Spatialisation of New Modes of Power Relations in Post-Apartheid Urban Landscape

Simphiwe E Mini
College of Agriculture and Environmental Sciences
Department of Geography
University of South Africa (UNISA)
Some of those who shaped my academic life ...

Prof Margaret Marker
Some of those who shaped my academic life ...

Dr Anthony Lemon
I am a product of Academic Environment:

Prof David Harvey
The State of Science: **Urban Geography**

### The Frontiers of Urban Geography

Defined by frontiers of knowledge production and methodologies and defining philosophies of thought.

**Critical Urban Theory**: The Frontiers of Urban Geography:

There’s need for a critical abstract theory mapping, the possible pathways of urbanisation as a spatial-social transformation process in the context of dominant political economy.

Urbanisation as a spatial social process of transformation:

- is a social-class struggle,
- political struggle,
- ideological-political struggle.

**Critical Urban Theory pushes the Frontiers; charts the way forward:**

- Charting the path by providing a critique of the current process of urbanisation
- contemporary processes of urbanisation
- current urban restructuring,
- provide implications of the current actions.
Cities as arenas of commodification: Site of Capital accumulation.

Cities are themselves intensively commodified.

Built environment, land use and infrastructure, networks of production and exchange and all these are continually restructured and reorganised to enhance the profit making capacities of the city.

Critique the ideology, social power relations, inequalities and spatial-social injustices within and among cities.

Rejects the current form of urbanisation and insists that there is an alternative more democratic, social just and sustainable form of urbanisation.

An alternative is possible if such possibilities are currently oppressed through dominant institutional arrangements, practices and ideologies.
Critical Urban Theory
- A Theory

Critical Theory:
A critique of
instrumental reason

Critical Theory:
Emphasises the disjuncture
between reality and
what is possible

Critical Theory is reflexive
<table>
<thead>
<tr>
<th>Author</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lefebvre</td>
<td>Social Production of Space/Contested Space</td>
</tr>
<tr>
<td>Castells</td>
<td><em>The Urban Question</em></td>
</tr>
<tr>
<td>David Harvey</td>
<td><em>Social Justice and the City – The Rebel Cities</em></td>
</tr>
<tr>
<td>Frederic Jameson</td>
<td>‘Postmodernism or the Culture of Late Capitalism’</td>
</tr>
<tr>
<td>Edward Soja</td>
<td><em>Third Space and Spatial-Social Justice</em></td>
</tr>
<tr>
<td>Rob Shields</td>
<td><em>Places on the Margin</em></td>
</tr>
</tbody>
</table>
The Frontiers of Urban Geography

- Harvey
- Lefebvre
- Soja
- Castells

Critical Urban Theory
Spatiality of Post-Apartheid Urban Planning

- **Public Urban Policy**: Urban Transformation for Sustainability and Social Justice
- **End of Formal Apartheid**: Transforming a spatially segregated socially divided and economically inefficient urban landscape
- **1990s: The Glorious Years: Neoliberalism—Globalisation**
- **Neoliberalisation of Developmental State: The Travelling Theories**:
- **Emerging Trends**: Back to the beginning via Post-apartheid\post-neoliberalism
Springs of Hope:  
Passed-the-End – Not-Yet-the-Beginning
Springs of Hope:
Passed-the-End – Not Yet the Beginning
When Progressive Policies are NOT Progressive

TALK LEFT
WALK RIGHT
South Africa’s Frustrated Global Reforms
Key Strategic Focus: Global Competitive Cities

AND WELCOME TO OUR AFRICAN BROTHERS WHO WISH TO DISCUSS MARKET ACCESS.
Who Stole My Dream?
Africa’s Globalisation of Neoliberal Programmes

STEVE FOSSETT
ATTEMPTS TO BE FIRST TO CIRCLE THE GLOBE SOLO BY HOT AIR BALLOON...

...ONLY TO FIND IT’S BEEN DONE.

NEPAD

G8 PROMISES
Home Grown Neoliberalism or Travelling Theories

NOW HERE’S A LITTLE TUNE CALLED “PRIVATISATION”...

IMF

World Bank

S. A. Economy

Radebe

Soweto

SA

UNISA
The Ascendency of Neoliberalism: Home-Grown-Neoliberalism

Forward, the Tripartite Alliance, Forward!

ANC

Socialism

Privatization

COSATU

SACP
Neoliberalisation of a Developmental State

• South African Urban History: Group Areas Act
  – Racial Spatial Segregation
  – Own Group Areas — A special type of urban planning
  – Space central in controlling of race-relations

• New Democratic Government 1994
  – Reconstruction and Development Programme of 1994

  – Land for housing must be suitably located geologically, environmentally and with respect to economic opportunities and social amenities. The democratic government must intervene to facilitate access to such land. Land speculation must be prevented and land monopolies broken up. Land planning must involve the communities affected. Land taxes and zoning should seek to promote urban development patterns consistent with RDP objectives” (RDP 1994).
  – The urban development strategy must also be aimed at fostering the long-term development and sustainability of urban areas while alleviating poverty and encouraging economic expansion.
  – The urban programme must therefore ... create a functionally integrated, efficient and equitable urban economy, as well as effective and democratic structures of urban governance and management; enhance the position of women in the cities, and initiate a social environment which contributes to a better quality of life.
Neoliberalisation of a Developmental State

When Progressive Policies are not Progressive:

• Neoliberalisation of Urban Planning:
• Rolling Out the State

• Urban Development Strategy 1995: provided a framework for:
  • (a) Desegregating and integrating the city;
  • (b) Improving housing and infrastructure, focusing low-income housing;
  • (c) Promoting urban economic development and growth;
  • (d) Creating democratic and strong institutions for service delivery.

– Urban Development Strategy revised.

• Urban Development Facilitation Act 1995
  – Guide the process of transformation of urban land use for sustainable integrated city development.
  – To provided a framework for land use applications and land tenure definition, local government planning; land development and conflict resolution.
  – to facilitate access to urban land for low cost housing.
  – harmonise and provide a uniform system of urban land development in cities.
Post-Apartheid City: Spatial and Social Justice Agenda Abandoned?

Rolling-out the Neoliberal state:

- **Legal and Institutional Transformative Instruments as key drivers of transformation of cities.**
  - **Urban Development Strategy 1995** provided a framework for:
    - Improving housing and infrastructure - focusing on low-income housing
    - Promoting urban economic development and growth
    - Creating democratic and strong institutions for service delivery.
  - **Urban Development Framework 1997.**

- **Neoliberalisation of Urban Space:**

  - **Urban Development Facilitation Act 1995:**
    - Spatial restructuring with emphasis on sustainable integrated city development.
    - Social and economic development.
      - Global competitive cities
      - Housing and social development
      - Poverty alleviation
    - Created Urban Land Market.
      - Provide a Framework for Land Use Applications and
      - Clearly defined Urban Land Tenure Systems:
        - Urban Planning located in: Local Government Planning;
        - Urban Land Development and conflict resolution.
    - Facilitate access to urban land for low cost housing.
    - Harmonise and provide a uniform system of urban land development in cities.
Neoliberalisation of a Post-Apartheid City:

- **New Integrated Development Plans**: Provided a key planning framework.

