Post-apartheid Transition in a Small South African Town: Interracial Property Transfer in Margate, KwaZulu–Natal

Anthony Lemon and David Clifford

Summary. Post-apartheid transition in South Africa’s small towns has received little attention. Using the South African Property Transfer Guide, 2500 residential transfers were analysed in Margate. Spatial and temporal patterns in Black house purchase were interpreted through discussions with key actors. The findings indicate the importance of micro-dynamics in determining specific post-apartheid transitions and confirm the relationship between racial employment profiles and housing markets. Black in-movement to previously White areas has focused on Extension 3, where private building of low-cost housing has occurred, but the area is now becoming resegregated. Whilst peripheral housing need not imply exclusion from services in small towns, unpaid mortgage bills and municipal rates have led to repossessions and affected the credit status of new Black buyers.

Introduction

Apartheid was an inherently geographical project which separated defined racial groups and sought to use space to mould social relations (Lemon, 1976; Smith, 1982; Christopher, 2001a). Separation was effected at the micro scale (amenities and transport) and the macro scale (self-governing Bantustans or ‘homelands’ for African ethnic groups), but it was meso-scale separation at the urban scale that was described by D. F. Malan, the first National Party prime minister, as the essence of apartheid, and was later regarded by President P. W. Botha as his bottom line. The stated philosophy was to minimise social interaction between racial groups, and hence to minimise the racial ‘friction’ that was seen as otherwise inevitable. In practice, apartheid—and the Group Areas Act in particular—served as a tool to preserve White political, economic and cultural interests.

The main legal instruments of residential segregation were the Group Areas Acts (GAA) of 1950 and 1966, which led to the creation of White, Coloured (mixed-race) and Indian group areas in all urban areas. Although the exclusionary clauses did affect Blacks, the GAA largely applied to other groups since, under the Native Land Acts (1913 and 1936), Blacks could not legally own land outside the Bantustans (Christopher, 2001a) and the apartheid state persisted in regarding them as ‘temporary sojourners’ in urban areas until the repeal of influx control legislation in 1986. By 1990, between 750 000 and 1 000 000 Blacks had been relocated under the Native Resettlement Act (Bernstein and McCarthy, 1990), whilst under the GAA proper more than 126 000 families, of whom only 2 per cent were
White, were moved as more than 1400 group areas were proclaimed (SAIRR, 1992, p. 341). Whilst pre-apartheid segregation levels were high (Kuper et al., 1958; Davies, 1971; Lemon, 1991), they increased further under apartheid (Christopher, 1990, 1992) and, by 1991, just 8.6 per cent of the non-Bantustan urban population lived outside their designated group areas (Christopher, 2001a).

The apartheid city model was broadly sectoral, allowing for future expansion of each race group. White dominance was reflected not only in the size of White group areas, hugely out of proportion to population share, but also in their attractiveness and proximity to the CBD. Indian and Coloured group areas tended to be small and peripheral. In practice, the spatial urban layout often differed markedly from the apartheid model, imposed as it was on a variety of physical and human landscapes. In towns like Margate, the Indian and Coloured populations were considered too small to warrant a separate group area.

The rigid authority of the GAA came under challenge in the 1980s. After a futile attempt to hold back the tide of change in the late 1980s, the government repealed the GAA in 1991 during a period of political transition leading to the formal end of apartheid and the first democratic elections in 1994.

Post-apartheid Spatial Change: The Importance of Micro-dynamics

“The shadow of apartheid planning” will be evident in the geography of South Africa’s urban areas for “decades to come” (Wills, 1991, p. 100). The passive nature of apartheid repeal contrasts with its ruthless implementation (Lemon, 1991) and years of discriminatory legislation have left a socioeconomic disparity between races that mitigates against change to the apartheid footprint. Numerically, only a small minority of the Black population (and somewhat higher proportions of Coloured and Indians, but small absolute numbers) have moved into former White group areas. But residential changes are nevertheless significant. Socially, desegregation is important in the promotion of social understanding after years of artificial separation (Lemon, 1998). Spatially, the movement of a very small percentage of the surrounding Black population can transform the racial composition of the neighbourhoods to which they move (Lemon, 1991).

The late-apartheid and early post-apartheid literature was characterised by much speculation as to the future course of racial residential change in urban South Africa. The fear of some was that, instead of displaying racial integration, South African cities would increasingly come to resemble their American counterparts where Afro-Americans were segregated in the inner cities. Hart (1989) and Schlemmer (1991) pointed to the emergence of inner-city ‘grey’ areas and warned that this was the first stage in a process of ‘tipping points’, ‘White flight’, further Black in-movement and eventual ghettoisation along American lines (Wolf, 1963; Morrill, 1965; Rose, 1971; Schelling, 1972). Hart (1996) subsequently described social polarisation in Johannesburg as ‘resegregation within a process of desegregation’. Crankshaw and White (1995), examining the relationship between racial transition and inner-city decay, argued that inner Johannesburg was not following the American experience of ghettoisation. They found that overcrowding and deterioration of services were linked to the age of apartment buildings rather than desegregation per se. Unlike North American cities, the cheapest accommodation is not in the inner city in South Africa but in informal settlements, and many Black residents of inner Johannesburg are employed in routine White-collar and semi-professional work.

Others (Rule, 1989; Simon, 1992) have turned to the desegregation experience of other southern African cities as a guide. Studies in Mafikeng (Parnell, 1986; Pickard-Cambridge, 1988; Drummond and Parnell, 1991), Windhoek (Simon, 1986, 1988, 1991) and Harare (Harvey, 1987; Cumming, 1991; Dewar, 1991) revealed a certain degree of integration with few signs of extensive White out-movement and re-segregation, although in Harare the situation...
was complicated by Whites leaving Zimbabwe altogether (Cumming, 1993). Rates of Black in-migration to particular areas of these cities were determined by rates of White suburbanisation and out-migration, in combination with factors such as affordability, accessibility and social acceptability.

Still other scholars, notably Saff (1990, 1994, 1995, 1998), have usefully toed a middle line between the southern African and US comparisons. Saff acknowledges the similarities between the US and South African cases. In many ways, the historical development of segregation in the two countries has been similar (Saff, 1995, pp. 795–797). Similarities in terms of inequality and crime are “more than superficial” (p. 801). And, significantly, the US experience shows that centuries of racial discrimination are not easily reversed (p. 800). Yet Saff strongly reacts against the assumption of inevitable White flight after Black immigration has reached a certain level (pp. 788–789) that underlies much of the US–South African comparative literature, stressing that significant differences between the US and South Africa mean that in general South African cities are likely to follow a path more similar to their southern African neighbours.

It is . . . likely that there will be a larger percentage of stably integrated residential areas in South Africa than is found in the United States, partly because Blacks are the majority in South Africa [and] partly because White flight and tipping are less likely to occur as a result of shortages of affordable housing for all race groups (Saff, 1995, p. 802).

Most significantly, perhaps, Saff (1990) advises against overarching generalisations in prediction-making and emphasises the need for an examination into and appreciation of the micro-dynamics of each area in question. There is no single post-apartheid experience. Different towns and cities, and different neighbourhoods within these urban areas, are undergoing different spatial transitions. For example, Pietersburg (now Polokwane), whose Black neighbourhood—or, in South African parlance, township—of Seshego was displaced across the Lebowa homeland border, has experienced a much higher degree of Black in-movement than has Bloemfontein (Kotze and Donaldson, 1998). This must be seen in the context of the relatively favourable location of the Bloemfontein Black townships in relation to the CBD, reducing the need to move closer to jobs and services. Christopher (2001b) showed that by 1996 provincial capitals had become significantly less segregated than other cities, thanks to high numbers of civil servants and others serving them who have access to mortgage finance. This has been particularly significant in Pietersburg which became a provincial capital (of the Northern, now Limpopo, Province) for the first time in 1994.

