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### **Trickle-out urbanism: Are Johannesburg's gated estates good for their poor neighbours?**

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**Abstract:** In 2015, the billionaire Douw Steyn launched a mixed-use megaproject 30 kilometres north of downtown Johannesburg. Plans for Steyn City include 10 000 high-end residential units along with private hospitals, schools, a golf course, an equestrian centre and 2 000 acres of parkland behind a three-metre-high perimeter wall. The launch attracted some critique in the media for the exclusive environment that the development sought to create, an ambition that seemed particularly incongruous given its close proximity to the poor settlement of Diepsloot. In response, the developers argued that the project had created more than 11 000 jobs and that wealthy people should invest close to places that need work and livelihood opportunities. This paper is based on interviews with workers who live in Diepsloot and travel each day into Steyn City to work for subcontractors building infrastructure, housing and social facilities. The empirical material shows that although these workers acknowledge the opportunity of employment, they are aware these jobs are uncertain, mostly low-skilled and insufficient to cover the basic costs of everyday life in Diepsloot.

## Introduction

In June 2017, South African opposition politician, Julius Malema, visited Diepsloot, 30 kilometres north of central Johannesburg. With some estimates claiming Diepsloot houses nearly 200 000 residents, mostly poor and with high rates of unemployment (Bénit, 2002; Cross, 2014; Harber, 2011), and a reputation for crime (Sonke Gender Justice, 2016), xenophobic attacks and vigilante violence (Gross, 2016), Malema probably thought he had found the perfect site from which to articulate his demands for radical social justice. Three kilometres to the south, Douw Steyn, an insurance billionaire, was constructing an ostentatious walled suburb named 'Steyn City' (Stone,

2013). Malema announced that his party, the Economic Freedom Fighters, planned to 'occupy' Steyn City.

At this point, Julius Malema might have expected enthusiastic support for his idea not only because of its populism, but also because national government policies had argued for the gradual elimination of gated estates (Republic of South Africa, 2016), and critics had described Steyn City in particular as a form of apartheid (Smith, 2015a). However, the call to mobilise failed to convince his audience in Diepsloot; instead, many responded that Steyn had created jobs and invested in the surrounding communities. Recalling the incident, Malema confessed, 'I had to make a retreat because the masses said "not this man"' (The Citizen, 2017).

The idea that Steyn City was good for Diepsloot was one that the developers themselves had been cultivating. At the launch of the development in 2015, the Chief Executive Officer (CEO) of Steyn City Properties, Giuseppe Plumari, stated:

The development is at the doorstep of Diepsloot. That's the very thing we're criticised for – opulence next to poverty – but that's exactly where developments should be to empower people to get jobs, so they don't have to spend half their salary on transport. ... Let's applaud the wealthy man who comes to South Africa to build on the doorstep of Diepsloot and let's vilify the wealthy man who runs away. Who's going to make a difference to the people? I would kiss Bill Gates's feet if he came and built a house in Diepsloot. It would create a lot of jobs. (Smith, 2015b)

The notion that gated estates are beneficial to poor neighbours is analogous to pro-growth development thinking, sometimes referred to as 'trickle-down economics'. Such arguments acknowledge that economic growth will lead to disproportionate acquisition by the better-off for a time, but that the poor will benefit from improved opportunities and, eventually, income (Lal, 1985). While recent attention to 'township economies' has promoted small-medium enterprises, value chain retention, training and skills hubs, and infrastructure improvement (Mahajan, 2014; Ngwenya & Zikhali, 2018), labour programmes and work-related connectivity to 'formal sectors' outside the neighbourhoods remains the dominant means in the minds of most government officials to alleviate poverty. In step with this logic, and like trickle-down economists, the developers of Steyn City trade on the idea that the cause of poverty is the inability of the poor to participate in the economy, and that earning a wage leads to improved well-being.

There is some putative evidence for this claim. Construction workers in Diepsloot have experienced new opportunities as a result of the arrival of Steyn City. One worker we interviewed stated that

Steyn City is 'helping the community very much. A lot of people work there. ... I was told that there was a lot of employment when I first got here, and I came, I got the job' (Ronnie, 13 Dec. 2016). Yet, as Barchiesi (2011) notes, a perverse effect of South Africa's acute unemployment levels is the notion that anyone with a job is lucky, regardless of the terms of their employment. Like construction workers in many other parts of the world (Buckley, 2014; Pang, 2019), labourers at Steyn City are employed through subcontractors, and they experience casualisation, de-unionisation and low wages. The workers we interviewed reported insecure employment conditions, work that could end at any time, relied on bribery to be chosen, and then worked long hours for pay that did not cover their basic living costs let alone contribute to asset building in the longer term. Following Barchiesi (2011, p. 12), we consider how these workers express 'their own precariousness' (also see Lazar & Sanchez, 2019). Our research examined how workers simultaneously 'made do', working hard, gaining skills and contacts, and supporting families, while also living with the anxieties that their labour could become superfluous, that a misstep of behaviour or perceived 'quality of work', a shift in social or political relations with brokers or contractors, a change in the law or its application, could bring work to an end in an instant.

