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# From People, Prosperity and Planet to Poverty, Property and Pollution

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Using South African case studies of water provision, sewerage disposal and industrial electricity consumption, **Patrick Bond** illustrates the inequities that still pervade urban development approaches, and the hardships experienced by the poor and marginalised. The role of the new social movements is discussed in the context of the seeming inability of government to address the concerns of the poor and its focus on a neo-liberal agenda. Noting that direct action protest by the new social movements has had some degree of success, he encourages the participation of progressives in the development of protest politics into a politically structured entity.

## Introduction: Class apartheid, global and local

In September 2002, South Africa hosted the World Summit on Sustainable Development (WSSD). It was dubbed the site for a 'New Deal' between North and South, in search of sustainable development for 'People, Planet, Prosperity'. President Thabo Mbeki (2002:1) welcoming dignitaries to the WSSD, stated that:

'Our common and decisive victory against domestic apartheid confirms that you, the peoples of the world, have both the responsibility and the possibility to achieve a decisive victory against global apartheid.'

In reality, the 'decisive victory' against apartheid was a defeat in eco-socio-economic terms, for South Africa today is more unequal, unsustainable and jobless as a society than it was during apartheid. Whereas Mbeki contends that global apartheid can be defeated by the 'peoples of the world,' it is worth asking whether such a coalition would actually include the present government, given all that Mbeki has done to undermine international progress via global-scale 'reforms' that, like the WSSD, do more to polish than abolish the chains of global apartheid.

The apparent reluctance of the local and global elite to reverse class apartheid remains especially obvious in the WSSD's host country, and host city of Johannesburg. A month after the WSSD, Statistics South Africa (SSA) released a report confirming that in real terms, average black 'African' household income had declined 19 per cent in the period 1995 to 2000, while white household income was up 15 per cent (2002a). Part of the explanation lies in the fact that the official measure of unemployment rose from 16 per cent in 1995 to 30 per cent in 2002, according to Statistics South Africa (2001, 2003). Adding to that figure those frustrated job-seekers who have all but given up looking for work brings the percentage of unemployed people to 43 per cent.

Pretoria's neo-liberal approach to development and environment despoils the entire ecosystem (McDonald, 2002a; Clarke, 2002; Bond, 2002a). There is evidence of worsening conditions in many sectors, but specific cases of water and electricity abuse are considered below in the Johannesburg and Mandela (formerly Port Elizabeth) metropolitan areas. As we will see, the bottom line is profit, and the sacrifices associated with poverty and pollution are largely externalised away from the capitalist sector, which continues to secure unreasonable subsidies from both society and nature.

While South Africa suffers water scarcity, there is continued and extreme inequality in its distribution, in the location of natural surface and groundwater due to apartheid land dispossession, and in consumption norms, with wealthy urban (generally white) families enjoying swimming pools and English gardens, and rural (generally black) women queuing at communal taps in parched ex-'bantustan' areas for hours. Johannesburg's hydrology, analysed in the next section, exhibits many such eco-social contradictions. Energy use is just as unsustainable. On a per capita basis, South Africa contributes more to global warming than nearly any economy in the world, if carbon dioxide emissions are corrected for both income and population. As discussed below in relation to the proposed new aluminium smelter at Coega near Port Elizabeth, South Africa's greenhouse gas emissions are 20 times higher than even the United States. Notwithstanding good solar, wind and tides potential, renewable energy is desperately under-funded, with vast resources instead being directed to nuclear energy research and development and construction of Africa's largest hydropower facilities.

We will conclude that only a combination of forces opposed to Mbeki's neo-apartheid policies – based upon increasing global integration and application of economic principles in all spheres of life – will succeed if South Africa is to truly move to 'sustainability': deglobalisation and decommmodification.

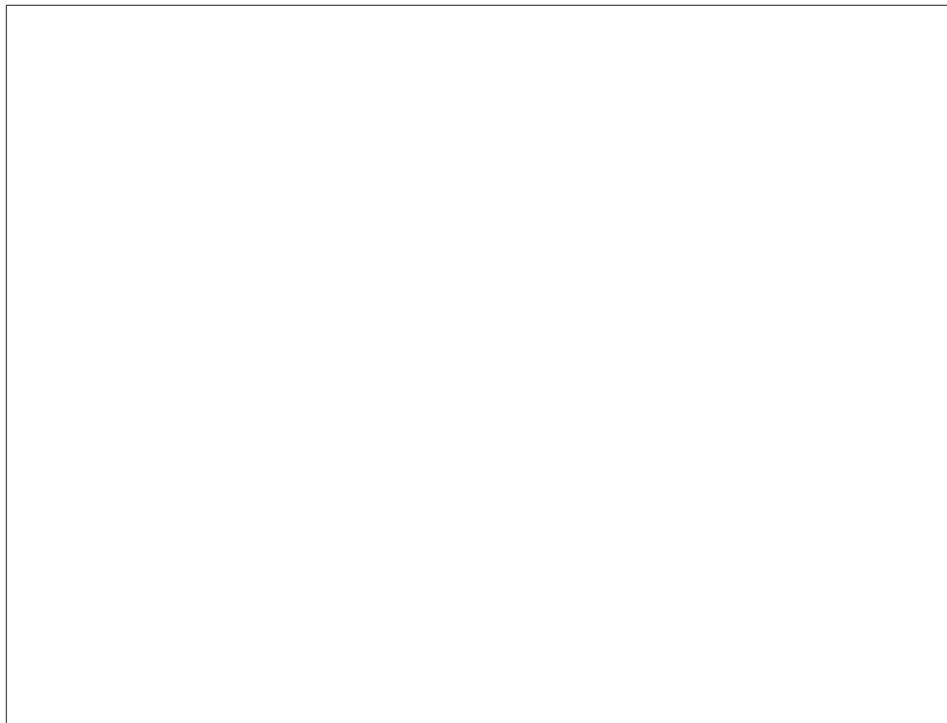
## Johannesburg's for-profit water system