- The Municipal Systems Act 2000 and the Spatial Planning Land Use Management Act as key legal transformative instruments:
  - Designed to give expression to the principles of social justice through creation of inclusive urban citizenship.

- **The Municipality Systems Act of 2000**:
  - All municipality and metropolitan municipalities to develop Integrated Development Plans as key transformative instruments in shaping urban growth and development of post-apartheid cities.
  - Municipal IDPs replaced the apartheid political driven racial segregated planning of cities.
  - IDP as planning tool that requires that long-term planning to be reflected in the municipality’s 5 year IDP.
Post-Apartheid City: Spatial and Social Justice Agenda Abandoned?

Rolling-out Neoliberal State: Neo-liberalisation of a Post-Apartheid Urban Landscape:

- Glocalisation of Local Government
- The Municipal Systems Act 2000 and the Spatial Planning Land Use Management Act as key legal transformative instruments
  - Designed to give expression to the principles of social justice through creation of inclusive urban citizenship.
- Entrepreneurial Urban Policies
  - New Integrated Development Plans: Provided Planning Framework
  - Municipal IDPs replaced the apartheid political driven racial segregated planning of cities
  - All municipality and metropolitan municipalities:
    - to develop Integrated Development Plans as key transformative instruments in shaping urban growth and development of post-apartheid cities.
  - IDP: A 5-year planning for all the municipalities
- From Urban Management to Urban Entrepreneurialism
Post-Apartheid City: Spatial and Social Justice Agenda Abandoned?

Changing Modes of Urban Governance:

• **Entrepreneurial Urban Governance**: *Who governs our cities?*
  - Entrepreneurial Urban Governance is characterised by a series of loose arrangements with numerous institutions/stakeholders.
  - Though some partnerships are for a long period, they are primarily designed for a short period.
  - Fragmented approach to urban development and lack foresight, long-term planning.

• **Entrepreneurial Urban Planning**:
  - LED: Mobilising local resources for global competitiveness.
  - At local level, the distinction between private and public is blurred.

• **Implementation of public policy increasingly funded by private sector**
  - Partnerships become one key enabling tool for urban government to implement.
  - Privatisation of provision of public services.
  - Public-Private-Partnerships (PPP) and Enterprise the only way for urban development and growth and.
  - Reduced Local Government allocation/expenditure cities compete for private sector investment.
Post-Apartheid City: Spatial and Social Justice Agenda Abandoned?

<table>
<thead>
<tr>
<th>South Africa’s Entrepreneurial Mode of Urban Governance:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Entrepreneurialism — globalisation —</td>
</tr>
<tr>
<td>• Global competitive cities:</td>
</tr>
<tr>
<td>– Cities must compete for private sector capital investment: Glocalisation</td>
</tr>
<tr>
<td>– City marketing / city images a major focus / The World City Image</td>
</tr>
<tr>
<td>– Competitive cities for attracting capital investment VS a social control of local urban population to appreciate benefits of entrepreneurialism</td>
</tr>
<tr>
<td>– Accelerated mobility of capital investment</td>
</tr>
<tr>
<td>– Contraction of global urban space -- the World City Image</td>
</tr>
<tr>
<td>• Entrepreneurial economic urban policies:</td>
</tr>
<tr>
<td>– Reduce the significance of local politics, economic and social problems</td>
</tr>
<tr>
<td>– Local communities’ identities are lost as local becomes less significant</td>
</tr>
<tr>
<td>• Convergence of private and public interests:</td>
</tr>
<tr>
<td>– Consolidates Globalisation and Entrepreneurialism:</td>
</tr>
<tr>
<td>– De-politicising local politics for spatial and social justice as private sector dominates</td>
</tr>
<tr>
<td>– Urban poor and working class further marginalised</td>
</tr>
<tr>
<td>– Restructuring of public sector investment in provision of services:</td>
</tr>
<tr>
<td>Increasing privatisation of provision of services and especially for the urban poor</td>
</tr>
<tr>
<td>• South African Cities’ Network:</td>
</tr>
<tr>
<td>– A Coalition of Cities to Facilitate Growth and Development</td>
</tr>
</tbody>
</table>
Quo Vadis Neoliberal Urban Planning

- **Entrepreneurialism and Neoliberalised Urban Space:**
  - Neoliberal political economic practice has generated new forms of social and economic inequalities.
  - Intensification of uneven development at all spatial scales.

- **Neoliberal Urban Planning and Neoliberal Urban Policies:**
  - Subjected urban poor population to the power of market forces.
  - Strong property rights regime protected property owners.
  - Urban Land market deteriorates to land speculation

- **Global Economic Crisis of 2008**
  - Neoliberal economic political ideology has lost power and relevance.
  - Quo Vadis Neoliberal Planning:
    - *No new ideas on how to deal with poverty and inequalities*
Local Municipal boundaries

What was in 2006                      What was in 2011

<table>
<thead>
<tr>
<th>Local Municipality</th>
<th>Area (hectares)</th>
<th>Area (%)</th>
<th>2010 Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Johannesburg</td>
<td>164 542</td>
<td>9</td>
<td>3 785 074</td>
</tr>
<tr>
<td>Ekurhuleni</td>
<td>197 554</td>
<td>11</td>
<td>2 932 431</td>
</tr>
<tr>
<td>City of Tshwane</td>
<td>629 844</td>
<td>35</td>
<td>2 597 428</td>
</tr>
<tr>
<td>Emfuleni</td>
<td>96 625</td>
<td>5</td>
<td>769 283</td>
</tr>
<tr>
<td>Mogale City</td>
<td>134 275</td>
<td>7</td>
<td>347 943</td>
</tr>
<tr>
<td>Merafong City</td>
<td>163 157</td>
<td>9</td>
<td>217 026</td>
</tr>
<tr>
<td>Randfontein</td>
<td>47 512</td>
<td>3</td>
<td>148 851</td>
</tr>
<tr>
<td>Westonaria</td>
<td>64 011</td>
<td>4</td>
<td>141 976</td>
</tr>
<tr>
<td>Lesedi</td>
<td>148 449</td>
<td>8</td>
<td>96 215</td>
</tr>
<tr>
<td>Midvaal</td>
<td>172 280</td>
<td>9</td>
<td>89 822</td>
</tr>
<tr>
<td>Gauteng</td>
<td>1 818 249</td>
<td>100</td>
<td>11 126 052</td>
</tr>
</tbody>
</table>
Average Annual Household Income by Region

Region 1
Region 2
Region 3
Region 4
Region 5
Region 6
Region 7

Average annual household income by Region:
- <R75000
- R75001 - R100000
- R100001 - R150000
- R150001 - R250000
- R250001 - R350000
- R350001 - R450000
- >R450001

Region boundary 2011
Spatial Development Concept, City of Tshwane

- Capital Core
- Urban Core
- Metropolitan Node
- Proposed IRPTN Network (Schematic)
- Proposed Long Term Rail Prioritisation
- CoT / Prasa Priority Suburban Rail
- Gautrain
- Development Corridor
- Proposed Developm. Corridor
The City Spatial Economy: Decentralisation Processes

• In the dominant political economy of the development of Malls and together with the emergence of definite decentralised CBDs.