The empirical base of the article is 18 interviews conducted in November/December 2016 with workers employed on projects in Steyn City. After initial participants were found through cold contacts, most other respondents were recommended by people we had already spoken with. Interviews were conducted in whichever language the respondents felt most comfortable. Fifteen of these were recorded, transcribed and coded thematically (respondents are referred to using pseudonyms). We also reviewed news reports and the Steyn City website. At the time, few residential units had been constructed in Steyn City and we opted not to pursue interviews with residents of the estate, although the study suggests that this would now be productive.

## Functions of hard suburban borders

Numerous critiques of gated estates draw attention to the way in which they foreclose social interaction and economic across class and race differences. In South Africa they have been likened to the 1950 Group Areas Act, a cornerstone of apartheid, which used physical buffers to separate racially defined residential areas. Given that state-led segregation came to an end formally in 1991, well-resourced individuals who feared unregulated urban mixing could regard walled estates as means to engage in a kind of new privatised apartheid (Ballard, 2004; Lemanski, 2004). The core message of apartheid – that black working classes were dangerous – mapped onto a post-apartheid narrative of crime (Bremner, 1998), and a drive to keep 'the underclass' at bay (Murray, 2011).

While gated estates undoubtedly satisfy exclusionary sensibilities of more privileged groups, the alignment of outcomes and elite interests should not be taken to mean they are straight-forwardly an expression of Verwoerdian racism. They are the result also from the repetition by developers of a largely successful model, and the consumption of such spaces by financially able buyers looking to purchase new properties within their affordability range (Ballard & Jones, 2014; Beall, Crankshaw, & Parnell, 2002). For the last three decades new properties for the middle class and above have mostly been within some kind of gated development but the residents of such spaces are not particularly different to those in similarly priced open suburbs (Duca, 2015). Indeed as Duca (2015, p. 16) argues, gated estate residents do not exist in hermetically sealed 'bubbles', but are embedded within the broader urban environment (also see Bagaeen, 2015). Although it is undoubtedly possible to detect social prejudices amongst some residents of such spaces, buyers of gated properties are also motivated by price, location, lifestyle consumption, architecture, urban management, physical security and the investment potential of an appreciating property asset.

Moreover, while acknowledging that prejudice exists, it is difficult to disentangle whether prejudice drives the production of gated spaces, or whether socially homogenous spaces (re)produce prejudice (see Saldanha, 2007); the interaction is clearly dialectic. And while social prejudice can be found in gated estates, such spaces are not characterised, in the main, by an overt ideology of racial segregation. The nuance is that many white residents profess liberal tolerance within discursive frame that denies or treats in specific ways the ongoing relevance of race (Frankenberg, 1993; Heer, 2015). Many gated spaces are in fact racially integrated (Chipkin, 2012), and allow for – without explicitly enabling – cross-class encounters (Schuermans, 2013). Brunn argues that we should conceptually separate the practice of 'gating' from the sensibility of 'gated minds' as a way of recognising that not all those who live in these gated estates are driven by segregationist goals (Brunn, 2006).

A growing set of literature diverges even further from the idea that gated estates should be critically judged for segregating the urban environment. Pow (2015) argues that dystopian treatments of gated estates are theoretically determinist, and blind to the more ambivalent place that they actually occupy in urban life. Far from being oppressive and exclusionary, estates that are established near to working-class areas may be welcomed by those who do not live within their confines. They bring a degree of respectability and social stability (Salcedo & Torres, 2004) and provide work opportunities. They are not entirely impermeable and while there might not be full social integration, there is at least some interaction which may be beneficial for those living outside the perimeter (Srivastava, 2015). As Roitman, Webster and Landman (2010, p. 5) note, gated estates allow more affluent groups to feel comfortable living in closer proximity to less affluent groups,

thereby providing opportunities for work to 'low-skilled outside neighbours'. For Pow (2015, p. 477), it is 'debatable whether gated communities are undesirable urban forms' since they can drive urban development in a particular locale.

Yet there is a danger of emphasising the benefits of estates to poor neighbours without analysing, more fully, the distribution of benefits and burdens through these economic relationships. Relational approaches to poverty argue that under certain circumstances, economic participation can be *adverse* for the poor (Hickey & du Toit, 2007; also see Hickey, 2010; Mosse, 2004, 2010). Some forms of economic participation perpetuate inequality and poverty insofar as they reproduce the poverty of workers. In a context where the number of job seekers far exceeds available work, employers are under little pressure to pay workers a living wage (Denning, 2010). The resulting exploitative employment relationships benefit employers and those who own the assets in such spaces. This political economy accounts for the contradictory narratives that Steyn City's construction workers expressed in our research. Their predicament can be described as a 'Faustian bargain' (Wood, 2003, p. 455) in which the workers submit to immiserising deals because they need to survive in the short term.

