

LEARNING FROM THE EXPERIENCE OF OTHERS: SOME POINTERS FOR A GROWTH MANAGEMENT POLICY FOR SOUTH AFRICAN CITIES

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Issues that should be prominently placed on an agenda for an urban growth management portion of the RDP are identified in the paper from a review of international aid agencies and United States domestic experience, and are briefly described. These issues are:

- *policies and programmes must be interlinked and form part of a holistic overall strategy*
- *spatial segmentation of residential areas must be reduced*
- *the resource allocation question "efficiency vs need" must be resolved*
- *urban productivity must be im-*

proved

- *appropriate information and modeling systems must be utilised.*

A final issue, for the professions: they must step outside their traditional role.

Kwessies wat voorrang op agendas vir die groeibestuur gedeelte van die HOP behoort te geniet, word op grond van 'n oorsig van internasionale hulp-agentskappe en huishoudelike onder-vinding in die VSA geïdentifiseer en kortliks beskryf. Hierdie kwessies is:

- *beleide en programme moet verweef word en deel uitmaak van 'n holistiese oorhoofse strategie*
- *ruimtelike segmentasie van woon-areas moet verminder word*
- *die toedeling van hulpbronne vraagstuk "efficiency vs need" moet opgelos word*
- *stedelike produktiwiteit moet verbeter word*
- *toepaslike inligtings- en modeleringstelsels moet gebruik word*

Ten slotte, met betrekking tot die profesies: hulle moet buite die bestek van hul tradisionele rol optree.

1 INTRODUCTION

Interest in urban growth management approaches is strong in the United States, for domestic use, but also, among international aid agencies and consultants, for application in developing countries. Whereas the domestic agenda is usually how to manage urban change, in developing countries the agenda is how to control the major levers of change, as the total amount and rate of change is beyond detailed control.

The designers of South Africa's Reconstruction and Development Programme (RDP) would do well to learn what they can from the wealth of experience in developing countries of significant United States-based agencies. There is also much to learn from agencies involved with United States domestic issues.

The coordinator of the UNCHS (Habitat)/World Bank/UNDP Urban Management Programme shares this opinion. In July (1994) he highlighted

three short-term urban management issues that face South Africa. These are:

- " (i) The need to judiciously establish metropolitan and sub-structure (local government) boundaries in the metro areas to support the political and economic development of these cities ...
- (ii) The importance of quickly developing local versions of the national RDP ...
- (iii) The dissemination of information about successful (urban management) and services/housing finance experiences. Within a single metropolitan area, sentiment can range from unquestioning support to outright resistance to these approaches to urban development. At the same time, there is *limited awareness of both national and international examples of good practice.*"

(Leitmann 1994) (Author's italics)

This paper identifies selected issues that should be prominently placed on an agenda for an urban growth management portion of the RDP, and reviews international aid agency and United States domestic experience to illustrate significant aspects of each issue.

The selected issues are, in random order:

- *policies and programmes must be interlinked and part of a holistic overall strategy*
- *spatial segmentation of residential areas must be reduced*
- *the resource allocation question "efficiency vs need" must be resolved*
- *urban productivity must be improved*

- appropriate information and modeling systems must be utilised.

The sixth issue is for the professions: they must step outside their traditional role.

Space does not permit coverage in this paper of four more issues that made the original "top ten" list. These are:

- appropriate institutional frameworks must be structured and resourced
- local capacity must be built
- environmental needs must be responded to
- very basic services must be made available to all.

In respect of each issue, the sequence adopted is:

- describe the analogies
- offer pointers to a way forward, such as overseas initiatives that should be monitored by the RDP team, or pitfalls, encountered overseas, that should be watched for in South Africa.

As an important aside, it is worth nothing that Leitmann expressed concern that, were the process of formulating the local RDPs to be rushed, and too much influenced by "realpolitik", long-term urban productivity might be sacrificed to short-term political expediency. Gildenhuys, at the recent SAITRP conference on growth management, expressed similar sentiments, saying that there was a danger in simply responding to immediate demands, because doing so could "cast the apartheid city in concrete" (Gildenhuys 1994).

