



Southern Africa Labour and Development Research Unit

SALDRU

In 2005 Saldru researchers led a number of policy research processes. These include evaluations of the land reform programme (Malcolm Keswell), the school nutrition programme (Murray Leibbrandt, Martin Wittenberg and other SALDRU researchers), the child support grant (Ingrid Woolard) and the impacts of the state old-age pension (Ardington, Burns, Keswell, Lam, Leibbrandt). Second, in 2005 SALDRU researchers were centrally involved in a number of data collection projects including the Cape Area Panel Study, the Financial Diaries Project and the Hout Bay Migration Survey.

SALDRU was formally involved in two research conferences in 2005:



The Saldru@30 party was held at the Centre for the Book.

In January 2005, Malcolm Keswell organised and hosted a meeting on "Social Dynamics" in partnership with the Santa Fe Institute. Discussion focused on the intersection between new research in the behavioural sciences and problems of particular interest to African scholars. The programme can be found at <http://discuss.santafe.edu/capetown05/schedule>.

In December Murray Leibbrandt and David Lam organised an IUSSP Seminar on "Interactions between AIDS and Poverty". The seminar brought together a range of social scientists and policy-makers to examine whether an analysis of data at a micro level could demonstrate the impact of poverty on vulnerability to HIV/AIDS, and on the other hand, the impact of HIV/AIDS on individual family income and well-being. The seminar proposal, programme and papers are available on the IUSSP website at <http://www.iussp.org/Activities/pov-index.php>. A selection of the papers will be published as a symposium in *Economic Development and Cultural Change*. ■

Francis Wilson, the founding Director of SALDRU, retired at the end of 2004. SALDRU turned 30 in 2005 and Dudley Horner, the Deputy Director of SALDRU retired at the end of 2005. Thus, from start to finish 2005 offered SALDRU the chance to celebrate its past achievements and its founding fathers as well as to commit itself to continuing its research tradition. On Saturday 19 February 2005, over 185 old and new SALDRU associates came together to celebrate our birthday as well to honour Francis Wilson on his retirement. It was a wonderful evening, full of stirring speeches and reminiscing about the struggle days.

There was strong affirmation for the leadership of Francis and Dudley. On Saturday 11 February 2006, many of these same people reconvened when an official function was held to celebrate Dudley Horner's huge contribution to SALDRU on the occasion of his official retirement.

The presence of many younger faces at both of these functions served to underscore the fact that, as a research unit, SALDRU is as strong as it has ever been. In 2005 the process of building the new team of SALDRU research associates continued to be an invigorating one.

RESEARCH PROJECTS 2005

Post-apartheid poverty, employment and migration dynamics

In 2005 the poverty research in this area had a methodological bent. The income variable in South African census data contains a large number of missing values. However, these missing values are associated with both high and low income groups. Therefore, for the 1996 and 2001 censuses, income-based poverty and inequality do not change significantly when missing values are imputed (Ardington, Lam, Leibbrandt and Welch (*CSSR Working Paper* no. 106)). Another paper extends a non-parametric technique in order to show that the distribution of personal incomes in contemporary South Africa is being driven by changes in what people earn from their endowments such as education rather than from the levels of these endowments (Leibbrandt, Levinsohn and McCrary). A third paper that was written as part of the Food Security project (run by the Social Surveys Unit) compares the relationship between money metric and asset-based poverty measures.

The employment and migration work had a regional focus on the Western Cape and Western Cape Eastern Cape linkages. Cecil Mlatsheni showed that the employment expectations of youth in Cape Town are not out of line with the realities of the labour market, even when these realities are dismal. Then, via joint work with Murray Leibbrandt and Stellenbosch researchers, he showed that migrants from the Eastern Cape who come to Cape Town in search of employment are less likely to get employment than those who have been resident in Cape Town. However as employment prospects are better in Cape Town than in the Eastern Cape, people will still migrate.

Financial Markets and the Poor

After intensive Financial Diaries field work in 2004, the focus this year has shifted to the dissemination of results as to how low income households manage their money. Initial results were launched at two workshops (400 participants) in May. Thereafter, workshops were held for the Presidency and government departments as well as the private sector. The headline finding has been the large share of household income that is used to insure against and save for funerals. Data will be released in 2006. An introduction to the Financial Diaries methodology was published in *Development Southern Africa* along with a *CSSR Working Paper* (no 130) by Daryl Collins. Reza Daniels presented his work on consumption and savings of the poor in South Africa and internationally.

