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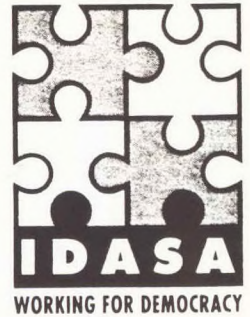
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SUBMISSION TO THE  
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6 July 1993

Prof F Smit  
Co-chair: The Commission on Demarcation of Regions  
P O Box 307  
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Dear Prof Smit

### DEMARCATION OF THE NORTHERN TRANSVAAL

The multi-party Regional Political Discussion Forum (RPDF) of the Northern Transvaal (a forum hosted and facilitated by Idasa) would like to submit the attached report on demarcation of the Northern Transvaal for your consideration. The report was drawn up by a team of experts under Dr Bertus de Villiers and Mr Richard Humphries and was accepted at a meeting of the Forum on 1 July 1993. The report has received wide ranging support in the Northern Transvaal and we trust that your Commission will seriously consider the recommendations made.

Please do not hesitate to call me should you have any queries.

Yours faithfully

*KHains*

PP Ivor Jenkins  
REGIONAL DIRECTOR

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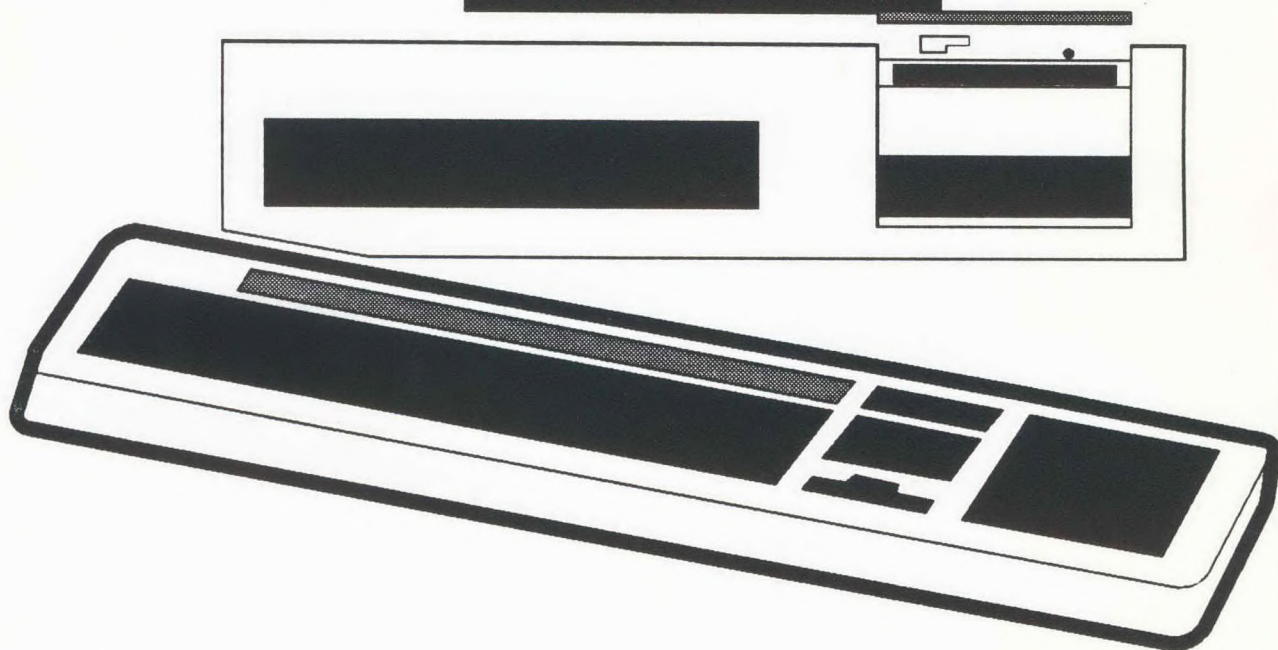


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# Demarcation of regions

Options for  
Northern Transvaal



**Bertus de Villiers**

**Richard Humphries**



**REGIONAL DEMARCATION IN SOUTH AFRICA**  
**OPTIONS FOR NORTHERN TRANSVAAL**

A working document

by

**Bertus de Villiers**

**Richard Humphries**



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# CHAPTER 1

## BACKGROUND AND OBJECTIVES

### 1.1 Background

The South African debate on regional government in a new constitutional dispensation has made substantial progress since negotiations commenced in 1990. Political parties and organizations have shown a remarkable degree of pragmatism in their approach to regionalism, with the result that compromises which a few years ago seemed impossible or at least very unlikely have suddenly become a reality.

Two of the crucial steps in giving effect to the establishment of regional governments are the **demarcation of regions** and the identification of the **powers and functions** that could in future be allocated to such regions. These two steps are closely interrelated since they have a direct impact on each other. The anticipated powers and functions of regions will affect demarcation and *vice versa*.

On 16 May 1993 the Northern Transvaal Regional Political Discussion Forum (RPDF) invited a number of scholars to submit project proposals to investigate issues related to the demarcation of the Northern Transvaal and the possible powers and functions that might be allocated to such a future region. The RPDF indicated that the questions about demarcation and powers were regarded as the first of several phases aimed at involving the people of the region in the future of their region.