2 ISSUE 1: URBAN POLICIES AND PROGRAMMES MUST BE INTERLINKED AND COMPREHENSIVE, AND PART OF A HOLISTIC NATIONAL APPROACH

"Past urban operations focused on neighbourhood interventions - such as sites and services and slum upgrading during the 1970s and municipal devel-

opment and housing finance during the 1980s. Assessments of this assistance conclude that citywide impacts have been rare and that the pace of urban growth far exceeded the scale of the urban program. Today, there is a need to focus urban operations on citywide policy reform, institutional development, and high-priority investments - and to put the development assistance in the urban sector in the context of broader objectives of economic development and macroeconomic performance" (The World Bank 1991).

As an example of this in the United States, public (i.e. subsidized) housing is generally of what South Africans would regard as a high structural and accommodation standard. But many public housing schemes are areas of extreme anti-social behaviour, in part because other aspects of urban management (for example crime prevention, education and employment) are not adequate.

The Urban Management Programme recently acknowledged "... the essential cross-cutting nature of urban management ... (It is) focusing attention on the interrelatedness of (all) components and the importance of ensuring that they are worked on as linked facets of the same complex of issues. Land issues, for example, inevitably involve consideration of the effects of and requirements for infrastructure on land use and prices. Similarly, provision of infrastructure or environmental services raises questions of municipal finance and administration; poverty alleviation involves reviewing service standards and financing" (UNCHS (Habitat)/The World Bank/UNDP 1994).

Urban management requires a holistic approach and a sustained effort and infusion of resources. Understanding of the relationship among issues must underpin the formulation of an agenda. An integrated approach is needed to set priorities across programme goals, and recognize opportunities for different programmes to reinforce a common set of goals.

Which is not to disparage narrow-focus programmes intended to demonstrate replicable approaches, provided that the frameworks are in place to integrate the demonstration program-

mes.

Fittingly, the six "core principles" on which the RDP is based stress the need for an "integrated and sustainable" approach - this is the first principle (African National Congress 1994).

In the United States, as an attempt to encourage a holistic approach at local level, legislation authorizing the creation of empowerment zones, with the promise of grant funding by the federal government, was passed in 1993. The programme will create "empowerment zones" in low-income neighbourhoods scattered in six urban and three rural areas around the country. The locations selected will be treated to an infusion of federal largesse - a total of more than \$2 billion in tax incentives in addition to \$100 million in grants to each urban zone and \$40 million to each rural area. The plan also will create 60 urban and 35 rural "enterprise communities", which will get grants of as much as \$3 million each. (The process of adjudication is taking place at the time of writing.) If the programme is successful, larger amounts of funding will in subsequent years be made available for an expansion from this initial small base.

From the start, the empowerment zone effort was designed to compel communities to improve themselves no matter what the outcome of the empowerment zone selection process. Towns and cities have to compete for the federal money by showing how well their citizens already are working together to improve their lot. The places that show the most initiative will presumably get the nod. It has to be a bottom-up process, involving the local community-based, not-for-profits and local civic institutions.

Vice President Gore gave to this concept the credit for giving cities the incentive to do what they all along should have done, and were capable of doing. He called this process of cooperation within cities "the Dumbo paradigm". "In the children's classic, Dumbo is an elephant who can fly, but he thinks he needs the encouragement of a 'magic' feather to get off the ground. Eventually, Dumbo learns to fly by himself, without the feather. ... Although the decision is months away

on which communities will get 'empowerment zones', benefits from the program already are starting to flow ... Across the country ... the elaborate efforts needed merely to apply for the funds have created many small and some large advances for the communities involved. As a result, the empowerment zone program is one of the few concrete examples of how government can instigate change without directly spending a dime - an oft-stated although rarely achieved goal of the Clinton administration. (Admittedly) only a few communities actually will get grants, and the amount of money, although large, is tiny compared with the problems." (*Wall Street Journal* 1994)

3 ISSUE 2: REDUCE SPATIAL SEGMENTATION, BY RACE OR INCOME, OF RESIDENTIAL AREAS

The extent of residential segmentation in South Africa, by race and income, and the role of legislated segregation needs no description here. Nor is a discussion needed of the effect of this on urban productivity, for example. However, it is timely to review where the United States stands at this time, when we are seeking to emulate the best of their experience.