Johannesburg is a useful case study of the water sector, especially to illustrate how class apartheid and environmental racism fuse in the country's largest city (Bond, 2000b, 2002a). The Johannesburg suburbs' well-watered English-style gardens and thick alien trees shade traditionally white, now slightly de-racialised, suburbs, with waste prevalent not only in the bourgeois and petit-bourgeois residential zones but also in the southern mining belt and the corporate-dominated farms on Johannesburg's outskirts. Scarce water is further used for cooling coal-burning electricity generators. As discussed later in the case of Port Elizabeth, South African bureaucrats boast about supplying the world's cheapest energy for industrial use, because they fail to factor in the damage to the environment.

When gold was discovered in 1886, thousands of fortune hunters and proletarians were immediately drawn inland, and Johannesburg soon became the planet's largest metropolis without a substantial natural water source. Seventy-five kilometres to the

south, Vaal River water is pumped uphill to Johannesburg, but by the 1980s it became apparent that this source would be insufficient for the next century's industries and suburbanites. Apartheid-era engineers and World Bank officers attempted to address the looming shortages with a dam and tunnel scheme, the Lesotho Highlands Water Project (LHWP) (Figure 1), that draws water several hundred kilometers across a mountain range from the small and chronically impoverished nation of Lesotho,.

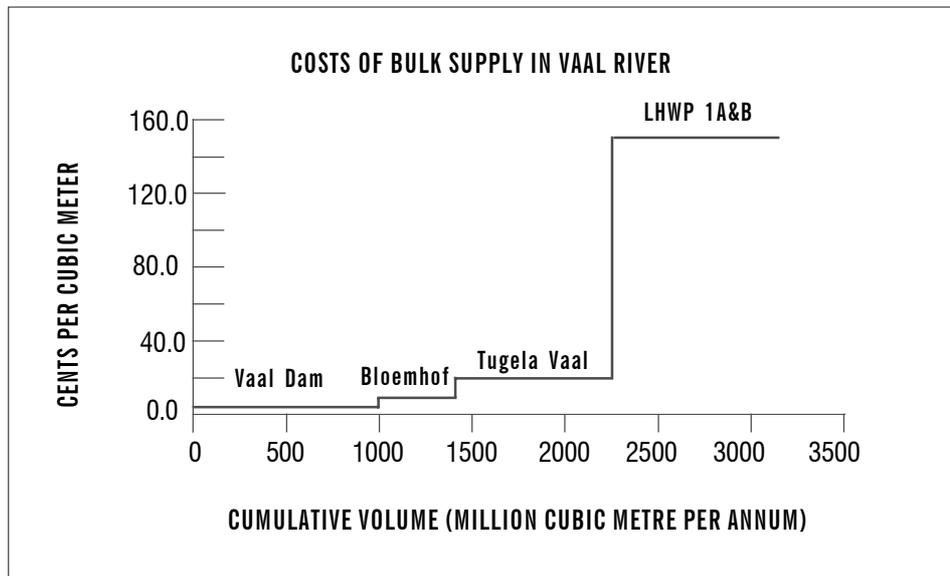
FIGURE 1: THE LESOTHO HIGHLANDS WATER PROJECT (LHWP)



Africa's largest infrastructure project, costing an estimated \$8 billion if all six dams are built, is only half completed, but has already displaced tens of thousands of Basotho peasants, inundated sacred land, and threatened endangered species and the Orange River's downstream ecosystem. It is also one of the world's most notorious cases of multinational corporate bribery of local officials, and some of the largest international construction firms have been charged with corruption, notwithstanding systematic World Bank efforts at a cover-up.

To pay the vast increase in costs for the Lesotho dams during the late 1990s, Johannesburg water prices increased by 35 per cent, but township residents in the lowest consumption tier found themselves paying 55 per cent more. Across Gauteng Province, municipalities passed on a much greater proportion of the costs of building Katse and Mohale dams to those who consumed the least amount of water (Figure 2 and Table 1).

FIGURE 2: DRAMATIC COST INCREASES : CONSTRUCTION OF KATSE AND MOHALE DAMS



Source: Roome, 1995

TABLE 1: RESIDENTIAL WATER TARIFF INCREASES IMPOSED BY RAND WATER-SUPPLIED MUNICIPALITIES, 1996-2000

(Rands per thousand litres, real 2000 currency)

TARIFF:	1996	1997	1998	1999	2000	% RISE, '96-00
Block 1	1.86	1.97	2.33	2.41	2.58	39%
Block 2	2.52	2.64	3.26	3.22	3.36	33%
Block 3	2.91	3.01	3.66	3.71	3.79	30%
Block 4	3.49	3.41	4.20	4.20	4.32	24%

Source: Palmer Development Group (2001: Table 14)