## Occupation, relocation and enclosure

The origins of Steyn City and Diepsloot are entangled. In the early 1990s, Diepsloot did not yet exist, but the informal settlement of Zevenfontein had grown on the site that would later become Steyn City. The land was zoned for rural use adjacent to what had been white suburbs, but the owner at the time took advantage of the end of apartheid to rent out small sites to shack-dwelling tenants (Mabin, 1993). The land was sold, and the new landowner wished to evict the occupants, as did the affluent residents of nearby Dainfern (Bénit, 2002), one of Johannesburg's premier golf estates (Hook & Vrdoljak, 2002). The provincial government stepped in to find an alternative site for the shack dwellers, a difficult task given the strident NIMBY-ism of many suburban residents. The state eventually determined that it would resettle some at Diepsloot. In 1994, former residents from Zevenfontein became the founding residents of Diepsloot (Bénit, 2002; Harber, 2011). They were soon joined by people relocated through government programmes from other parts of Johannesburg, especially Alexandra, and by people making their own way looking for jobs and cheaper housing.



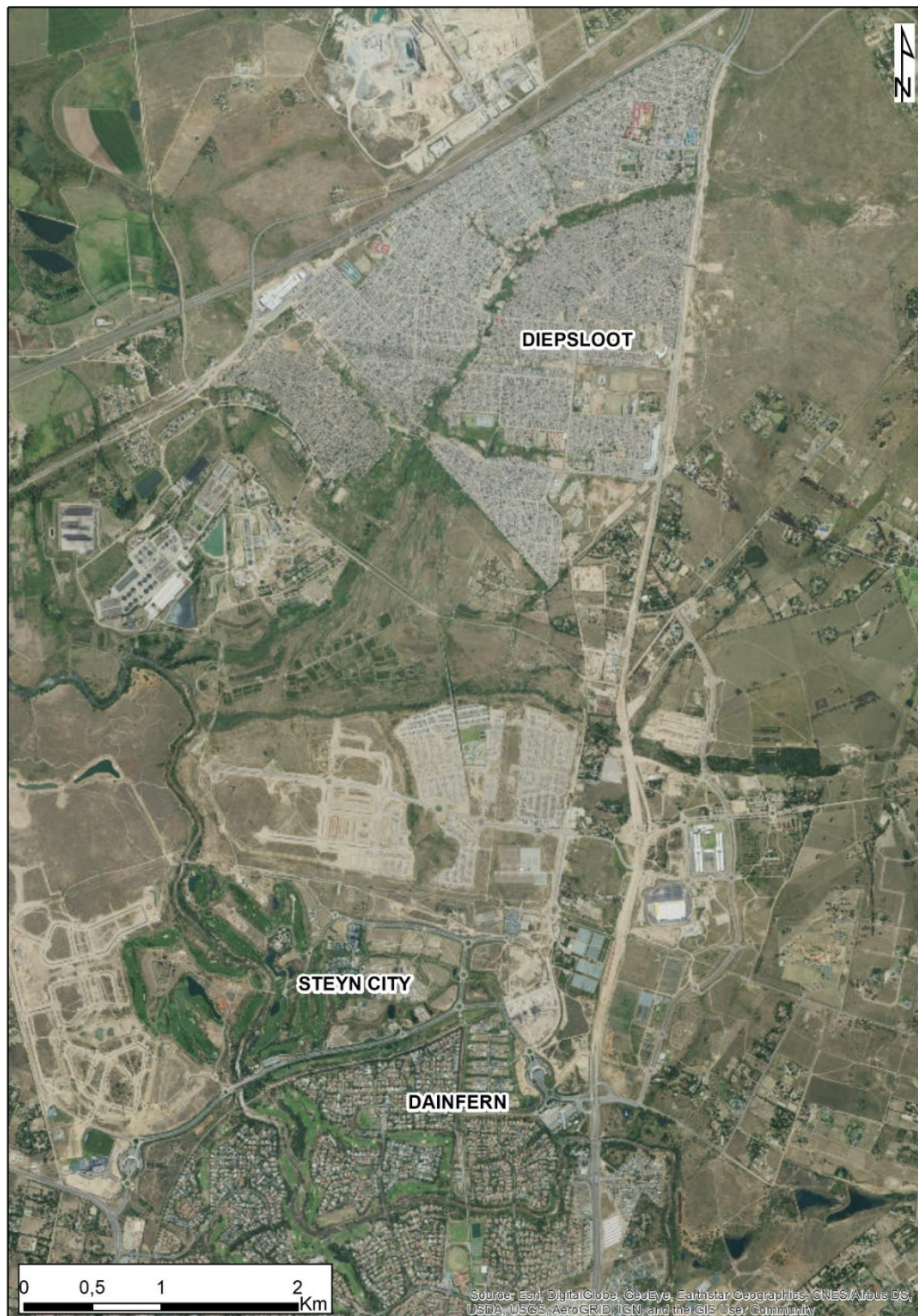


Figure 1: Aerial photo showing Dainfern, Steyn City (previously Zevenfontein) and Diepsloot (Map by Samkelisiwe Khanyile)