"Twenty-five years ago racial segregation appeared to be the overwhelming source of geographical segmentation in urban areas. Since then, in most urban areas the segregation of African-Americans from whites has declined modestly but steadily. Income segregation, however, has increased ... Neighborhoods are becoming more homogeneous by income class, and the income differences between neighborhoods are widening. One contributing factor is greater separation by income within the African-American community. The middle class of all races, which historically has provided stability, is now deserting the city and its institutions" (The Urban Institute 1992).

Another study attributed the rise in concentration of poverty to higher birth rates in poor areas and immigration to these areas, rather than flight to the suburbs (*New York Times* 1993).

The "concentrations of poverty", whether in inner-city high-rise apartments or (in developing countries) peripheral shack areas or anywhere else, leads to social isolation of communities from each other. This constrains access to jobs and quality education, and exposure to positive role models. There is some evidence of a "negative critical mass" that, when reached, causes the departure of the remaining potentially supportive assets, and the resultant creation of "new ghettos".

One school of thought, when communities are considered to be beyond upliftment in their present form, is to break them up: Do not "ghettogild". Jobs and good schools are in the suburbs, the thinking goes, and inner-city underclass people must be encouraged to move there. Solutions thus proposed include "moving to opportunity" (i.e. HUD programme of moving selected inner-city families to suburbs).

The converse of the above is "urban homesteading", whereby more affluent people who may serve as role models for underclass communities or as catalysts for positive community activity are attracted to underclass areas, by means such as:

- subsidies for property purchase or upgrading
- provision of attractive facilities in the inner cities, such as better schools.

The analogies with a South Africa that has abandoned statutory residential area segregation by race are very valid, if not always apparent. For example, those parts of United States cities where African-Americans have traditionally lived are being "rapidly" depleted of their middle- and working-class (*New York Times* 1994). Particularly, the "touchable" role models are leaving areas where their influence could be most positive. But who can blame them? "Most often they say they move to escape ... the violence and incivility ...".

When all positive role models have left Soweto for Randburg and Orange Grove and Langa for Pinelands and Rondebosch, who will the township youth have left to look up to?

4 ISSUE 3: RESOLVE THE RESOURCE ALLOCATION QUESTION: EFFICIENCY AND ECONOMIC SUSTAINABILITY, OR NEED AND EQUITY?

Invest where most bang for the buck (efficiency, effectiveness and/or sustainability) or where greatest need and equity is?

If the latter, could this not be creating a situation of dependency?

There can be, and often is, a conflict between "sustainable investment" and "equitable investment".

For example: Without economic growth, the local government faces a stable or shrinking fiscal base. Accordingly, local governments that are not too concerned with equity are most likely to promote the type of investment policies that enhance their economic well-being, and to avoid policies that have negative effects on the local economy. By contrast, redistributive policies benefit low-income residents but, at the same time, may negatively affect the local economy, for example by attracting the needy to the city that they perceive as a "soft touch" or, at least, as not hostile to their presence. Many policies contain elements of both: for example, a policy to provide shelter for the homeless will likely bring business to the local suppliers of building materials.

One can in theory make a rough calculation whether a policy is redistributive or not by estimating whether those who pay for services in local taxes are those who are receiving the resultant services. This is likely to be difficult in practice. For example, the many recent studies on illegal immigrants to the United States do not agree whether they are a net drain on the economy or not, let alone how much the deficit (or net benefit) is.

Taking the resource allocation debate further, by means of another example: Spreading limited resources equally over all needy areas may not be effective. There is a need to concentrate effort. The "triage" concept is gaining respectability in some circles in the United States - this identifies the run-down areas that are worth uplifting, as opposed to those which are too far

gone to help beyond trying to prevent further deterioration. Many practitioners are reaching consensus on an approach that commences with finding in which areas investment (including investment on operation and maintenance) will have the greatest multiplier effect. This is followed by finding those elements of a holistic programme that constitute, for each set of circumstances, the minimum necessary for net positive improvement that is equitable. How much assistance to apply, and where, is then decided. Which may, in a situation of limited resources, and limited prospects of sustainability, mean that the most deprived areas are not helped beyond upliftment to a very basic level, or beyond a token amount, in the interests of conserving investment for those areas with a better chance of being sustainable.

