

BUILDING  
A NEW  
**SOUTH  
AFRICA**

URBAN  
POLICY

FOREWORD BY  
NELSON MANDELA



From 1991 to 1995, Canada's International Development Research Centre — in partnership with the African National Congress, the Congress of South African Trade Unions, and the South African National Civic Organisation — conducted a series of missions in South Africa to assist that country in its transition to democracy. The reports of these missions — earlier ones with an analysis of their impact — are presented together for the first time as four volumes in the series entitled *Building a New South Africa*.

Volume 1. Economic Policy

Volume 2. Urban Policy

Volume 3. Science and Technology Policy

Volume 4. Environment, Reconstruction, and Development

BUILDING A NEW SOUTH AFRICA

# Volume 2

## Urban Policy

*a report from the*  
**Mission on Urban Policy for a Democratic South Africa**

*with a Foreword by Nelson R. Mandela*  
*and an Afterword by Nancy Smyth*

*edited by Marc Van Ameringen*

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# FOREWORD

All our people have basic needs and deserve an equal opportunity to satisfy them. These needs include access to land, housing and services, water and sanitation, energy and electrification, telecommunications, transport, a sustainable environment, nutrition, health care, and social security and social welfare.

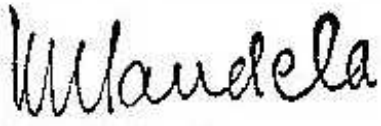
For decades, the majority of South Africans have not been granted access to these rights. Instead, they have had to live side by side with the minority who have claimed more than their true share of the nation's resources. This is most evident in the urban areas of our country where towns and cities have been divided into townships without basic infrastructure for blacks and well-endowed suburbs for whites.

Today, we must reform these inherited structures. We need to address, through the Reconstruction and Development Programme, the urban housing and services backlog, the disintegration of local governance, and the myriad associated problems. This is a task of immense proportions and one that we recognized before we entered the Government of National Unity.

In early 1993, before our first nonracial elections, we in the African National Congress and the democratic movement embarked on an investigation of the priorities for postapartheid urban reconstruction. With the assistance of Canada's International Development Research Centre, we produced a national urban policy framework that played an important role in preparing us for negotiations and our current role in government. This framework was to be built around the key and immediate needs of all people in urban areas; it remains central to our current approach to urban and local government reform.



This report reflects the positive contribution that the donor community has made to the transition process in South Africa. We now look toward new partnerships with the broader international community to help us realize the ambitious goals we have laid down for ourselves in the Reconstruction and Development Programme.

A handwritten signature in black ink that reads "Mandela". The script is cursive and fluid, with the letters connected. The signature is positioned above the typed name and date.

**Nelson R. Mandela**

*September 1995*

# **PREFACE**

This publication is the second in a four-volume series that describes policy-related processes undertaken by the International Development Research Centre (IDRC) in South Africa. It represents part of the contribution of Canada, and in particular IDRC, to the process of political transition from apartheid to democratic governance. This specific volume details the work and recommendations of the Mission on Urban Policy for a Democratic South Africa.

## **Background**

Although global interest in South Africa over the last few years has focused on events leading to the first democratic national elections in April 1994, complex and arduous negotiations have been going on for the better part of this decade to bring about nonracial local elections. The hope is that the consequences of these elections, coupled with the national program of action — the Reconstruction and Development Programme (RDP) — will remove obstacles to what has been a decided crisis in the country's urban areas.

As a 1995 government document outlining priorities for the RDP notes: "The urban sector in South Africa produces over eighty percent of the nation's GDP and houses sixty percent of the population. And yet our towns and cities display the greatest disparities." It goes on to suggest that, as a result, urban renewal is a top priority for the new Government of National Unity.

The careful creation of the "apartheid city" stands out as one of the best known and lasting legacies of previous administrations. The apartheid city, in a country with a relatively high level of urbanization

for the continent of Africa, has been characterized by racially divided areas, an appalling lack of services, infrastructure, and development in the poor townships, and a breakdown of governance at local levels. Access to adequate housing, land, water, electricity, transportation, employment opportunities, and other urban services, as well as to democratic representation, were denied to the majority of the population.

The efforts of the democratic movement in South Africa to undermine apartheid have significant roots in urban protests, including massive strikes and boycotts of both rent and service. Inevitably, they also led to the repudiation of existing local authorities in black residential areas, who were seen as unrepresentative, corrupt, and unable to deliver even the most basic services to the communities.

Following the repeal in 1991 of some of the legislative pillars of the apartheid city, including the *Group Areas Act* (1913) and the *Land Acts* (1936), the basis was laid for developing a strategy to transform the status quo. Nonetheless, the ongoing crisis in urban areas could not be underestimated. The goal of the African National Congress (ANC) and other members of the democratic movement — to rebuild South African cities along nonracial and equitable lines — required a national urban policy framework and the development of policy alternatives.

More general discussions between representatives of government and the democratic movement about the transition from apartheid to democracy came about through the Convention for a Democratic South Africa (CODESA). In late 1991, at about the time CODESA was established, the lack of capacity to develop the needed framework and set of policy alternatives became apparent. Existing capacity was seen as fragmented and spread throughout the country. The ANC had recently created a Department for Local and Regional Government and Planning, but its capacity was limited. Leaders in the unions, civics, and service organizations also felt that their focus on the struggle to undermine apartheid had left little room or resources for developing sufficient policy and research capacity.

During the first half of 1992, CODESA talks continued, although they were characterized by dissention and ambiguity. A low point came midyear with the massacre in Biopatong township. The ANC and 10 of its allies pulled out of CODESA — the ANC vowing to intensify mass action until its demands were met.

In addition to national discussions at CODESA, this period involved a series of complex and often distinct local negotiations across the country between elements of the democratic movement and existing authorities. The “one-city, one municipality” campaign called for a single, nonracial voter role and a single tax base, and involved the establishment of representative transitional councils. These local negotiations were often taking place in an ad hoc fashion without a coherent national framework. This situation — negotiations taking place at two levels without particular reference to one another — was seen as highly problematic for long-term policy formulation and implementation in the area of urban policy.

To control local negotiations, the government of the day passed the *Interim Measures for Local Government Act* (1991). It was immediately rejected by democratic forces as it failed to establish a nationally agreed upon set of guiding principles and often only served to entrench existing apartheid structures. Instead, after almost 2 years of deliberations, the *Local Government Transition Action* was passed in 1993; it was approved by a multiparty negotiating forum and set out phases for the transition process for local government.

The timing of the urban policy mission in 1992 coincided with this key transition process to negotiate a new South Africa. Events were unfolding rapidly; the context was changing sometimes on a daily basis. Those involved in the Mission and in providing its source material were also responsible for shaping mechanisms and policies to bring about change through the main CODESA talks, its many formal- and informal-sector working discussions, and local-level transitional negotiations. A key element in this process that was relevant to the Mission was the push by some leaders within the democratic movement to create a distinct negotiating forum on a national level to deal with local government issues. Uncertain whether or how this would happen, those involved had the sense that transition in the country was going to first take place at the local level. In a situation where local government had completely broken down, support for new structures was required.

## **The Mission Process**

The urban policy mission was born out of previous IDRC support in the urban and local government sectors. Most substantially, this included the Local Government Project (LOGOPOP) based at the

University of the Western Cape, an initiative that supported a national network of researchers investigating various aspects of urban policy, including housing, land, planning, urban management, and local government.

Primarily, the Mission stemmed from a request by the democratic movement — specifically, individuals within the ANC and the South African National Civic Organisation (SANCO) — for support in urban policy development. With negotiations ongoing at local levels, policymaking capacity became a priority. From the outset, the process was seen as a collaborative and inclusive undertaking — one that would require the close participation those making the request.

Following consultations with various players in South Africa, the central objectives of the Mission became to identify the key elements or building blocks for a new national urban policy and to support a process for capacity building in the formulation, implementation, and evaluation of urban policy and the long-term management of the urban sector.

Like the earlier IDRC mission on economic policy, the urban policy mission was composed of a mixture of external and South African members (see Appendix A). South African members were drawn from the democratic movement and were actively involved in bringing about transition in the country.

The Mission carried out its research and held meetings during the first 2 weeks of April 1992, traveling to the country's three major metropolitan areas — Johannesburg, Durban, and Cape Town. Visits were also made to the two smaller towns of East London and Bloemfontein. In each of these centres, meetings were held, where possible, with members of civic, union, service, and nongovernmental organizations, national development and finance institutions, academics, and local government officials.

The Mission was conducted under difficult circumstances. On the brink of dramatic change, the atmosphere in the country was intense and highly charged. This was frequently reflected at the Mission's meetings. The Mission team was struck by the scope of the urban crisis, exemplified through their meetings with squatter residents in Zevenfontein, Tamaho, and Weiler's Farm. Local members were caught up in transitional processes and operated under constant harassment; some even receive death threats.

The scope of the issues covered by the urban policy mission was significant, ranging from government to housing to land. For this reason, the members sought to provide a broad overview of the priority issues, the key actors involved, and recommendations for a program of action to transform the cities. The recommendations were aimed at the democratic movement and were intended to support its efforts and capacity to bring about change.

The Mission Report was released in September 1992. IDRC hosted a meeting in Johannesburg where its recommendations were presented; a lively discussion regarding follow-up and implementation took place. Nelson Mandela formally “launched” the report in early 1993, using the occasion to air the ANC’s views of local government transition. In general, the report was well received in South Africa and it was seen as timely.

## **The Outcome**

Recognition by the democratic movement of the need to concentrate energy and resources on the development of a national urban policy in South Africa came about late for many involved in this area. Some members of the Mission believe that this area is still lacking sufficient attention and resources. The Mission succeeded in consolidating existing knowledge and identifying key priority issues. It achieved the general objective of helping to level the policy playing field. Significant resources had been in the hands of government and only limited capacity and resources were available to the democratic movement.

The Mission also provided ammunition and guidance to those seeking to set a priority on urban and local government issues during the negotiations to bring about a new South Africa. With the range of issues to be dealt with, this was not an easy task. Remarkably, however, the push led to formation of the separate Local Government Negotiating Forum (LGNF). Clearly, there was a strong link between the research, principles, and policy directions of the Mission, on one hand, and the content of the negotiation process, on the other.

Finally, the September meeting on the Mission Report led to the creation of a national local government institute. The establishment of the Institute for Local Government and Development (INLOGOV) was a concrete outcome of the Mission process and became the leading organization supporting the democratic movement in various

negotiating forums and in building capacity. Indeed, one of the South African members of the Mission, Thozamile Botha, became its first executive director, ensuring sustainability of the Mission's findings and recommendations.

With impending local government elections in South Africa in November 1995, the first to be held in the country, the culmination of a lengthy transitional process is at hand. Although a number of the research issues investigated by the Mission have been resolved, the capacity of government will be challenged to deliver and finance basic services and to provide a foreseeable end to the ongoing urban crisis. IDRC's urban policy mission sought to make a contribution to supporting this capacity at a critical stage in the country's history.

**Marc Van Ameringen**

*Regional Director, Southern Africa International Development Research Centre*

## **ACKNOWLEDGMENTS**

The International Development Research Centre thanks all those who contributed to this Mission. Indeed, the success of the process lies solely with each and every contribution that has been made. The international team, comprising Patricia McCarney, Pierre Beaudet, Mohamed Halfani, and Richard Stren, surpassed themselves for their critical and hard work. IDRC acknowledges its indebtedness to them.

The international team was expertly supported by their South African counterparts — Thozamile Botha, Vakele Mayekiso, Moses Mayekiso, Penny Narsoo, and Michael Sutcliffe. Their constructive input, derived clearly from a persistent interest in the future of South Africa, is most appreciated.

The valuable contribution made by the civics, councils, foundations and trusts, institutions, universities, political alliances, and individuals who hosted the team during its investigations and consultations is gratefully recognized.

A special thanks is also extended to Marc Van Ameringen for coordinating the Mission process and its ensuing activities.

Finally, IDRC would like to thank Nancy Smyth for writing the informative afterword that appears in this publication.





Nelson R. Mandela meets with Flora MacDonald, Chair of the IDRC Board of Governors, and Chris Westal, then Canadian Ambassador to South Africa, at the launch of the mission report on urban policy in 1992.

# Chapter 1

## INTRODUCTION

Compared with other sub-Saharan African countries, South Africa is unique in almost all respects. Its per-capita gross national product — at an estimated 2 470 US dollars in 1989 — is high in a continent where the average is about 340 US dollars. However, this income is unequally distributed among the various “racial” components of an extremely differentiated population. In addition to its relatively high average income, South Africa has a strong industrial and manufacturing base; these sectors account for about 68 percent of the gross domestic product (GDP) compared with agriculture’s contribution of only 6 percent. By contrast, other sub-Saharan African countries derive only about 38 percent of their GDP from industry and manufacturing and 32 percent from agriculture.

South Africa’s economic growth has kept pace with another component of social development — urbanization. On a continent where only 28 percent of the population lives in cities and towns, South Africa’s level of urbanization was estimated at 59 percent in 1989. According to United Nations’ projections, by the year 2000, 64 percent of the country’s 47 million people will be living in urban centres.

With industrialization and the establishment of effective transportation networks, South Africa has developed a relatively balanced urban hierarchy: a small number of very large cities, some medium-sized cities, and a large number of small towns spread throughout the country. At the top of this hierarchy is the large metropolitan region which includes Pretoria, Johannesburg, and Vereeniging, in southern Transvaal. This so-called PWV region will have a population of approximately 12.3 million people by the year 2000 (6.5 million will be in

Johannesburg and its immediate surroundings). At the next level are the two metropolitan regions, Durban (in Natal) and Cape Town (in the southwest corner of Cape Province). The Durban metropolitan region is projected to grow to 4.4 million by the year 2000; Cape Town's population will reach 3.3 million. Not only will the vast majority of the new residents of these areas be black, but the South African urban population, of whom close to half are now black, will be even more predominantly black. The black population is already, and will continue to be, predominantly urban. If current trends continue, in the year 2000, most urban black people will be poor; they will be unable to afford anything but the most rudimentary shelter, and they will have low levels of formal education and poor access to health and other urban services.

There is no question that a major challenge for the democratic movement in South Africa will be to reverse the trend toward poverty and political marginalization of an increasingly urban population. However, the situation in urban South Africa is considerably complicated by the legacy of apartheid. This system has a long history in South Africa, reaching an apogee with the group areas legislation of the 1950s and 1960s, according to which racial groups were consigned strictly to delimited areas. Under it, both urban land use and the movement of individuals were tightly controlled in the interests of the white minority. With the unbanning of the African National Congress (ANC) and other proscribed political organizations in February 1990, and the subsequent repeal of most apartheid legislation in 1991, the stage has been set for redressing the historical imbalance among major racial and ethnic groups in the country.

However, as recent experience with negotiation has shown, change is likely to be difficult to achieve. Indeed, as a result of the tremendous backlog of requirements for urban housing and services among the black population, combined with rent and service strikes and the disintegration of urban governance in some black townships, urban violence, and intense political negotiations, South Africa has entered a period of "urban crisis."

This urban crisis can be explained by the intersection of two crucial factors, which reflect both function and form. Although South African cities have been the main fulcrum of macroeconomic development, they have also been at the receiving end of all the distortions of apartheid. Not only is the physical form and configuration of South

African urban centres reflective of the brutal exclusion of the black majority, but the whole range of dysfunctions and antagonisms that the system generates are concentrated in the cities. This creates an inefficient urban system pervaded by high costs of production, high levels of resource wastage, reduced human dignity for large numbers of residents, and high levels of extreme poverty.

The current urban debate in South Africa is over critical questions for both the current political struggle and for future political dispensation. Among other issues, this debate deals with struggles over land, rent, education, local government, electricity, transportation, basic services, and affordable staples and consumer goods. More often than not, these struggles have been defensive, reactive, and piecemeal, although the democratic movement has consistently argued for the creation of an overall urban development plan to guide local decision-making and accommodate the needs of the disadvantaged in particular.

