

## **ECONOMIC CRISIS, SPATIAL TRENDS AND SUSTAINABLE URBANIZATION, PLANNING AND GOVERNANCE**

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### **ABSTRACT**

South Africa's defragmented spatial patterns, unattractive and mono-functional settlements, especially the former locations, perhaps bear full testimony of the limitations of the planning systems in place. Characterized by incoherent and lengthy land market processes, the planning system in South Africa has rendered many a township to near-slum living conditions.

Not only are the townships in a state of disrepair but they are also not economically viable and thus not sustainable. Clearly, more proactive, less cumbersome and flexible avenues of planning need to be investigated.

The FIFA World Cup 2010 poses myriad challenges for local government. In anticipation of South Africa hosting the FIFA World Cup 2010, a number of municipalities and civil society bodies have embarked on upgrade projects. Ekurhuleni Metropolitan Municipality (EMM) is one such municipality. Although the EMM has not been earmarked to host any of the mega event's matches, it has rolled out a substantial budget to beautify its area of jurisdiction. Much of the capital spending of the abovementioned budget has been set aside for what is termed the 2010 Legacy Projects.

Legacy, by implication, connotes long term benefits and the taking of pride in something. The question is then, what are or what will the benefits of these Legacy Projects be and what impression will be left after the World Cup on the ordinary South African living within these areas? Essentially the question being asked is "Apart from the potential financial gain, infrastructure improvement and facilities upgrading, is the standard of living of individuals, especially those in townships going to improve?"

The improvement of the above entities is paramount in the face of South Africa's development agenda. What should however take precedence is the accessibility of ordinary citizens to these improved entities and amenities. Secondly, the role and extent to which these will be improved needs to be informed by the citizens i.e. development for the people by the people.

There is a long history of policies that have sought to improve people's lives in South Africa. However, in retrospect, many of these policies, strategies and projects have worsened people's lives. Clearly, this cannot be allowed especially at this late juncture in our development agenda, which seeks to drastically reduce poverty levels in our country.

In this regard, this paper seeks to elucidate EMM's expectations vs. society's expectations of the projects coined as Legacy Projects. It questions the legibility and intensions of the Legacy Projects currently being implemented in Vosloorus, a township under the jurisdiction of the EMM. It will then draw comparisons with the townships Kathlehong, Thokoza (which together with Vosloorus form Katorus).

### **Mega events in developing countries**

For developing countries, bidding for hallmark sports or mega events has become a political endeavour. It in this arena that public funding in the name of better infrastructure, International Relations are freely accessible (Black and Van Der Westhuizen, 2004: 1195). While the hosting of mega events promises the luring of opportunities, both of economical gain and to project the host country or city in a favourable light (Cornellison, 2004:1293), the purported gains of mega events remain highly ambiguous and highly politicised.

In South Africa, through its various bids to host hallmark or mega events, the aim has been two-fold. Firstly, it has to do with the keeping up of the image of the "Rainbow Nation" (Black and Van Der Westhuizen, 2004: 1198) where an image of unified identity despite the country's history is garnered for. Secondly, it is simply for the economic gains to address the great imbalances between the so-called "haves" and "have nots" that are consistent within South Africa.

The developing world has been devoid of opportunities to host mega events. There is also a new wave of recognition that the developing world could possibly be able to host such events. The 2010 FIFA World Cup in South Africa holds testament of this. The question is: "Can the sacrifices made in hosting such events be justified in the face of these countries' plights?" The answer to the above question is neither simple nor is it diplomatic, particularly to the masses who are without employment opportunities. Refraining from bidding for such events makes government appear to be non-progressive and not innovative in their

undertaking of poverty alleviation. On the other hand, continued bidding for such events makes government appear as though it is mispending public funds. Indeed, all in all, this is a difficult position for any developing economy to be in.

