Rethinking Scales? Possible Future(s) for Regional Development Planning in South Africa

Eric Nyembezi Makoni
CSIR, Built Environment, Planning Support Systems
PO Box 395 Pretoria 0001 South Africa
emakoni@csir.co.za

Abstract
With the recent intensification of globalisation, regional development has been punted as one of the most significant activities for promoting sustainable development. For New Regionalism scholars in particular, the rise of the region is indicative of this scale’s innovative and adaptive nature. While the resurgence of the region has been celebrated in some developed countries South Africa is only beginning to grapple with the subtleties of regional development. Faced with the complexities of a dual economy, jobless economic growth and high levels of illiteracy, South Africa is now compelled to find innovative ways of promoting regional development.

Key Words: Regional development, New Regionalism, Regional development strategies

Introduction: New Regionalism and Regional Development
In the last decade or so, there has been a proliferation of literature on new forms of urban and regional governance (Brenner, 2001; MacLeod, 2001; Tewdwr-Jones, 2001). Regional development has been punted as one of the most important subnational activities of the 21st century (Pike et al. 2006). The canonisation of the region and its perceived significance in promoting regional innovation and competitiveness has been propagated by New Regionalism scholars (McLeod, 2001; Jones and MacLeod, 1999; Lovering, 1999; Keating, 1998; Storper, 1995). From a New Regionalist perspective, regions are viewed to be more innovative and resilient in engaging with the complexities of the capitalist global economy. In this era of intensified globalisation, the ability of individuals, firms and institutions to adapt and effectively exploit the existing competitive, comparative and sometimes created advantages has become a prerequisite for survival.
With the prominence of the region and regional development, the processes defining globalisation have undoubtedly complicated the rules of the game in many levels. Firstly, there has been an intensification of the globalisation process defined by heightened complexity, uncertainty, risk and rapidity of economic, sociospatial, political and cultural change (Pike et al. 2006; Brenner, 2000; 1999). Put in other words, the demands of the capitalist global economy have prompted city and regions to become more aggressive in their quest for economic competitiveness, political relevance and cultural uniqueness. In these times of uncertainty the regions’ quest for sustainable regional development has created both new opportunities as well as challenges. While some regions in both the developing and developed countries are able to fully exploit the advantages of globalisation, the majority of regions find themselves having to grapple with all forms of sociospatial, economic and political marginalisations.

For the New Regionalism scholars, the region has become a crucible site for regional innovation and competitiveness (McLeod, 2008; 2001). While appreciating the rise of the region as a critical unit of analysis, one must also take cognisance of the defining political, sociospatial and institutional context detecting the capacity of regions to become responsive to globalisation. Different regions in different times and places are influenced by unique institutional, economic and political factors. To give an example, the political devolution processes that resulted in the rise of the region in the United Kingdom in the late decades of the 20th century, was unique to that particular country (Healey, 2004; Vigar et al. 2000). Even the development strategies that were employed in the newly found Scotland and Wales were arguably informed by specific political, institutional and cultural currents. The response of regions and cities in the developing countries is therefore informed by space-specific factors related to their level of political, institutional and economic development. Furthermore, the interaction between individuals, firms and institutions of the global South, is shaped by everyday experiences, cultures, values and norms defining the developing world.
While the resurgence of the region has been celebrated in some developed countries, South Africa is only beginning to grapple with the subtleties of regional development. Faced with the complexity of a dual economy, jobless economic growth and high levels of illiteracy, South Africa is now compelled to find innovative ways of promoting regional development. This article attempts to give an outline of the current developments in the South African provincial-scale planning practice. Influenced by the work of various thinkers in regional development (MacLeod, 2001; Brenner, 2000; Keating, 1998; Storper, 1995), this discussion is premised on the postulation that regional development has become one of the most essential activities for promoting regional innovation and competitiveness (see Pike, et al., 2006). When underscored by a sound institutional structure as well as pragmatic and strategic development strategies, regions and/or provinces can contribute to the harnessing of regional and national development planning processes.

With the pressing realities of poverty, income inequalities, spatial fragmentation, HIV/AIDS, and other challenges characterizing most transitional states, South Africa is compelled to examine the contribution of all scales of government in promoting development planning. The relevance and role of provinces in promoting regional development planning specifically has been questioned in various political and academic circles (Harrison and Todes, 2001; Harrison and Oranje, 2000, Pottie, 2000). This concern has resulted in the policy-review process targeted at re-evaluating the role of this scale in promoting regional development.