In recognizing the need for a coherent urban development framework to address the needs of the poor and, consequently, contribute to the establishment of a nonracial, democratic, united, and nonsexist South Africa, democratic formations have called on the expertise within nongovernmental organizations (NGOs) and even the state itself. However, the movement's own institutional capacity to develop policy for the urban sector is limited. Moreover, the current constitutional negotiations do not recognize an "urban sector" as such. Partly as a result, no consistent or coherent program of action has emerged to create such a framework. The major purposes of this report, then, are twofold:

- To develop a process that can strengthen the institutional capacity of the democratic movement in the urban field; and
- To indicate some of the most important questions that must be addressed by the democratic movement in any coherent effort to articulate a national urban policy.

## **Background to the Mission**

In addressing the democratic movement's need to construct a framework for a national urban policy, Thozamile Botha, the convenor of the Department of Local and Regional Government and Planning of the ANC, and Moses Mayekiso, the president of the newly formed South

African National Civic Organisation (SANCO), asked Canada's International Development Research Centre (IDRC) to sponsor an urban sector mission to South Africa, consisting of international urban experts and South African leaders.

This mission represented a continuation of a number of activities initiated between IDRC and the democratic movement in South Africa. IDRC is a publicly funded organization in Canada, governed by an international board of governors. The Centre's mandate is to improve research capacity and knowledge within developing countries. Since 1987, IDRC has supported research focusing on the restructuring of the urban sector by funding workshops and research projects. These projects have covered a range of topics, including research on migrant labour and the housing crisis; the single city; urban township violence; life in the hostels that house migrant workers; and the establishment of a large network of researchers across the country investigating local government issues (the Local Government Project — LOGOPOP). IDRC is also active in a number of other areas in South Africa, including economic policy, education reform, land use and land reform, health policy, gender, and science and technology policy.

## **Objectives**

In discussions among the South African and international members of the Mission and in a preliminary meeting in Johannesburg with the broader community of the democratic movement from across the country, the objectives of the Mission were established. One of them was to assist the democratic movement in identifying key elements or building blocks for a national urban policy in South Africa. As a first step in policy formulation, the Mission set out to identify the central urban issues that would have to be addressed in an integrated framework within which the democratic movement could develop a national urban policy. A central concern was to support a process to build a capacity for urban policy formulation, implementation, evaluation, and long-term management of the urban sector.

Further specific objectives included the following:

- Assisting the democratic movement (particularly the ANC and civic organizations) to establish priorities for policy, development, and research work;

- Identifying support required to help build the capacity of the democratic movement;
- Assisting the democratic movement in its preparations for relations with national and international organizations; and
- Recommending, where appropriate, specific key initiatives, projects, and programs that would help the democratic movement.

## Methods

In carrying out these objectives, the members of the Mission (see Appendix A) were conscious of the collaborative nature of the exercise. The democratic movement requested the Mission and was intimately involved in its analysis and conclusions. In practical terms, this involved the Mission team traveling as a group to the three major metropolitan centres of the country (Johannesburg, Durban, and Cape Town), with two additional visits to smaller towns (East London and Bloemfontein).

To encompass a range of rural settlements, the members of the Mission endeavoured to pay shorter visits to one or two towns, and to encourage key actors from these areas to meet with them during their travels (see Appendix B). For example, people living in the rural areas of KwaZulu met with Mission members in Durban. In Bloemfontein, the Mission met with representatives of community organizations from northern and southern Orange Free State and northern Cape Province. While in Johannesburg, the Mission met with people from rural areas, including KwaNdebele and the squatter residents of Zevenfontein, Tamaho, and Weiler's Farm. In each of the cities and towns which it visited, the Mission had discussions with representatives of the democratic movement, local government institutions, civic associations, service organizations, researchers and academic institutions, development agencies, foundations, and other elements of the private and public sectors.

The Mission undertook its work over a 2-week period in early April 1992. Between April and September 1992, various drafts of the report were prepared and circulated for comment before release of the final text. Two limitations constrained the Mission: time and an inability to meet with all groups who had been contacted. As a result, this report was prepared to provide only a broad overview of the issues of

importance in this complex area, rather than attempting a comprehensive analysis of all aspects of the South African urban sector. Nevertheless, this first urban sector mission is part of an ongoing process of discussion and debate that may lead to specific project initiatives aimed at “leveling the playing field” of policy discourse on a postapartheid urban development strategy.

## Chapter 2

# INSTITUTIONAL CAPACITY

The democratic movement in South Africa is faced with the formidable task of redressing the effects of an apartheid-based pattern of urban development to achieve a system that is nonracial, democratic, efficient, integrated, and sustainable. A major prerequisite for achieving these goals is the development of sufficient institutional capacity to manage, efficiently and effectively, the process of policy formulation, implementation, monitoring, and evaluation. On one hand, the democratic movement has created a highly conscious and organized civil society with a tradition of constantly engaging in the policy process through negotiation and protests. On the other hand, the existing institutional and organizational framework has alienated the majority of the population, is highly overloaded in relation to the size of its present clientele, and treats the black population as residual to the urban system. Enhancement of institutional capacities within the democratic movement and parallel restructuring of existing state institutions are critical and urgent tasks.

Building institutional capacity for managing urban development in South Africa entails two major elements:

- Reexamination of the degree to which the existing organizational structures can incorporate the felt needs and interests of all segments of the population in the process of policy formulation and implementation; and
- Eventual elimination of dysfunctions and distortions through a comprehensive process of restructuring and capacity enhancement — this will involve democratizing institutions such as development agencies and financial institutions, widening the scope of



municipal activities, retraining and reorienting personnel, and strengthening managerial capacities within the democratic movement itself.

The focus of institutional re-examination and enhancement is multifaceted. It involves for example, the consolidation of grassroots organizations such as civic associations, trade unions, and community associations; the strengthening of linkages between local authorities and metropolitan governments on the one hand, and organs of central government on the other; the free and efficient transmission of decision inputs, outputs, and feedback; the assignment of proper functions at different levels; and the allocation of proper authority. However, in addition to these basic managerial functions of planning, institutions will have to be more participatory and people oriented, and they will have to recognize the low-income status of a major part of urban society.

Capacity enhancement also involves increasing knowledge and skill levels for decision-making, negotiation, implementation, monitoring, and evaluation, from the community to the national level. Finally, it involves an improvement in the level of resources allocated for capital equipment and personnel. The quantitative and qualitative dimensions of these elements, as well as the manner in which they are mobilized and deployed, have a critical bearing on institutional performance. Addressing these institutional concerns will allow the democratic movement to confront the basic challenges of urban development both as they manifest themselves today and as they will appear in the future.

## **Development Agencies**

Five sets of development agencies are identifiable during the present phase in the transition to a nonracial, nonsexist, united, and democratic South Africa. These agencies function from the international to the local level.

### **International organizations**

Of the international, multilateral organizations currently operating or beginning to operate in South Africa, the World Bank is clearly the largest and most important. Globally, the Bank's total disbursements in

1991 reached 16 billion US dollars. The Bank has invested a significant amount of expertise in arranging a number of missions to South Africa, with a focus on the urban sector. In preliminary discussions, the World Bank indicated that its investigations show that approximately 800 million US dollars in loans for urban development might be available.

Bilateral development agencies have also begun to develop programs in the urban field. The United States Agency for International Development (USAID) is the largest of these; it has identified housing, along with education and training, as two key sectors to be targeted. More modest initiatives from the Commonwealth Secretariat, European Economic Commission, Canada, Australia, Sweden, Britain, and a number of other Northern countries have focused primarily on education programs, policy development, and capacity-building as their major points of entry into the South African development scene. However, they include modest initiatives related to the urban sector.

Of the large number of foundations and overseas research centres that have been involved in South Africa, few have been actively engaged in the urban sector. Where support has been provided, it has focused mainly on service organizations. Outside these organizations, there is relatively little understanding of the mobilization and use of international resources within the democratic formations in South Africa.

### **National development and financial institutions**

The Development Bank of South Africa (DBSA) is currently the largest development agency operating in South Africa. The accountability structures of the DBSA are a direct product of the Bantustan system, although its operational structures are modeled on those of the World Bank. Currently, it receives funds from the South African treasury, although it is preparing to manage funds from abroad as well. The activities of the DBSA consist of lending to homeland governments, technical support to homelands, and infrastructural financing.

The Independent Development Trust (IDT) was created in 1990 with a grant of 2 billion rand from the South African government.<sup>1</sup> Overall control of the IDT is vested in the hands of a director and a board of trustees, who oversee policy matters and the operations of the

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<sup>1</sup> In September 1992, about 3.4 South African rand = 1 United States dollar. By October 1995, 1 US dollar was equivalent to 3.7 South African rand.

trust. Areas of operation include education, health, rural development, and housing; the major housing program has been support for site-and-service schemes, with 750 million rand allocated for capital subsidies of 7 500 rand per site.

The Urban Foundation is a private-sector organization involved in both policy formulation and a wide variety of development initiatives. On the housing front, the foundation controls a number of utility companies that focus on developing serviced sites. In addition, the Urban Foundation is involved in a number of in situ upgrading projects and a group credit company that makes small loans available for upgrading housing and shelter at the bottom end of the market.

The South African Housing Trust (SAHT) is involved in providing access to shelter. Over the past 5 years, some 30 000 families have obtained housing through developers and contractors working with the SAHT.

### **National parastatal organizations**

Numerous national parastatals have an important bearing on urban development, primarily for two reasons:

- Organizations like the Electricity Supply Commission (Eskom) and the water boards, which operate at national, regional, and local levels, deliver bulk services and infrastructure.
- Parastatal organizations, for example those involved in transportation, are currently involved in developing large tracts of land and creating frameworks for development that will have significant implications for the urban future.

### **Government**

Because of its size, regional diversity, and long-standing apartheid policy, South Africa has developed an extremely complex system of government. This structure includes a variety of institutions at the national level (such as a tricameral parliament, a national system of ministries, parastatals, and specialized departments, and the Transkei, Venda, Bophuthatswana, Ciskei [TVBC] homeland governments), the regional level (including both provincial and “homeland” authorities), the subregional level (including a range of regional services councils, joint services boards, and metropolitan authorities), and the local level

(white local authorities, advisory boards, and black township authorities). Within every sector of urban development, this fragmented institutional pattern results in a lack of effective coordination within government; a continuation of racially based and uneven policy formulation, development, and implementation; and little development actually being carried out.

Adding to the problem of fragmented authority are those related to race and gender. Although the people of South Africa can no longer be legally defined according to their race, government still operates and is structured to deal with different race groups. This frustrates attempts to create a nonracial society. Currently, it seems that this situation will continue even through the negotiations process. The bureaucratic system is still controlled by white civil servants; of the approximately 3 000 senior public servants in South Africa (excluding TBVC), fewer than 20 are of African origin. In addition, not only are women substantially underrepresented in government and development agencies, but approaches to urban policy, research, and development are gender-blind. For example, the needs of female heads of households are rarely considered in planning programs, although they constitute a significant fraction of the urban population.

However, whatever the current situation, South Africa is in a state of flux. Negotiations at a national level could well result in substantial reorganization of the key development institutions, particularly those linked to the state.

### **Service organizations**

Local organizations have most often dealt with their limitations in the context of the current negotiation process by engaging “service organizations” to work on their behalf. Service organizations — a form of NGO peculiar to South Africa — involve groups of committed professionals who work on request with popular groups throughout the country. Five or six large service organizations in the PWV region, Cape Town, Durban, and eastern Cape Province work largely in the urban sector. Some 13 service organizations have formed an urban-sector network. Although the professional, nonvolunteer members of service organizations are remunerated for their work, the organizations themselves do not make profits. Generally, their funding comes from international donor agencies, who are supporting the needs of civic

associations or other populist groups that request services. A large service organization in Johannesburg was closely involved with civic organizations in arriving at the important Soweto and Alexandra accords in 1990 and 1991, respectively, which resulted from lengthy negotiations among local civic associations, the government, and other authorities over complex issues of housing, urban services, and local government. Another service organization in the Western Cape has participated in numerous struggles on behalf of squatters to prevent eviction and develop better living conditions for disadvantaged and dispossessed people. In addition to their direct participation with civic organizations and local communities, the service organizations organize conferences and seminars, write policy papers on request, and carry out research on policy-related questions. They have also worked closely with political organizations and the trade unions.

## **Research Agencies and Tertiary Educational Institutions**

### **Parastatal organizations**

A number of research institutions were created by the government to satisfy its needs for research and to establish a central facility to deliver research on a national scale. The main one that addresses urban issues among its wide range of programs is the Human Sciences Research Council. Other parastatals that have supported research related to various aspects of the urban sector include the Council for Scientific and Industrial Research, the Foundation for Research and Development, and the Medical Research Council.

Over the past few years these parastatals have undergone reorganization and, with reduced state subsidies, now rely for ever-increasing proportions of their budget on commissions from the private sector or state departments. Although attempts are being made to make these institutions more relevant and their staff more representative of South African society at large, progress has been slow.

### **Universities, technikons, and training colleges**

Three groups of universities exist in South Africa. The Afrikaans universities are traditionally for the white population, are well-endowed with large foundations, and generally have a well-developed

infrastructure. This infrastructure has, and still is, being used to serve the Afrikaans private sector and the government. The English universities also contain mainly white students and staff. These universities are fairly well endowed with research and training infrastructure, although in general terms their clients are the private sector and parastatals. The third category of universities is the historically ethnic institutions created by the state for nonwhite students primarily as teaching universities. They are in the process of dramatic transformation although their endowments and research infrastructure are poorly developed. Nonetheless, important initiatives are taking place in historically black universities in areas such as development policy and graduate programs that address the needs of black researchers.

In addition to the universities, “technikons” function largely as technical training institutions, with little capacity for research. However, the potential exists for technikons to play a much more active role in training and capacity building.

Technical and training colleges are primarily teaching facilities used for technical or sectoral training (for example, teacher-training colleges). No capacity for research and policy development exists at such institutions.

In all of these institutions, skills and capacity are a function of apartheid: black institutions tend to have little capacity, lack resources, and undertake little research and policy development.

## **Political Organizations**

### **Civic organizations**

Since the late 1970s, the “civics” — populist organizations based in the black townships — have been at the forefront of struggles both at the level of community issues (rents, services, education) and in political battles against the government. Civics have been associated with the vast range of antiapartheid movements from political liberation to trade unions. By the late 1980s, a number of regional civic structures emerged, such as the Civic Association of the Southern Transvaal, the Border Civic Organisation, and other networks in most parts of the country. Although regional conditions have imposed different agendas, the aims of these networks have developed along similar lines. In March 1992, the expansion of civic structures led to the launch of the

South African National Civic Organisation (SANCO), which is consolidating through the establishment of linkages to all regions of the country.

Civics have meagre resources with which to address an immense number of issues in the townships related to land, housing, infrastructure, transport, health, and education. Many civics are still structurally weak and starved for resources. In addition, the rapid pace of change has placed many of them under acute stress, having to cope with a wide range of problems, such as housing, conflicts, and local negotiations. Each township has complex needs that sometimes conflict: for example, the needs of hostel dwellers, shack dwellers, backyard tenants, and other tenants differ. In this context, the capacities of the civics are stretched, particularly as they are moving from mass protest movements to involvement in local development issues. This transition implies deep structural changes, although the protest component of their role is still on the agenda. The challenge is to find a balance between different priorities: being the voice of the poor and the underprivileged on one hand, building these demands as part of a comprehensive program of change, and at the same time becoming a community development movement capable of identifying and eventually changing conditions in the townships.

Since February 1990, the new context within South Africa has prompted many civics to engage in negotiations with the state at both national and local levels. Discussions have begun regarding the provision of services and the structure of local political power. Various initiatives such as the Johannesburg Metropolitan Chamber and the Alexandra Accord have brought a wide range of actors — central government, white local authorities, civics, business and labour, service organizations, and antiapartheid political organizations — to the negotiating table. A debate is under way regarding these negotiations, with some civics arguing that they should wait until negotiations have created a national framework for local government.

Civic structures at regional and local levels face many challenges in these engagements, as they attempt to coordinate and influence the pace of development. Moreover, civic involvement occurs within a context of transition and large-scale destabilization and violence, especially in Transvaal and Natal. In many instances, this violence has been directed against civic leaders and structures, especially where

community organization has been visibly strengthened through the initiatives of civics.