As South Africa's water minister from 1994-1999, Asmal was chosen to chair the 1998-2000 World Commission on Dams. Embroiled in the contradictions and hypocrisies, he refused to let the Commission study the Lesotho dam and rejected grassroots demands from Alexandra, Soweto and Lesotho that over-consumptive water users in the mines, factories and mansions take on a greater responsibility for paying the dam's costs and for conserving water so as to avoid future dam construction. Such 'demand-side management' would also have included repair of ubiquitous leaks in the apartheid-era township infrastructure, where half of Soweto's water is lost. Intimidated by a tough letter from Asmal (1998), community groups dropped their formal legal challenge to the World Bank Inspection Panel, but three courageous township residents took it forward, only for the Bank officials to refuse them a formal study that would have confirmed the validity of the complaint (Bond 2002a: Chapter Three; Cashdan, 2001). Johannesburg municipal officials stepped up their disconnections of people who could not afford the more expensive water, with the compliance of Asmal and his 1999 successor, Ronnie Kasrils.

Kasrils finally announced a halt to further dam construction, once the second Lesotho mega-dam, Mohale, is complete in 2004. Yet no environmentalist or community activist trusts Kasrils' instincts, in the wake of his simultaneous rejection of the World Commission on Dam report's guidelines as binding, and his 2001 endorsement of China's ultra-destructive Three Gorges Dam on the Yangtze River.

Kasrils has also failed to keep his own rivers clean, including the Vaal River, less than an hour's drive south of Johannesburg. In what is quickly emerging as South Africa's most humiliating single environmental case of contemporary corporate heartlessness and government paralysis, the former mega-parastatal iron and steel firm Iscor is excreting cadmium-infected effluent waste from its main smelter at Vanderbijlpark. Uniting in opposition to the lack of honesty on the part of Iscor's management, workers and other Vaal residents have discovered that since 1961 the company has ruined the surrounding water table through toxic dumping into unlined dams. Cancer has spread into the communities through what activists term 'vast lakes of toxic waste' stretching for 140 hectares. Government water officials repeatedly granted exemptions from the Water Act which, if withheld, would have prevented further pollution, but would have required taking the environment seriously and tackling corporate power conclusively.

The problems with Johannesburg's own internal water reticulation are different but also life-threatening. By 2000, cholera was devastating the countryside from where many Zulu-speaking migrant labourers returned, and the disease spread to Alexandra township, an overcrowded area with mainly squalid housing and inadequate sanitation. Cholera quickly killed four residents, and as the more affluent suburbs began to panic, municipal officials engaged in forced removals from shacks alongside the Jukskei River, which were highlighted by the international media (Sandton Chronicle, 2 February 2001). Even the bourgeois Sunday Independent (18 February 2001) conceded that this represented 'bureaucratic know-it-allism and disregard for individuals and indeed communities. Sadly, the events in Alex have all the elements of the worst of apartheid-style thinking and action.'

Privatisation is also changing the nature of water and sanitation services delivery. A clear relationship between urban water commodification and eco-health dangers is evident in Soweto, where the giant French company Suez, which won Johannesburg's outsourcing contract for the period 2001-2006, began installing pre-paid meters in mid-2003. Already, as the *London Observer* reported in March 2003, Suez had begun reducing its exposure in developing countries by a third, including Argentina and the Philippines (once pilot 'success story' sites), due to severe financial problems as the privatisation model came into conflict with mass poverty.

In Johannesburg, Suez inherited a dysfunctional system in low income areas. Contrary to the dual claim by the City of Johannesburg (2002:14) and World Bank (2002:5) that 'Services is not the greatest challenge facing Johannesburg in its drive to become a better city,' the 30 per cent of the city's 3.2 million residents who live in informal shack settlements still suffer the indignities of inadequate hygiene: 65 per cent use communal standpipes and 20 per cent receive small amounts from water tankers (the other 15 per cent have outdoor yard taps). For sanitation, 52 per cent have dug pit latrines themselves, 45 per cent rely on chemical toilets, 2 per cent have communal flush toilets and 1 per cent use ablution blocks. These conditions are particularly hostile to women and children, and breed disease at a time when Johannesburg's HIV rate has soared above 25 per cent and cholera and diarrhoea epidemics are becoming chronic.

Instead of expanding supply to these unserved areas, Suez's response to poverty was to take part in massive water disconnections, which should be deemed unconstitutional. According to the most recently published data (*Sunday Times Gauteng Metro*, 19 May 2002), more than 20 000 households per month had their power and water cut during the first four months of 2002 – making a mockery of the claim made on the website of the Department of Water Affairs and Forestry (<http://www.dwaf.gov.za>) that Johannesburg offers 100 per cent of its residents their first 6 000 liters per household free each month. For municipal bureaucrats and Suez, the point of disconnecting low-income people and maintaining low water and sanitation standards is, quite simply, to save money (Bond, 2004a).

Eco-social 'blowback' soon emerged, however, once Suez began installing pit latrines, a new 'shallow sewage' system, and pre-paid water meters. Suez intends to spend more than R15 million constructing 6 500 latrines between 2003 and 2005. Shallow sewage is also attractive to the company, because maintenance costs are transferred to so-called 'condominium' residential users, where a low water flush and slight gravity mean that the pipes must be manually unclogged every three months (or more frequently) by the residents themselves. In this case, Suez tells customers to:

'Wear gloves; remove all solids and waste from the inspection chambers; do a mirror test for each chamber-to-chamber section; if waste material is found in a section, bring in the tube from the upstream inspection chamber until it comes into contact with the obstruction; block off the outlet from the downstream inspection chamber with a screen that allows water to pass through but not solids; push the tube until the material is moved to the downstream inspection chamber; wear gloves and remove waste material by hand; pour a large quantity of water through the section between the two inspection chambers and check for cleaning; repeat the mirror test; close the inspection chambers' (Harvey, 2003).