The extent of desegregation depends on a large number of factors. The Bloemfontein–Pietersberg case study serves to illustrate both the importance of the precise spatial legacy of apartheid and the nature of the local employment market. In addition, the type of accommodation (houses or flats/apartments, owner-occupied or rented), the class of those moving into the area, the ability and will to apply slums legislation, the availability of alternative accommodation, and issues of land and affordability are important (Saff, 1990). In some places, there has been very little change to the group areas pattern; in others, a limited amount of desegregation; and in a limited number of inner-city areas, like Hillbrow in Johannesburg, Hart’s (1989) prediction of ‘White flight’ in response to Black in-movement has been borne out. Black in-movement to Hillbrow, while representing the de facto breakdown of group areas, has therefore not constituted integration but re segregation. Morris (1999) confirms that “there did appear to be a process of what has been called racial tipping” (p. 65) and, by mid 1993, Hillbrow was 62 per cent Black (p. 70); a decade later it was probably around 90 per cent Black.

Crucially, however, Hillbrow is an atypical residential area. It is a high-rise, largely rental neighbourhood, traditionally popular with immigrants from Britain and Europe.
(Hart 1989). Whilst Black in-movement was initially a reflection of the dire shortage of accommodation in the Black townships (Morris, 1999), it could only continue as low-income Whites moved from rental accommodation in the centre to peripheral low-cost housing schemes benefiting from the government’s first-time home-ownership subsidies (Parnell and Pirie, 1991). In other areas such as Tygerberg in Cape Town, in-movement to formerly White areas has been limited by a lack of property for sale (Myburgh, 1996).

Other areas, with different micro-characteristics, are undergoing a fundamentally different transition from Hillbrow. The ‘White suburbs’ of the larger urban centres (Johannesburg’s northern suburbs and Cape Town’s southern suburbs, and Westville in Durban) are experiencing a more limited Black in-movement, reflecting the limited number of Black professionals (Parnell, 1996). Significantly, the middle-class status of the Blacks able to move into these areas apparently leads them to adopt similar neighbourhood values to those of the existing residents; there has therefore been little White resistance to this class-based influx (Saff, 1994).

Small Towns: A Neglected Research Area

President Thabo Mbeki’s commitment to increasing residential integration (Linklater, 2001) restores spatial issues to political prominence after a more exclusive policy focus on the economy and employment in the mid-1990s. Whilst spatial transition following the repeal of enforced racial segregation has been documented for some of South Africa’s inner cities and larger urban centres (Jürgens, 1993; Ownhouse and Nel, 1993; Maharaj and Mpungose, 1994; Myburgh, 1996; Rule, 1996; Kotze and Donaldson, 1998; Wood, 2000), and for the medium-sized city of Pietersburg (Donaldson and van der Merwe, 1999a, 1999b), both geographers and sociologists have largely ignored the post-apartheid experience of South Africa’s small towns (Lemon, 2000; Fox and Nel, 1996). An understanding of the micro-dynamics of an area is crucial to the study of post-apartheid change (Saff, 1990) and, in terms of land availability and the type and affordability of housing, small towns have their own stories to tell. This paper takes the small town of Margate, on the south coast of KwaZulu-Natal, as a case study. It examines the extent of Black movement into Margate, a formerly White Group Area, the type of property bought (land and houses), the spatial concentration of movement and its temporal pattern. Specifically, it shows how a particular set of conditions led to a process of residential desegregation and introduced elements of neighbourhood decline.

Margate, Gamalakhe and Apartheid

Margate is a small town on the KwaZulu-Natal south coast, around 130 km south-west of Durban, forming part of a string of settlements including Ramsgate to the south-west and Uvongo and the larger town of Port Shepstone to the north-east. Given its proximity to other south coast towns, Margate cannot be considered a separate housing market. Its estate agents include properties from neighbouring towns as well as Margate in their listings and movement to or from these towns is relatively easy.

The whole of Margate was designated a White group area during apartheid, but proclamation was delayed, as in many other towns, while the necessary plans were drawn up by the local municipality. It was not until 1972 that the Black population in Masineage, on the eastern fringe of the town itself, was removed and relocated to Gamalakhe (Figure 1), some 15 km inland. That the Black population was concentrated in Masineage shows that Margate was highly segregated, based on principles outlined in the Natives Urban Areas Act (1923), even before the implementation of apartheid legislation. Relocation to Gamalakhe conformed to macro-scale ‘grand apartheid’ as well as meso-scale urban segregation, as Gamalakhe formed part of the KwaZulu ‘homeland’. Formally established as a Black township in
1969, Gamalakhe was initially known as ‘tintown’, reflecting the corrugated iron construction of the few dwellings there. Relocation from Masineage saw the population swell dramatically. Standard brick houses were built and rented out to help accommodate the increased population. However, demand for housing has far outstripped formal supply during Gamalakhe’s short history as a township, stimulating the growth of shack housing.

Margate differs from many other apartheid towns in the physical distance between the (formerly White) town and Black township. In this respect, Margate is comparable with Pietersburg and might be expected to experience a relatively high degree of post-apartheid Black in-movement. Margate’s Coloured and Indian populations were considered too small to warrant a separate group area. The low Coloured population is unsurprising given that Coloureds accounted for only 1.4 per cent of KwaZulu–Natal’s population in 1996; but, whereas Indians make up 9.4 per cent of KwaZulu–Natal’s population, they account for a mere 0.78 per cent of
Margate’s total (Statistics South Africa, 1996). Whereas nearby Port Shepstone grew up in the midst of sugar plantations and associated Indian indentured labour in the late 19th century and so had its own Indian group area, Marburg, Margate developed later as a tourist town and never experienced extensive Indian migration.

Originally a farm, named Margate in 1908 because it reminded the surveyor of its English namesake, in 1918 the then owner conceived the idea of turning Margate into a holiday resort (Anon, 1981). The farm was divided into half-acre plots and roads, stores, hotel sites and holiday rondavels were planned. Aggressive growth in the late 1940s was initiated by active promotion of the town and its modern facilities as the ‘Pearl of the South Coast of Natal’ (Ewins, 1948, p. 5). To this day, tourism is the dominant industry, with the mile-long beach the main attraction. It is a town, too, that is traditionally popular with retirees; in 1991 the Lower South (KwaZulu–Natal) Coast, of which Margate forms a part, was recognised as an area with the fastest growing over-65 White population in the country (South Coast Herald, 13 September 1991). When apartheid ended in 1994, Margate had a population of around 10 000 people; the 1996 census figure of 28 522 includes the population of Gamalakhe, which was incorporated into Margate’s Transitional Local Council in 1995.

Methodology

The analysis in the paper is primarily quantitative, demonstrating the potential of using a property data basis to assess the extent of racial residential change. Description of such changes in Margate is based on analysis of data provided by the South African Property Transfer Guide (SAPTG), a publication more usually used by real estate companies to monitor trends in property sales. The guide records all legally registered property transfers in South Africa. It lists, among other things, the date of transfer, the name of the buyer and of the seller, the neighbourhood and the price and size of the property.

The buyers and sellers in each transfer were classified as Black, White or Indian on the basis of their names; Donaldson (1996) and Wood (2000) have also inferred racial group in this way. Other categories included property companies (estate agents/realtors, property investors, developers and construction companies), all other companies (including banks and building societies), others (Margate council land, for example, or churches), other races (largely Chinese), unrecorded, and unclassified. More than 2500 transfers were analysed and more than 5000 names were classified in total. The number of unclassified buyers and sellers remained small; in cases of uncertainty about the racial group, local advice was sought.