The brief formulated by the Forum read as follows:

- \* A set of internationally credible criteria should be established for the delimitation of regions for governing purposes;
- \* the results obtained from applying these criteria to the region should be interpreted;



- \* the proposals already on the table regarding regional delimitation in South Africa, and the various implications these would have for the Northern Transvaal, should be evaluated;
- \* the different views held on the Northern Transvaal should be analyzed;
- \* the possible allocation of powers and functions to regions, and
- \* possible scenarios and their implications should be examined.

The forum subsequently appointed two principal consultants, namely Dr Bertus de Villiers (Centre for Constitutional Analysis) and Mr Richard Humphries (Centre for Policy Studies) to undertake the research. It was agreed that each consultant would involve additional people for the compilation of the various sections of the working document. Dr De Villiers was assisted by Mr Uwe Leonardy (German expert on demarcation), Dr Gerhard Schuring (linguistic expert), Dr Peet du Toit (economist), Mr Christo de Coning (observer Development Bank of Southern Africa) and Mrs Rina du Toit (secretary). Mr Humphries was assisted by Messrs Khehla Shubane and Thabo Rapoo, both from the Centre for Policy Studies.

## 1.2 Objectives

The contributors to the working document were drawn from various backgrounds and disciplines to ensure that as far as possible there would be a multidisciplinary approach to the issues at stake. In order to ensure that the working document also reflected the views and aspirations of the people of the region, various efforts were made to provide opportunities for public inputs and discussion. These efforts comprised four elements. **Firstly**, the principal consultants held frequent meetings with the Steering Committee of the RPDF to keep its members informed and to hear their views. **Secondly**, the general public and specific interest groups were invited by means of the media and written invitations to communicate their views on demarcation to the consultants. **Thirdly**, to encourage inputs Messrs Humphries and Rapoo spent several days conducting interviews in the regions. **Fourthly**, the final draft of



the working document was discussed with all the members of the RPDF during a one-day workshop.

The working document had to be completed within three weeks, to enable the forum to make inputs to the demarcation commission. Despite the constraints of this deadline, the authors endeavoured to produce a document which would be as complete as possible. The working document should however be discussed at a wider level, involving additional players and all relevant interest groups.

The working document is not intended to be prescriptive or to canvass proposals from or the views of political parties or other interest groups. Its aim is to set out and investigate various options, to analyze them critically and to make proposals for further investigation and discussion. It goes without saying that the working document is aimed at stimulating debate and it should therefore be seen as a document which requires further discussion and investigation.

In summary the objectives of the working document are

- \* to investigate and analyze the criteria that should be considered in the demarcation of regions and to apply the criteria to the Northern Transvaal;
- \* to conduct interviews, analyze proposals and evaluate the alternative options available for the demarcation of the Northern Transvaal;
- \* to refer to the possible powers and functions that may in future be allocated to regions; and
- \* to make certain recommendations.

### **1.3 Executive summary of main recommendations**

1.3.1 The proper demarcation of regions has to be based on a balanced application of the

various criteria in order to ensure a reliable, practical and acceptable outcome. Provision should at least be made for a simple process to amend regional boundaries.

- 1.3.2 The **legal** and **factual** organization of the region supports the view that it should be regarded as a region distinct from neighbouring areas such as the Western and Eastern Transvaal, and the Pretoria area. The present region G should therefore, with possible inclusion of some neighbouring areas, be regarded as a separate region.
- 1.3.3 The inclusion or exclusion from the region of certain local areas and communities on the periphery of the Northern Transvaal cannot be solely based on historical factors and consequently the will of the people in those areas should be tested.
- 1.3.4 Northern Transvaal has a scattered and unco-ordinated framework of institutions which should be integrated, co-ordinated and properly organized to obtain maximum results.
- 1.3.5 The currently existing political and economic forums could be involved and might even take the lead in formulating policy and strategy for the whole region.
- 1.3.6 It is therefore stressed that great care should be taken that the rationalization or integration of present administrations does not unduly interrupt the rendering of essential services and other important governmental activities.
- 1.3.7 The rationalization of structures might lead to the establishment of new governmental structures at a regional level as well as the identification of development areas within the region as a whole.
- 1.3.8 The Northern Transvaal could in future consider the identification of certain development regions based on economic, language and other nodal points. However, these development areas should not constitute a fourth tier of government or perpetuate the present power structures.



- 1.3.9 The direct costs of regional government for the Northern Transvaal may be relatively high, but the positive effects that such government could have, such as defusing conflict, accommodating diversity and providing legitimate government, could make it an affordable system and a *sine qua non* for peace and stability.
- 1.3.10 The provision of development areas within the larger Northern Transvaal region may improve the capacity to execute and implement laws and regulations and to bring the rendering of services as close as possible to the recipient.
- 1.3.11 A phased process may have to be considered for the integration and rationalization of present structures.
- 1.3.12 It should be stressed that while on the one hand, ethnicity or language should not be used to create ethnic or language regions, on the other hand, boundaries should not cut through obviously homogeneous and traditionally ethnic concentrations in specific geographical areas.
- 1.3.13 These African languages are spoken by fairly large groups and education authorities will have to offer education and/or language subjects for each of the nine African languages.
- 1.3.14 The demarcation of the Northern Transvaal into various development areas would make sense if it could help to focus the urbanization of a development area on a common economic and spatial functional focal point.
- 1.3.15 The future economic development of the region should hinge on its strong points, namely
- \* the already well-established agricultural and mining industry of the region should form the basis for further development of these sectors;

- \* an export-oriented economy should give special attention to agriculture and mining and also to the possibility of utilizing the exceptional wild life of the Northern Transvaal for eco-tourism.