In addition to such undignified and unhealthy methods of removing human excrement, pre-paid meters are an essential component of a R350 million, five-year Suez operation termed '*Gcina'manzi*' (Zulu for 'conserve water'). Aimed at solving non-

payment problems in Soweto and other townships, *Gcina'manzi* is identified as a 'Mayoral Strategic Priority.' Suez intends lowering the rate of 'unaccounted for water' in Soweto from 62 per cent (68 billion litres a year) to the standard 21 per cent loss experienced elsewhere. However, most of the leaks are not within yards and houses, but rather in apartheid-era bulk infrastructure over which residents have no control.

A grassroots campaign against pre-paid meters was launched by an affiliate of the Johannesburg Anti-Privatisation Forum (APF) at a pilot project in the impoverished Orange Farm township south of Soweto. According to a front page *New York Times* story in May 2003, Suez officials 'acknowledged that in communities like these, billing people for water has been like squeezing water from a stone... Orange Farm women, who live by doing other people's laundry, said they barely had enough money to pay for food and school fees. Many of them already have pre-paid electricity meters in their homes, and they say their families end up in the dark for several days each month' (Thomson, 2003). Resistance is widespread and impressive. An Orange Farm activist, Bricks Mokolo, quotes the popular graffiti slogan found in several townships: '..."destroy the meters and enjoy the water"'. The government promised us that water is a basic right. But now they are telling us our rights are for sale'.

In Britain, pre-paid meters are illegal under the 1998 Water Act, as they were found to pose a severe public health threat. In South Africa, which experiences serious health problems such as AIDS and water-borne diseases, the argument for desisting from such dangerous eco-health hazards is compelling, but not enough to compete with Suez's need to export profits to Paris, and that of Johannesburg politicians and officials to comply with Pretoria's pressure to privatise. The latter included a R500 million grant in 2000 which came with explicit conditionality to implement the privatisation programme known as Igoli 2002, agreed to by the Johannesburg Council at the urging of Johannesburg chief executive Khetso Gordhan. Forcing Igoli 2002 through, over the objections of the SA Municipal Workers Union which pulled 20 000 workers out to protest in 1999, and periodic community protests, without popular debate, earned the Johannesburg Council a celebratory, albeit highly misleading 'success story' box in the World Bank's *World Development Report 2004*.

The role of civil society in contesting such neo-liberalism has been uneven but is growing stronger. What was by all accounts the world's most impressive urban social

movement, the South African township 'civics', witnessed the ruling party's systematic demobilisation of their ranks during the mid-1990s (Heller & Ntlokonkulu 2001). However, an independent network of community groups has arisen in several Johannesburg townships through the APF's nearly two dozen community groups (including the Vaal water protesters, the Soweto Electricity Crisis Committee, the Orange Farm activists and Kathorus residents, many of whom have acquired a national and indeed international reputation). Municipal workers and other public sector unions often demonstrate against grievances, and mass marches of workers and residents are increasingly common.

These township activists are highly regarded internationally for their courage, this time not in resisting Afrikaans education but in liberating electricity and water provision from expensive and unreliable meters and advocating, and partially winning, access to free basic 'lifeline' electricity and water (Kingsnorth, 2003; Klein, 2002; Ngwane, 2002). They are part of a broader movement of South African social forces actively demanding decommodified social services including Treatment Action Campaign militants who successfully campaigned to produce or import cheap generic anti-retroviral medicines that fight AIDS, especially for pregnant women and rape victims; activists invading land and housing during an era of massive displacements by the state and capital; church and labour leaders putting the demand for a Basic Income Grant of R100 a month on the national agenda; students, teachers and parents' groups insisting on free primary education for all. Globally, there were many thousands of activists demanding in August 2001 at the World Conference Against Racism that reparations be granted for slavery, colonialism and apartheid, in August 2002 that the WSSD cease its commodification of nature and society, and in 2003 that George W. Bush leave Africa and the rest of the world alone. In Port Elizabeth, the need for heightened community and labour resistance is even greater, given the imminent construction of the Coega Industrial Development Zone, harbour and aluminium smelter.

## **Coega's ecologically dubious, energy-intensive economic development strategy**

'Two thousand years ago', South Africans learned during a ridiculous mid-2002 branding campaign more accurately described as brain-washing, that 'a great port placed Africa at the centre of world trade. History is about to repeat itself'. Broadcast

media advertisements intoned, without irony, the merits of a port, industrial facility and duty-free zone, 'to rival the merits of Hong Kong, Singapore and Dubai'. Vast sums of money would be poured in. 'Coega is South Africa's single largest and most important long-term investment in economic infrastructure, in every dimension'. The alleged benefits are hardly believable, since, according to the advertisement, 'Ultimately, Coega will enable Africa to regain the economic might it enjoyed when Alexandria was the commercial and industrial capital of the world. The African renaissance is well and truly under way' (Bond, 2002a: Chapter Two).