Civics are expected to remain key actors for a long time to come. Many grassroots activists within the mass democratic movement argue that organs of civil society are needed for a healthy society. However, more immediate challenges facing the civic movement are the following:

- *The reintegration of the cities* — The one city–one tax base objective remains a key feature. For civics, township upgrading cannot be a substitute for reintegration of the postapartheid city.
- *Housing and land allocation* — The civics believe that a massive program of housing should be undertaken using a variety of actors with the broadest possible community participation. One way of carrying out such a program would be the allocation of land to communities through different mechanisms, including land trusts.
- *Provision of basic services* — In the short term, upgrading of the hostels, an adequate transportation system, and access to land and housing are key areas.

From the standpoint of civics, these challenges can only be addressed within the context of a community-based development framework, with active participation and monitoring by communities.

In our visits to, and discussions with, the civic organizations, we were struck both by their high level of dedication and enthusiasm and by their generally low levels of organizational infrastructure. The low administrative capacity of the civics is a function of their informal nature, the abject poverty of most of the communities within which they work, and their recent arrival on the urban scene. This poor administrative capacity may not have been a handicap in generating support for rent or service-charge boycotts, but it may be a real limitation when they have to play a more active role regionally or even nationally, or when they must sustain an effective presence at the sort of lengthy and intense negotiations that are currently taking place in many urban forums. Furthermore, if civics are to transform themselves, as some wish to do, from a political protest movement to a development orientation, they will need trained and even professional staff to carry out research, prepare proposals for funding, and negotiate with granting agencies for project support.



## **Trade unions**

The re-emergence of the trade unions in South Africa from the mid- 1970s is one of the central features of the development of the democratic movement. Currently, more than 2 million workers belong to two labour federations of which the Congress of South African Trade Unions (COSATU) represents, by far, the most important.

Over the years, the trade unions have been closely associated with the other components of the democratic movement, including the civics. The activist and leadership base of the community movements overlaps with that of the trade unions. Important joint initiatives have been carried out and are currently underway, bringing these movements together to tackle some of the most pressing social and economic problems.

COSATU has initiated important programs to study and assess the state of the South African economy. Research projects like those undertaken by its affiliated Economic Trends Group or in collaboration with the ANC on macroeconomics are in the early stages of being translated into policies. In March 1992, an economic conference laid down some of the principles that the trade unions are proposing as part and parcel of an overall development policy. These include intensifying “efforts to establish a national economic negotiating forum and ensuring that these forums provide jobs, housing, health and other basic needs” (COSATU 1992).

These directions are also being applied in the fields of housing and township development. Two unions are particularly involved: the National Union of Metal Workers (NUMSA) and the National Union of Mineworkers (NUM). NUMSA’s efforts are currently concentrated in Natal, where “joint working committees” have been established with the ANC to deal with township reconstruction, especially in areas affected by violence. NUM, on the other hand, is working on hostel upgrading and transformation. A large part of the mining workforce consists of migrant workers living in hostels, especially in Transvaal and Orange Free State. NUM’s plans include a massive housing program in these mining areas.

## **The African National Congress**

The ANC is at the centre of the democratic movement in South Africa. Its policies are setting the agenda for a whole range of political and social organizations working for black emancipation. In many regions,

the activities and structures of the ANC overlap with those of the civics. Because the ANC is rooted in the black urban areas, it has focused its efforts on mobilizing township communities against the apartheid policies of the government. Now that the terrain is shifting toward reconstruction, the ANC is trying to redeploy its local structures so that they remain at the centre of urban reconstruction and development.

In the area of urban policy, the ANC has identified a number of global objectives and set up a number of commissions to investigate and define much clearer guidelines. Such work is being undertaken by the Land Commission, the Science and Technology Committee (which is looking at issues surrounding water, transportation, and infrastructure), and, more centrally, by the Department of Local and Regional Government and Planning. Additional input is coming from other ANC departments such as the Constitutional Committee (regionalization) and the Department of Economic Policy (urban finance).

The activities of the Department of Local and Regional Government embrace three dimensions: constitutional work, development, and the servicing of community needs.

- *Constitutional work* — The Constitutional Committee and Department of Local and Regional Government of the ANC are currently engaged in establishing proposals for future local and regional government and for interim government.
- *Development* — The Department of Local and Regional Government is engaging a number of government authorities, parastatals, and private-sector groups in negotiations on an urban development policy. The need for housing, the hostel crisis, electrification of the townships, and provision of water and sanitation systems are some of the areas being addressed.
- *Servicing community needs* — Given the poor living conditions in disadvantaged communities, the department has also focused on supporting community struggles at the urban level.

The Department of Local and Regional Government is involved in preparing guidelines for future ANC policy in a number of specific areas, including urban development and planning; principles for local government (delimitation, administration, finance, etc.); regional

development and planning; housing; transportation and infrastructure; land use development; and education and training.

It is also working on a number of specific projects that have been coordinated around LOGOPOP. This project has undertaken a number of research and education activities and has focused on the future system of local government for a democratic South Africa. The following principles and objectives have been defined:

- The future local government will be nonracial and nonsexist and will ensure democracy, accountability, and a strong civil society at the local level.
- It will be unified and effectively structured.
- It will redress the injustices caused by apartheid policies and will ensure the equitable distribution of resources.
- It will be effectively financed and will ensure the provision of affordable services to all.

The general objective is the establishment of “one city–one municipality,” with a single, nonracial voter role and a single tax base. Municipalities reconstructed in this way would incorporate the whole functional area of the city or town, including artificially created bantustan or commuter towns. To ensure fair distribution of resources, the towns would also be integrated into larger metropolises as a second-tier structure. Metropolitan councils (to be elected directly) would control the primary sources of urban finance and be responsible for allocating funds for development and services.

The capacity of the ANC’s Department of Local and Regional Government to undertake and absorb policy research remains weak. It has only recently been established and has a small core of full-time personnel at ANC headquarters in Johannesburg. The ANC regional branches have also focused on local and regional government, but capacity at this level is very uneven.

## **Research and Training Capacity of Local Authorities**

As a new majority government reflects on the institutional and policy changes needed to translate needs into practical reality, it will have to come to terms with massive shortages of trained and experienced

personnel in many fields. Paradoxically, in many respects and for certain sections of the population, South Africa is highly developed in terms of research and training capacity. In the urban sector, the major city councils in metropolitan areas such as the Western Cape, the Durban Functional Region, and the PWV already employ large staffs and control sizeable annual budgets. In 1991, for example, the City Council of Cape Town employed almost 16 000 people, many of whom were highly trained professionals; its total budget was about 1.18 billion rand. Both the Durban and Johannesburg city councils had even larger budgets and larger professional staffs.

The capacity of these councils to carry out or commission their own independent research is high. Most have departments engaged in in-house research and draw heavily on the work of parastatal bodies, universities, institutes, and private-sector firms to meet their research needs. By contrast, the black local authorities have small budgets and limited professional staffs, even though the aggregate urban populations they represent (if the squatter areas on their borders are included) are at least equal to the populations served by the formal city councils.

At present, there is little capacity to train new local government staff for black local authorities. A Training Board exists to train local and regional government officials, both elected and administrative, but because of its apartheid base and the current fragmentation of authority, few effective training programs have been established, particularly for black officials. Without the recruitment of trained personnel, the administrative capacity to deal with improved services for the newly enfranchised groups will be weak unless they operate through the medium of what have thus far been white-controlled urban local governments.

Whatever structure is developed for local government training, it will have to incorporate the principles of democratic accountability, proactive sensitivity to the needs of the poor, and disadvantaged, and professional dedication. As they take over their new positions, mindful of these objectives, the new recruits will operate more as development administrators and less in the traditional local government role as controller and provider of services.

## **Chapter 3**

# **PRIORITY ISSUES IN THE URBAN SECTOR**

The Mission identified key issues to be considered in developing a national urban policy. This work was carried out in a highly complex urban sector and over a very short period. Although the list is in no way exhaustive, the following are priority areas for policy consideration and are seen as the building blocks for an integrated national urban framework.

### **Constitution and Government**

#### **The current situation**

Over the past few decades, communities have waged an intense struggle against segregationist local and regional governments. The struggles have been over the immediate conditions of everyday life (housing, health, electricity, water, and transportation) and against the systems of representation themselves (from the Urban Bantu Councils to the institutions of the tricameral parliament).

The movement has made itself felt through massive sustained rents and rates boycotts, campaigns for the resignation of councillors, and demands for “one city–one municipality.” Over half the black local authorities have collapsed and others are bankrupt. Local negotiations over services have commenced in hundreds of communities between the democratic movement and local or provincial authorities. Because many local-level negotiations have bypassed government structures, the government enacted the *Interim Measures for Local Government Act* (1991) to formalize such proceedings. This act injected new life into

the black local authority system and other advisory structures by making them formal government structures and creating multiracial authorities.

However, the democratic movement has rejected this act because it permits reform to take place in a constitutional vacuum, without guiding principles reached by national consensus.

### **Constitutional principles**

There is no agreement between the major parties contending for power on South Africa's future constitution. Although some progress has been achieved in negotiations, at the time of writing this report the government and democratic movement remain far apart in their visions of a future democratic South Africa. Conflicting views exist with regard to national, regional, and local levels of government, as well as their functions and powers.

The government and ruling National Party seem to favour a relatively weak national government, but strong regional government with a high level of devolution of powers to semi-autonomous regions. The criticisms leveled at this "federalism" are that it would maintain the existing gap between privileged regions (mainly inhabited by whites) and underdeveloped, impoverished rural or semirural areas, mostly in the homelands. At the level of local government, the government and National Party seem to support a similar kind of decentralization of power, where white-inhabited cities would be able to retain a significant number of their formal powers. Black townships around the white cities, although partly integrated with an undefined metropolitan authority, would have to take care of their own needs.

Faced with these proposals, the ANC and other organizations have argued that a strong national government will be necessary to redress the inequities and imbalances created by apartheid. Regional powers would be limited. At the local level, strong metropolitan structures would permit the reintegration of the inner city with the surrounding townships. Although this view is widely shared in the democratic movement, debates are currently being waged as these policies are more clearly defined. The issues can be summarized as follows:

- What is the social, political, economic, geographic, and financial basis for breaking the Constitution down into three levels of government: national, regional, and local? Representation and

administration are important reasons for dividing up a country, but there must be a political rationale as well, otherwise power bases and regionalism could emerge as byproducts of the system. As witnessed in the current debates on decentralization in many other countries of the world, the central–local financial relationship is a critical issue to be examined in the constitutional debates on the long-term viability of effective local government.

- How does one resolve the fact that there might be different geographic levels of service. For example, the major political parties have suggested that they want the future Constitution to have three elected levels of government: national, regional, and local. However, in geographic terms, there are at least four levels of settlement form (national framework, regional systems, metropolitan– subregional systems, and local authorities).
- What principles should be used in delimiting regions and localities? How does this delimitation of boundaries affect electoral processes and future systems of governing?

The democratic movement will have to deal with these questions at a constitutional level.

### **Local-level negotiations**

A wide variety of local-level negotiations are taking place throughout the country. They take three forms:

- Negotiations around service provision usually around payments for already existing housing, electricity, water, public transport, health, and community facilities, as well as negotiations over rents and rates. Invariably, the purpose is not to restructure the local or regional authorities, although discussions on creating interim facilitating mechanisms do occur.
- Negotiations around development among the authorities and community-based structures (civic and political) in many areas. These include the provision of housing, upgrading areas, and halting removals.
- Negotiations around structures of interim local government between the authorities and community-based organizations in

some communities (replacing local governments and authorities with multiracial, but still apartheid-based, structures).

In some parts of the country, the democratic movement has started engaging the authorities in discussion around crucial aspects of a future local and regional government system. These more proactive forms of negotiations have addressed the conceptualization of the future city, as well as concrete issues such as creation of integrated housing lists and revision of by-laws. In addition to the authorities themselves, the ANC and civics are the major actors involved in local-level negotiations. In some specific contexts, however, other political forces have been involved.

For the democratic movement, these important local-level negotiations hold both a promise and a problem. They will facilitate implementation at the national level given that the key actors will already have begun the process of discussions. However, local-level negotiations might bind some communities to a process that is in conflict with national-level objectives and limit flexibility to plan and govern under a future democratic government. Worse still, some local-level negotiations might even create unnecessary tensions within the democratic movement if some key political or community organizations are left out of the process. In addition, the democratic movement could find that the negotiations are not sufficiently representative of their base, as technocrats take over the process and raise it to levels well beyond community expectations and understanding.

### **National-level negotiations at the Convention for a Democratic South Africa**

Most major parties accept that local and regional government constitutional arrangements will be drawn up by an elected constitution-making body. However, one of the agreements reached at the Convention for a Democratic South Africa (CODESA) is that, during the period of interim government (while the Constitution is being drawn up), multiparty committees for local and regional government will be established. These interim governments will oversee the key concerns at local and regional levels.

The apartheid-based national organization of municipal governments (United Municipalities Executive) has created working groups



to provide information to CODESA on how local government should be restructured. The ANC has rejected this plan, as it believes the constitutional details of a local and regional government framework should be drawn up by a constituent assembly.

Although national negotiations within the framework of CODESA have collapsed, they present a number of important challenges for the democratic movement. The government has been able to call on a wide range of expertise and experience in preparing its proposals for discussion and debate. The democratic movement, on the other hand, has limited resources, experience, and capacity in this regard. LOGOPOP, based at the University of the Western Cape, has been investigating aspects of housing and local and regional government powers, functions, and finances. As such, it is beginning to inform the democratic movement in its negotiations. However, this input is minuscule compared with the resources available to the state.

## Land

The most remarkable spatial characteristic of South African cities is the division of residential land according to race. The development and enforcement of the current pattern by the South African state has a long history, culminating in the *Group Areas Acts* of 1950 and 1966. These laws, in effect, divided urban areas into racially exclusive zones. To some extent, official justification for this abhorrent practice grew out of an earlier age of European colonialism, whereby 19th century town planners and urban engineers separated the white populations of tropical colonial cities from the residential areas of other races to “protect” the white settlers from what were presumed to be disease vectors. When the medical argument lost credibility, the *Pegging Act* showed that economic competition was the real issue. As other tropical countries abolished segregation in their march toward independence, South Africa intensified the pattern of racial controls.

This zoning of residential land in and around the cities was accompanied by an almost total segregation of education, health, and social services facilities, and of the local authorities that administered the separate areas. Through the agency of these local authorities, and reinforced by strong central government powers that ultimately controlled the allocation of all land, the major South African cities became a racial patchwork, with white residents occupying the best land near and

around the central business district, Indians and “coloured” communities living somewhat further out, and the black populations consigned (when they had any rights to land at all) to the periphery of the urban agglomerations, more distant rural areas, and “homelands.” Industrial areas were typically located near the outer borders of the larger municipalities, with “buffer” zones (made up of golf courses, open land, parks or transportation corridors) separating the residential zones of different racial groups. As well as being profoundly unjust, this system has been inefficient and costly both for those disadvantaged under apartheid and, increasingly, for the state.

The *Land Act* and the *Group Areas Acts* were formally repealed in 1991, and, in principle, all races can now obtain residential land anywhere. However, the legacy of the apartheid city is a heavy burden. Assuming that the various population groups retain control over the land they currently occupy, changes will be slow and costly and require political imagination and administrative dedication. Under a system of freehold tenure where there is a substantial speculative market, the cost of obtaining new land for residential housing tends to elevate the cost of development beyond the point where low-income groups, particularly the black majority, can afford to buy. The difference in residential density between zones is high. For example, the Sandton municipality in the PWV area (until now a white area), permits a density of 2.5 to 3.5 units per hectare. In nearby Alexandra, a large black municipality, densities (including both formal houses and backyard shacks) have been estimated at 160 units per hectare.

The high densities in traditionally black areas create inefficiencies and are costly in terms of money and physical energy. It often takes residents over 2 hours to get to work. Generally, the poorest groups in South Africa must travel the furthest and pay the highest proportion of their incomes in transportation costs. The efficiency of urban infrastructure is also compromised by the apartheid city. Reversing the normal pattern of land use in capitalist cities, densities initially decline outwards from the core area, but then peak further from the city centre than would be expected.