It should be noted that using names to infer racial group does not allow easy classification of the Coloured population. It was for this reason that a town in KwaZulu–Natal was chosen for this study, on the basis that the Coloured population in the province is small. In Margate, the Coloured population made up just 0.41 per cent of the total at the time of the 1996 census (Statistics South Africa, 1996). Margate was also suitable for this study in terms of its small size, offering the opportunity to investigate the micro-dynamics of a settlement in transition (Saff, 1990). Tourist functions were not important in its choice for this study and, in the event, seemed to have little influence on its transition.

The SAPTG has been used before to examine racial residential change. Wood (2000) examined property transfers in Pietermaritzburg–Msunduzi for the period April to July 1997. He examined not only freehold but also sectional titled property, the norm for apartment blocks where there is an undivided share of common property such as entrance halls. In Margate, however, sectional titles constitute a very small proportion of the formal housing stock and are predominantly tourist properties. The town’s economy is focused on catering for holidaymakers and apartment blocks dominate Margate’s coastal skyline. Many of these complexes are timeshare residences, which are included as property transfers in the SAPTG. But since
owners of timeshare property generally reside in Margate for only a few weeks per year, and since the huge number of timeshare transfers would have overwhelmed the freehold data, they were excluded from the analysis. The difficulty in separating timeshare from other sectional transfers meant that all sectional transfers had to be excluded. Confidence that this did not exclude large numbers of the permanent residential population was increased by the overwhelming concentration of sectional titles in the beachfront area, as revealed by the SAPTG neighbourhood data; most were anyway too small to be considered by their owners as year-round homes. The focus in this paper is on racial residential change, but there is potential for a separate study on changes to the racial make-up of Margate’s returning tourist population through the analysis of SAPTG sectional data.

The second respect in which our approach differs from Wood’s Pietermaritzburg study is in the inclusion of an explicit temporal dimension. Wood examined property transfers only in the period April–July 1997, thus precluding study of changing levels of interracial transfer since the end of apartheid. The present analysis allows an appreciation of temporal patterns in interracial property movement throughout the post-apartheid era to July 2001. That the population of Margate is considerably smaller than that of Pietermaritzburg has made analysis of data spanning eight years possible.

Saff (1998) examined interracial property transfers in Cape Town between January 1990 and September 1992. The issues raised in Saff’s study pertaining to method are relevant here. First, the race of the buyer may not necessarily reflect the race of the rest of the household. However, since intermarriage is rare in South Africa, this should not affect the general trends identified by the data. Secondly, and more significantly, property rental is excluded from the analysis. Property transfer data, either extracted from the local municipality rates reports in the case of Saff’s study or from the SAPTG, only include transfers of formal ownership. This means that a potentially significant proportion of cross-racial movement is left undetected. In short, the buyer’s racial group does not always accurately indicate the racial group of those dwelling in the house. Importantly, however, the probable direction of any bias introduced by the rental aspect is known: as Saff suggests, the data should be expected to underestimate rather than overestimate the degree of interracial property movement. This is because White landlord–Black tenant relationships are more common than Black landlord–White tenant relationships. While conclusions of insignificant Black in-movement to formerly White areas may be weakened by this bias, conclusions of significant in-movement are unaffected. In both cases, qualitative evidence may be a helpful guide.

A significant area of shack settlement has developed since the mid 1990s in Margate at Masineage, the site from which the Black population was removed in 1972. A legal dispute, currently in progress, centres on the ownership of the land and the right of the squatters to remain there. But since the SAPTG only records legally registered property transfers, informal shacks are not considered in the subsequent analysis. The focus is on ‘desegregation’ rather than ‘deracialisation’, to use Saff’s (1994) distinction. In desegregation, newly arrived Black residents in formerly White suburbs have access to facilities like schools, clinics and libraries. In contrast, ‘deracialised space’ is defined by Saff as “the process of simultaneous access to [formerly] White areas and exclusion from its facilities on the basis of class” (Saff, 1994, p. 383). This is characteristic of informal shack settlements such as Marconi Beam in Milnerton and Imizamo Yethu in Hout Bay, both in the south-west Cape, which change the spatial form of the apartheid settlement but for whose residents there is limited social gain. Further research might focus on informal shack housing in Margate as an example of deracialised space.

Various adjustments to the data were made. Joint transfers, where two or more lots must be sold together, were amalgamated into one. Wood’s ‘rule of thumb’—trying to include transfers where genuine buyers were
purchasing from genuine sellers—was followed. A total of 142 transfers involving no price (largely in the settlement of estates) were therefore excluded, bringing the final number of transfers to 2438. Obvious inconsistencies in the data were corrected. Overall, the data can be regarded as a reliable indicator of broad post-apartheid trends.

These trends were identified through the pivot table function in Microsoft Excel, a useful way of summarising data. Since the table is interactive, it allows filtering by different variables. Data could be examined not only for Margate as a whole but also for a particular neighbourhood in Margate and/or for a particular year. Discussions with local government employees, estate agents, bankers, teachers and local historians provided local knowledge and assisted interpretation of spatio-temporal patterns in interracial property transfer.

**Post-apartheid Transition in Margate**

**Land and Houses**

A matrix of property transfer, as used by Wood (2000), usefully summarises the data (Table 1). Overall, the picture is of a significant net increase \((1136 − 217 = 919)\) in Black property ownership in Margate, a significant net decrease \((817 − 1719 = −902)\) in White property ownership and a small net increase in Indian property ownership \((99 − 86 = 13)\). The most significant interracial transfer has been from White to Black. Importantly, these changes reflect transfers of undeveloped lots as well as houses. The majority of White–Black transfers were in the R10 000–30 000 price bracket (Figure 2). Since average prices in Margate are R20 000 for a plot of undeveloped land and a minimum of R80 000–90 000 for a small house, only a small proportion (estimated at 241) of the 793 White–Black transfers involved houses. In most cases, Blacks bought undeveloped lots from White owners and hired a local construction property to build a small house. Thus, while the average price of transfers under R50 000 was around R18 000, the average bond (mortgage) amount was around R110 000 to allow for subsequent construction costs.

Since very few transfers occurred at prices between R40 000 and R90 000, it is possible to divide the data into two groups, separating transfers of houses from land (Tables 2 and 3). A more accurate reflection of White residential change than the decline of 902 in White property ownership (Table 1) is the estimated decline of 262 \((778 − 516)\) in the number of White-owned houses (Table 3).

