

The Big Cities Series

CDE
R E S E A R C H
POLICY IN THE MAKING

PRETORIA:
FROM APARTHEID'S
MODEL CITY TO A
RISING AFRICAN STAR?



8

July 1998

THE **C**ENTRE FOR **D**EVELOPMENT AND **E**NTERPRISE

CDE

R E S E A R C H

POLICY IN THE MAKING

CDE Research: policy in the making is a vehicle for disseminating the results of research, and suggested policy options, on critical national challenges. Each issue is based on in-depth research, involving a single commissioned paper or several such papers written by experts in the field. The original research papers are published separately as CDE Background Research Reports, and can be ordered from CDE.

SERIES EDITOR: Ann Bernstein

This issue was written by: Professor Jeff McCarthy, Graduate School of Business, University of Durban-Westville, and Ann Bernstein, executive director, CDE, assisted by Stuart Murphy, CDE research co-ordinator. This report is based on specialist reports by Dr D Atkinson, Dr S Coetzee, Prof A Grundlingh, P Hall, Dr P Harrison, Dr A Horn, Dr O Crankshaw, Dr A Morris, Dr D Prinsloo, and T R C Africo.

CDE Research no 8, July 1998: *Pretoria: from apartheid's model city to a rising African star?* The Big Cities Series.

Published by the **C**entre for **D**evelopment and **E**nterprise
P O Box 1936, Johannesburg 2000, South Africa

ISSN 1027-1406

CDE acknowledges the financial support of the Urban Foundation in completing this work.

The Big Cities Series

Over the past two years, the Centre for Development and Enterprise has conducted a major study of South Africa's largest cities. This project has been guided by certain core ideas. The first is that South Africa's future will be determined in its large cities, and that developments in them are thus very important for the country as a whole. The second is that the country's policy-makers and planners do not know enough about the economic, developmental and other dynamics in these cities, and that they need to pay far more attention to the large cities than they have until now. The third is that the abolition of apartheid has cleared the way for a much more intensive focus on cities as arenas of economic growth than ever before. By developing strategies to become more competitive in global and regional economies, South Africa's cities will more readily discover the means to cope with racial reconciliation and reconstruction.

CDE's Big Cities Series consists of eight executive reports. The first explores the implications of an increasingly integrated and global world economy for South Africa's major cities. This is followed by detailed case studies of five of the country's major metropolitan areas: Durban, the East Rand, Pretoria, Johannesburg and Cape Town; and the country's most urbanised province, Gauteng. The final report spells out a practical strategy and policy framework for South Africa's large cities and metropolitan regions.

This fourth report, *Pretoria: from apartheid's model city to a rising African star?* explores the prospects of South Africa's administrative capital. For many years, Pretoria assumed that its large public service and industrial sectors would secure its future indefinitely. However, this assumption is no longer valid. Following South Africa's democratic transition, the city's planners have begun to identify a need to change the city's image, and to look towards new engines of growth. While Pretoria is endowed with some powerful advantages, this study finds that it faces some tough challenges – including assuming its obligations to its poor surrounding areas – if it is to realise its comparative potential in the new regional and world order.

Cities are the new arenas for economic activity and competition. This has enormous implications for their governance and management. South African cities now need to view their priorities through an economic lens. Globalisation holds enormous new opportunities as well as dangers for our major cities. **No city can afford to rest on its laurels. No city can assume that the future will be like the past.**



PRETORIA:

From apartheid's model city to a rising African star?

The central message of this document is that, in the context of the twin processes of political democratisation and economic globalisation, Pretoria has the potential to become Africa's rising star. However, this will require a radically new approach to the city and its future. Briefly stated, Pretoria will need to

build a new foundation for sustainable and inclusive economic growth in the greater Pretoria region; resolve its current identity crisis by adopting a bold and unifying new growth and development vision in which the city emerges as a place with something for everyone;

look northwards for cues on what form this new identity might assume, and focus as much on its potential linkages with the north as it does to its actual linkages to the south;

vigorously pursue a new developmental agenda centred on the city's potential to become the entrepreneurial, training, research and development hub of central and southern Africa, drawing on its established strengths in these areas but making Africa as a whole its new frontier;

face the facts of its interdependence with commuter communities currently located in North West and Mpumalanga provinces, and develop a wider vision built around this reality. The people of Pretoria will need to face up to their functional interdependence with Winterveld and the former KwaNdebele, and realise that they are not unique in this regard (Pietermaritzburg faces a similar challenge, as does Nelspruit, Pietersburg, East London, and many other South African cities, albeit on a smaller scale);

lobby for the relocation of parliament to Pretoria, and use this as a lucky trigger to unleash the city's broader development potential;

offer the country a quid pro quo for parliament's relocation to Pretoria by making a significant and lasting commitment to the development of the neighbouring marginal settlements of Winterveld and the former KwaNdebele;

actively cultivate a new multiracial, multi-class growth coalition with the common purpose of fostering the expanded city's future growth, development and continental prestige.

Pretoria already has much going for it in terms of physical and cultural infrastructure, local and metropolitan finances and capacity, its physical proximity (at least) to the new state, and its proximity to the emerging commercial and industrial hub of South Africa (Midrand/Sandton/Johannesburg). In this regard, it is better placed than most South African cities to mount a strong local economic development strategy. In addition, CDE believes that if Pretoria were to situate its claim to become the seat of the national parliament in a broader framework of inclusion and regional renewal, it would deserve the support not only of other South Africans but of central and southern African leaders as well. Both these important dynamics provide the people of Pretoria with every cause for hope rather than despair.

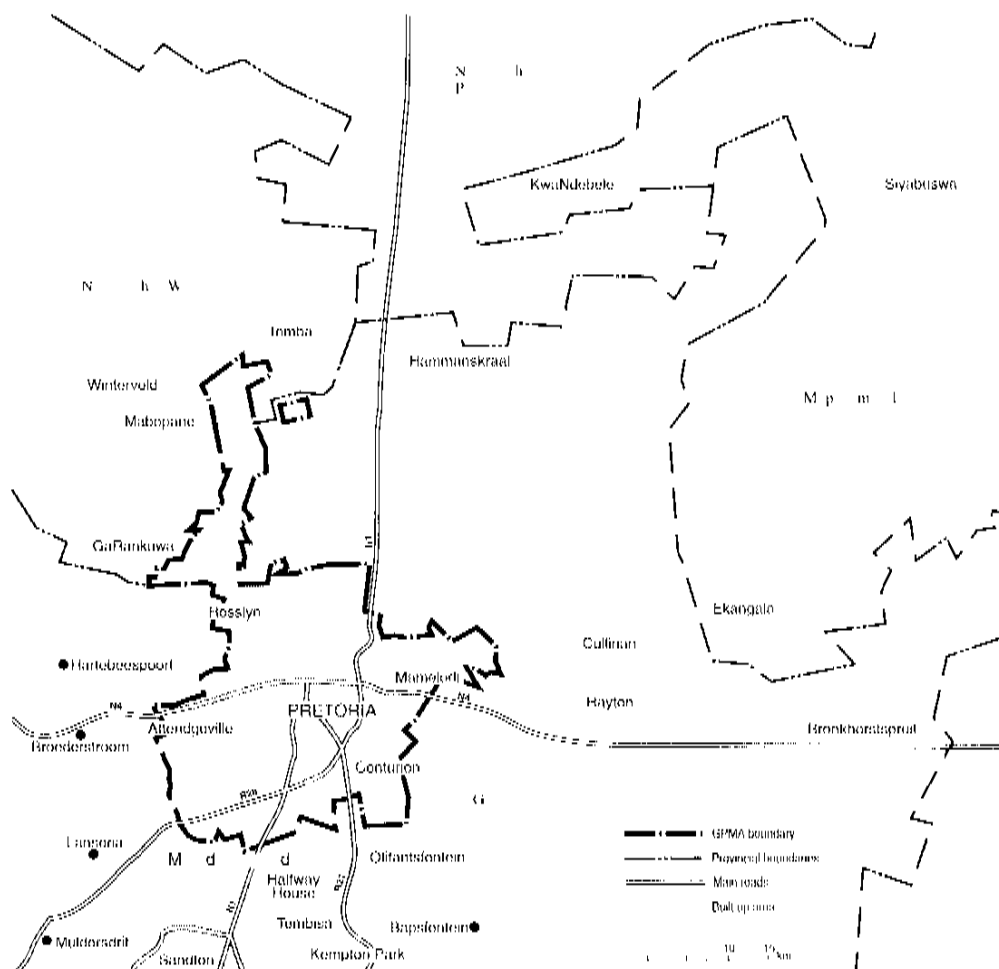
As a result, much of Pretoria's angst and uncertainty seems to be misplaced. Indeed, the concept of an African renaissance – both in South Africa and more widely on the continent, offers possibilities to the people of Pretoria open to few – if any – other South African cities.

INTRODUCTION

In previous publications in this series, CDE explored the potential for repositioning South Africa's cities in the context of the country's transition to democracy as well as the growing economic globalisation of the 1990s. Studies of Durban and

the East Rand have already been published, as has a more general overview of the response of various cities elsewhere in the world to the challenges of globalisation.¹ While planners and policy-makers in this country have been slow to come to terms with the full implications of these new forces, creative responses to them are increasingly being recognised as the most viable way forward.

Map 1 Pretoria in a regional context



More progress has been made politically than economically. Many role players have assumed that South Africa's 'political miracle' has been powerful enough to prompt a corresponding economic response. However, as the outcome of South Africa's Olympic bid has illustrated, in the tough global marketplace political credentials are not enough to offset economic realities.

As a result, economic policy-makers are increasingly having to come to terms with South Africa's objective strengths and weaknesses in the context of globalisation. As Gauteng's *Trade and industrial strategy* of 1997 notes: 'In economic terms, globalisation can be described as a process by which markets and production in different countries are becoming increasingly interdependent due to the dynamics of trade in goods and services and the flows of capital and technology ... globalisation is no longer a policy option that governments ... may choose or discard at will.'

As the CDE publication *Cities and the global economy* has argued, South African cities must first understand how

national and international market forces influence their potential for growth, and then adopt strategies for turning these globalisation forces to their advantage.¹

This document begins by analysing Pretoria's current economic foundations, and questions whether these are adequate to underpin efforts to meet its economic and development challenges. It then observes that Pretoria appears to be caught in an identity crisis, resulting partly from racially based struggles centred on its public sector economic base. Next, Pretoria's history is briefly summarised, leading to a discussion of the geographic, political and social cleavages to which it has given rise. It is noted that Pretoria has enough potential to respond to the challenges that lie ahead, and that there are a number of positive signals, pressures and opportunities for change in the city. Finally, the document analyses strategies for making Pretoria more globally competitive, and concludes with some suggestions on how both national and city leadership should respond to the new context in which the city finds itself.

ECONOMIC FOUNDATIONS: IS IT ENOUGH TO RELY ON THE PUBLIC SECTOR AND SELECTED INDUSTRY?

Pretoria's economy sends out mixed signals. On the one hand, in fairly recent times Pretoria's rate of economic growth has been among the best in South Africa. For example, its rate of employment growth between 1985 and 1991 of about 30 per cent was very close to that of Durban, the country's leader for the period, and three times that of Cape Town. As with Durban, this growth was mainly based on excellent performances by the commercial, financial and services sectors.⁵ Whereas, in line with the national trend, Pretoria's manufacturing employment did not increase significantly between 1985 and 1991, employment in commerce increased by 50 per cent, employment in finances by 60 per cent, and services employment by 40 per cent.⁶

But the similarities between Pretoria and Durban or any other South African metropolitan area are less apparent than the differences. This has become especially evident during the 1990s. For example, during the 1980s and early 1990s the value of buildings completed in Pretoria exceeded those in Cape Town – but by 1997 the value of buildings completed was only about 40 per cent of those completed in either Cape Town or Durban, and about 20 per cent of those completed on the Witwatersrand⁷ (see box, this page).

Pretoria's local economy is characterised by two remark-

Pretoria: declining investor confidence?

Since Pretoria's population is roughly the same size as that of Durban and Cape Town,⁸ it is worth comparing the levels of expenditure on all buildings completed in these cities by the private sector as an indicator of investor confidence. These figures are shown below (R billions):⁹

	DURBAN	PRETORIA	CAPE TOWN
1995	1,153	1,022	1,082
1996	1,159	0,927	1,208
1997	1,418	0,583	1,432

The Pretoria figures might have been slightly affected by the fact that some former provincial offices were vacated during this period, thereby dampening office demand. However, whereas in 1995 the three metropolitan areas were roughly equivalent, by 1997 Durban and Cape Town were performing almost two and a half times better than Pretoria.

able features: the size of the public sector, and some unusual scale and employment characteristics within the private sector. No less than 35.2 per cent of Pretoria's total workforce is employed by government – close to twice the norm for the country as a whole (18.1 per cent).¹⁰ White employment in Pretoria has been particularly skewed towards government, with 79 per cent of employees in the departments of Public

Setbacks to Pretoria's economy

In August 1997 Iscor announced it would mothball all the steelmaking facilities at its Pretoria works. The workforce – already radically reduced from some 13 500 staff 15 years ago – was slashed further from 1 400 to 350 employees. Iscor's Pretoria works had opened in 1934 and was generally regarded as an industrial flagship, yet it had not been profitable since the early 1980s. According to Iscor Steel, poor domestic demand for Pretoria's carbon steel slabs and uncertainty associated with the profitability of the export market led to the decision to mothball the steel-making facilities. Local business associations noted that the closure would be a terrible blow to the Pretoria economy, and particularly for Pretoria West.¹¹

In early 1998 the armaments-linked company Denel announced that, owing to its unstable business performance, more than 50 per cent of head office employees (some 95 people) were to be retrenched. It described the year 1997 as the most difficult and trying year ever, as a number of foreign orders had been cancelled.

Similarly, towards the close of 1997 the Department of Defence announced that, because of the transformation of the South African National Defence Force and a shrinking budget, it was forced to cut staff by 20 000 employees over a three-year period. The Pretoria-based components of the department account for about 15 per cent (or 14 000) of total staff.

Towards the end of 1997 Nissan SA also began a rationalisation programme at its plant in Rosslyn in terms of which 384 employees (10 per cent of staff) accepted retrenchment packages (recent figures could be higher). Nissan's restructuring process was driven by intense domestic competition, the limited size of the domestic market, and declining market share. Industry analysts predicted that other motor manufacturers might also have to cut down unless they succeeded in penetrating foreign markets.¹²

Administration and Defence, for example, being white.¹³ Moreover, it is public sector employment that partly accounts for the relatively unbalanced sectoral distribution of employment in Pretoria, with a heavy emphasis on the services sector.

Pretoria's private sector also diverges from the national norm. Micro enterprise in Pretoria employs 8.7 per cent of its workforce, only half the national average of 17 per cent.¹⁴ (However, this may reflect lower poverty levels in Pretoria than elsewhere.) By contrast, the average size of an industrial enterprise in Pretoria (86.5 workers) is almost twice that of

Johannesburg/Randburg (44.1 workers). Moreover, the percentage of white employees in Pretoria industry (36.3 per cent) is nearly twice the national average (20 per cent).¹⁵ Pretoria industries are also more capital-intensive than the national norm, less profitable, and have more often been established with the aid of government support or incentives.¹⁶

However, the industrial picture is a mixed one, and should not be oversimplified. Of course, the motor industry is one of Pretoria's major strengths, and it would be wrong to underestimate the potential of the manufacturing sector to contribute to the city's growth. Indeed, in Gauteng's 1997 Trade and Industrial Strategy, motor vehicles and parts and transport equipment emerge as two of relatively few industrial subsectors in which real growth may be expected in the province over the next five years. Iron and steel are not expected to perform well, and this is an area in which Pretoria has also traditionally specialised.¹⁷ The vulnerability of this sector was illustrated recently when a major Iscor plant was mothballed (see box, page 5).

When one reflects on the reasons for the sectoral imbalance in Pretoria's economy, as well as its weak SMME sector, a strong link emerges between the city's economic development and the political priorities of the apartheid period. A theme running through the economic trends referred to earlier is either explicit or implicit state support for white employment, whether in the public sector or in state-supported industry. While black people living in and around Pretoria (particularly urban insiders) may have benefited from a trickle-down of employment and business opportunities, figures suggest that this may not have occurred on the social and geographical scale experienced in South African metropolitan areas, such as Johannesburg, that are more strongly influenced by market forces.