In the mid-1990s, the question was posed by the Nelson Mandela Metropole Sustainability Coalition (a group of activists and researchers) as to whether the deep water Ngqura Port and Industrial Development Zone (IDZ) at Coega should be constructed, with the assistance of massive state subsidies, enormous opportunity costs of the resources involved (including water, air and electricity), and severe environmental degradation. Their answer, in the negative, is grounded in several areas of reasoning:

- Economically, there are continued high risks associated with fickle private sector participation in the IDZ, and with shipping and container traffic associated with the deep water port. With metals markets glutted and metal protectionism on the rise, a proposed new aluminium smelter to be built and operated by the French firm Pechiney would be expected to operate on very tight margins. As a result, Pechiney would logically attempt to reduce to a minimum their environmental and social responsibility compliance costs. Moreover, most of the income generated from the smelter can be expected to accrue outside of the Mandela Metropole. The minimal new employment anticipated at the port and IDZ would be the most expensive in terms of capital per job, of any major facility in Africa.
- Environmentally, the costs of the Coega projects in water consumption, air pollution, electricity usage and marine impacts are potentially immense. The scale of the pro-corporate infrastructure to be constructed by the state from scratch is nearly unprecedented in Africa. It dwarfs the basic needs development infrastructure required by deprived citizens of the Mandela Metropole and across the Eastern Cape. Many other long-standing environmental concerns remain unaddressed. At a time when global warming is under investigation, the proposed aluminium smelter would be a brutal assault on the world's environment (as discussed below).
- Politically, public law and participation processes associated with the port and

IDZ development have been unsatisfactory. Reports of conflicts of interest between key decision-makers cloud the project's governance, as shown by the Rhodes University Public Service Accountability Monitor. Socially, there are significant costs as well, in the displacement of the existing residents and the future economic and environmental burdens on low-income people in the area.

- Most importantly, there are far better prospects for employment creation and socio-economic progress in an alternative economic development scenario proposed by community and environmental activists. The alternative strategy prioritises basic needs infrastructure investment throughout the Eastern Cape and, at Coega, the development of eco-tourism and small-scale agriculture and mariculture.

Port Elizabeth elites, organised by then regional business leader Kevin Wakeford, and Pretoria and Bisho politicians, led by trade and industry minister Alec Erwin, disagreed with this reasoning. The project stumbled ahead, with massive taxpayer giveaways offered to some of the world's most eco-insensitive, carbon-emitting, energy-guzzling multinational corporations. Indeed, of the many aspects of Coega that deserve unrelenting critique, the most glaring is the abuse of electricity. South Africa already suffers an extreme over-reliance upon and oversupply of coal-generated power; a lack of equitable access to electricity amongst households along class and race lines, with particularly severe gender implications; and related inefficiencies in use associated with apartheid geographical segregation and urban sprawl.

The origins of differential consumption date from the rise in the political strength of the mining industry during the early 20th century, reflecting the importance of what has been termed the 'Minerals-Energy Complex' (MEC) as South Africa's economic core (Fine & Rustomjee, 1996). This 'MEC' was effectively run by a handful of mining-based conglomerates and friendly parastatal agencies, which traditionally accounted for one-quarter to one-third of South Africa's GDP, and which even during the 1980s and 1990s, as the gold price declined, was the most important and dynamic sector. With cheap post-apartheid energy and improved international market access, the ANC government exacerbated rather than mitigated the economic inequities generated by the MEC.

As one example of the power still invested in these large firms, the parastatal electricity company Eskom justifies ignoring its own anti-pollution policies. It has, for example, refused to install scrubbers at coal-fired stations, earning the wrath of

even its own accountants, and explains its actions by the need to generate cheap electricity for export-led minerals and metals growth. As a result, electricity generation has been associated with high levels of greenhouse gasses and acid rain, enormous surface water pollution, badly regulated nuclear supplies, and ineffectual safety and health standards in coal mines. Poor planning two decades ago led to massive supply over-capacity, which at its peak in the early 1990s was 50 per cent more than demanded, yet very little of the capacity has been used to provide low-income people with sufficiently cheap energy.

The meagre electricity consumed by low-income households; about 3 per cent of the total, comes at a high price in relation to the very low-cost supply of power to large corporate consumers, particularly the mines and minerals smelters. Corporations have enjoyed electricity at roughly one-quarter of the price per kilowatt hour that low-income families in rural areas have paid. Even after more than a million households were added to the electricity grid during the 1990s, many could not afford to maintain consumption at levels sufficiently profitable for the state electricity company, relying instead for lighting, cooking and heating on paraffin, coal and wood. They did so with little effort to change consumption patterns by Eskom, notwithstanding burn-related health risks from paraffin; high levels of domestic and township-wide air pollution from coal; and deforestation due to reliance upon wood fuel. The rationale for the higher prices that low-income households pay is the lower cost of supplying large bulk consumers, yet these firms do not pay the full eco-social costs of the electricity, including massive greenhouse gas emissions.