It is significant that the majority of Black in-movement has not involved buying a house from a White owner. The dictum that “blacks can only move into [formerly] white areas as whites move on” (Lemon, 1991, p. 207), while useful to remember in built-up

### Table 1. Property transfers in Margate, 1994–2001

<table>
<thead>
<tr>
<th>From/To</th>
<th>Black</th>
<th>White</th>
<th>Indian</th>
<th>PC</th>
<th>Company</th>
<th>O</th>
<th>OR</th>
<th>U</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black</td>
<td>67</td>
<td>7</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>217</td>
</tr>
<tr>
<td>White</td>
<td>793</td>
<td>686</td>
<td>70</td>
<td>66</td>
<td>87</td>
<td>8</td>
<td></td>
<td>9</td>
<td>1719</td>
</tr>
<tr>
<td>Indian</td>
<td>55</td>
<td>7</td>
<td>10</td>
<td>10</td>
<td>12</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>160</td>
</tr>
<tr>
<td>PC</td>
<td>99</td>
<td>29</td>
<td>4</td>
<td>10</td>
<td>14</td>
<td>4</td>
<td></td>
<td>2</td>
<td>197</td>
</tr>
<tr>
<td>Company</td>
<td>102</td>
<td>65</td>
<td>6</td>
<td>4</td>
<td>14</td>
<td>4</td>
<td></td>
<td>2</td>
<td>197</td>
</tr>
<tr>
<td>O</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>10</td>
</tr>
<tr>
<td>OR</td>
<td>4</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>N</td>
<td>12</td>
<td>12</td>
<td>6</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td></td>
<td></td>
<td>36</td>
</tr>
<tr>
<td>U</td>
<td>1</td>
<td>4</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td>1136</td>
<td>817</td>
<td>99</td>
<td>94</td>
<td>258</td>
<td>14</td>
<td></td>
<td>1</td>
<td>19</td>
</tr>
</tbody>
</table>

Key: PC: Property Company; O: Other; OR: Other Race; N: Not recorded in SAPTG; U: Unclassified.
metropolitan areas, is less relevant here. Margate has grown inland over time and, in 1994, the inland neighbourhoods (particularly Extension 3) were sparsely populated, containing large numbers of undeveloped lots suitable for housing. Without these lots, Black in-movement to Margate would have been much less significant. That the lots were previously all White-owned is unsurprising given apartheid legislation. That they had been not built on suggests that some were bought for investment purposes, perhaps in anticipation of the repeal of group areas legislation.

Spatial Patterns

Quantifying the spatial pattern of post-apartheid change in Margate was not an easy process. Although the SAPTG listed the neighbourhood of most properties being transferred, a number of transfers were left in a ‘catch-all’ category containing transfers of properties scattered throughout Margate. A detailed town treasury map was used to locate the neighbourhood of these transfers: the map shows each plot number in Margate and the SAPTG also lists each transfer by plot. This made it possible to assign all but 15 transfers to a specific neighbourhood. The inclusion of the plot in both the SAPTG and on municipal plans is significant, since it offers huge potential for further research on spatial patterns of post-apartheid change at the micro and meso scales. In effect, each property transfer in South Africa since 1994 (when the SAPTG records began) can be located precisely on a map. With sufficient computational power and software that is able to link the SAPTG database with the municipal maps, racial urban changes could be examined up to an individual household resolution.

Table 2. Transfers of land (under R50 000), 1994–2001

<table>
<thead>
<tr>
<th>From/To</th>
<th>Black</th>
<th>White</th>
<th>Indian</th>
<th>PC</th>
<th>Company</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black</td>
<td>25</td>
<td>2</td>
<td>5</td>
<td>129</td>
<td></td>
<td>161</td>
</tr>
<tr>
<td>White</td>
<td>552</td>
<td>230</td>
<td>53</td>
<td>43</td>
<td></td>
<td>924</td>
</tr>
<tr>
<td>Indian</td>
<td>34</td>
<td>5</td>
<td>10</td>
<td>7</td>
<td>1</td>
<td>57</td>
</tr>
<tr>
<td>PC</td>
<td>97</td>
<td>23</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>128</td>
</tr>
<tr>
<td>Company</td>
<td>23</td>
<td>18</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>51</td>
</tr>
<tr>
<td>Total</td>
<td>731</td>
<td>278</td>
<td>75</td>
<td>54</td>
<td>183</td>
<td>1321</td>
</tr>
</tbody>
</table>
This study was limited to a neighbourhood-level resolution. Neighbourhood boundaries were clarified with the help of the Chief Buildings Inspector, Tony Janaki (Figure 3). ‘Extension 0’ is the name given by the authors to the beachfront area and CBD and Extension 2 consists of the golf course, forest plantations and farmland. Extension 5 is Margate’s ‘industrial’ area. Extension 8 was also defined for the purposes of this study: in municipal terms, the area it covers forms part of Extension 3. However, in the interests of improving spatial resolution, the two were divided, using a main toll road as the basis for the boundary. This boundary is not merely artificial; Extension 3 is informally recognised by residents as solely the area beyond the toll road and is an area that contained a higher concentration of undeveloped lots at the time of apartheid collapse than the more established Extension 8. Plot numbers were used to separate transfers into the newly defined extensions.

Black in-movement to Margate has been overwhelmingly to Extension 3 (Table 4), with around 80 per cent of Black buyers moving to this neighbourhood. This is partly a function of the neighbourhood’s size—with Extension 8, it is the largest of Margate’s residential neighbourhoods. Most importantly, however, Extension 3 contained the largest number of undeveloped lots in 1994.

<table>
<thead>
<tr>
<th>From/To</th>
<th>Black</th>
<th>White</th>
<th>Indian</th>
<th>PC</th>
<th>Company</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black</td>
<td>42</td>
<td>5</td>
<td>1</td>
<td>6</td>
<td>54</td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>241</td>
<td>456</td>
<td>17</td>
<td>23</td>
<td>41</td>
<td>778</td>
</tr>
<tr>
<td>Indian</td>
<td>21</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>PC</td>
<td>2</td>
<td>6</td>
<td>8</td>
<td>10</td>
<td>26</td>
<td></td>
</tr>
<tr>
<td>Company</td>
<td>79</td>
<td>47</td>
<td>3</td>
<td>2</td>
<td>9</td>
<td>140</td>
</tr>
<tr>
<td>Total</td>
<td>385</td>
<td>516</td>
<td>21</td>
<td>36</td>
<td>69</td>
<td>1027</td>
</tr>
</tbody>
</table>

Table 3. Transfers of houses (over R50 000), 1994–2001

Figure 3. Margate’s suburbs.
This was crucial in two respects. First, Black buyers did not have to wait for Whites to move house in order to move to Margate. Instead, they were able to buy undeveloped lots that were more readily available. Secondly, buying a plot of land and hiring a construction company to build a small property was a more affordable option than buying existing, larger houses. This has also occurred in Extensions 6 and 7, where smaller numbers reflect their relatively small area, and in the relatively small amount of undeveloped land in Extension 8. Other more established neighbourhoods, in contrast, have experienced significantly less Black in-movement at under R50 000. There were very few undeveloped lots in Extensions 1 and 4 in 1994. In sum, development in Margate has proceeded inland. When apartheid ended, the greatest potential for Black in-movement, through the purchase of undeveloped lots, was found in the inland neighbourhoods.

Black purchases of houses, like transfers of undeveloped land, have been concentrated in Extension 3 (Table 4). In contrast, there have been few Black house purchases in Extension 1 which overlooks the Margate coastline and is traditionally regarded as an affluent neighbourhood: house prices average R40 000 more than in Extension 3 (Table 5).8 Importantly, however, price does not seem to be a straightforward regulator of Black in-movement. Extensions 4 and 8, with higher average house prices than Extension 1, experienced a higher percentage of Black buyers. Table 5, ranked by the proportion of Black purchases in each neighbourhood, shows that although overall the spatial pattern of Black in-movement to Margate shows general similarities with patterns found elsewhere, with the greatest number of Black house purchases in the less affluent areas, the relationship between price and percentage Black in-movement is not consistent. This may reflect a certain polarisation within the Black workforce, since, as Parnell (1996, p. 49) stresses, “labour markets and housing markets are inextricably connected”, although such conclusions can only be tentative.