• Concomitant with the urban sprawl the traditional CBD was the renting by more and more people of its business space to lower quality business and residential accommodation to new immigrants.

• The decline of the CBD of the City of Tshwane is accompanied by the increasing reinforcement of wealth and business opportunities further from these areas through decentralised malls and shopping areas (effectively new CBDs).

• Urban sprawl also expressed through suburban office space through Office Parks follows a similar pattern to that of the malls.
Tshwane’s Industrial Estates

Legend
- Industrial Estates
- Regions
- Region 1
- Region 2
- Region 3
- Region 4
- Region 5
- Region 6
- Region 7

Industrial Estates
1. Babelegi
2. Ga-Rankuwa
3. Rosslyn
4. Klerksdoorn
5. Kirkney
6. Hermanstad
7. Pretoria Industrial
8. Sunderland Ridge
9. Roohuiskraal
10. Irene
11. Hennopspark
12. Samcor Park
13. Waarloos
14. Silverton
15. Keedoespoort
16. Silverton
17. Ekandustria
Tshwane’s Economic Development Nodes

1. Hammanskraal / Temba
2. Mabopane / Soshanguve
3. Soshanguve South / Kopanong
4. Pretoria North / Rainbow Junction
5. Akasia CBD
6. Kolonnde
7. Ga-Rankuwa
8. Mamelodi
9. Atteridgeville / Saulsville
10. Inner City
11. Hatfield
12. Brooklyn
13. Menlyn
14. Hazeldean
15. Ekangala
16. Refilwe
17. Zithobeni
18. Bronkhorstpruit
19. Woodlands
20. Wingate Park
21. Irene
22. Centurion CBD
23. Monavoni
24. Olievenhoutbos

Legend:
- Capital Core
- Urban Core / NDPG Programme
- Emerging Node
- Metropolitan Node
- Gautrain
- Regions
The Disjuncture between Public and Private Investment Intensifies Inequalities (City of Cape Town)
Demographic Migration Trends

Blacks 1991 - 1996

Legend
Black - 1991 to 1996
- Yellow: Negative
- Blue: No Change
- Green: Positive

UNISA
university of south africa
Demographic Migration Trends
Blacks 2001 - 2005

Legend
- Black - 2001 to 2005
  - Negative
  - No Change
  - Positive

LOCALITY MAP
www.geoerralimage.com

UNISA
university of south africa
Demographic Migration Trends
Coloureds 2007 - 2009

Legend
- Coloured - 2007 to 2009
  - Yellow: Negative
  - Blue: No change
  - Green: Positive

Region 1
Region 2
Region 3
Region 4
Region 5
Region 6
Region 7

Kilometers
0 4.75 9.5 19 28.5

Locality Map
Gauteng

UNISA
University of South Africa

www.geoterraimage.com
Demographic Migration Trends

Asians 1991 - 1996

Legend
- Asian - 1991 to 1996
- Yellow: Negative
- Blue: No Change
- Green: Positive

UNISA
University of South Africa
Demographic Migration Trends
 Asians 2001 - 2005
City of Tshwane Metropolitan Municipality: Urban Sprawl
Pretoria_East: 2001
City of Tshwane Metropolitan Municipality: Urban Sprawl, Pretoria East 2008
City of Tshwane Metropolitan Municipality: Urban Sprawl, Pretoria East 2013
Pretoria’s Urban Sprawl: Property Driven Development
Pretoria-Silver-Lakes 2013
City of Tshwane Metropolitan Municipality: Mamelodi
Pretoria_East: 2001
City of Tshwane Metropolitan Municipality: Mamelodi
Pretoria_East: 2013
City of Tshwane Metropolitan Municipality
Mabopane-Township-2006
Shopping Malls behind the Wall/Fence
Migration of Business and Commercial Centres from CBD following Gated Communities

Structure of Presentation:

Introduction:
Restructuring of apartheid City:

1. Policies and Institutional Framework
   1. National Higher Education Policies
   2. Institutional Framework

B: Urban Land Development

3. Identification of Strategic Research Issues
4. Five Year Research Plan

C: New Gated Communities and...
Change in Number of Formal Residential Units between 2001 & 2010, City of Tshwane

Highest

Pretoria CBD
Change in Number of Gated Community Units between 2001 & 2010, City of Tshwane

Highest

Pretoria CBD

Region 2

Pretoria CBD

Region 3

Region 4

Region 5

Region 6

Region 7

6930

644

2386

19751

20102

857

Highest
Change in Number of Industrial Units between 2001 & 2010, City of Tshwane

Highest

Pretoria CBD
Change in Number of Flat and Hostel Units between 2001 & 2010, City of Tshwane

Pretoria CBD

Highest
Urban Sprawl: Middle-Class Estate Housing
Unemployment, Poverty and Inequality
Unemployed People’s Movement
Winters of Disappointment: Urban Social Struggles Spatial-Inequalities
Social Inequalities in a Post-Apartheid City
On the Urban Peripheries ~ Low-cost Houses
Architectural Design and Spatial Security
Controlled Access into Gated Communities
The Space Economy

- City Regions (33.7% pop & 56.5% GVA)
- Cities (5.8% pop & 6% GVA)
- Regional Service Centres (14.8% pop & 13.9% GVA)
- Service Towns (4.2% pop & 3.3% GVA)
- Local Niche Towns (9.7% pop & 6.2% GVA)
- Dense Rural Settlements (25.2% pop & 5.9% GVA)

(Height indicates population size)
Spatiality of Inequalities

- **High Density Core**: 88% (71% + 15%)
- **Low Density Core**: 6% (2% + 5%)
- **High Density Periphery**: 24% (9% + 15%)
- **Low Density Periphery**: 23% (2% + 21%)
- **Arid, Protected & Mountainous Areas**: 45% (23% + 22%)

**Percentages**
- Blue: Economic activity
- Yellow: Population
- Brown: Surface area
Spatialisation of New Modes of Power Relations in Post-apartheid Urban Landscape:

Simphiwe E Mini  
Department of Geography  
University of South Africa

Abstract:

This presentation analyses spatial reconstruction of post-apartheid urban landscape through a combination of public sector driven legislative and policy instruments on one hand and private sector driven processes. The emerging spatial arrangements of new power relations is an expression of urban class struggles in the context of neoliberal economic social framework of post-apartheid urban landscape. The empirical evidence suggests that the post-apartheid spatial urban landscape reflects not only resilience of apartheid spatial-social imprint but a spatial reconfiguration of power relations. This happens in the context of declining significance of racial divisions and increasing urban social stratification albeit along racial lines. In neoliberalised post-apartheid urban space, social class struggles have become more prominent and ideological raced spatial division has declined in significant. Although the public sector plays an important role as a developer, neoliberalisation of the state has substantially compromised its ability to reduce social and economic inequalities. Economic and financial forces operating at different geographical scales have become dominant factors in a property driven urban development environment. However Post-apartheid urban patterns reflects that these spatial rearrangements involve much more than just production of space, as they sustain and support novel ways of asserting new urban social identities. Empirical research reveals that these spatial processes are complex and fraught with ambivalence. This research is based on the view that neoliberalism, democratization, globalization, urban inequalities and social class struggles, integration, desegregation are key instruments to understanding post-apartheid urban landscape.
The State of Science: Frontiers of Urban Geography