To change this unjust and inefficient system, urban land allocation will have to be tackled directly. Currently, it is estimated that some 15 000 hectares of available residential land in the PWV region could be used for housing. In the Durban Functional Region, the comparable figure is 30 000 hectares. Considerable tracts of unused land are under

the control of city councils, Eskom, Telkom, the military, mining firms, and other large corporations and parastatals. As Africans flood into the cities, land to house them and their families will have to be found much closer to their places of employment than in the past.

Land tenure for Africans will be a major issue in postapartheid South Africa. Over the years, 3.5 million people, most of them black, have been forcibly removed from their land. Currently, over half the urban black population lives in informal settlements with no security of tenure. Consideration must be given to various options, including the granting of tenure (perhaps with development conditions) to those who now live in “shacks” as “squatters.” Experience in other countries has shown that security of tenure is a crucial prerequisite to the progressive development of neighbourhoods by poor communities. However, a flexible titling system might recognize customary tenure coexisting with freehold tenure in some rural areas. Collective ownership of land may also be a viable option.

## **Background work**

Just as a key strategy of apartheid has been controlling the allocation, distribution, use, and ownership of land, so also is land the key to political, social, and economic reconstruction of a postapartheid South Africa. Land must become the focal point for the democratic movement, if the apartheid legacy is to be overcome. To develop an effective urban policy, the democratic movement must consider both urban and rural land.

The ANC’s Land Commission and National Land Committee have been working mainly on rural land issues, addressing questions of land claims, redistribution, agricultural productivity, and rights of farm workers. A similar set of activities on urban land and housing policy could be considered by the new Department of Local and Regional Government with a view to establishing a comprehensive land policy. This would fill a critical policy vacuum.

The capacity of the democratic movement to enter into urban land negotiations also requires study and information gathering on a range of subjects: potential directions in land registration systems; the tax base (both existing and potential bases under different governing boundaries); land-use planning for both residential and commercial and industrial areas; the viability of land invasions (their effectiveness,

limitations, and viability as a policy option) at least for the interim; the phenomenon of “warlordism” as an element of land management in the informal settlements; and data collection on affordability options for reaching the lowest income groups.

### **The privatization trend and access to the cities**

The key to dismantling the apartheid city rests in control of urban land. This issue is the most pressing in terms of requiring immediate action by the democratic movement. A critical information gap exists in this area. An assessment of land ownership and mapping of vacant and underdeveloped land in the cities is an important starting point for the development of plans for new use of land. Most city councils in the “white” cities own large tracts of land, as do other levels of government and parastatals. There is an increasing tendency to privatize this prime real estate for largely nonresidential uses. Some city councils are transferring such land at highly subsidized rates to the private sector (both domestic and international firms) for industrial and commercial development. Other councils and senior levels of government are selling land to the private sector at market rates.

This places future democratic and nonracial local governments at a disadvantage in addressing the demand for low-income residential housing in the cities. The privatization of large tracts of government or council-owned land in the cities suggests that urban land use in the future will be structured by the past legacy, but along class rather than racial lines.

Participants at CODESA considered the retention of expropriation powers by government with some reasonable compensation. The ANC’s Land Commission has also considered the establishment of a tribunal to deal with competing claims on land according to established criteria such as previous title, market value, and use characteristics. Although these medium-term goals are important, immediate consideration of how best to halt the trend toward privatization of government-owned land in the urban areas must be a high priority for the democratic movement in general and for an interim government specifically.

# Housing

## A housing crisis?

Many countries in the southern hemisphere can legitimately claim to be experiencing a housing crisis, as far too few acceptable houses in serviced neighbourhoods are being built to satisfy rapidly increasing urban populations. However, South Africa has an even more serious housing crisis than most countries, because lack of access to urban land and the poverty of the bulk of the black population must be added to the more general problems of urban population growth and construction shortfall. Half-hearted or purely incremental measures by a new government to deal with the housing question are likely to be seen as inadequate by the majority of the black population. As discussed in the preceding section, land, particularly urban land for residential development, is a critical issue.

Most of the growth in urban populations in South Africa over the next decade will involve the black population. Based on commonly cited estimates, over 7 million people currently live in what can be called “spontaneous informal housing” (consisting mostly of simple shacks with no services) in South Africa’s cities. This includes over half the black urban population in these areas. Because of political uncertainties and economic stagnation, house construction, even for the white, Asian, and “coloured” communities, has declined. Of the 338 800 units that must be built annually to meet population growth and reduce the housing “backlog,” 80 percent are required by black households. Given the generally low incomes of these households and the cost of land and conventional housing, 90 percent of them will need a subsidy (Building Research Strategy Consulting Unit 1991). Most of the building to reduce the existing backlog would consist of replacing existing informal housing for black people who now live in unregulated, unserviced housing areas distant from the major sources of employment.

A challenge for the democratic movement lies in the definition of “housing.” Emphasis on conventional housing in the form of finished units or even of serviced sites tends to obscure the view of housing as a process of development, integrally related to income-earning opportunities, location, and political power. Thus, one cannot “solve” the housing “problem” unless there is a comprehensive assault on poverty

(both rural and urban) and on hitherto low levels of community empowerment in the planning process. Experience in other countries has shown that massive state-based housing projects may lead to widespread bureaucratic corruption. In the delivery of state-based housing, it is extremely important that democratic systems of accountability are ensured.

### **Housing institutions and finance**

The importance of financing as a key element in a viable housing policy for the democratic movement cannot be underestimated. The effectiveness of housing delivery will depend heavily on a mixed package of financial options to assist low-income households currently living in conditions of abject poverty.

Apart from government, the four largest South African institutions (some parastatals) currently involved in housing are IDT, DBSA, SAHT, and the Urban Foundation (see pp. 9–10, “National development and financial institutions”). In addition, private-sector financial institutions play a role, although currently their target groups do not extend much below middle-income households. Private financial institutions will have to become more flexible and innovative in terms of lending and eligibility requirements if they are to serve a wider spectrum of the market in the future.

The significant institutional gap in service to low-income segments of the housing market has to do with both mortgage (or bond) financing and construction financing. Construction financing is not available for many households wishing to build on serviced sites, for example the sites and services schemes planned to date. Collateral for housing construction loans, where the subsidized site is transferred to the new owner, should not be an issue once title is secured. However, there is something of a vacuum in the small-loan market for housing. Credit is required for a whole range of housing development activities: for initial deposits where applicable; to purchase sites, core units, or finished housing; to purchase building materials; to hire contractors and other labour for construction; and to upgrade housing. Some of these micro issues require attention and research to strengthen future delivery systems in the housing sector.

Consideration is being given to ways of filling this institutional gap. For example, community housing trusts, cooperative credit funds,

revolving funds, the Stokvel system which incorporates the principles of small credit institutions using group financing methods where peer pressure ensures good recovery rates, and other forms of low-income housing finance are under investigation. In addition to this financial gap, there is also a lack of training and capacity to develop sites, design plot subdivisions, service them with basic infrastructure, construct basic units of shelter, and manage various tenure systems (for example, rent collection, cost recovery on mortgages, property tax collection, etc.).

It is essential to address the question of subsidies when considering a housing policy to alleviate the extreme poverty engendered by the injustices of apartheid. Subsidies are often challenged on the basis of structural inefficiencies (they often end up in the hands of noneligible, higher-income recipients); in terms of market inefficiencies (subsidized interest rates stimulate demand for more expensive housing causing low-income households to “overconsume” housing); and on the grounds of replicability (no government can sustain to any large degree and in any long-term sense a housing subsidy scheme, particularly because subsidies tend to benefit only a limited number of people in a broad spectrum of need and demand). Although many of these arguments are valid, a strong interventionist strategy is required by government to alleviate the housing crisis. It must include subsidies to facilitate access to a housing market from which low-income residents have been barred in the past.

Subsidies can be considered in a broader context of socioeconomic production, indirectly promoting low-income households' access to housing. For example, subsidy schemes can be linked to employment creation in the townships, which indirectly helps to improve access to housing while also infusing the area with much-needed economic activity. Subsidies can take a number of forms and be applied in various sectors of the housing market itself; for example, in land-transfer arrangements whereby existing tenants are simply given title reflecting past rents, or where the land is sold to existing residents at a subsidized rate. Subsidies can also be applied to interest rates to facilitate access to credit by low-income households. Subsidized loan schemes, including longer payback periods, longer grace periods, and low or nonexistent administrative fees, are other methods of improving access.

Subsidizing low-cost housing in a number of imaginative ways will only be one part of the solution. National and local governments will

also have to work on the “supply-side,” facilitating or creating stronger structures to produce the necessary housing for the poor. Currently, these structures are privately owned, either by housing and building firms or through conglomerates engaged in the production of housing and infrastructure supplies (cement, steel, electrical supplies, etc.). These firms, like the economy of South Africa generally, are highly monopolized, resulting in weak competition and high costs. At another level, traditional policies of apartheid have made life almost impossible for small, black entrepreneurs involved in the delivery of housing.

Strategic interventions by the state in this sector would probably encourage transformation. They could entail various mechanisms, including state control over key production facilities in the sector and a national program to support the development of local entrepreneurship through credit, training, and other means. These initiatives should be aimed at reducing the costs of housing, thus facilitating access. They could also have a trickle-down effect at the local and micro levels, creating more jobs and reducing the capital costs of these jobs. They might also facilitate democratization as local governments would be less dependent on the state for resource allocations and financing.

### **The threat of violence**

Since the late 1970s, the apartheid state has introduced a number of changes in its urban policies, aimed at accelerating the process of social differentiation within the black community and creating a “critical mass” of support for the white minority government. This led to a process of devolution of power to the homeland structures and the black local authorities in the urban townships. Parallel to this, a number of social and economic programs were introduced to upgrade the standard of living for a minority of middle-class blacks (public servants, merchants, etc.).

These changes created a fertile ground for the intensification of conflict within black communities. Over recent years, such conflicts have erupted mostly among hostel and shack dwellers, the most underprivileged segments of the community.



## **The rural context**

The peculiar link between the rural situation and urban development in South Africa is not a simple association between systems of production (agriculture and industry). Rather, one system has been annihilated by the other. An African agricultural system was abolished through land alienation, restricted migration, and destruction of the social fabric. Parallel to this, the white agricultural system was strengthened. This process created a cheap and politically quiescent labour force, with enforced links to rural areas through the system of migrant labour. Employers were able to pay low wages to this section of the labour force because the rural areas could subsidize it at a primitive level of subsistence. The establishment of homelands did not alter the situation. They have served as ethnic enclaves that facilitate the management of labour reserves and act as a cushion for the discontent and unrest resulting from the parasitic rural–urban linkage.

The impact of this dynamic on the process of urban development has led to a rapid increase in urban growth in the last 5 years, especially after the relaxation of “influx” controls. Cities that were designed without the facilities to accommodate new rural immigrants have had to cope with a massive population growth, sometimes doubling their size in a short period. The previous shelters and spatial designs of the urban centres (especially of the townships) could not absorb the surplus population. The consequence was the emergence of new squatter settlements, larger and with bigger populations than the planned city. The new settlements lack basic services and are residents are prone to severe social malaise, especially with the deprivation of privacy.

The perverted rural–urban linkage has resulted in a proliferation of institutions that are not properly coordinated. An average province has more than 60 agencies handling the association between urban and rural sectors. The result is inefficient use of resources, functional overlap, poor coordination, costly overheads, and an alienation of the people.

The deliberate reinforcement of historic identities (such as ethnicity) in the rural areas has created problems when these groups must interact socially in urban centres. Factional conflicts, often believed to be incited by state institutions, have created insecurity and undermined civic organization in a number of townships.

Despite the linkage between urban and rural dynamics, the policy process — even within the democratic movement — seems to be biased toward an urban ideology. The view of South Africa as an industrial country is not uncommon. The urban bias is reflected, not only in the vision of the future but also in the activities of service organizations and research institutions. The democratic movement must develop strategies that can lead to the evolution of integrated cities, a balanced urban system, and an organic rural–urban linkage.

## **Land Use, Transportation, and Bulk Infrastructure**

The Mission did not engage in in-depth, technical analysis of issues facing South Africa in the areas of land use, transportation, and bulk infrastructure given that two World Bank missions had already developed extensive and detailed infrastructure investment programs and appraisals. The Bank has extensive experience in large-scale infrastructure planning, and has undertaken valuable research demonstrating the important economic effects of urban infrastructure on the whole process of development.

However, the Mission sought to provide insight from a more institutional viewpoint to assist the democratic movement in its handling of this sector. For example, we found that the extreme fragmentation of institutions, especially in light of massive investments into urban infrastructure by foreign donors, demands caution. The infusion of large investments into this institutional setting could involve a loss of control over an area of investment that will be central to a new government. Key questions remain as to who will administer projects; what agencies can and should execute the foreign-funded projects; who will manage their implementation and follow up day-to day operations; and who will maintain the services and finance their operating costs. These questions must be raised and discussed immediately within the democratic movement.

These key elements of existing urban infrastructure — land use, transportation, and bulk infrastructure — have created significant inefficiencies and inequities. For example, the location of poor segments of the population in settlements distant from major centres of employment, creates transportation inefficiencies. Commuter vehicles must

traverse long distances carrying relatively few people, thus adding to the cost and burdening poor commuters with long hours of travel. The forced removal of people into settlements far from the urban conglomerations also places constraints on servicing these settlements. Remedies will involve a heavy financial burden that will have to be dealt with by the democratic movement.

There has been a significant devolution of authority and function in provision of urban services. This has not only exacerbated the fragmentation of the apartheid authority system but has often forced the poor to pay higher rates for services they buy from the wealthier areas. In many areas where the black local authority system has collapsed, white local authorities have been asked to step in and provide services. This has not been an uncomplicated process, sometimes involving the retrenchment of black workers who formerly worked for the black local authorities.

In the provision of urban services, not only do different service areas and boundaries run counter to any principles of effective planning, but the separation of transportation from land use planning compounds the inefficiencies and inequities with respect to both access to, and provision of, key services and infrastructure.

To begin to respond to these problems, a number of key issues must be addressed. The democratic movement must look at the effective restructuring of institutions dealing with land-use planning, transportation, and bulk infrastructure. In the process, it must consider an integrated approach to land-use and transportation planning. Such an approach would deal with the need for servicing outlying settlements, reducing the penalty of distance from work and education that the poor (most of whom are black) are now forced to pay.

## **Research and Training Capacity**

### **The African National Congress**

As indicated earlier, the ANC has limited capacity or resources to undertake or support research or training in the area of local government. Although efforts are being made to address these difficulties, considerably more attention should be directed to this area given the importance of sound policy options for negotiations and the need for

trained black professionals to assume important positions at all levels of the state structures involved in local government.

At the same time, there is confusion within the democratic movement in terms of the roles of the various structures involved in local government. This has hampered efforts to marshal the available capacity to address urgent needs.

### **Civic organizations**

Aside from the obvious challenge of providing facilities for the training of professionals in the field of local government as it is conventionally understood, a whole new cluster of training needs have grown up in response to the development of civic organizations throughout the country. During the 1980s, these groups became important in forcing the issue of urban services in the black local authority and squatter areas onto the political agenda. More recently, civics have been participating in numerous formal and informal negotiations over the future form, content, and jurisdiction of urban government.

### **Service organizations**

Without diminishing the extremely important function that the service organizations currently perform within the larger democratic movement, three questions arise about their future role. First, is there not a serious imbalance between the resources that the service organizations can devote to any question and those of the civic organizations that are engaging them? Virtually all the service organizations are located in the large metropolitan areas. One organization in Johannesburg, for example, employs 33 trained professionals; another group in the Western Cape employs 12 full-time staff and can call on the services of 65 to 70 volunteer professional members. Because in some cases, the most active professionals in these organizations are white males, does this not create a situation in which poor black community organizations are ultimately dependent on the kinds of structures that they are attempting to change? Service organizations answer that they only act on request from the civics, that their members as individuals are committed to the mass democratic goals of the organizations they work with, and that they are making major efforts to bring in more black professionals and develop training and outreach programs. It should also be noted that the argument about imbalance in structure comes

more often from national organizations than from the local civics working directly with the service organizations.