- 1.3.16 The ultimate economic aim of a regional government is to increase the economic welfare of all the inhabitants of the region.
- 1.3.17 Potential consensus on development issues and priorities may markedly improve development efforts in the interim period.
- 1.3.18 Demarcation of a sound functional economic unit such as the present Northern Transvaal region which contains most of the elements for economic growth, but which would require special measures to enable the regional economy to progress towards more tertiary functions from its present secondary sector basis.
- 1.3.19 The regions would have elected regional assemblies endowed with legislative and other powers guaranteed by the constitution.
- 1.3.20 The allocation of powers and functions to the different levels of government should be aimed at the encouragement of co-operation, national unity and partnership.
- 1.3.21 Regions ought to be afforded the opportunity to decide within the national framework and complying with national principles, how their regional legislative and executive institutions should be composed.
- 1.3.22 Two goals should be set in the allocation of regional powers. **Firstly**, the regions should be provided with sufficient security and protection against undue national interference. **Secondly**, the central government should be respected for it has the obligation of governing the whole country and ensuring peace, order and good government.



1.3.23

There should however be a balance between a region's responsibilities and its total income, including grants-in-aid. Regions ought not to be given legislative and administrative responsibilities without having the necessary financial, institutional and administrative abilities to cope with them.

**Chapter 2 ... / -10-**

## CHAPTER 2

### INTRODUCTION

#### 2.1 Rationale for regions

On 28 May 1993 the Negotiating Council appointed a regional demarcation commission to investigate the options for demarcation in South Africa and to advise the council of its findings, within six weeks. The council identified certain criteria that should be kept in mind during the demarcation investigation and also asked the commission to take into consideration the agreements that had already been reached on constitutional principles at the multiparty forum.

It should be emphasized that the demarcation of regions cannot be done adequately without first knowing what the purpose and functions of the regions would be. Whether the regions are to be purely administrative agencies or whether they are to be vested with legislative and other powers, could materially affect the demarcation.

In this working document it was accepted as a basic point of departure that the envisaged regional governments would have legislative and other powers, that they would be democratically elected and that their existence and powers would be guaranteed by the constitution. These premises are based on the following framework formulated by the **Technical Committee on Constitutional Matters** at the multiparty forum:

- 2.1.1 Government shall be structured at national, regional and local levels.
- 2.1.2 At each level of government there shall be democratic representation.
- 2.1.3 Each level of government shall have appropriate and adequate legislative and executive powers and functions that will enable each level to function effectively.



- 2.1.4 The powers and functions of each level of government shall be defined in the constitution.
- 2.1.5 The powers and functions of each level of government may include exclusive and concurrent powers, as well as the power to perform functions for other levels of government on an agency or delegation basis.
- 2.1.6 Each level of government shall have fiscal powers which will be defined in the constitution.

## **2.2 Northern Transvaal at a glance<sup>1</sup>**

The aim of this section is to provide the reader with a brief overview of some of the characteristics of the Northern Transvaal or, as it is also called, Development Region G.

### **2.2.1 Population settlement**

The Northern Transvaal has the highest annual population growth rate (3.4 %) in the whole of South Africa where the average annual growth rate is 2,6 %. Its population is mainly rural and concentrated in the homelands of Gazankulu, Lebowa and Venda. The urbanization level is a low 9-11 %, with 90 % of the population residing in these three homelands (see annexure to this chapter). There is no highly developed industrial or metropolitan core in the region, although close to two-thirds of the population resides in the following towns: Pietersburg/Seshego, Potgietersrus, Tzaneen, Phalaborwa and Louis Trichardt, each with its neighbouring black suburbs.

### **2.2.2 Economy**

The population of the Northern Transvaal accounts for 12 % of the national total, although

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<sup>1</sup> Information contained in this chapter was obtained from experts at the Development Bank of Southern Africa

its gross geographical product (GGP) in 1990 accounted for only 3 % of South Africa's total. The per capita GGP is the lowest in the country. The regional economy has the typical characteristics of a developing area - primary products are exported and manufactured goods are imported. Irrespective of the large population proportion referred to above, the RSA portion contributed 52 % of the region's GGP (although it contains only 10 % of the population) contributing with Lebowa 23 % and Gazankulu and Venda each 12 %. The main sources of income for the region are agriculture, mining and tourism.

### **2.2.3 Institutional framework**

The institutional capacity of the Northern Transvaal is at present composed of the following:

- (i) **Central government** departments as well as the Transvaal Provincial Administration are decentralized administratively within the region.
- (ii) Three **homeland** structures exist of which Venda exercises full independent functions while Lebowa and Gazankulu have the role of regional governments within the South African constitutional framework.
- (iii) At local level there are various **local authorities** and the two Regional Services Councils, as well as other tribal and/or community authorities.
- (iv) There are various parastatals such as development and agricultural corporations.
- (v) The non-governmental sector is not very well organized but recent initiatives such as the Negotiating Forum and the Regional Development Forum hold great promise.