### Table 4. Black in-movement by suburb, 1994–2001

<table>
<thead>
<tr>
<th>Suburb (Extension number)</th>
<th>Black in-movement</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>&lt; R50 000 (land)</td>
<td>&gt; R50 000 (houses)</td>
</tr>
<tr>
<td>0</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>608</td>
<td>308</td>
</tr>
<tr>
<td>4</td>
<td>14</td>
<td>22</td>
</tr>
<tr>
<td>5</td>
<td>34</td>
<td>9</td>
</tr>
<tr>
<td>7</td>
<td>48</td>
<td>10</td>
</tr>
<tr>
<td>8</td>
<td>36</td>
<td>41</td>
</tr>
<tr>
<td>Total</td>
<td>742</td>
<td>394</td>
</tr>
</tbody>
</table>

### Table 5. Transfers > R50 000 (houses): average price and in-movement by suburb

<table>
<thead>
<tr>
<th>Suburb</th>
<th>Black</th>
<th>White</th>
<th>Indian</th>
<th>Total</th>
<th>Percentage Black of total</th>
<th>Average price (kR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>308</td>
<td>80</td>
<td>5</td>
<td>393</td>
<td>78</td>
<td>134</td>
</tr>
<tr>
<td>7</td>
<td>10</td>
<td>12</td>
<td></td>
<td>22</td>
<td>45</td>
<td>117</td>
</tr>
<tr>
<td>6</td>
<td>9</td>
<td>13</td>
<td>1</td>
<td>23</td>
<td>39</td>
<td>136</td>
</tr>
<tr>
<td>8</td>
<td>41</td>
<td>105</td>
<td>4</td>
<td>150</td>
<td>27</td>
<td>199</td>
</tr>
<tr>
<td>4</td>
<td>22</td>
<td>167</td>
<td>4</td>
<td>193</td>
<td>11</td>
<td>201</td>
</tr>
<tr>
<td>1</td>
<td>3</td>
<td>36</td>
<td>1</td>
<td>40</td>
<td>8</td>
<td>174</td>
</tr>
<tr>
<td>Non-residential</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>1</td>
<td>20</td>
<td></td>
<td>21</td>
<td>5</td>
<td>732</td>
</tr>
<tr>
<td>0</td>
<td>87</td>
<td>4</td>
<td></td>
<td>91</td>
<td>0</td>
<td>263</td>
</tr>
<tr>
<td>5</td>
<td>4</td>
<td>1</td>
<td></td>
<td>5</td>
<td>0</td>
<td>167</td>
</tr>
<tr>
<td>Total</td>
<td>394</td>
<td>524</td>
<td>20</td>
<td>938</td>
<td>42</td>
<td>186</td>
</tr>
</tbody>
</table>
It would be interesting to investigate the consistency of the relationship between price and Black in-movement in other towns. Wood (2000) also found that most Black in-movement in Pietermaritzburg was to low-income neighbourhoods, but he did not further explore the empirical relationship between price and in-movement.

It is revealing to note the lack of Black in-movement to Extensions 0, 2 and 5 (Table 5). Extension 0 is Margate’s CBD and tourist hub; there are very few residences in the neighbourhood, even amongst the White elite, as a result of the very high property prices and municipal rates. The White and Indian transfers in Table 5 probably involve commercial properties like shops and guest houses. Such transfers often do not involve a company name; instead, many involve family trusts to minimise the tax burden, as Wood (2000) also noted for Pietermaritzburg. That there were no Black buyers in Extension 0 reflects the White dominance in ownership of commercial property in Margate, a situation further reflected by transfers in Extension 5, an industrial area, and Extension 2, home to Margate’s golf course, forest plantations and farmland.

Using the SAPTG as a starting-point, the present pattern of Black ownership in Margate was estimated (Table 6). By subtracting the number of Black sales from the number of Black purchases, the net in-movement by neighbourhood was calculated. The total number of lots in each residential neighbourhood was counted from the detailed municipal map. The percentages in Table 6 are likely to underestimate present levels of Black ownership, since they are based on property transfers from 1994 whilst the Group Areas Act was repealed in 1991. Qualitative evidence suggests that there was a degree of Black in-movement during the period of political transition, but that this was insignificant in comparison with the in-movement experienced following the first democratic elections in 1994. As Table 6 shows, Extension 3 is now mostly Black, providing a sharp contrast to Extensions 1 and 4 which are still overwhelmingly White. At least 37.8 per cent of property in the town’s residential suburbs is now Black-owned.

### Temporal Patterns

The SAPTG lists the date of sale and the date of transfer for each property, making possible an examination of the temporal pattern of post-apartheid change. A decision was made to examine temporal change using the sale date, rather than the date of legal transfer, since it more accurately reflects the climate in which the transfer took place. The gap between the date of sale and the date of legal transfer averages around three months, but varies considerably, from one month to six months or more. The last month for which data were analysed was July 2001.

As shown in Figure 4, there was a steady Black in-movement in the early months of 1994. A sudden increase from June 1994 may be a response to the first democratic elections of the 27 April, which formally brought the apartheid regime to an end. Although the Group Areas Act had been repealed three years earlier, the election has been identified by local people as a watershed for Black in-movement to Margate.

There are a number of possible explanations for the decline in the number of Black purchases from 1996 to the low levels of 1998 onwards. The municipality attributes the decline to an increasing realisation of the costs involved in property ownership. Some of those who moved into Margate had not realised that water and electricity rates

<table>
<thead>
<tr>
<th>Suburb</th>
<th>Net Black in-movement</th>
<th>Number of lots</th>
<th>Percentage Black</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3</td>
<td>115</td>
<td>2.6</td>
</tr>
<tr>
<td>3</td>
<td>755</td>
<td>1221</td>
<td>61.8</td>
</tr>
<tr>
<td>4</td>
<td>28</td>
<td>496</td>
<td>5.6</td>
</tr>
<tr>
<td>6</td>
<td>34</td>
<td>96</td>
<td>35.4</td>
</tr>
<tr>
<td>7</td>
<td>44</td>
<td>107</td>
<td>41.1</td>
</tr>
<tr>
<td>8</td>
<td>55</td>
<td>394</td>
<td>14.0</td>
</tr>
<tr>
<td>Total</td>
<td>919</td>
<td>2429</td>
<td>37.8</td>
</tr>
</tbody>
</table>
must be paid in addition to bond repayments and had failed to budget for these costs—a situation also noted by Wood (2000) in Pietermaritzburg. An estate agent whose remit is Extension 3 emphasised that this situation has stemmed from a lack of institutional guidance provided for people unused to the vagaries of the formal housing market and urban service provision.\textsuperscript{11} In cases of persistent failure to keep up bond repayments or service rates, the properties involved are repossessed in a process overseen by the municipality. In the vast majority of cases, the buyer is the mortgage provider involved, keen to recoup their losses by reselling the property at a later stage.\textsuperscript{12} The extent of repossession was gauged from the SAPTG by the number of transfers from individuals to banks at a price of R1000 or under—the nominal fee involved in legal repossession. Such transfers are responsible for a large slice of the property acquired by ‘companies’ in Table 1. As Table 7 shows, repossessions have been concentrated in Extension 3 and have been largely from Black owners. Indeed, repossessions make up the bulk of the total number of 217 properties (Table 1) transferred from Blacks in Margate between 1994 and 2001.

Figure 5 shows the temporal pattern of repossessions from Black owners. It is important to recognise the length of time that the legal process takes: at minimum six months to a year, but more often longer.\textsuperscript{13} It is likely that the rash of repossessions in mid 2000, therefore, stemmed from the period of high interest rates straddling the end of 1998 and the beginning of 1999, which broke the back of many mortgage payers.\textsuperscript{14} There has been a steady trickle of repossessions from 1996 onwards, corresponding to the decline in Black purchase and lending weight to the argument of the Town Engineer and Town Planning Assistant that these have served as a testament to the considerable costs involved in home-ownership, discouraging further Black in-movement.\textsuperscript{15}

Importantly, however, Figure 4 is a product of two very different underlying patterns: Figures 6 and 8 (note the difference in y-axis scale between the two). It is dominated by Black purchases of undeveloped land, the vast majority of which occurred during the period 1994–96, peaking in 1995 (Figure 6) and tailing off almost completely from 1998.