Indeed, as the historian Andre Grundlingh observes, the history of Pretoria since 1950 is in many respects the history of a city self-consciously built around both ethnic exclusion and ethnic patronage. According to Grundlingh, the fact that by the 1970s nearly 90 per cent of white civil servants in Pretoria were Afrikaans-speaking is no accident:

'The bureaucratic elite that developed in the city owes much to the (previous) government. Between 1951 and 1970 the white population doubled from 151 000 to 304 618. This dramatic increase in numbers had much to do with the rapid growth of the civil service. This, in turn, was a direct result of the post-1948 government policy to Afrikanerise the civil service, and with the strict application of apartheid laws and decrees, large new administrative departments were created.'¹⁸

Grundlingh points out that the political-ethnic basis of employment in Pretoria was not limited to the public sector, and refers to the dominance of 'organisations with membership and interlocking activities which facilitate overlapping ethnic networking'.¹⁹ In his analysis, Pretoria has a 'self-conscious elite' founded on ethnicity and language, which is just

From 'Broeders' to entrepreneurs

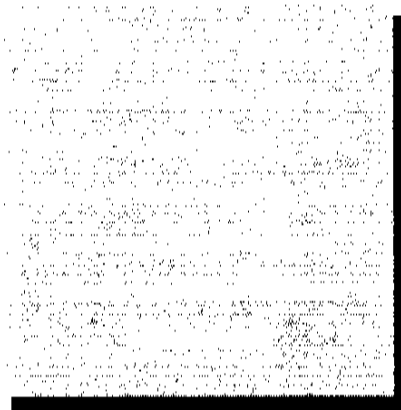
In February 1998 Pik Botha, former Minister of Foreign Affairs, declared that 'the Afrikaner feels frustrated ... it's quite palpable. He's at a crossroads – he doesn't know where to go or what the future holds.'¹⁵ This is particularly perceptible in Pretoria. It is said that white middle-class Afrikaners in Pretoria are increasingly becoming entrepreneurs, and are encouraging their children to follow a route of economic independence.¹⁶ Certain high-profile members of the Afrikaner elite have responded to their new situation in a creative manner:

- Both Botha and Dr Piet Koornhof, another former cabinet minister in the previous government, are hosting radio talk shows on the Afrikaans radio station Punt Radio. Botha has also started a consultancy.
- Professor Flip Smit, former vice-president of the Human Sciences Research Council and principal and deputy-principal of Pretoria University,¹⁷ was recently appointed as principal and general manager of National Private Colleges (NPC), a subsidiary of Naspers. Smit says the government will be unable to meet the massive demand for education, and that private education is presently growing at a rate of 30 per cent a year.
- Reasoning that promotion opportunities in the SANDF would be slim in the 'new' South Africa, a Colonel Leon Stander resigned recently after 29 years in the force and set up a security company. However, tough competition forced him into the catering industry; he now runs a successful restaurant where he makes a profit of 64 per cent on every steak.¹⁸
- The well-known consulting engineering firm Van Wyk & Louw recently changed its name to Africon, in response to the new business (and political) environment. It now does business in countries such as Ethiopia, Ghana and Kenya.¹⁹

as powerful now in the private sector as it was until recently in the public sector.

Given the skills and resources of this established elite, a key question is how it will come to grips with the changed political and economic circumstances it now faces. It is just as important to ask how the new black-dominated public sector and political leadership will interact with the entrenched elite's changing definition of its interests. The relative absence of SMMEs in Pretoria, for example, is partly a consequence of the marginalisation of enterprises run by Indians and blacks, but it may also reflect a weak culture of enterprise in the city generally as against the comparative strength of large corporate and bureaucratic cultures. These latter cultures are built on the assumption that large-scale, co-ordinated actions are the key to economic progress, whereas in reality a multiplicity of small-scale interventions which are finely attuned to market signals are now more likely to offer the value for money that is increasingly demanded in the international arena.

Indeed, given growing global economic competition between cities, and particularly the advent of South Africa's new government, with very different constituencies and priorities to those of its predecessor, Pretoria's established economic pattern is unlikely to endure. For example, pressures for affirmative action within the public sector will force



many whites to seek work elsewhere. While a thin layer of blacks will benefit from this process, resource constraints and pressures for the downsizing of the civil service mean that many other blacks will also have to seek alternative avenues of opportunity. As president Nelson Mandela said in his opening address to parliament in 1998: 'Apartheid South Africa was overgoverned and over-supervised ... [now] government is not an employment agency ... we need to cut spending in personnel.'²⁵

What are the potential new employment avenues for displaced whites and aspiring blacks alike? (see boxes, this and facing page). Will racially/ethnically based economic thinking and practice die out, and a new cosmopolitan entrepreneurship emerge? If these questions are not addressed, Pretoria's people may well face a bleak future, fraught with interracial suspicion and conflict.

The current signals are that traditional corporate/bureaucratic responses to the looming economic challenge will not succeed in dealing with the task at hand. For example, more than a million people in the official Greater Pretoria Metropolitan Area (GPMA) are living in poverty. While poverty levels among whites are lower than among blacks, the former are also rising, particularly in Pretoria's western suburbs.²⁶ Affirmative action in the civil service may mean that poverty and unemployment become an increasingly non-racial reality.

Pretoria's emerging entrepreneurs

Emerging black entrepreneurs involved in construction, motor repairs and plumbing are using modern telecommunications technology (cellular phones) to compete against formal businesses in Pretoria.

Cellphones enable these entrepreneurs to be on 24-hour stand-by, and keep their overheads low by operating from pickup trucks rather than formal business premises. Tellingly, such entrepreneurs do not intend obtaining formal business premises:²⁷

'So here I am in my kitchen, with water hosing out of the kitchen tap. The washer in the tap has broken, and I am trying to stem the deluge, with no success. My girlfriend brings me a flyer put in my post box a couple of days previously, which reads: "Wakker Word Loodgieters" and gives a cellphone number.

'I frantically dial the number, and a voice at the other end says: "Sam Matebe here, how may I help you?" I explain my predicament, but he is unable to help me. He gives me the cellphone number of his brother and partner, Joseph. Joseph

arrives in 15 minutes and quickly solves my plumbing problem.

'Joseph tells me he and his brother do not have offices or any of the infrastructure normally associated with a business. Cellphones have enabled them to cut their operating cost by 80 per cent, which enables them to compete with established plumbing businesses in Pretoria. They only perform emergency repairs, as they do not have storage place for materials apart from their two pickup trucks. By focusing on this niche market, their business has grown by 1 000 per cent over the past two years, as they will respond to calls 24 hours a day.

'He tells me all his friends, from building subcontractors to motorcar mechanics, are operating in this fashion and that none of them intend to formalise their businesses. How will this affect the means and mechanisms that are considered necessary for emerging and micro business to operate in Pretoria, and the establishment of traditional industrial areas, for instance?'

To overcome poverty, jobs are required. Assuming an average family size of four, this means that about 250 000 new or enhanced job opportunities are needed if current levels of poverty in greater Pretoria are to be addressed. This is more than half the current jobs in the region,²⁸ and more than five times the jobs ever created at the various deconcentration or decentralisation points around the city.²⁹ Alternatively, projecting forwards from historical employment growth rates, and assuming (for the sake of argument) a zero population growth rate, it will take 15 years of employment growth at late 1980s rates (about 4 per cent a year) to remedy the current situation.

While this challenge is by no means unique to Pretoria (indeed, it is worse in some other metropolitan areas), the danger in this city is that the battle could be fought primarily around public sector employment and public sector development strategies, in a context of diminishing state resources and capacity on the one hand and a history of relatively deep racial cleavages around state patronage on the other. In other words, so-called development strategies may well turn into zero-sum games based on racial/ethnic affiliation. By contrast, entrepreneurial responses (to latent comparative and competitive advantages) in the region offer the prospects of expanding growth with more for everyone.

Much of the remainder of this document is dedicated to identifying the likely levers for an inclusive growth and devel-

opment process, as well as the key impediments to it. It assumes that successful and enterprising actors in both the public and private sectors will 'surf similar, correctly chosen waves' of change impacting on the Pretoria region. In order to understand where pressures for change are building up and how they may best be released, it is useful to first consider what we describe as Pretoria's unresolved identity.

PRETORIA'S UNRESOLVED IDENTITY

Various images of Pretoria are competing for supremacy in the minds of both residents and outsiders. Many people still subscribe to the city's historical image as a bastion of ethnic exclusivity and privilege, and the centre of apartheid rule. However, this image of Pretoria is changing rapidly, influenced by the new occupants of the Union Buildings; the many new embassies and their staff, which help to bring a more cosmopolitan feel to the city (see box, this page); new trends in private investment and public behaviour; and numerous other factors.

What Pretoria is becoming, or could become, is not yet clear. But what is obvious, even to members of the previous establishment, is that it will not continue to correspond to the forces that moulded its past. Thus the search is on for a guiding vision of Pretoria's future. This search can be seen in the upbeat and diverse television and magazine advertisements for the city devised by its marketing consultants; planning initiatives by the Greater Pretoria Metropolitan Council (GPMC);³¹ and efforts by the Pretoria Capital Initiative to have parliament relocated to Pretoria.

As yet, Pretoria has not fashioned a coherent growth and development vision consonant with the newly recognised political composition of the city or the economic and social forces affecting its future. Instead, many in Pretoria seem set on trying to reconstruct the city around a public sector-oriented and intra-national competitive game plan. However, this plan is likely to be only partially successful on its own terms and probably of questionable advantage to the nation, insofar as it is based on intra-national public resource transfers rather than on maximising the market-related returns on a national asset.

Symptomatic of this trend is the recent focus on the city's role as South Africa's capital. Having lost most of its functions as a provincial capital, the emphasis has switched to its actual and potential role as the national seat of government. Indeed, the city is making a huge effort to become the leg-

Pretoria's diplomats

The following countries have embassies in Pretoria, employing about 1 600 people:

Algeria, Angola, Argentine, Austria, Belgium, Brazil, Bulgaria, Burundi, Chile, China, Colombia, Congo, Croatia, Cuba, Czech, Denmark, Egypt, Eritrea, Ethiopia, Finland, France, Gabon, Germany, Greece, Guinea, Hungary, Indonesia, Iran, Ireland, Israel, Italy, Ivory Coast, Japan, Jordan, Korea, Kuwait, Lebanon, Libya, Mali, Mexico, Morocco, Myanmar, Netherlands, Norway, Palestine, Paraguay, Peru, Philippines, Poland, Portugal, Romania, Russian Federation, Rwanda, Saudi Arabia, Senegal, Slovak Republic, Spain, Sudan, Sweden, Switzerland, Thailand, Tunisia, Turkey, Ukraine, United Arab Emirates, United States of America, Uruguay, Venezuela, Yemen, and Zaire.

islative as well as the administrative seat of government. This effort reveals at least two things: Pretoria's strong and sustained vision of itself as a public sector city, and the current ambivalence of both politicians and public about Pretoria's past and future symbols (see box, this page).

Parliament for Pretoria is, however, an insufficient focus for the city's development, and if this campaign is allowed to dominate public conceptions of the city's future it could divert attention away from more fundamental growth and development issues. (For example, it has been calculated that there are only 960 jobs directly and 3 655 jobs indirectly linked to parliament – although some 8 700 other jobs could be affected.)³² Moreover, if improperly handled, the campaign could exacerbate current conflicts over cultural symbols in the city. These conflicts are also related to the complex balance of power between parties involved in the city's government, with no party having an absolute majority on the councils (see table 1).

Table 1: Seats held by political parties in local government, 1998

Party	Greater Pretoria Metropolitan Council	Pretoria City Council (Central substructure)
ANC	18	30
DP	1	1
FF	6	5
NP	11	23
UDM	4	8
Other	0	3

The problems surrounding Pretoria's image emerge most clearly from metro and local government debates on more symbolic issues: for example, on who should be mayor and why, which statues should be retained and which removed, which streets renamed and so on. Examining these debates, one discovers that Pretoria is suffering from an identity crisis which relates, in part, to the historical and continued exclusion of blacks from the city on the one hand and its sustained public sector focus on the other. A move away from both of these

Siyaya ePitoli

'Greater Pretoria Metropolitan Council chairman Peter Maluleka explained that the Pretoria Capital Initiative slogan "Siyaya ePitoli" – meaning "we are going to Pretoria" – and which was used during the years of the struggle for political freedom – will finalise the struggle for power once parliament relocates to Pretoria.'³³

(in any case now conflicting) tendencies towards a non-racial and regionally oriented public-private partnership is a more realistic and sustainable way forward.

To conclude this section, Pretoria is showing signs of adapting to enforced change, but has no clear vision guiding it. It is curious that such a vision has not emerged; if this is to be South Africa's new legislative capital, for example, it is reasonable to expect that the African renaissance would be expressed here more concretely. As matters stand, the city is characterised by a neutral middle-class air, with an apparent accommodation (or stand-off) between a balance of competing forces.

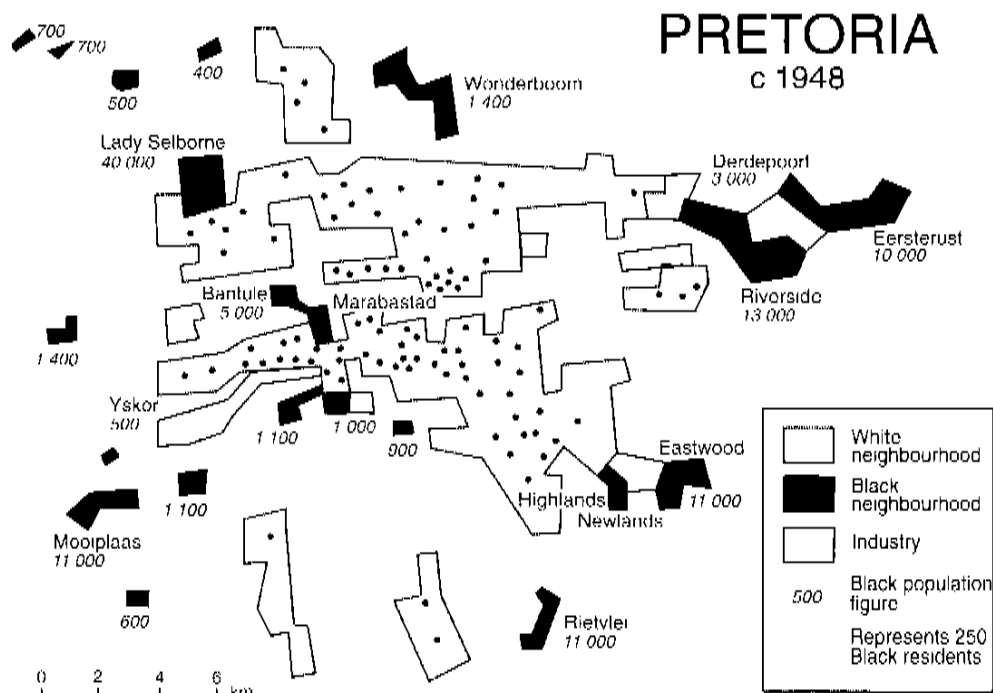
Current marketing material for Pretoria reflects this middle-class ethos. For example, the literature available at Pretoria's downtown Tourist Information Centre focuses largely on ecotourism opportunities in the broader region, and a recently published pamphlet, entitled *Pretoria – a culture*

Symbols of controversy

In July 1994 the place and street name committee of the Pretoria City Council declared that it was considering renaming Strijdom Square to Freedom Square, and Stormvoël Road to Mandela Boulevard. It said the name changes were part of a strategy to help change Pretoria's conservative image.³⁴ Later, the Conservative Party, Afrikaner Weerstandsbeweging and Freedom Front threatened to take the law into their own hands to protect symbols of Afrikaner cultural heritage.³⁵ The issue receded until November 1996, when the newly elected mayor of the GPMC³⁶ was quoted as saying that statues of Afrikaner figures such as Paul Kruger should be taken to museums, and Afrikaans street names should be changed.³⁷ She later said she had been misquoted.³⁸ Shortly thereafter, an ANC member of the GPMC's executive committee³⁹ said the ANC intended to get rid of street names and statues reflecting the apartheid era; he added that this should be achieved through consensus. While Kruger was not an apartheid figure, the bust of J.G. Strijdom – who was – had to be moved to a museum. He added, though, that the ANC had never intended to change Afrikaans street names: 'We have Afrikaners in the ANC ... Afrikaners are part of our history and our movement.'⁴⁰

It was announced in July 1997 that public hearings would be held to allow residents of Pretoria to participate in the naming of Pretoria's metropolitan streets and public places.⁴¹ Thereafter the council and the Gauteng government was to decide which names – if any – should be changed.⁴²

Map 2: Pre-apartheid Pretoria, circa 1948



al city, reflects the type of places/events one might have expected to receive prominence decades ago: Melrose House, Fort Wonderboom, Jan Cilliers Protea Park, jacaranda trees, and so on. No doubt, in time new and more Africa-centred attractions will make it into the advertisements as the various political forces in the city work towards a practical accommodation. But it must be asked whether, given the urgency of its economic challenges, Pretoria can afford merely to wait for such an accommodation to evolve.