### **2.2.4 Main issues to be addressed**

The following are some of the main issues that will have to be addressed by the Northern Transvaal in the years to come:



- (i) Excessive population growth, low urbanization and inadequate infrastructure will have to be addressed simultaneously.
- (ii) New development resources and a diversification of the economy will have to be identified and exploited.
- (iii) A socio-political order will have to be developed which, despite the diversity, will foster an integrated regional identity.
- (iv) The available resources will have to be utilized optimally, especially by interregional and intraregional co-operation, tourism, agriculture and human resources.
- (v) The institutional capacity of the region will have to be developed and improved by the co-ordination and integration of available know-how, the training of people, legitimization of governmental structures and co-ordination with other regions.

**Chapter 3 ... / -14-**

## **CHAPTER 3**

### **CRITERIA FOR DEMARCATION**

#### **3.1 Introduction**

The demarcation of regions is one of the most important steps in the development of a regional identity among the inhabitants of a given region. The demarcation of regions entails much more than a mere clinical exercise where boundaries are drawn according to some mathematical formula. In successful regional-type solutions throughout the world, the development of a popular and inclusive regional identity is crucial for the maximization of the benefits associated with regional government.

Great care should be taken to ensure that a proper balance of criteria is employed when regions are demarcated. The overemphasis of one criterion may cause a skewed picture and could be detrimental to the regional and national governments. The relative weight and value attached to the respective criteria may differ, but that difference should not be allowed to turn into an imbalanced approach.

The language and culture of an area undoubtedly affect demarcation as they represent a certain pattern of living and sense of belonging which are common to a given region. Other criteria should however also be taken into account. The preservation and strengthening of national unity is an important aim that should be kept in mind. At the same time, there are many financial, economic and administrative considerations which need to be taken into account not only from the perspective of the various regions but also at national level.

This working document attempts as far as possible to use the criteria for demarcation as identified by the demarcation commission. It should however be stated from the outset that some of the "criteria" identified by the commission could rather be considered as "aims" of regional government, such as the need to rationalize existing structures. Nevertheless, as these aims are central to the regional debate they will consequently also be dealt with.



A few introductory remarks can be made about the demarcation exercise now facing South Africans:

- \* A **very short period** (six weeks) has been given for a task which is crucial to the structure of a future state and government. Demarcation exercises in other countries have taken years and in many cases have not been completed yet. Given the low intensity of the regional debate in South Africa thus far, very little time has been given to interest groups to do their research, enter into negotiations, involve the public and make proposals.
- \* The proper demarcation of regions has to be based on a **balanced** application of the various criteria in order to ensure a reliable, practical and acceptable outcome. Short-term political or other gains should be put aside, given the long-term impact that demarcation would have. All the specified criteria have to be properly evaluated, weighed and applied, given the South African circumstances.
- \* The finalization of regional demarcation is severely hampered by the uncertainty about the **powers and functions** that will be vested in regions. It stands to reason that the type of powers granted to regions may impact on the weight and value attached to the respective criteria. For instance, should regions have mainly administrative powers, different considerations might play a role than would be the case if they functioned as fully fledged governments with legislative and other functions.

### 3.2 Criteria for demarcation - theory and application

The following criteria for demarcation have been identified by the Commission for Regional Demarcation. These criteria form part of international norms and standards and consequently brief references will be made to the way that they have been applied in other countries of the world.

### 3.2.1 Historical boundaries

Historical boundaries could be of great value in demarcation because they provide a framework for and indication of spontaneous living patterns, dependencies and a common feeling of belonging and identity among a regional population. Historical boundaries in general may give an indication of where people feel comfortable and where a certain regional interrelationship has developed - even among people with divergent cultural or other backgrounds.

In various countries of the world, special emphasis is placed on historical regional boundaries and their recognition and protection. In countries such as the United States, Switzerland, Canada and Australia the whole regional setup is based on the integration of historically demarcated regions. Even in countries such as Malaysia and India, and in recent regional-type states such as Spain and Nigeria, the use of historical living patterns for regional demarcation has played an important role.

In the South African context, "historical" regions have an ideological and mostly controversial meaning. Some of the regional boundaries that can be mentioned from a historical point of view without discussing their merits, are the provincial, homeland, regional services councils, magisterial, tribal, economic development regions and language and cultural patterns. Unfortunately "historical" means different things to different people, so there is not a widespread understanding that the abovementioned historical regions should be recognized as such by a demarcation commission.

One of the most sensitive though important historical issues that has to be dealt with, not only in the Northern Transvaal but also in the rest of South Africa, is that of historical claims to land. There are various areas within and adjacent to the Northern Transvaal (e.g. areas in Lydenburg claimed by Sekhukuneland) which are the subject of sometimes conflicting historical claims. A way will have to be found to deal with this issue. It is probably not primarily a question that can be completely solved by demarcation, but care should at least be taken to ensure that historical land falls as far as possible within the same region. The bill of rights will also have to deal with the questions of compensation and related matters.



It should be emphasized from the outset that in the evaluation of historical regions a distinction ought to be made between **legal** boundaries and **factual** boundaries.