![Figure 4. Black purchases in Margate, 1994–2001.](image)

<table>
<thead>
<tr>
<th>Suburb</th>
<th>Black</th>
<th>White</th>
<th>Indian</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>89</td>
<td>14</td>
<td>1</td>
<td>104</td>
</tr>
<tr>
<td>4</td>
<td>5</td>
<td>10</td>
<td></td>
<td>15</td>
</tr>
<tr>
<td>6</td>
<td>2</td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>7</td>
<td>10</td>
<td>2</td>
<td></td>
<td>12</td>
</tr>
<tr>
<td>8</td>
<td>10</td>
<td>5</td>
<td></td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>116</td>
<td>34</td>
<td>1</td>
<td>151</td>
</tr>
</tbody>
</table>
Black purchases of houses, in contrast, were more steady over time (Figure 8). The lack of decline in the number of Black house purchases is significant since it shifts the explanatory focus specifically to land transfers. Using plots to trace the history of property in the SAPTG reveals that it is not only buyers of previously undeveloped land who have proved vulnerable to repossession, but also buyers of houses. It therefore seems unlikely that the temporal pattern of Black inmovement to Margate has stemmed solely from a growing realisation of the costs involved in property ownership.

Similarly, the lack of a consistent decline in the number of Black house purchases is evidence against the suggestion that the temporal pattern in overall Black property purchase is solely a reflection of a decline in demand after an initial ‘dam-burst’ following the 1994 election. The temporal pattern specific to Black purchases of land demands explanation. The most important factor is likely to be a simple issue of capacity. In Extension 3, there has been a net Black inmovement of 608 transfers at under R50 000 (Table 4). The vast majority of these undeveloped plots have subsequently been built on. The local town planning department, responsible for approving applications for new buildings, remembers 1995 as a particularly busy year when large numbers of houses were
The figure of 608 does not include a number of properties which have been repossessed, transferred to the mortgage provider and not yet resold. Bearing in mind that the total number of lots in Extension 3 is 1221 (Table 6), and given that a proportion of the neighbourhood was already developed in 1994, the number of remaining undeveloped lots must be very small. Although observation proved an imprecise science owing to the often large size of lots and unclear delineation of property, such inspection seemed to confirm this conclusion. Thus, whilst issues relating to demand may have played a secondary role, the most important factor influencing the temporal pattern of Black in-movement to Margate relates to supply. Black purchases of both land and houses have been limited by the number of properties for sale. Land was initially more readily available than houses. As lots were bought and built upon, however, the potential for Black in-movement declined: by 1998, there were few undeveloped lots left. Figure 7 suggests that the same is true of White land purchases.

The temporal pattern of Black house purchase (Figure 8) is interesting. Month-to-month variations in the number of purchases seem to be a feature of the housing market, judging by Figure 9 which, by showing the pattern of White house purchases, provides a benchmark for interpreting the pattern in Black sales. The base interest rate over the period (obtained from ABSA bank) peaked...
in late 1998–early 1999, helping to explain the slump in Black purchases over the period. Unsurprisingly, the number of Black purchases seems more sensitive to the interest rate than the number of purchases by Whites. Whilst there has been no consistent decline in the number of Black house purchases, unlike the temporal pattern for purchases of land, this should be understood in a context of a housing stock that is increasing in number as previously undeveloped lots are built upon. Thus while the pattern of Black house purchases has not shown a clear declining trend, the proportion of purchases in relation to the number of houses has decreased. This probably reflects a non-linear relationship between the size of the housing stock and the number of houses for sale, particularly allowing for a degree of inertia amongst Black residents after first moving to Margate.

‘What Is Happening to Extension 3?’

Only eight Black house purchases took place in Margate in the first half of 2001 (Figure 8). It is as yet uncertain whether this slump is merely one of a number of fluctuations that have characterised the pattern of past sales, or the start of a more prolonged trend. However, unlike the 1998/99 slump, the period has not been marked by increased interest rates. An estate agent’s comments in a letter to the local paper (Figure 10) suggest that perceptions of Extension 3, where Black in-movement has previously been high, could be responsible for the decline in overall sales in 2001: certainly Figure 8 is largely a reflection of the pattern in Extension 3 since Black house purchases have been concentrated in the neighbourhood (Table 4). The letter lays bare the nature of the Extension 3 housing market in 2001. Houses are not selling, reflecting a certain ‘stigma’ that has become attached to the neighbourhood.

The decline in status seems to have been a two-stage process. The first stage related to a conflict over the size of new properties built on previously undeveloped lots. Existing White Extension 3 residents complained that the very small size of some of the new properties devalued their larger, existing houses. The second stage has stemmed from repossession of property. Houses that have been repossessed and left empty during the long legal process are vulnerable to looters who strip the property to its outer shell, taking doors, windows, fixtures, and electrical and water connections. Such visible images seem to contribute to a wider sense amongst non-Extension 3 residents that the neighbourhood is ‘unsafe’. Significantly, Themba Dhlamini, the author of the letter, stressed in an interview that those living outside Extension 3 now associate the neighbourhood with

![Figure 9. White purchases of houses (>R50 000), 1994–2001.](image-url)
township living, an association partly stimulated by the neighbourhood’s appearance in terms of the number of poorly maintained houses, gutted properties and amount of litter, partly by petty crime and partly by tales of overcrowded Black properties. Stereotypes about Black townships fostered during years of apartheid separation, particularly relating to the levels of crime, are being projected onto Extension 3. The stigma seems partly ‘cultural’ (racial) but not exclusively so. Thus while the first major point to note is that houses are now difficult to sell in Extension 3, the second major point to emerge is that this reflects the neighbourhood’s current unpopularity with not only White but also Black buyers. As Crankshaw and White (1995) found in inner Johannesburg, racial desegregation is only part of the complex causes of neighbourhood decline.

It is perhaps not a coincidence that the decline in Black purchases during 2001 occurred a few months after the spate of repossessions during 2000, which left many properties empty. The significance of the repossessions seems to lie not so much in discouraging Black in-movement to the towns, but in displacing it. Rather than serving as a warning about the considerable costs involved in home-ownership, the repossessed properties, many of which have been subsequently stripped to the shell, have served as symbols of a rapid decline in the status of the neighbourhood. Buying a house in the ‘right’ area is an issue, despite the higher prices involved, and other areas, including the neighbouring town of Uvongo, are seen as preferable destinations.

New planning regulations were instituted in 1999 in Margate by the municipality, increasing the minimum build stand size for new property to 60 square metres from the national guideline of 35 square metres. The new regulations were introduced partly to standardise policy after the amalgamation with neighbouring municipalities, but also partly as a response to devaluation complaints from Extension 3 residents. However, the delayed nature of this institutional response meant that the neighbourhood had already declined in status, at least in the eyes of the White community. The number of White

“Dear Editor,

What is happening to Margate Extension 3? This area is well situated and is close to all amenities. There are some very desirable properties for sale for prices certainly unobtainable elsewhere along our Hibiscus Coast and a lot of the properties have spectacular sea views.

There is no commercial development that would detract from the area. And yet houses are not selling. People do not want to move to this area. What has caused the stigma that has attached itself to this area? Is it merely snob value (not being millionaire’s mile) or crime?