THE MAKING OF AN APARTHEID CITY-1850-1980

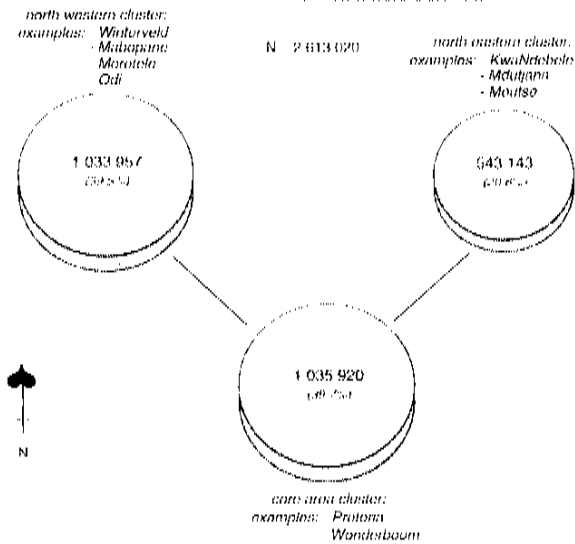
To understand what Pretoria has to move away from, it is useful to understand how it got where it is today. Locational factors have played an important role in shaping the city's socio-economic characteristics. Indications are that as early as 1400 there were established urban areas in the vicinity which served as subcontinental trading centres, largely due to the area's location on subcontinental trade routes.⁴⁵ Subsequent warfare among indigenous people led to this role being weakened, but even the initial Boer settlement on the Apies River in the 1850s was oriented towards serving surround-

ing farming areas as a market and services centre. Pretoria's central location also led to it becoming the capital of the Zuid-Afrikaansche Republiek (ZAR).⁴⁴

The designation of Pretoria, in 1910, as the administrative capital of the Union of South Africa set in train the pattern of investment which came to define its focal public sector role. However, Pretoria was always more than simply an administrative centre; selected industries, commerce, research and development roles have been prominent here since the turn of the century. While the public service was white-dominated, many of the private enterprises and households relied mainly on black labour. By 1936 there were roughly equal numbers of whites and blacks living in and around Pretoria, totalling some 110 000 people; in time, the latter increasingly outnumbered the former.⁴⁵

While there was a fairly high level of segregation in the pre-apartheid years, blacks often lived adjacent to whites, and also quite close to the city centre, in neighbourhoods such as Marabastad and Bantule (see map 2, this page). During the 1950s tens of thousands of black residents were forcibly removed, under the Illegal Squatting and Group Areas Acts, to the more peripheral townships of Atteridgeville and Mamelodi.⁴⁶

By 1961 there was already a shortage of several thousand



Map 3: The current structure of the Pretoria metropole

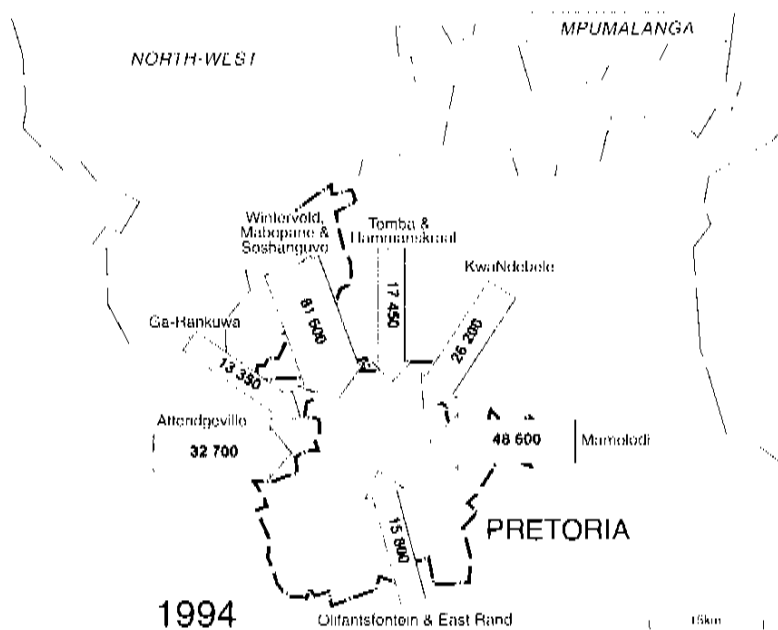
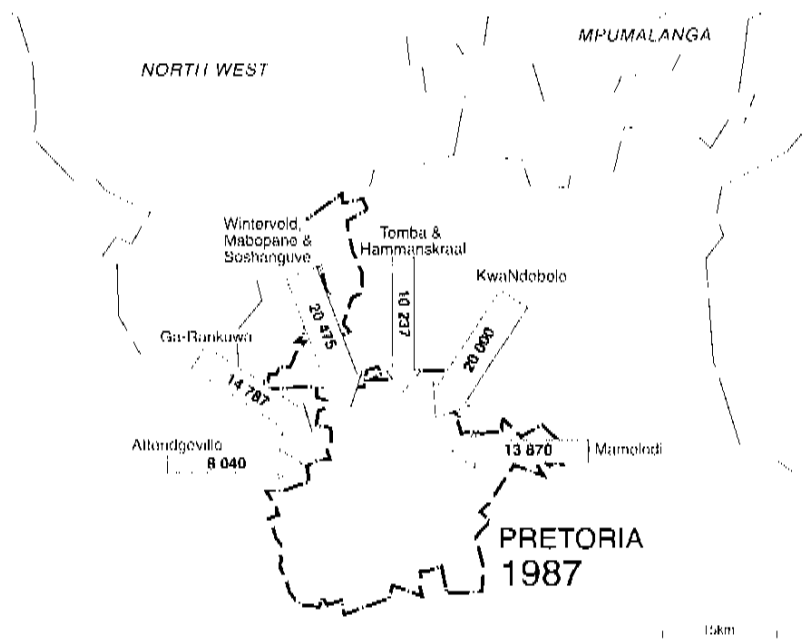
Reference: A Horn and O Crankshaw, The sociology of the Pretoria metropolitan complex – report commissioned by CDE, 1994.

Note: These figures may differ from official population figures.

Map 4: Commuting patterns to and from metropolitan Pretoria, 1987

Reference: After Smit and Booyen, 1983.

Note: The boundary drawn here is the official 1994 Pretoria metropolitan boundary, not that of 1987. Figures reflect bus commuters only.



Map 5: Commuting patterns to and from metropolitan Pretoria, 1994

Reference: CPMC, 1997b

Note: figures are for bus commuters only.

housing units in these two townships. To accommodate growth, the Pretoria City Council motivated the establishment of Ga-Rankuwa township behind the 'black reserve' (later the Bophuthatswana homeland) boundary about 30 kilometres north west of Pretoria. Black settlement in this area expanded rapidly and extended into what became known as the Winterveld complex.¹⁷

The establishment of Ga-Rankuwa was coupled to the proclamation in 1962 of Rosslyn as a 'border industrial area'. Given its proximity to Pretoria as well as lavish government incentives, Rosslyn was one of the more successful of the border industrial areas; by 1970 some 9 300 people were employed there, with the motor industry playing a leading role.

In 1970 another industrial decentralisation point was declared near Pretoria; known as Babelegi, it was near Hammanskraal to the north and also within the reserve boundary.¹⁸

Together, Rosslyn/Babelegi and the Ga-Rankuwa/Winterveld area made up a black labour-cum-industrial complex which pioneered government thinking on the development of the homelands and 'white' cities. In essence, given the recognition that not all blacks could be restricted to the 'homelands' the government planned to develop black satellite urban areas near the 'white' cities which could be politically accommodated in the 'homelands'. Rosslyn/Babelegi were seen as the key 'deconcentration' nodes of such a black metropolis, and this plan was emulated at much the same time or soon after-

Winterveld and KwaNdebele: the disadvantages of living 'outside'

There are several disadvantages to living in Winterveld and the former KwaNdebele, compared with living in official Pretoria:¹⁹

- unemployment rates are higher
- dependency rates are higher
- the formally employed are likely to work far from home in either Pretoria or the East Rand
- household income is likely to be lower
- per capita expenditure on transportation is higher
- education levels are lower
- skill levels are lower
- levels of infrastructural services are lower, particularly in Winterveld
- amenities are fewer, and poorly located in relation to homes
- bulk shopping mainly occurs very far from home, usually

in Pretoria

- informal housing predominates, particularly in Winterveld and the southern parts of former KwaNdebele
- freehold tenure is less common, rentals are high, and tenure arrangements must often be made with local chiefs
- housing is poorer
- residents often pay both formal rates as well as informal levies to local tribal authorities
- communities are politically marginalised by being far from the provincial capital (which makes lobbying more difficult)
- Winterveld and former KwaNdebele are the largest settlements in their respective provinces, but are often viewed as rural shack settlements in other provinces by Pretoria, and peripheral settlements within their respective provinces.

Table 2: Pretoria's black insiders and outsiders, 1994

	Population	Housing formal	Housing informal	Electricity (%)	Water in house (%)	Sanitation (waterborne)%
Atteridgeville	101 000	11 000	2 200	57	32	79
Mamelodi	320 000	18 500	3 000	68	74	79
Laudium	40 000	4 000	..	100	100	100
Ga-Rankuwa	62 000	10 700	4 000	100	100	100
Winterveld	180 000		23 700	30	4	0
KwaNdebele	640 000	96 000	32 000	90	20	14

These figures show that the traditionally African (Atteridgeville and Mamelodi) and Indian (Laudium) residential areas in the GPMA generally have high levels of infrastructural services – particularly when compared with informal settlements such as Winterveld. Although Atteridgeville, Mamelodi, the former KwaNdebele and

Winterveld are all dormitory residential areas, the last-named has a significantly lower level of services than those under the jurisdiction of the GPMA. Crudely styled, then, black people within the GPMA may be regarded as formal working and middle class, with black residents of areas such as Winterveld representing the urban poor.²⁰

wards at Mdantsane near East London, Hammarsdale near Durban, Dimbaza near King William's Town, and Botshabelo near Bloemfontein.⁵¹

A similar train of events was set in motion in the 'homeland' of KwaNdebele, north east of Pretoria. Here industrial deconcentration points were set up at Bronkhorstspuit and Ekangala to provide work opportunities for people (many of them former Pretoria residents) who had settled in closer settlements behind the reserve/homeland boundary. However, as with the north-western Winterveld complex, the north-eastern KwaNdebele conurbation effectively became a satellite

of Pretoria, with over 40 per cent of KwaNdebele employees working in Pretoria proper by 1992⁵² (see map 1, page 4).

As Horn and Crankshaw point out, all this has resulted in a three-lobed metropolitan complex of 2.6 million people, of whom 60 per cent are located in the former homelands.⁵³ The three lobes comprise a southern core, which produces 91.5 per cent of economic output; a north-western satellite; and a north-eastern satellite (see map 3, page 11). These lobes are highly interdependent – as shown, for example, by commuting patterns – yet each is separated from the other by considerable distances, agricultural land and political/administrative boundaries. As Smit and Booysen have observed, in the early 1980s a pattern of commuting associated with apartheid emerged that was particularly problematic in terms of trav-

el time and cost implications (see map 4, page 11).⁵⁴ As map 5 (page 11) shows, this pattern has deepened during the 1990s, with commuting increasing most from the Mabopane/Soshanguve/Winterveld area.

Nowhere else in South Africa has intra-metropolitan apartheid and segregation been so pronounced (with second and third place probably belonging to Bloemfontein/Botshabelo and East London/ Mdantsane respectively). Thus, for example, even though Pretoria's downtown has gradually Africanised during the 1990s, this trend has come later than in, say, Johannesburg or Durban, and was until recently much less extensive.⁵⁵ Moreover,

the main areas of majority black settlement around Pretoria are much further from the city's core than those around Johannesburg, Durban or Port Elizabeth.

It is highly unlikely that the decentralised industries in the north-western and north-eastern conurbations will stem the tide of commuting and migration to the southern core. While conservatives might argue for a revival of the previous government's industrial decentralisation and deconcentration strategies to counter commuting, it is by no means clear that areas around Pretoria could measure up. Indeed, recent reports from Ekangala are that nearly half of the jobs that were once artificially created here have since been lost.⁵⁶ The result is that more and more people are commuting to Pretoria from the former KwaNdebele and Bophuthatswana. Such commuting

Table 3: Actual and projected population distribution in the GPMA⁵⁷

SUBSTRUCTURE	1993	%	1995	%	2000	%
Soshanguve	375 000		400 383		864 000	
Akasia	19 821		21 773		27 545	
Subtotal North	394 821	24,92	422 156	25,15	891 545	37,65
Pretoria	508 115		521 284		556 360	
Atteridgeville	194 000		206 710		242 000	
Mamelodi	328 352		357 168		439 410	
Eersterus	29 770		31 905		37 940	
Subtotal Central	1 060 237	66,93	1 117 067	66,54	1 275 710	53,87
Centurion	106 762		116 324		175 095	
Laudium	22 278		23 252		25 880	
Subtotal South	129 040	8,15	139 576	8,31	200 975	8,49
TOTAL	1 584 098	100,00	1 678 799	100,00	2 368 230	100,00

is likely to increase unless the pattern of settlement and related household investments shifts over time.

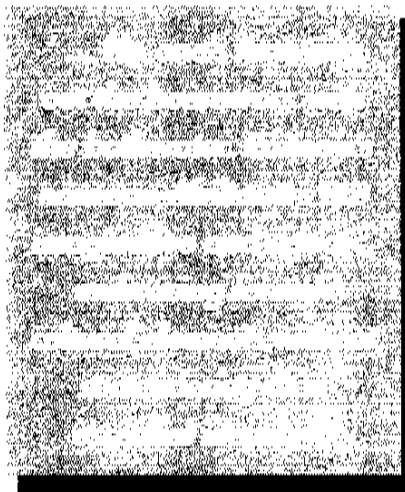
Accompanying this pattern of segregation has been a lack of common identity and planning in the metropolis, ultimately expressed in its bizarre location in three provinces (see map 1, page 4). While certain national government officials recognise this, it is striking that planning documents produced by the GPMC take their brief from the Gauteng provincial authorities.⁵⁸

In effect, this allows Pretoria's southern core to externalise the costs of its development by passing off responsibility for the poor to other (less resourced) authorities – which is remarkably similar to what the apartheid planners of the 1960s and 1970s had in mind (see box, page 12).

Pretoria has become what it is today – a highly fragmented and divided metropolis – through a concerted political programme of division lasting more than 50 years. It is most unlikely that the negative consequences of this past will be overcome simply by 'adaptive modernisation' or ad hoc adjustments over time. Indeed, as is explained below, what has emerged is a pattern of problematic social-geographic division which may take decades to reverse.

THE 'TWO PRETORIAS' PRIVILEGE, RELATIVE DISADVANTAGE AND MARGINALISATION

There are in fact two Pretorias: a formal or legal one, recognised for example in official documents such as *Prospectus: greater Pretoria metropolitan area*,⁵⁹ and a larger functional one which includes the settlements at Winterveld, Odi-Moretele, and others in the former Bophuthatswana and KwaNdebele. These latter places now face the danger of being regarded as the peripheral 'problem belts' of North West and



Mpumalanga provinces rather than being treated as the suburbs of Pretoria which they mainly are.

That even remote areas such as the former KwaNdebele are functionally dependent on Pretoria has been clearly illustrated by numerous research projects on employment and commuting in the area; inter alia, they have found that most workers from Winterveld and about one half of those from KwaNdebele commute to Pretoria.⁶¹

People from these areas also do a lot of shopping in Pretoria, attend hospitals there, and generally relate to the city as their 'centre'. The definition of a functional urban system is often based on such calculations of work and shopping destinations; internationally, where people are employed is a key criterion for defining city boundaries (see box, this page).