## The extent of the problem at Coega

With regard to the level of energy abuse at Coega, it is difficult to fully assess the IDZ at this stage, given the limited number of anchor tenants. However, it is worrying that the original mid-1990s plans for at least two major anchor tenants entailed enormous amounts of electricity consumption: 968 000 million Watt hours per year. The amounts anticipated were 0.5 per cent of Eskom's total supply capacity, 4 per cent of its available surplus installed capacity, and 25 per cent of Port Elizabeth's current demand (African Environmental Solutions, 1997). Worse, this will be artificially cheap power. There is a great likelihood, based on past experiences such as Billiton's 'Megaflex' tariff structure deal with Eskom, that the Mandela Metropole will be called upon to subsidise the price of electricity to IDZ tenants so as to achieve comparable tariffs. The risk that this will occur at the expense of supplying

cheaper power to households and labour-intensive small businesses is exacerbated by the potential Pechiney aluminium smelter because, as *Business Day* (15 February 2002) phrased it, of the 'large increase in the capacity of the plant to chew electricity'. Yet in the event that with worsening global warming the Kyoto Protocol is taken more seriously, South Africa's huge carbon dioxide emissions could mean that in future, such subsidies will have to be revoked. Testifying in Parliament to the National Assembly's Minerals and Energy and Environmental Affairs committees, Harald Winkler, an analyst based at the Energy and Development Research Centre (University of Cape Town) observed: 'We need to become proactive on climate change. If any commitment is required of developing countries in future, South Africa is in deep trouble' (*Daily Mail & Guardian*, 28 August 2001).

In 1998, South Africa emitted 354 million metric tonnes of carbon dioxide, equivalent to 2 291 kilograms of carbon per person (a 4 per cent increase from 1990 levels) (International Energy Agency, 2000a and 2000b). South Africa is among the worst emitters of carbon dioxide in the world when corrected for both income and population size, worse than even the United States (Bond, 2002).

Both globally and in South Africa, carbon emissions are increasing, not reducing, in spite of economic stagnation and massive employment loss. In 1990, the average carbon emission from fossil fuel production internationally was 1 130 kilograms per person. Already, experts judged this to be 70 per cent above unsustainable levels, and set a target of reductions from 1990 levels to 339 kilograms of carbon emissions per person. South Africa took no action to reduce emissions over the period 1990-1998, and indeed allowed them to increase from 2 205 to 2 291 kilograms of carbon per person.

Global warming is becoming so potentially cataclysmic that even establishment institutions such as the World Bank and energy corporations are supporting action, even if merely for public relations purposes. The Kyoto Protocol did little to cap and reverse emissions, and the exit of the United States in 2001 (not to mention the US energy policy passed into law in late 2003) sabotaged the objective of reducing greenhouse gases. Even if, however, the Kyoto Protocol were implemented, one of its escape clauses for industrial countries and pollution-intensive corporations is the ability to purchase carbon credits through a bizarre trading system whose Prototype Carbon Fund is located in Washington at the World Bank. Pretoria's Department

of Environmental Affairs and Tourism has warmly welcomed the market-based strategy and eThekweni (Durban) has offered a toxic waste dump at Bisaser Road from which to extract methane gas as one of the main pilot projects for the World Bank scheme. The Indian and African residents nearby, in contrast, want the toxic dump permanently closed, to lower the unusually high cancer rates in the community (TNI, 2003). Once again, the values of environmental justice that are so eloquently proclaimed in the Constitution appear to be under threat from those whose first priority, instead, is capital accumulation.

To return to Coega, given the project's failure to attract anchor tenants to date, projections of electricity consumption are necessarily speculative. Instead, until Pechiney releases its own smelter demand statistics, estimates of potential usage must rely upon a proxy. Expectations were established by the two main firms associated with the zinc smelter in 1998, Billiton and Kynoch, equivalent to a quarter of Port Elizabeth's consumption that year. How much should this large volume cost? Thanks to economies of scale and purchasing power, mass amounts of electricity are on offer to any large consumer at a very cheap rate (below R0.08 per kiloWatt hour), equivalent to the Alusaf concession which has been described by Eskom as the lowest-priced electricity in the world.

There are major additional capital expenses associated with Coega's power supply. In May 2002, public enterprises minister Jeff Radebe noted that Eskom would have to invest R1.2 billion in order to strengthen the transmission grid for Coega (Department of Public Enterprises, 2002). In the short term, Eskom budgeted R130 million for high voltage electricity to the Coega IDZ. Pechiney requires huge power increases for its AP50 smelter, which is far more energy-intensive than the systems in place at the Hillside and Mozal plants. Those plants are much closer to Eskom's main generation capacity in Mpumalanga province, raising yet more questions about the merits of Coega's location, given that the main ingredient Pechiney anticipates importing is alumina bauxite from Australia (*Business Day*, 15 February 2002).

The generous treatment for the smelters stands in stark contrast to electricity cutoffs and to the municipal government's failure to connect low-income residents of the Mandela Metropole, as well as low-income people across the Eastern Cape province. The problem, in other words, remains identical to that argued by environmental

scientist Richard Fuggle (1997) in an early review of the Coega project: 'No comparative studies or tables are presented to show that the inhabitants of Port Elizabeth will be better served by the Coega proposals than by the equivalent amount of money being spent to improve existing infrastructure in the region'.

When it comes to cross-subsidising low-income users, for example, there are ominous implications regarding Coega's anticipated high-volume consumption of cheap electricity. The two main contradictions are the tendency to privatisation, which militates against servicing the poor as a result of the cherry-picking incentive, and the related failure of the Mandela Metropole to apply a steep, rising block tariff so as to assure guaranteed electricity access for poor residents. As the assistant city engineer for hydraulics explained in a Port Elizabeth (1998:2) document, 'If a rising block water tariff were to be implemented for industry, Coega would not go ahead,' and the same logic is true for electricity.

