



# *the* **Practitioner's** *page*

## **Peter Marais** of South Africa **Municipal governance and the Cape Town unicity**

**Peter** Marais was elected Mayor of the Cape Town unicity in November 2000. Marais, a veteran of local and provincial politics, is a leading figure in the Democratic Alliance, the Western Cape's ruling coalition consisting of the opposition Democratic Party and New National Party (of which Marais is a member). As we go to press Mr. Marais is on "special leave" as a result of an investigation into his plan to rename

two streets after former presidents Nelson Mandela and F. W. de Klerk. He spoke with **Sean Jacobs** about the development of the Cape Town unicity.

**Federations:** How do you intend to unite a divided city like Cape Town—given that in the Apartheid era it was governed by five sub-structures, race-defined local government authorities, and there was unequal access to services?

**Marais:** The city is divided more along economic lines than racial lines. Unfortunately in South Africa poverty means black and rich means white. The Apartheid-era Group Areas Act not only separated the races, it separated ability to pay, it separated banking accounts, and it separated the rich from the poor, the haves from the have-nots. This is the big challenge here: how do you merge these two communities?

### *The Emergence of Cape Town as a "unicity"*

The Cape Town unicity is a recent amalgamation of six "substructures" and more than one hundred local authorities which were previously racially defined. Cape Town now comprises more than three million residents. It has a budget of more than nine billion Rand—which is larger than its Western Cape provincial government—and it produces ten percent of the national GDP.

The city's main challenges are to overcome backlogs and racial disparities in service provision, as well as to create economic growth in this third largest city in South Africa (behind Johannesburg and Durban). The city remains an economic magnet for migrants from the neighbouring Eastern Cape province, putting pressure on its resources.

Poverty is one of its most glaring problems—there is a need for 120,000 houses, over 300,000 people are unemployed, and more than 1 million people do not have access to basic municipal services. In many parts of the city, however, the infrastructure is advanced, comparable to cities in the more developed countries.

Local government in Cape Town has undergone major restructuring over the last decade. Elections in November will complete the process which has seen boundaries of councils redrawn, the number of councils reduced, a new tier (called the "megacity" in Johannesburg, and the "unicity" in Cape Town) introduced, and the role of local government expanded in relation to provincial government.

The transition to democracy in Cape Town has seen three distinct political-institutional phases:

- the Local Government Negotiation Forum was set up to negotiate the interim political leadership for 1994–1996;
- subsequently, an interim body called the Transitional Substructure of Cape Town was established—one-half of its membership consisting of councillors from the previously-elected council, and one-half consisting of representatives from civil-society organizations;

- finally, in March 1996, six new substructures of the Cape Metropolitan Area were established, followed two months later by the first democratic local government elections. The council was renamed and restructured to break with apartheid traditions, and to reflect the new functions allocated to it in correspondence with the new administrative boundaries.

The particular details concerning the unicity were negotiated from 1996 to 1999.

Central and local government strategists claim that the rationale for the unicity is greater efficiency and coordination. However, local activists, trade unions and civic groups in Cape Town (as well as in Johannesburg and Durban) have responded with skepticism and opposition to the plan. They assert that the unicity is designed to favour neo-liberal policy imperatives—that is, to ensure that policy directives of the government's macro-economic strategy are implemented at all levels. Already, the council has privatized water and electricity provision.

**The way that the unicity is going to be governed, administratively—will that deal with the race-related challenges?**

Yes. For the first time the city will have an indigent policy, and it will be covered by my budget. My budget actually has two parts. There is a part that will promote economic growth by keeping taxes low. At the same time, I have an indigent policy, which embodies *abba*, meaning “equality” in Afrikaans. *Abba*, in our language—the coloured language—*abba* means carrying a child on one’s back until he is able to walk by himself.

**Would you want the wealthy to pay for the poor?**

In such a way that I feel it’s still fair, that they’re getting value for their money. If they pay more, they will also get a higher level of service. The objective is for everybody to feel that “I pay more but I get good value for my money”.