'Legal' Pretoria

Different socio-economic conditions prevail in the formal (legal) and the functional metropolitan areas. Considering the former first, table 3 (page 13) shows the population distribution within the various sub-areas recently determined by the GPMC. As can be seen, the central substructure has the largest population, but the south and especially the north are

Ties between Pretoria, Winterveld and KwaNdebele⁶²

There are strong economic, infrastructural, social and political links between Pretoria on the one hand and Winterveld and former KwaNdebele on the other:

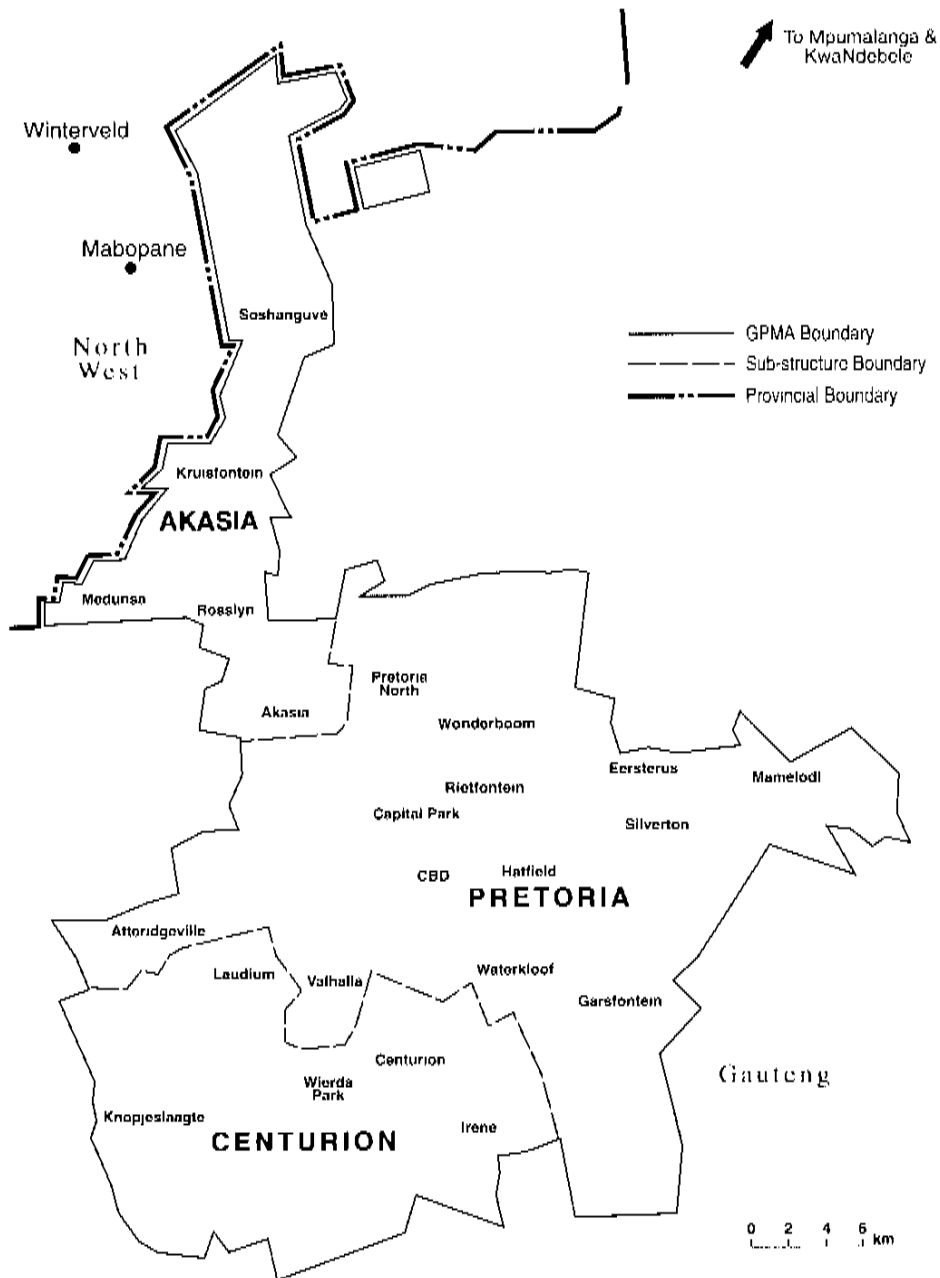
- some two thirds of working Winterveld residents and just less than half of those of the former KwaNdebele work in Pretoria;
- about two thirds of residents of both settlements do their bulk shopping in Pretoria;
- extensive road and rail networks link the settlements to Pretoria;
- areas of in-migration to Winterveld include the broader Odi-Moretele area, northern Pretoria, and other parts of Gauteng (among others);
- there are historical organisational links between party-political structures in Pretoria and Winterveld and the former KwaNdebele (the ANC's Winterveld and KwaNdebele structures formed part of the Pretoria ANC prior to the elections of 1994).

Table 4: Actual and projected population of functional Pretoria

	1995	2000
North GPMC	422 156	891 545
Central GPMC	1 117 067	1 275 710
South GPMC	139 576	200 975
Northern dormitories	845 000	950 600
TOTAL	2 523 799	3 318 830

Source: GPMC LDO reports and CDE population statistics on northern dormitories.

Map 6: The GPMC and Metropolitan Local Council (substructure) boundaries – formal (legal) Pretoria



Source: GPMC Prospectus.

expected to grow more rapidly because of different suburbanisation trends (also see map 6, this page).

Broadly speaking, socio-economic conditions within the GPMC improve from north to south via the centre. For example, while in 1991 only 3,5 per cent of those living in the northern substructure had some form of tertiary education, this rose to 12,3 per cent in the central and 21,4 per cent in the southern substructure. Likewise, average unemployment levels in the north were over 20 per cent, about 17 per cent in the central area, and about 2 per cent in the south. There were also major racial variations in the central substructure,

with the former Pretoria city recording about 5 per cent unemployment against Atteridgeville's and Mamelodi's 30 per cent.

Per capita incomes in 1991 showed a similar pattern of inequalities. In the northern substructure these were in the vicinity of R3 000 a year, in the central substructure about R11 500 a year, and in the south almost R24 000 a year. Again there are racially related variations within substructures, with the former Pretoria city recording R19 000 per capita income a year and Atteridgeville and Mamelodi R4 000 a year.

Service levels and housing backlogs vary along similar lines. For example, in Atteridgeville and Soshanguve water

is supplied to only 32 per cent of households, and electricity to 57 per cent. In the former Pretoria city these figures are close to 100 per cent.⁶¹ The GPMC estimated that there was a (1996) backlog of 45 000 homes in its area, and projected that 121 000 more would be needed by the year 2000.⁶² Clearly, therefore, like many other metropolitan areas, the new Pretoria metro faces some major developmental challenges, although perhaps not as severe as those faced by some other metropolitan authorities.

For example, in the greater Durban area almost one half of the population live in informal settlements, with virtually no services. Even so, a recent CDE study shows that it will be fiscally viable for the Durban metro to upgrade these settlements without sharply increasing rates.⁶³

At least in principle, therefore, the GPMC should be more than equal to its developmental tasks. Indeed, in many respects the 'legal' Pretoria of the GPMC as of 1998 consists of a blend of privilege and relative disadvantage. It is outside of the current GPMC that most of Pretoria's really poor and marginalised are to be found.

'Functional' Pretoria

A starker contrast and more daunting developmental challenge emerges when one considers the variations between the formal and the functional Pretoria. In the former KwaNdebele, for example, only 0,23 per cent of the population have a tertiary educational qualification (compared to 3,5 per cent for

the overwhelmingly black northern Pretoria substructure). Moreover, a remarkable 74,2 per cent of the residents of the former KwaNdebele have either no schooling or have less than standard 4, partly reflecting the age distribution in the area and partly the poor socio-economic status of people there.⁶⁶

In the Odi-Moretele region, also a dormitory area (close to two thirds of workers commute to Pretoria), estimates of unemployment range from 33 to 50 per cent, and in 1991 about one half of all households in Winterveld earned less than R500 a month. More

over, while black households in the formal or legal Pretoria increased their real incomes by 17 per cent between 1985 and 1995, in Winterveld average real incomes dropped by 12 per cent (see box, this page). Service levels vary but are generally poor; for example, in 1993 only 4 per cent of the population in the Winterveld-Klippan area, just beyond the GPMA boundary, enjoyed a formal water supply (compare to 32 per cent in Soshanguve), and only 0,01 per cent enjoyed formal sanitation (compared to nearly 100 per cent in Atteridgeville and Soshanguve).⁶⁷

More recent data on Winterveld and the former KwaNdebele suggest that some service levels have improved in these areas, partly as a result of recent government efforts to improve the living conditions of the poor. However, questions could of course be raised as to the wisdom of further investment in such areas as opposed to providing housing and services closer to Pretoria. It must be re-emphasised that people in the former

Comparison of household income of black 'insiders' and 'outsiders': 1985 and 1995⁶⁸

Location	Household income (Rm): 1985	Household income (Rm): 1995	% growth or decline, 1985-95
Pretoria metropolitan area	17 486	20 544	17
Winterveld	9 265	8 182	-12
KwaNdebele	not available	not available	
Johannesburg	20 028	19 603	-2
Durban	14 322	16 047	12
SA metro average: black households	13 978	15 037	8
Large town average: black households	8 640	10 996	27
Small town average: black households	5 844	6 409	10

In the period under review, incomes of African households in the Pretoria metropole grew more quickly (17 per cent) than the metropolitan average for African households nationally (8 per cent). By contrast, African household incomes in Winterveld declined substantially (by 12 per cent) over the same period.

KwaNdebele and Winterveld depend strongly on Pretoria, with more than 80 per cent of Winterveld workers and more than half of KwaNdebele's workers being employed in Pretoria, and that, in terms of most accepted definitions of a functional urban area, they would therefore be seen as part of Pretoria. The population figures for such a 'functional' Pretoria would differ markedly from table 3 (see page 13), rather approximating those in table 4 (see page 14).

In short, the formal Pretoria metro area is surrounded to the north by a series of very poorly serviced dormitory suburbs in which socio-economic conditions are even worse than those in the former black areas now falling under the GPMC. These Pretoria-dependent northern settlements are now incorporated into three different provinces – North West, Northern Province and Mpumalanga – and their futures depend on these separate administrations which may not see them as central to their development priorities. Formal Pretoria has therefore effectively externalised many of the social costs of its own development, passing them on to the central government and different provincial governments which have inherited its functional dependencies.

Strikingly, many people in Pretoria continue to regard Winterveld and former KwaNdebele as separate from their city.⁶⁹ Perhaps this is because they feel threatened by the idea of being part of a larger urban region or city with more poor people; however, whatever their motivation, they display a disjointed vision of the geography of the Pretoria metropole in line with the geography of apartheid. Pretoria thus remains an urban system divided by both class and race, probably more so than most South African cities.

It should not be imagined that the 'formal' Pretoria is entire

The marginalisation of Winterveld and KwaNdebele

The former KwaNdebele and Winterveld are the largest settlements in Mpumalanga and North West respectively.⁷⁰ However, from February 1995 to end 1997 Ekangala in the former southern KwaNdebele received 3 per cent of the total number of housing subsidies in Mpumalanga province (760 out of 27 071). During the same period Winterveld, Mabopane and Tembisa received 9 per cent of total housing subsidies in North West (6 318 out of 67 918).

The average per capita expenditure on health in Mpumalanga in 1996/7 was R156. However, per capita health expenditure in the Kwamhlang district (which includes the former KwaNdebele) was R52. The expenditure in North West was R394,92, and that in Moretele and Odi R236 and R84 respectively.⁷¹

ly problem-free from a socio-economic point of view. Some sources in the local Afrikaanse Sakekamer allege that there is a very high level of debt among Pretoria's white residents which could, in time, pose a significant problem. Whether this problem is more severe than in other South African cities is not known, but the worrying aspect here is that such material factors could combine with cultural and political ones to deepen political polarisation in the city. As the historian Grundlingh observes:

... despite the loss of official power, wealthier Afrikaners in Pretoria have carried on with their cultural activities as before; it is the poorer Afrikaners – caught up in mixed-race neighbourhoods – who are of the opinion that they are being sacrificed, and that what they perceive to be their cultural status is more under threat than that of their wealthier brethren.⁷²

Summary

'Legal' Pretoria, as currently constituted by the GPMC boundaries, is characterised by socio-economic trends which improve as one moves from north to south. On average, socio-economic conditions in the 'legal' Pretoria are better than those in other major South African metropolitan areas, but this is because Pretoria has effectively excluded a large part of its population which is black and poor.

The actual size of Pretoria is underestimated in the GPMC material, and planning should therefore rely more upon the perspectives provided by table 4 (functional Pretoria) than those provided by table 3 (official Pretoria). There may be a perception of an enhanced 'threat' posed by an expanded Pretoria from certain constituencies within the GPMC area, but facing up to the challenges posed by hard realities is likely to yield better results than an escapist approach based on artificial boundaries.

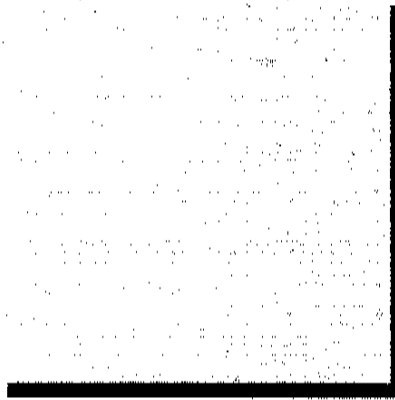
CURRENT STRATEGIES AT THE LOCAL LEVEL

Ironically, the dreams of Pretoria's apartheid planners have partly been realised through the subsequent determination of provincial boundaries. However, the situation could still backfire on the city in much the same way as apartheid policies did nationally. Unless Pretoria's metropolitan resources are deployed towards emergent developmental needs and the hidden forces of change, many of which will emanate from beyond current GPMA borders, Pretoria could end up in a worse situation than conservative forces may be banking on. People are already 'voting with their feet' and will continue to do so, by informally moving into the GPMA. If this movement is accelerated, backlogs of housing and services will worsen, land invasions will increase, and downtown areas will deteriorate. None of this is in the interests of the established

elite, and the outcome for the inwardly migrating poor will also be unfortunate.

Therefore, Pretoria's resources must be refocused to interact more creatively with the hidden forces of change. Certainly, it is at least as well endowed with the resources (finances, staff, etc) needed to meet development challenges as most other similarly sized South African metropolitan areas; in fact, it is probably better off than many.⁷³ There is ample land available for development, much of it near to the southern core and publicly owned. Pretoria's road and rail infrastructure is not overburdened, and functions well by comparison with most South African cities. While there is a shortage of public facilities in former black areas, those in the city itself (stadiums, theatres, libraries, tertiary educational facilities, hospitals, etc) are envied by many other South African cities.⁷⁴ In short, Pretoria has an excellent asset base from which to launch a new, inclusive, developmental drive.

As is often the case in South Africa, however, the main issue is more one of style and experience. The former Pre-



torian municipality, with its formidable capacity, is not really attuned to the development needs of the wider community (One indication of this capacity is the fact that the GPMC and substructure budgets totalled more than R4 billion in 1996/7). As elsewhere in the country, Pretoria's local government institutions have to be focused on new needs.

Interestingly, there are signs that this process has already begun. For example, at a 'Strategic metropolitan development framework summit' held in Pretoria in May 1996, key officials referred extensively to the Reconstruction and Development Programme (RDP), the government's Growth, Employment and Redistribution (GEAR) strategy, its draft Urban Development Strategy of November 1995, and the need to align the metropolitan tier with these perspectives and priorities.

In addition, a recent project workbook produced by private consultants to the GPMC identifies a number of interventions that might be made to translate these national government priorities into reality in Pretoria.⁷⁶ All of this suggests a degree of pragmatism and adaptive modernisation on the part of especially local officials which many outsiders might not have predicted.

Nevertheless, when reading such speeches and documents it is difficult to avoid the impression that the combination of private consultancies and local officials who are making the political realignments are still operating in terms of an intra-South African outlook and a strongly statist approach to planning and development. There is, for example, only one fleeting reference in all these speeches and documents to the need for collaboration with the private sector, and only one brief official reference (derived from central government's draft Urban Development Strategy) to the need to think in terms of global competitiveness. For the rest, the tone and content of contemporary development thinking in Pretoria is that of 'business as usual' albeit through the lens of changed national policy.

International experience suggests that such a statist and inward-looking response will not elicit much interest from the local and international investment community. Yet it will be difficult for Pretoria to grow without such investment. The services that politicians and some officials may want to provide to the poor, for example, will have to be paid for somehow, and this will depend above all on the expansion of employment. In turn, these jobs will have to be created by private investment, whether by corporations or small enterprises.

Despite some private investment to the east of Pretoria, the overall situation is not good. The growth in foreign embassies since 1994 has hidden the fact that Pretoria has

Pretoria's local government finances

The budgets of the GPMC and its substructures (MSS) strikingly demonstrate the dominance of the Central Pretoria MSS. While the GPMC spends R1,7 billion a year, Central Pretoria spends R2,3 billion and the other two substructures (Centurion and Northern) about a third of that sum. This dominance of a single substructure occurs nowhere else in South Africa⁷⁵ and ramifies, politically, in a number of different ways.

Some GPMC officials say Central Pretoria treats its like an 'uprated Regional Services Council'. Indeed, in 1996/7 RSC levies (R200 million) were the GPMC's third largest source of revenue, and (depending upon how the calculations are made) the largest single non-cost-bearing revenue source supporting its activities. While the GPMC engaged in relatively few 'non-remunerative services', Central Pretoria provided almost a billion rands-worth of such services, including for example ambulances, fire brigades, marketing and communication, health, transportation/roads, safety, libraries, security, recreation, horticulture, etc - most of which sustain the high-quality environments within this MSS. By contrast, the GPMC has largely been restricted to using its funds for capital projects (mainly roads, water and sewerage) in formerly underserviced areas.

experienced a private investment drought for the past decade. In 1985, for example, it was ahead of both Durban and Cape Town in terms of building plans passed (a good index of private investor confidence); by 1993 it had fallen well behind both these cities, and by 1997 there was less than half the activity of Durban or Cape Town.⁷⁷ Office vacancies in central Pretoria are among the highest in the country (see box, page 21).

Figures on the growth of small and micro enterprises (which are usually not reflected in building plans) are difficult to come by, but observation of downtown Pretoria suggests that it lags behind cities such as Johannesburg or Durban in this respect as well; indeed, a recent study of Pretoria's informal sector put its contribution to regional GDP at a lowly 0.6 per cent.⁷⁸

To summarise, while there are encouraging signs of political pragmatism among Pretoria's planners, the relatively weak link between the private sector and entrepreneurial activity on the one hand and local developmental thinking on the other is less encouraging.

However, as is indicated below, this could change if certain GPMC initiatives are followed through.

Pretoria's CBD: race, class and economics

To the outside observer, Pretoria's CBD is a relatively orderly environment. There is some informal street trading and taxi activity, as well as numerous new inner-city schools similar to those found in Johannesburg and Durban; yet this emerging informal component of the city economy appears to be well controlled, perhaps mirroring the city's traditional bureaucratic ethos. Historically, the office market in Pretoria's CBD has been dominated by the public sector which occupies about two thirds of the city's office space. But the relocation of the Gauteng provincial government to Johannesburg, together with the continued business decentralisation to the eastern and south-eastern suburbs, have left their mark on Pretoria's CBD: presently, it has one of the highest office (A- and B-grade space only) vacancy levels in South Africa. Central government functions are effectively holding the Pretoria CBD together. Should central government agencies join the exodus to the suburbs, the CBD will be in serious trouble.

