

# Perspectives *on KwaZulu-Natal*

Volume One - Number Nine - November 2001

---

## **Finding unity of purpose in Durban's Unicity**

*Greg Arde questions whether Durban will become a fishing village or whether it will steam ahead as South Africa's key competitor in the battle of global cities.*

With an R8 billion annual budget and a staff complement of 20 000, the new eThekweni municipality which governs Durban now ranks as a mighty government institution - precisely the sort of label many in the new administration and its political council want to avoid.

For years the white Durban city council had a reputation for efficiency and staying in the black, financially. With the advent of democracy that reputation is being tested as the city's boundaries spread to cover many previously black areas. Maintaining Durban's enviable credit rating is a tricky business. It means spreading the butter thinly, but all over the hot toast.

For the last five years Mayor Obed Mlaba has waxed lyrical about unified plans for the city. Constant talk about what is going to happen has frustrated many, especially those waiting to see the trumpeted Point waterfront come close to Cape Town's swanky Victoria and Alfred complex. The despondency has been fuelled by the on-off talk of a new airport at La Mercy, near Tongaat, with an extended runway capable of hosting aeroplanes on long haul international flights. Indeed things have seemed slow and, except for developments at the Gateway shopping complex, north of the city, construction cranes do seem to be rare in Durban.

One justification for the slow pace is that Durban has only really had a shot at securing co-ordinated economic growth since the local government elections of 1999. The elections followed the lengthy finalisation of new municipal legislation. Added to this the process of demarcating the city's boundaries and the establishment of the Unicity entity, which incorporates more than seven former municipalities and a host of rural areas.

It has been more than a year since the local government elections and yet top Unicity staff posts are still to be filled. eThekweni's new municipal manager is Felix Dlamini, a former African National Congress (ANC) member of parliament in KwaZulu-Natal, who also headed up the provincial finance and welfare committees. Dlamini, an old school gentleman, was employed in human resource management before entering politics. He has committed himself to maintaining the good fiscal policies Durban developed over time and ensuring that valued staffers are not hounded out of City Hall in the rush to implement affirmative action. While many believe Dlamini's political background and previous seniority in the ANC will stand him in good stead to run an ANC ruled city, others fear he is vulnerable to ANC manipulation. Dlamini is too new in office to prove either theory, but there is clear evidence that politicians have interfered in the running of the

---

*Perspectives on KwaZulu-Natal was published by Profile KwaZulu-Natal cc in 2001 and 2002. All rights reserved. No editorial material published in Perspectives on KwaZulu-Natal may be reproduced in any form without prior written permission from, and acknowledgement to, Cheryl Goodenough.*

*Perspectives on KwaZulu-Natal was proofread by Donna Hornby from Absolute Proof.*

*Copyright Profile KwaZulu-Natal cc, 2001, 2002*

administration.

By September this year the bulk of council's R1.6 billion capital budget had not been spent because of political delays in prioritising development projects. There was no direct financial loss because of the unspent funds, but officials and local businesspeople said the delay meant a mad rush on council's tender committee. Consequently, actual construction on new roads, pipelines, clinics and other projects, will only begin next year, up to six months later than normal. Local companies are keen tenderers for this work and it accounts for about 25 percent of the local economy. This year a council prioritisation committee, made up of ordinary councillors, only approved final spending late in September.

Council's top executive committee (Exco) usually adjudicates over the prioritisation of spending. This year the prioritisation committee vetted council's plans for every construction project - indicating either an inherent distrust of officials or an undue sense of political self-importance. City officials said delays in approving projects meant contractors were "frustrated as hell" because of costs rising with inflation, the tumbling rand and higher prices for imported materials.

On the one hand, such are the delays. But in some instances, council has started to move with singular purpose. Take for example, the Point, at the southern end of the beachfront. It was until recently a nagging embarrassment because of the failure of Malaysian investors and their local partners to transform the waterfront significantly. The Point could give the city a much needed tourism boost. The Malaysians suffered a cash flow crisis after the fall in their currency, but the Point only really took off after council pledged R600 million for a marine theme park as an anchor attraction in the area. Also, council seems to have wisely outsourced the Point real estate work to Morelands, a subsidiary of the Tongaat Group that spearheaded Durban's expansion into reclaimed sugar cane farms north of the city. Now, in addition to the marine park, there will be 300 000 square metres of commercial, retail and leisure space up for development on the Point. If this is at the current commercial rate of R5 000 per square metre, it will mean a massive injection into the local economy.

