Taking flight: The impact of the Dube-TradePort/ King Shaka International Airport mega-project on city resource allocation decisions in Durban, South Africa

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What has informed the research?

• Chance to Sustain project
  – Mega-projects in the developing country urban system.
    • explore a case-study mega-project in each city followed by an attempt to compare and contrast the mega project(s) as a feature of these different urban systems.

• Reflections on literature (I)
  – Mega-projects, although not new, are a feature of fast growth developing country cities:
    • policy-makers placing cities at the centre of their economic growth strategies through ...
      – interventions designed to establish either competitive production platforms (eg industrial parks); and/or
      – specialized infrastructure for buttressing economic development, enhancing city performance dimensions (mobility etc).
  – However, important to note that definitions vary, evidence not always clear, explanations of cause differ
Reflections on the literature (II)

- Some challenges presented by mega projects:
  - absorbing scarce public resources, asymmetries in allocation;
  - fuelling land speculation and exacerbating urban sprawl;
  - reorient spatial employment patterns and patterns of skill demand;
  - displacing local populations and livelihoods;
  - environmental health risks;
  - tend to strive for maximum global connectivity without necessarily favouring linkages with the local economy;
  - reinforce opportunities for elite capture;
  - concerns that they get normalised in models of urban development without adequate recognition of problems;
  - can often be the focus of damaging social conflict/protest.

Setting the scene: Durban, South Africa

- South Africa’s second largest city by population – over 3.5 million
- 9% share of national GDP (third after Johannesburg and Cape Town)
- One third of households living in informal or sub-standard settlement
- Close to half households living in poverty
- Often claimed to be “South Africa’s best run city”
  - Strong finances with highest relative redistributive transfers
- Economy dominated by traditional manufacturing, transport (Port of Durban is South Africa’s busiest)
The new airport

• Airport relocation first mooted in the 1960s
• Pressure ramped up in 1990s:
  – Two core rationales
    – Limitations of existing airport seen to constrain regional ambitions (runway length; lack of developable land)
    – New airport would have significant impacts and help reposition the region to be more competitive in a fast changing global context (not just a passenger airport)
    – Provincial government invested heavily in technical and lobbying work to promote airport relocation
  – In 2003 the Provincial Government announced that the airport would go ahead (at a cost of R1.7bn – up from initial projections of R800m)
The new airport

- Opened on 1 May 2010
- King Shaka/Dube Tradeport & surrounding areas – R8bn + R2bn city investment
- 35 km north of the existing city centre
- Located on a greenfield site

Aspirations to be an “aerotropolis”

(Kasarda, 2000 & www.dubeTradePort.co.za/aerotropolis accessed on 10 August 2011)
Planning at considerable scale

Operationalising the TradePort Development Strategy

- (DTP image accessed from eThekwini Municipality)
“Dube TradePort is a catalyst for global trade and a portal between KwaZulu-Natal and the world. It is the only facility in Africa that brings together an international airport, a cargo terminal, warehousing, offices, a retail sector, hotels, and an agricultural area. Located 30 km north of Durban, Dube TradePort is positioned between the two biggest sea ports in Southern Africa, and linked to the rest of Africa by road and rail.”

(http://www.dubetradeport.co.za/Overview)
Development being delivered at pace
Resources in the City

• Post apartheid framework for cities: “One city – one tax base” – specifically designed to enable redistribution
• Cities obligated to focus on previously disadvantaged communities in their budgeting
• Extensive central-government driven system of conditional grants to enable escalating of basic service and shelter programmes
• However, city resource allocation choices largely decentralised to highly autonomous city government structures
• Increasing tendency to support economic projects and infrastructure for economic projects – especially property development ... to maintain financial stability through enhancing property tax income.
The response of municipal government

- City has tended to present itself as an aspirant “smart city” able to manage/balance complex competing demands (eThekwini Municipality, 2004. IDP Review 2004-2005: 15 – also see image below)
- Over time the airport has been accommodated in the city’s strategic frameworks and the resources are being committed but regulatory power used to exert influence not guaranteed at the airport-institutional level.
What is the research revealing?

- Mega-projects have absorbed between ¼ and one third of municipal capital spending in recent years and a growing operational share.
- The scale of these projects has grown considerably.
- City and Province have started to entrench the role of special development vehicles/agencies/units with high authority and influence.
- City strategy documents increasingly infused with notions of large-scale/catalytic/flagship projects as the binding/forming system for driving city and regional development.
- Urban coalitions coalesce and fragment around these projects.
- Multi-level systems of government have at times constrained and at times enabled the development.
- Projects mooted as complementary but trade-offs needed in practice.
- Growing concern at impacts on the poor through:
  - Loss of focus on basic needs, limited influence over resource allocations, lack of engagement in design
  - Extensive 55dB noise exclusion zone for residential development could have strengthened hand of those seeking to put distance between the development and poor communities.
A rider or two ...

– However, necessary to note:
  – In a context of a state at a loss how to support economic growth and job creation meaningfully this stands out as significant attempt;
  – The lead role of the state as primary developer may present opportunities for public contestation that might have been less possible with private developers (taking account of SA’s recent history);
  – Appreciate that the heterogeneity within and between key state actors as potentially opening spaces for influence and engagement that might open and close under different conditions;
  – Allowance for street trading in DubeCity plans, setting up of activities to leverage economic opportunities with some scope for pro-poor impacts (horticulture) and discussions about employing social facilitators to work with neighbouring communities suggests that the key actors might be open to some future engagement.
Thank you

• Comments to robbinsg@ukzn.ac.za – this is research in progress so we would like feedback!

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  – Colleagues at SDS

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See www.dubetradeport.co.za for more information.