### **Way Forward: After the 2010 FIFA World Cup**

What used to be every developer's buzz word in South Africa is now a distant memory. Indeed, the numerous guest houses and lodges that lie vacant in the wane of the world's greatest tournament are testament to the above. The hosting of the 2010 FIFA World brought with it many opportunities and challenges. After a month having hosted the mega event, it is difficult to measure the true benefits of the tournament. Many argue that the truest benefit that South Africa achieved through the World Cup is the perceived new found unity that now persists in the country.

Unfortunately, unity and better social cohesion do not equate poverty alleviation. It can be argued that only the big corporations truly gained from the World Cup. On the other hand, little or no benefit trickled down to grass root levels where the highest levels of poverty persist. This inability of a mega event to churn out desired results should be thoroughly investigated. It is cardinal for a country such as South Africa to be able to bid and host mega events such as the World Cup and possibly the Olympics. It is even more imperative for the "spoils" of hosting such events to be shared amongst its people.

The years leading up to the World Cup saw the South African government gearing the country for the spectacle. Many infrastructure projects were embarked upon. Needless to say, numerous employment opportunities were created, albeit most were temporary. The improved infrastructure and services mean better handling capacity and this is quite important for a developing economy. It means that foreign capital investment can be attracted but what of local usage?

This paper aims to elucidate the reality and perceived benefits of hosting the World Cup. The townships of Vosloorus, Katlehong and Thokoza, in the jurisdiction of the Ekurhuleni Metropolitan Municipality (EMM) have been chosen to form the study area. Ekurhuleni has been specifically chosen as it did not host any World Cup match. However, EMM did engage itself in what it termed "Legacy Projects". These projects according to the EMM would be the remnants and reminder to its citizens of what truly is a once in a lifetime opportunity, the hosting of the soccer World Cup.

## **Setting the Scene**

The townships of Vosloorus, Katlehong and Thokoza form Kathorus. Kathorus is situated in the southern region of the EMM's area of jurisdiction according to the Regional Spatial Development Framework. Kathorus is approximately 25km south east of Johannesburg. Kathorus is further served by three Central Business Districts (CBD's) namely Alberton, to the west of Kathorus, Germiston to the north east and Boksburg to the east of Kathorus.

The southern region represents the largest population size in Ekurhuleni and accounts for 36.8% of its total population (RSDF, 2007: 57). Coupled with the above, the Kathorus area mainly falls into the low income group. In this instance, the highest levels of poverty are within the study area. Furthermore, it is envisaged that the population growth of Kathorus will be less than 0.2% from 2015 to 2020 as a result of the prevalence of the HIV pandemic.

Comparatively to other typical townships, Kathorus is weakly endowed with viable economic opportunities. The townships in Kathorus are located a significant distance away from their CBD's and thus the sustainability of these townships is undermined.

## **Legacy Projects at a glance**

Much of the focus of the so-called Legacy projects was construed on the improvement and renovation of informal soccer fields. The soccer fields or stadia that were up for renovation in the Kathorus area were the Vosloorus and Katlehong Stadium. The work on the Vosloorus Stadium has been completed while work on the Katlehong Stadium is expected to be completed in February 2011. What benefits will be enjoyed by the completion of these stadiums? It can be noted that the measure of any meaningful event should be how it will influence and remain to influence the lives of local people way after it has come and gone. Could it have then been folly on the part of the EMM to focus its attention, budget and energy on the renovation of soccer stadia?

There appears to be no economic spin-offs to be gained by the pursuance of these projects other than the temporary employment opportunities that may have arisen during their completion. In addition, the renovation of these stadia or soccer fields will require a concerted effort in maximising their long-term sustainability in terms of maintenance. This effort will no doubt result in money always being spent. In essence then, these stadia will become ever more financially dependent on a metro with a limited cash flow. It is quite possible that the focus of such projects could have been much more broadly defined.

## **Ekurhuleni's core business**

The first point of departure is to note that Ekurhuleni has quite possibly the highest concentration of informal settlements in Gauteng. Secondly, the bulk of Ekurhuleni's area of jurisdiction is still largely industrial. In this regard, it is imperative for Ekurhuleni to marry its continued growth patterns with the retention and attraction of business and investors. The presence of a first and second economy, in the context of broader Ekurhuleni and Kathorus needs to be mitigated. It can be argued that Kathorus needs localised interventions. The renovation of stadia in light of the above highlighted socio-economic problems is misguided.