Public Works and Public Infrastructure	
The public works programme completed publication of a research project for UNICEF on public works as well as on HIV/AIDS and vulnerable children in the East and Southern Africa Region. Anna McCord presented papers in a number of national and international conferences, including the Manchester University Chronic Poverty Project's Social Protection in Situations of Chronic Poverty Conference.	
Trade and Poverty	
A multi-paper project was launched in mid-2005 to explore the impacts of changes in post-1994 trade policy on employment and household poverty. Lawrence Edwards published one paper from the project in the South African Journal of Economics which showed that the extent of trade liberalisation was large and varied enough to have an impact on employment. Draft papers from this project by Daniels and Edwards and Dieden, Edwards, Leibbrandt and Pauw were aired at the Trade and Industrial Policy Strategies conference in late 2005. The project will be completed in 2006.	
Public Opinion and Democratic Consolidation	
A series of papers was commissioned in late 2004 and early 2005 and first drafts were delivered at a workshop in early June. A set of papers uses evidence from national household surveys, and from the Demographic Surveillance sites at Hlabisa and Agincourt to show that there has been a substantial decline in the average size of South African households over the last decade. The growing presence of single-person households and 'skip generation' households underlies this change. (Wittenberg, Collinson, Bustin and Hosegood). A paper by Woolard, Lam and Leibbrandt shows that such demographic changes have been an important component of poverty dynamics in KwaZulu-Natal over this period while qualitative work by Bray shows that close kin (mothers and grandmothers in particular) were especially important givers of care and support to children in such unstable situations. Two papers show that networks of kin and friends are central to successful job search strategies (Keswell, Burns, and Schoer). A series of potentially influential papers evaluated the impact of the state old-age pension and the child support grant, and show that the arrival of a state old-age pension leads to increased household size, with unemployed prime aged adults being very likely to attach themselves to pensioner households (Case, Ardington, Woolard and Klasen (CSSR Working Paper no. 129)). The arrival of the pension also facilitates retirement of a receiving elderly person although not necessarily their spouse (Lam, Leibbrandt and Ranchhod (CSSR Working Paper no. 118)). The child support grant has a significant positive impact on child health outcomes in KwaZulu-Natal (Carter, Agüero and Woolard). While this is a good health outcome, it seems that on average body mass index of black South Africans is high and that it increases with income (Wittenberg and Godlonton). This suggests an emerging obesity problem in South Africa. A highly publicised result shows that orphans are disadvantaged in terms of school participation and progress through school relative to non-orphans of the same socio-economic status, the same school and even the same household (Case and Ardington). Furthermore, other work shows that these school effects are very important in that disadvantages in schooling are a key mechanism through which broader disadvantage is reproduced in contemporary South Africa (Lam and Seekings).	
Other Activities	
Hout Bay Survey 2005	A survey was administered to 2617 households in Hout Bay Harbour and Imizamo Yethu in order to capture the nature and extent of migration in neighbourhoods experiencing a rapid influx of new migrants from elsewhere in the country and from other African countries. (Dudley Horner, Faldie Esau, Ravayi Marindo)
UCT Summer Term in the Analysis of Survey Data	The seventh successive summer course was run by a UCT and Michigan team of academics and students in January 2005. It was attended by 55 participants from the universities of UCT, Fort Hare, Stellenbosch, the Western Cape, and UNISA, the Medical Research Council, and from the Provincial Government of the Western Cape. An advanced course on Nonparametric Techniques was taught by Justin McCrary of the University of Michigan for 12 participants from the universities of UCT, Stellenbosch and KwaZulu-Natal.
Summer Training in Survey Analysis at the University of Michigan	Again in 2005, four UCT students participated in the Institute for Social Research Summer School Programmes at the University of Michigan. The students were Mamello Lekena (Masters candidate in Economics), Heidi Short (Post-graduate Diploma in Higher Education and Junior Lecturer in Statistics), Memory Sendah (a Doctoral candidate in Demography) and Brendan Maughan-Brown (Masters candidate in Economics).

People @ SALDRU

Murray Leibbrandt (Director),
Dudley Horner (Deputy-Director),

Project Leaders

Poverty, employment and migration dynamics (Murray Leibbrandt/Malcolm Keswell)
Financial strategies of the poor (Daryl Collins/Reza Daniels) Public works programmes, infrastructure and poverty alleviation (Anna McCord/Samson Muradzikwa)
Common property resources and the poor, (Justine Burns/Martine Visser)
Trade and Poverty (Lawrence Edwards)
Family support structures (Murray Leibbrandt/Cally Ardington)

Other 2005 Research Associates

From the School of Economics
Sean Archer, Beatrice Conradie, Faldie Esau, Cecil Mlatsheni, Nicoli Nattrass, Kalie Pauw, Matthew Welch, Francis Wilson, Martin Wittenberg and Ingrid Woolard.

Others at UCT

Ravayi Marindo (Demography Programme, Centre for Actuarial Research), Jeremy Seekings (Sociology)

International

David Lam (University of Michigan), James Levinsohn (University of Michigan), J Paul Dunne (University of the West of England (UWE), Bristol), Sten Dieden (University of Gothenberg)



Francis Wilson, founding director of SALDRU.