I am surprised black families do not invest more in these homes. They could own an affordable home without incurring a load of debt. Rather a small, well built home in which they can take pride, than living in the ‘right’ area … with backbreaking repayments every month.

It is so sad someone does not start a clean-up operation, plant trees on the pavement and generally beautify this area. Perhaps one could start by appealing to those already there—clean up your act. Make your gardens attractive, paint and maintain. Keep the pavements clean in front of your homes. Make it an area in which you are proud to live ...”

(Themba Dlamini; emphasis added).

Figure 10. Letter to the South Coast Herald, 29 June 2001.
sales in Extension 3 during the 1994–2001 period was 256 and the net decrease in White-owned homes in the neighbourhood was 177. It is difficult to tease out the precise reasons for the large net White out-movement from Extension 3. The importance of declining property values should not disguise the potential for underlying, even unconscious, racial motives.

Some of the decrease in White ownership may reflect demographic ageing, given Margate’s popularity with retirees, and movement into the Village of Happiness, an enclosed retirement complex in Extension 8. Movement into the Village would not be recorded in the SAPTG since the complex in municipal terms covers one very large lot. It would be wrong to attribute the existence of the centre to a desire for exclusivity following the end of apartheid, since it was one of the first such centres in South Africa, dating back to 1962. Nor should it be seen as analogous to the gated communities of Johannesburg and other South African cities, which reflect security concerns as well as rising land prices and an exodus from high-rise apartments (Mabin, 1998; Landman, 2000; Jürgens et al., 2003). Nevertheless, the Village of Happiness has since expanded in size and in 1996 contained 349 cottages and apartments (South Coast Herald, 26 July 1996). It remains true to the original aims of the South Coast Good Samaritan Society, who set up the centre, to provide for a “self-contained village within Margate, to house senior citizens in search of security and comfort in their later years” (Anon., 1981). The emphasis is on community, with evening activities to bring residents together in the community hall. The self-contained nature of the complex is evident in the provision of a library and several shops. The residents appear to be exclusively White and, judging by impressions gained by two short visits, largely of English heritage. Complaints from Village residents about large numbers of (Black) people walking towards the centre of Margate from Extension 3 along the road bordering the complex apparently led to the blocking off of a toll road crossing which facilitated this movement. Certainly, the enclosed nature of the Village must prove an attraction to those seeking to escape the change of the post-apartheid years, and the term ‘security village’ used by Jürgens et al. (2003) has some relevance. It is likely that a large proportion of the residents previously lived outside Margate, many from large urban centres like Durban or Johannesburg, but some of the decline in White house ownership in Extension 3 may reflect movement to the Village. It is also likely to reflect movement to neighbouring Uvongo, to the north-east of Margate, or more wealthy Ramsgate, to the south-west.

Discussion: Margate Compared with Other Small Towns

Margate has experienced much more Black in-movement than the few other small towns previously the subject of research. The present percentage of Black ownership is at least 37.8 in the town’s residential neighbourhoods (Table 6). In May 1995, the percentage was 14.1, which compares with Black ownership levels in the Northern (Limpopo) Province of only 6.1 in Tzaneen, 4.0 in Messina and 0.0 in Naboomspruit (Donaldson, 1996). Donaldson emphasises the importance of social conservatism of the mainly Afrikaans-speaking White population in explaining low levels of Black in-migration to these towns, all of which had total populations of less than 20 000. However, the precise apartheid spatial legacy is also important in explaining specific post-apartheid dynamics: Margate’s nearest Black township was displaced across the KwaZulu border, increasing the desire to move closer to the town after the collapse of apartheid.

Interestingly, however, it seems that Black in-movement has not been solely from Gamalakhe. Several interviewees confirmed that there has also been a significant in-movement from the former Transkei, which borders KwaZulu–Natal some 50 km south-west of Margate. Estate agent Themba Dhlamini suggested that these buyers are largely public-sector employees (teachers,
nurses, civil servants) attracted by the prospect of owning a property but disappointed by the lack of affordable opportunities in what is now the Eastern Cape. He suggested that Margate is developing into a Xhosa town while nearby Uvongo and Shelley Beach seem to be more popular with Zulus. Whether (inter)urban ethnic separation is developing in the post-apartheid KwaZulu–Natal Lower South Coast is an interesting question that has implications for other towns close to former homelands.

As well as conservatism, the low Black in-movement to Tzaneen, Naboomspruit and Messina stems from a lack of employment opportunities in the towns (Donaldson, 1996). Margate’s tourist economy may be expected to provide more employment: the local tourist association stresses that the town’s share of visitors to KwaZulu–Natal has increased and points out that, in a recent competition, Margate was voted the third most popular holiday town in South Africa (South Coast Herald, 24 August 2001). However, there seems a disjuncture between the upbeat tone of the tourist association, keen to promote the area, and the real difficulties that the town faces in competing with more modern developments and resorts. The increase in Margate’s share of the province’s visitors may owe as much to a decline in the popularity of crime-troubled Durban as to an increase in the number of Margate’s visitors. The town’s profile means that it is competing with much larger centres like Cape Town, which have received large amounts of investment for new tourist projects. Economically stagnant, the town suffers from its dependence on tourism and the seasonal nature of the industry. Most tourists visit in May and June, to see the thousands of whales and dolphins which follow shoals of sardines migrating along the coast, and in the summer months centred on December. In an attempt to generate income outside these key periods, the town has embarked on a new marketing strategy designed to attract conferences and international tourists. At present, however, employment is highly seasonal and scarce. This may have further contributed to a decline in Black in-movement to the town and particularly to the large number of repoessions in Extension 3. Paying mortgage repayments and service rates requires a regular income (Bourne, 1981) which the tourist industry is unable to provide.

However, the extent to which Black buyers in Extension 3 work in the tourist industry is open to question. Some of the initial buyers in the neighbourhood were Eskom employees, newly promoted after the end of apartheid. Others were public-sector employees from the Eastern Cape, many of whom rent out their new property while continuing to work in the former Transkei. Some, it seems, work in Durban or the Eastern Cape while their children live in Margate, the oldest sibling assuming responsibility in between occasional parental visits. This is confirmed by teachers at Margate Primary School, who report their frequent frustration at the difficulty of securing signatures when any parental permission is sought. It seems that the resort function that Margate provides has influenced the town’s post-apartheid transition less than might be expected. Employment is scarce and seasonal. The peculiar migrant labour patterns that have developed, in which many Extension 3 residents do not work in the town, suggest that it is the availability of affordable property, rather than a profusion of jobs, that has been the most important factor behind the large amount of Black in-movement to the town.

In many ways, Tzaneen was a similar apartheid town to Margate. It had no Indian or Coloured Group Areas and its Black township was a distance from the town itself. Whilst Margate is historically more liberal and a high-profile tourist resort, the main explanation for the town’s much higher degree of in-movement stems from the high number of undeveloped lots in the town’s inland neighbourhoods. Crucially, Black in-movement did not, at least initially, depend on White out-movement. The affordability, as well as availability, of these lots was important: buying a plot of land and hiring a construction company to build a small property was a cheap option in comparison with buying existing, larger houses.
Margate’s post-apartheid experience therefore re-emphasises the importance of local factors—the ‘micro-dynamics’ stressed by Saff (1990). In particular, it focuses attention not merely on the precise apartheid legacy, in terms of the pattern of group areas and distance to the Black township, but also on the pattern and extent of development within the formerly White group areas. In Margate, development had proceeded inland and in 1994 many of the lots in Extension 3 had not been built on. Such a situation would have been uncommon in the large urban centres, where available land is quickly developed, but possibly less so in smaller centres. This underscores the importance of studying small towns, which can differ from their larger counterparts in terms of the availability and affordability of property. It would be interesting to research post-apartheid patterns of Black movement into nearby Ramsgate where there were also undeveloped lots in inland neighbourhoods in 1994.27 In general, the extent to which the existence of previously undeveloped land has facilitated Black in-movement to other South African (small) towns merits further investigation.