As we conclude, not even hosting the WSSD has discouraged the South African government's commitment to ongoing reliance on ecologically damaging water transfers in Johannesburg or dirty energy consumption in Port Elizabeth. However, rising protests against privatisation and corporatisation of water and energy did to some extent deter Pretoria from the process of commodifying nature and state services, although probably not sufficiently to reverse this trajectory in the near future.

## **Conclusion: Politics, proletarians and protest**

The WSSD period in mid-2002 was not an easy time for Thabo Mbeki, notwithstanding his eloquent language about global apartheid. Mbeki's government had jailed hundreds of people for non-violent protest in preceding weeks, all of whom were subsequently released without being convicted of a crime, indicating that Pretoria's fear for the security of international leaders was unfounded, while images of police using stun grenades to break up a candle-light procession by 800 attendees of the International Forum on Globalization (<http://www.ifg.org>) conference earned international media attention for its apartheid-style tactics.

On August 31, at least 20 000 supporters of the 'Social Movements Indaba' (dominated by the Anti-Privatisation Forum and Landless People's Movement) marched from Alexandra to Sandton to protest against Mbeki and the WSSD, with police and army overkill evident. The march was banned until the last minute. 'One

would have thought that South Africa had gone to war during the Summit,' commented Human Rights Foundation director Yasmin Sooka (2003:58). 'Many senior police officers from the apartheid force were recalled and put in charge of security operations... It was almost unbelievable to watch the heavily armed police and soldiers lining every inch of the route with guns pointed at the marchers'. Between ten and twenty times more people marched against the WSSD than Mbeki managed to gather in a competing march that morning in favour of the event.

Meanwhile, what was happening inside the summit was just as disturbing. The assessment from the world's credible, critical civil society voices was almost entirely negative (Bond, 2002b):

- Vandana Shiva described the outcome simply as 'What happened in Jo'burg amounts to a privatisation of the Earth, an auction house in which the rights of the poor were given away';
- Friends of the Earth cited backsliding on the Convention on Biological Diversity;
- The NGO Energy and Climate Caucus concluded, 'The agreement on energy is an outright disaster, with the dropping of all targets and timetables';
- The Gaia Foundation called the final summit document 'an incredibly weak agreement...';
- Even the centrist British NGO Oxfam called the WSSD 'a triumph for greed and self-interest, a tragedy for the poor and the environment'.

Water, energy, healthcare and other essential state services were increasingly being seen as mere commodities (for example, in the World Trade Organisation's General Agreement on Trade in Services). Likewise, the WSSD's 'Type 2' Agreements – distinct from Type 1 inter-governmental deals – codified public-private partnerships as a valid strategy. Following from the persistence of the neo-liberal ideology and the corporate-dominated power balance in such international negotiations, there are deep structural reasons why the WSSD will, in the words of *Monthly Review's* John Bellamy Foster (2003), 'go down in history as an absolute failure'. The UN's worst tendencies were revealed in the process.

Pretoria's own role should not be disregarded, however. Mbeki's handling of the WSSD, insists Third World Network Director Martin Khor (2003), was 'way out of line with the normal procedure of UN conferences'. For example, 'the extended six-

hour final plenary was held up halfway as delegates haggled over a second draft of the political declaration that was released only after the plenary had started'. As a result, a 'great deal of disquiet was expressed by many delegations on the utter lack of transparency and procedure of the political declaration process, and some delegates, familiar with the WTO, remarked in frustration that the infamous WTO Green Room process had now crossed over to the usually open and participatory UN system'. Khor concluded, 'With such small results for such a heavy expense in personnel, time and resources, it will be quite a long time before a convincing case is made for another world summit of this type.'

If the environmental and developmental aspects of the WSSD were any indication, Pretoria's strategy of reforming global apartheid was failing. This was indeed confirmed by the lack of progress at more than a dozen similar venues between September 2001 and 2003. Pretoria earned an extraordinary profile from hosting, leadership or high-profile standing at the World Conference Against Racism in Durban (September 2001); the launch of the New Partnership for Africa's Development in Abuja, Nigeria (October 2001); the Doha, Qatar ministerial summit of the World Trade Organisation (November 2001); regular World Bank/IMF meetings (November 2001 in Ottawa); the World Economic Forum meeting in New York City (February 2002); the UN's Financing for Development conference in Monterrey, Mexico (March 2002); the G8 summit in Kananaskis, Canada (June 2002); the Southern African World Economic Forum meeting in Durban (June 2002); the African Union's launch in Durban (July 2002); the WSSD (August-September 2002); a UN heads of state summit (September 2002); the World Economic Forum in Davos (January 2003); the Evian G8 Summit (June 2003); the Cancun WTO ministerial (September 2003); and the World Bank/IMF annual meeting in Dubai (September 2003). As argued elsewhere at length (Bond, 2003, 2004b), Pretoria's attempts to modify global apartheid were based upon inaccurate analysis, insufficient strategies, ineffectual tactics and inappropriate alliances.