Formal retail activities still predominate, and the informal sector seems to be highly regulated. The increasing mass market (largely black) orientation of Pretoria's CBD has led to consumer stratification along class and racial lines, with middle- to upper-middle income (mainly white) consumers abandoning the CBD in favour of decentralised shopping malls.

Racial change in the Pretoria CBD is not confined to the

STRATEGIES FOR GLOBAL COMPETITIVENESS: PRETORIA'S ECONOMIC PRIORITIES IN THE CONTEXT OF WORLD EXPERIENCE

Many leading figures in Pretoria understand that economic strategies for the city should enjoy the highest priority. In a recent Land Development Objectives exercise conducted for the GPMA, participants identified economic development and job creation as the single most important priority for the city. They only differ – if at all – on how this priority should be addressed.

We have argued that it is very risky for Pretoria to continue to opt for a public sector-led development strategy. Hankering after an enhanced status as South Africa's capital city may not be misplaced, but in the end this in itself will not be enough to address the developmental task at hand. Instead, the promotion of a wide range of SMMIEs and joint public-private ventures in a range of economic sectors; the growth of an R&D industry, training capacity and scientific research capacity – and a focus on marketing products and services northwards are all potentially sustainable strategies for renewed growth and development.

retail sector: the low-income, high-rise residential market is also experiencing an influx of black residents and a concomitant efflux of white residents. Market sources confirm that sales of Pretoria CBD apartments to blacks are increasing.⁷⁹ However, media reports have revealed continued racial discrimination in the selling and renting of inner city apartments.⁸⁰

Notwithstanding attempts to bar the entry of blacks to the inner city, market forces and racial tipping (the shift at some critical point from one group dominance of an area to another) will ensure that the bulk of residents will continue to be drawn from the lower (now largely black) end of the market. The greying of the inner city may well accelerate the emergence of a more plural and tolerant culture. However, this new culture – stimulated by the opening of new embassies and the 'changing of the guard' in central government and the parastatal sector – is largely confined to the decentralised business nodes in the more affluent residential areas.

Notwithstanding commercial decentralisation, the CBD is still the commercial core of greater Pretoria. The city government and various private interest groups have launched the Pretoria Inner City Partnership to revitalise it and ensure that it retains its core commercial position. However, in the long run the CBD will not succeed without increased private investment and activity (both formal and informal).

If the key strategic question for Pretoria is whether it wants to become an active and vibrant participant in the regional and global economy, or whether it should grow via its grip on the public sector, it appears as if a significant number of opinion-leaders in the city are currently settling on the latter. How else, for example, could one explain the extraordinary effort devoted to the Pretoria Capital Initiative?

The distinction between the public and private sector-led development approaches should not be overemphasised, because in Pretoria, probably more than elsewhere, partnerships will probably hold the key to development. But it should be asked whether the South African public should, for example, allow Pretoria to house parliament while continuing to pass its social costs of growth off on to other tiers of government and other provinces. Also, why should the private sector heed central government's injunctions to spread investment around the country (such as development corridors, spatial development initiatives and so on) while the latter continues to concentrate its own investments in a few locales?

As president Mandela said in an address to the National Council of Provinces on 29 August 1997: 'One of the central questions the country faces is the broader issue of how provinces – all provinces – should be accorded an opportunity to host national institutions, political, judicial, cultural and otherwise, in the context of manageable levels of efficiency.'⁸¹ When these questions are asked, the risky nature of Pretoria's current focus on public sector-led growth strategies becomes

Pretoria and Johannesburg: the asymmetrical link

The links between Pretoria and Johannesburg have never been stronger and are likely to strengthen further, particularly in view of the growth of the Midrand/Centurion axis. An indicator of the link between Pretoria and Johannesburg is the flow of motor vehicles between the two metropolises. Some 145 000 vehicles travel between the two metropolises every day (both ways). However, a disproportionate volume of vehicles leave Pretoria for Johannesburg, which confirms that Pretoria is more of a satellite to Greater Johannesburg (including the East Rand) than the other way around: every weekday morning some 43 500 vehicles leave Pretoria for Greater Johannesburg, while some 29 000 vehicles travel from Greater Johannesburg to Pretoria.⁸²

clear – or at least it leaves the outside observer wondering what Pretoria might be offering the rest of the country as a quid pro quo.

Indeed, while the overconcentration of public sector facilities and investment in certain cities and regions has not yet become a major issue, it may well do so in years to come. The support base of the current, and any democratically elected, South African government, is far more widely dispersed than that of the previous government. Experience in many other countries – particularly those that have undergone a process of decolonisation and/or democratic transition – shows that, over time, there is a consequent (and often economically justified) tendency to

Pretoria's property market

Industrial townships in the Centurion area are the most popular, particularly those adjacent to the N1/M1 motorway. The Centurion strip is a logical extension of the popular Midrand strip – sharing a high level of accessibility, visibility and market exposure afforded by the N1 motorway – and is expected to become even more popular as a light industrial and value/discount retail location.

The Pretoria CBD contains the largest single concentration of office space in the metropole (655 700 square metres). Significantly, though, there is more decentralised office space (930 800 square metres) than in the CBD. Office space in the CBD grew strongly between 1992 and 1997, comparing favourably with the bulk of decentralised nodes. However, the CBD also has one of the highest office vacancy rates in the country.⁸³ This is due partly to the relocation to Johannesburg of the Gauteng provincial government. Presently, Hatfield is one of the most buoyant of Pretoria's decentralised business nodes.

Between 1993 and 1995, new shopping centres (larger than 10 000 square metres) were built largely in the more affluent parts of Pretoria to the east, south-east and south (Centurion) of the CBD.⁸⁴ As such, the distribution of shopping centres mirrors the location of affluent residential areas.

Lower-middle-income consumers are increasingly shopping in the Pretoria CBD (similar to most CBDs in the country), while middle and upper-middle income consumers are electing to shop at malls closer to their homes.

decentralise new public facilities and investment. If this happens in South Africa as well, a public sector-based development strategy will not be a wise choice for Pretoria.

The many supporters of the Pretoria Capital Initiative might point to the allegedly high levels of support within the ruling party for parliament to move to Pretoria as a counter-argument. This may well be, but it is important to recognise that there are differences of opinion on the subject, and a decision has not yet been made. Moreover, the presence of parliament alone will not be enough to generate jobs and enterprises on the scale required, and Pretoria may also need to give something in order to receive from the public sector.

Foresight suggests, then, that it would at the very least be a risk-spreading strategy to position the city in terms of global competitiveness, and that this will require additional development strategies to those employed in the past. The experiences of some foreign cities may be helpful in this regard.

CITIES AND THE GLOBAL ECONOMY⁸⁵

CDE's Big Cities Series emphasises the need to understand the developmental challenges facing South African cities in the context of growing global competition for investment, and the factors that ensure success.

Under apartheid, South Africa was cut off from many international economic forces and trends. Our newly democratic society is thus a latecomer to many of the dynamics that characterise economic and urban development at the end of the 20th century. There are, however, some advantages to coming late – as we can learn from the experience of other countries.

Economic globalisation can be described in a number of ways. At the most basic level, it refers to the expansion of the world market economy during the past two decades; the rise of the south east Asian economies; the fall of communism in eastern Europe and the former Soviet Union and the emergence of market economies there; and the resurgence of some Latin American economies, notably Chile, Argentina and Brazil. More than ever before, there is a growing international integration of markets for goods, services and capital.

Globalisation involves a number of discrete but interrelated economic processes. It was not until the 1960s and 1970s that a global economy truly emerged, despite a long history of international flows of capital, labour, goods and services. Marking the difference was the intensity of such flows. The first of these is the massive growth in world trade in recent decades: since the mid-1970s world merchandise exports have approximately doubled as a proportion of world output, from 10 to 20 per cent.

Associated with this is an enormous expansion in foreign direct investment (FDI). Total FDI in the newly opened

economies of Latin America, for example, rose from 6,1 billion US dollars in 1984–7 to \$10 billion in 1988, \$914 billion in 1991, and \$16 billion in 1992.⁸⁶ FDI has not been confined to routine production facilities alone: increasingly it involves research and development facilities too, meaning an effective globalisation of innovation.

The 'financialisation' of the world economy is also a well-known phenomenon: involved in this has been both the deregulation and denationalisation of financial markets and instruments. Capital now flows freely across national borders. This capital is joined increasingly by people as both individuals and groups of people migrate between countries on an unparalleled scale. Finally, the formation of a global consumer culture is also a recent and accelerating process. One of the most crucial aspects of this is the explosion in tourism over the past few decades.

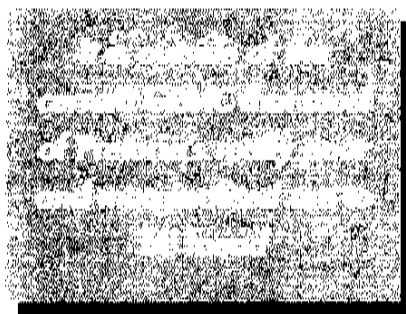
Performance of South Africa's CBDs⁸⁷

Inland CBDs (Johannesburg and Pretoria) have performed poorly compared with the two largest coastal CBDs, as shown by the high vacancy levels in the first quarter of 1997 (Johannesburg stood at 16,1 per cent and Pretoria at 19,7 per cent, compared with Cape Town at 8,2 per cent and Durban at 11,6 per cent). The unfortunate position of Pretoria's CBD should serve as a warning to any city that concentrates on a single economic activity.

Although registering a high vacancy level, Johannesburg's CBD still houses the single largest geographical concentration of office space in the country (1,7 million square metres), reflecting its traditional role as South Africa's commercial capital. Together, Johannesburg and Pretoria CBDs contain the bulk of the country's office space (2,4 million square metres), reflecting the historical commercial and political dominance of Gauteng province.

Interestingly, by end 1996 office vacancy levels in certain world cities were similar to those in Johannesburg and Pretoria: New York, 16 per cent; Washington, 9,3 per cent; Los Angeles, 24,9 per cent; London, 9,9 per cent; Hong Kong, 9,2 per cent; and Mexico City, 13,7 per cent.⁸⁸ Viewing the health of the CBDs of Johannesburg and Pretoria from an international perspective suggests that the processes shaping South African cities are not unique, and that broader international trends (changes in economic activity, aversion to traffic and parking problems, crime, etc) also lie at the root of local trends.

Thus it can be said that a new era of global, knowledge-intensive, technologically sophisticated capitalism has emerged. This takes the form of an increasingly integrated international economic system with multinational corporations often operating through information, production and marketing networks that span numerous countries.



Globalisation has profound implications for countries. It creates important new opportunities – wider markets for trade, an expanding array of tradeables, larger private capital inflows, and improved access to technology. In turn, these opportunities are accompanied by tough new challenges of economic management – integration requires adopting and maintaining a liberal trade and investment regime. More and more policy-makers are confronted with a new stringent form of discipline: the need to maintain the confidence of markets, both domestic and, increasingly, international.

All this has enormous implications for cities. Globalisation poses real threats to ‘business as usual’ for countries and cities all over the world – while simultaneously creating exciting new opportunities for growth and prosperity. As *The Economist* saw it in 1995:

‘The liberalisation of world trade and the influence of regional trading groups such as Nafta and the European Union will not only reduce the powers of national government but also increase those of cities. This is because an open trading system will have the effect of making national economies converge, thus evening out the competitive advantages of

countries while leaving those of cities largely untouched. So, in future, the arenas in which companies will compete may be cities rather than countries.’⁸⁹

Looking closely at the redefined economic role of cities in the new global economy, it can be argued that:

cities should no longer be seen just as places where people live and governments provide services, but rather as dynamic arenas for economic, social and cultural development;

with greater mobility for people and economic activities both within and between countries, cities are increasingly competing with one another;

the role of any city is therefore being defined in terms of the role of other similar cities within the ‘borderless’ global economy, rather than in isolation as a local economy within a closed national economy;

cities act as barometers for pressures in the wider global economy. As a city becomes integrated into the global economy, it is disciplined by the growing strength of external markets and by the activities of other competing cities; cities in the global economy must link flows of products, people, information and finance between often distant sources and destinations. Managing these flows as well as retaining fixed sources of production has become the essence of the city’s economic function.

There are dangers and opportunities in the new global economy for cities. Technological change and telecommunications developments mean that different elements of the production

Table 5: Pretoria’s crime rates compared⁹⁰

CRIME	GAUTENG				PRETORIA			
	1994	1995	1996	1997	1994	1995	1996	1997
Murder	1 544	1 236	1 367	1 206	110 (7%)	112 (9%)	119 (9%)	105 (9%)
Robbery	8 729	8 946	6 601	6 698	781 (9%)	713 (8%)	482 (7%)	528 (8%)
Rape	2 382	3 006	3 339	3 204	423 (18%)	499 (17%)	546 (16%)	507 (16%)
Vehicle theft	18083	17377	16372	14395	1 992 (11%)	2 047 (12%)	2 001 (12%)	2 288 (16%)
	JOHANNESBURG				SOWETO			
Murder	289 (19%)	229 (19%)	265 (19%)	229 (19%)	272 (18%)	256 (21%)	238 (17%)	201 (17%)
Robbery	2 532 (29%)	3 238 (36%)	2 405 (36%)	2 318 (35%)	1 302 (15%)	1 332 (15%)	823 (12%)	735 (11%)
Rape	363 (15%)	429 (14%)	399 (12%)	436 (14%)	523 (22%)	632 (21%)	657 (20%)	605 (19%)
Vehicle theft	5 092 (28%)	5 608 (32%)	4 649 (28%)	4 992 (35%)	669 (4%)	632 (4%)	561 (3%)	667 (5%)

This table shows that levels of serious crime are lower in Pretoria than in other parts of Gauteng. In particular, Pretoria’s murder and robbery rates and, to a lesser extent, its vehicle theft rate are comparatively low. However, vehicle thefts are increasing. The percentages are of all such crimes committed in Gauteng. Hence, for example, 7% of all murders in Gauteng in 1994 were committed in Pretoria.

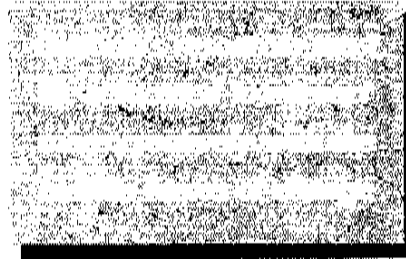
process can be divided among different locations.

The reasons for particular industries locating in particular places can change. For example, Johannesburg's central business district was once the only and obvious location for high-level professional and financial services. This is no longer the case, and the effects are reflected in the inner city's decline. No city can afford to rest on its laurels. No city should assume that the future will be like the past.

Cities (and urban regions and metropolitan areas) are the new arenas for global economic activity and competition. This has enormous implications for how these cities are managed and governed. South African cities now need to choose their priorities through an economic lens. By developing strategies to become more competitive in the global economy, South African cities will more readily discover the means to cope with their developmental challenges. We now turn to examine Pretoria's development prospects through this economic lens.

Pretoria's share of national resources⁹¹

University of South Africa; Medical University of South Africa; National Commission on Higher Education; National Photographic Academy; National College of Photography; Council for Scientific and Industrial Research; Federation of GEM and Mineralogical Societies; Africa Institute of South Africa; Foundation for Research Development; Human Sciences Research Council; National Institute for Explosive Technology; Aerospace Research; Onderstepoort Veterinary Research Institute; Council for Geoscience; Council for Nuclear Safety; Foundation for Education, Science and Technology; National Parks Board; National Zoological Gardens of South Africa; National Productivity Institute; South African Academy for Science and Art; Forensic Science Laboratory, SAPS; ISCOR; Central Statistical Service; South African National Defence Force; Armscor and Denel; South African Reserve Bank; South African Bureau of Standards; Atomic Energy Corporation; National Energy Council; National Council for the Blind; Medical and Dental Council of South Africa; National Cultural History Museum; Voortrekker Museum; Willem Prinsloo Agricultural College; South African Museum Association (SAMA); Transvaal Museum; National Monuments Council; National Film, Video and Sound Archives; National Film Library (Department of Education); and the State Theatre.



PRETORIA'S COMPARATIVE ADVANTAGES

Pretoria enters the global competitive race with some remarkable attributes. First, greater Pretoria has a comparatively low crime rate: proportionate to their populations, in 1993 Pretoria had a murder rate one eighth that of the Witwatersrand's; a rape rate less than a 10th of the Witwatersrand's; a robbery rate about one third of the Witwatersrand's; and a vehicle theft rate about one half that of the Witwatersrand's (this low set of rates has been sustained over time; see table 5, page 22). While these rates could change, Pretoria should recognise that its low crime rate is an important asset that deserves to be nurtured.

Second, Pretoria probably has the most highly developed technology and research and development sector in Africa. Its abilities in this sphere stem from:

- technologies developed by the weapons industry, now being used for non-defence purposes;
- the developed communications sector (eg Telkom);
- its reservoir of highly skilled labour, including very high proportions of engineers and scientists;
- numerous state and parastatal research institutions, including for example the Council for Scientific and Industrial Research (CSIR); and
- several universities and technikons.