A second concern relates to research. To the extent that the service organizations rely on the good offices of the civics and other groups to carry out research on joint projects, they may indirectly use this information and experience to obtain further external contracts. Meanwhile, the civics have not developed their own research capacity, and the information collected may not be in a form that they can use. This raises the question of the degree to which civics should be trained to carry out some kinds of basic research on their own, and the broader question of the kind of action or community-based research that donor agencies (both inside and outside of South Africa) may wish to support. On one hand, the civics should perhaps not develop a specialized research capacity (however basic this research may be), because that would detract from their basic goal of dealing with grassroots problems and engaging in political protest. On the other hand, perhaps structures should be established to involve civics and other community organizations in local research projects of their own choosing to empower them to select needs and priorities on the basis of information they themselves generate.

A third area of concern is the manner in which service organizations conceive of their work. Today, most of the work undertaken by the service organizations is reactive in nature: communities face a threat (usually from the state) and the service groups then step in and help. Increasingly, however, the service organizations are realizing that they must contribute, through research and analysis, to the development of policy options for mass-based groups. As they become more proactive, however, they must deal with financial questions as well. Most of their funding currently comes from overseas donors; who will finance them if they define their research and action agenda more in accordance with the needs of the civics and the democratic movement in general? Even when donors are generous and flexible, the accountability of the service organizations presents a real dilemma. External funding may allow for the development of innovative programs and, at least, makes possible some projects that would not have otherwise taken place. On the other hand, both the service organizations and the democratic movement must agree on a plan or an agenda to use the talents and resources of this important sector in a fashion that best reflects the needs of South Africa.

## University research and the urban sector

The wider question of university research in the urban sector raises three important questions: who sets the research agenda? who carries out the research? and in whose interests is the research carried out?

In discussions between members of the Mission and local university researchers, we observed that — at least in the urban sector — the research agenda through the 1970s and into the early 1980s was set by individual researchers. Funding came largely from the state-linked Human Sciences Research Council or, to a lesser extent, from university sources on the basis of individual project applications that included a peer-review element. From the early 1980s, however, some university researchers began working more closely with trade unions and civic organizations. By the mid-1980s, business groups, acting largely through the intermediary of the Urban Foundation, began to fund urban research on a commission basis. A final element was the involvement of a number of university professors (who, of course, are also researchers almost by definition) as active members of service organizations, involved in practical action and community-based research. Although most university researchers continue to work on their own, carrying out traditional scholarly research, and some clusters of researchers continue to set their research agendas relatively independent of the specific demands of the union and civic movement, the overall level of engagement with the agenda of the democratic movement seems to be increasing.

There are, however, two important caveats. The social profile of most of the urban research that is published within South Africa (or outside by South Africans) continues to be white, middle-class, and male. Few women are active in this process, and even fewer black researchers. This is a serious limitation, although constructive approaches are attempting to redress the imbalance.

The second caveat arises out of the distinction between the three major categories of universities (see pp. 12–13, “Research agencies and tertiary educational institutions”). The older, Afrikaans universities have solid experience in both basic and policy-oriented research. Their work has, predictably, not moved in the direction of either the research agenda or the policy goals of the mass democratic movement. As for the liberal English universities, a small, but increasing proportion of their research has been oriented toward the agenda of the democratic

movement, particularly during the 1980s. The weakest group consists of the historically ethnic institutions created by the state. Their research limitations do not necessarily derive from lack of sympathy for the goals of the democratic movement, but rather from the heavy work and teaching loads on their staff. With large classes and no assistance with marking, and with a high proportion of students who need individual help, the teachers at these institutions, most of whom are black or Asian, have little time for research, let alone writing and publication. Like women researchers, they are outside the networks of active research activity. This is unfortunate, as their teaching would be enriched by more research activity and many of their students will move directly into positions of influence in restructured local and national institutions in both the private and public sectors. Indeed, these universities are likely to be the major source of training for new entrants into the more democratic, accountable local government system that will be a central element of postapartheid South Africa.

## **Desegregating the City**

Planners and government policymakers concerned with the mammoth task of desegregating the cities of South Africa will face three major constraints:

- The entrenched system of apartheid-created infrastructure that effectively divides the cities and towns along racial lines;
- The fragmentation of authority governing urban development; and
- The current limitations of development agencies concerned with planning, local governance, infrastructure provision, and local service supply.

Currently, in urban areas, racial territorial divisions are stark and there is substantial fragmentation of local authorities. The poorest people live furthest from jobs and have the worst housing, often lacking water, electricity, and sanitation. Workers must travel long distances to work; they often walk many kilometres to wait hours for transportation. Most people cannot afford housing or building sites. Violence is increasingly creating large numbers of internal refugees.

## **The process of desegregation**

Over the past few years, a number of studies have suggested possible effects of the repeal of the *Group Areas Acts* on the form, social composition, and level of conflict in South African cities. The vast majority have been comparative in nature, arguing that important lessons may be learned from the recent experience in Harare, Mafikeng, and Windhoek, for example. They suggest that a similar process of change was experienced in each city, and that various factors contributed differentially to the process of “integration.” In addition, these studies suggest that, at least in the cases of Harare, Windhoek, and Mafikeng, a radical transformation toward more integrated cities has not occurred. Rather, there appears to be something of an ad hoc process of change.

In South Africa, effective monitoring processes should be set up to guard against negative practices, such as blockbusting and redlining. In addition, comparative studies should be encouraged into the whole question of neighbourhood change. As a nonracial democracy is born, the process of change will require monitoring as a way of identifying ways in which state and other interventions can facilitate it.

## **Issues**

Desegregating the city will require dealing with both subjective and objective conditions. Subjectively, providing people with the vote, moving toward constitutionalism, and creating a culture of democracy are important mechanisms for developing the conditions under which desegregation might occur. The ANC's proposals on constitutionalism that have a direct bearing on desegregating the city include ensuring that there will be no discrimination; that everyone will have the same protection before the law; and that people's social, economic, and cultural rights will be respected. However, substantial work remains on identifying the implications of such principles to future planning for a desegregated city. For example, if one applies the principle of equal protection, then all urban residents should enjoy the same rights to street lighting, garbage collection, pavement, and other urban services.

Creating the objective conditions for a nonracial democracy also provides interesting challenges. For example, desegregating the city involves developing appropriate spatial options and mending divided cities. In addition, the call for “one city—one municipality” holds a



number of important implications for the future tax base of integrated cities.

In desegregating the city, principles must be developed in terms of

- *Nonracism* — This does not mean that the poor are planned for in the way black people were planned for in the past. Poor and working people must be integrated into the fabric of the entire city in inner city areas, high income suburbs, and all urban residential areas without regard to race.
- *Democracy* — Communities must be involved in planning decisions and equipped with technical and financial resources for direct action at the community level.
- *Nonsexism* — Women must be integrally involved in planning to ensure that the situation is not created where women, as now, are generally prisoners in the townships, far removed from opportunities for work, facilities, and access to urban services.
- *Unity* — The geographical, political and social fabric of cities must be reknit to provide a quality of life to urban residents that reflects the new united South Africa.

Finally, desegregation will require a whole new way of thinking about cities, planning for the people living in them, and implementing decisions reached collectively and democratically. Community participation, mixed-use neighbourhoods, assisted housing in higher income neighbourhoods, cross-subsidies between neighbourhoods, and a wide variety of other principles will have to be used to upgrade townships and provide a broader range of opportunities for the poor. The planning profession will undoubtedly have to change and could well require midcareer courses and retraining for professionals and substantial changes to existing syllabuses for new students.

## **Financing Urban Development**

In addition to the backlog in terms of housing, in the field of essential infrastructures such as water supply and sanitation, development agencies estimate the cost of bringing local services in the black townships up to standards to be over 16 billion rand (Wall and Jackson 1992). No more than 30 percent of black urban residents have electricity in their

homes. A program to electrify all houses in South Africa within 20 years would cost about 800 million rand annually. If the state were to undertake a massive program of transfer and achieve racial parity in such key areas as education, social pensions, health, and housing, state spending in these areas would have to increase from the current level of 10.7 percent of GDP to more than 34 percent. In the short term, this would have a significant inflationary impact.

The size and complexity of the problems make them seem insurmountable. However, from another angle, the rebuilding of the postapartheid city could fit into a global restructuring approach. Current research conducted by a variety of “think-tanks” and organizations demonstrates that rebuilding the city would be possible in terms of the current financial situation in the country. The DBSA believes that in the order of 4 or 5 billion rand per year could be raised for a major urban rebuilding program. According to some of South Africa’s major financial institutions, which recently conducted a “scenario planning” exercise, the government could facilitate economic recovery by setting up an ambitious housing program to establish more than 400 000 new sites and 200 000 cheap housing units each year until 1995.

### **Housing as a possible “lead sector”**

The democratic movement has begun to address the issue of housing as a possible lead sector to “kick start” the economy. The urban and housing debate is an important part of a larger macroeconomic program initiated by the ANC and COSATU in 1990. The framework adopted by the ANC and COSATU, termed “growth through redistribution,” is focused on long-term development that combines accelerated economic growth with redistribution of income and resources in favour of the underprivileged majority of the population. It emphasizes the provision of housing and services as well as the expansion of the industrial and mining sectors (growth) as the main means to put the South African economy “back on track.” This model assumes that redistribution will contribute to growth through the expansion of the domestic market, induced by a restructuring of industrial production. A massive housing program could have a “trickle down” effect on the whole economic structure while meeting a basic need (Smit and van Gass 1991).

The objectives of this program would be to sustain long-run growth of the economy through development of the domestic market, localize economic development within the marginalized communities, limit the need for imports, and sustain redistributive gains by minimizing dependency on wage incomes earned in the core economy. This would be made possible because of the presumed strong backward linkages of the housing and construction industry, which would generate major spin-offs in the domestic economy. Because housing cannot be detached from the provision of basic infrastructure such as water, sewage, electricity, and transportation, a national housing program would benefit many industrial sectors, thus expanding employment, especially in labour-intensive and semiskilled categories. To the extent that additional income is earned by those with a low propensity to consume imports or to save, the multiplier effect would also be high.

### **Identifying the conditions**

If there is a wide consensus around the intuitive appeal of such a program, debates are currently raging on its feasibility. Certain sectors of the business community have raised doubts about its financial soundness and are promoting instead the view that South Africa should first come out of its current economic lull through “export-led” growth. Others wonder about the actual import content of such a scheme, and the capacity of the local economy to respond without creating upward pressure on prices.

To respond to this criticism, the democratic movement has initiated a number of research projects to examine in some detail the implications of the “housing as a lead sector” hypothesis. Part of this research has been converging with some of the DBSA’s findings, according to which 4 to 5 billion rand could be tapped annually from the already existing fiscal and urban systems:

- 1.6 billion rand from the home loan finance private funds;
- 1.6 billion rand from state funds allocated for housing and development; and
- 2.4 billion rand from regional service councils, the DBSA, and the South Africa Housing Trust for upgrading (three times more investment is committed to housing from the public sector).

Some of this analysis has been further developed by progressive service organizations working with the ANC in an exploratory “modeling” exercise around the impact of housing finance schemes. Using variables, such as different housing programs (site and service, affordable housing, infrastructures) and family income potentials, various possibilities have been established that could resolve the current urban backlog while facilitating economic recovery (Smit 1991). The same preliminary exercise has been done in the field of electrification where it is presumed that the state corporation Eskom has more financial flexibility than usually presented and could, therefore, finance a large program of township electrification. It seems that Eskom would not even need to borrow substantially overseas for such a program (Bond 1992).

Even if the public sector could take a larger responsibility in such a major housing program, there is a broad consensus on the necessity of bringing in many more actors than the government. Large private institutions are already active. Moreover, a number of important initiatives have been taken by NGOs and mass grassroots organizations. In Durban, for example, community-based initiatives will provide more than 7 000 housing units within the next 12 to 36 months.

Elsewhere in the country, community development trusts are being set up to finance low-cost housing and services. In Alexandra, for example, the civic organization was able to obtain a large track of land that will be developed in a variety of ways. Consideration is also being given to the establishment of community financial institutions, as community-owned credit is often not properly used and controlled by the township population. In Durban, community organizations are planning to take over the large vacant area known as Cato Manor; in Cape Town, such a project is under way around the old mixed area in District 6. Because they are based on community participation and involvement, these approaches require comprehensive participatory planning processes. This requirement is often not recognized by developers and financial institutions, but falls back to resource-starved community-based organizations and their supporters such as the service organizations. Unless major investments are considered at this level, it is unlikely that local and community-based productivity will be tapped.

## Mobilizing resources

In this period of transition and reconstruction, the international community can play a positive role in supporting the process of change. Financial resources as well as international experience and technical and human resources could play a critical role in assisting in the transformation of apartheid structures and in addressing the inequities in urban living conditions. Although the potential exists for the international community to have a positive intervention, this engagement must benefit specific groups in the country. Therefore, the democratic movement must become informed about the development experience elsewhere in the world and establish a strategy to maximize the benefits that the international community has to offer to postapartheid urban development.

International resources potentially available to South Africa emerge from the following three sources:

- International organizations, including the United Nations bodies, such as the international financial institutions (World Bank and International Monetary Fund), development agencies (United Nations Development Programme, United Nations Children's Fund, United Nations Centre for Human Settlements, World Health Organization, etc.), and bilateral aid agencies (USAID, the Canadian International Development Agency, the German Agency for Technical Cooperation, etc.);
- Private-sector institutions, including banks, lending institutions, and corporate investment and service groups; and
- NGOs and institutions.

There are obvious advantages and disadvantages to mobilizing resources from each of these sources. Although they cannot be elaborated here, a number of key issues deserve mention:

- The extent to which resources are available from the international community will be determined overwhelmingly by the development model selected by a new government, its implications for redistribution and macroeconomic balance, and the degree of political and social stability in society.
- The degree to which the democratic movement and a new government can retain autonomy and be in control of the

development process will be crucial for ensuring the effective use of international resources. The extent to which local resources are successfully harnessed for the development process will determine, to a large degree, the amount of control that can be exercised.

- International resources in almost all instances are disbursed with attached conditions that can undermine the development process. Knowledge of these conditions and an assessment of their cost and benefit is essential if international resources are to support the development process.
- The absence of coordination in the use of international resources can lead to inefficiencies in the national development process. The coordination among international institutions and agencies is, therefore, of critical importance.

Many other issues can be found in the vast body of information on international development. At this stage in the transition process, the most important activity for the democratic movement is the establishment of a coherent strategy for mobilizing international resources for urban development. Such a strategy must be an integral part of its policy formulation process for the urban sector. The interest and willingness of institutions like the World Bank to provide resources for urban development in South Africa demand that the issue receive urgent attention in the democratic movement's efforts in formulating policy on urban development.

Although international resources will be important, it is critical that the development process be led by South Africans and that national strategies to mobilize local resources also be implemented. There is clearly enormous potential for local resource mobilization. In addition to the state, the private sector also has the capacity to deliver resources on a massive scale for urban development. The democratic movement must give urgent attention to research aimed at determining the potential for local resource mobilization and identifying strategies for marshaling such resources.

### **Identifying resource needs**

In what areas are resources currently required? In general terms, provision should be made to help in the process of constructing a new vision for South Africa. This is partly a political exercise, and resources

should be made available for political and community-based organizations to develop, for example via urban demonstration projects, a concrete vision for cities in a postapartheid South Africa.

The second broad area is building the country's capacity to address a broad range of developmental needs. However, those involved in this process must recognize that programs of capacity-building must empower the black population and women directly and that some existing institutions, such as universities, provide the easiest and most cost-effective means of building capacity and training people. Given that affirmative action must underpin such policies and that the more progressive, historically black universities lack resources, they could be singled out for help in creating that capacity.

The third broad area of need is providing the disenfranchised with access to financing and resources. This is crucial, particularly because such resources have traditionally been controlled by the white minority government.

### **Existing approaches**

Many South African groups have promoted themselves as recipients of funding, putting forward what they view as the best solution to the inequities of apartheid and to redressing the wrongs of the past. Interestingly, organizations based among the oppressed have either had the fewest opportunities or have been least able to address and emphasize the diverse range of initiatives required.

Existing approaches have been geographically restricted. They have not represented the range of needs at various geographic scales. For example, what are the requirements of the southern African region as a whole, South Africa in general, and the various regions in particular? What are the needs in rural areas? What has often emerged is a view from the PWV region rather than one that is sensitive to regional and local differences.