- The Conception of Critical Urban Theory:
  - Critical Urban Theory is Reflexive:
  - Critical Urban Theory: Critique of instrumental Reasoning
  - Critical Urban Theory: Critique disjuncture between the Reality and Possible:

Geographies of Post-apartheid Urban Public Policy:

- The apartheid city was always a perfect paradigm for urban division and exclusion. This was even more so in the 1990s when it became clearer that urban forms and patterns in many parts of the world were going the way of intensifying segregation, fragmentation and splintering, resulting in deepening intra-urban inequalities.
- Thus, when South Africa embarked on its ambitious democratic transition in 1994, there was great anticipation that under the radical-democratic majority government, ways would be found to undo the paradigm of urban division—the apartheid city.
- This desire was both justified and misplaced. Justified in that the redistributive ambitions of the newly elected government invariably had to involve some form of urban justice and rebalancing because this was where the heart of economic apartheid resided; misplaced because the negotiated terms of the transition precluded radical interventions in either private property or the accumulated wealth of the white minority.
- Part of the arrangement of transition from RDP to GEAR was that the South African economy, would not be endangered both by extending the franchise to the black majority and also by addressing their developmental needs for access to basic services such as water, energy, shelter, education and health care.

Neoliberalisation of South African urban Space:

- The transformation of South African urban landscape is a very complex process taking place at multiple levels and driven by a wide range of factors championed by different interest groups. Neoliberalisation of South African urban landscape has happened through different processes But all were and are grounded in the changes in institutional and regulatory framework.
- The thrust of urban transformation could be defined by its neoliberalisation programme driven by institutional and regulatory framework designed to create a conducive environment for global competitive economy to achieve economic growth, full
The end of apartheid in 1994 created a range of opportunities not only in South African political landscape, but also in social economic cultural restructuring.

In this presentation I analyze post-apartheid spatial urban dynamics against the backdrop of City of Tshwane spatial restructuring, more specifically,

The new democratic government adopted a two-pronged approach to drive the transformation and desegregation of South African cities. The first approach was expressed through a series of neoliberal transformative legislative instruments, policy frameworks and strategic documents designed to dismantle spatial and racial segregation. The second approach was more complex – involved the reconstitution of the state to something between being ‘Developmental State’ to ‘Neoliberalised Developmental State’.

**Home Grown Neoliberalism, or Travelling Theories**

The Reconstruction and Development Programme (RDP, 1994) provided an important strategic framework for the creation of non-racial democratic society in South Africa.

- The restructuring of the apartheid city, through the spatial integration of segregated areas, was a key urban development goal for a variety of reasons.
- However barely two years after the moment of political liberation, South Africa embraced integration into the neoliberal global economic system by pre-empting trade reforms and lowering barriers and tariffs even before this was strictly necessary. RDP philosophy as repalced by GEAR.

As a commitment to the transformation of segregated apartheid city the new democratic government promulgated a series of transformative legislations including the:

- The Development Facilitation Act 1995, Municipal Systems Act, 2000,

These and other post-apartheid regulatory frameworks provided were designed to be key drivers for the spatial desegregation and towards integration of South African cities. The legal frameworks provided not only for removal of official and legal racial segregation but redefined the conditions for urban planning, urban land use and urban land development.
The Urban Development Strategy (1995) defined the role the state and civil society, the expected contributions and roles of the market. The intention was to transform South African cities into spatially and economically integrated centres of social and economic opportunities with vibrant urban governance and environmental.

- The Urban Development Strategy (1995) identified four transformative strategic focus programmes:
  - Desegregated and integrating the city;
  - Improving housing and infrastructure,
  - Promoting urban economic development and
  - Creating institutions for delivery.

Spatial Restructuring narrowly defined as the integrating the city for the purpose of reversing apartheid-inspired spatial fragmentation and segregation;

The principles of neoliberalism were embedded in the Urban Development Framework:

- The market driven and ‘state roll-out’ approach were assumed capable of creating a suitable environment for: global ‘competitive city’, the ‘prosperous city’, and the ‘equitable city’.
- Institutional Restructuring as provided in the Urban Development Framework provided for further neoliberalisation of state at various levels and for privatisation of state functions through establishment of quasi-state institutions.

**Post-Apartheid Urban Space-Up for Privatisation:**

The principles and legal framework for neoliberalisation of South African urban landscape were provided through The Development Facilitation Act (DFA) 1995.

- The Development Facilitation Act (DFA) 1995 provided a legal implementation framework whilst the White Paper on Urban Development 1997 provided a directive mandate for the implementation of Urban Development Strategy.
- The primary objective of DFA 1995 was to guide the process of transformation of urban land use towards more sustainable integrated city development.
- The act provided a framework for land use applications and land tenure definition, local government planning; land development and conflict resolution.
- The purpose of DFA was to not only to facilitate access to urban land for low cost housing but also harmonise and provide a uniform system of urban land development in cities.
- However, the DFA created conducive environment for neoliberalisation of urban space have been experienced. The DFA has created conditions favouring urban property developers and especially large scale developers.
- Development tribunals established within the DFA framework have powers to set aside other municipality legislations and priorities taken by municipalities in terms of the town planning scheme.
- However large scale private property developers have realised the enormous value of utilising the Development Facilitation Act as opposed to Land Use Management Act (2006).
The DFA is a faster and more efficient tool by which private developers are able to quickly access land and rezone it, as the Act defines specific timeframes for government officials to work to.

The profusion of legislation and regulation makes planning and land use management fertile ground for experts, consultants and professionals who are able to understand the system and exploit it to their best advantage.

On the other side, local government officials who are responsible for the development of low income housing are faced with land use and housing policy that is long-drawn out and highly complex processes, whilst facing numerous expectations and obligations.

- **The unintended consequences of this are:**
  - The implementation DFA has worked to the benefit of the higher-income, privately developed housing.
  - The original purpose of DFA of facilitating release of suitably located land for low income housing for urban poor has not been realised. The urban poor in low-income housing have not benefitted. While one of the reasons for introducing the DFA was to fast-track low income development in the country, this has not always proven to be the case.
  - On the contrary property developers representing large property companies have been able to dominate urban land markets in major South African cities.
  - The DFA-route involves the application being submitted with the provincial government, and the municipality “being relegated” to merely another role-player in the process.