**How do you intend to assert some kind of sovereignty, some kind of independence for city government when you have to invent everything from scratch? What are the kinds of things you are doing to invent that sovereignty?**

First of all we must look at local government as an independent sphere of government, and not see it in the sense of a third tier. There isn’t a hierarchy of government in South Africa. The constitution doesn’t talk about a hierarchy. It talks about spheres of government; it talks about cooperative government. Now, I see local government as no different from central or provincial government. I’m guided by the powers given to me in the constitution. And we are concentrating on service delivery far more than the other two spheres of government.

If you look at the provincial government, basically it is like a paymaster. They get money and they pay teachers’ salaries with it. They get money and they pay pensions and welfare grants with it. They’re not generating money. They’re spending money.

Local governments generate their own revenues. They must wrack their brains: “where am I going to get the next two million from?” Tax rates, dog licenses, renting out their buildings, outsourcing, start-up charges. All these things—from abattoirs, fresh produce markets, the sale

of electricity, the sale of water—we generate our own revenue. We’re a taxing authority.

We must be seen as equals with the national government. We are in the service delivery sphere of government because the other two spheres are not really in the business of service delivery. We build the houses; we build the clinics.

**But the national government sets the standards for what kind of housing you can build, don’t they?**

We can set our own standards if we can finance those projects. Now, at the moment, the constitution says housing is a provincial function. If they change the constitution tomorrow and say housing is a local government function, we will find innovative ways of financing housing. But I cannot spend money on unfunded mandates. I can’t take the function if our council will not get the money from that order of government. But I would like—for argument’s sake let’s say—housing to become a function of local government. Then I can directly negotiate with the national government for the funds necessary to build houses. At the moment the standards are set nationally, and they give, say, 17 or 18 thousand Rand per house. And if it becomes a local government function I’ll set my own standards.

**I understand that the budgets of some mega-cities are bigger than the provincial budgets.**

That’s true, but we have a lot of checks and balances in place to make sure that there won’t be an abuse of power. Governments must see themselves as being in partnership and not in competition with one another. It’s like passing the baton. I run my race, and if I can’t continue, I pass the baton to the provincial government, so we don’t fail. I’ve done as much as I could. And then they run their 100 metres and if they tire, or cannot go further, they should be able to pass the baton to the national government.

**What you’re suggesting is that intergovernmental relations should just work better, with clearly delineated functions.**

Yes. We have clearly delineated functions at the moment but...you know when it comes to war, the navy and the army, they

have to work together as a unit. They are all fighting common enemies, but in different ways. They see themselves as part of the same force that, ultimately, seeks victory. The fight against poverty, the fight against AIDS, environmental issues—should all be tackled at all levels.

I think that we often see orders of government in opposition to one other—like how political parties are. But government must see itself as a whole.

**Is there a possibility that the central government might try to play the municipal level of government against the provincial level? Say for example in the Western Cape. If the African National Congress (ANC) did get a majority and they did end up governing the province, and you govern the city as a member of the Democratic Alliance—how do you think this would affect local government and service delivery?**

It would put pressure on the efficiency of government. Just judging from previous experience, there wasn’t any cooperation between the city of Cape Town and the province up to now, because the city, governed by the ANC, didn’t want to cooperate with the province and the New National Party and Democratic Party. But now, in virtually everything we tackle, the province and the city have joint ventures. Municipal policing, for example: we have agreements on controlling squatters on land that belongs to the province. We have the right to remove them.

**How does being mayor compare with your time in provincial government as a provincial cabinet minister? Where do you think you can be more effective?**

I am about 20 times more effective as mayor of a unicity than I ever was as minister, and during my career I had virtually all the portfolios. I was minister for health, social services, local government, public works and transport—but I could never do what I’m doing here. Here, I have a bird’s eye view of all the needs of the people—everything—and it must be 200 or more things, from roads to water provision, housing, environmental issues, traffic, municipal police, municipal courts, beaches, parks, forestry, abattoirs, street lighting, sewage—all these things that people take for granted are delivered by the city—nothing by the province. 6