

PRELIMINARY DRAFT

METROPOLITAN GOVERNMENT
REFORM IN SOUTH AFRICA:
THE LIMITS OF FORMAL
REORGANISATION

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INTRODUCTION

Cameron (2005) traced the evolution of metropolitan government in South Africa largely within the context of Public Administration reform in the country. Issues such as performance and efficiency were highlighted. This paper is also an account of the development of metropolitan governance in South Africa but it has a somewhat wider focus. It attempts to locate metropolitan government reform in South Africa within the broader international debate of the merits of consolidation versus that of fragmentation. The policy changes from a fragmented system of local government to a two-tier metropolitan system and then to a unitary metropolitan government system within a relatively short period of time are discussed.

The paper also shows that metropolitan government reform was part of a wider decentralisation programme of national government. Empowered local government was now responsible for promoting social and economic development and improving service delivery. Public participation was a key aspect of these reforms. Metropolitan government had to promote development but at the same time it also had to attempt to try and make cities globally competitive.

The paper argues that many of the ambitious reforms of metropolitan government have not yet been realised. There is a major disjuncture between the objectives of territorial reform and its impact on the population. While some development and service-delivery has occurred, constitutional decentralisation has led to the emergence of local clientelistic networks which have used the space to given them to promote local patron-client relationships. This has been at the expense of broader service delivery and public participation.

Particular attention is paid to the issues of executive systems, political-administrative relationships, different forms of public participation such as

ward committees and integrated development plans as well as local economic development and service delivery.

METROPOLITAN REORGANISATION vs FRAGMENTATION

A number of reasons are advanced for metropolitan reorganisation. These include economies of scale, namely that local government efficiency will be enhanced by enlarging local government areas. These economies of scale arguments are about the need to ensure that there are high enough thresholds (population and/or territory) for municipal services. It is held that local government efficiency will be improved by enlarging their jurisdictions (Rowat, 1980, Paddison, 1983, Smith, 1993, Keating 1995).

The socio-geographic approach to reorganisation attempts to correlate local government boundaries with their respective interdependent socio-economic areas. A belief that government areas no longer correspond to the economic and social patterns of communities such as development and commuting patterns has led to metropolitan government expansion. The objective is to ensure that political boundaries correspond with socio-economic activity spaces (Smith, 1985, 1993, Bennett, 1989, Meligrana, 2004).

Functional approaches argue that metropolitan boundaries should derive from the optimal area for which particular areas should be delivered such as water catchment areas. The aim was to minimise externalities and spillovers that occur in the provision of particular services. This led to the creation of larger jurisdictions (Leemans, 1970, Paddison, 1983).

A more recent reason for the creation of larger jurisdictions such as metropolitan government has been economic competitiveness, within the context of greater globalisation. The argument is that for a metropolis to be internationally competitive there should be governmental control over a territorial base and population resources comparable to those of its political competitors. Fragmented government, multiple administrations and bureaucracy and the lack of area wide strategic planning and policy-making are thought to weaken a metropolis vis-a-vis its competitors. The “economic

competitiveness” argument is said to strengthen the case for metropolitan government (Barlow, 1991).

There are a number of writings of varying political persuasions who oppose metropolitan-wide reforms and favour small local governments. The most prominent version of these ‘polycentrists’ is the public choice school. Public choice theorists favour fragmented local government beginning from the premises that citizens have diverse preferences for public goods and services and a multiplicity of jurisdictions will cater for different tastes more efficiently and effectively than will an area-wide body (also see Gunlicks, 1981, Ross, Levine and Stedman, 1991).

More recent versions of public choice theory lay far greater stress on economic competition to attract capital. The local public economy school supports fragmentation and competition among local governments. This, they argue, encourages efficiency by attracting capital to the places where it will be most productive. It also encourages efficiency in service provision and the maximisation of citizen choice (Keating, 1995).

This metropolitan/fragmentation debate raged in Western Europe and America in the 1980s and 1990s.

Another reorganisation issue is that of equity. It is argued that if central city and suburban jurisdictions were merged through consolidation or metropolitan government, a more equitable distribution of services and taxes could be achieved (Magnusson, 1981, Keating, 1995). This issue of equity is evident in local government reorganisation in developed countries albeit in a low-key manner. Keating (1995) argues that the broader issue of equity is politically dynamic and accordingly treated with discretion in official government reorganisation documents in many countries because of the fear that it would upset the consensual and technocratic tone of the official debate.

DECENTRALISATION

Political decentralisation in the 1980s and 1990s has led to local governments being granted greater powers by their central government (Wollman, 2003). This is not only confined to developed countries. Many of these trends are evident in developing countries as well. Decentralisation to local government is beginning to occur in developing regions, including Latin America, Asia and Africa (Manor, 1999, Crook and Manor 2000, Prud'homme, 2003) Local government reforms in Africa, for example, have been influenced by the economic crisis which has led to political and economic reforms (Olowu, 2003, Manor, 1999, Crook and Manor, 2000, McCarney and Stren, 2003).

These reforms have been promoted by donor agencies, most notably the World Bank (World Bank, 1989, Olowu, 1990) although Manor (1999) suggests that such multilateral bodies tended to support decentralised institutions once they were created rather than to have overtly pressured governments to introduce decentralisation in the first place.

The nature of decentralisation varies from administrative deconcentration to extensive political decentralisation. As Swilling (1997) points out, different ways of decentralising has different implications for the nature of urban governance in different countries. Furthermore, an over-reliance on legal intergovernmental relations sometimes obscures the real nature of power at local government. For example, Migdal (1992) argues that although many Third World states ascribe huge powers to themselves, they are often extremely weak and unable to implement their own legislation.

Swilling (1997) states that in many African cities the state lacks the capacity to exercise control and provide basic services. He states that

'It is now generally accepted that various forms of community-based and or non-profit organisations render the bulk of services enjoyed by the urban poor in many of African's cities and towns' (Swilling:1997:10).(also see McCarney and Stren, 2003).

The role of party politics in gauging the extent of political decentralisation is also very important. Elazar's 1968 argument that the existence of the non-centralised party system is perhaps the most important element in a decentralised system is perhaps still valid today (1968:37). Studies have shown that the effects of political decentralisation are negated by party centralisation (Cameron, 2003). If important local government decisions are made by party bosses of centrally or regionally based political parties it will undermine the principle of local democracy, namely that local decisions should be made by elected local representatives. Swilling (1997) suggests that decentralisation in many African cities has in fact led to greater control over sub-national governments.

The notion of governance with its emphasis on the relationship between governmental structures and civil society is another important factor. Because this relationship is generally more robust at local as opposed to higher levels of government, the trend towards decentralisation has probably reinforced local initiatives towards improved governance (Stren and Cameron, 2005) What was particularly important was the role of such civic groupings in local governance, particularly when the state lacked capacity to deliver services (McCarney and Stren, 2003).