Institutional change cannot simply be reduced to a process of education: resources and real power must be transferred to those disadvantaged by apartheid. In addition, resources should be used to implement strategies for affirmative action and institutional change that empowers the disadvantaged. Overall, there is a need for strategic vision in a qualitative and quantitative sense.

## **Chapter 4**

# **RECOMMENDATIONS FOR AN URBAN POLICY FRAMEWORK**

The urbanization process in South Africa has been proceeding according to its own dynamic in spite of attempts of the state to restrict its form and pace. As South Africa embarks upon a new, democratic phase of its evolution, the Mission has proposed a number of measures to strengthen the process of formulation of an urban policy framework — a process that is taking place at many levels, both within the democratic movement and between the democratic movement and other elements. An attempt has been made to deal with both the process of formulation of ideas and solutions, as well as the substantive purposes to be served. The measures fall into three major categories:

- Principles for a new national urban policy;
- Key components of a national urban policy; and
- An agenda detailing actions and strategies to be taken by the democratic movement in developing and implementing a national urban policy.

### **Policy Principles**

The urban sector in South Africa is not only complex but also incoherent as a result of a political system that has fragmented the administration and the conceptualization of urbanization. We propose an urban development approach that emphasizes the interdependency of the many subsectors that make up the cities, stresses expansion of opportunity for those who have been excluded from the benefits of



urbanization, and attempts to relate urban policy more directly to a democratic, nonracial, accountable political system at all levels, but specifically the local, municipal level.

This involves reintegrating the South African city, eliminating once and for all the racial divisions that have divided the urban terrain into the white inner city and the peripheral black township. Reintegration must be nonracial and democratic. It has to empower the underprivileged and especially look after the interests of the impoverished black population and black women in particular, the most disadvantaged class in South Africa.

In the lengthy process of democratization, the democratic movement will need to counter bureaucratic confidentiality and strive to make the government (current and future) more transparent, more accessible, and more accountable. All citizens must have access to government information about planning, policy processes, and assessments to allow them to participate fully in government and society.

In other words, a bottom-up process that actively involves a wide range of popular movements must form the basis for action. Such a process is a political lesson of the urban movement itself in South Africa. It is profoundly antitechnocratic, and must inform planners who will design and build the cities of the future with the direct participation of the citizens themselves. Although technology is important in modern, large-scale urban growth, it is not a sufficient condition for successful development without meaningful, democratic political activity at all levels.

The Mission makes the following recommendations:

- The short- and long-term priority in this area should be to empower those disadvantaged by apartheid. Particular attention should be paid to the groups in the democratic movement who are active in the urban sector, especially civics, the trade unions, and the ANC. This action must take the form of various programs to build capacity in terms of urban development to establish democratic, nonracial, nonsexist cities in all their dimensions. Although external assistance will be necessary to build this capacity, the process will have to be led, designed, and implemented by South Africans.
- The empowerment of those disadvantaged by apartheid will come about through a reconceptualization of the urban sector, involving

a holistic development approach to the multifaceted problems. There has been extreme fragmentation both in the policymaking and management aspects of the urban sector. Urban development involves housing, land, and local government, but it also includes a whole range of urban services (such as education, health, and protection of the environment) that cannot be isolated in the planning and development process.

- We propose that the democratic movement exercise an explicit political mandate to integrate the various sectors involved in the urban development process. An interdisciplinary approach is required in addressing the everyday, concrete problems facing people living in the urban areas. Solutions to the urban crisis will have to be identified and implemented in a way that goes beyond “town planning.” They will have to create balanced and generative relations between urban centres and their rural hinterlands, emphasizing social and economic linkages and incorporating employment generation as a critical factor.
- To achieve these aims, a new urban framework will have to be built in the context of an overall, global macroeconomic framework. The urban crisis will not be resolved in isolation from the global, structural problems that affect the society and economy of South Africa. Redefining a growth path to address these structural problems and create jobs, provide basic services, and permit capital accumulation will be indispensable in building the foundations of a new city. On the other hand, defining how, for, and by whom the urban areas will be rebuilt will constitute a major condition for setting this new growth path in motion.

## **Key Components**

We have highlighted a number of issues that were addressed in some depth during the Mission. These issues are critical entry points for the democratic movement in establishing an urban policy framework and in considering immediate action plans for implementation during an interim government. The issues include land, housing, housing finance and credit, financing local government, transportation, and infrastructure.

## **Land**

The immediacy of the move toward privatization of urban land by current government agencies and local authorities, and the implication of this trend for future governments, demands the development of an interim policy governing such land transactions. Without a policy position on this issue, the hands of future democratic governments will be tied in attempts to allocate land for development, particularly for low-income residents previously barred from settlement in the apartheid cities.

Therefore, the democratic movement should quickly take the following action:

- Immediately assess the urban land situation nationally (cataloguing key sites, open or underutilized sites, ownership, and availability) by building on local and regional surveys already done or in progress.
- In the short term, develop a national policy to control privatization of urban land, especially of the key sites catalogued.
- In the medium term, consider a policy for a new democratic government faced with the loss of land assets as a result of recent privatization actions taken by previous authorities. Such a policy could include guidelines for maintaining the power to expropriate or the power of eminent domain for future democratic local authorities; compensation guidelines to accompany such powers; and the creation of a land claims tribunal or a higher level “municipal board” to hear and settle land disputes, competing claims, and conflicts over compensation.

## **Housing**

South Africa has an even more serious housing crisis than most countries, as the problems of urban population growth and serious construction shortfall are further complicated by questions of access to urban land and the extreme poverty of the bulk of the African urban population previously denied such access. For this reason, urban housing has become an explosive issue on the political agenda. Half-hearted or purely incremental measures taken by a new government to deal with the housing question are likely to be seen as inadequate by the majority of the black population.

- An important challenge lies in the definition of housing. It is important to move beyond conventional measurement — in terms of finished housing units or even of serviced sites — which tends to obscure housing as a process of development related to income-earning opportunities, location, and political power.
- It is also important to overcome the low levels of community empowerment in the planning of housing. Experience in other countries shows that massive state-based housing projects may lead to widespread bureaucratic corruption. In the delivery of such projects, it is extremely important that democratic systems of accountability are ensured.
- It is essential to address the question of subsidies when considering a housing policy to alleviate the extreme poverty engendered by the injustices of apartheid. Subsidies are often challenged on the basis of structural inefficiencies (they often accrue to noneligible, higher income recipients), in terms of market inefficiencies (subsidized interest rates stimulate demand for more expensive housing causing low-income households to “overconsume” housing), and on the grounds of replicability (no government can sustain to any large degree and in any long-term sense a housing subsidy scheme, particularly as subsidies tend to benefit only a limited number of people). Although many of these arguments are valid, a strong interventionist strategy is required by government to alleviate the housing crisis. This must include subsidies to facilitate access to a housing market from which low-income citizens have been barred in the past.
- Subsidizing low-cost housing through a number of imaginative ways will form only one part of the solution. National and local governments will also have to facilitate or create stronger and more active structures to produce the necessary housing for the poor. Firms engaged in producing housing and infrastructure supplies (cement, steel, electrical supplies, etc.) are highly monopolized, resulting in weak competition and high costs. Strategic interventions by the state could encourage transformation of this sector along more productive lines. This could involve a national program to support the development of local entrepreneurship through credit, training, and other means. This would reduce the

costs of housing, thus facilitating access, and have a trickle-down effect at the local and micro levels, creating more jobs and increasing affordability.

## **Housing finance**

The Mission identified a significant institutional gap in the credit system (both for land and housing construction) for low-income segments of the housing market. A whole range of credit needs exists in the housing sector if low-income households are to have access to housing markets in the cities at affordable scales. These needs include credit to assist on initial deposits where applicable; to purchase sites, core units, or finished housing; to purchase building materials; to hire contractors and other labour for construction; and to upgrade housing. The democratic movement must address this vacuum.

- In the short term, the democratic movement should investigate, through commissioned research briefs and short case studies, the range of credit institutions that could begin to bridge the institutional gap in the housing market. Options encountered in the course of this mission include community housing trusts, cooperative credit funds, small savings and loans operations, the Stokvel system, and revolving funds. As part of this set of studies, the question of subsidies, particularly as they relate to housing finance, should be examined in depth to position the democratic movement in the debate and to argue the issue effectively vis-à-vis national and international development agencies with established positions on the issue.
- In the medium term, an investigation should be undertaken of how such institutional structures can be established and funded vis-à-vis existing large credit institutions in the country, including private commercial banks and the development agencies.

## **Transportation**

To improve commuter services and reduce transportation costs for the majority of users who are low-income earners, consideration may be given to pressuring the government and employers to design subsidy mechanisms within wage and fiscal structures. At the same time, urban restructuring must involve efficient land use that takes into account

the transportation factor. Some increase in density within the urban core may be necessary.

### **Urban infrastructure**

Population distribution has followed the fault lines of the apartheid system. Apart from being extremely inequitable, the current system imposes high production costs on the South African economy. The democratic movement must restructure the institutions that make decisions on transportation and large-scale infrastructure. During this process, the new institutions should be given a mandate to deal in an integrated fashion with land-use and transportation planning. Only an integrated approach can be used to deal with the enormous challenge of servicing both the former white local government areas, the black townships, and other outlying areas where distance from work and other urban facilities is inversely proportional to capacity to pay for transportation.

### **Local government**

The Mission supports the principle of reform through local negotiations within a national framework. At the local level, second-tier (metropolitan) institutions will almost certainly have to be developed in the major urban areas of the country to accommodate the wide range of local government structures currently functioning in a highly fragmented fashion. Both local and second-tier institutions will have to be democratically restructured, effectively financed, and given sufficient powers by the central government to engage with, and adequately respond to, the strong demands of civic associations at the local level.

### **An Agenda for Action**

Within South Africa, broad agreement exists on the need for urban reconstruction within new parameters of nonracism and democracy. South Africans within and outside the democratic movement are actively engaged in research and policy formulation in support of negotiations related to transition of the urban sector. Although an enormous amount of effort has been focused on this area, a coherent national urban policy framework has yet to be developed. Given the

extent of the crisis in the urban sector and the rapid pace of political change, it is critical that the democratic movement work toward the rapid establishment of a national urban policy framework that articulates a clear approach to urban reconstruction. An urgent need also exists to expand capacity and resources not only to engage in research and policy formulation, but also to play a major role in directing the future course of urban development. An agenda for action to achieve these objectives must rely on domestic and international resources.

### **Department of Local and Regional Government and Planning**

Since its unbanning, the ANC has been faced with the enormous task of establishing a legal presence inside South Africa and developing organizational capacity to engage in negotiations and prepare for a future role in government. In this context, the ANC has only recently been giving the urban sector the attention it deserves. The recognition of the importance of the urban sector is reflected in the recent decision to transform the Local Government Commission into a full Department of Local and Regional Government and Planning based at ANC headquarters in Johannesburg. Efforts are now well advanced in hiring staff for the department, which should lead to the establishment of a small group of individuals to perform the ANC's work in this sector. However, it must build capacity in a number of areas and develop linkages with other parts of the ANC and the democratic movement. Particular attention should be paid to actors outside the political alliance, who are engaged in related work and have expertise in urban transformation.

Therefore, the Mission makes the following recommendations:

- The ANC's Department of Local and Regional Government should build its capacity to include specific expertise in the areas of local government finance, housing, and land.
- Given the importance of measuring movement away from segregation toward integrated cities, the ANC should develop the capability of monitoring progress in this area to provide information essential for negotiations and policy formulation.
- As the research efforts in the urban sector both from within and outside the democratic movement produce policy options, the

ANC must be equipped to draw on expertise to construct a viable urban-sector policy. To assist in this task, the ANC should establish a small urban policy group that draws on local and international expertise in actual urban policy formulation and administration.

- The ANC's Department of Local and Regional Government should work closely with other ANC departments focusing on issues related to the urban sector. Of particular importance will be its relation to the Department of Economic Policy which has placed considerable emphasis on housing as a lead sector in the economy. Links with the Research Department will also be valuable.
- A broad range of interests in the democratic movement relate to urban reconstruction and development. However, there is no single forum through which the ANC, civics, trade unions, service organizations, and other actors in this area can discuss policies and strategies. An urban policy forum should be established with meetings convened by the ANC's Department of Local and Regional Government.
- The ANC should seek expertise and knowledge outside the democratic movement on issues related to urban transformation.

## **Civic organizations**

Most civics have been active in responding to the immediate needs and problems of their communities and in orchestrating protests against the South African government. As they approach a new political era, they must become involved more directly in the development process. This entails addressing concrete issues ranging from defining and negotiating a new form of local government to the provision of housing and the delivery of bulk services. During the past year, the recognition of the importance of this new role for civics has led to the establishments of a new national civic structure, the South African National Civic Organisation (SANCO).

- Substantial assistance should be provided for SANCO to build its human resources and expertise to engage its member organizations in the development discourse on urban reconstruction. Particular attention should be given to identifying training needs within SANCO and its members.



- Assistance should be provided to SANCO and its member organizations in identifying their research-related needs and priorities to face the challenges on the urban development front. In this context, we recommend that SANCO convene regular meetings of its members to articulate its needs and priorities.

## **Trade unions**

South African trade unions are in a position to play a greater role in the debate on the future of urban development. Important initiatives have been undertaken on urban reconstruction by COSATU, NUMSA, and NUM. Given the potential role of the trade unions, it is essential that greater emphasis and resources be devoted to research and policy formulation in this area.

- COSATU should convene a meeting of trade union representatives interested in the urban sector to discuss its overall needs and priorities in this sector.
- COSATU should request that the Economic Trends Group expand its research on urban reconstruction and collaborate more directly with those involved in other research initiatives of the democratic movement on urban development.

## **Service organizations**

Service organizations operating in the urban sector have performed a valuable function in supporting community efforts to combat the apartheid policies of the South African government and in assisting local organizations to establish alternative development initiatives. Their skills have been of critical importance to the democratic movement, particularly during this period of intense negotiations at the local level. However, there is a need for a better understanding of the role of service organizations in the urban development process; greater access by local organizations to the resources and decision-making structures of service organizations; and greater coordination among service organizations to maximize the use of their resources.

- In conjunction with the ANC, COSATU, SANCO, and the Urban Sector Network, service organizations should participate in the proposed urban policy forum. Among the priorities of this forum

should be discussion of the role of service organizations in the urban development process.

- Service organizations should place more emphasis on transferring skills to local organizations and building capacity in these organizations to engage in the urban development process. Attention should also be given to involving local organizations more directly in decision-making related to the deployment of resources.
- The Urban Sector Network should be formalized and meet regularly to discuss the work of service organizations. Greater effort should be made to coordinate the work of service organizations through this network.

## **Government institutions**

As part of the process of capacity building during the transition period, the democratic movement must counter bureaucratic confidentiality and strive to make the government more transparent. Such a transparency need not be only at the level of accessibility and accountability, but also in revealing critical information about major policy processes and assessments. At the same time, it must begin an examination and dialogue directed toward transforming national development agencies to ensure that they meet the needs of the majority of South Africans. A most important need will be for state-supported national development agencies to begin supporting specific initiatives aimed at training black citizens, particularly black women, to assume positions within state structures involved in the urban sector.

- Government agencies should respond positively to requests for information from the democratic movement. Such information is critical for its participation in the restructuring process and planning for a democratic future.
- The democratic movement should undertake initiatives aimed at establishing strategies for transforming government institutions involved in the urban sector. Such initiatives should include, where appropriate, the participation of government development agencies.

- Government agencies should actively support specific initiatives aimed at training black citizens for positions in state structures involved in the urban sector.

## **Establishment of a National Urban Institute and Urban Research Group**

The capacity available in South Africa to address the pressing needs in the areas of urban research, policy formulation, and training is limited. What capacity does exist is highly fragmented. Research has not always been relevant or accessible to organizations striving to build a postapartheid urban environment. At the same time, training programs in critical fields such as local government administration are almost nonexistent. There is a critical need to establish a coordinated structure to build capacity on a national basis in the areas of urban policy research and training. This structure must combine as many elements as possible of the existing capacity in universities, service organizations, civics, and local authorities, while also building an institutional basis for urban research and training that will be sustainable well beyond the transition period.