In this dynamic political context where South Africa is now beginning to review not only its developmental path, but also the very texture and structure of its institutional arrangements required to realise its growth and development aspirations (Makoni et al. 2008), it is opportune to explore the possible future of regional development. The first part of this discussion will provide an overview on the significance of the region in promoting regional development. This analysis will be done within the context of New Regionalism. The second part will outline the current challenges faced by provinces in promoting regional development in South Africa. The final part of the
article will conclude by projecting the possible future for regional development planning in South Africa, highlighting the rise of new forms of subnational development planning actions defined at city-regional level.

**Globalisation and New Regionalism the ‘Politics of Scale in the 21st Century**

The scholarship on New Regionalism seeks to explore the determinants of competitiveness of regions within the context of globalisation (MacLeod, 2008; Keating, 1998; Jones and McLeod, 1999). One of the main arguments raised by New Regionalism scholars is that the region has currently proved to be an influential scale that can best leverage economic development (Keating, 1998; Storper, 1995). This resurgence of the region in the face of intensifying globalisation is credited to various political, economic and sociospatial activities characterising the capitalist global economy. Citing Lefebvre, Brenner (2000: 369) for instance defines the complexity of globalisation as resulting in the ‘multiscalar dynamic of ‘implosion-explosion’’ – a process that calls for responsivity from all of scales of governance:

> On the one hand, the capitalist urbanization process dismantles and reconstitutes historic urban centers to create new, specifically capitalist forms of urban centrality, industrial agglomeration and peripheralization. On the other hand, as capitalist urbanization spreads across the globe, it generates new forms of uneven development, territorial differentiation and core-periphery polarization that are articulated differently upon each geographical scale.

The significance of the regional scale therefore is purported to rest in its ability to effectively negotiate the complexities of the capitalist global economy. With the descaling of political economic control from the nation-state to the subnational and supranational scales of governance, the regional scale has become a functional space for distilling both global and local economic processes. Writing on the resurgence of the region in the 21st century, Deas (2004: 2) describes how globalisation has resulted in the ‘reterritorialisation of the state in which power has dislocated upwards (to an array of supra-national institutional entities), downwards (to cities and regions) and ‘outwards’ (to non–state bodies)’. In other words, sub-national governments as well as non-governmental agencies are perceived to be strategically positioned to
engage with the supra-national as well as the local agencies in a more effective and productive manner.

This political descaling processes defined above is said to have transformed the regional geographical space into a dynamic functional space critical for fostering economic development (MacLeod, 2001 Keating, 1998; Jones and McLeod, 1999, Vigar et al. 2000; Deas and Ward, 2000; Tewdwr-Jones, 2001). From an economic standpoint, the region provided both global and local companies an opportunity to cluster and thus effectively exploit economies of agglomeration. To give an example - the rise of the Silicon Valley in the USA as the ‘crucible of innovation and technological in electronics and information and communication industry has been credited to the ability of firms to cluster and innovate together change’ (Pike et al. 2006: 212). The dynamism of the ‘reflexive’ capitalist economy therefore, called for more innovation and creativity which emanated from inter-firm networking and collaboration at a regional and city-regional scale (Pike et al., 2006; Brenner, 1999; Storper, 1997).

Also, the emergence of the knowledge economy did not only result in need for regions world-over to bolster their innovation systems; it also highlighted the importance of ‘untraded interdependencies’ (Storper, 1997) in realising innovation and competitiveness within global and local firms. New Regionalism suggests that regional economic innovation and competitiveness stems from the individual, firms and institutions’ ability to foster everyday networks through building trust, honesty, strong value systems and other soft infrastructural issues at a regional level. The elements of trust, honesty, values system and other relational issues, define the essence of untraded interdependencies (Storper, 1997).

It must be mentioned however that the rise of the region does not necessarily result in the complete hollowing out of the nation-state. Instead, the nation state continues to play a central role in the ongoing struggle to ‘command, control, reconfigure, and transform social space’ (MacLeod, 2001: 813). In accentuating the above point, Brenner (2000; 1999) mentions that the nation states continues to operate as essential
sites of reterritorialization for social, political, and economic relations. What the global de/reterritorialisation process did was to transform the regional geospatial arena into a formidable political entity and a crucible space for socio-economic governance (MacLeod, 2001; Deas and Ward, 2000; Brenner, 1999; Keating, 1998). As will be highlighted later in the discussion, the nation-state still holds the political and economic reins of power in the developing countries such as South Africa. In fact, the political devolution and the subsequent level of political and fiscal autonomy in most developed countries in determined to a large extent by the nation-state.