CLIENTELISM AND PATRONAGE

Political decentralisation has not always achieved the desired results of its proponents. Indeed, decentralisation has often been associated with political clientelism, corruption and mismanagement (Migdal, 1992). Clientelism is defined as a political system based on the exchange of favours between elected officials and their supporters. (Hagopian, 1996, Abers, 2000). Public resources are spent primarily on narrow clientelistic purposes and this has understandably had a negative effect on the service delivery (Migdal, 2002, Crook and Manor, 1998, Hadenius, 2003).

For example, the 1998 Federal Constitution in Brazil gave Brazil's municipalities more resources and greater fiscal independence than local government enjoyed in other Latin American nations. This gave regional political oligarchies the resources to finance their political machine. The relative lack of higher-level controls on local policy-making meant that mayors could promote their own goals and projects by either distributing patronage or seeking to gain broad-based support on the basis of 'good government' (Abers, 2000).

Theobald (1990:94–95) points out that a major source of political pressure on the public sector in the Third World derives from the material weakness of the bourgeoisie class. This is in contrast to Europe where the European bourgeoisie did not go into politics in order to accumulate capital. He argues cogently that the political power and the opening it gives to the wide range of resources, including opportunities under the control of the state, plays a major role in the emergence of a bourgeoisie. He argues that,

'in the absence of adequate alternatives the state apparatus becomes the main vehicle of economic advancement and capital accumulation'.

Olowu (2000) makes a similar point arguing that the public sector is characterised by patron-client relationships. Because of the extreme concentration of wealth in the public sector, along with large-scale corruption and mismanagement,' those competing for power see the public office as the only way to social and economic improvement'(2000:162).

This factor is a major source of clientelism in the Third World and also explains why some political parties zealously guard the outcome of elections. Giving the opposition inroads into these offices would interfere with the economic and political system of spoils (Migdal, 2001).The elitist nature of clientelistic policies also only provides limited opportunities for public participation (Hadenius, 2003).

van de Walle (2002) suggests that the most common form of clientelism in Africa is patronage which is defined as the practice of using state resources to provide jobs and services to political clienteles. Migdal (2001) states that the appointment of staff who have deep personal loyalties to state leaders is a common phenomenon in developing countries.

Appointment of staff is an important ingredient of decentralisation to local government. However, extensive local government control over local staffing without the central impetus of ensuring sound personnel practices can lead to corruption and nepotism. This was pointed out as far back as the 1960s by the United Nations (1962). Appointment of staff is an important area for patronage. Often newly empowered city politicians want to hire their own employees, for political as well as efficiency and loyalty reasons (Grindle, 2000). In the United States, the strong mayor system was historically associated with large-scale patronage. A newly elected mayor could dispense with a large percentage of existing staff. With the modernisation reforms in the United States, the extent of patronage has largely declined (Svara, 1995). However, such systems persist in other parts of the world. For example, in Latin America, municipal employment is not regarded as a means to the end of delivery services to communities. Conversely, it is regarded as an outcome in its own right – a just reward for favours rendered or to be rendered (Nickson, 1995).

The Machine Politics of 19th century in the United States was based on gaining and maintaining power using patronage in exchange for political support. van de Walle (2002) suggests that it has less applicability in Africa after independence when there was a decline in competitive elections and the establishment of one-party regimes. He argues that clientelistic policies are

Primarily a mechanism for accommodation and integration of a fairly narrow elite rather than a logic of mass party patronage. Most of the material gains from clientelism are limited to this elite (2002:16)

EVOLUTION OF METROPOLITAN GOVERNMENT IN SOUTH AFRICA

No form of metropolitan government existed in South Africa under apartheid. Cities were racially fragmented. Apartheid policy made provision for different residential areas for whites, blacks, coloureds and Asians. Only whites had democratic local government structures, although a plethora of advisory structures existed for black townships. Whites, for the most part, had an excellent level of services while services in black areas were kept in a deliberate state of neglect (Bekker and Humphries, 1985, Cameron, 1995, Kane-Berman, 1979, Welsh, 1979). Regional Services Councils (RSCs) which were created in the mid-1980s contained within them the seeds of metropolitanisation. However, in practice most RSCs did not take over metropolitan type of functions from existing local authorities (Cameron, 1993).

During the 1990s a new constitutional system was negotiated in South Africa, which heralded the start of a democratic era. The 1993 Constitution was a historical compromise between the ruling National Party (NP) and the African National Congress (ANC). It was agreed that a two-phase constitutional process would guide democratisation in South Africa. The interim 1993 Constitution contained a number of power-sharing mechanisms to protect minority (largely white) interests in the interim phase including preservation of public sector employees' jobs. The agreement was that a final Constitution had to be adopted within two years.

At local government level provision was made for three discrete categories of local government—metropolitan, urban and rural—each with differentiated powers, functions and structures. For the first time in South Africa's history, provision was made for metropolitan government (Cameron, 1999, 2000).

For the interim phase, two-tier metropolitan governments were created in the three urbanised provinces—the Western Cape, Gauteng and KwaZulu-Natal. In the Western Cape, the Cape Metropolitan Council was established. Gauteng had four metropolitan councils, namely Greater Johannesburg, Greater Pretoria, Khayalami and Lekoa Vaal. Greater Durban Metro was created in KwaZulu-Natal (Cameron, 1999). The lower tier structures were

called Transitional Metropolitan Substructures (TMSs) although they were subsequently renamed Metropolitan Local Councils (MLCs).

There was little enthusiasm for metropolitan government amongst the ruling National Party (NP) supporters but there was a great deal of pressure from the African National Congress (ANC) side. 'One city, one tax base' was the national rallying call during the township boycotts of the 1980s. Given the political pressure for unification of white and black areas, fragmentation was clearly not an option. During the 1993 constitutional negotiations, the NP government promoted the concept of weak metropolitan government, and strong Primary Local Authorities (PLAs). The NP government's concern was that strong metros with extensive powers and functions could be controlled by the ANC, who were likely to adopt policies inimical to white suburbanites such as extensive taxation and the locating of low-income housing in affluent areas. However, given past residential patterns, there was a fair chance that whites could control a not insubstantial number of PLAs, in particular the wealthier ones (Cameron, 1999).

The model of strong metros/weak PLAs was rejected by both the ANC, which favoured strong metropolitan government. The ANC policy document in May 1994 stated:

The key issues facing our cities-disparities in service provision, rapid urban growth, the housing crisis and inefficient apartheid city structure - cannot be effectively addressed by lower-tier authorities, whose focus is too small. The ANC believes that the metropolitan tier would be an appropriate tier to add to address these issues. This tier will control the primary sources of urban finance, and will be responsible for allocating funds for development and services. It will co-ordinate the provision of city-wide service and allow democratic control over broader development decisions. It will set the policy framework for that metropolitan area, within which the lower tier(s) will operate (1992:6).

This thorny issue of metropolitan-local relationship was not resolved in legislation and was in effect was left hanging in the air. It was left initially to local negotiating forums and later to metropolitan and municipalities to negotiate the precise nature of this relationship.