- A National Urban Institute (NUI) should be established to coordinate urban policy research and training.
- Its mission should be to draw on existing expertise to develop research capacity and training programs related to the urban sector. The research program should focus on issues relevant to urban transformation in South Africa. The training program should concentrate on a number of areas related to local government administration: finance, administration, project management, transport management, and service delivery.
- To ensure access by all South Africans, NUI should be organized in no more than four regional centres with one centre acting as overall coordinator.
- Emphasis should be placed on locating these regional centres in institutions that have been disadvantaged by apartheid. However, the critical element in deciding on location should be the ability of the institution to mobilize existing capacity in the urban sector

within and outside its own organization and to deliver research and training programs.

- NUI should not be constituted as an extension of the democratic movement. Rather, it should be available to all South Africans irrespective of their political views and not encumbered by accountability to political organizations. Nevertheless, its establishment should be propelled by the democratic movement to establish a new locus for local government research and training of which the movement would be a main beneficiary.
- There is also a need to develop an initiative aimed directly at the democratic movement to consolidate and build its capacity to develop policy proposals for negotiations and the transformation of the urban sector. Therefore, NUI should establish an Urban Research Group (URG). NUI should be responsible for the overall administration of URG, but URG should establish its own accountability structure involving national and regional representation from the ANC, civics, trade unions, and other relevant organizations. During the initial phase of building NUI and URG, URG should constitute the research program of NUI. However, over time, the NUI research program should expand beyond the URG program. URG is envisaged as a short-term initiative aimed at addressing the needs of the democratic movement during the transition period.
- The URG network should focus on the establishment of an urban policy framework that considers the priority issues outlined in this report. It should pay special attention to the macroeconomic implications of various policy options as well as the impact of macroeconomic policies on the urban development process.
- URG should give priority to recruiting black researchers and women into the research network. Special efforts should be made to develop links with and support for urban and local government research within the historically black universities.
- Given the need to develop a cadre of black researchers and policy analysts with knowledge in the urban field, it is critical that URG devote significant resources to research training initiatives. All research teams belonging to the URG network should include positions for research trainees.

- The coordinators of URG research projects should participate regularly in the Urban Policy Forum to discuss and disseminate policy proposals.
- To avoid delays in establishing NUI and URG, the existing structure of LOGOPOP should be used as the foundation for their development.
- The proposals to establish NUI and URG should be discussed in detail at the final conference for LOGOPOP in October 1992.

## **External Assistance and Support**

The international community must play a positive role in supporting the democratic movement in its efforts to establish priorities and policies for a postapartheid urban development strategy. External assistance should be provided in a manner that builds capacity for those disadvantaged by apartheid. Given the uneven nature of the policy debate, it should empower the democratic movement at all levels to participate effectively in negotiations and to lead a process of national urban reconstruction and development. To maximize the benefits of external linkages, the democratic movement must establish clear principles to guide its engagement with the international community.

Therefore, the Mission makes the following recommendations:

- Policy options should be developed on the role of external assistance and support in the context of urban reconstruction and development. In preparing these policy options, consideration should be given to a number of issues: lessons learned from international assistance to other developing countries in the urban sector; the relation between current donor strategies for external assistance to South Africa and efforts to formulate a national urban policy framework; and the most appropriate ways to mobilize external assistance to empower those disadvantaged by apartheid.
- Apartheid isolated South Africa, preventing the democratic movement from benefiting from the experience of other postcolonial societies in the area of urban development. In the rest of Africa, and in Asia and Latin America, valuable relevant examples can be found. In addition, people in other parts of the developing world have important technical skills that could support the formulation

of an urban development strategy. South Africans involved in the urban sector must begin building links with other developing countries in this area.

- The proposed NUI and URG should consider joining other networks with relevant experience, such as the Africa Research Network for Urban Management and the Municipal Development Programme.

## **AFTERWORD**

### ***by Nancy Smyth***<sup>1</sup>

In 1992, IDRC was invited by members of the democratic movement in South Africa to support a mission on urban policy issues. During the month of April 1992, South African and external members spent 2 weeks traveling to various urban areas and meeting with key actors in the field. The central concern of the Mission was to support a process for capacity building for urban policy formulation, implementation, evaluation, and long-term management of the country's urban sector (the Mission's objectives are listed on pp. 4–5).

The Mission reported that South Africa's level of urbanization was estimated at 59 percent in 1989, with the United Nations projecting a level of 64 percent by the year 2000. In fact, by 1993, the rate of urbanization stood at 65.5 percent for South Africa's 40.7 million people. The two provinces of Gauteng (incorporating Johannesburg and Pretoria) and the Western Cape have rates of 99.6 and 95.1 percent, respectively (*Weekly Mail and Guardian* 1995).

In September 1992, the Mission published its findings and recommendations. The purpose of this postscript is to explore the extent to which the Mission achieved its objectives and to evaluate its impact on the policy direction and capacity of the democratic movement and the national debate around urban policy in South Africa. This assessment

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<sup>1</sup> Nancy Smyth recently moved to South Africa from Canada and is currently working as a research and policy consultant. In Canada, she worked for the Canadian Council for International Cooperation, for a Member of Parliament (Canada's Special Representative to Africa), and for the Parliamentary Centre in Ottawa. She holds a master's degree in international affairs.

is based largely on interviews with South African members of the Mission team and with people in the country who were linked with the Mission's research at the time. Almost all remain involved in urban issues, directly or indirectly.

## **The Context for an Urban Policy Mission**

By the late 1980s, the democratic movement was in the process of advancing from a reactionary stance against government policies and structures to the development of policy and institutional alternatives. The movement had a long history of focusing on the urban struggle as a strategy to undermine apartheid as a whole, including the use of boycotts at local levels. As Amanda Younge, the former ANC convenor for the Western Cape Local Government Commission explained, by focusing on local issues, an understanding was developed by the broader population that the issues were not just national in nature. At the same time, there was little in place to suggest what might replace these local structures.

According to Dr Michael Sutcliffe, formerly with the ANC in the Southern Natal region and now a member of the Legislative Assembly in Kwa-Zulu Natal, urban policy alternatives were desperately needed. By the early 1990s, there was a recognition within the ANC and SANCO that no concrete alternatives had been developed to deal with the most well-known consequences of apartheid in the cities. Lechesa Tsenoli, the former president of SANCO and now a member of parliament, recalls that as civic activists engaged in campaigns to undermine racially based authorities, they required support with the development of these alternatives.

The newly created Department of Local and Regional Government of the ANC was just beginning to engage in establishing elements of a postapartheid urban development policy, including proposals for future local and regional government, but its capacity was extremely limited. The so-called postapartheid South Africa research was in many respects, according to Sutcliffe, quite crude until the early 1990s. The Mission, then, came at a time when the ANC and SANCO were beginning to develop a concrete program of action. Dr Sutcliffe notes: "It was a watershed time, marking the end of one era and the beginning of another."



Similarly, many of those involved in the unions were unprepared for ongoing negotiations and those that lay ahead. Salie Manie, now a member of parliament, was with the Municipal Workers' Trade Union in the early 1990s. "I came from a trade union background and had no formal education. The issues we were grappling with were becoming increasingly technical and complex. We had a real need for capacity building and many people in the trade union movement benefited from the IDRC process."

Within this context of limited capacity of many members of the democratic movement was a small collection of researchers and academics who were engaged in urban policy at different points across the country. According to Dr Doug Hindson of the University of Durban-Westville, "What we had at that time was a series of abstract progressive ideas about urban policy, reconstruction and development that were largely untested." Dr Christiaan Olver, director of urban development planning with the Reconstruction and Development Programme (RDP) based in the state president's office, adds that urban policy debates were dominated by the Urban Foundation. There was no consolidated network of progressive research on urban issue and few NGOs that defined their work as being in the "urban sector."

For many working within the service and civic organizations in the cities, it soon became apparent that urban issues relating to service delivery, housing, and land would remain blocked until institutional change and capacity was dealt with. For example, by October 1992, there were 113 functioning quorums of black councillors out of 268 black local authorities; breakdown was due to insufficient financing, administrative and management capacity, as well as a lack of representation. Local government, particularly in black residential areas was in a state of crisis.

As the Mission summarized (see p. 11):

Within every sector of urban development, this fragmented institutional pattern results in a lack of effective coordination within government; a continuation of racially based and uneven policy formulation, development, and implementation; and little development actually being carried out.

This was so much the case, Doug Hindson notes, that there was a separation of spheres between urban policy and local government. The collapse of local government meant that the developmental process was not occurring through official government structures, but in a

fragmented way through, for example, services and civic organizations, NGOs, and the Urban Foundation. Through the transition process, and continuing today, the connection between urban policy and local government, envisioned in the Mission's report, is emerging.

### **The Local Government Project**

The Local Government Project (LOGOPOP) was the first major project funded by IDRC in South Africa. Based at the University of the Western Cape, it established a network of researchers focusing on issues of local government reform. A number of academics, service organizations, and other elements of the democratic movement were commissioned to implement various aspects of the project across the country. In the first years of 1990, it was beginning to shape the democratic movement's positions and policies in its negotiations with government.

Christiaan Olver, who was associated with LOGOPOP, suggests that it was a useful intervention that had a fundamental impact on ANC policy. Amanda Younge describes the project as the only opportunity at the time for the activist academic community to meet on a national basis and thrash out policy and positions in a very volatile environment. The support for the meetings and discussions, according to a few of its participants, was perhaps even more valuable at the time than the final research products.

IDRC also funded other initiatives focusing on the same theme of urban policy and local government. At the conclusion of a number of these projects in 1992, the democratic movement in South Africa asked IDRC to assist them in determining their needs in the area of local government during the period of political transition. In particular, this request came from leaders within the ANC and SANCO.

### **Local government transition in brief**

Local governance issues are a key part of urban policy in South Africa and were highlighted in the Mission's report. Before 1994, South Africa consisted, at all levels of government, of administrative structures that were racially based. The old tricameral parliament provided for separate representation for so-called "Indians," "coloureds," and "whites." Black people were denied access to national government. Provincial government was appointed by national government, and local government — also known as the third tier of government — was fragmented.

Racially exclusive local authorities were established for the various racial groupings in urban areas with virtually no formal structures for local government in rural areas. Urban areas were often a mix of ruling white local authorities (WLAs) and black local authorities (BLAs), neither of which were seen as acceptable. The Honourable Trevor Fowler, now speaker of the Gauteng Legislature, describes how those within the democratic mass movement had no regard for local government. Councillors, including BLAs, were regarded as corrupt and unrepresentative. The national government was seen as the only level of government exercising real power. Amanda Younge emphasizes that many in the ANC had no understanding of the meaning or purpose of local government in a democratic South Africa.

A complex multitude of negotiations had begun in the early 1990s between local authorities and the democratic movement in communities across the country. These negotiations came about largely as a result of the democratic movement's involvement in a series of rent and rates boycotts, campaigns for the resignation of councillors, and demands for "one city—one municipality." This one-city campaign called for a single, nonracial voter role and a single tax base. The *Interim Measures for Local Government Act* (1991) was passed by the government of the day to formalize the often ad hoc processes of local negotiations and make a variety of arrangements possible between existing authorities. The democratic movement rejected this act as it failed to establish a nationally agreed upon set of guiding principles and often entrenched apartheid structures.

With the release of political leaders and the unbanning of all political organizations in 1990, including the ANC, national negotiations began within the Multi-Party Negotiating Forum or the Convention for a Democratic South Africa (CODESA) at Kempton Park in 1993 on a range of issues of national concern. Trevor Fowler, head of a local government Task Force on Finance and Services at the time, recalls that up until that point, local government was missing from the national discussions: "One of the aspects that became very clear was the focus of CODESA on national issues only. Almost all of the parties were caught up with the first two levels of government, with no focus on local government. And yet we knew it was necessary to start up that level of negotiations at the same time."

Largely through the efforts of those associated with LOGOPOP and the Mission, negotiations on local government came to be carried

out primarily through the Local Government Negotiating Forum (LGNF). Discussions, they believed, had to go on simultaneously within a national framework. In fact, local government became the only issue negotiated separately from the national CODESA.

During this time, the establishment of nonracial transitional metropolitan councils (TMCs) or transitional local councils (depending on the category of urban area) were being negotiated by representative forums of local government and nongovernmental players. Generally, the interest groups were identified by those on the statutory side (those who had participated in local government in an official capacity) and the nonstatutory side (those who had not been a part of local government in the past). The latter included political parties such as the ANC and the civics.

Chapter 10 of the Interim Constitution makes provision for metropolitan, urban, and rural structures of local government. The *Local Government Transition Act* of 1993 (Act 209), enshrined in the constitution and the culmination of the LGNF, was approved by the multiparty negotiation forum and passed by parliament in late 1993. It sets the stage for local government elections to take place in November 1995.

The act calls for the democratization, decentralization, and total restructuring of the local and regional government structures. Three phases are outlined for the transition process, which parallel to some degree the national governing timeline. The preinterim phase commenced with the above act and during this phase representative local forums appointed 50 : 50 statutory–nonstatutory councils. These councils are in place until local government elections. During the interim phase, elected transitional councils govern under the interim constitution for a period of 3 to 5 years. The final phase will occur when new local government elections are held under the final constitution.

### **Immediate Impact of the Mission**

According to Thozamile Botha, now deputy director for the Eastern Cape Province, the Mission was initiated at a time when the democratic movement needed support in the area of capacity-building. A crucial change was taking place from a culture of protest to one of policy development: “The Mission contributed to a process already in motion and strengthened the unity and capacity of the democratic movement.”

Generally, members of the Mission are satisfied with how the Mission was conducted. They point out that they owned the research agenda and the process. IDRC staff did not direct, but played a supportive and facilitating role. This, they believe, greatly enhanced the validity and outcome of the Mission and increased its impact on the broader democratic movement.

According to Michael Sutcliffe, “IDRC was not in South Africa selling its wares. It was very useful in selecting complementary members for the Mission who had an opportunity to gather research and reflect on urban issues. A quick injection of ideas from the outside was needed by the democratic movement to move the mainstream thinking on urban policy between the academics and activists. The Mission saw a good mix of people from the ivory tower to the grassroots.”

Several members also noted the importance of sharing views with Canadian and Tanzanian members of the Mission. At the same time, the democratic movement was learning from the subregion during numerous workshops and information exchanges with neighbouring countries such as Botswana, Namibia, and Zimbabwe. The Mission link with the outside community served to strengthen this process. Salie Manie highlights the positive aspect of exposure of those within the trade unions to South African and external leadership on urban issues: “The proof of that success is where the people involved with that Mission are now placed.”

A number of those involved in the democratic movement suggest that an immediate impact emanated from IDRC-supported research. Although to some extent the research was overtaken by events at certain points, it fed into the policy positions of the democratic movement during its negotiations. According to Thozamile Botha, a key player in the establishment of the LGNF, “There was a dynamic contact between the research and the negotiating process, with the research informing the negotiations and identifying key issues.”

In early November 1992, an agreement was reached between the democratic movement and the various levels of government to create the LGNF, which, after lengthy discussions about its role and process, was established in March 1993. The link between those whom IDRC supported through LOGOPOP and the Mission and those who were involved in pushing the ANC to address local government seriously and call for the establishment of a separate forum has been alluded to. The push for a national framework for local government negotiations

during 1992 and 1993, eventually achieved by the LGNF, was supported by Mission members in their report. Salie Manie, as vice-chair of the national negotiating forum for local government, notes that most if not all of those in key positions were part of the IDRC-supported process of research and policy development.

Some of the key issues identified during LOGOPOP and the Mission, and very much the subject of the negotiations, included how to finance local government and how to integrate existing local authorities within a democratic interim structure. Botha notes: “The research also played a big role in assisting us to negotiate for a *Transitional Measures for Local Government Act* and to put in place the interim transitional structures we now have. These were based on the information we accumulated and the scenarios we were developing.”

According to Lechesa Tsenoli, the analysis of problems outlined in the Mission’s report and its recommendations were not only a resource for the negotiating forums but also became an important policy base for some of the subsequent ministries. Trevor Fowler confirms that some of the research from LOGOPOP and the Mission now forms the basis for a number of government policies in the areas of finance, housing, and water, among others.