**Neoliberalisation, Globalisation and Local Government**

- The Municipal Systems Act 2000 and the Spatial Planning Land Use Management Act as key transformative instruments which were designed to give expression to the principles of social justice through creation of inclusive urban citizenship, provide an integrated pro-poor system of urban land management, to streamline urban land use that creates opportunities for the urban poor and addresses poverty issues.
- The Municipality Systems Act of 2000 required all municipality and metropolitan municipalities to develop Integrated Development Plans as key transformative instruments in shaping urban growth and development of post-apartheid cities.
- Thus the local government is required to do planning within the framework of IPD. IDPs as planning tools that require that a long-term planning be reflected in the municipality’s 5 year IDP.
- South Africa’s new IDP approach was largely influenced by Global Planners’ Network and the Commonwealth of Planners Association’s ‘New Urbanism’, a repackaged neoliberal
The New Urbanism’ perspective, expressed in the Municipal IDPs replaced the apartheid political driven racial segregated planning of cities.

The New Urban planning approach expressed in the IDP emphasises integration and aims to address MDG of reducing poverty and inequalities, creating an environmentally friendly cities, promoting local and global citizenship and reducing vulnerability to the natural disasters.

The prioritisation of private sector involvement has become entrenched in urban public institutions as public-private partnerships have been elevated in local political decision making to a type of “best practice” in urban governance.

Neoliberalised urban governance has marginalised redistributive transformative roles so central for spatial and social justice in post-apartheid urban landscapes. The priority on economic growth and global competitiveness has systematically marginalised the needs of low income, urban poor populations.

- Neoliberalisation of urban space is generating new forms of empowerment and disempowerment within a key sphere of urban governance.
- The mutually reinforcing effects of neoliberal urban policy priorities, market liberalisation, international capital mobility, and domestic welfare-state cutbacks are increasing becoming evident in South African urban landscape.
- The rural immigrants are being channelled not only to environmentally depressed areas but also to economically lower sectors of the local economy at a time when national governments are decentralising fiscal and policymaking responsibilities to lower tiers of government.

**The Emerging Spatial Trends: The Greater Tshwane Metropolitan Municipality**

To a large extent the spatial restructuring and reorganisation of post-apartheid Greater Tshwane Metropolitan is constrained by urban land market forces..

The pace and direction of the transformation process and racial integration within Grater Tshwane Metropolitan Municipality (comprising of Greater Tshwane Municipality comprises of former black townships: Garankwa, Soshanguve, Mabopane, Mamelodi and Atteridgeville) and former ‘white only areas’ Centurion and Pretoria) is largely determined by neoliberal doctrine of free urban land market and the role large scale property developers:

- From 1994 Tshwane Metropolitan municipality like all major city centres in South, experienced a dramatic increase of migrants, and specifically black rural migrants from the rural areas spurred by the perceived better employment opportunities Africa (in some instances this much happened much earlier from 1988 as apartheid social control system began to collapse).
• The deepening levels of poverty in rural areas, is the primary cause of increased migration into cities. The increased volume of migrants in city centres put pressure on the existing limited stock of rental residential properties.

• The development of rental residential accommodation has always been limited and restrained by legal urban apartheid legislations. Rental accommodation in apartheid cities was developed to provide accommodation primarily for ‘white population’. The consequence of this is the rapid deterioration residential environment and livings conditions in most city centres.

• The deterioration of physical conditions included also the deterioration of business quality and falling level of investment by private sector. This in-migration was paralleled by a flight of ‘white urban residents’ from city centre to suburban parts of the city.

• The movement of ‘white residents’ from city centres was accompanied by a flight of large scale capital investment in properties to suburban areas. The out-migration of ‘white middle-upper class residents’ is was followed by out-migration of large commercial businesses and chain stores into suburban areas.

• The spatial economy of South African cities is generally believed to be experiencing selective deconcentration, which may exacerbate social inequality because of the physical disconnection between jobs and population.

• The locational pattern of economic activity across the City of Tshwane is following this trajectory.

• Yet the pattern of recent growth is more dispersed than the prior distribution because suburban nodes have gained a disproportionate share of new activity.

• In addition, the pattern of recent growth is skewed towards the high-income suburbs and away from the city’s poor live. This uneven growth trajectory may be a source of concern for economic, social and environmental reasons.

• Their dispersed and segmented structure exacerbate unemployment and social exclusion, undermine economic efficiency and complicate public service delivery.

• Yet shifts in the location of investment and jobs have a major bearing on the achievement of more equitable and integrated settlements. Poorly planned developments can lock cities into costly and divisive growth trajectories because of the durability of fixed capital investment.

• In addition, municipal and provincial governments have been less concerned with economic shifts than with the need to address inequities in household services, so there has been little demand for applied research of this kind.

• Empirical evidence suggests that most South African cities have experienced some degree of spatial deconcentration and dispersal of formal economic activity over the last two decades.

• Various explanations have been offered, including business concerns about deteriorating environmental conditions, congestion and poor security in older economic centres, and
the preference of property developers for cheap peripheral land with good freewy access.

- Contemporary spatial planning policies may also have done little to steer investors towards a compact urban form because of a more laissez-faire approach to economic development and lack of influence over public infrastructure investment decisions

- City of Tshwane is the fourth largest city with a population of approximately 3.1 million and mean incomes slightly above the national average (SACN, 2011; STATS 2012).

- Levels of unemployment and inequality are extremely high by international standards (OECD, 2008).

- Tshwane Metropolitan Municipality like most South African cities, it has a sprawling, inequitable spatial structure

- Deconcentration is the dominant tendency, reflected in the relative and absolute decline of formal economic activity in the city centre.

- Enclosed shopping malls, gated business parks and office complexes with advanced surveillance systems have proved attractive to businesses, retailers and middle-income customers.

- Decentralising activities may cluster into more or less distinct nodes within the outer urban area. Some places become more attractive destinations for investment than others. There is no standard process of dispersal.

- There may be various reasons why some places are preferred economic locations, including specific assets that draw investment. It may be that some places get a head start and then gain a cumulative advantage by offering firms some of the attractions of larger agglomerations, such as shared services and infrastructure.

- The locational advantage may be more diffuse, such as a large suburb or segment of the city with high disposable incomes or a highly skilled workforce. Conversely, private investment may be deterred from other places by perceptions of high crime or low skill levels.

- Other economic nodes may develop in secondary locations where property is cheaper and the infrastructure, services and skills cater for the needs of particular sectors.

- Creative industries (including music, arts, design, advertising and film production) may cluster around particular cultural amenities, entertainment venues or heritage attractions.

- This process of ‘concentrated deconcentration’ may cause the urban economic form to change over time from a monocentric arrangement to a more complex, multi-centred or ‘polycentric’ pattern. This may or may not benefit the metropolitan area’s economic performance, depending on the distance and connectivity between the separate centres, since
these affect the strength of the relationships between firms and their access to all the advantages of the agglomeration.

- The spatial structure of the Tshwane Metropolitan area has evolved into a sprawling and low-density multi-nodal city-region characterised by strong spatial fragmentation.
- This trend is not conducive to inter-firm networks and urbanisation economies and generates a spatial mismatch between employment and housing locations.

**Residential Desegregation Processes**

While there has been significant political, economic and social transformation, the urban residential spatial segregation continues to dominate contemporary experiences in terms of both the physical legacies of divided group areas, and also the exclusionary approach to urban planning and urban land development continued in the post-apartheid period.