USAID in South Africa is, it is reported, currently grappling with such a decision. Whereas it has up to now tried to create a climate in which those of proven ability are encouraged, rather than assisting the most needy, a substantial fund is being earmarked for enterprise development of "indigenous, disadvantaged small and medium enterprises". By focusing solely on these, the fund is not following the policy of USAID's previous investment in business development in South Africa - this has channelled assistance to more mature disadvantaged companies. "Instead it is leaping to a client base with a greater risk profile." (*Business Day* 1994a)

Given the RDP's limited resources, as opposed to the huge task facing it, it is evident that some hard allocative and redistributive choices will have to be made.

5 ISSUE 4: IMPROVE URBAN PRODUCTIVITY THROUGH SPATIAL RESTRUCTURING

"Improved macroeconomic management is only a necessary but not a sufficient condition to improve productivity at the city level. Macroeconomic policy must also take into account the spatial dimensions of the urban economy. Economies of scale and agglomeration economies are the benefits of the concentration of urban population and

economic activities; however, these economies also have costs. Key constraints such as infrastructure deficiencies, the regulatory framework governing urban markets for land and housing, weak municipal institutions, and inadequate financial services for urban development all affect these spatial dimensions and limit the productivity of firms and households in producing goods and services. The cumulative effect of these constraints is to reduce the productivity of the urban economy and its contribution to macroeconomic performance." (The World Bank 1991)

The World Bank Mission to South Africa highlighted "... the underlying human costs and economic inefficiencies in the current spatial structures of the cities, and the need to reverse the continuing extensive process of urban growth in order to consolidate the urban areas socially and spatially" (The World Bank 1992).

It is gratifying that this has recently been recognised by the SAITRP, as follows:

"An important function of urban planning is initiating processes of development which release the creative powers, and the resources, of society at large. By definition, therefore, urban planning should not attempt to control all environmental decisions. Its central task in the formation of settlements is creating a spatial framework which guides and releases individual decision-making and ingenuity, and which establishes the structural order necessary to ensure that parts of settlements reinforce each other and that the potentials of the systems as totalities are realised." (SAITRP 1994)

It is hoped that the RDPs will give attention to urban structure and form, in the interest of urban productivity.

They could with benefit use SAITRP's checklist of principles, viz:

- Promote integration of built and non-built environments, ...
- Promote compaction and densification, ...
- Promote integration of uses and activities, ...

- Promote continuity of urban development, as opposed to fragmentation, ...
- Promote the extroversion, as opposed to embedding, of more intensive activities and facilities, in order to maximise their use and the convenience of users, by channeling these towards major routes and the most accessible locations.
- Promote environments which break the syndrome of motor car dependence, in order to increase convenience and lower costs.
- Promote collective places and spaces, as opposed to individual buildings, as the basic building blocks of urban systems, and celebrate these.
- Promote multi-functionality and sharing of public spaces and facilities in order to make the most efficient use of public investment.

6 ISSUE 5: UTILISE APPROPRIATE LAND MANAGEMENT INFORMATION SYSTEMS

Land management information systems, or in their more sophisticated form, Geographic Information Systems (GIS), "have become widely used in urban and regional planning in the developed countries. However, the use of GIS in urban and regional planning in developing countries is still at an early stage and is limited ... Data acquisition, institutional improvement, and education and training, and not the hardware and software, are usually responsible for the major cost components of setting up GIS in developing countries. Pilot studies are essential in order to obtain more information on likely costs and possible systems. The incremental and interactive approach, whereby the systems are improved and/or data is refined with each iteration, is recommended" (Wall 1994).

South African applications should be apparent.

7 ISSUE 6: THE PROFESSIONS

Of great concern to South African

planners (and engineers) should be the fact that so many of the electorate's expectations are for planned and engineered services. The immediate need is for more housing, city facilities, water, sanitation, roads, stormwater and electricity, and for processes of design and construction that better enable the communities to express their preferences and participate in decisions of significance than before.

The pressure is very much on us to provide the tangible evidence of the value of the changed political course that South Africa has of recent years been following. The politicians will be looking for ways to deliver on their promises of a better life. The above-mentioned services have the merit of being material and visible and (resources permitting!) being replicated on a large scale and touching all political constituencies.