Recent contributors to *Development Update* have provided unconvincing arguments about Pretoria's political will to reverse the persistent eco-social conditions of residual racial, gender and class apartheid. For example, responding to the obvious proposition that a key problem was the 'negotiated pact between elites... [who] got together, developed a constitutional compact, and then went on with the business of spreading largesse among themselves,' Dennis Davis (2003:42-43) insists that 'This explanation

overlooks two fundamental influences on the shaping of economic policy over the past decade – the impact of the global economy and the politics of the ANC'. The left critique, however, does not overlook these factors. Instead, as Edgar Pieterse (2003:103) recognises, it assumes that 'the primary causal factor of systemic poverty in South Africa is the government's neo-liberal macroeconomic policy – the *de facto* national development strategy, according to the left – which itself is embedded in the neo-liberal globalisation agenda of the West'. Reflecting a lack of faith that the ANC can reform (and that in the short term trade unions and communists will break from the Alliance), the independent left assumes that, Pieterse continues (2003:103), 'associational formations of the poor must become the bedrock of militant social movements that will challenge the hegemony and technologies of the government's agenda'.

Pieterse (2003:104) expresses doubt, however, regarding the numerous independent left movements which include the national Social Movements Indaba, the Johannesburg Anti-Privatisation Forum, the eThekweni (Durban) Social Forum, and the Western Cape Anti-Evictions Committee, as well as a variety of sectorally-specific groups such as the Education Rights Project, Environmental Justice Networking Forum, Jubilee SA, Keep Left, Khulumani (apartheid victims support group), Landless People's Movement, Palestine Solidarity Committee, Soweto Electricity Crisis Committee, Treatment Action Campaign, Youth for Work, and at times the inconsistent SA Non-Governmental Organisations' Coalition. Information about their struggles is regularly found in mainstream news outlets, as well as in the media commonly used by the local independent left such as Indymedia, e-network *debate*, and *Khanya Journal*, think-tanks and training institutes such as Alternative Information and Development Centre, GroundWork, the International Labour Research and Information Group, Khanya College, and the University of Natal Centre for Civil Society, most of which have useful websites.

Given such rich critiques of continuities not change from apartheid, it is difficult to comprehend the combative stance of David Everatt and Vincent Maphai (2003:5), namely that left critics of ANC rule 'claim to identify crises – economic, social, health-related, governance-related, in foreign policy, in national and local leadership, and so on. Few balance their contemporary analysis with an assessment of the massive challenges facing the country in 1994 or the gains made since then to contextualise their chosen "crisis."' But there are material crises facing the society, and to point

these out is not, as Everatt and Maphai (2003:5) allege, merely about 'providing a dramatic and intellectually sloppy starting point,' instead of seeking to understand 'the messy reality that lies somewhere between the "miracle" and "sell-out".' It is to identify the untenability and immorality of business as usual, and to appeal for a change of course. Surely life has become sufficiently hard for those at the bottom 70 per cent of society for self-styled 'progressives' to join, not disparage the critics?

As this article has argued, the two largest post-apartheid state-backed investments – Lesotho mega-dams and the Coega industrial complex – are not accidents or aberrations. They offer damning eco-social indictments of pro-corporate, anti-popular projects that follow directly from Pretoria's neo-liberal macro and micro policies, and repression of dissent logically follows. If, in these cases, and more generally in development policy, Pretoria's politicians and bureaucrats have put their money on class apartheid, ecological degradation, and commercial deregulation, at least new-generation activists are winning some of their battles, as the Treatment Action Campaign's November 2003 breakthrough against Pretoria's previously genocidal AIDS policy demonstrates. In the case of electricity, the illegal reconnection of thousands of Sowetan households forced the national power company Eskom to pledge in March 2003 that it would no longer disconnect supplies, and write off R1.4 billion in customer arrears. Opposition to pre-paid water meters in Orange Farm and Soweto in September 2003 led to a temporary cessation of the corporatised Johannesburg Water company's strategy.

In other words, direct action protest can be effective, more so than reliance upon flawed legislation such as the National Water Act and National Environmental Management Act (for critiques see Bond, 2002: Chapter Five), or top-down reform of state and capital in the spirit of the 2001 King Report. By all accounts, further development of protest politics into programmatic visions and a more comprehensive strategy, and perhaps also a mass workers party will be necessary to assure real change. My own sense is that the philosophy underlying the struggles will revolve increasingly around decommodification of water, electricity, housing and land, anti-retroviral medicines and health services, education (up to tertiary level), basic income grant support and other social services. Here, activists are confronting the underlying logic of neo-liberalism, as well as the financial institutions, corporations and multilateral agencies whose interests underlie the commodification process. Hence the ideal of decommodification also requires a concrete strategy of deglobalisation, which local

activists are pursuing through initiatives such as the World Bank Bonds Boycott, lawsuits against US and Swiss corporate beneficiaries of apartheid profits (which are opposed by Mbeki), the successful denuding of the World Trade Organisation's intellectual property rights in the case of medicine, ongoing contestation of international arms sales, the 2003 protests over the close military links between Pretoria and the Bush regime, and a variety of other international campaigns.

Is there, perhaps, a role for those in the intelligentsia and the broader 'development' community who might have thus far sat out the post-apartheid struggle? If Mbeki is correct that 'the peoples of the world have both the responsibility and the possibility to achieve a decisive victory against global apartheid,' it is certainly not in the way that he thinks, namely by following Pretoria's failed reform route internationally, acceding to unsustainable mega-projects at home and condoning the inequality, illness and eco-social degradations visited upon the new South Africa by neo-liberalism. These circumstances of poverty, pollution and profits will provoke a new round of serious politics, and it is, surely, the responsibility of those of us in the petit-bourgeois progressive world who read *Development Update* to become more involved?

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