- Though there is an increasing black middle class, apartheid's socio-spatial structures remains dominant.
- The black urban middle-class are now moving from former ‘black only’ segregated areas in the urban periphery to former ‘white only areas’ in central cities and suburban areas, through purchasing and renting.
- However this transition is restricted by a powerful private property market in well-located suburban, often in the former ‘white only’, areas of the city.
- The effect of urban land market is that the state housing for low-income groups, predominantly for black, has almost exclusively been situated on the margins of urban areas, where affordable land is available, thus perpetuating the apartheid social spatial segregation.
- Urban land market has effectively forever deprived the urban poor suitably located urban land. The urban land market has now emerged as a powerful player in determining the spatial reorganisation of South Africa’s post-apartheid cities.
- This is the case especially in the context of weak and sometimes neoliberalised legislative instruments intended to facilitate transformation of cities.
- The urban land investors through the urban land market have determined direction of post-apartheid spatial urban development. The property price appreciation since 1990s has meant that urban housing and urban land has become less accessible to urban poor population.
- The ongoing institutional exclusion of the poor from suitable located urban land in South African cities is a result of both, apartheid land use management and the unintended consequences of the introduction of new land use management practices.

The manner in which the urban land market is configured favours large scale private property investors and this group emerges as the dominant group in the urban land market.

- New nodal business areas and business commercial centres are emerging very close to ‘gated communities’.
- There are several factors that contribute to the out-migration of the middle- upper class end mainly white flight including commercial relocation, real estate development and
perceptions of different social trends.

- Similar to trends in other major global cities, this movement to suburbs in South Africa has been bolstered by a perception of increasing crime that has justified the development of gated communities by property developers and rationalised the move to fortified suburban enclaves for new suburban residents. It could be said that crime and the avoidance of its consequences is one of the most important issues of concern among residents of gated communities, if not all residents in South Africa.

- A fear of crime has provided a basis for redefinition of ‘Fear’ and rationale for continued existence and creation of ‘neighbourhood closer’. Under apartheid the source of ‘Fear’ was ideological and politically defined as ‘Fear of black majority rule’ and this justified the creation of ‘white only’ enclaves. Tshwane Metropolitan Municipality gated communities are to a large extent characterized by specific racial groups. Though this would be expected in the context South Africa’s urban history these trends are now reinforcing historical race and class inequalities in the quality of services, housing and the urban environment.

- The City of Tshwane’s gated communities are residential homes are built within the broader plan of fortified development and security wall or security fence provides the main sources of sense of security. Entry points are controlled and manned by private security personnel provided by private security companies.

- Gated communities include a wide range of housing provision arrangements including security townhouse complexes, larger security estates, enclosed neighbourhoods. The commodification of urban land and urban housing has led the emergence of a new type of residence, the housing estates. These are pure commodity housing estates developed by large scale real estate developers and managed by property management companies.

- These tend to promote an image of high-quality life, the entrances to these estates are often marked by magnificent gates, sometimes in the style of elaborate baroque facades. Some estates adopt so-called ‘enclosed property management’ which is becoming very popular. Residents have been filtered through housing affordability, the estate is created as an ‘enclave’ of those with similar socioeconomic status.

- The changing forms of the development process in the segregated townships mirrored an intensified decentralisation and re-segregation in the middle and upper income areas of the white cities themselves.

- In the dominant political economy of South African cities the development of Malls had consolidated itself, together with the emergence of definite decentralised CBDs.

- Concomitant with the ‘white flight’ from the traditional CBDs was the renting by more and more people of colour, of residential accommodation within the CBDs.

- Suburban office space through Office Park follows a similar pattern to that of the malls (referred to earlier).

- In City of Tshwane has about 350 000 m2 of office space in the eastern suburbs, equal to 20 per cent of the total office space in Tshwane as a whole.
• The working class majority – largely, but not solely, people of colour – still live kilometers apart from the more affluent minority in segregated living spaces.

• The upper-middle and upper classes have become increasingly integrated.

• The privileged minority of the middle and upper income classes either live in increasingly secured suburbs or in totally gated communities.

• The rising cost of residential property in the suburbs and new middle to high-income developments—there is a notable shift towards smaller more easily protected premises, particularly for first time buyers.

• Consequently large numbers of cluster units, various forms of townhouses and other types of ‘gash’ (good address small house) accommodation have mushroomed relative to the proverbial ‘large house with large grounds and a pool’, typical of older areas in the suburbs”. ‘Gash’ developments drive urban sprawl, making a mockery of the urban edges of municipal spatial development frameworks (SDFs). –

• In the City of Tshwane it is not only former ‘black only’ townships that drives urban sprawl but rather developments for the also burgeoning spatially dispersed lower middle classes that generate the 20 per cent returns on investment for developers.

• Property developers have now turned their attention from the luxurious developments for the rich and mass housing for the subsidised lower middle income group.

• The price becomes the barrier to entry intensifying spatial inequalities.

• The CBD has lost its lustre as the surrounding decentralised malls have diverted their customers, attracted and captured their business tenants and redirected much of the financial flows that were previously in the central business districts (CBDs).

• There is a real threat that the CBD may become underdeveloped – the potential that we think is there might not be practically realisable.

• Malls are generally privately owned property and the municipalities will have limited leverage to prompt the development of affordable housing and trading spaces for emerging entrepreneurs.

• Private Property owners have been very effective in removing and preventing informal traders in new malls and where they have established themselves there is often pressure from existing property owners and tenants to get them out.

• The decline of the CBD of the City of Tshwane has been accompanied by the increasing reinforcement of wealth and opportunity further from these areas in traditional suburbia, and its related decentralised shopping areas (effectively new CBDs).

• Increasingly linked to these shopping malls by modern and recently upgraded existing
road networks, these residential and commercial zones require motorised transport for access. The cost of motorised transport becomes a further barrier to these shopping amenities for those who struggle to afford motorised transport. This is particularly a serious problem Townships dwellers where more than 50 per cent of the population walks or cycles (non-motorised transport [NMT]).

- Although these developments are the “outcome of a large number of smaller decisions that get taken every day by officials, politicians, developers, consultants, planners, architects, bankers, citizens, estate agents, house buyers, marketing agencies, major providers of electricity and water, sewage and solid waste engineers, and ratepayers associations, as they engage one another over a wide range of partially understood issues that have more to do with short-term interests and belief than long-term outcomes or strategic views of the future”. The neoliberal policies and regulatory instruments are key to providing conducive environment for such decisions.

- In this context the Large Property Developers and the banker are key drivers of urban development and the role of urban planners has been redefined, reduced in significance to that of serving the interests of property owners and bankers.

- Urban planning is no longer progressive urban planning as planners and architects have given up their autonomous artistic and moral duty to imagine cities for qualitative living. Urban planners have become lackeys of developers and bankers. This act of professional intellectual suicide has given the bankers and developers access to the ‘storytelling’ capacity that they lacked. After all, every banker knows that besides a good financial plan the next most important ingredient for a bankable property development is who the architect is. This is simply code for a vast discursive transformation (involving and implicating the architecture schools) that has tamed the architect, making it clear that professional advancement into the ranks of the select few deemed ‘good architects’ means knowing what makes ‘good commercial sense’ (read: a design that a banker will regard as bankable)”.