Conclusions

Under Mandela, attacking the segregated nature of South Africa’s urban environment did not seem to be a prime concern of the government: job creation was seen as the key priority (May and Rogerson, 2000), while housing policy was based on providing new infrastructure and services within the existing Black townships (Saff, 1998). Under Mbeki, spatial issues have assumed a new political prominence, reflecting recognition of the importance of space in shaping social relations: desegregation is a necessary (but by no means sufficient) prerequisite of racial tolerance and understanding (Lemon, 1998). But racial integration is hindered by the continuing socioeconomic disparity between Mbeki’s ‘two nations’, Black and White. Black in-movement to formerly White group areas has been concentrated in the largely rental property of inner cities. The relatively small amount of desegregation in the formerly White suburbs is, as Parnell (1996) stresses, a reflection of the relatively small number of African professionals.

The Black middle class has grown considerably in the past decade, but government low-cost housing, designed to increase Black home-ownership in the cities, has largely been concentrated in peripheral areas. As President Mbeki said in an interview with The Times

When we [the ANC] came in, we said we were going to put in housing for low-income people . . . [but] all we’ve done is expand those Black ghettos. Very little has been done to create mixed urban settlements (T. Mbeki; quoted in The Times, 31 May 2001).

Two recent studies of Cape Town address these issues: Visser (2001) attempts to demonstrate how an imagined urban space, expressed in terms of an integrated planning strategy for Tygerberg, might reflect a shared vision of social justice, but Turok (2001) shows that institutional practices and market forces are tending to reinforce spatial divisions in Cape Town as a whole.

Margate illustrates that, even where low-cost housing has been built in a former White group area, in this case facilitated by private building on undeveloped land, racial desegregation may not occur. Instead, complaints from existing White residents over the size of the newly built properties marked the start of a trend where Extension 3 became increasingly unpopular with White buyers. It is now becoming resegregated, with at least 60 per cent of property owned by Blacks.

A larger minimum build size for new property would have meant a different transition, but would have limited Black in-movement by increasing the costs of home-ownership in the neighbourhood. This is indicative of wider dilemmas that the government faces with regard to housing in post-apartheid cities. Short of fundamental reform, South African towns and cities will continue to reflect the inextricable connection between

26 ANTHONY LEMON AND DAVID CLIFFORD
labour and housing markets of which Parnell (1996) speaks. Given that race and class continue to overlap to a large extent, attempts to promote residential integration through low-cost housing provision in cities are likely to have only limited success. Desegregation will only proceed to the extent to which racial employment profiles become more similar. Mbeki is committed to increasing racial integration in the cities, but may have to be patient in seeing this aim come to fruition.

Two further lessons may be learnt from Margate’s post-apartheid experience. The first centres on the lack of payment of mortgage bills and municipal rates. Whether this owes more to ‘the continuing culture of non-payment’ stemming from the ‘years of anti-apartheid resistance’ (Lemon, 1998, p. 13) or to a lack of guidance provided for people unused to urban property ownership, it is a problem that needs to be retackled. The government’s Masakhane campaign, which was designed to encourage repayment as part of a Record of Understanding with mortgage lenders signed in October 1994 (see www.housing.gov.za), has largely failed. This has had consequences for the ease with which (Black) buyers in certain areas can gain access to credit. In Margate, while decisions on lending are officially based around the applicant’s financial and employment status, income, credit history and age, unofficially issues of location have become important. Thus one bank admitted that applications for property loans in Extension 3 are now thought about ‘more carefully’ than for other locations. Another bank which has repossessed many properties in the neighbourhood after being ‘badly burnt’ by a lack of repayments stressed that it was now ‘much more cautious’ about lending in Extension 3; a minimum 20 per cent collateral is demanded as a prerequisite for consideration for a loan. Stances such as these, from mortgage providers in Margate and elsewhere, may in future increasingly limit the number of Blacks who are able to gain access to the services which formal urban housing provides. Furthermore, the number of repossessions in Extension 3 resulting from non-payment, and the number of houses which have been subsequently stripped to the shell, have contributed to a decline in status in the neighbourhood which has fostered an association in White minds between African in-movement, decline, dilapidation and crime. For this reason as much as any, the issue of repayment is a nettle that must be regrasped by the government. Importantly, however, the temporal pattern of the number of repossessions, shown in Figure 5, suggests that many were triggered by an increase in interest rates. It is an issue that does not only involve education and willingness to pay, but, for those living within a tight budget and vulnerable to interest rate increases, ability to pay.

The second lesson is more positive. Mbeki is frustrated by the peripheral nature of recent low-cost housing, but the small distances involved in small towns like Margate mean that peripheral housing need not go hand-in-hand with exclusion from services. Extension 3, despite the tendency towards resegregation, and despite the problems associated with the repossessed properties, represents ‘desegregated’ space, rather than ‘deracialised space’, in Saff’s (1994) meaning of the term. Extension 3 residents have access to the facilities that Margate provides, such as the new library next to the municipal offices in Extension 8 and the primary school. The school’s first Black child enrolled in 1993; now, Black children make up around half of all pupils, with the vast majority living in Extension 3. This increase has been accommodated more by a rise in the number of classrooms, from 14 to 21, than by a decline in White enrolment. The school not only provides a forum for interracial interaction but also a standard of education still unobtainable in the former homeland areas despite government efforts at redistribution. This is significant because, in the long term, Mbeki’s commitment to increasing racial integration in towns and cities depends upon long-term change within the employment market—change that can only be achieved through a reduction in racial inequalities in the level and standard...
of education. Significantly, the streams for different abilities in Margate Primary School are becoming more racially balanced. Margate’s post-apartheid experience, while displaying reasons for concern, also displays reasons for hope.

Notes

1. The terms Black (African), White, Coloured and Indian continue to be used in official statistics, but since 1994 on the basis of self-ascription and in order to monitor progress in moving away from past discrimination.

2. Interview with Victor Nhlumayo, Inspector of Schools in Gamalakhe and member of the Natal Historical Society.

3. Interview with Sister Bohlela, Gamalakhe Clinic.

4. Interview with Mr Woodman, Margate Town Engineer.

5. Themba Dhlamini, Pam Golding Properties (Estate Agents), personal communication.

6. Interview with Marian Smith, Town Planning Assistant.

7. See note 6.

8. Interview with Rob Parry, Municipal Valuation Department.

9. Interview with Ann Nicolades, member of the Natal Historical Society and former local government worker.

10. See note 4.

11. See note 5.

12. Interview with Margate Municipal Rates Officer.

13. See note 12.


15. See notes 4 and 6.


17. See note 9.

18. This was commented upon both by the Home Loans Department of First National Bank and by Pam Golding Estate Agents.

19. See note 5.

20. See note 4.


22. See note 5.

23. Interview with Luftwig Lawrence, a timeshare worker who previously worked in Durban.

24. Interview with Chris Boshoff, Public Relations Officer for Hibiscus Coast Municipality.

25. See note 5.

26. Interview with Gail Pears, teacher at Margate Primary School.

27. See note 4.

28. This was argued by estate agent Dhlamini Themba (see note 5).

29. Home Loans Department, First National Bank, personal communication.

30. Home Loans Department, Standard Bank, personal communication.


References


EWINs, J. (1948) Special Issue, commemorating Margate’s coming-of-age, South Coast Herald, 3(33), 5 March.