Different metropolitan areas negotiated different metropolitan-local models. In the Western Cape, the Cape Metropolitan Negotiating Forum (CMNF) negotiated a relatively weak co-ordinating TMC and as a corollary, TMSs with strong operational and implementation capacity. After the 2000 elections, there was a shift towards a complementary model of metro government whereby each level of local government would assume responsibility for its functions. (Cameron, 1999, 2000, Sewell, 1998).

In Durban, the Greater Durban Negotiating Forum (GDNF) agreement also made provision for a complementary model of metro-local relationships with provision for metropolitan and TMSs governments with each local government regulating its own affairs. Intramunicipal co-operation was the basis of the metro-local relationship (McCarthy, 1998A, Cameron, 1999). In Greater Johannesburg, a centralist form of metropolitan-local relationship was negotiated giving the Greater Johannesburg Metropolitan Council extensive planning, budgetary and staffing powers. After the 2000 elections, there was an attempt to give TMSs more powers although this process was rather uneven and the Greater Johannesburg model was more centralised than the other metros in the country (Emdon, 1988, Cameron, 1999, 2000). In Pretoria the metropolitan council has limited functions and powers. The Central TMS was in effect the metropolitan authority and it controlled almost two-thirds of the aggregate metropolitan budget (McCarthy, 1998B).

THE FINAL SYSTEM OF LOCAL GOVERNMENT

In terms of the power-sharing arrangement, a final constitution had to be negotiated within two years. The Final Constitution was certified in December 1996 and came into partial effect on 4 February 1997.

Unlike the interim Constitution, the final 1996 Constitution did not make provision for separate categories of metropolitan, urban and rural local government (Republic of South Africa [RSA], 1996). Section 155(1) made provision for category A, B and C municipalities. The definitions are:

- **Category A** is a municipality that has exclusive municipal executive and legislative authority in its area.
- **Category B** is a municipality that shares municipal executive and legislative authority in its area with a Category C municipality within whose area it falls.
- **Category C** is a municipality that has municipal executive and legislative authority in an area that includes more than one B municipality.

The attempt to introduce flexible categories was influenced by the experience of the interim Constitution, which made provision for fixed categories of metropolitan, urban and rural local governments. Studies showed that that this led to numerous demarcation disputes around issues such as the differences between metropolitan and stand-alone urban areas. Demarcation disputes had delayed the local government elections in the KwaZulu-Natal and Western Cape provinces (Cameron, 1999, Mabin, 1999, Pillay, 1999).

DECENTRALISATION

The new constitutional framework had profound effects on local government. South Africa historically had a centralist form of local government with provincial governments controlling the scope of local government through provincial ordinances which defined their functions and powers. Local government legislation also had to be approved by provinces (Cameron, 1995). This changed quite substantially under the final system of local government. Theoretically, the new Constitution uplifted local government from a subordinate level of government to a significant sphere in its own right. Provision is no longer made for levels of government, but rather there is a three-sphere system of government in which the spheres are distinctive, interdependent and interrelated with the principle of co-operative governance underpinning intergovernmental relations. (Cameron 2001, Pimstone, 1998).

The final Constitution states that a municipality has the right to govern, on its own initiative, the local government affairs of the community, subject to the

national and provincial legislation as provided for in the Constitution. Local government has constitutionally guaranteed functions. Municipalities have executive authority and the right to administer the local government matters listed in the Constitution and any matter assigned to them by national or provincial legislation. The most important constitutional functions of local government include the provision of water, sanitation (and sewerage disposal systems), roads, stormwater drainage (including solid waste disposal), electricity reticulation and municipal health services. Unlike many Western European countries education and social welfare are not local government functions.

Although national government and provincial government may regulate local government, this must be done in a way that does not compromise its ability or right to govern (Cameron, 2001, Pimstone, 1998, Yacoob, 1996). Local governments now has substantial more operating autonomy. Provinces, the traditional overseers of local government, are now confined to performing a technical support role and to improving municipalities' capacity (Cameron, 2001).

The new system of local government made provision for the system of developmental local government. The Constitution's list of local government objectives include the provision of services in a sustainable manner and the provision of social and economic development. These development duties include giving priority to the basic needs of the community and promoting social and economic development.

The role of local government has had to shift from the traditional role of local service delivery and administration to local socio-economic development. It also entailed a more participatory approach to governance compared to the hierarchical apartheid system (Parnell, Pieterse, Swilling and Wooldridge, 2002).

Socio-economic rights in the Bill of Rights bind all organs of state including municipalities. The socio-economic rights that affect local government include

the right of access to adequate housing, the right of access to health care services and the right of access to sufficient food and water.

WHITE PAPER ON LOCAL GOVERNMENT

The ANC had long-preferred single-tier authorities as a way of redistributing resources and services. It was forced to compromise in the interim phase and was of the view that strong lower-tier bodies were preventing metropolitan government from enforcing metropolitan-wide development and redistribution (Wooldridge, 2002). There was also a strong view within the ANC that the division of the revenue base between Johannesburg metro and its MLCs had contributed to the serious financial crisis that the country's wealthiest city had found itself in (City of Johannesburg, 2001).

Given that the final constitutional phase was shorn of power-sharing clauses, it was able to push the megacity option through. The White Paper on Local Government gave three compelling reasons for the establishment of metropolitan government:

- To create a basis for equitable and socially just metropolitan government. Metropolitan government was seen as a way of redressing the inequalities of the apartheid city, in which the urban poor were pushed to the periphery of the city. It argued that numerous studies had shown that the overall economic prosperity of metropolitan cities is greater where there is less inequality between its constituent parts.
- To promote strategic land use planning and co-ordinated public investment in physical and social infrastructure. The mismatch between municipal boundaries and the scale of economic and social activity in the metropolitan area often resulted in irrational land-use planning decisions and negative spill-overs and externalities. A citywide metropolitan government is better able to respond to and influence metropolitan-wide spatial, social and economic trends.
- To develop a citywide framework for economic and social development, and so enhance the economic competitiveness and well

being of the city. In the absence of metropolitan government, fragmented municipalities may compete for investment in an uncoordinated way. Metropolitan government is able to market the city as a whole (Provincial Affairs and Constitutional Development, 1998).

It was pointed out that one of the contradictions of metropolitan reorganisation in South Africa has been the need to create globally competitive cities while ensuring this redistribution of resources and services to the poorer parts of its cities. This contradiction is evident in the White Paper where the objectives include both making the city internationally competitive and redistributing resources to poorer communities.

Two types of metropolitan government were proposed in the White Paper, which were both variants of single-tier authorities. The first option provided for metropolitan government with ward committees. This involved a metropolitan council with full legislative and executive powers, along with ward committees, which were area-based committees with advisory powers only. The second option consisted of metropolitan governments with metropolitan substructures and also involved a metropolitan council with full executive and legislative powers. These would exist with metropolitan substructures, which were administrative structures with devolved powers from the metropolitan council (Cameron, 2000).