The celebration of the rise of the region must be read against a sound understanding of the ‘politics of scale’ within the context and globalisation (Brenner, 2000; Cox, 1998). The ‘politics of scale’ defines the complex interaction and networking between various scales of governance within a given space and time. The space-specific economic, social and cultural processes defining the politics of scale therefore, result in the different interpretations of the New Regionalism narratives. In exploring the possible future of regional development therefore, one must bear in mind that regions do not exist in isolation; instead, they are ‘moments in spaces of flows [and] relational places entangled in webs of connections’ (Smith, 2004: 9). For this reason, ‘urban regions are among the key geographical sites in and through which this multiscalar reconfiguration of capitalist spatiality is currently unfolding’ (Brenner, 2000: 361).

Clearly, the dominance of the neo-liberal thinking in the 21st century has led the paradoxical collision and collusion of various forces shaping the current political and economic landscape. Those regions that have not been able to compete meaningfully in the global economy have been further marginalised (see Pike et al. 2006 for some examples on this). In Africa for instance, many regions find themselves having to compete for shrinking export markets and the lack of financial resources in some cases makes it difficult for some regions to diversify their economies (Shah, 2007). The trade liberalisation initiatives and the structural adjustment programmes of the 1980s further exacerbated the socioeconomic and political plight of most African
cities, regions and nations (Shah, 2007). The liberalisation policies, often accompanied by ‘macroeconomic stability packages’ (Pike et al., 2006: 5) geared towards curbing inflation, reducing fiscal deficits and debt, and low interest rates to encourage long-term investment – created more harm than good for most regions in the developing world.

Thus, while celebrating the role of regions in fostering economic growth and innovation, one must also take cognisance of both internal and external forces that determine the potential of this scale of governance to function optimally. The internal factors such as the lack of infrastructure, high levels of illiteracy and so forth, are likely to limit a region’s contribution to sustainable development. In some instances, the institutional design of a particular state as well as the degree of political and economic autonomy a region wields is likely to restrain the latter from realising its full development potential. Some external factors that usually hinder regional innovation are related to uncertainties of the global economic environment. The volatile nature of developed countries’ economies for instance, has a direct impact on the social and economic well-being of most developing countries.

The above discussion sought to highlight the intensification and subsequent complexity of globalisation and its impact on regions that are now compelled to become more adaptable and responsive enough to negotiate the pressures of the capitalist global economy. The rise of the region is therefore not necessarily a universal phenomenon. Instead, there are many cities and regions in both developing and developed countries that have not managed to ‘rise’ due to a number of factors. The inability of some regions to compete meaningfully in the global market; unfavourable economic and institutional pressures induced by neoliberal policies and other supposed macroeconomic stability packages for instance, has resulted in the intensification of regional economic and social disparities.

**Grappling with the Emergent Regional Planning Discourse in South Africa**

Like most transitional states, South Africa is in a process of addressing its own economic, sociospatial and political challenges. One of the most contentious issues
facing the country in the last five years or so, has been defining the role and purpose of the provincial scale in promoting regional development (Camay and Gordon, 2004; Kihato and Rapoo, 2001; Jozana, 2000; Pottie, 2000). From the analysis and assessments made by various scholars and institutions (Presidency, 2007; Harrison and Oranje, 2000), it is apparent that the provincial sphere has not been able to fully engage with its developmental mandate. While acknowledging the social, economic and institutional disparities characterising the South African provinces, there is a general consensus that this scale of government has not contributed enough in the terms of promoting economic growth and sustainable development in South Africa (Makoni, et al., 2008; Presidency, 2007).

In assessing the role of the province in South Africa, it is worth mentioning the tense political conditions that influenced the formulation of this sphere of government. In the early 1990s, dominant political parties held different views about the future of administrative structure of South Africa (Frost, 1993; Humphries and Rapoo, 1993; Croeser, 1993). In a bid to secure their position in the new democratic society, South African political parties battled over the form that the new society was to take. As Lodge (cited in Pottie, 2000: 37) asserts:

The case for South African democracy’s assuming of a federal form was based chiefly on the supposed political benefits of a multi-centred political dispensation in ethnically divided societies. Dividing executive authority between central and regional government would give minorities, defined in different ways, a stake in the system.