Nora Walker of the Built Environmental Support Group at the University of Natal saw the Mission’s report as useful because it summarized positions well at the time, including the housing situation, and it was widely circulated. It was an important contribution in that members consulted a diverse group of people, assembled the information, and provided a venue for joint strategizing by different elements of the democratic movement.

### **Short- to Medium-Term Impact of the Mission**

At the final meeting of LOGOPOP in October 1992, the Mission’s report was tabled and the concept of an urban institute was discussed. One of the main recommendations of the report was to consolidate existing capacity in the area of local government research and training to support transition to a postapartheid South Africa. Specifically, a national institute was proposed to coordinate research and training initiatives that were underway, as well as to build capacity in local government.

Most of those involved at that LOGOPOP meeting were the same people negotiating for the democratic movement on local government issues. According to Thozamile Botha, “The most important result emanating from that report was the formalization of an institute that became the Institute for Local Governance and Development [INLOGOV].” The kind of institute that evolved was developed by various members within the democratic movement. Salie Manie recalls: “Had it not been for IDRC, our concept for an institute to build local government would really have remained a concept.”

The election campaign that year and early into 1994 became a good launching platform for INLOGOV, according to Sutcliffe: “From former apartheid town clerks to academics, when asked if they have heard of INLOGOV, 95 percent will respond yes. This is quite dramatic because INLOGOV succeeded in capturing a national niche.” In describing INLOGOV as firmly linked with all the important networks and having worked close to the centre of power, Nora Walker mirrors the comments of many involved in urban policy issues in South Africa.

Although the LOGOPOP process was an important contribution to the development of local government policies, it was not centralized in one institute. It empowered individuals and some organizations, but did not focus on historically disadvantaged communities. It was not building capacity in a way that was required. Botha, who became the first executive director of INLOGOV, recalls: “We learned from this experience. From this we undertook a study of the needs of these communities in the area of research and training. INLOGOV was set up clearly with the intention of empowering the capacity of historically disadvantaged communities. It was designed with this objective in mind.”

INLOGOV emerged as an NGO situated in Cape Province. The focus of the institute is to strengthen the institutional capacity available in South Africa — in terms of both formal government structures and elements of civil society — for servicing the local government transformation process. Additional objectives, outlined during its establishment in 1992, include the following:

- Elaboration of a national development framework for regional and local development;
- Elaboration of a legislative framework for local reconstruction and development;

- Transformation of institutional vehicles for delivery of basic goods and services within both government and nongovernment sectors;
- Reorientation of local state structures toward sustainable development; and
- Creation of a set of development practices, common among different actors, that reflect and enhance a new framework.

Two program areas guide the institute's agenda: policy and research on one hand and training and capacity building on the other, with the two feeding into one another.

It is beyond the scope of this postscript to evaluate the extent to which INLOGOV has achieved its objectives to date. Nonetheless, a brief overview of some of its work will help to illustrate the impact of the Mission's recommendations. Its activities clearly relate to issues identified in the Mission's report. Some of those most frequently mentioned as having had a positive impact are listed here.

- A project on local government financing involves research on finance policy and builds capacity in this area through workshops and the development of materials for councillors. According to Andrew Borraine, INLOGOV's second executive director, who is very much involved with local government negotiations, the institute has had key input into the transition process through its financing project. Work on intergovernmental financial relations and revenue sharing has also had an impact on local government's Financial and Fiscal Commission.
- A rural local government policy and research project is focusing on the role of traditional leaders.
- The transition policy project has produced a guide to election regulations that has been well received and involves helping local government construct inputs to the constituent assembly on constitutional issues.
- One of INLOGOV's higher profile activities is its involvement in orientation programs for prospective councillors to build capacity and help them understand their tasks and role in preparation for democratic local government. These programs are jointly established with the Training Board for Local Government Bodies of the



Northern, Western and Eastern Cape Provinces. INLOGOV has created training material and manuals in this connection as well.

The Tertiary Education Programme, an earlier project of INLOGOV, entailed the writing of a national program for local government, the development of course materials, and the training of some 500 potential municipal councillors all over the country. Although this program had some positive impact in providing negotiation skills and a better understanding of the issues, there is some question as to how effective and appropriate it was at the time.

INLOGOV has been the lead organization supporting the democratic movement in negotiations on local government restructuring. These have included the LGNF in particular, as well as the Housing Forum, the Electrification Forum, and the Water and Sanitation Forum. These forums have involved all key government and nongovernmental players and are controlling government policy and action during the transition period. Salie Manie points out how much the LGNF managed to achieve given the complexity of the issues. "Had we not had the back up of IDRC and INLOGOV and the network around us, quite honestly, it would have been impossible to get as far as we did."

Doug Hindson describes the way in which the National Housing Forum allowed a sharing of experiences and lessons and encouraged a cross-over of ideas not previously encountered. The Urban Foundation had a long history of experience in service delivery, particularly in housing, but was confronting a new reality in a defensive position. The Urban Sector Network, NGOs, and elements of the democratic movement, through their contributions, saw the forum and the Urban Foundation move toward a much more community-involved, participatory approach.

Thozamile Botha, one the chief negotiators, recalls: "INLOGOV became the main back up support for the nonstatutory delegation to the national negotiations. Workshops were held, key research was provided and a dialogue was opened up with organized local government structures. This all happened because there was a centralized body. INLOGOV has been the mainstay of nongovernmental structures involved in local government negotiations."

From the perspective of many people outside INLOGOV, the very act of giving Botha an institute from which to work and the capacity to

engage in the negotiations was key. Amanda Younge asserts: “You cannot put a value to that. He did a remarkable job under the circumstances.”

Some concrete examples of INLOGOV’s support of the negotiations include the following:

- Its key role in drafting the local government bill referred to earlier;
- Technical support of its staff in the drafting of the original RDP by the ANC and its alliance partners; and
- Its assistance in developing the Masakhane campaign, the vehicle for implementing the RDP at the local level.

Given INLOGOV’s role in supporting the negotiation process, the institute was continually engaged in “firefighting.” It organized a number of workshops to develop policies and positions on issues for the negotiations. Intraorganizational conflicts over a number of key issues were worked through at these events and helped the movement present a unified position. Lechesa Tsenoli recalls the important contribution of INLOGOV “as a platform for bringing together people involved in negotiations to share experiences and to reflect on how to approach difficult emerging issues, such as financing local government.”

Because of their high profile, many of INLOGOV’s senior staff have been appointed to official positions within government. Although this has created some difficulties for the institute, it has also had a positive impact. Several people have used their experiences with the Mission and with INLOGOV to the direct benefit of their work in developing government policy. Christiaan Olver, former program manager for INLOGOV, worked on a national framework for urban policy and brought this research with him into his current position as Director of Urban Development Planning with the RDP.

Conversely, some trainees attached to various INLOGOV programs have been drawn into the institute’s structure. A cadre of experts on local government is continually being trained, according to Andrew Borraine, INLOGOV’s second Executive Director. At the board level, members were drawn from different elements of the democratic movement, including the main organizations involved in the Mission. Although it is a nonpartisan organization, as the Mission suggested, INLOGOV may have been considered ANC-dominated because of the

composition of its staff and board. Efforts to broaden its membership are under way.

Christiaan Olver recalls that having a forum to bring people together through the board “ensured that the Alliance met constantly through the period of negotiations to discuss local government and urban development positions. Although they should have been, they were not meeting at any other fora to this end. In the end, it meant we were able to outmanoeuvre the other side.”

The Mission’s report highlighted the underrepresentation of women in structures responsible for urban policy and local government issues, particularly black women. As a means of countering this, INLOGOV has positioned a number of black women in senior positions. “Gender training” forms a part of a number of the institute’s activities. Affirmative action was the lead topic of an INLOGOV-hosted conference on Human Resource Development for Local Governance. According to Lechesa Tsenoli, this was an important conference and exemplifies the ability of the institute to focus on emerging policy issues in local government and provide a platform for their discussion.

One important by-product of the Mission’s work, mentioned by Michael Sutcliffe, was the creation of a better understanding among its members of how the international community, including donors, operates. “In 1991, we had a very limited concept of how the bigger world operated,” says Sutcliffe. The Mission process, over the subsequent months and years, contributed to the democratic movement’s ability to relate to this bigger world.

## **Impact of the Mission in the Postelection Context**

From the outset, the creation of an urban institute was seen to be relevant to all three stages outlined in the *Transitional Measures for Local Government Act*. INLOGOV programs, since the election, have continued to have a substantial impact on the local government transition process. Staff serve as advisors to or members of a number of key government departments and commissions involved in local government and, through this, are having a direct impact on government policy development.

INLOGOV has also created the impetus for a number of programs that are now being carried out by other organizations or government, including development of the concept of strategic management and transformation. Trevor Fowler notes that the approach emanating from the research and workshops of INLOGOV has now been incorporated into many provincial and ministerial structures across the country.

INLOGOV initiated a lot of processes and policies, even if there has not been the capacity to carry through on all of them. This has partly been the result of using the policy and research program to be one step ahead of what is required. This research focus was really born out of the “cities in transition” process and is what INLOGOV is all about.

Some board members suggest that INLOGOV’s training function has developed substantially whereas the research program still requires strengthening. Michael Sutcliffe notes: “We are probably still today not taking urban policy seriously enough. One of the failings of INLOGOV to date may be that it has not engaged in enough fundamental and applied research. In this sense, some of the vision of the Mission has not yet been fulfilled.” He believes that this is due in part to lack of resources for research, especially in the post-1992 period.

In this postelection time frame, many of the recommendations are still valid. The document itself is as relevant today as it was 2 or 3 years ago. It still captures the key urban issues facing us. We have not yet implemented all of the recommendations, and I think we should.

There are obviously differing views as to how far INLOGOV has gone toward meeting its objectives. Clearly, there is disagreement about whether to adopt a developmental focus or an institutional one. Furthermore, some believe that INLOGOV’s affirmative action approach, although positive in spirit, has diminished its institutional capacity to function as a urban policy think tank. A shortage of resources, the departure of key staff since its establishment, and a subsequent failure to attract a critical mass of highly skilled policy and research personnel threaten INLOGOV’s capacity to have an impact on the future urban policy debate.

Instead of a central urban institute per se, Doug Hindson describes centres of research and policy formulation around the country, which consult with the new government and ministries. This fragmented set of loci for policy planning, allowing for autonomous and nonpartisan research, can be positive, he maintains. Still, Christiaan Olver has

pointed out: “We need an urban institute or think tank and it’s not there today. In this sense, the urban policy mission has failed in its long-term vision.”

Although much has been accomplished by INLOGOV in meeting the objectives envisioned in the Mission’s report, many challenges lie ahead. The ongoing need for research and policy leadership has been enunciated by many. Christiaan Olver believes that IDRC has not devoted sufficient financial or human resources to this “animal it has created.” In his and other’s opinion, IDRC should have, and could in the future, provide support by interesting key external and South African intellectuals in the area of urban policy. Many believe that consolidation of key people working in this area within INLOGOV and the provision of a forum to bring the broader community together to reflect on future needs in urban policy and local government is now required.

In the regional context, there is an enormous potential for INLOGOV, some of which the Mission envisioned in its report. Currently, the feasibility of an Eastern and Southern Africa Local Government Datacentre is being examined. Also, INLOGOV has agreed to be the southern African coordinator of the Global Urban Research Initiative network.

## **Conclusion**

The situation in South Africa in the early 1990s and the lack of capacity to deal with urbanization and local government transition made the timing, composition, and content of the Mission important. As a general comment, Doug Hindson noted that IDRC, in all of its early work during the transition process in South Africa, helped to support, galvanize, and promote ideas in a positive and helpful way. These ideas could not have matured otherwise, because of the fragmented nature of the democratic forces. “[IDRC] anticipated processes, put resources into initiatives which then took off, and helped concentrate energies and ideas around change.”

Clearly the greatest impact of the Mission and its report was to generate support for the creation of a local government institute. The building of capacity, leadership, and substantive policy and research support for the democratic movement through INLOGOV during the transition phase for local government has been well documented along

with its immediate and short- to medium-term impact. Now, 3 years later, this contribution to local government policy, research, and capacity building from IDRC's urban policy mission continues to have an impact as South Africa moves into its first local government elections in 1995.

# Appendix A

## MEMBERS OF THE MISSION

### External Members

**Patricia McCarney (Mission Leader)**— *Associate, Centre for Urban and Community Studies, University of Toronto, Toronto, Canada*

**Pierre Beaudet** — *Researcher, Centre d'information et de documentation sur le Mozambique et l'Afrique australe, Montreal, Canada*

**Mohamed Halfani** — *Senior Lecturer, Institute for Development Studies, University of Dar es Salaam, Dar es Salaam, Tanzania*

**Richard Stren** — *Director, Centre for Urban and Community Studies, University of Toronto, Toronto, Canada*

**Marc Van Ameringen (Mission Coordinator)** — *Director, Regional Office for Southern Africa, International Development Research Centre, Johannesburg, South Africa*

### South African Members

**Thozamile Botha** — *Head, Department of Local and Regional Government and Planning, African National Congress, Johannesburg, South Africa*

**Vakele Mayekiso** — *Northern Orange Free State, African National Congress, Welkom, South Africa*

**Moses Mayekiso** — *President, South African National Civic Organisation, Johannesburg, South Africa*

**Penny Narsoo** — *Administrator, South African National Civic Organisation, Johannesburg, South Africa*

**Michael Sutcliffe** — *Southern Natal Region, African National Congress, Durban, South Africa*

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## **Appendix B**

# **ORGANIZATIONS CONSULTED DURING THE MISSION**

Alexandra Civic Organisation

African National Congress

BASIN Trust

Beacon Bay Squatters Committee, East London

Built Environment Support Group, University of Natal

Cape Town City Council

Civic Association of the Southern Transvaal

Centre for Community and Labour Studies

Congress of South African Trade Unions

CORPLAN, East London

Development Bank of Southern Africa

Development Action Group

Duncan Village Residents Association, East London

Durban City Council

Economic Policy Unit, Pietermaritzburg

Fifth Goldfields Metropolis

Foundation for Contemporary Research

Grahamstown Rural Action Committee

Inanda Civic Association

Independent Development Trust

Johannesburg City Council

Johannesburg Civic Association

Johannesburg Metropolitan Chamber

Joint Executive Authority, Natal

Kwandebele Civic

KwaZulu Development Council

KwaZulu Development Trust

KwaZulu Finance Corp

Natal Provincial Administration

Natal Regional Planning Institute

National Housing Forum

Orange Free State Rural Committee

Planact

Port Natal Ebhodwe, Joint Services Board

SOMACA

South African Communist Party

South African Housing Trust

South African National Civic Organisation

Soweto City Council

Soweto Civic Association

Surplus Peoples Project

Tamaho (squatters)

Transvaal Provincial Administration

University of Cape Town

University of Durban, Westville

University of Natal

University of the Western Cape

University of Witwatersrand

University of Zululand

Urban Foundation

Weiler's Farm (squatters)

Zevenfontein (squatters)

## **Appendix C**

# **ACRONYMS AND ABBREVIATIONS**

ANC	African National Congress
BLA	black local authority
CODESA	Convention for a Democratic South Africa
COSATU	Congress of South African Trade Unions
DBSA	Development Bank of South Africa
Eskom	Electricity Supply Commission
GDP	gross domestic product
IDRC	International Development Research Centre
IDT	Independent Development Trust
INLOGOV	Institute for Local Governance and Development
LGNF	Local Government Negotiating Forum
LOGOPOP	Local Government Project
NGO	nongovernmental organization
NUI	National Urban Institute
NUM	National Union of Mineworkers
NUMSA	National Union of Metal Workers
PWV	Pretoria, Witwatersrand, Vereeniging metropolitan region in southern Transvaal
RDP	Reconstruction and Development Programme
SAHT	South African Housing Trust
SANCO	South African National Civic Organisation

TMC transitional metropolitan council  
TVBC Transkei, Venda, Bophuthatswana, Ciskei (former) homelands  
  
URG Urban Research Group  
USAID United States Agency for International Development  
  
WLA white local authority

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