Diepsloot's growth outpaced the control of authorities, and by the 2011 census it had a population of 138 329 residents (Stats SA, no date). For Landau, Diepsloot is an example of an 'urban estuary', a 'community of convenience' characterised by high levels of migration and social diversity (2018, p. 505). As Harber puts it, 'everyone in Diepsloot is from somewhere [else]' (2011, p. 16). Invariably,

the workers we spoke to were not originally *from* Diepsloot but from towns in other provinces (Limpopo, KwaZulu-Natal, North-West and the Eastern Cape) or from other parts of Gauteng such as Garankuwa, Tembisa and Soweto. They moved to Diepsloot because they knew a sibling, cousin or friend who lived there. On average, those we interviewed had been in Diepsloot for seven years, ranging from 20 years in one case to four months in another. Its residents have complex spatial attachments, often with higher fidelity for a home elsewhere than the place they live now. One construction worker that we spoke to said that he feels accountable to a wide network of family and friends in the township he used to live in, but in Diepsloot 'I just do my thing ... Nobody knows me this side, I can buy a loaf of bread and Cool Aid, eat that and go to bed' (Paul, 12 Dec. 2016).

Growing rapidly on a confined site, Diepsloot is among the densest places in the province, with a complex mosaic of laid out streets and narrow alleys, infrastructural interventions, small pockets of open space, businesses and housing types. The original reception and extension areas include site and service stands, with self-built housing, and units built through the Reconstruction and Development (RDP) housing subsidy programme (Bénil, 2002; Cross, 2014). However, much of the demand for accommodation has been met through informal settlements and backyard dwellings (Figure 2). Respondents we spoke to in 2016 were paying an average of R420 (US\$30) in rent, ranging from R600 (US\$42) for a backyard room with access to water, a toilet and electricity from the main house on the property, to R200 (US\$14) for those sharing a shack. To save money, one respondent rented a shack without access to a toilet on site or electricity for R200 a month. He and his partner said that without electricity they could not run a fridge, their food would spoil, and sometimes they could not afford paraffin for cooking and would 'go to bed on an empty stomach' (Thami, 5 Dec. 2016). The only toilets they had access to were two communal toilets which usually had a long queue.



*Figure 2: Accommodation in Diepsloot*

It took until 2011 to relocate the last of Zevenfontein's 20 000 residents (Huchzermeyer, Karam, & Maina, 2014). Work on Steyn City began in 2006 and residential products were launched on the market in 2015 (Moneyweb, 2016). Prominent in the estate is Steyn's own 3 000-square-metre property, called Palazzo Steyn (Figure 3). The Palazzo cost R250 million (US\$20 million) to build, making it the most expensive property in South Africa (Pietzsch, 2015; Smith, 2015b). If far less ostentatious, at the time of fieldwork, the 10 000 planned residential units, a mix of apartments and free-standing houses, were marketed 'off-book' at between R2 million (US\$163 123) and R36 million (US\$3 million). According to the CEO, these prices were not extravagant: 'We give access to this magnificent estate development to all, not just the rich few.' Indeed, he claimed that the cheapest apartments would be rented out for about \$1000 a month, 'Very accessible if you have a decent job' (Donadieu, 2015). In 2015, US\$1,000 a month would have been about R12 260, or 29 times the average rent paid in Diepsloot by the labourers building these very structures. To service a mortgage for R36 million would cost around 800 times the average rent of a Diepsloot shack.





*Figure 3: Palazzo Steyn as seen from the clubhouse.*

The ‘magnificence’ of Steyn City is carefully curated with high-specification design that signals a desirable living, working and leisure environment. The development’s website represents Steyn City as a ‘parkland residence’ offering a ‘village lifestyle, centred on quieter and simpler times not yet seen in Johannesburg’s fast-paced and high-pressure environment’ (Steyn City, no date). Urban design is focused on cycle and walking paths through extensive green spaces landscaped with 650 000 indigenous trees that form Johannesburg’s largest woodland (Smith, 2015b). Marketed as a self-contained ‘city within a city’ (Pietzsch, 2015), a space in which ‘you don’t feel like you’re in Joburg’ (Donadieu, 2015), according to one billboard there are ‘enough amenities to declare independence’. Plans include an office park, heliport, two private schools and private hospital, a retirement village and a ‘city centre’ with shops and entertainment facilities (van Niekerk & Tau, 2015). The development includes various lifestyle amenities such as a golf course, clubhouse and restaurant, and horse stables (Muller, 2016). And, of course, it offers security: a three-metre-high perimeter wall, access control and surveillance cameras. Underscoring the ‘value’ of residing in Steyn City, the initial marketing all but assured would-be purchasers that properties would be rapidly appreciating financial assets that will bring returns to those who invested in them (Muller, 2016).