Adjustments to and adaptations within some of the city's research and training institutions may prove exemplary. For example, the recently elected vice-chancellor of the University of Pretoria has been drawn from the faculty of biological and agricultural sciences, where he was said to have played a progressive role in terms of the admission of black students and appointment of black teaching staff. To the extent that Pretoria probably remains Africa's leading service centre to agriculture (Onderstepoort, the continent's foremost veterinary centre, lies to the north of the city), and to the extent that peri-urban agriculture will probably be an important ingredient of a wider development strategy for the Pretoria region (see below), Pretoria University may ultimately also provide signposts towards the subcontinental and global competitiveness that the city may wish to follow.

Pretoria has many other assets which, if properly managed, can help to improve its fortunes in the years ahead (see box, this page). Many of these are the result of past public investments: for example, some of the country's best highways, hospitals, sports stadiums, zoos, libraries, museums, and public parks can be found in this city. Provided they are well maintained, it is these types of infrastructural assets which attract private sector investors to a city. Indeed, low crime rates and market-oriented high technology are not enough, on their own, to create the jobs needed by the tens of thousands of poor-

ly educated and unemployed people in and around Pretoria. While public works projects and similar state-directed programmes may provide temporary relief, a long-term solution can only lie in developing a small, medium and large enterprise sector which draws upon the energies and skills of the hitherto excluded majority.

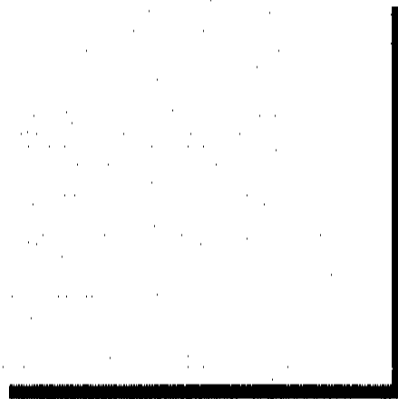
This may involve Pretoria returning to its 15th-century roots and recreating itself as a subcontinental entrepreneurial centre, since Pretoria is potentially better placed than most other South African cities to service consumers from Zimbabwe, Zambia, Malawi and the like. It may also mean stimulating black peri-urban farmers (if water costs can be contained), and bringing the city's agricultural expertise to bear beyond South Africa's borders. It will also probably imply support for a minimally regulated small-scale industrial sector (although it is recognised that South Africans still have to overcome several obstacles in order to make progress in this arena).

Much of this latent potential was previously frustrated by apartheid policies and Pretoria's 'tidy' bureaucratic culture. Current proponents of the same values might argue that a globally competitive high technology centre cannot also be a place of street traders, horse and cart farmers, and unplanned workshops. Yet, if the Asian experience is anything to go by, precisely the opposite is true. Indeed, what many in the Pretoria establishment now see as emergent urban problems may well be redefined as opportunities.

Once it is understood that an entrepreneurial African city can release new energies, save on public sector costs, and create the level of employment that keeps crime down, it may be possible to develop an inclusive vision of the Pretoria of the future. Of course, some degree of class and land use segregation will emerge in such a city, but the key point is that, rather than yearning for the uniform orderliness of the past, certain class and aesthetic tolerances will have to be developed in the city as a whole.

This, however, will require that careful choices be made in respect of what is supported, and treated as permissible where, by metropolitan authorities. As is suggested elsewhere in this document, one of Pretoria's real and perceived strengths are its lifestyle qualities, and to allow a generalised decline in such qualities is a very different matter from supporting functional diversity in different areas of the city.

This is why Pretoria's development prospects hinge on a constructive resolution of its current identity crisis. What this suggests is that private sector leaders should collaborate with the city's new mainly black political leadership on building a unifying developmental vision infused with private sector experience and values (see box, page 27). Established pub-



lic sector figures, however technically skilled and politically pragmatic they might be, may not, on their own, have the outlook and expertise that will be required to place the city on a path to greater inclusiveness and global competitiveness. But if this is not done, the city cannot prosper in the long run.

What should the main ingredients of such a strategy be? Part of the answer will have to come from Pretoria's business and political leaders themselves, but part might also lie in beginning to redress some of city's weaknesses which are obvious to the external observer. One striking feature of Pretoria is how poorly it has been researched compared to Durban, Cape Town, Johannesburg, and even Port Elizabeth and Bloemfontein. In articles, books or monographs on South African cities, references to Pretoria are few and far between. More research primarily focused on economic and development issues would help to identify opportunities or bottlenecks and put the city on the national and international decision-making map, as well as help local decision-makers to decide which policy options to exercise.

A second weakness of Pretoria which strikes the external observer is the relative absence of developmental NGOs – that is to say, developmental capacity external to the state. In other South African cities, and cities elsewhere in the devel-

International organisations

Most international organisations represented in South Africa are based in Johannesburg. Nevertheless, a good number of them (and some of the more prominent) are based in Pretoria, and thus potentially offer Pretoria access to a wealth of knowledge and international experience – both of what to do as well as what not to do. These include.⁹²

International Committee of the Red Cross; International Labour Organisation; International Organisation for Migration; United Nations High Commissioner for Refugees; United Nations International Children's Emergency Fund; United Nations Development Programme; United Nations Educational, Scientific and Cultural Organisation; United Nations Information Centre; United Nations Population Fund; World Bank Group; World Health Organisation; British Development Division in Southern Africa; Delegation of the European Commission in South Africa; German Embassy Development Division; United States Agency for International Development.

oping world, such NGOs or university-affiliated urban studies groups have played key roles in initiating renewal or transitional programmes and in suggesting how these cities should be repositioned in changing political and economic contexts. It is recognised that many NGOs have poor performance delivery records, but the more creative of them have provided important research and workable models of development which are often emulated or extended by local and regional governments. For Pretoria to be deprived of such creative developmental NGOs seems particularly incongruous, given the extent of the development challenges that lie ahead (see box, page 31).

Thirdly, and returning to the theme of the identity crisis, an obvious weakness of Pretoria is that its extensive cultural assets are not yet perceived as 'common property' and often divide the city rather than unifying it. This emerges most obviously in political conflicts around statues or other symbols, but the ethnocentrism implicit in the use of major state-sponsored public facilities is more serious. Perhaps not everyone will agree with Breyten Breytenbach when he wrote, in *Return to Paradise*, 'May Loftus Versfeld [rugby] stadium be used for political rallies by the ANC! ... May the state theatre be turned into a cattle market for wormy beasts from Botswana! ... May the cocky students of [Pretoria] University be obliged to go and live in Mamelodi township!'⁹³ But most would understand the point he is making about exclusivity. Initiatives by a coalition of local private sector and political leaders to ensure that these facilities are much more

widely used would begin the process of building a common Pretoria identity. Linked to a broader local economic development strategy, such a shift in the city's culture would help to position it more competitively in the southern African scene.

Pretoria can also learn from international experience in developing its sense of comparative advantage. There are many cities which have moved from weakness to success by playing to their strengths. One of these is Sheffield in Eng-

land – a city which, like Pretoria, traditionally specialised in metals manufacturing which by the 1990s was under threat, and also had a council with a strong public sector bias. Faced with growing unemployment, the council initially responded by creating an employment department which 'focused its attention on public sector intervention to create new jobs; equity financing for small businesses; and efforts to promote equal opportunity employment ... (but) the overall strategy did not work'⁹⁴ Later, the council changed its strategy to emphasising partnerships with the private sector and promoting private investment, with much better results. How did Sheffield change its image, and how did it 'lever' private sector investment? Can Pretoria do the same?

The experience of Pittsburgh in the United States is also potentially useful, since here, once again, a town characterised by a beleaguered metals industry and a strong public sector reconstructed its future on the basis of high technology and R&D. Indeed, Pittsburgh found that despite major setbacks in the 1970s in traditional employment areas, by the late 1980s

Pretoria: South Africa's best-kept secret?⁹⁵

The number of foreign tourists visiting Pretoria is increasing at an astonishing rate. Between 1990 and 1996 the number of foreign tourists who stayed in Pretoria increased by 275 per cent, compared with Johannesburg's increase of 10 per cent. Nevertheless, more than double the number of foreign tourists visit Johannesburg compared with Pretoria (in 1996, 375 235 and 149 455 respectively).

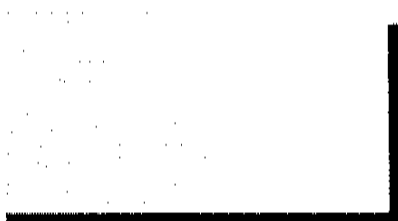
Pretoria is becoming a tourist mecca. In 1996 the city was voted 'Garden City of the World' by an international panel of judges in a competition organised by the Bangalore Urban Arts Commission of India (some 300 cities entered the competition). Pretoria is surrounded by beautiful nature reserves, game farms and dams, such as Hartbeespoort, Roodeplaat and Rietfontein. There are some 66 nature reserves, game farms, holiday resorts and spas in and around Pretoria. There

is also the internationally renowned Pretoria National Zoological Gardens, and the Botanical Gardens.

Pretoria is home to some of the finest museums (of which there are 35), historic houses and monuments, ranging from the Union Buildings and Minnamen Hindu Temple to the Voortrekker Monument and Museum, and Lesedi and Ndebele cultural villages. For evening entertainment there is the State Theatre, jazz clubs (offering anything from township African jazz to alternative Afrikaans music), many award-winning restaurants, genuine African shebeens and taverns, as well as three casinos within easy driving distance: the Carousel, Sun City and Morula Sun. The business tourist may choose from some 33 conference venues. Moreover, the city boasts excellent weather conditions and a comparatively low crime rate.

it had a thriving new set of bases for growth, with the universities and hospitals in the area becoming the biggest employers.⁹⁶ In Boston in the United States, the weapons industry linked to a high-tech R&D sector became a critical ingredient of not just a high local economic growth rate, but also a high rate of income redistribution. Can Pretoria University, Unisa, the CSIR/HSRC, Denel, etc, do the same for Pretoria? What would the similarities and differences with the Pittsburgh or Boston experiences be, and why? How was this growth funded, and what were the returns on investment? These are the types of questions the new Pretoria must be asking of the outside world.

While there may be valuable lessons for Pretoria in such first-world examples, it will, of course, also need to look towards cities in the developing world. The cases of Monterrey in Mexico and Mumbai in India each illustrate areas in which Pretoria may need to learn, or in which it has already manifested some strength. Monterrey is celebrated for its entre-



preneurship (an area in which Pretoria still has much to learn), and Mumbai has positioned itself as a subcontinental financial centre (it will be recalled that Pretoria's financial sector is its fastest growing in terms of employment).⁹⁷

What can Pretoria learn from these experiences in terms of enhancing its own competitive advantages? Can Pretoria replace Nairobi and Lagos as the key centres of African development finance and development expertise? Does it want to do this, and what would the consequences be both for itself and for the rest of Africa? A number of key players in Pretoria appear to be conceptualising the future of the city in this way, and a number of enterprises based in the city are already operating elsewhere in Africa. As yet, however, the African connection does not seem to have become prominent in the economic growth and planning discourse, and this in turn may be connected to the struggles over identity alluded to earlier.

Like all South African cities, Pretoria faces some daunting challenges, and in responding to these it – like all the others – will have to ‘think globally while acting locally’. The challenge that emerges most forcefully at the local level is to extend employment and services to the broader population, at a time when domestic competition for public resources and private investment is accelerating. Unfortunately, there is no ‘quick fix’ available to resolve these often contradictory tendencies – pressures within the city for more jobs and benefits, and pressures on the city to prove that it is worth investing in. In order to meet these challenges in the longer run, Pretoria will urgently have to play to its comparative and competitive advantages in order to release internal entrepreneurial energies and bring in new investment. At the same time, it has to try to make the benefits of such new entrepreneurship and investment reach as wide a range of its people as possible.

This will be no easy task; while marketing can help (see box, this page), the city's efforts will have to move from image to substance. It cannot simply emulate development strategies adopted elsewhere, since in many respects cities and their local economies are unique. It will therefore require sharp local analysis, tough local choices, and determined local leadership to evolve a suitable developmental strategy. It will require political compromises and a qualitatively different outlook from a wide range of key role players to those which they have adopted in the past. If Pretoria's leaders fail to rise to this challenge, there is every possibility that the city will begin to languish and, in time, be relegated to being a relatively minor player in the southern African investment scene.

Functional or informal Pretoria is now South Africa's third largest city. However, both in South Africa and elsewhere, cities can and do change their positions in the national pecking order. One striking example is the shift of investment from the ‘rust

Re-branding Pretoria

The GPMC recently commissioned a series of advertisements. Largely aimed at potential international and domestic investors, they provide an insight into the projected post-apartheid Pretoria image.

Traditionally, Pretoria has been perceived as the apartheid capital, a symbol of Afrikaner political domination and cultural pretension, the home of those benefiting from entitlement and political patronage under the previous government, and a city dominated by a staid and arrogant public service.

The new advertisements challenge these stereotypes, and portray Pretoria as a cosmopolitan, tolerant, modern and commercially active city. Particularly powerful is the use of Nelson Mandela in several ads. Thus a figure with international stature and credibility – representing racial tolerance, equality and justice – is used to challenge the qualities of racial intolerance, inequality and injustice historically linked to Pretoria.

The catchy phrase that Pretoria ‘rocks around the clock’ is a pun on the word ‘rocks’ – a derogatory term for Afrikaners. Statues of figures such as Paul Kruger and Queen Victoria, symbolising racial and ethnic exclusivity and domination, come alive and interact in a tolerant, multicultural and modern setting conducive to business networking.

Several ads stress the advantages of doing business in Pretoria as well as having fun there. Investors are told that Pretoria is ideally located to tap the African market.

belt' cities in the American north east to the 'sunbelt' cities of the south west. Many observers of the South African economy – both in government and the private sector – argue that the WTO and GEAR will tend to draw new investment from the centre of the country towards the coast.⁹⁸ Is this correct? And how else are the new economic policies affecting the different components of Pretoria's industrial base? Combined with Pretoria's precarious reliance on a public sector development strategy, and the risks attached to this, these new potential threats should be considered seriously by those who want to ensure that Pretoria enjoys the best possible future.

This document has provided some guidelines on how this challenge should be approached, but the key steps will have to be taken by Pretoria's leaders themselves. We believe the most important one will be the formation of a coalition of local business, civic and political leaders to steer the process of metropolitan strategic planning. The GPMC's department of economic development appears to appreciate this and has already established a 'partnership' approach to a wide range of policies and programmes, many of them conceptualised within frameworks similar to those advocated here. An important element of the thinking of this department is the promotion of a local economic development strategy through a public-private partnership, using a continuously updated electronic database on local enterprises (and potential new opportunities) to communicate via the Internet with South African and international investors and markets. Only about two years old, the department had a staff of 18 in 1997 and

was probably the largest of its kind in South Africa. Justifiably, there is much interest in the activities of this department and its strategies, which are providing important pointers to the potential for economic renewal in the city (see box, this page).

Something which often crops up in discussions on local economic development strategy is just what 'local' means in this context. Probably more so than in Johannesburg, and certainly more so than in Cape Town, Durban or Port Elizabeth, the perimeter of the functional area of Pretoria is a analytically slippery and politically contested issue. Some have suggested that – partly because of the problems of the 'two Pretorias' discussed earlier – there is a need for a broader authority encompassing a larger area than the current metropolitan jurisdiction. Boundaries would be extended northwards to encompass former excluded black areas.

Some analysts have also suggested that, in functional, economic and planning terms, it is very difficult to separate Pretoria from its southern connections. Specifically, they suggest that, in terms of new investment trends in both Johannesburg and Pretoria, it is the N1 freeway between these two cities and its environs that are increasingly assuming the proportions of the 'new megalopolis'. Thus, in the three years from 1994–7 office space in Midrand increased two and a half times, from 70 000 square metres to 170 000 square metres. At the same time, commuting southwards from Pretoria increased, and between 8 and 13 per cent of the residents of Pretoria East suburbs now work in what used to be known as the Witwa-

The GPMC's coalition of stakeholders for promoting local economic development⁹⁹

In its Base document for a strategic planning session of 1997 the GPMC comments as follows on the 'need for a broad coalition of stakeholders to promote local economic development'

'The role of the GPMC in the local economy is to facilitate the creation of an enabling socio-economic environment in which the economy not only successfully withstands the pressure of international competition, but manages to grow significantly in a manner which creates sustainable employment opportunities, meets the basic needs of all its citizens and empowers those who have been historically excluded from economic opportunities.