The White Paper caused a storm of protest, particularly in the then-opposition-controlled provinces of Western Cape and KwaZulu-Natal. The major complaint was that it did not provide for any real option: the only choice was between two variants on the single-tier option. This led to the Minister of Constitutional Development appointing a task team to look at proposed structural options in metropolitan areas. The task team came out in favour of single-tier cities. Its report said that there was an administrative need to have an effective deployment of staff across a metropolitan region in order to deal with the equitable geographical distribution of services and opportunities within metro areas. At a financial level there was a need to create a single financial framework and a single budget for metropolitan areas as a whole. It

also stated that there was a need for a single valuation roll and for rates and levies to be set across the metropolitan areas as a whole (Sutcliffe, 1998).

THE CREATION OF SINGLE-TIER METROPOLITAN AUTHORITIES

Despite the resistance from opposition-controlled provinces, the goals of the White Paper were embodied in legislation in the form of the Local Government: Municipal Structures Act, passed in December 1998 (RSA, 1998). The most important change was the replacement of the two-tier metropolitan system with single-tier authorities. Section 2 of the Act stated that areas that must have single category A municipalities are those areas that can reasonably be regarded as:

- (a) a conurbation featuring:
 - areas of high population density;
 - an intensive movement of people, goods, and services;
 - extensive development; and
 - multiple business districts and industrial areas;
- (b) a centre of economic activity with a complex and diverse economy;
- (c) a single area for which integrated development is desirable; and
- (d) having strong interdependent social and economic linkages between its constituent units.

This definition is a description of metropolitan areas, which meant that category A municipalities would be introduced in such areas only. With its strong emphasis on interdependency the definition pointed to a different conception of metropolitan areas. There was a move away from the 'brick and mortar' view towards a wider conceptualisation of metropolitan government that would encompass the economically interdependent suburbs, black townships, rural areas and informal settlements.

Rationalisation of structures is often associated with a reduction in citizen participation, which can lead to apathy which in turn threatens the legitimacy of government. Larger units, in particular metropolitan governments, have been accused of being too remote from the citizens and as a corollary, unresponsive to citizen demands (Gunlicks, 1981, Mawhood, 1993). Many proposals for metropolitan reorganisation, in particular, have accordingly

place a strong emphasis on citizen participation. It often takes the form of direct participation, through active citizen involvement in urban affairs. (Jones and O'Donnell, 1980).

This was the case in South Africa. Given that MLCs had been abolished new bodies were created to promote public participation. Metropolitan authorities had the option of creating sub-councils or ward committees. Sub-councils consisted of ward councillors representing the ward, along with some proportional representation councillors. Ward committees consisted of the councillor of the ward and up to ten representatives of civil society.

Who decided on what areas became metropolitan governments? It was no longer the responsibility of Provincial Ministers of Local Government (who held the responsibility in the interim phase). It was now the responsibility of the national Minister of Provincial Affairs and Constitutional Development (subsequently renamed Provincial and Local Government) to determine whether an area should have a category A municipality. When declaring a metropolitan area, the Minister had to identify its nodal points but leave the determination of outer boundaries to the MDB.

The Western Cape and KwaZulu-Natal provinces were still, however, smarting from the fact that central government could now determine metropolitan structures in their jurisdictions. They also had broader concerns about central government intrusion into provincial affairs. These provinces launched a Constitutional Court challenge against certain aspects of the Structures Act. The Court ruled that the determination of municipal boundaries and the determination of the category of municipality go hand in hand. The determination of metropolitan areas accordingly became a MDB responsibility (Local Government Law Bulletin, 1(1)). However, the substantive challenge against the legality of the nation-wide single-tier system failed (Cameron, 2005).

The substantial debate in South Africa was not about metropolitanisation vs fragmentation. Rather it was the merits of two-tier vs unitary metropolitan

government. However this metropolitanisation vs fragmentation debate did manifest itself in the South African situation. Certainly some of the arguments used by the fragmentation school were used by the two-tier supporters. For example, the KwaZulu-Natal Province argued (1997) that 'all sense of local identity and local community would be sacrificed to achieve colourless uniformity and conformity justified by the call for redistribution and transformation'.

THE ROLE OF THE MUNICIPAL DEMARCATION BOARD

The Municipal Demarcation Board (MDB) was given responsibility for determining local government boundaries for the 2000 elections. It has been pointed out that one of the most important approaches used when demarcating local government boundaries is the socio-geographic (or settlement patterns approach), which attempts to correlate local government boundaries with their respective interdependent socio-economic areas. The MDB framework for the demarcation of local government boundaries was largely based on this approach, albeit implicitly (Cameron, 2005).

The MDB had, in turn, been influenced by the White Paper process. The preceding Green Paper included a section on settlement patterns, which discussed the impact of apartheid policies on urban and rural areas. In line with the socio-geographic model of demarcation, it stated that almost all towns are functionally part of rural areas, relying on their surrounding areas for productive economic activity and providing important centres for the delivery of social services. It suggested that municipal structures should be created that recognised these linkages between urban and rural settlements (Provincial Affairs and Constitutional Development, 1997).

There were two distinct components to the MDB's approach to demarcating metropolitan areas. Firstly, based on international and local experience, an indication of where people belong in terms of boundary demarcation is given by commuting, and to a lesser extent shopping, from other cities and fringe areas. The MDB felt that the best means of determining the interdependence of people, communities and economies was through commuting patterns. This

was because it is probably the best single measure of the relationship between human settlements, on one hand, and employment, spending and amenity-usage patterns, on the other. Secondly, the application of the Group Areas Act and 'homelands' development strategies resulted in an attenuated settlement pattern in and around metropolitan areas, most notably the relocation of poor communities to the fringes of the metropolitan areas. Commuting patterns were regarded as good indicators of the spatial dislocations caused by apartheid. In South Africa there was an artificially-enforced separation between places of work and shopping, and places of residence for poorer people. Apartheid had forced the creation of spatially separate communities and black areas were often located some distance from commercial and industrial areas. However, the MDB did say that these two factors have to be balanced by criteria such as administrative capacity and financial viability (MDB, 1999a).

Influenced by this socio-geographic demarcation model, the MDB attempted to draw coterminous political and economic boundaries. Its aim was to promote integrated development of all its citizens and to promote fiscal equivalence, that is, the people who use services should be those who pay for them. The MDB was of the view that a metropolitan or local council should encompass at least 50% of all people who live, work and shop within an area. The MDB tested whether its boundaries encompassed interdependent communities by analysing data from Household Surveys for 1995 and 1996. These surveys were conducted by Statistics South Africa and were probably the best annual, national record of social trends. The result was that the MDB was able to analyse where people lived and where they worked.

The MDB created six metropolitan authorities in the country. It confirmed that Greater Johannesburg, Cape Metro, Greater Durban and Greater Pretoria met all the criteria for metropolitan areas, although there were boundary changes to all of these local governments although in the case of Johannesburg, Durban and Pretoria added large amount of rural territory.

