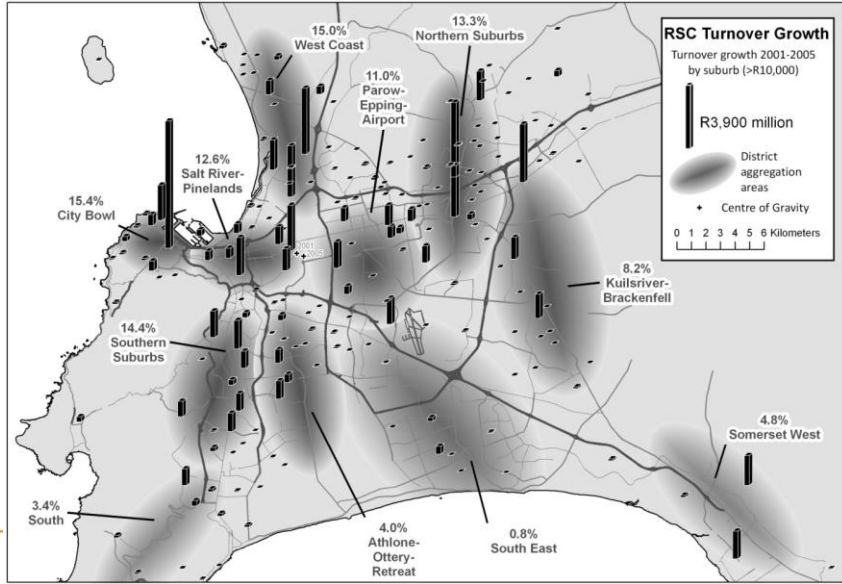




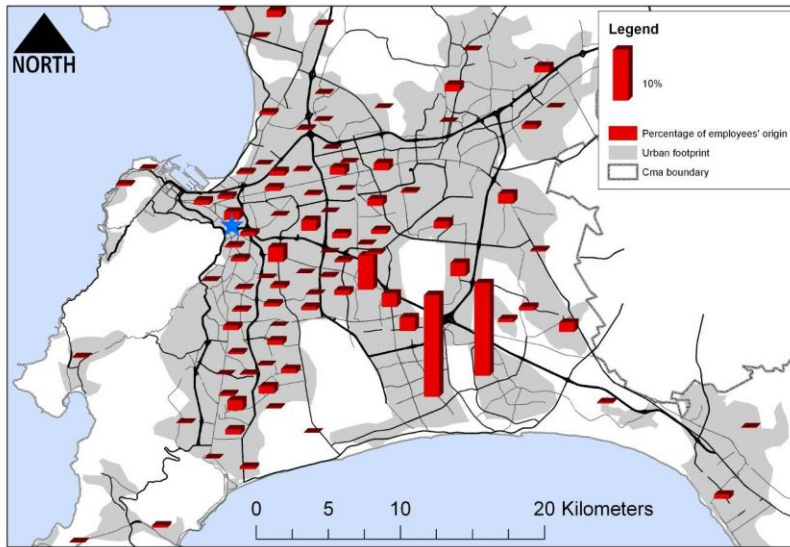


Location of growth (2001-05)

(Source: Sinclair-Smith & Turok)



Where workers live



This could matter for 'efficiency'

- Imbalance creates excess travel & congestion
- Cost of transport subsidies
- Bulk infrastructure
- Overheated property markets
- Adverse environmental impacts
- Cost of disasters
- Weaker place attachment, asset investment

Policy responses

1. **People to the jobs:**
 - Migration, commuting, well-located housing and upgrading informal settlements
2. **Jobs to the people**
 - Rural development, township economic development
 - Potential will vary
 - A concerted approach essential