**Legal boundaries** such as those of the homelands are not generally accepted as legitimate. There is common agreement that the homelands in the Northern Transvaal, namely Lebowa, Gazankulu and Venda would have to be reincorporated into South Africa and that their present boundaries should not be used as a point of departure in demarcation. Irrespective of the lack of legitimacy of the regional services councils, the fact that they have been organized within the Northern Transvaal region is at least an indication that some people have regarded the region as a whole as a distinct entity. The same applies to the economic development regions where Region G cuts across homeland boundaries and therefore recognizes the integrity of the Northern Transvaal as such. The Transvaal Provincial Administration and various other government departments are also administratively decentralized with the Northern Transvaal, making it a separate region. More than 20 government departments have regional offices in Pietersburg. It should once again be emphasized that although most of these "historical" legal boundaries have strong opposition, that opposition is directed at the institutions as such and not at the demarcation of the Northern Transvaal. Not all legal boundaries are necessarily illegitimate. The magisterial districts for instance are fairly uncontroversial and form the basis of important statistical and other data. Future demarcation ought as far as possible to harmonize with the present magisterial districts.

**Spontaneous or factual boundaries** deal with the voluntary living patterns of people. It is common knowledge that the mere fact that a legal jurisdiction exists, does not mean that people view such an area as historical or just. There may even be outright rejection of a "historical" area as proclaimed by law, if people do not perceive it as being historically valid.

The validity of spontaneous historical living patterns is relevant and important because it provides an indication of the people's sense of **belonging**, their feeling of **identity** and network of social, economic and other **interdependencies**. The Northern Transvaal has in more than one respect shown a strong, active regional identity among its inhabitants irrespective of other political and social differences. The following are but a few examples



of the spontaneous approach to the Northern Transvaal as a separate region:

- \* **Historically** the region has a history and political experience distinct from that of the rest of the Transvaal.
- \* Various organizations in **civil society** such as churches, industry and sporting bodies are organized within separate regional structures.
- \* Various **political organizations**, civics, local governmental bodies and traditional leadership are either regionally organized or show a trend in that direction.

The following can be concluded regarding the value of historical boundaries in the demarcation of the Northern Transvaal:

- (i) The **legal** and **factual** organization of the region supports the view that it should be regarded as a region distinct from neighbouring areas such as the Western and Eastern Transvaal, and the Pretoria area.
- (ii) Although a strong sense of regional identity exists **within** the various communities, far more cross-cultural and interpolitical development is required to foster a mutual feeling of interdependency.
- (iii) There are little or no emotional, historical or other links between the people of the Northern Transvaal and those in other neighbouring regions to justify integration into such regions.
- (iv) The inclusion or exclusion from the region of certain local areas and communities on the periphery of the Northern Transvaal cannot be solely based on historical factors and consequently the will of the people in those areas should be tested. Examples of such areas are the Thabazimbi-Ellisras area, the Kruger National Park and parts of Lebowa and Gazankulu, Hoedspruit, Lydenburg, Pelgrimsrest and Groblersdal.



- (v) The Northern Transvaal has, from a macro perspective, sufficient historical roots, illustrated by institutional, legal and factual developments, to be regarded as a separate region.

**3.2.2 Administrative and institutional capacity** (information obtained in the chapter was largely obtained from Mr C de Coning, observer from the Development Bank)

Frameworks for demarcation such as the 10-point framework of the Commission for the Delimitation and Delineation of Regions in South Africa (CDDR), often refer to "administrative considerations". It is argued that the administrative function *per se* does not adequately address all concerns. In this regard the factors that constitute the institutional criterion include in addition to executive management capacities (*inter alia* administrative), also legislative components such as representativeness and quality of leadership. Over and above the capacity building of the general management component, factors such as policy, strategy and planning arrangements are of cardinal importance. These issues are dealt with in greater detail below.

It is also worthwhile noting that the above interpretation of institutional *vis-à-vis* administrative criteria accommodates, to some extent at least, the need for contemporary approaches to management in the public sector. Whereas in South Africa "public administration" for many years has meant administering decisions in a top-down fashion from the centre, a new emphasis is increasingly being placed on development management at all levels.

In this context, development management should be innovative not only at a political decision-making level but also at an executive level. A level of interpretation at regional and local levels is also important. Policy, strategy and planning arrangements at these levels have featured in recent times dynamic developments such as local and regional political, economic and development negotiating forums. In addition, the approach supports the belief that development management is a responsibility shared by the public sector, the private sector and civil society. The above forums are therefore playing an important role in the interim to build common frameworks and reach consensus on development priorities and

objectives.

For the purpose of the discussion below, in the institutional context two factors are emphasized, namely policy, strategy and planning arrangements as well as the general management component (including financial management).

### **3.2.2.1 Policy, strategy and planning arrangements**

#### **(i) Generic issues**

As a consideration for demarcation the basic question posed is to what extent are development (regional) policies in place and are they sound? If not, does the capacity exist to generate, analyze and formulate policy and strategy? Furthermore, do participative planning arrangements exist to give effect to policy and strategy? And last but not least: is there the capacity to implement such policies and strategies? (The general management component is discussed below.)

Regional policies include regional economic and social policies, also at a sectoral level (such as business and entrepreneurial development, tourism, agriculture and industrial development). In addition, policies and strategies involve factors such as human resource policies, financial management, technical standards and environmental policies and strategies.