## Legitimacy claims

With enormous resources directed to establishing Steyn City on the physical landscape, it needed also to establish itself in the city's moral landscape. The development drew considerable criticism; Patrick Craven, spokesperson for the Congress of South African Trade Unions, likened Steyn City's restrictions of movement to apartheid (Smith, 2015b). The former president of the South African Planning Institute, Yusuf Patel, said that the development ran against municipal goals of integrating the city and providing affordable housing (le Cordeur, 2015). The points were conceded, after a fashion, by an architect working at the site who argued that this segregation was a necessary 'reaction to the times we are living in'.

Obviously we wouldn't want to live in them if we didn't have to, but I think in due course these boundaries will have to be removed when people start to feel safe again – so we can stop making these 'green islands' and start linking them back to the community again. (van Niekerk & Tau, 2015)

Alongside these standard justifications of gating, Steyn City pursued an altogether more sophisticated strategy as a result of Douw Steyn's acquaintance with Nelson Mandela. The Steyn City website claims that, as Steyn's friend, Mandela had influenced Steyn in his thinking about how to contribute to the development of South Africa. It explains that Mandela was 'guest of honour at Steyn City's official ground-breaking ceremony [in 2007] where he seeded a tray of Bushwillow trees to mark the occasion' (Steyn City, no date). Eight years later, at the launch of Steyn City in 2015, Mandela's widow Graça Machel ceremonially planted these saplings in a section called 'Mandela park' (Padayachi, 2015).

This political endorsement extended to Gauteng premier David Makhura, who, in his 2015 State of the Province Address, enthused about the R6.5 billion invested in Steyn City and R50 billion still to come (Makhura, 2015). At the launch he described the project as 'catalytic', and addressed criticism directly by saying,

I know there are those who say: 'Premier, why do you speak about a development for the super-rich?' I say: 'You don't understand.' First, [this is] an injection of the amount of money put in the provincial economy, in our country's economy, in the initial phase of development [of] more than six billion rand [US\$483m]. And the number of jobs already created has made a big impact on the economy this side: 11 800 jobs. ... It integrates people who have been left out of our economy. That is something Madiba [Mandela] would be smiling about. (Smith, 2015a)

The refrain follows a long history of politicians describing high-end private and public-funded housing developments in north Johannesburg as of benefit to poor communities and workers especially (Harber, 2011). The following section examines these claims from the vantage of workers.

## Letting the neighbours in

Each morning a stream of workers from Diepsloot funnels through the service entrance at Steyn City's northern perimeter (Figure 4). Some arrive by minibus to save time and energy, to avoid exposing themselves to being mugged crossing the rough land to and from work, and to avoid flooding during rains (Sam, 26 Nov. 2016). However, even though Diepsloot is close to Steyn City, taxis generally charge the full fare of the run to Fourways, a further 8km south: a cost of R10 each way, around R440 (US\$31) a month. Many workers save money by walking across the veld, a journey of between half an hour (Sam, 26 Nov. 2016) and an hour (Lucky, 2 Dec. 2016). Ronnie explained that the proximity of Steyn City is a boon: 'we can even walk to go there ... this enables me to save money because if I were to catch a taxi money will be wasted' (13 Dec. 2016). Yet, at least one subcontractor justified paying R2 100 (US\$150), below the standard rate, on the grounds that the worker could walk to work (Sam, 25 Nov. 2016), a convenient sleight of hand that allowed the subcontractors to pocket the difference.



*Figure 4: Service entrance on the northern perimeter of Steyn City, Nov. 2016*

At the start of their shift, workers access the site via a turnstile with a fingerprint reader inside the entrance. They then report for duty with their direct employer, often clocking in with a second

biometric scan at a site office (Sam, 25 Nov. 2016). None of the workers we spoke to were employed by Steyn City itself. Rather, Steyn City contracts specialist firms to run landscaping and construction projects. In turn, these major contractors outsource elements of their work to subcontractors who themselves may be sizable, employing as many as 200 workers in one estimation (Sam, 25 Nov. 2016). For many workers, however, all these employers were effectively subcontractors doing work on behalf of Steyn City and they were therefore 'outsourced' labour. Most, although not all, employers were white, referred to as 'abelungu' in the vernacular.

Workers we spoke to had done a variety of jobs. A number did landscaping work, including planting, weeding and mowing, and installing irrigation. Others were employed by construction contractors, and their work consisted of moving materials, cleaning, painting, rigging scaffolding, mixing cement, laying bricks, paving and controlling traffic. Women were present on most work crews, with a gender division of labour largely determined by the task. In the case of construction, men dominated and the few women were mostly cleaners (Tumelo, 30 Nov. 2016), whereas on landscaping crews, women were given the same tasks as men, prompting some to complain that they were doing very heavy work more suited to men. The physicality of the work, however, was a constant reference. Sibusiso, for example, described digging holes for lamp posts as 'rough' (2 Dec. 2016). Beyond the long hours of manual work, in the open, and with short breaks, people described a range of other indignities. Paul described having to endure the surveillance of supervisors (12 Dec. 2016) while Mpho objected to supervisor favouritism (Mpho, 1 Dec. 2017). Some workers complained that shifts did not end at the agreed time or hours were not clearly communicated (Sibusiso, 2 Dec. 2016). Safety protocols were also widely ignored according to many (Sibusiso, 2 Dec. 2016), and yet there were multiple ways for workers to get into trouble; the cost of breaking a window, for example, would be deducted from pay (Sam, 25 Nov. 2017). Although many, cautiously, described the supervisors as fair, their power to determine working conditions and retention was clearly evident.