The MDB found that neither the Khayalami Metropolitan Council nor the Lekoa Vaal Metro met the requirement for a metro. Khayalami did not meet the criteria for a category A municipality. The MDB argued that the area was not 'truly bounded' in that there was not a consistent correlation between activity spaces and administrative structures. In particular, it felt that there were stronger linkages with Johannesburg. In the case of Lekoa Vaal, the MDB concluded that it was too small and that its level of economic activity was comparable to that of large local councils (MDB, 1999b).

The MDB did, however, create two new metros. The East Rand metro (subsequently called Ekurhuleni) was created to the East of Johannesburg and consisted of a number of previously-independent municipalities. While it had no single traditional core, it was felt that in many aspects, including size, density and social and economic activity, the area conformed to the requirements of a metro. The MDB also established a new metro in the Port-Elizabeth-Uitenhage-Despatch industrial complex in the Eastern Cape Province (subsequently called Nelson Mandela). It was felt that that there was sufficient economic interdependence between these areas to warrant including them in a single metro and that the creation of such an entity would facilitate growth in the region (MDB, 1999b, 1999c).

This socio- geographic demarcation approach influenced the MDB. It attempted to draw coterminous political and economic boundaries. This would enable integrated development of all its citizens and promote fiscal equivalence. The MDB's statistics for metropolitan areas indicated that they encompass areas in which peoples, communities and economy are interdependent. For example, in Cape Town, 95% of people who work in the area also reside in the metropolitan area of jurisdiction. In Durban the figure was 86% and it was 87% in East Rand, 84% in Pretoria and 64% in Johannesburg (MDB, 2000).

Johannesburg's figures were perhaps low, but what the MDB found was that there was spill-over between the three metros in Gauteng (East Rand, Pretoria and Johannesburg), particularly between Johannesburg and East Rand where it was difficult to determine a precise boundary. As the South

African Cities Network report states (2004), these three cities along with two abutting local municipalities constitute a virtually continuous urban extent of some 8,6 million people. This option of a single urban region was never considered. It would have meant creating a municipality that would be almost as big as the province, which was an unrealistic option. There were also concerns about whether such a municipality would have the capacity to service such a large population.

In South Africa spatial fragmentation of the type found in most cities was exacerbated by racially based local government which led to massive disparities in levels of service provision. Thus it was that local government boundary demarcation became a key instrument of redistribution and unlike developed countries equity became one of the key reorganisation issues. This led to the rationalisation of municipalities from 843 to 284 and consequentially the creation of large jurisdictions. Cameron and Alvarez (2005) point out that the mean population size of primary municipalities in South Africa is 188 318 which is larger than the mean population size of all 31 selected local authorities in a comparative survey.

Razin and Hassan (2004:2) call South Africa's demarcation 'an example of extreme preference given to equality and integration'.

THE POLITICAL DIMENSION TO REORGANISATION

Boundary changes by definition redistribute power with some parties and organisations standing to lose power and other standing to gain power. Most boundary reorganisation initiatives also have political objectives although they are often implicit and couched in technical language (Cameron, 1999). In fact, there 'is astonishingly little in official (consolidation) documents about the role of political parties' (Keating, 1995:122)

It has been argued that the ANC's preference for single- tier metropolitan authorities was based as much on the need to centralise power at local level in the name of political transformation than it was on technical –rational reasons. (Cameron, 2005).

The abolition of the two-tier system limited the number of metropolitan authorities opposition parties could win (given that their support in most metropolitan areas is in geographically-located pockets rather than being found city-wide).

There is a view that suggests that the ANC is moving towards one-party dominance. Centralisation by the ANC has been taking place in various ways. Provincial premiers are no longer appointed by provincial congresses of the ANC, but are appointed by the President, as are Executive Mayors of the metropolitan cities (in conjunction with the National Working Group of the ANC). The ANC has a National Deployment Committee, which deploys party members to senior management positions within the public service or parastatals. Similar structures exist at provincial levels in respect of provincial and local management appointees. (Giliomee, Myburgh and Schlemmer, 2000, also see Lodge, 2002 for an overview of this debate).

Furthermore, while the country has a local government system with substantial constitutional autonomy, in reality there is a great deal of political control over local government in the hands of party leadership. The local party list proportional representation/ ward system has centralised enormous powers in the hands of party leaders. Mayors and councillors owe their positions to the party bosses who put them on the list rather than to those who voted for them (Cameron, 2003).

While centralisation has been occurring, the one-party domination thesis overestimates the extent of party control. Firstly, this thesis gives the ANC, which is often disorganised, a sense of direction it does not deserve. Indeed, many of the deployment committees appear not to be functioning. Secondly, formal party political centralisation has failed to stop the emergency of local patronage networks seemingly at odds with national development objectives (which will be discussed later in the paper).

OVERVIEW OF THE POST-2000 METROPOLITAN GOVERNMENTS

	Metro population 1996	Metro population 2001	Total population 1996	Total population 2001	Metro/ total population 1996	Metro/ total population 2001	Growth
Cape Town	2,563,612	2,893,246	40,583,574	44,819,776	6.32%	6.46%	0.14%
Ethekwini	2,751,193	3,090,121	40,583,574	44,819,776	6.78%	6.89%	0.12%
Johannesburg	2,639,110	3,225,812	40,583,574	44,819,776	6.50%	7.20%	0.69%
Ekurhuleni	2,026,807	2,480,277	40,583,574	44,819,776	4.99%	5.53%	0.54%
Tshwane	1,682,701	1,983,983	40,583,574	44,819,776	4.15%	4.43%	0.28%
Nelson Mandela	969,771	1,005,778	40,583,574	44,819,776	2.39%	2.24%	0.15%

Demographic trends

Table 1.: Growth of metropolitan population as proportion of total South African population: 1996–2001

(Cameron and Alvarez, 2005)

Table 1 reveals that, in general, metropolitan areas are increasingly dominating South African society. The six metropolitan areas are home to 32,8% of South Africa's population. Growth ranges from 0.12% in eThekweni to 0.69% in Johannesburg, Gauteng (Cameron and Alvarez, 2005). This is consistent with the increasing urbanisation experienced throughout the world and fits with the growth rate of South Africa's cities of 4.4% between 1991 and 2001 (South African Cities Network, 2004).

While metropolitan areas do dominate South Africa's industrial areas, there has not been the population increase between 1996 and 2001 that one might have expected. The reasons for this lie with the ending of apartheid and enforced separate living. When influx control (which prevented most Africans from entering 'white' areas) was abolished in 1986, there was a large upsurge in metropolitan growth, the highest for decades. However, this slowed down considerably in the 1996–2001 period, revealing a pattern of growth similar to the 1970s and 1980s (South African Cities Network, 2004). The reasons are that permanent migration to cities has slowed and migration has been balanced by a permanent return to rural areas. Temporary migration continues, where members of a family move around different urban centres engaging in temporary work, but maintaining strong family ties to the rural areas, to which they generally return. City-to-city migration is also on the increase, thus keeping the pattern of growth slow (South African Cities Network, 2004, Cameron and Alvarez, 2005).