The capacity to ensure peoples' participation in initiatives concerning policy, strategy and planning includes democratization and empowerment as two of the main objectives of regionalization. Regions should have the capacity to ensure participation in applying and articulating a coherent regional policy.

#### **(ii) Institutional arrangements in the Northern Transvaal**

Policy, strategy and planning arrangements in the Northern Transvaal are fragmented, incoherent and duplicative. Although an existing consolidated policy and strategy framework for this region cannot be put forward as a motivation for a Northern Transvaal



regional demarcation, important factors in this regard support the rationale for policy, strategy and planning arrangements to be managed at this level. Given the functional nature of the Northern Transvaal economy and the fact that the South African Government (also via the TPA), Venda, Gazankulu and Lebowa approach policy and strategy arrangements in an isolated manner and execute strategies in their own areas, much can be said about the need for a consolidated approach in the Northern Transvaal.

Given imminent regionalization within the context of constitutional transformation and the reality that the TBVC states will be reincorporated, the future policy, strategy and planning arrangements for the region as a whole are indispensable.

In this regard it is important to note, and serves as a motivation for the delimitation of a Northern Transvaal Region, that important organic initiatives have been forthcoming from role players in the region to address jointly its political and economic development. Players within the region themselves argue the need for a consolidated Northern Transvaal. Significant areas of agreement exist on this issue among all the major political groupings in the Northern Transvaal Regional Political Forum. Furthermore, in acknowledgement of the need for a consolidated and shared view of an economic strategy for the Northern Transvaal, these role players initiated a Regional Economic and Development Forum on 18 June 1993.

It is clear that much still needs to be said about the role of **development areas** in the Northern Transvaal. This issue still has to be addressed by the Northern Transvaal Regional Political Forum. Some people feel strongly that the existing homelands should not be entrenched in the guise of future development areas, while others think that this issue should be approached cautiously as some rationale existed for this delimitation, particularly as these boundaries also coincide with existing tribal authority areas. Although the question of the future functions of development areas does not form part of this brief it should be stated (also see the discussion on powers and functions elsewhere in this report) that the debate on the role of development areas (be it planning, administrative, joint service delivery, etc.) is locked into the constitutional debate on the allocation of powers at central, regional and local levels. Functions at these levels need to be clearly formulated before clarity can be gained on the role of development areas. It is expected that the Regional Economic Forum would have to



address issues such as these in the context of a future economic strategy.

The future amalgamation, integration and rationalization of existing bureaucracies within the Northern Region may be the most complex in South Africa. Although it is not within the scope of this report to identify problems and solutions in this regard, the rationale for the rationalization of the plethora of institutions within the region itself may serve as a motivation for rationalization.

The demarcation of a Northern Transvaal Region may lead to an improved awareness among planners and decision-makers of the functionality of the Northern Transvaal region as a whole and subsequent policy and strategy at this level might therefore improve considerably. Such development would benefit the region as its policy environment would likewise improve.

Policy and strategy at the local level of government, including local authorities and RSCs are important given the policy vacuums at the regional level. Certain areas have in the past been neglected and significant intraregional disparities exist. Policies for the Northern Transvaal region will increasingly be expected to redress these inequalities.

In particular, in an area such as the Northern Transvaal, strong local authorities exist with adequate and sound policy and strategy. Policy at this level however has a dual meaning as such arrangements are inadequate in underdeveloped areas. Limited initiatives have been forthcoming via, for example, the local negotiating forums. Given that planning for local areas has been done in isolation in the past, the future amalgamation of such local authority areas could vastly improve policy and strategy arrangements.

It is of interest to note that information technology is well developed at the regional level. Development information, especially from development organizations such as the DBSA, is available. The dissemination of information to all role players is important and here, too, institutions at a local level are fairly well organized to satisfy their information needs.

#### **3.2.2.2 The general management component**



**(i) Generic issues**

It is regarded as important that the necessary capacity should exist to manage development in a given region. In order to give effect to policies as discussed above, there should at least be the potential to improve existing capacities. Training could be given to this end. Effective and efficient management in a future (regional) public service is therefore of special concern. The management areas include the following:

- \* A reasonable number of competent leaders, both legislative and executive, to ensure that the quality of leadership is adequate.
- \* An effective and efficient institutional system should exist to give effect to policy, strategy and planning arrangements. Organizational development (OD) is important in this regard.
- \* A region should have the necessary administrative support to manage development (suitably qualified and experienced personnel) as well as systems, procedures and technical support (computers, equipment and facilities, logistical support, etc.).
- \* A region should at the least be able to offer training to its public officials and access to tertiary institutions such as technikons and universities.

With regard to financial management, effective and efficient financial management (such as control functions and systems to prevent corruption) is important while on the other hand financial policies and systems should exist (over and above interregional equalization) to ensure an equitable intraregional allocation of resources.

**(ii) Management capacities in the Northern Transvaal**

In general terms there are adequate management capacities to manage development in the region. This statement immediately needs to be qualified as a dual state of affairs exists. Capacities vary widely within the governmental and the non-governmental sectors.