Being largely industrial, there exists a good transport system within and around Ekurhuleni. This includes rail, road and airports. This transport system is however alien to Kathorus. Weak linkages to and from Kathorus have meant that pockets of poverty are still widely prevalent. Industrial development requires high levels of agglomeration so that economies of scale can be exploited. Add to this the proximity of industries to residents is also important.

Gertler, Wolfe and Gartuk (2000) argue that there are primarily three reasons as to why agglomeration will remain a cardinal phenomenon in the development of cities. Firstly, face-to-face interaction facilitates the sharing of information and learning. That is, through face-to-face interaction, the dissemination of ideas is more clearly pronounced and this can foster a spirit of entrepreneurship amongst citizens. Entrepreneurship and a resultant informal economy are necessary because the formal market is incapable of absorbing all the citizens of Kathorus.

In the second instance, location dictates a certain culture of conducting business for the corporations that are in the immediate vicinity. This sense of culture of location in turn fosters a sense of identity and connection with the location. This has particular relevance for Ekurhuleni because of the three metropolitan municipalities in Gauteng, Ekurhuleni has the most ambiguous identity. Lastly, the sense of culture referred to above leads to the creation of leading regional players who, overtime, regulate how business is conducted within a region. This could have negative outcomes such as the creation of monopolies. It is imperative then that the role of these players should not be overestimated. In this regard, competition is an integral part of any healthy economy.

Coupled to Ekurhuleni's industrial nature, it is also home to the busiest airport in Gauteng, the OR Thambo International. This airport, along with its surrounding and affiliated industries forms a significant aerospace village. In their book, *Global City Regions: Their emerging forms (2000)*, Simmonds and Hack note the importance of aerospace industries in the cities of Madrid, Tokyo, Bangkok, Boston, São Paulo. Their findings can be summarised as follows:

1. Aerospace villages experience tremendous volumes of international visitors. This aspect of aerospace villages solicits two fundamental implications. Firstly, it supports the idea and need for the creation of tourist attractions as a matter of supporting the region within which it is situated economically. Secondly, it bears the possibility of attracting individuals and companies with specialised skills and knowledge sets for the further development of local regions.
2. Aerospace villages offer points of access in a rapidly globalising world. They (aerospace villages) maintain the "social-facade" of globalisation. This facilitates the sensitisation of globally accepted practices and norms via face-to-face interaction. The result is that the accepting aerospace village's populace emulates perceived successful patterns of behaviour from their visitors and models its behaviour accordingly.

The above should not be deemed as mechanisms of aerospace villages to disable globalisation. Rather, it should be seen as those elements that need to be retained if we are to continue to develop cities for people.

In this ever globalising world, aerospace villages are the facets of the emerging economy that have maintained spatial, physical networks. The networks referred to here are roads and railway lines, which Kathorus for instance is inaccessible. In turn, roads and railway lines still maintain strong bias for the manufacturing industry.

### **Prevailing township conditions**

The World Cup could not have possibly suddenly liberated Kathorus or any other township for that matter, at least not economically. Cognisance must be taken that it (World Cup) was one event with a number of opportunities and the nature of opportunities generated thereby are not necessarily long lasting. There are prevailing conditions that have rendered Kathorus hostage to poverty and these are discussed below.

## **Zoning versus performance driven land use management: The irony of the developmental state**

The norm in South African planning is that of zoning. Zoning is the practice of the designation of land parcels into certain land uses. This practice is most widely used to separate incompatible land uses from each other. For example, residential land uses are separated from industrial or noxious uses. While this practice has its basis in the promotion of the health citizens, it also has limiting consequences. Zoning is used mostly as a land use management system (LUMS). For many people, LUMS is perceived as the day-to-day operation of local authorities.

It therefore takes little or no cognizance of future planning as espoused by Integrated Development Planning. The absence of such a linkage trivialises development where development connotes progress and zoning connotes control and therefore reluctance for the acceptance that things change. The time and resources spent on land use change applications can be lengthy. This demoralizes and frustrates developers and citizens alike. The result is that development is curtailed and opportunities cannot be optimally exploited.

What is called for is the introduction of flexible and responsive land use mechanisms. This would allow property owners to use their properties accordingly so long as the public good precedes that of the individual. For impoverished and highly illiterate people of such townships as Kathorus, property ownership will gravitate from being perceived as a burden towards a capital generating entity. The positive aspects of such an outlook are inter alia (but not limited to) better maintenance of property, cleaner environments etc.

## **Unbalanced space economics**

South African society has been duped in believing that apartheid is solely responsible for the spatial and economic disparities that exist in the country. The National Spatial Development Perspective (NSDP 2003) makes a startling contribution to the understanding of these imbalances: there are areas across South Africa with varying levels of economic potential. The distribution of these areas is not even. It thus suffices that varying degrees of economic potential will yield varying degrees of social prosperity.

The above posits a fundamental consideration from a policy point of view and that is space and therefore regions are not homogenous. Rogerson (2009: 113) avers that traditional regional economics seeks to integrate economically lagging regions or places within the

broader scope of national economics and interventions. This is flawed since places are unevenly endowed with resources and opportunities. This means that those places or regions currently experiencing high or moderate levels of prosperity will continue to be ahead of those places currently lagging.

Thus, the issue is not so much the equalisation of affluence and/or prosperity levels within places but rather the improvement of people's lives within those places that are lagging. In this breath, Rogerson (2009) again notes that traditional regional economic planning's focus was on the embedding of industries within lagging regions or places. The perceived benefit of this practice was for those industries to produce "ripple effects" such as employment and from employment better support of local businesses. This approach has had little effect, if any, in redressing the country's space economics.

There is currently a nuanced effort to promote the ideology of polycentricism in the world in order to address spatial and economic disparities. According to Sandberg and Meijers (2006: 1), polycentricism is the distribution of economic or economically viable functions over space. The outcome of this is that numerous economically viable centres would start to develop as opposed to one or two that dominate the region and thus attract people to them. This notion has holds much of its basis in the notion of decentralisation.

The plethora of development policies in South Africa and perhaps in the majority of the world concentrate on the redressing of "place". In other words, a lot of emphasis is placed on physical space rather than on people occupying that space or place. The result is thus a narrow view and definition of problems that beset society. The NSDP (2003) takes a very strong stance against this. It advocates for the planning for people rather than places.

The economic hubs of Ekurhuleni such as Germiston, Alberton, and Kempton Park etc. will not be replicated in Katorus or any other township. Neither the building up of infrastructure nor the establishment of industries within Katorus will lead to the betterment of people's lives. What is needed is a paradigm shift in the current development discourse of Ekurhuleni and South Africa as a whole.

The numerous and mostly expensive infrastructure development programmes undertaken by government are not responsive and reflective of people's needs. They exaggerate the notion of "trickling down" benefits that such projects engender. In addition, they increase people's

dependency on government and in the same breath diminish citizenry and people's ability for entrepreneurship and ingenuity.

### **Intangible Capitals**

Major government interventions lack the "social" dimension of planning. Society is often an afterthought presided by attention to technical details and specifications of projects dictated by policy. This fallacy is by and large responsible for the lack of citizenry amongst South African citizens especially those in the townships. Katorus is one instance where a lack of citizenry is rife. Staggering numbers of young people are unemployed in Katorus and correspondingly, levels of optimism in this group of people are very low.

The lacks of infrastructure linkages between Katorus and the broader Ekurhuleni have been highlighted. The linkages advocated in the following sections are those between the people of Katorus. Because of Katorus's poor institutional capabilities, this sub-region's ability to "learn" has been drastically reduced. Simmie et al. (2008: 4) note that it is those places, cities or regions that increase their ability to absorb new technologies and trends that are best suited to generate positive economic development and thus growth.

Key to a place's ability to learn is the role of local networks (Simmie et al. 2008; Rogerson, 2009). This has both positive and negative impacts. Rogerson (2009: 117-118) cites "untraded interdependencies" as playing a role in risk sharing and the reduction of uncertainty. Untraded interdependencies can broadly be thought of as socio-cultural relations such as trust, the ability to learn from people within their immediate vicinity etc. These interdependencies are cardinal in development since whatever will be done for one neighbourhood will ultimately affect all within that neighbourhood, for example. On the other hand, if low levels of literacy and knowledge, such as in Katorus, exist within a place or region, places become enemies unto themselves and thus there exists high potential or tendencies of such places to regress or ultimately self-implode (Simmie et al. 2009: 7).

The key is citizenry mobilisation in the form of extensive social capital investment. Social capital refers to the institutions, relationships, attitudes and values governing interactions amongst people and contributing to economic and social development (Iyer; Lyden, 2003). Critical to the establishment of the above is the need for the reduction in government intervention within regions and economies. As Rogerson (2009: 114) observes, the often

followed route of intervention is standardisation which does not take cognisance of local institutional, socio-political conditions.

It is argued herein that stronger social capital in Katorus would lead to better development of the sub-region. The dormancy of townships including Katorus inhibits the growth of their social capital. They (the townships) represent only places of residence and not where citizens can play and work. Carmona et al. (2003) echo Buchanan's assertion of place in that places are not just spaces but all the activities and people found within that space. Overtly, Katorus lacks the above characteristic.

### **Conclusion**

This paper set to elucidate people's perceived benefits of hosting the 2010 FIFA World Cup. It was established that Katorus has not gained all that much as a result of the World Cup. In attempts of imprinting this mega event, Ekurhuleni embarked on several projects. Of interest to this paper was Ekurhuleni's Legacy Projects. The paper illustrated how fallible investment in hard infrastructure as a means of alleviating poverty can be by questioning the narrow-guided interventions that government and local authority often take.

The building of local social capital was presented as an alternative to conventional planning practice. Planning practice trajectory points to the increased involvement and mobilisation of people in development. This will foster a spirit of ownership of areas and development championship. It is deemed insufficient for citizens to have buy-in development proposals. Citizen's and local institutions' wells of knowledge need to be strengthened and deepened. At the core and as a result of all the above, it is envisaged that innovation will stem. From this, it is envisaged that new industries or sectors of employment will be generated and thus levels of dependence of government significantly decreased.

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Economically, today's discussions of globalization are connected with the sharp increase in global trade and investment that took place in the late 20th century, the. The crisis has cast into sharp relief the many faults and obvious fragility of the globalization model of the early 21st century (Globalization 1.0) in its economic, technological, political, military-technical and humanitarian dimensions. The term "globalization" has by now acquired negative connotations almost worldwide, the expert discourse has come to be dominated by various alternative scenarios for the subsequent development of the international system. Sustainable urbanization. Thematic Think Piece UN Habitat. The views expressed in this paper are those of the signing agencies and do not necessarily reflect the views of the United Nations. They are also a major factor in environmental trends and sustainability processes. Urbanization is thus providing the setting, the underlying base, and also the momentum for global change. The above elements, coupled with the current urban based and crisis-ridden modes of economic development underscore the need to pay attention to the urbanization agenda. On this aspect, there are important lessons to be derived from recent experiences. Asia-Pacific Urbanization Governance Planning Institutions New Urban Agenda (NUA). This is a preview of subscription content, log in to check access. References. Vinod Kumar TM (ed) (2019) Smart metropolitan regional development: economic and spatial design strategies. Springer, SingaporeGoogle Scholar. Wake A (2018) A troubling trend: declining media freedom in Southeast Asia, war on the rocks. <https://warontherocks.com/2018/04/a-troubling-trend-declining-media-freedom-in-southeast-asia/>. Das A., Dahiya B. (2020) Towards Inclusive Urban Governance and Planning: Emerging Trends and Future Trajectories. In: Dahiya B., Das A. (eds) New Urban Agenda in Asia-Pacific. Advances in 21st Century Human Settlements.