- The developer is also the fact that they are bankrolled by financiers, where the banking sector has consolidated into large centralised institutions with an interest in disbursing large amounts to as few operators as possible for the maximum interest rate at the lowest possible administrative cost and risk.

- In this nexus of the developer/financier local governments have become compliant approvers of developer-driven property development.

- Because South Africa became a democracy in the hey-day of global neo-liberalism, local governments that wanted to shape the trajectories of urban development directly by interventionist methods were always on the defensive.)

- The urban sprawl and expansive growth experienced over the past 25 years has not been coupled to the kinds of urban infrastructure, energy and transportation systems that are appropriate for a world that is running out of atmosphere, water, oil and sinks for liquid, solid and airborne wastes.
• To make matters worse low-density urban sprawl has effectively required massive public investments and *de facto* subsidies continuously to extend the infrastructures that are so environmentally inappropriate and therefore problematic”.

### Urban Infrastructure Challenges in Decentralised Development

Public expenditure in the form of road and street infrastructure has also followed private sector investment in high-middle income residential areas. The migration of the rich from the inner city to suburban areas has altered the property market and property values in the new nodal areas. The high property values in these places have increased social and spatial inequalities. Certain suburban areas seem racially and socially dominated by some groups. It would seem that the social fragmentation in these areas has become so marked that it has manifested through a series of spatial expressions, in which locals have divided themselves up. In Pretoria East for example the sense of fortification is even stronger as the gated communities are very much in evidence and much has been written on the fortification of these higher income communities.

There is a widening gap between the affordable housing market and the middle to upper housing market. The current urban land market has contributed to the re-creation and re-enforcement of apartheid spatial race and class segregation across the city.

The private sector investment has moved out of the affordable and lower income housing sector because it is currently more economical to operate in the middle-upper end other urban property market. This has not only led to a decline in the delivery of new affordable formal housing stock but also constrained access by low income households to privately provided housing.

The consequences of this is the increased demand for rental accommodation, overcrowding in existing accommodation, pressure for informal settlements, demand for backyard accommodation, and subletting in flats.

• However, the price of land is often driven speculatively by land developers who hold parcels of land until they feel the time is right for disposal. Developers try to time the market in order to dispose of their land at the best price.

• This leads to a speculative value placed on land and not the value that should be attributed to it in relation to the actual investment to prepare it for the types of development it is suitable for.

• That South African property prices generally exhibit a strong speculative (or unearned) component is suggested by the phenomenal rise in property prices from the late-1990s to the 2008 credit crisis. This is reflected in reports about the rising prices of township housing where during 2011, the average selling price was about R265 113,00 in the major metropolitan townships.

• The development of the property bubble has had the effect of pushing up the prices of all properties to the point where housing in previously segregated townships has become unaffordable for many.
Residential and non-residential property bubbles are a form of economic financialisation, i.e. the exponential expansion of debt, primarily through mortgages (Hudson, 2010: 15) and the extensive repackaging and trading of debt, so that finance is “recognized as an autonomous dynamic, making money purely by financial means – as Marx put it, M-M’ rather than by investing in the production of commodities to sell at a profit, M-C-M’ “ (Hudson, 2010: 2). Hudson (2010: 15) identifies a symbiosis between the financial, insurance and real estate (FIRE) sectors: the FIRE sectors (which he refers to as Economy #2) extracts interest and rent charges from the production and consumption economy (which he calls Economy #1).

Municipalities and suburban homeowners have an interest in property bubbles only in the short-term because in the medium to long-term property bubbles tend to burst leading to tumbling property prices.

Bringing lower and higher priced housing closer to one another, through inclusionary housing project developments, might be perceived as undermining values, or even devaluing the higher-effect of this would likely be to slow down or even deflate the booming property prices (at least in the short- to medium-term).

The dynamics of the urban land market and the fact that municipal financing is based on the rating of exponentially increasing property values arguably creates a web of political, economic and financial contradictions for a municipality attempting to transform and integrate the urban space economy by intervening in these same markets.

How does a municipality play the role of a public developer in the face of the socio-economic tensions that arise from the competition around and pricing of urban land properties? They will certainly have to exhibit sufficient flexibility of response. It might be that an effective public developer role for municipalities will require a drastic change in the funding of local governments – e.g. delinking this from property rating and instead funding local governments through transferring a portion of the tax on productive enterprises and employees in their jurisdictions.

Further questions that are raised are the following. If spatial transformation needs to bring about improvement in people’s lives, what needs to happen in the urban and rural space to bring this about? In what way does access to services and amenities improve lives? In what way does transport and access to busy industrial and commercial nodes lead to improvement? What’s the link?

Where do businesses currently locate themselves and what do they look at when selecting a place to establish themselves?

Businesses can be classified as the primary sector (raw materials including minerals and agriculture), the secondary sector (manufacturing), the tertiary sector (sales and all services excluding those classified in the quaternary sector) and the quaternary sector (knowledge-based services such as information generation and sharing, information technology, consultation, education, research and development, financial planning, and other knowledge-based services.
• Business accessibility is dependent on existing public infrastructure, maintenance and the reliability of municipal services. Easy access for customers and suppliers is also fundamental, whether the connection is physical or electronic. Thus transport infrastructure as well as varying transport modes becomes critical as does reliable and efficient ICT infrastructure (broadband, cell phone reception towers etc.). In addition, access to additional markets through proximity to existing value chains or new markets is essential.

• Location in relation to labour is fundamental for new businesses. A location that would cut the travel time of employees and lead to less travel weariness is important both for productivity and for employee leisure and housekeeping time (shopping, cleaning etc.).

• New businesses also need to locate close to where they will find skilled, semi-skilled and low skilled labour. Do we have clarity at the local level of the types of manufacturers we want to attract? Do we have the citizens in our municipalities with the skills to meet manufacturers’ needs and if not, whose responsibility is it to procure services and interventions that bring about a state of readiness in the local labour force? How do we ensure that new jobs are taken up by locals and not by new arrivals from other localities and that we are not creating new problems by attracting investment from one area to another and in so doing causing unexpected community or business hardship?

• Most large South African cities do not have cost efficient, integrated public transportation systems, where employees can use one ticket to travel on all transport modes. Many employees require at least one changeover on their way to work.

• Locating workers closer to the workplace is probably the greatest challenge facing South African cities. Apartheid style social engineering was clearly rendering many if not all places in which “white” people did not live, un-planned and where no relevance was given to what would work in the best interests of the local citizens. As explained in the earlier sections on the history of planning in South Africa, the years 1913 to 1991 have left us with a legacy of dysfunctional use of space.

• Contradictions facing retailers in our high streets and CBD shopping centres are the developers’ preponderance to build Malls and the approval by our local authorities for them to do so.