If results of the political change in South Africa are long in becoming apparent, many people will lose faith in that change. We are thus crucial to ensuring peace and stability in post-election South Africa, and we must therefore be very facilitative of delivery.

For many of us, professionals in the provision of urban services, the above emphasis on holistic approaches, process, capacity-building, redistribution of urban resources, etc is new territory. We have to:

- consider innovative and adaptive technology to reduce costs
- learn means of enabling people to benefit from the processes as well as the products of planning and service provision
- cope with the fact that planning and the provision of services are politicised activities
- negotiate with communities and with authorities
- and, above all, gain credibility by our association with successful projects.

We have an important role to play in articulating to the people and their representatives the costs and benefits

of the different options for development and management of the urban fabric. On us will fall the responsibility for eliciting the public opinions and facilitating trade-off agreements, with maximum complementary benefits, on options.

Research is needed on problem-solving for a range of urban issues - overseas studies could, with caution, be useful. There needs to be greater knowledge of the causes and effects of urban efficiencies; the relationships between economic, social and other factors; and the effectiveness of urban management programmes. There is a need to study not only the programmes, and the techniques they use, but also to review their leverage, negative as well as positive effects on the target groups, consequences outside the target groups, susceptibility to external factors, etc. The means of evaluating programmes, and the validity of such means, also need closer investigation.

Finally, we must step outside our traditional role, and must be more involved in leading social change (e.g. the attempt to attain equity), not just in following it.

We should get to know our politicians - get them early on to realise we are a resource. At SAITRP level - how many of the new South Africa national and provincial ministers that are relevant to urban matters (surely most of them?) are being advised regularly or even occasionally by members of SAITRP? Has SAITRP made submissions to the "theme committees", such as that on relationship between levels of government? (*Business Day* 1994b). We should offer to assist NGOs and communities (without financial reward, if necessary).

8 CONCLUSION

Most (by no means all) of us grew up in a dual planning system. For example, on the one hand, there were long-established municipalities characterised by relative stability in terms of -

- moderate or slow growth rate within their municipal boundaries
- local government franchise open to a majority or, at least, large

minority group of citizens (apathy notwithstanding)

- a level of municipal income able to fund a relatively high level of services.

Standards, terms of reference, functions, procedures - all were well established by long usage.

On the other hand, there was a sector characterised by -

- non-representative government; generally autocratic decision-making
- not recognizing, or not seriously trying to cope with some of the problems (e.g. financially unviable Black local authorities; and "development" that consisted almost entirely of physical development, with no economic or social development).

At a stroke, the hitherto White-dominated local governments (including the RSCs) have become answerable to a population that has a majority component -

- that is able to mobilise support en masse (e.g. by means of service charge boycotts)
- that is characterised by, on average, low affordability, low formal sector employment, low education and skills, very large backlog in municipal services (and other services) and substantial expectations
- that is unfamiliar with and suspicious of current terms of reference, municipal procedures, etc.
- that requires new and more complex procedures for capacity-building and participation in decision-making
- that is growing in numbers at a fast rate.

The municipalities' and also the RSCs' functions, procedures and particularly priorities will have to change rapidly. Decision-making processes, policy-setting measures, and representation will have to change, and restructuring

and reallocation of resources take place. For example -

- priorities for expenditure on services infrastructure will have to shift even more to the areas where there are substantial backlogs
- services will have to be provided at a greater scale and a lower level, rather than on a smaller scale and at a higher level
- services levels in the more affluent areas will drop
- before services are provided, new procedures will have to be introduced for participation in decision-

making and for consultation

- more affordable technologies will have to be investigated
- more ways will have to be found whereby citizens can benefit from the process of development as well as from the product of development
- innovative cost recovery procedures will have to be investigated and then their acceptance negotiated
- affirmative action will have to take place (and be seen to take place) in

respect of staffing

- some staff will have to be retrained (not only technological skills, but interpersonal skills also).

The RDP funding notwithstanding, in view of the fact that the majority will demand much more service, resources will be proportionately even less adequate than before.

In such circumstances, sound urban growth management will be essential. And, as Leitmann (1994) noted, information on both national and international examples of good practice should be disseminated.

NOTES

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