Mlaba's office says the Point represents a gamble for the city: It had to decide whether to continue spending money on providing services to poor people, or allotting funds to job creation projects. Emboldened by the success of the International Convention Centre, Mlaba has pursued the Point project vigorously. This energy probably heralded the resolution to the casino impasse. Two major gambling companies were tied up in court over who had the rights to the city's main casino resort licence. Political intervention brought them together and they have promised to share the spoils of the new venture on Durban's north beach. One aspect of the casino plan is a cable car/tramway system that will shuffle tourists between the Point, the casino and the International Convention Centre.

However, while the casino rivals have reconciled, councillors are still battling over territorial disputes. The city's 200 councillors are currently haggling over how to divide Durban into political sub-regions to oversee service delivery (or enhance their political bases, cynics will say). The ANC has 95 councillors, the Democratic Alliance (DA) 53, the Inkatha Freedom Party (IFP) 35 and the Minority Front 10. The remaining seven are independents. Most of council's day-to-day work is gratefully overseen by Exco, which is made up of nine members drawn from all the major parties.

Full council meetings are a circus and ordinary councillors appear to have little idea of the major challenges and plans for Durban. Recently, in October, the IFP and DA walked out of council. Their behaviour reveals them to be political adversaries before they are public representatives, and it is

---

*Perspectives on KwaZulu-Natal was published by Profile KwaZulu-Natal cc in 2001 and 2002. All rights reserved. No editorial material published in Perspectives on KwaZulu-Natal may be reproduced in any form without prior written permission from, and acknowledgement to, Cheryl Goodenough.*

*Perspectives on KwaZulu-Natal was proofread by Donna Hornby from Absolute Proof.*

*Copyright Profile KwaZulu-Natal cc, 2001, 2002*

these adversaries who are part of making vital decisions about the future of Durban.

In 1997 Durban was identified in an authoritative study as the best positioned South African city to compete in the new arena of global cities (as opposed to competing countries). The report said Durban could succeed with better port capacity - a key component of city business - and a united political purpose.

While port authorities appear to be working hard at growing Durban's container ship handling facilities, councillors appear unaware of the importance of the harbour. In the October council meeting a motion concerning the port was not even discussed because of the walk out. The motion, raised by DA councillor Peter Corbett, concerned what has been described as an 'economic crime' - central government's plan for a harbour on the Coega River, near Port Elizabeth. The state subsidised multi-billion rand project, with links to the controversial R66 billion arms deal, is widely regarded as economically unviable, and will prejudice Durban's port business.

KwaZulu-Natal IFP member of parliament Alex Hamilton says estimates are that it will cost about R500 000 a month to subsidise rail freight from Coega to Johannesburg. And, Hamilton says, if government offers shipping companies the subsidies and tax benefits that are being touted, they will abandon Durban in favour of Coega.

Councillors seem more interested in the sexy proposal of a Johannesburg property company Merafe-Zen, whose chairman is Bobby Makwetla, a member of President Thabo Mbeki's old advisory council. Merafe-Zen wants to get its hands on a prime cut of city real estate near the Workshop complex to build a new R300 million White House style city hall. Durban is full of empty office space, but some councillors talk about the Merafe-Zen proposal with a glint in their eyes.

Hamilton says it is vital for Durban to make strategic decisions that will pay off in 20 years. He recalls the decision of one of Durban's pioneering port engineers by the name of Innes, who successfully advocated clearing the harbour mouth sand bank when colonial governors favoured development in other regions.

Durban has a largely efficient administration that needs sound political leadership to steer it through the challenges of transformation. Mlaba may be Durban's 21st century Innes, but whether he can convince councillors to buy into his vision and whether they will be mature enough to find unity of purpose, remains to be seen.

*Greg Arde covers local government for the Sunday Tribune.*

---

*Perspectives on KwaZulu-Natal was published by Profile KwaZulu-Natal cc in 2001 and 2002. All rights reserved. No editorial material published in Perspectives on KwaZulu-Natal may be reproduced in any form without prior written permission from, and acknowledgement to, Cheryl Goodenough.*

*Perspectives on KwaZulu-Natal was proofread by Donna Hornby from Absolute Proof.*

*Copyright Profile KwaZulu-Natal cc, 2001, 2002*