As identified by those we interviewed, the precarity of work cut across three primary kinds of anxiety and difficulty: gatekeeper exploitation, uncertain terms of employment and the difficulties of making ends meet on the wages paid.

## Gatekeeper exploitation

To get a job with a contractor at Steyn City, workers faced limited formal barriers to entry. Job seekers needed proof of address and bank account details, an identity document, and possibly safety boots and overalls. Few were expected to have completed recognised training or have proof of previous work experience; indeed many of those we spoke with recognised that working at Steyn meant learning new skills:

Yes I'm happy with the job, I like it. ... I'm getting a bit of experience. If someone was to ask me about the paving I can tell them how it's done. (Ronnie, 13 Dec. 2016)

It's a good kind of work because now I have learnt a lot about that work. ... I know how to mix compost – I know that, to plant a tree, how to water them... I have learnt a lot about pesticides which I did not know at first, even the names of the trees... the quality of the grass. (Sam, 25 Nov. 2016)

Most had found their jobs by waiting at the service entrance of Steyn City before the start of the morning shift, hoping to get picked by a contractor or an intermediary who managed the hiring process at the service entrance. A contractor would let the intermediary know how many workers they needed for the day and the intermediary would pick from among the typically dozens of people waiting at the gate (Fezile, 7 Dec. 2016). Job seekers might not get work on the first day or even in the first week but persistence generally paid off.

Nevertheless, while the formal barriers to entry were low, many of those we spoke to had to run the gauntlet of informal barriers. Brokers are a pervasive feature of everyday life in Diepsloot and a vital conduit for access to networks and resources (Harber, 2011) and gatekeepers are common to allocations of entry-level jobs in South Africa. In Steyn, one of intermediaries responsible for managing appointments would call people aside shortly after he had chosen them for a job and explain that he expected payment, often R500 although the amount varied. Respondents believed that he was 'selling jobs' without the knowledge of the developers (Maki, 5 Dec. 2016). Sometimes the expectation of a payment was conveyed indirectly, as in a request for a 'cold drink'. Thabo explained, 'he spoke about something in parables. Then I understood what he meant when he said that, and then I decided to give him something' (20 Nov. 2016). For women, a number of respondents told us that sex was requested in lieu of cash (see also Worker Rights Consortium, 2019).



Newly employed workers did not have to pay immediately, but if they did not pay the full amount the intermediary would visit their home to claim the money or he would 'make sure that you get fired' (Mpho, 1 Dec. 2016). As a resident of Diepsloot, the intermediary wielded considerable power, in Zinzi's words 'truly speaking we are very much afraid of him; he is close to the metro police' (29 Nov. 2016). Workers had little choice but to pay, even to borrowing the money from family members, friends or loan sharks (Paul, 12 Dec. 2016). With over half the population of Diepsloot unemployed, payment was preferable to being left to 'sit and do nothing in [the] township' (Sibusiso, 2 Dec. 2016). Parsing Barchiesi (2011), Thabo's comment reflects how this brokerage was socialised by poverty and precarity. As he explained 'he came to my rescue and rescued me from poverty and I was able to feed myself. So when he mentioned the cold drink issue, I didn't hesitate but gave him what he asked for' (20 Nov. 2016).

### Uncertain terms of employment

Having navigated backhanders and sexual assault in order to secure work, many respondents were concerned about the impermanence of their work and the uncertain terms of their employment. Zinzi (29 Nov. 2016) recounted two cases of people being fired without the requisite warnings for a seemingly small infraction:

One person made a mistake and he was found sitting down. He was not given any warning, they just fired him. The same thing happened at another company ... A woman was fired for sitting down ... they just took a picture of her and she was fired on the spot.

Temporary contracts could end with little warning. One worker was unsure whether she would be paid for the upcoming summer break and whether the job would exist in the new year. As she put it, 'I do enjoy working there. But the thing that I'm scared of is, what if this work is going to end? What are we going to do next year? Will it end in another month, we don't know...' (Mpho, 1 Dec. 2016). Paul and others believed that work arrangements came to an end so that employers could avoid registering workers for the Unemployment Insurance Fund (UIF) as required by law after a three-month period (12 Dec. 2016; Fezile, 7 Dec. 2016; Sam, 25 Nov. 2016).