So, the ‘production’ of the provincial scale was dictated in most part, by the political interests of various actors who saw the province as a possible entry-point to the state apparatus. As Kihato and Rapoo’s (2001: 2) observed, ‘provinces were positioned as second-order prizes to be won by political parties which perceived no prospects of capturing power at central level’. What is clear from the literature is that provinces were a result of a political compromise (Jozana, 2000; Kalema, 2000; Pottie, 2000; Rapoo, 1999; Khosa and Muthien, 1998).
Notwithstanding this, provinces as well as other scales of government are still faced with a mammoth task of redressing the sociospatial as well as the economic challenges entrenched by the apartheid regime. The need to deliver basic services such as housing, water, electricity etc to the hitherto marginalised communities put immense pressure on all spheres of government. When assessing the province’s performance in promoting regional development one should take note of the following factors. The first one is related to the creation of a complex ‘quasi-federal’ administrative structure that was ‘neither explicitly federal nor centralist in nature (Pottie, 2000: 37). The defining of the national, provincial and local scales as distinctive yet interdependent spheres of government (Republic of South Africa, 1996) is said to have created a breeding ground for tensions and complexities that characterise the South African intergovernmental planning system (Jozana, 2000; Kalema, 2000; Pottie, 2000; Rapoo, 1999; Khosa and Muthien, 1998). In other words, the institutional design of the post-1994 polity was rather too complicated for a transitional state yet to develop its administrative capabilities, sociospatial fabric, broad and inclusive economic base as well as a literate and skilled population.

In explaining some of the challenges confronted by transitional states, particularly in the developing countries Khan (1998: 10) submits that in most instances:

Policies are made in a hurry, often under intense external pressure, new legislatures are inexperienced, and inundated with massive amounts of new legislation; the executive bureaucracy are hamstrung by weak staff, poor information and logistical support; and inadequate procedures and lack of clarity concerning clear relations between governmental departments.

The above assertion is relevant in the South African case where all spheres of government are experiencing difficulties with aligning their developmental objectives. In fact, there are still some instances where there is confusion between the three spheres on particular powers and functions.

Secondly, provinces can be said to be overwhelmed by social development-related issues, thus forced to invest less time and resources on other facets of development.
Given the political legacy of the country, provinces find themselves having to deliver on health, education, housing and social development. To this day, most of the provincial budget is spent on providing services related to health, education, housing and social development. The level of development within a given country therefore, dictates a region’s development priorities. It is regrettable however that the provinces have not been as successful in delivering quality services in the four sectors outlined above. The lack of resources in the form of finance and skills etc has been mentioned as some of the reasons for the provinces’ failure to deliver.

Thirdly, while acknowledging that South African provinces are at different levels of development and are not equally endowed with resources (see above map highlighting the spatial distribution of economic activity © CSIR 2008) - it is imperative for all stakeholders to design pragmatic and strategic provincial or regional development strategies. The failure of provinces to promote regional development has been linked to this sphere’s lack of sound and strategic development strategies (Presidency, 2007).

Since 1996, South African provinces have tried albeit in varying degrees and level of success, to formulate Provincial Growth and Development Strategies (PGDSs) as well as Provincial Spatial Development Strategies (PSDFs). One of the primary objectives of the aforementioned development strategies is promote sustainable and inclusive economic growth that is underpinned by a strong appreciation of the provinces’ spatial configuration. The PGDS in particular was formulated to provide strategic direction and scope for provincial-wide development programmes and projects, within a long term perspective; taking into consideration the resources, economic, political, social and natural constraints and opportunities; they are also expected to act as vehicles for addressing the legacies of the apartheid space
economy, promote sustainable development and ensure poverty reduction and employment creation (Department of Provincial and Local Government (DPLG), 2005).

While there have been some improvements with regards to the formulation of the provincial growth and development strategies in the last four years, the PGDS/PSDF Assessment Report compiled by the CSIR for the Presidency (2007) indicates that most of the provinces still have not been able to effectively execute the regional development role. Most provinces are still faced with a challenge of grappling with both inward and external economic, spatial environmental and institutional factors that have an impact on the province’s competitiveness. Furthermore, much of the analysis in the provincial growth and development strategies ‘remains rather static and inward-focused and does not develop a clear understanding of functional economic regions within and beyond provinces’ (Presidency, 2007: 25). Other critical points raised in the PGDS/PSDF Assessment Report include the provinces’ lack of a shared understanding of their competitive and comparative advantages; the lack of a shared vision on the development objectives and the lack of meaningful cooperation between the provinces, various line departments, the private sector and the civil society.