'The notion of shared growth – sustained growth from which all its citizens benefit – is impossible without a co-operative development partnership between an enabling local government, business, labour, the organised community, the informal sector and the unemployed.'¹⁰⁰

An 'Economic Development Partnership' was formed during 1996 to draw up and implement a policy framework and

supporting strategies for economic development in the metropolitan area.¹⁰¹

The emphasis of this partnership is on 'economic delivery systems', which include:

- a network of five metro-linked business service centres (in central Pretoria, Mamelodi, Atteridgeville, Soshanguve and Centurion);¹⁰² and
 - an electronic 'trade point' trade promotion system in terms of which, 'on a daily basis, electronic trade opportunities will be gathered and made available to local firms'.¹⁰³
- Besides this, an 'exporters club' is being established, 'cluster working groups' are being created for allied enterprises in greater Pretoria, a 'human development initiative' is being promoted, entrepreneurial and technical training is being offered to small contractors or subcontractors working on projects for the GPMC, and there is a training programme for owner-builders and an urban agriculture project operating in the former black suburbs.

tersrand¹⁰⁴ (see box, page 20). In this context, old locational identities may be fading.

Indeed, some observers believe that Midrand's growth endangers Pretoria's economic base. This is because Pretoria is in danger of becoming a 'residential suburb of Midrand, given the downsizing not only of the civil service but also retrenchments in many of the research and tertiary institutions.

Besides this weakening of Pretoria's boundaries, patterns of public and private investment in and around the 'old Pretoria' appear to be changing in ways that will reshape the meaning of residual local dependencies. Two important new developments are the planned Mabopane-Centurion corridor to the west of the city, and the shift of private capital and investment to the east (from Hatfield eastwards).

The Mabopane-Centurion corridor which is being planned with support from both the GPMC and the national Department of Transport involves new roads, industrial estates, and lower-income housing to the west of the existing built-up area on a scale that could decisively alter the character of the city. For example, tens of thousands of lower-income housing units are being planned in areas that make a great deal more sense functionally than Winterveld and the former KwaNdebele.

At the same time, private investment is retreating from the CBD and heading eastwards, so that while office vacancies in the Pretoria CBD are the highest in the country, there is very strong demand in Pretoria East – particularly from Hatfield eastwards. Three or four new hotels are also being planned for the eastern suburbs, with these suburban thrusts being fuelled primarily by perceptions of the distribution of crime. Centurion and the south are also major beneficiaries of new private investment; for example, office vacancies in Centurion fell from 30 per cent in November 1994 to 5 per cent in March 1996¹⁰⁵ (see box, page 21).

In short, therefore, public investment and low-income housing is expanding to the west of the city, and private investment is expanding eastwards and southwards. What all this suggests is the potential emergence of a new 'class geography' broadly divided into western/northern and eastern/southern sectors, with the centre increasingly becoming the 'property' of the western/northern sector in terms of demographic profile. It will probably be difficult to resist the emergence of such a new socio-spatial configuration. But if the city is to embrace a new economic future, perhaps one built upon the attraction of parliament to central Pretoria, the harnessing of its R&D and technology sectors, and a new small business sector for a thrust into African markets, it will be important for communication, exchange and interaction to be cultivated across sectoral and class divides. This is one reason why the idea of

staging unifying cultural festivals – as recently mooted by the GPMC's executive committee – has so much potential. The linkages between such initiatives and parallel local economic development strategies are therefore worth prioritising.

The most important unification measure needed is however a geo-political one. We have already observed that many people who are functionally dependent on the city (such as residents of the Winterveld, for example) are politically excluded from it. Many residents of Pretoria might see the inclusion of more poor people into the GPMC as a threat, but a 'political trade-off' could be made to allay such concerns. This could be, for example, that the GPMC will expand its boundaries in return for the city becoming the new seat of parliament. While we have argued earlier that parliament is not enough – it would make a lot of sense to extend the city's boundaries as a quid pro quo for moving parliament to Pretoria, and provided such a move is linked to a vision of Pretoria as Africa's political, research/training and entrepreneurial centre.

Were such a trade-off to materialise, this would place even greater pressure on Pretoria's leaders to create a development framework anchored on economic priorities. The inclusion of Winterveld, for example, into an extended GPMC (or equivalent) structure would sharpen the need to create jobs, stimulate micro enterprises, encourage small-scale peri-urban farming, etc. It would also deepen concerns over intra-urban transport, more rational land use, and the more equitable and efficient allocation and use of public facilities and amenities. Perhaps the answer to these concerns lies in the connections between the local development challenge and deputy president Thabo Mbeki's notion of an African renaissance.

CONCLUSION: CAN PRETORIA BECOME AFRICA'S RISING STAR?

Probably more than any other South African city, Pretoria faces some critical decisions concerning its future. Making those decisions will not be easy, because much is at stake in both economic, political, cultural and symbolic terms. Bold and courageous leadership will be needed to move beyond the current cautious mode of 'adaptive modernisation' which could gradually lead to Pretoria's decline as one of the country and the region's leading cities.

Our research reveals signs that some decision-makers and planners in Pretoria are beginning to rise to the new challenges. The problem is that those ideas and processes do not go far or deep enough to really influence the city's future. It is significant that the transition in apartheid's erstwhile model city

has seemed quiet and moderate. It leads one to ask what kind of vision the new national and local political leaders have for one of the country's major cities – its administrative capital, and possibly its legislative capital to be. Or is there a perception that, after all, things were not that bad in apartheid's capital?

Increasingly, as CDE dug deeper into the realities of power in Pretoria, it became more and more difficult to avoid the conclusion that little had really changed and that many of the real movers and shakers of this city had not fundamentally adapted to a democratic and inclusive urban South Africa.

On a more positive note, this of all cities could position itself cheekily as the capital of the African renaissance, but we failed to find anyone thinking so boldly about Pretoria's role into the 21st century.

It is our considered view that if Pretoria is to become the kind of city CDE is suggesting it could and indeed should become, a number of issues needs to be addressed.

Vision

The city's key stakeholders need to define a new vision for the Pretoria urban region. Can Pretoria become a key instrument in Africa's urban renaissance? Is this what the city's leading constituencies want? Are there other alternatives for its growth and development?

What is needed is an agreed and inspiring vision of the city's future – a growth-oriented vision of focused excellence. The process of developing such a vision will need to build on a thorough understanding of the nature of Pretoria's economy and the trends that will affect it; take cognisance of current and potential competitors; and define the obstacles to success. Given an agreed vision which is really 'collectively owned' by all the important stakeholders, it will be possible to:

- define the programme of action necessary to achieve this vision;
- choose priority areas for public and private sector intervention; and
- make the tough tradeoffs required to achieve results.

Leadership

Cities, like companies or other organisations, need effective leadership. Likewise, turning market and political forces to Pretoria's advantage will require dynamic leadership. The opportunities and threats associated with its new role in the



national, regional and global economy will require new forms of urban initiative and drive. Across the globe, cities that succeed are led by bold individuals who identify the opportunities, understand market and political forces, and take others with them.

Pretoria – on current evidence – is weak with respect to its public leaders. The city is racially divided (probably more than many others), does not have a prominent, easily identifiable private sector-based leadership, and the small black professional elite seems to have its sights set on issues other than the future of the Pretoria region. The challenge is to find the champions who can start to build a new leadership class for Pretoria, that will reflect a wider, more inclusive vision and a more diverse set of interests than has

hitherto been the case. Subtle national intervention might be required to encourage appropriate leaders to emerge.

Definition of the city

Given its current boundaries, Pretoria is the least African of South Africa's metropolitan areas.¹⁰⁶ Like Cape Town, this strange phenomenon is a result of apartheid policies, although of a different form.

The dormitory communities that depend upon and serve Pretoria have been politically and then administratively excluded from their claim on the budget, capacity, resources and energy of the country's third largest city. As boundaries and administrative arrangements currently stand, these communities have been condemned to perpetual marginal status. Winterveld is outside Pretoria and at the periphery of North West province. A series of settlements around Ekangala (the former southern KwaNdebele) of some 200 000 people is closest to the small town of Bronkhorstspuit (population 16 600 in 1995),¹⁰⁷ but the vast majority of employed people living in these areas commute to Pretoria every day. A series of settlements around Siyabuswa (the former northern KwaNdebele), which is even further from Pretoria, also depends on daily (and weekly) commuters to the city. None of these marginal areas are 'towns' in their own right. They have very few industries and depend mainly, if not exclusively, on income derived from Pretoria as well as national or provincial government subsidies.

We believe Pretoria should extend its boundaries to include at least Winterveld and possibly southern KwaNdebele. Northern KwaNdebele is a more complicated case which will require further investigation. One option which needs

to be explored is a special agency relationship for the settlements of northern KwaNdebele with either Pretoria or Witbank/Middelburg. This relationship should involve a significant commitment of personnel, resources and capacity in thinking through and implementing sustainable strategies for the people who live there.¹⁰⁸

This will involve a new definition of the city and its responsibilities. National government needs to play a part in persuading the city to expand its borders and acquire a new inclusive self-image.

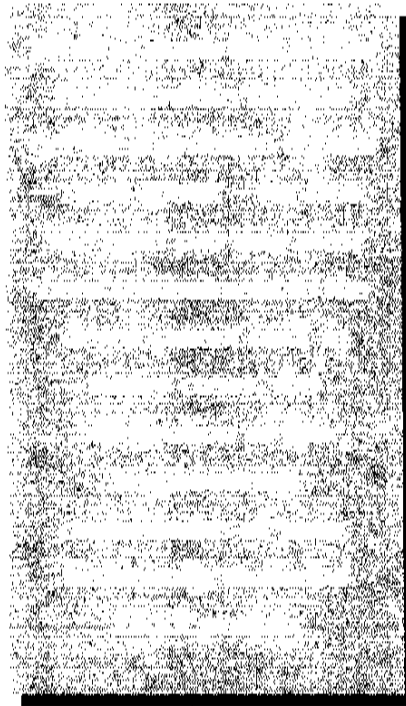
Social contract/collaboration

More than most other South African cities, Pretoria does not have a rich history or set of experiences in what has been called 'social collaboration'. What is required is the ability, networks and skills to mobilise different groups, communities and interests around economic and development goals. Not surprisingly, apartheid's model segregated city does not have too much 'social glue' which helps to bring divided and dispersed groups together around common goals. This 'infrastructure for social collaboration' will need to be built as a prerequisite for, and then supporting pillar of, the bold and inspiring vision necessary for the city's future growth and development.

New roles

Certain stakeholders will need to reorient themselves if Pretoria is to become a successful regional/continental player. First, the nature and function of city government needs to change. Local and metropolitan governments must facilitate growth and development in line with a new set of goals and market realities. To achieve this they will need considerably more information about Pretoria, its economy and development challenges than is currently available. They will need to become more informed and more politically sophisticated. Also, metropolitan and local officials must be geared to the vision of a regionally competitive city. The vast technical capacity of the old Pretoria City Council, now firmly lodged in the Pretoria Central substructure, will need to be reoriented to the realities of an African city and how to match the needs of a large poorer population with the demands of a thriving entrepreneurial sector.

The professional and business sector will also need to reassess their role in realising a new vision for the city. What are their interests in a regionally competitive and nationally successful city, and what can they do to further those inter-



ests, both individually and collectively? What will the national government's new subcontracting and tendering policies mean for those who have traditionally relied on the state for their contracts? How can entrepreneurs in black communities take advantage of the new opportunities new policies provide them with? And how can they do so without building a new and inefficient state-dependent set of companies? How is all this working at the city level? Similarly universities, trade unions, NGOs and other major elements of civil society will need to decide how they should relate to a different kind of city.

For example, cities that compete in the global economy need to market themselves to potential investors and traders. This task should be shared by all stakeholders in the

city, as all will have access to different networks and therefore to different opportunities to promote the city and its assets. To a certain extent, cities need their own 'foreign policies' in order to compete globally.

In some cities, leading business people have been the most effective salespersons for their region. This has not been done for altruistic reasons, but because business will benefit if other world-class companies relocate to that region. Imagine the impact if every official South African visitor to an African city or meeting left behind information and promotional material on the training, technological, professional and other resources Pretoria can offer the continent.

Pretoria's national agenda

If Pretoria is to realise a new vision of its future, it will need help from others in the country. Some of this will be in the form of positive actions, and some in the form of persuading other cities and other levels of government to refrain from certain activities.

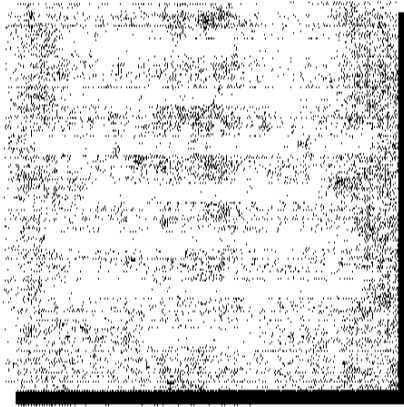
Thus a successful Pretoria will need a political strategy. First it will need to collaborate with other large cities on acquiring the power and influence they all need to deal with issues that affect their future.¹⁰⁹ Second, Pretoria will need to market its vision of becoming continentally competitive to provincial and national leaders. Everyone else will need to see the benefits for the country as a whole of Pretoria succeeding as a city. Third, Pretoria will need to monitor national policies and programmes to ensure that nothing is done that will prejudice its attempts to become globally competitive, and conversely that everything is done to support its efforts. Resources and senior personnel will have to be allocated to this important task.

National government has a special interest in Pretoria

The national government has an interest in Pretoria's future. As with all other cities, Pretoria is one of the important centres of national economic growth (8 per cent of national GDP);¹¹⁰ it is also South Africa's administrative, political and diplomatic nerve centre. The future of the city is therefore hugely important to national goals.

Pretoria should therefore be of particular interest to national leaders. First, as the former model city of apartheid-style segregation and exclusion, it is imperative that a framework for transition is put in place in an expanded metro region. Events up to now have mainly reinforced apartheid intentions rather than creating the framework for a new approach. It is critically important that, if national government decides to move the legislative capital of the country to Pretoria, it demands a quid pro quo from the city. This should be a commitment by the city to contribute significant time, personnel and resources to the commuter communities that have been excluded from the metro boundaries.

This is a complex issue, with no simple and easy solutions. The circumstances of the two areas – Winterveld and the former KwaNdebele – are also different. Thus it might well be appropriate that Winterveld is incorporated into the greater Pretoria metro, whereas this might not be the best solution for all the communities in the former KwaNdebele. Although the southern communities might be well suited to this incorporation option, it might be best if the Pretoria municipality



uses its capacity and resources to develop the northern communities on an agency basis.

What is important is that Pretoria does not just get the legislative capital – so to speak – for free. The quid pro quo must be a commitment to the development and, in many cases, the integration of the neighbouring communities of poor, historically excluded black people. What form this takes should be the subject of intense and objective investigation.¹¹¹

If Pretoria becomes the country's sole capital (both legislative and administrative), then the national government has another interest in the future growth and development trajectory of the wider city. The city then becomes the showcase for the 'new South Africa' and it will be very important that the issues (material and symbolic) highlighted in this report are addressed.

Pretoria and its future, then, are issues of national importance. In the same way that the national government must help provinces that are forced to deal with the disastrous legacies of the homelands, it may have to give a lead on the transformation of apartheid's former model city. Certainly, the ANC nationally has an interest in providing strong and visionary leadership at the city level. Several South African cities have bigger budgets and a greater impact on the lives of larger populations than several provinces. This is not an argument for doing away with provinces, but an argument for paying more attention to these large cities, and ensuring that the ANC, in its allocation of leadership talent, does not neglect the cities.

Think competitively: key strategies for Pretoria

In order to stimulate discussion among Pretoria's leaders, suggestions follow for seven 'leading-edge' strategies that would stimulate development in the directions envisaged in this report. These are:

- form a collaborative effort among the various research and training institutions in Pretoria to pool resources (and maximise economies of scale) into an internationally competitive consortium focused on the research and training needs of the African continent;
- promote the development of a culture of entrepreneurship through joint venture initiatives between the local public and private sectors, extending the initiatives already undertaken by the GPMC's department of economic development;

build on Pretoria's manufacturing strengths. For example, the motor industry could increasingly be focused on the export market (and particularly Africa). The metropolitan

authority should engage in dialogue with the motor industry to reach an understanding of its needs, thus enabling it to ensure that Pretoria does not lose out to coastal metropolises;

- aggressively promote Pretoria as the seat of parliament in concert with extending the GPMC's borders to incorporate excluded dormitory populations;
- market Pretoria as a domestic tourist attraction through public-private partnerships aimed at improving and attracting visitors to its diverse cultural, historical and symbolic assets;
- build on Pretoria's advantage as one of South Africa's most liveable cities, to attract further investment; and
- promote transport efficiency, labour productivity and quality of life by accelerating the provision of lower-cost housing closer to places of work in Pretoria.

No city can afford to rest on its laurels. No city should assume that the future will be like the past. Cities that do not find their new local, regional or global niche will decline.

The central message of this document is that, in the context of the twin processes of political democratisation and economic globalisation, Pretoria has the potential to become 'Africa's rising star'. However, this will require a radically new approach to the city and its future.