Another major possible reason for the lack of growth is the impact of HIV/AIDS. However, accurate statistics on HIV/AIDS are difficult to obtain. There is no doubt, however, that metropolitan areas will be highly affected by the epidemic (South African Cities Network, 2004).

EXECUTIVE SYSTEMS

The White Paper on Local Government (Provincial Affairs and Constitutional Development, 1998) had indicated a clear preference for a stronger executive. This was in line with global trends in many countries that have moved towards

stronger executives at local government level. Legislation in the form of the Municipal Structures Act (RSA, 1998) embodied this goal of stronger executives.

The two types of executive systems available to metropolitan authorities are:

1. *the collective executive system*, which allows for the exercise of executive authority through an executive committee in which the executive leadership of the municipality is collectively vested. Provision is made for a mayor, although he/she is only one member of the collective executive; and
2. *the mayoral executive system*, which allows for the exercise of executive authority through an executive mayor in whom the executive leadership of the municipality is vested and whom a mayoral committee assists.

Cameron (2000) discussed some of the reasons for the introduction of stronger executives

- The ability of mayors to run cities efficiently and effectively and not be tied down by bureaucratic red tape. This is of particular significance given greater globalisation where cities are seen as areas for economic competition in the global market place. Executive mayors could play a key role in attracting investment.
- Mayors would be high profile figures which should clarify accountability and heighten interest in civic affairs. This was of particular salience in metropolitan areas where metropolitan areas have often been accused of being remote and lacking visibility.
- This system would bring local government into line with the form of executive system used in both national and provincial spheres of government.

What was not in any official documentation but was certainly a major thrust behind megacities was the issue of political control. The ANC was determined to transform the way local government operated and wished to reprioritise expenditure. Having party-appointed mayors with sweeping powers was seen as a mechanism for transforming cities.

Both forms of executives have similar type of powers, which are cabinet-type functions and include the right to determine service delivery strategies and oversee service delivery, and the right to monitor and review. Provision is also made for the delegation of powers of councils to these structures.

The Provincial Minister of Local Government decides on the type of local government structure. The ANC-controlled provincial governments chose the executive mayor system, while the (then) two opposition-controlled provinces chose the collective executive system. This meant that Johannesburg, Tshwane, Ekurhuleni and Nelson Mandela Metro chose executive mayor systems while Cape Town and Ethekeweni opted for collective executive systems. After floor-crossing legislation was passed in 2002 Cape Town fell under the control of the ANC/New National Party (NNP) coalition, which opted for the collective executive system with the mayoral executive system. The collective executive must be composed in such a way that the parties represented in the municipal council are represented in the executive committee in substantially the same proportion that they are represented in council.

The executive mayor may appoint a mayoral committee to provide assistance and to which he/she may delegate specific responsibilities. The mayor is, however, under no obligation to appoint this committee on a proportional basis. The idea was that this would be a cabinet-type structure, with the mayor being free to choose the committee members. The opposition Democratic Alliance (DA) contested this issue in court but lost the case (de Visser, 2001, Smith, 2003).

The executive mayors are however at least not on paper typically big boss mayors of the American variety. Big boss mayors have large-scale powers such as the preparation of budgets and controlling the administration, which includes the right to hire and fire certain staff (Svara, 1995). For a start, the South African mayor is not elected directly. The major parties nominate their mayoral candidates before elections and the respective victorious party simply elects its mayor (whether it is of the executive or non-executive type) at the first council meeting. Secondly, although executive mayors' powers had increased substantially when compared to the ceremonial mayor system they were formally not as great as that of the America mayor and he/she does not have powers to determine the budget and control administration.

POLITICS-ADMINISTRATION RELATIONSHIPS

One of the most contested areas at local government is the area of politics-administration relationships. What should the ideal relationship between politicians and bureaucrats? The classical viewpoint was that of Wilson who argued for a science of public administration which should be separate from traditional politics. It was perhaps later writers who developed this major distinction between politics and administration (Shafritz *et al*, 2004).

This politics-administration distinction has long been recognised by public administrative theorists as an artificial one. Politics and administration are related realms. (Simon, 1997, Waldo, 1984). Bureaucrats often have technical expertise and detailed knowledge of their various fields; they are often more informed than politicians and this gives them the authority to make detailed policy decisions. A high degree of politicisation exists, even in Western countries, in the appointment to higher civil service posts. Bureaucrats often pursue their own interests, empire building being a common goal. Conversely, elected politicians are often engaged in what would ordinarily be described as administration or management (Smith, 1988; Wallis, 1989, Byrne, 1986:176-177, Harris, 1990, Adamolekun, 1986, Peters,2001) .

In one-party states in Africa support for the ruling party was often a precondition for a position in the bureaucracy (Subramaniam, 1977, 1990, Mphaisha, 2000). A large number of staff would only be employed or promoted if they belonged to and promoted the interests of the party. The party itself was involved in the recruitment of local government staff (Adamolekun, 1986, Coulson, 1995). Patron-client relationships of the type that exists in Africa leads to a great deal of political intervention in administration. This is necessary in order to ensure that jobs and services are distributed to patronage networks.

While on paper the indirectly elected mayor is not as powerful as directly elected American mayors, research suggests that these South African mayors are just as powerful as their American counterparts. In many of these metropolitan bodies, councils have delegated all their powers to mayoral executive bodies except the passing of laws or the approval of by-laws (which by law cannot be delegated). (Atkinson 2003, Cameron, 2004).

A major governance concern expressed by some officials revolved around the exact role of the executive mayor. Full-time executive mayors often intervene in administrative matters and usurp the roles of managers and senior officials. Numerous interviewees complained about mayors (particularly those who are full-time, with time on their hands) intervening or attempting to intervene in administration (Atkinson 2003, Cameron, 2004). Research by Gotz and Woodridge (2003) also suggests that councillors are too involved in operational issues.

There was a view amongst officials which suggests that the vesting of executive powers in politicians, whether it be of the collective executive or executive mayor variety, is premature in that it gives immature politicians a license to embark on maladministration and corruption. Strong executive mayors, it is argued, are best suited to developed countries, rather than a developing context where there are inexperienced and uneducated councillors who do not understand the nature of executive powers.

This has led to problems of the political-administrative interface. There is general lack of trust between councillors and officials (Cameron, 2004, Adam, 2005). Conflict between managers and mayors has led to the suspension and firing of many managers in the country. At the metropolitan level, Tshwane, Cape Town and eThekweni have already replaced their municipal managers. In Ekurhuleni, the first Executive Mayor used to hold meetings with heads of departments without the presence of either the manager or mayoral committee members, which led to an uncoordinated approach to management (Cameron, 2004).

A hypothesis is that mayoral executive systems have been captured by local patronage networks which have used the greater constitutional autonomy given to local government to promote clientelistic practices which has involved allocating controversial tenders to political elites in an untransparent way and the firing of experienced staff and their replacement by less skilled staff who are in some cases political supporters. There are evidences of these practices in Cape Town and Nelson Mandela.

There have been some advantages to executive councillors. For some people interviewed, delegations to executive councillors were a positive step. Councillors were playing a far more active role in local government than was previously the case. This had reduced the disproportionate policy-making powers that officials had previously enjoyed—they had had too much power, some interviewees argued. A major priority of the ANC was to transform white-dominated local bureaucracies who they perceived to be blocking transformation. The power-sharing clause protecting jobs of public officials in the interim phase has fallen away. Politicians with executive powers were seen as a way of dealing with such intransigence. A number of experienced white (and in Cape Town Coloured) staff have been retrenched. The problem, as pointed out, is that there now inexperienced and unqualified politicians interfering in the domain of managers, ironically many of whom are now Black.

Another advantage of this new relationship was that of speedier decision-making. Executive councillors, whether through the mayoral executive system or the collective executive system, are now able to make decisions more quickly. Managers do not have to wait for council resolutions to make decisions, a definite benefit in those municipalities where meetings are only held every 2-3 months.

PUBLIC PARTICIPATION

One of the major arguments in favour of decentralisation is that it can promote public participation. Public participation has been promoted worldwide as a way of promoting citizen control over aspects of government decision-making. However, in reality these projects have had mixed results. One of the problems is that power holders refuse to devolve genuine decision-making control to citizens. When they do, civic groups representing the poor are often insufficiently organised to take advantage of the opportunity. These participatory forums are easily manipulated by elite interest groups and corrupt politicians who exploit decentralised decision-making for their own benefit (Abers, 2000).

McCarney (2003) points to a critical disjuncture between local governments receiving new powers through decentralisation and a civil society civic organisations, horizontal networks, and institutions geared towards basic survival. Case studies in South East Asia have shown that local governments have neither the resources nor indeed the political will to enter into meaningful partnerships with civil society actors (Poro, 2003). She argues that that this gap between the state and society is bridged only by what she terms 'negotiated participatory politics', a top-down process and centralised decision-making process.

A number of studies have shown that party politics impacts negatively upon public participation at local government level in developing countries. (Crook, 2002, Kayuna, 2005, Putzel, 2002). Some of the reasons for this is that party needs take priority over community needs, inter and intra-party competition leads to such politicisation that it destroys the council's role as

representatives of communities and politicians tend to avoid direct linkages with the people in order to win and stay in power.

It has been pointed out that sub-councils and ward committees have been created to promote public participation in South Africa. The choice of sub-councils or ward committees was a provincial responsibility. The ANC-controlled provinces opted for ward committees. Public participation was not only a cornerstone of the Constitution but was a long-standing ANC policy. It had never favoured sub-councils. The inclusion of sub-councils in the Constitution was a sop to opposition parties.

Sub-councils were created in DA-controlled Cape Town. In practice these sub-councils tended to be scrutiny rather than policy-making bodies and were largely a rubber stamp for the executive. After the ANC/NNP alliance took control of Cape Town they increased the number of sub-councils from 16 to 20 and subsequently established ward councils as well.

In eThekweni, neither sub-councils nor ward committees were created. The other four metropolitan municipalities have established ward committees. The study tour report by the Portfolio Committee on Provincial and Local Government (2003) suggests that there is little party interference in ward committees. This tour looked at all the categories of municipalities. A more independent study suggests that (ANC) party political influence plays a major role, which raises questions about the independence of these structures (Hollands, 2003). Hollands argues that it is evident that many ward committees buy into a tame and pliable role where they are primarily answerable to the municipality rather than the community (2003). Atkinson (2003) states that councillors use some ward committees as a source of political patronage. She also suggests that some ward committees exclude key economic, spatial and racial communities.

Whether or not ward committees were set up promote civil society participation is open to question. Given that they are chaired by ward councillors it would not be unreasonable to suggest political control of these

structures was an aim of the law makers. Hollands (2003) suggests that there is in fact competition between long-standing community structures and ward committees.

As early as 1997 Swilling noted that the discourse of public participation had begun to be used for populist goals by potentially more authoritarian interests. It is argued that there has been a move away from the participatory framework of consultation and negotiation which characterised the early days of ANC, toward a more top down centralist view of local government (Heller, 2000A, 2000B). Tapscott's research (2005) shows that political decentralisation has not lead to greater public participation or improved service-delivery in South. His conclusion that there needs to be a need for new forms of social capital which extend beyond traditional familial, kin and patrimonial forms of networks.

Poro's 2003 study which shows local governments have neither the resources nor indeed the political will to enter into meaningful partnerships with civil society actors is seemingly valid in South Africa. Her argument that the gap between the state and society is bridged only by what she terms 'negotiated participatory politics', a top-down process and centralised decision-making process is of salience given the political control over ward committees.

Evidence also suggests that ward committees are not taken seriously. In Tshwane ward committees complained that their inputs were not reflected in the council's Integrated Development Plan (IDP) document. This problem arises out of the tight deadlines required for the finalisation of the IDP. There was not enough time for councillors to consult their communities and still manage to submit their inputs on time

(www.tshwane.gov.za/documents/idp2020/index.htm).

A citizen survey by Ekurhuleni showed that the level of public participation is low with only 1% of the respondents indicating that they were involved in any of the metro's consultative fora, including ward committees (Ekurhuleni, 2003).

It appears that many ward committees are uncertain of their functions and indeed, in most cases they have not been delegated functions by municipalities (Hollands, 2003; Portfolio Committee, 2003). They are not really seen as legitimate by local citizens and appear to have had little input into crucial activities such as IDPs and budgeting (Hollands, 2003). The Portfolio Committee's study tour also suggested that many ward committees lack resources (2003).

There is a low level of social trust between local government and communities (Harrison, 2002). Public dissatisfaction with government is at its lowest at local government level. Only 20% of respondents in an attitudinal survey indicated that they had trust in local government. Furthermore, only 27% of those who live in a metropolitan municipality approved of the performance of their councillors (Mattes, 2003 *et al*, also see Tapscott, 2005).

Public participation is also an integral component of IDPs, which will be discussed in the next section.

INTEGRATED DEVELOPMENT PLANS

IDPs are the flagship development tools of municipalities. An IDP must reflect a council's vision for the long-term development of the municipality with special emphasis on its most critical development and internal transformation needs. It is the primary focus for community involvement in policy (Pieterse, 2002). The Municipal Systems Act correctly states that budgets should reflect IDP priorities. Performance indicators also need to be used to measure IDP processes. All municipalities are required to draw up performance management systems. The intention was that final IDPs should reflect the development needs of the new municipality as a whole.

The independent literature on IDP performance ranges from the view that public participation in IDPs needs to be improved (Adam and Oranje (2002, Cameron, 2004) through to the argument that there has been limited participation in IDPs, with poorly attended public meetings being the major

form of consultation (Pape, 2002, Atkinson, 2003, Heller, 2000B). None of these evaluations concluded that public participation was working particularly well.

