IVAN TUROK: Don’t underestimate cities’ role in rural growth

‘A series of environmental concerns loom, including water scarcity and overloaded sewage treatment facilities’

Published: 2011/05/25
www.businessday.co.za

SOUTH African cities perform a crucial role in underpinning all-round national development, despite their internal problems. Stronger economic growth in large urban areas over the p ast decade has funded the roll-out of social programmes to towns and rural areas. As a result, the fortunes of city and rural economies have become more interdependent. Decision makers need to understand these connections and not see rural or urban development in isolation.

The nine biggest urban municipalities now account for nearly two-thirds of national economic activity and the bulk of formal jobs. Considering the prosperity gap between the cities and countryside, it is reasonable that state spending is partially skewed towards the latter. High levels of social need, strong feelings of historic injustice and widening economic disparities could otherwise threaten social stability and national unity.

However, the 2011 State of the Cities Report shows that there is no room for complacency about conditions in large urban areas. Metropolitan areas cannot be left to fend for themselves if the lion’s share of the taxes they generate get siphoned off elsewhere. First, city councils have struggled to keep pace with rural-urban migration, resulting in more unplanned urban settlements, informal housing and backyard shacks. Rising population densities in the shack areas and townships worsen vulnerability to floods, fire damage and the spread of disease. Ambiguous national attitudes towards urbanisation mean that the metros have so far failed to develop a coherent approach to new settlements. Suitable land and services need to be provided in advance to plan and manage the process better.

Second, community service protests are concentrated in informal settlements on the margins of the large cities. People have migrated to the cities in search of better lives, but are angry about the poor conditions and limited opportunities. Overstretched municipalities struggle with the demands of different communities to maintain existing services and accommodate population growth.

Third, the metros are experiencing growing financial difficulties associated with inflationary wage costs, cash-flow problems and administrative deficiencies. Higher grant funding in recent years may have weakened internal financial disciplines and accountability. A hangover from generous World Cup spending and technical billing problems have compounded the financial headache.

Fourth, a series of environmental concerns loom, including water scarcity, energy shortages and overloaded sewage treatment facilities. Inadequate and poorly maintained urban infrastructure is buckling under the pressures of population and economic growth. Climate-change obligations require more vigorous efforts to promote public transport, recycle waste and water, and develop renewable energy sources.

Finally, sprawling settlement patterns impose high personal costs of long-distance commuting on poor peripheral communities and expensive bulk infrastructure charges on municipalities. The general preference for greenfield development is inefficient and unsustainable. Little progress has been made to knit together the fragmented form of cities through well-located housing or economic development in and around the townships.

A simple but nonetheless important message emerging is that active government support for urban development is essential. A decade ago, the government underestimated the task it set for the new metro authorities, with their enlarged boundaries and extended responsibilities, to service low-income communities from a restricted tax base. There is more recognition now of both the problems and potential of urban areas.

Looking ahead, the government deserves praise for backing the devolution of housing and transport powers to the metros. An integrated city-wide approach to transport, housing and spatial planning should help to manage urban growth better in the future. The metros will need to rise to the challenge, and will require additional funding and technical assistance to fulfil these functions.

Another priority for new municipal leaders is to rebuild trust in the competence and integrity of metro government. They should acknowledge past problems and restore credibility by tightening up ethical procedures and making decisions more transparent.

Revitalised ward committees and other oversight mechanisms could strengthen the voice of communities.

It is also important to revisit the original vision of metro government. A bold vision is needed of productive and inclusive cities in which everyone can lead useful and fulfilling lives. It means giving priority to socioeconomic development and jobs above all else. Developing human capabilities and active citizenship is a better way forward than welfare or consumerism.

The different parts of the government need to work together more closely. A multi- level developmental state could harness the power of each sphere to help every city achieve its potential. Metro councils should be the catalysts to make this happen.

• Turok is Deputy Executive Director at the Human Sciences Research Council and the principal author of the 2011 State of the Cities Report.