As a rule the upper professional staff level tends to be understaffed, overburdened and often, in a crisis management mode. Middle levels of staff tend to be underqualified and unmotivated. The numerous workers classified as general assistants and casual labourers in the lower tiers of government are often underutilized, misdirected or unproductive. At a local authority level in RSA areas, 'white' municipalities as a rule have adequate management capacities but are experiencing legitimacy crises. On the other hand 'black' local authorities and various management committees have major problems because of inadequate skills as well as their perceived lack of legitimacy. Given the prospects for the future amalgamation of local authority areas, important factors are skills transfers and also players such as civics and the non-governmental sector (NGS). More so than in other regions in South Africa, co-operation agreements are poorly developed in the Northern Transvaal.

Also at an intraregional level however, significant disparities exist in the availability of suitably qualified and experienced personnel. Much needs to be done to optimize management capacities within the region. In particular it is apparent that certain local authorities have access to adequate levels of skills whereas other players have very limited skills but much higher levels of legitimacy. These capacities should in future be exchanged and integrated to ensure skills transfers and a more representative base.

With regard to administrative support and levels of organizational development, the picture is much the same as that discussed above. These arrangements can also (at least partially) be improved by the future amalgamation of areas. Capacities which exist in this regard, such as at the RSC level, are available to all local areas and care should be taken to nurture these capacities in the interim.

There are fairly good training facilities, such as a university and technical institutions, in the Northern Transvaal.

Given the present efforts to review the local and regional government systems it is regarded as important that care should be taken to avoid the duplication of functions and powers. Attention should focus on optimal management systems in future.



Preliminary enquiries have shown that relatively effective financial management systems exist. The capacities of lesser developed local authority areas have again been questioned and capacity building at this level will remain important.

Of particular importance is the fact that the existing two RSCs in the Northern Transvaal area, whatever their perceived legitimacy may be, have successfully mobilized and allocated finance at the development area level. A financial system is therefore in place to mobilize finance from employers, aimed at addressing intradevelopment area inequalities. Although much will be done in future to address disparities by various options, the existing arrangements are regarded as a means of partially addressing fiscal transfers to impoverished communities. Although the RSCs may therefore change their organization, their function will remain - the mobilization and allocation of development area finance as described above are functions which are expected to remain important, in addition to reviewed fiscal transfer arrangements from a central government level.

Co-operation and planning arrangements between the public and the NGS are poorly developed. Within the NGS efforts are also unco-ordinated and there are serious shortages of skills although the NGS is well organized in some quarters. The Northern Transvaal Regional Development Forum for NGS players (not to be confused with the political forum) is widely recognized and broadly based.

The level of organization of the NGS at a regional level confirms a regional identity in the Northern Transvaal and may further substantiate the motivation for a Northern Transvaal region.

Forums also exist at a development area level such as the Sekhukhuneland Development Forum, the Sekhukhuneland Education Projects Forum (SEPROF), the Greater Letaba Development Forum and the Greater Phalaborwa Development Forum. Local authority players have the NOORDRAPO (Noord-Transvaal Raad vir Plaaslike Owerhede) and TRAPREF (Transvaal Plaaslike Regerings Forum). These development area entities, also in civic quarters, are also as the building blocks in a regional identity.



Both organized labour (COSATU, NACTU, SADTU and TUATA) and organized business (e.g. the AHI, SACOB, FABCOS, NAFCOC, NAFTU and SABTA) are active and well organized. Shared development objectives (via forums such as the Economic Development Forum) and the strategies of these players at a regional level will become increasingly important.

Although identity is a sensitive matter in some quarters, it is foreseen that development area identities, which have many forms (e.g. economic, sport, homeland and geographical) also in an institutional sense, may survive in a new dispensation. It is important that the rationalization and integration of the various bureaucracies be approached in such a way that the existing capacities in the region do not go astray and that normal human resource practices are adhered to in a just manner.

It is expected that, whatever the actual regional demarcation may be, the size and growth of the public sector will remain a problem which future leaders will have to face. The Lebowa Public Service employs about 58 000 staff members, Gazankulu 26 000 and Venda 24 000. The RSA Government has a national staff complement of about 751 000. The avoidance of the duplication of functions and optimal utilization of human resources are subjects which future political and economic bodies at a regional level will have to come to terms with.

The following recommendations can be made regarding the relevance of applying the criterion of management capacities to the Northern Transvaal:

- (i) The institutional, administrative and infrastructural capacity of a region plays a crucial role in enabling the population to govern themselves and manage their affairs. Northern Transvaal has a scattered and unco-ordinated framework of institutions which should be integrated, co-ordinated and properly organized to obtain maximum results.
- (ii) The region will have to use the strength of its present capacities and capabilities to develop a truly regional management framework. The present separate regional institutions need to be involved in developing a regional developmental and



sociopolitical framework.

- (iii) The currently existing political and economic forums could be involved and might even take the lead in formulating policy and strategy for the whole region and if necessary, in making adaptations for certain development areas.
- (iv) The success of efforts to provide a sound institutional framework for the whole region will largely depend on the ability of leaders to integrate and co-ordinate the efforts of existing governmental structures with the activities of NGOs and marginalized communities.

### **3.2.3 The need to rationalize existing structures**

The need to rationalize existing structures and administrations is common cause among political and other interest parties. Rationalization cannot be regarded as a criterion as such, it is rather an aim of regional demarcation. The **outcome** of the present demarcation exercise should therefore be the rationalization and integration of existing regional-type structures. Such a rationalization exercise could influence the existence of the following regional institutions and structures - the "independent" homeland of Venda, the "self-governing" homelands of Gazankulu and Lebowa, and the two Northern Transvaal Regional Services Councils. At a local level there is also a need to rationalize and integrate the present racially segregated local authorities but this will not be a primary aim of regional demarcation.