There is a concern that IDPs are merely wish lists and are in fact 'dead' documents. Some cities have broader city development strategies in place that include poverty strategies in order to have longer visions that will shape IDPs. According to the State of Cities report (2004) these city development strategies have focused predominately on infrastructure provision as the key solution to social problems. There is major unemployment in the metropolitan areas, which ranges 18,93% in Tshwane to 19,58% in Cape Town, 26,35% in Johannesburg, 29,54% in eThekweni, 31,38% in Ekurhuleni, through to Nelson Mandela Metro with 39,34% (South African Cities Network, 2004).

LOCAL ECONOMIC DEVELOPMENT

One of the contradictions of metropolitan reorganisation in South Africa has been the need to create globally competitive cities while ensuring this redistribution of resources and services to the poorer parts of its cities. The need to build globally competitive cities while improving the lives of poor citizens has been highlighted as a disjuncture between global competitiveness and local needs by urban scholars of developing countries (McCarney and Stren, 2003, Swilling, Simone and Khan 2003).McCarney, 2003) highlights this contradiction in local economic development in developing countries:

While local governments tend to perceive local economic development in terms of city beautification and image creation for attracting investment, citizens who are poor and struggling to create local livelihoods have a very different vision of what local government priorities should be (McCarney, 2003:40).

This contradiction appears to be present in South Africa. Most metropolitan municipalities have set up local economic development departments (LEDs) or units. LEDs have, however, been inconsistent in their approaches. On one hand, there have been attempts to promote large-scale enterprise development in the form of business attraction, retention and expansion

strategies. On the other, there have been attempts to advance community economic and small business development. This, according to Hindson (2003) has perpetuated fragmentation within overall metropolitan developments interventions.

The Centre for Development Enterprise (CDE, 2003) suggests that current local economic development projects are resulting in short-term, small scale, project-based initiatives and are not creating sustainable jobs. This according to the CDE can only come from broad-based local and regional economic activity, particularly in small towns and rural areas.

While some development has occurred in Cape Town this has been on the basis of basic-needs approach whereby councillors favour short-term “delivery” projects (in existing townships) with ribbon-cutting ceremonies (Adam, 2005). These are typically patronage based projects and do little to alter the fundamental inequality of the spatial economy.

Redirection of resources into disadvantaged areas has been at the expense of core infrastructure in cities, essential for the core of the metro economy. (Adam 2005). The neglect of core infrastructure is obviously a deterrent to potential investors.

SERVICE DELIVERY

The White Paper on Local Government stressed that there was a need for new approaches to service delivery. It stated that there was systematic under-investment in municipal infrastructure in black areas and a variety of delivery options were suggested to enhance service provision, including building on existing capacity, corporatisation, public-private partnerships, partnerships with community-based organisations and NGOs, contracting out, leases and concessions and transfer of ownership (Provincial Affairs and Constitutional Development, 1998). There was also a specific White Paper on Municipal Service Partnerships (MSPs) which encouraged municipalities to pursue MSPs where appropriate (RSA, 2000).

According to the Portfolio Committee (2003), most municipalities have not undertaken major restructuring of services. It appears to be the larger municipalities that have undertaken restructuring. The most favoured service restructuring option for core services appears to be public-private partnerships. However, the most radical form of restructuring has been in Johannesburg, where the implementation of iGoli 2002 led to the corporatisation of many of the city's services, including water and electricity. These are now run on business principles, at market rates, and this has been heavily contested by the unions (Pape and McDonald, 2002, Lodge, 2002).

The need to improve service delivery in neglected townships has been the major service priority. It has been national policy since December 2000 that municipalities provide six kilolitres of water and 20 kilowatts of electricity free to each household. Most municipalities are providing free services in one or other form. Most provide services to all residents but some are offering them to indigents only (Portfolio Committee, 2003). Some municipalities are providing more than the minimum requirements.

Qualitative interviews suggest that service delivery to poorer communities has been improving in metropolitan municipalities (Adam, 2005). This is backed up by official statistics. However Adam's research (2005) suggests that service development improvement was due less to the efforts of metropolitan municipalities than the endeavours of parastatals, such as Telkom, Rand Water and ESKOM. A number of the interviewees indicated that despite the improvements metros were simply not able to keep up with the high levels of in-migration and household formation.

2005 saw urban unrest along the lines of 1980s apartheid protests. These protests were largely against poor service delivery (although there were also protests against new boundary demarcations). A number of these protests took place in metropolitan municipalities which indicates some continued dissatisfaction with service delivery.

In 2004 national government identified 136 municipalities as Project Consolidate Municipalities which were those lacking capacity and requiring support from national and provincial government. This included Johannesburg, Nelson Mandela and two disadvantaged areas of Cape Town, namely Mitchell's Plain and Khayelitsha. Ironically, there is serious concern in national government about lack of capacity yet local patronage networks have forced senior council officials to resign. For example, there has been a mass exodus of skilled engineers from Cape Town.

STATE'S STRATEGY

The state's new local government system is a hodgepodge of a number of approaches. It includes New Public Management (NPM) reforms which involves private sector management techniques (eg performance management) and a greater role for market forces in the provision of public services (Cameron, 2004). However it also involves elements of progressive development planning (Pieterse, 2002) and particularly in terms of financial legislation, old-style regulatory Public Administration.

South Africa does differ from most developing countries in that there is a reasonably strong Treasury. The Municipal Financial Management Act is a detailed piece of legislation and attempt by Treasury to fight back against the clientelistic, corrupt and maladministration practices that have mushroomed at local government. Local government is currently a site of struggle between clientelistic forces and the modernising Treasury.

CONCLUSION

While this international metropolitan/fragmentation debate was an issue in South Africa it is not the only factor that needs to be taken into account when analysing local government reorganisation. It is interwoven with the overriding need to transform apartheid's legacy and redistribute resources to poorer areas. The issue of equity has accordingly been a major reorganisation goal.

Local government has been given far more constitutional autonomy to run its own affairs. This has accompanied by executive reform which has given mayors extensive powers. In some cases this space has been captured by local patron-client patronage networks. As with the case of Brazil, the relative lack of higher-level controls on local policy-making meant that mayors could promote their own goals by distributing patronage.

Although constitutional decentralisation has been accompanied by party centralisation it has proved ineffective in stopping such local patron-client relationships. The goal of territorial equity has been seriously undermined by such practices.

Although public participation has been a major objective of the new system evidence suggests that the results have been mixed. One reason for this is that ANC party control has meant that ward committees have been used to promote party rather than community interests. Such committees have also been used to promote patronage. Van der Walle's argument that clientelistic policies in Africa are aimed at accommodating a narrow political elite rather than mass patronage appears to have significance. Extensive public participation would pose a threat to the privileges of the elite and is accordingly not promoted.

This contradiction in South Africa about the need to create globally competitive cities while ensuring redistribution of resources and services to the poorer parts of its cities has also played itself out. In some metros short-term "delivery" patronage projects in townships have been promoted at the expense of larger LED business attraction, retention and expansion strategies.

Finally, many of the conclusions reached in this paper are preliminary in nature. More research needs to be carried out. However based on the evidence so far, the performance of metropolitan governments has some way to go to fulfil the expectations of local government reformers.