Even those on permanent contracts were vulnerable. One person recalled losing a previous job because the company employing him made some of its staff redundant, speculating that this was a deliberate move to avoid having to pay an annual bonus (Sam, 25 Nov. 2016). Sam added that the employer did not initially offer severance pay but was forced to do so after the case was taken to the Commission for Conciliation, Mediation and Arbitration (CCMA). Yet, the termination of employment

could be temporary with re-employment by the same company within a matter of days (Zinzi, 29 Nov. 2016). Maki describes the effect:

They use people, they are manipulative, they abuse people, they undermine them by playing with their minds. That's abuse. At times whilst you're working you will be told that you are retrenched without any valid reasons given. At that time you don't know nothing at all. They are always hiring. Next time when you look again there will be new staff hired. (5 Dec. 2016)

Sabelo ascribes precarity with feeling disenfranchised:

It's like we are foreigners. ... They say its democracy we are free. How are we free? What kind of freedom is this? There is no such a thing as freedom. You will never own a car if you working there. You won't own a home, a future and a wife. ... We are still young and still have the energy to work. What will happen when we reach 40 and still don't have nothing? Not even a home? ... [foreigners] don't have rights, even if they were to complain, no one will listen to them because they don't have rights. Whilst we on the other hand has rights. We have a right to complain, that we are being abused at work this and that. I happen to know my rights. That's what pains me, knowing that I do have rights even though I'm struggling in South Africa. (6 Dec. 2016)

'Working in the dark not knowing exactly what is going on', as Maki put it, without a written contract or one that was largely meaningless in practice deepened anxiety and enabled material hardship. When he was hired, Fezile signed a form saying he would get R18 per hour (US\$1.3), 'Then on my first pay when I calculated it gave me R15 per hour [US\$1.1], he [the person who hired me] told me if I wanted the job and I will take the money. So I wanted the job and I took it' (7 Dec. 2016). Others described how they did not know whether they were entitled to leave or other benefits, how to respond to promised pay increases that never materialised, pay that did align with the number of hours worked, the absence of payslips in order to check, and favouritism by the supervisor in giving out opportunities to work overtime (Mpho, 1 Dec. 2016; Sabelo, 6 Dec. 2016). Raising concerns about any of these issues, or wider working conditions such as safety, results in being 'regarded as a troublemaker' according to Sibusiso (2 Dec. 2016), which usually prompts an employer to fire the worker or not to be offered jobs in future (Paul 12 Dec. 2016). Any form of collective action such as unionisation is immediately met with threats of dismissal.

### Making ends meet

Making ends meet was a daily struggle for the workers at Steyn City. Pay among our interviewees was an average R2 839 (n17) per month (US\$202.6 in November 2016). Hourly rates were often

standard and those earning more frequently worked longer hours (e.g. Saturdays or longer shifts) to increase total pay (Zinzi, 29 Nov. 2016). From these earnings would come rent, approximately R420 (US\$30), typically leaving just under R80 (US\$6) per day for all other costs. If they paid for transport to and from work, R66 (US\$5) was left. Remaining costs could include remittances back home, day-care for young children (R700 [US\$50] a month in one case), education fees, ad hoc costs (a doctor's letter to account for absence from work costs R250 [US\$18]), clothing, food and other basics. Primary carers of children might receive R350 (US\$25) per child under the Child Support Grant. However, since this covered only part of the costs of day-care, many children were cared for by their grandparents. Mpho left her infant daughter with her parents but having not seen her in four months was considering giving up work and moving back home: 'It's not easy because I can't see her every day' (1 Dec. 2016).

Workers were philosophical about the wages they receive, as they reason, 'it's better than nothing' (Ronnie, 13 Dec. 2016) or as Thami noted, if Steyn City were suddenly no longer there, it would be a 'standstill situation' because so many people are dependent on that work (5 Dec. 2016). Nevertheless, he says 'its not nice working there', preferring to work in a factory, and like others wrestled with their 'Faustian bargain' (Wood, 2003):

I just enjoy the fact that I am able to wake up and go to work like everyone else, and to exercise my body. ... But I'm afraid at what people might see the amount of money I'm earning. ... It's just too embarrassing. You can't do anything with that money. It's a type of an income that will enable you to buy maize meal, potatoes and paraffin. ... you can't say you save ... It hurts me so bad. ... My dream is to find the job ... where I will be able to get a salary to enable those that are depending on me to smile. (Paul, 12 Dec. 2016)

The fact that we want to quit is a heart desire, we will work whilst we look for work elsewhere. We can't just leave because we have to think about what we are going to eat. (Sabelo, 6 Dec. 2016)

The work means not going to sleep on an empty stomach, but it is not enough to build a house or to marry and sustain a family (Thabo, 20 Nov. 2016).