Pottie also asserts that in addition to the aforementioned challenges, provinces have been crippled by political interference in administration; over-centralisation of management; poor budget formulation and spending; insufficient departmental organization; inappropriate human resource distribution and weak strategic planning (2000: 43). All these hurdles have a negative impact on the capacity of provinces to perform optimally. It would be worth mentioning however, that the provinces’ performance is determined by its level of interaction with other scales of government. The national level for instance, has proved to be critical in charting the development trajectory for both provincial and local government. The National Spatial Development Perspective (NSDP) (The Republic of South Africa, 2006) for instance, strives to set a tone for the development planning in South Africa. Infact, the role of the nation-state in providing resources particularly finance, strategic
guidance and leadership in development planning, indicates the significance and relevance of this scale of government in detecting the involvement of subnational entities in the development planning dialogue. Instead of competing against each other, the national, provincial and local scales of government must build a shared vision – a roadmap that would determine the pace and nature of the country’s development.

**Conclusion: The Possible Future for Regional Development in South Africa**

While regional development has not fully taken root in South Africa, its significance in promoting sustainable development is clear. As the literature on New Regionalism suggested, subnational scales of governance can contribute to regional economic growth and competitiveness. In the case of South Africa where there is an urgent need for accelerated economic growth and social justice, the promotion of regional and/or subnational development is critical. With the current developments in politics as well as other processes taking place at national level, change is imminent. While it is difficult to project what the implications of the provincial policy review process (DPLG, 2008) would mean for provincial-scale development planning, there is also speculation that the structure and functions of this particular sphere will be altered. Whatever the outcomes however, there is a need for a strong regional development ‘movement’ at subnational level.

Following the recent debates in the African National Congress, it is clear that there are some future policy changes that can have a direct impact on development planning. As Cronin stated, some of the changes aimed at ‘fixing’ policy and government departments that had not yielded results would include the formulation of a planning commission that would be headed by the Presidency (Business Day, 20 October, 2008). Cronin also warned of the restructuring of the cabinet as well as the changes in the role of the treasury; ‘Budgetary allocations will (no longer) be the monopoly of treasury. Instead it will be based on a development plan. Clusters (of state departments) have not been working. We need better co-ordination and hierarchy because ministers often clash’ (Business Day, 20 October 2008 – emphasis added).
If the current ruling party is to retain its authority, the implementation of the abovementioned policy directives will have a tremendous effect on the functions of all scales of government. One wonders what the mentioned ‘development plan’ would entail and where it would be located (in terms of scale) in the proposed ‘hierarchy’. Also, one wonders whether the deliberate use of the word ‘hierarchy’ in relation to development planning suggests a likely change in the administrative structure of government. If there is to be a hierarchical administrative structure (whether the provinces are done away with or not), the regional development agenda must still be prioritised. In fact, the punted national planning commission should provide a platform for strategic and inclusive regional development.

Building on the ground-work laid by various actors within the field of development planning, the planning commission must act as a driver of regional planning in South Africa. The conceptualisation, formulation, coordination, execution as well as the monitoring and evaluation of regional development strategies must form part of the commission’s main functions. The existence of strong planning commission might assist the government in the attraction and embedding of both endogenous as well as exogenous resources (see Pike et al. 2008: 12). In fact, the planning commission might play a pivotal role in promoting the government’s quest for an inclusive developmental state.

Recently, there has been a movement towards city-regional planning in South Africa. The formation of the Gauteng Global City-Region as well as the Cape Town Functional Region for example, is indicative of a shift towards a new form of urban governance and development planning approach at subnational level. Policy-makers and development planners in South Africa have begun to appreciate the significance of relational economic and urbanisation forces shaping the destiny of cities, city-regions. Again, the active role played by various district municipalities in driving the development planning agenda highlights the existence of a strong subnational development planning wave in South Africa. Whatever the outcomes of the 2009 national elections, the time has come for South Africans to rethink and re-imagine the best possible ways of making the government scales more efficient, inclusive and developmental.
References