• If new businesses are to be attracted to cities to invest and they want their workers closer to their premises, where are these workers going to live? There is minimal affordable rental or property ownership in close proximity to commercial and industrial centres, which is one of the reasons for the growth in informal settlements. The not-in-my-backyard (NIMBY) syndrome blocks rental and privately owned affordable development and affordability of land and housing make proximity to workplaces expensive. As argued earlier the value of almost all urban property is derived in a significant part from improvements driven by public sector investments in infrastructure.
- Mall sprawl affects high streets and CBD shopping areas but yet offers retailers what they want in terms of maintenance, upkeep, security, and captive markets. How can this be addressed? Through inclusive, mixed land use zones allowing for a variety of housing typologies and housing tenures including services and amenities, existing CBDs and industrial areas could be made to function better with socially equitable outcomes. It would also require more local government resources to be spent on maintaining high streets and CBD’s and addressing urban blight wherever it occurs and also ensuring that affordable accommodation continues to be available in proximity to high streets and CBD’s.

- What decisions do industrialists and entrepreneurs take in relation to space and the way an area functions, and how can they be incentivized (e.g. tax breaks, etc.) to invest in production in an area?

This is an area requiring more research, but we can make some general points. All businesses want to maximise profit and minimise production costs and one precondition is the existence of functioning infrastructure, although functioning infrastructure is not a sufficient condition for establishing a business. The cost of doing business is also an issue so the rates charged by municipalities and state service utilities like Eskom are critical and need to be considered when planning to attract investors. Municipalities’ response is partially to be more competitive but there are limits to this competition i.e. to the extent that municipalities can cut rates for business before this impacts unacceptably on residents. Reliability of the delivery of service is another precondition. Businesses also want subsidies but are these appropriate? And if so, which levels of business would get subsidies – Emerging? Established? At what point does a business stop being an emerging business? There is also a need to differentiate between financial and retail services and manufacturing so that manufacturing acts as a real value producing business. Ideally this should be the establishment of new businesses and not simply relocation of existing plant and premises. However, where an existing business relocates to be closer to where its employees live would still be a positive impact.

The point that one comes back to is the public sector developer as a party that does not simply comply with laws but takes the initiative and leads the way through considering all the financial questions. A public sector developer would also be clear on what the city needs and wants to do and would understand the types of incentives needed to attract investors, particularly in terms of the urban space contradictions we have raised above. Therefore, beyond the spatial panning component there is a core research and analytical function involved in the role of a public sector developer. This too could be adopted on a limited precinct-scale to develop the knowledge and experiential base.

What should a Municipality consider in identifying the spaces where businesses should be concentrated to accelerate job creation and majority access to amenities and services: High Streets, or mixed commercial, residential, and light industrial areas?
• Does Improving access to amenities mean reducing costs that are wasteful (like transport)? The poor do not have the choice of where to locate or relocate in terms of cost. So a municipality needs to consider what it should do to take them to areas of work, recreation and amenities (i.e. develop an effective, affordable transportation system).

• Ideally the zoning should be consistent with the development objectives of social inclusion and urban regeneration, as well as the developmental principles of spatial justice (through redress of past spatial imbalances) and inclusionary development on mixed land use (leveraged through municipal land). But he/she also needs to take into account where the required infrastructure and services are (or can be made available) and which spaces suppliers and customers have easy access to.

• To meet the principles referred to above the municipality would want to locate enterprises, particularly emerging enterprises, as close as possible to where the existing opportunities are. The answer to the above question would be to all three of the above spaces, i.e. High Streets, mixed commercial / residential areas and also existing well located light industrial areas, as well as to some existing malls, some of which have become established decentralisation points over the past forty years. However the municipalities should resist the establishment of further unnecessary decentralised malls, in line with the principles of spatial sustainability and efficiency (to counter uncontrolled sprawl, such as one witnesses in Pretoria East, parts of the ..).

Conclusion Remarks:

Underlying this phenomenon is the differential values placed on land and property by the markets, themselves driven by many individual agents and actors but also imbalanced by the influence of financial capital and real estate property developers.

In today’s free, deregulated land market, local municipalities face a barrage of developer pressure and fragmented market-driven processes of development that tend to reinforce existing inequities and influences but in uneven patterns.

While existing established areas become deracialised and previously segregated townships develop their own decentralised shopping centres, middle income housing continues to sprawl across the urban landscape with one shopping mall after the next appearing, sometimes at unsustainable levels.

While urban land and housing property prices have experienced an exponential growth since the end of apartheid, presumably benefitting many households in previously segregated townships, the lack of affordability has also increased effectively marginalising a large group of lower paid or unemployed people in a process that extends beyond colour segregation – witness the white squatters on the outskirts of Pretoria and the massive growth of informal settlements.
In situations where private sector drives urban development, can local government ‘make the market work for the poor?’ Current policies and strategies have tended to dump the problems of unsustainable, inequitable and inefficient urban growth and development on municipalities who are expected to be the primary managers of the rectification of historical imbalances and also the development of integrated alternatives.

To achieve social and spatial justice we need to be clear about our broad development objectives as well as our guiding principles framework. Thus is essential to reflect whether our plans meet our stated needs.

Urban land market have continued to marginalise communities out of urban areas and confine poor communities in former township. Suitable located urban land is increasingly becoming unaffordable for state’s low housing cost programme. The high urban land costs are eroding a greater proportion of value of subsidy money for housing products in the affordable housing sector when compared to a subsidised house. This results in distorting demand and willingness to invest, as many consumers are reluctant to pay a significantly higher price for only a slightly better product than that which they can get for free. The consequences of this are the increasing polarisation of the very rich and very poor as low cost housing is pushed to the margins of the city.

The apartheid socio-spatial legacy and the footprint of racially based planning remains visible. Though a wide range legal instruments and policy documents removed the official racial segregation, urban communities marginalised by groups Areas Act remain in the peripheral areas. Racial based inequalities and urban poverty remain very durable. The current pattern in terms of inequality, and racial and wealth polarisation, as it has been manifested spatially in the apartheid city continue and exacerbated by the emergence and rapid increased of gated communities.

The vast majority of township residents do not have the resources to leave migrate-out of what are, in effect, informal settlements. The peripheral location, most of these townships areas have few prospects of being productively integrated into the city’s future growth patterns. The persistence of these racial zed areas is a testament to the profound footprint of apartheid planning. The footprint of spatial segregated planning under apartheid is durable and persistent. The persistence of these re-racialised areas is a testament to the profound footprint of apartheid planning, durable and persistent spatial inequalities inherited by the new democratic government.

Thus social justice project remains a major challenge in South Africa’s increasingly fragmented cities, especially for those subscribing to egalitarian ethics (liberal or social), which underpins much of the opposition to apartheid.
Despite many efforts to address the past, the spatial patterns of segregation have re-emerged and are to a large extent still visible and in place today. In addition, the old patterns are reinforced by new patterns of segregation such as gated communities.

In neoliberalised cities, urban development, urban policy, and urban planning has become a common activity of a range of local stakeholders including public agencies, semi-independent public organisations, private companies. The major focus is on public-private partnerships, which provides a platform for sharing of responsibilities and risks of pursuing decentralised goals through individualism and entrepreneurialism.

References