If new regions are demarcated without integrating and rationalizing the old regions, this may lead to conflicting jurisdictions, uncertainty, duplication and ineffectiveness. Belgium has had the experience where new regional governments (*gewestrade*) were instituted without replacing those for the previous provinces. This has caused much uncertainty among the general public.

The rationalization and integration that the Northern Transvaal will face, will be extremely complex because it will take place simultaneously at a vertical and a horizontal level. The vertical integration means that certain powers and functions which are at present the



responsibility of regions (such as defence in Venda) would have to be centralized and placed under national control. At the same time, horizontal integration would be required in that the powers and functions of the present homelands of Lebowa and Gazankulu and of Venda, would have to be extended to the rest of the Northern Transvaal. Such integration and rationalization will obviously require careful planning, sufficient time and the managerial capacity and leadership to manage the task successfully.

Rationalization and integration do not only entail the abolition of structures and institutions but could also include the establishment of new, legitimate institutions and structures. This applies to the regional and local tiers of government. The rationalization cannot be separated from the people who will in general be affected by it - namely those who rendered services by the present institutions. Should the effective rendering of services to people be suspended because of rationalization without anything taking its place, such a suspension may cause instability and conflict. It is therefore stressed that great care should be taken that the rationalization or integration of present administrations does not unduly interrupt the rendering of essential services and other important governmental activities.

#### **3.2.4 Development areas within the future Northern Transvaal**

The Northern Transvaal forms an integrated social, economic and administrative unit but from historical, linguistic and development point of view, certain nodal points can be identified as potential growth areas. It is not the aim of this working document to explore all the possibilities for development area arrangements or local governments. The sensitive nature of the regional debate, given historical experiences, also does not provide an atmosphere conducive to development area arrangements - especially if such arrangements were aimed at the preservation of existing power structures. The homelands would therefore have to be rationalized first, before proper attention could be given to development area arrangements.

The Northern Transvaal region may in future consider providing for certain **development areas** for the purposes of better administration, the improved rendering of services, training of local leaders, development of managerial capacity and in general for more need-oriented



policies. Given the international experience with development areas, the following are some of the functions that may be allocated to development areas in the Northern Transvaal:

- (i) Development areas could form the basis for the creation of a **structure of local government parallel to that of municipalities** (comparable to the counties in Britain and the USA, the *départments* in France and the *Kreise* in Germany). This **does not** entail a fourth tier of government. If designed in a sufficiently territorial dimension, they could formulate and execute local government policies and functions for which the boundaries of the municipalities are too narrow, but which should nonetheless be kept in, or brought into, the scope of local autonomy. They would have **directly elected** representative bodies of their own (such as the British county councils) which would not, however, be conceived of as suborgans of the regional, but as extended institutions of the local tier of government. Democratic legitimation and administrative responsibility would thus coincide at that level without unduly interfering with regional functions. Such institutions could provide more effective co-ordination on the basis of representative government, provided there is clarity on the division of powers and duplication is avoided.
- (ii) Where the administrative units are too large, the administrative capacities of development areas could be utilized to serve as **decentralized agencies of the regional government** (such as the *Regierungsbezirke* in the larger German states or the *Panchayats* in India). As they would have their representative basis in the constitutional structures of the regions themselves, they would consequently not require directly elected bodies of their own, provided that local government bodies have an elected base. This approach could lead to a deconcentration of administrative powers, but care should be taken to ensure that regional governments do not usurp the powers of local governments. The non-elected nature of such administrative bodies in development areas could also lead to a lack of credibility and legitimacy.
- (iii) In the case of the smaller administrative units, the development areas could have a **double function**. Besides being an extension of the elected local tier of government



within the sphere of local autonomy as described above (Par. (i)), their respective administrative branches could at the same time be the decentralized agencies of regional government (as the *Kreise* are in the smaller German states where there are no *Regierungsbezirke*, as is the case in Schleswig-Holstein). This model could be particularly suitable for integrating the currently segregated municipalities into one system of representative local government, without immediately surrendering the functions performed by the present institutions.

- (iv) Where administrative units coincide with metropolitan municipalities, they could perform the functions of the **lower and the higher tier of local government** (as do the *Stadtkreise* in Germany), and possibly also be the decentralized agencies of regional government for their area.
- (v) **Local authorities** in their present state or in an **amalgamated form** could be considered. Such an option is also referred to as the "twin-city concept". This option could in the interim period be based on administrative co-operation and eventually on fully representative local government.
- (vi) In conjunction with any of the options identified above, **specialist institutional bodies** (such as the metropolitan chambers or RSCs at present) could complement development area arrangements by providing specialist services, e.g. planning, intergovernmental relations, administration or joint service delivery. Such institutional bodies should be mandated and appointed by representative local governments, not by regional or national governments. Their activities would be functional and co-operative - they should not be seen as new territorial governmental bodies.

International experience stresses that care should be taken to ensure that development areas do not distort the constitutional aim of establishing a politically plausible and administratively workable regional system. In the possible application of development areas in South Africa, the following should be borne in mind: