

# 2004 HSRC SEMINAR SERIES

**Are globally competitive 'city regions'  
developing in South Africa: formulaic  
aspirations or new imaginations?**

**Udesh Pillay**

**Executive Director: SAMM and Head:  
Urban Renewal and Development Unit  
(URD)**

x

# Global City Regions

the new *regionalism* → emergence of a series of dense nodes of human labour/communal life (Scott, 2002)

nodes → distinctive sub-national (i.e. regional) social and spatial formations

referred to as *global city regions* → propensity of certain types of econ. activity to gather together in dense locational clusters (Agnew *et al*, 2002)

quest for mutual proximity due to heightened econ. competition

today – 20 *city regions* in access of 10 million

clustering → allows for greater operational flexibility/ enhances innovative capacities

*CITY regions* – functions as territorial platforms ( [ ] groups or networks of firms contesting global markets)

# The Developing World

Bangkok, Buenos Aires, Cairo, Jakarta, Lagos, Mexico City, Rio de Janeiro, Sao Paulo, Shanghai, Teheran

principle [ ]s of advanced econ. activity in their national economies (basing points for > national and transnational companies)

more nuanced approach required in expl. evolution of *hyper-large* urban areas – why? South different from north

Stren (2002) – improved prospects for *city region* formation in Developing World (DW):

- 
- 
- 

threshold conditions met → necessary conditions for econ. growth and investment created

↳ enabled through locally-based formal institutions of state

# African Cities

except for SA African countries manifesting low/  
negative investment, high/increasing unemployment,  
political/civil unrest (cities growing rapidly – 5% annual  
growth in Africa)

- 
- 
- **socially and spatially fragmented**

**focus on import-substitution, resource processing and  
primary exports – global marginalisation**

**also → skewed configuration of national urban system,  
personal rule, historical legacy, role of the state,  
*structural adjustment***

**National states/aid agencies · pro-rural bias  
Consequences?**

# South African Cities

very large cities and very fragmented and polarised structure but balanced hierarchy of cities/towns  
high urbanisation rates ( $\pm \frac{2}{3}$  of pop. in urban areas within next generation)

Jhb/CT/Dbn – 50% of national GDP (only 30% of national population) → economic hubs

six met. areas + 17 large cities/towns → 80% of GDP

Jhb/PTA corridor – 0.2% of surface area, 24% of SAs  
GGP growth in 1990s

poverty, inadequate shelter/basic services, sprawl, uneven land use, > gap between rich/poor, poor land/housing markets, spatial fragmentation, displaced urbanisation

exacerbating above – economic liberalisation and *structural adjustment*?

## South African Cities (cont)

because of spatial morphology (and political/historical antecedents) do not function optimally as econ. entities

need . . . to match economies of urbanisation with new econ. growth sectors → esp. investment in infrastructure & development of skills of local labour markets

policy of city boundary rationalisation (since 1994) → metropolitan economic regions → integration into global economy?

many argue → cities critical to national growth strategy + global integration

economic profiles – Cape Town, Jhb, Durban and Pretoria in paper

# City Regions in S.A.?

“megacity” concept popularised in SA – 2000 municipal elections

aim: city-wide spatial integration, socially inclusive development, equity, social justice, econ. prosperity

reality: re-constitution of cities in political/institutional terms (local polit. integration/representation)

but not: *global city regions* → either using conventional typologies or < econ-determinist ones (Agnew et al 2002; Stren, 2002)

Stren’s (2002) threshold conditions:

- 
- 

Jhb, CT, Dbn → sub-national social/spatial formations + principal [ ]s of econ. activity in S.A. but ...

global index of city “connectivity” / “world city-ness”

Jhb = only African city (29/55 in world)

→ v Conventions (11)

# Johannesburg's Aspirations

“world class” / “globally competitive” city (Beaverstock et al 2002) – global accountancy services centre, advert. services centre, corporate banking services centre, finance/business centre, communications, multinationals

newly constituted local leadership → drives urban policy in support of global ambitions  
late 1990s → quintessential professional, private sector city/entrepreneurial leadership

Jhb → displays characteristics of “world urban system” (Soja, 2001)

Conclusion: SA's and Africa's only plausible candidate for world city status



# However:

- Jhb econ. base in precipitous decline since 1980s (< in traditional manuf. base)
- major demographic shifts → in-migration from townships/immigrants → conflict → space/resources/jobs
- massive capital flight from cities → deindustrialisation (business, account, advertising)
- Jhb national head office function however maintained (life assurance/banking institutions) → continue investments in property
- spectacular growth in informal sector → rapid transformation in inner city area
- 2 responses to "competing" interpretations:
  - 
  -

# SAs Best “Global” Prospect

Jhb – still SA's most globally competitive urban prospect

threshold conditions met = necessary conditions for econ. growth/investment created

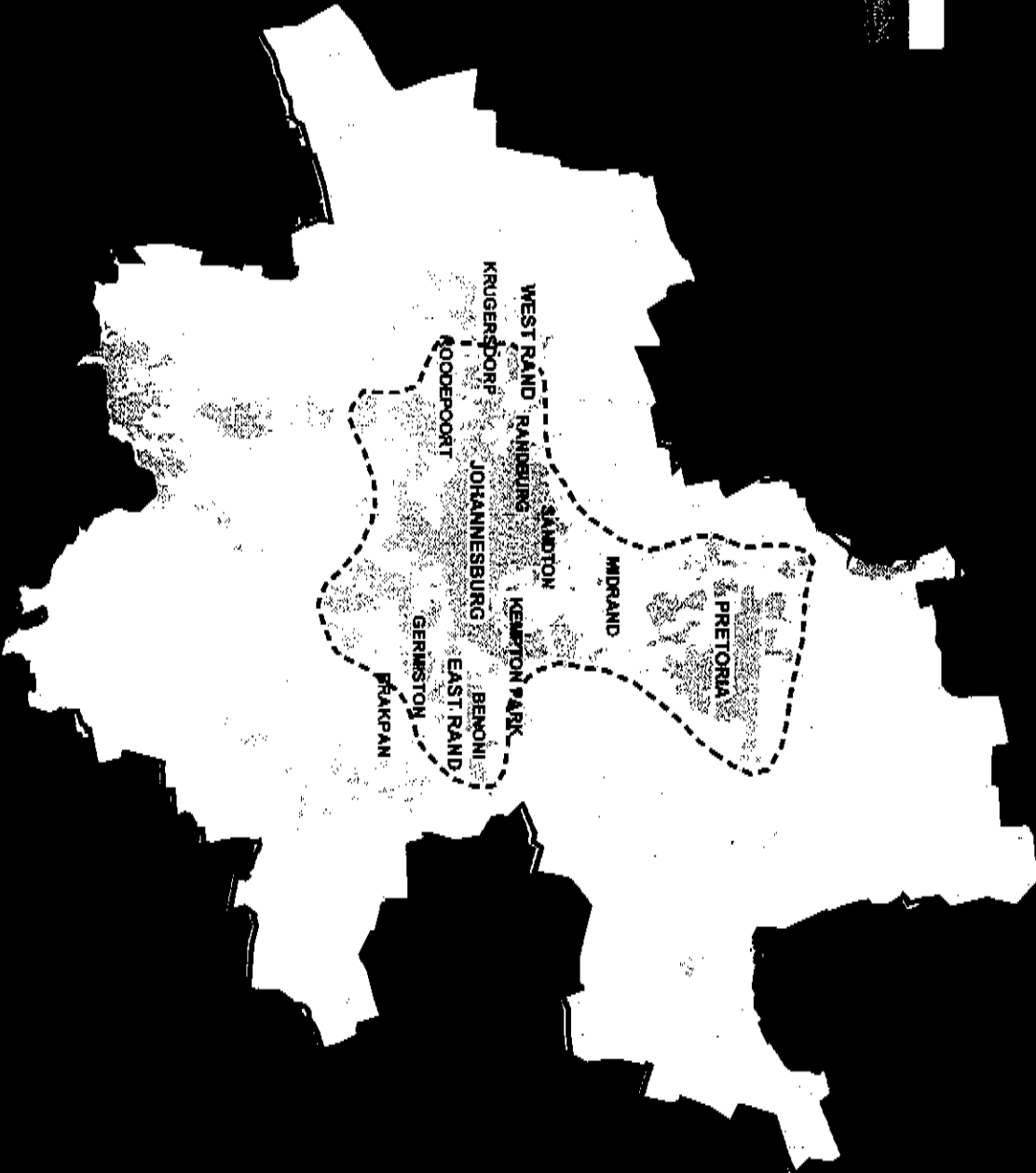
Jhb, however → not “global city region” (i.t.o. definitions/classifications)

Urban Heart of Gauteng (UHG), however → dense network of sub-national social/spatial formations → also, principal [ ] of advanced econ. activity and platform for ... SA's most formidable *global city region prospect*

UHG = east/west – north/south axis (Jhb/PTA/E. Rand/W. Rand) → 11 million people

Jhb-Pretoria corridor → 0.2% of surface area, 24% of SAs GGP growth in 1990s

Gauteng → 1.4% of surface area · 48% of SAs GDP & 60% of fiscal revenue; 9% of Africa's GDP



WEST RAND  
KRUGERSDORP

ROODEPOORT

JOHANNESBURG

KEMPTON PARK

BENONI  
EAST RAND

GERMISTON

BRAKPAN

SANDTON

MIDRAND

PRETORIA

# SAs Best “Global” Prospect (cont)

Blue IQ = UHG's “unique” SDI econ. infrastructure development programme of province recognising propensity of econ. activity to gather together in dense locational clusters:

- 
- 
- 

11 economic zones – SA's “smart centre” → based on:

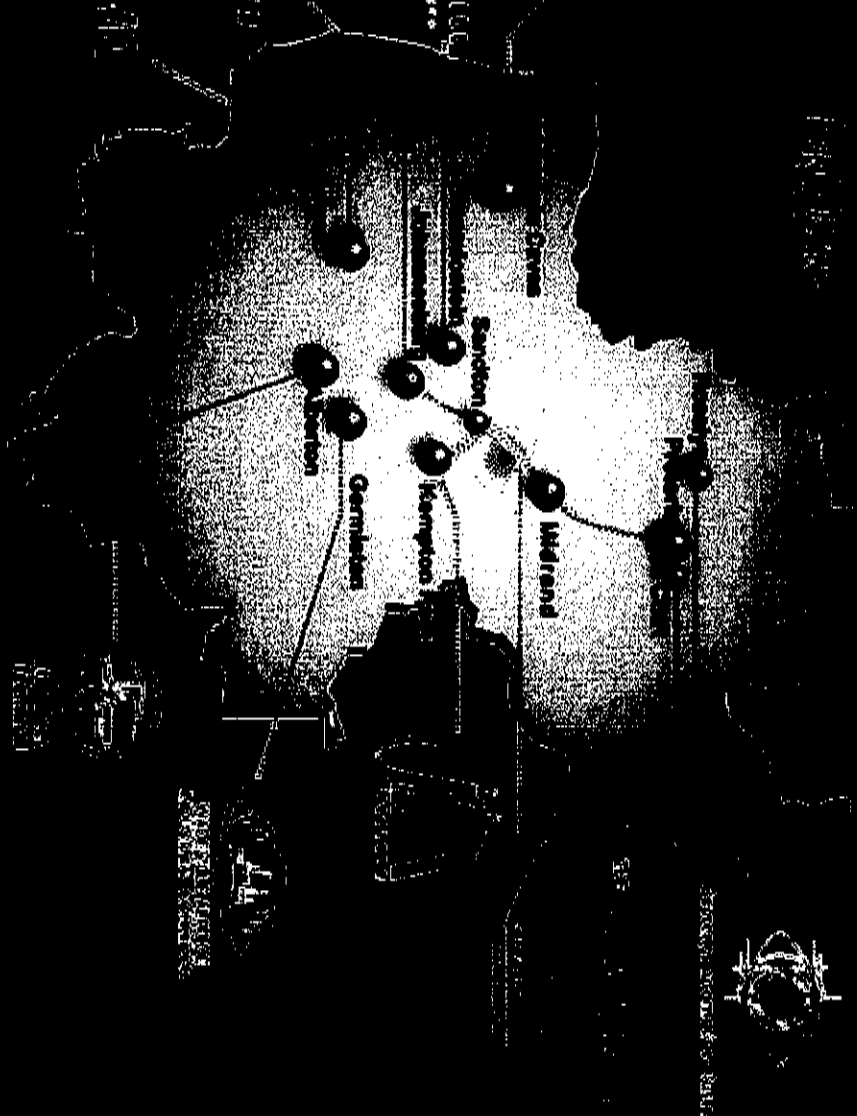
- 
- 
- 

Blue IQ potential:

- 
- 

geog.-bounded Blue IQ region ... SA's *city region*? ... sustainable programme of spatial development based on economic potential?

CONSTITUTIONAL  
The Office of the  
Attorney General  
Kippom



# Conclusion

**Cross-sectional corridor in Gauteng →  
emerging *global city region*?**

**Global city status pre-occupation in  
formulaic sense:**

- ↳ **limitations on new 'imaginings'**
- ↳ **lack of creative city formulations /  
alternative paths**
- ↳ **failure to recognise cities as diverse,  
creative, distinct**

# Conclusion cont.

New / alternate formulations:

↳ Storper's (2002) 'reflexive city'

↳ 'cities as overlapping spheres of reflexive economic action'

↳ Amin and Graham (1997)

↳ cities as "multiple spaces, times and webs of relations"

↳ Robinson's (2002) 'ordinary city'

↳ cities as diverse, creative, modern and distinctive

Possible city futures → social inclusivity / economic growth

Realignment of local development strategies needed → NEPAD and African Union imperatives too!