At the time of our fieldwork, the government was considering the implementation of a minimum wage, set at R3 500 (US\$250), an amount considered the minimum threshold of survivability without jeopardising job creation (the policy eventually came into force in 2019). An income of R2 840 (US\$203) 'puts bread on the table' (Tumelo, 30 Nov. 2016), but does not fully cover the costs of

social reproduction (a sufficient diet, reasonable accommodation, and money to support dependents) let alone the acquisition of assets or savings. Rather, indebtedness was common:

I take one loan after the other trying to do this and that. If I'm able to assist one child on this side, then I'm unable to assist the other one. On the other side I have to pay rent and I have to eat. When I work I can't not have the required weight, I have to eat. My kids have to eat and wear clothes. So I'm always stressed. I don't have peace. (Sabelo, 6 Dec. 2016)

As Fezile summed it up, it is right to say that Steyn city is creating employment, but it is not correct to say that it is 'fighting poverty' as 'Come payday I am stressed ... We are desperate, obviously, to make ends meet' (7 Dec. 2016).

## Conclusion

We began this paper by highlighting an apparent paradox. To Julius Malema, the juxtaposition of Steyn City, arguably South Africa's most expensive gated estate, and Diepsloot, one of its poorest neighbourhoods, was symbolic of the inequalities that demanded social action. Yet, to Giuseppe Plumari, the CEO of Steyn City, and many others, the estate brings jobs and wages to people on its doorstep and the promise of economic inclusion as the benefits of the mega investment trickles out. In radically different ways both Malema and Plumari were pointing to the labour relations embedded in the production of urban space in urban South Africa, while each was drawing different conclusions about the implications for the reproduction or alleviation of poverty. In line with numerous debates in urban studies, Steyn City exemplifies the social isolationism, inflected by class prejudice and possibly race prejudice, a putative 'new apartheid'. While examining these dynamics are crucially important to understand social relations they do not capture the full political economy that explains what work is being done by the three-metre-high perimeter wall. Nor, even if Malema's call to action was met with little enthusiasm, should we accept as self-evident the seemingly counterfactual claim that Steyn City has provided economic opportunities to the residents of Diepsloot. This paper has focused on the views of the workers, caught in an ecology of contractors and who make use their power to set exploitative terms of employment that leaves them barely able to make ends meet.

The echo of apartheid is more than rhetorical. Apartheid segregationism was presented as a way of separating social groups according to race. Nevertheless, political economists showed that supposedly prohibited groups routinely entered the spaces from which they were segregated. Segregation functioned, rather, to ensure that labour was cheap, and that privileged groups were not fully responsible for the social reproduction of the working-class (Wolpe, 1972). Today's crisis of

social reproduction (Bezuidenhout & Fakier, 2006) is configured by a labour supply far larger than that sought by employers (Barchiesi, 2011). The welfare of this surplus labour is more or less inconsequential to vested economic interests (McIntyre & Nast, 2011), and it allows employers to set the terms of employment that reflect the acute competition between job seekers.

These desperate economic circumstances have underpinned a complicated relationship between Steyn City and Diepsloot. The distribution of power and resources from this relationship are indisputably asymmetrical. As Matthew and Maki stated,

Residents of Steyn City do like to help out people from Diepsloot, but their kind of help is not the one that will enable people of Diepsloot to empower themselves. ... they are moving forward with their lives and while we are falling behind. I've worked the entire year last year but I have nothing to show for it. (12 Dec. 2016)

When they [at Steyn City] speak to you, you can see that they are kind-hearted people. You won't open a person's mind and see exactly how they are. They are full of smiles and are very soft people and you'd end up getting eager to work there thinking they are ok. At end when time passes by, you would see changes.... The community is not benefiting anything from them. They are the only ones benefiting. ( 5 Dec. 2016)

As both quotes indicate, interviewees distinguish between the personal and the economic. People at Steyn City are 'kind-hearted', it is the economic relations that are exploitative. And it is this nuance that largely absolved Douw Steyn of responsibility for the difficulties faced by those building a multi-billion rands high-end development (Paul, 12 Dec. 2018; Sabelo, 6 Dec. 2016). A 'good person with a good heart' according to Zinzi (29 Nov. 2016), who has allegedly sided with the workers and residents of Diepsloot:

Mr Steyn approached them, all the contractors there and even the subcontractors telling them that I'm paying you guys and the workers keep complaining that they are underpaid. Mr Steyn is okay, but the contractors, our employers are robbing us. The truth is the truth. He is doing enough because ... He provides the children of Diepsloot with school bags, even some caps written Steyn City to school children ... even these RDPs [low-cost houses] which we are going to get, Mr Steyn is involved. (Sam, 25 Nov. 2016)

The contractors and subcontractors who conduct everyday economic relations are deemed responsible for exploitation. Thus, in this version of what we have heuristically called trickle-out urbanism the fate of the poor is considered independent of the fortunes of more privileged groups. While, as Mosse (2010, p. 1156) notes, a relational understanding of poverty allows for the two to be



understood as dependent, it is the very conditions of poverty that enables developers of gated estates to benefit from the proximity of spaces such as Diepsloot rather than vice versa.

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