Pretoria will need to

- build a new foundation for sustainable and inclusive economic growth in the greater Pretoria region;
- resolve its current identity crisis by adopting a bold and unifying new growth and development vision in which the city emerges as a place with something for everyone;
- look northwards for cues on what form this new identity might assume, and focus as much on its potential linkages with the north as on its actual linkages to the south;
- vigorously pursue a new developmental agenda centred on the city's potential to become the entrepreneurial, training, research and development hub of central and southern Africa, drawing upon its established strengths in these areas but making Africa as a whole its new frontier;
- face the facts of its interdependence with commuter communities currently located in North West and Mpumalanga provinces and develop a wider vision built around this reality. The people of Pretoria will need to face up to their functional interdependence with Winterveld and the former KwaNdebele, and realise that they are not unique in this regard (Pietermaritzburg faces a similar challenge, as does Nelspruit, Pietersburg, East London, and many other South African cities, albeit on a smaller scale);



lobby for the relocation of parliament to Pretoria, and use this as a lucky trigger to unleash the city's broader development potential;

offer the country a quid pro quo for parliament's relocation to Pretoria by making a significant and lasting commitment to the development of the neighbouring marginal settlements of Winterveld and the former KwaNdebele;

actively cultivate a new multiracial, multi-class growth coalition – with the common purpose of fostering the expanded city's future growth, development and continental prestige.

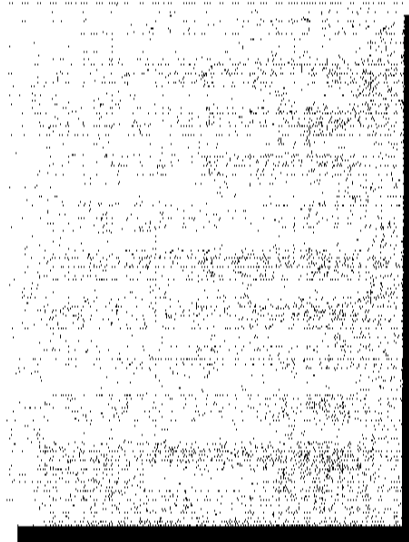
Pretoria already has much going for it in terms of physical and cultural infrastructure, local and metropolitan finances and capacity, its physical closeness (at least) to the new state, and its proximity to the emerging commercial and industrial hub of South Africa (Midrand/ Sandton/Johannesburg). In this regard, it is better placed than most South African cities to mount a strong local economic development strategy. Besides this, CDE believes that if Pretoria were to situate its claim to become the seat of the national parliament in a broader framework of inclusion and regional renewal, it would deserve the support not only of other South Africans but of central and southern African leaders as well. Both these important dynamics provide the people of Pretoria with every cause for hope rather than despair.

As a result, much of Pretoria's angst and uncertainty alluded to elsewhere in this document seems to be misplaced. Indeed the concept of an African renaissance, both in South Africa and more widely on the continent, offers possibilities to the people of Pretoria open to few – if any – other South African cities.

Endnotes

- 1 See CDL Research No 3, *Cities and the global economy: new challenges for South Africa*, October 1996; CDE Research No 4, *Durban: South Africa's global competitor?* October 1996; and CDE Research No 5, *The East Rand: can South Africa's workshop be revived?* June 1997
- 2 Ibid. Also see Mohamed Valli Moosa, Minister of Constitutional Development, 'Local government: a balance of competing needs' *Business Day* 30 January 1998.
- 3 See Gauteng Province, *Trade and industrial strategy* Johannesburg, 1997 p 1
- 4 See CDL, *Cities and the global economy*.
- 5 See CDE, *Durban: South Africa's global competitor?* p 9
- 6 Ibid.
- 7 Central Statistical Services, *Building Statistics: December 1991* P5041 1 February 1998.
- 8 Population figures used in this report are based on various sources - official census figures (excluding census 1996), the GPMC, and CDE's Demographic and Income Model of 1995. These figures are the best available, but may not be entirely accurate.
- 9 Source: Central Statistical Services, *Building Statistics, November 1997*
- 10 P Harrison, K Amankwa-Ayeh and O Fuchs, Greater Pretoria: the local economy and approaches to local economic development, report commissioned by CDE, 1994, p 9
- 11 Iscor media releases, 7 July 1997 and 21 August 1997 *The Star* 28 August 1997
- 12 Various news clippings.
- 13 Harrison et al, Greater Pretoria, p 8.
- 14 Ibid, p 9
- 15 *Sunday Times Magazine*, 1 February 1998.
- 16 Information supplied by Prof Albert Grundlingh, department of history, Unisa, February 1998.
- 17 *F&T Weekly* 19 December 1997
- 18 Information supplied by Grundlingh, February 1998.
- 19 Background research report commissioned by CDE and completed by Cathy Meiklejohn of McIntosh Xaba & Associates, February 1998.
- 20 Harrison et al, Greater Pretoria, p 13.
- 21 Ibid, p 14.
- 22 Gauteng Province, *Trade and industrial strategy* p 31
- 23 A Grundlingh, The local dimension of Pretoria: establishing a sense of place, report commissioned by CDE, 1994, pp 11-12.
- 24 Ibid, pp 8-9
- 25 President Nelson Mandela, address to parliament, 6 February 1998.
- 26 P Hall, The prospects for the active assimilation of the poor within the Pretoria metropolitan complex, report commissioned by CDL, 1994, p 8.
- 27 Information supplied by Hugo Noble, department of sociology, Unisa, February 1998.
- 28 CDE, *Durban - South Africa's global competitor?* p 9
- 29 Urban Foundation, *Regional development reconsidered*, 1990.
- 30 *House & Leisure*, April 1997
- 31 Greater Pretoria Metropolitan Council, *Prospectus: greater Pretoria metropolitan area*, Pretoria: GPMC, 1996.
- 32 Information from Pretoria Capital Initiative, February 1998.
- 33 *Pretoria News*, 29 August 1997
- 34 Ibid, 6 July 1994.
- 35 Ibid, 13 September 1994.
- 36 In November 1996 the mayor of the Greater Pretoria Metropolitan Council was Joyce Ngele.
- 37 *Pretoria News*, 12 November 1996.
- 38 Ibid, 13 November 1996.
- 39 Donsie Khumalo, ANC member of the Greater Pretoria Metropolitan Council executive committee.
- 40 *Pretoria News*, 15 November 1996.
- 41 Ibid, 9 June 1997
- 42 Telephone interview with G Rennie, GPMC public places and metropolitan street name committee, September 1997
- 43 A Horn, Understanding Pretoria: the changing economic, political and spatial histories of the complex, report commissioned by CDE, 1994, p 4.
- 44 Ibid, p 5.
- 45 Ibid, pp 6-8.
- 46 Ibid, p 9
- 47 Ibid, p 10.
- 48 Ibid, p 15.
- 49 A Morris, The exclusion of Odi-Moretele and KwaNdebele from the PWV region: dynamics and implications, report commissioned for the Urban Foundation, 1994; L Schlemmer and Markdata, The displaced urbanisation of the apartheid era: its current remnants and consequences - a focused interview survey in nine areas, report commissioned by CDE, December 1997
- 50 A Horn and O Crankshaw, The sociology of the Pretoria metropolitan complex, report commissioned by CDE, 1994.
- 51 Horn, Understanding Pretoria, p 14.
- 52 P Morris, *KwaNdebele - urban perspective*, Development Bank of Southern Africa, 1994.
- 53 Horn and Crankshaw, The sociology of the Pretoria metropolitan complex, p 21
- 54 P Smit and J Booyesen, Some aspects of commuting around Pretoria, *SA Geographical Journal*, 1983.
- 55 Horn, Understanding Pretoria, p 19
- 56 Information supplied by real estate agents and officials in the Bronkhorstspruit area, 1997
- 57 Source: GPMC, Prospectus.
- 58 Ibid, pp 3-4.
- 59 Ibid.
- 60 *House & Leisure*, April 1997
- 61 TRC: Africa, The broad spatial framework for development and reconstruction in Pretoria, report commissioned by CDL, 1994.

- 62 Morris, The exclusion of Odi-Moretele and KwaNdebele from the PWV region.
- 63 Horn and Crankshaw, The sociology of the Pretoria metropolitan complex, p 29
- 64 GPMC, *Prospectus*, p 11
- 65 CDE, *Durban: South Africa's global competitor?* p 16.
- 66 Morris, KwaNdebele: urban perspective, p 29
- 67 Morris, The exclusion of Odi-Moretele and KwaNdebele from the PWV region, p 3.
- 68 From CDE Background Research Report no 1 Demographic and income distribution models – technical reports, a supplement to CDE Research no 1 September 1995.
- 69 In September 1997 the CDE commissioned Cathy Meiklejohn of McIntosh Xaba and Associates to conduct a small survey among Pretoria stakeholders and residents to establish what they believe the boundaries of the Pretoria metropole to be. Most respondents did not view Winterveld and the former KwaNdebele as part of the metropole, saying such areas were 'in another province' 'too far away from Pretoria' and 'too rural'. Many respondents were aware that many people commuted from neighbouring provinces to Gauteng and to Pretoria in particular: however, most viewed such commuters as outsiders. Some respondents did recognise the interdependence of Pretoria and traditionally black residential areas such as Mamelodi, Ateridgeville and Soshanguve, but this is where their sense of social responsibility ended.
- 70 Information from Johan Calitz, Development Information Unit, DBSA, May 1998.
- 71 Interviews by CDE with the national departments of Health and Housing, January 1998. Note that these figures are provisional and have not been audited.
- 72 Grundlingh, The local dimension of Pretoria.
- 73 See also D Atkinson and H van Dyk, Institutional capacity in the greater Pretoria metropolitan area, report commissioned by CDL, 1994.
- 74 S Coetzee, Urbanisation and urban development in the Greater Pretoria metropolitan complex, report commissioned by CDE, 1994.
- 75 In Durban, the largest substructure has a budget only one third that of the metro council.
- 76 Plan Associates, *Project workbook: greater Pretoria strategic metropolitan development framework*, Pretoria: GPMC, 1996.
- 77 Coetzee, Urbanisation and development, p 51
- 78 Interview with Dr Dirk Prinsloo, director, Urban Development Studies, Johannesburg, July 1997
- 79 Ibid.
- 80 *Pretoria News*, 2 September 1995.
- 81 Address by president Nelson Mandela to the National Council of Provinces, Cape Town, 29 August 1997 media release from the Office of the President.
- 82 Information supplied by David Ingham, associate, Stewart Scott consulting engineers, 16 September 1997. The figures are for 1996 and represent traffic volumes on the seven main linkage routes between Pretoria and Johannesburg.
- 83 *Sapoa Office Vacancy Survey* May 1992 and February 1997
- 84 *Sapoa Shopping Centre Directory* 1993 and 1995.
- 85 Material in this section is drawn from CDE, *Cities and the global economy*.
- 86 Saskia Sassen, The impacts of economic globalisation on cities in Latin America and the Caribbean, *Design Book Review* 32/33, Spring/summer 1994, p 12.
- 87 *Sapoa Office Vacancy Survey* May 1992 and February 1997
- 88 JHI Property Services, 28 May 1997
- 89 J Parker, A survey of cities: turn up the lights, *The Economist*, 29 July 1995, p 18.
- 90 The figures only refer to the period January to March (inclusive) of each year. Importantly, figures for Pretoria include crimes committed in legal Pretoria but not in Winterveld and former KwaNdebele. Information from the South African Police Services internet site: <http://11196.33.208.55>.
- 91 Background research report by Meiklejohn.
- 92 Prodder: *The South African development directory* Human Sciences Research Council, 1992/93; 1994; 1995 and 1996.
- 93 Broyten Broytenbach, *Return to paradise*, Cape Town: David Philip Publishers 1993, pp 99-100.
- 94 CDE, *Cities and the global economy* p 23.
- 95 Information from Central Statistical Service, Pretoria; and GPMC: department of marketing and communication.
- 96 Ibid, p 22.
- 97 See CDE, *Durban – South Africa's global competitor?* p 9
- 98 P Jourdan, K Gardhan, D Arkwright and G de Beer, Spatial Development Initiatives (development corridors): their potential contribution to investment and employment creation, unpublished report, Department of Trade and Industry, Pretoria, 1997. CDE, *The East Rand: can South Africa's workshop be revived?*
- 99 GPMC, Base document for a strategic planning session.
- 100 Ibid, p 50.
- 101 Ibid, p 119
- 102 Ibid, p 119-120.
- 103 Ibid, p 120.
- 104 Interview with Dr Dirk Prinsloo, director, Urban Development Studies, Johannesburg, July 1997
- 105 Ibid.
- 106 The ratio of Africans (blacks) to whites in official Pretoria is 1,03:1 as against 1,3:1 and 7,3:1 in Cape Town and Durban respectively. Figures based on CDE Research no 1 *Post-apartheid population and income trends – a new analysis*, September 1995.
- 107 Information from Johan Calitz, Development Information Unit, DBSA, May 1998.
- 108 See forthcoming CDE report on displaced urbanisation, 1998.
- 109 See CDE, *Cities and the global economy* and CDE's response to the white paper on local government, June 1998.
- 110 Information from Booye Rousseau, Development Information Unit, DBSA, May 1998.
- 111 See forthcoming CDE report on displaced urbanisation, 1998.



This edition of CDE Research is based on the following background research reports:

- Dr Doreen Atkinson: Institutional capacity in the greater Pretoria metropolitan area. 1994
- Dr Doreen Atkinson: Stakeholders in the greater Pretoria metropolitan area. 1994
- Dr Stef Coetzee: Urbanisation and urban development in the greater Pretoria metropolitan complex. 1994
- Prof Albert Grundlingh: The local dimension of Pretoria: establishing a sense of place. 1994
- Peter Hall: Prospects for the active assimilation of the poor in the Pretoria metropolitan complex. 1994
- Dr Philip Harrison, Kwabena Amankwah-Ayeh and Oren Fuchs: Greater Pretoria: the local economy and approaches to local economic development. 1994
- Dr Andre Horn: Understanding Pretoria: the changing economic, political and spatial histories of the complex. 1994
- Dr Andre Horn and Dr Owen Crankshaw: The sociology of the Pretoria metropolitan complex. 1994
- Dr Alan Morris: The exclusion of Odi-Moretele and KwaNdebele from the PWV region: dynamics and implications. 1994
- Dr Dirk Prinsloo: Infrastructure of greater Pretoria. 1994
- TRC Africa, Pretoria: Land availability land mechanisms and future land development scenarios in greater Pretoria. 1994
- TRC Africa, Pretoria: A broad spatial framework for development and urban reconstruction in greater Pretoria. 1994

These reports may be purchased at R45 per report (South African price), or US \$20 (overseas price, including airmail postage).

Orders should be directed to:

Publications
The Centre for Development and Enterprise
PO Box 1936
Johannesburg 2000
Tel: 27 11-4825140· fax: 27 11-4825089
e-mail: info@cde.org.za

CDE

R E S E A R C H

POLICY IN THE MAKING

Previous titles in the series

- 1 *Post-apartheid population and income trends – a new analysis.* September 1995
- 2 *South Africa's small towns: new strategies for growth and development.* May 1996.
- 3 *Cities and the global economy: new challenges for South Africa.* The Big Cities Series. October 1996.
- 4 *Durban: South Africa's global competitor?* The Big Cities Series. October 1996
- 5 *The East Rand: can South Africa's workshop be revived?* The Big Cities Series. June 1997
- 6 *People on the move: lessons from international migration policies.* June 1997
- 7 *People on the move: a new approach to cross-border migration in South Africa.* June 1997

Previous titles in the earlier UF Research series

- 1 *Managing urban growth: the international experience.* (1993)
- 2 *Strong local government in South Africa: exploring the options.* (1993)
- 3 *Inner-city housing innovation in the USA.* (1993)
- 4 *Land ownership and conflicting claims: Germany 1937–1991* (1993)
- 5 *Rural land reform: the experience in Kenya, Zimbabwe and Namibia. 1950–1991* (1993)
- 6 *A land claims court for South Africa? Exploring the issues.* (1993)
- 7 *Urban land invasion: the international experience.* (1994)
- 8 *Public works programmes in South Africa: a key element in employment policy.* (1994)
- 9 *Outside the metropolis: the future of South Africa's secondary cities.* (1994)
- 10 *Local economic development: new strategies and practical policies.* (1994)

All UF titles are available from CDE

Members of the media are free to use and report information contained in this publication on the understanding that the Centre for Development and Enterprise is acknowledged and a copy of the publication in which any information is used is sent to the executive director. Otherwise no part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electrical, mechanical, photocopy, recording or otherwise, without the prior permission of the publisher.



THE C ENTRE FOR D EVELOPMENT AND E NTERPRISE

BOARD

E Bradley (chair), F Bam (deputy chair), A Bernstein (executive director), D Bucknall, C Coovadia, O Dhlomo, WP Esterhuyse, A Hamersma, JG Hopwood, K Kalyan, M Keeton, A Lamprecht, J Latakomo, R Lee, G Leissner, J Mabuza, J B Magwaza, J McCarthy, R Menell, I Mkhabela, S Motau, K Mthembu, M Mthembu, S Ndukwana, W Nkuhlu, M O'Dowd, L Phalatse, F Phaswana, R Plumbridge, N Ratshikhopha, L Schlemmer, N Segal, C Simkins, M Spicer, A Thistleton, AT Trollip, J van Wyk

INTERNATIONAL ASSOCIATES

Professor P Berger (Boston University), Professor M Weiner (MIT)

Pilrig Place, 5 Eton Road, Parktown, Johannesburg 2193, South Africa. P O Box 1936, Johannesburg 2000, South Africa
Tel 27-11-4825140. Fax 27-11-4825089. e-mail: info@cde.org.za <http://www.cde.org.za>

000008