

Durban's Warwick Junction

Hole in municipality's heart

Warwick Junction street traders stand at the heart of Durban city yet the municipality wants to replace these many livelihoods with a shopping mall. **Pat Horn** and **Caroline Skinner** explain why this is a disastrous and illegal move and how informal traders have organised to respond.

Workers are waging a struggle in Durban in which an unprecedented level of unity between workers in the informal and formal economies has emerged. Organised workers in trade unions and informal traders, including from other African countries, have closed ranks against the reactionary tactics of the eThekweni mayor, city manager and head of business support. These people have shocked the people of Durban with crude attempts to create racial divisions between informal traders in their public pronouncements.

As the divide-and-rule attempts by the eThekweni municipality failed to bear fruit, City Police have used great force on protesting traders. On the night of 30 May 2009, traders staging a legal sit-in were tear-gassed. On the morning of 15 June, rubber bullets were used on protesting traders injuring a number of people including elderly women traders.

BACKGROUND

In February 2009 the eThekweni municipality announced their plan to build a mall in the primary transport node in Durban, the Warwick Junction. The site for the proposed mall is the Early Morning Market (EMM). Fresh produce trading has happened here since

Indian indentured labourers first established market gardens in the 1880s. The wall surrounding the market dates back to 1934 and is listed as a heritage site. Some of the traders are third and even fourth generation traders.

Currently there are 670 trading sites and additional space for market gardeners. With trader assistants, barrow operators and the nearly 350 street traders working on the perimeter of the market, it is estimated that over 2 000 people derive their livelihoods from this market.

According to city documents, the proposed development includes a square for street trading with space for 180 traders. In these plans therefore, there are nowhere near enough spaces for the traders. In an attempt to reduce numbers of traders in May the city declared the majority of EMM traders 'illegal'. Many of these so called 'illegal' traders applied and were granted sites in 2004. The city has accepted rents from these traders for many years.

The municipality plans to move traders to a temporary site while the shopping mall is under construction. This site is out of the way, has no facilities and there is not enough space to accommodate existing traders. The market building has been carefully renovated to

accommodate fresh produce trade, while at the new site traders will be trading in tents. Traders rightly point out that fresh produce cannot be sold under tarpaulin in Durban's heat.

Even if the municipality gave all these traders space, any trader, formal or informal, will tell you that their business depends on passing feet. The municipality proposes to redesign the area to ensure that the foot traffic, estimated at 460 000 commuters a day, is directed past the formal rather than the informal traders. This will seriously impact on the viability of *all* street and market traders in the Warwick Junction precinct. On a busy day the area accommodates up to 8 000 traders.

Research shows that for every trader on the street there are between 6 and 25 people depending on their income.

Over the last few years the numbers of people dependent on trader incomes has significantly increased due to the impact of HIV/AIDS. Unlike the profits of the large formal retailers and property developers, the profits from these very small businesses support households in poorer parts of the city. It is estimated that 70 000 household members, many of them already extremely vulnerable will suffer if the municipality's plans go ahead.

BACK TO APARTHEID

In 1997 the Durban municipality set up the Warwick Junction Urban Renewal Project. This initiative became a model of how to manage, support and provide infrastructure for street traders. Over the years the project has received a number of awards, most recently in 2008 the UN Habitat / Dubai International Award for Good Practice, and was nominated in 2007 for the IBM Award for Good Governance.

However, in 2004 there were changes in the city management. eThekweni's Economic Development Department was restructured and a new Business Support Unit was created and placed in charge of informal trade.

Informal traders started to see a steady erosion of their rights as the city backtracked on its progressive Informal Economy Policy and reverted to the traditional Durban *blackjack* style of street trader regulations for which the city was famous during the apartheid years. The municipality intensified crackdowns on street traders in May 2005 after the formation of a special unit of 'peace officers' whose main responsibility, it seems,

was to persecute informal traders.

The Business Support Unit, with the support of senior city officials, started to use the street traders' permit system to create a divide-and-rule system of 'legal' and 'illegal' traders. 'Illegal traders' were those that the municipality had not granted a street traders' permit in much the same way as black people who were not granted Section 10 permits under apartheid were 'illegal' if they were found in white cities. Street traders say that these permits are like the return of the *dompas* (pass system) for them.

In June 2007, a near-insurrection exploded in the Warwick Junction precinct as street vendors, tired of the crackdowns which had continued on a daily basis since May 2005, hit back when Metro Police came on their daily rounds to confiscate the goods of 'illegal' traders. The police arrested hundreds of informal traders and access to the city centre was blocked as street battles raged.

PROBLEMS WITH PROCESS

Prior to 2005 the city had a track record of continuous negotiations with traders in this area. And yet,

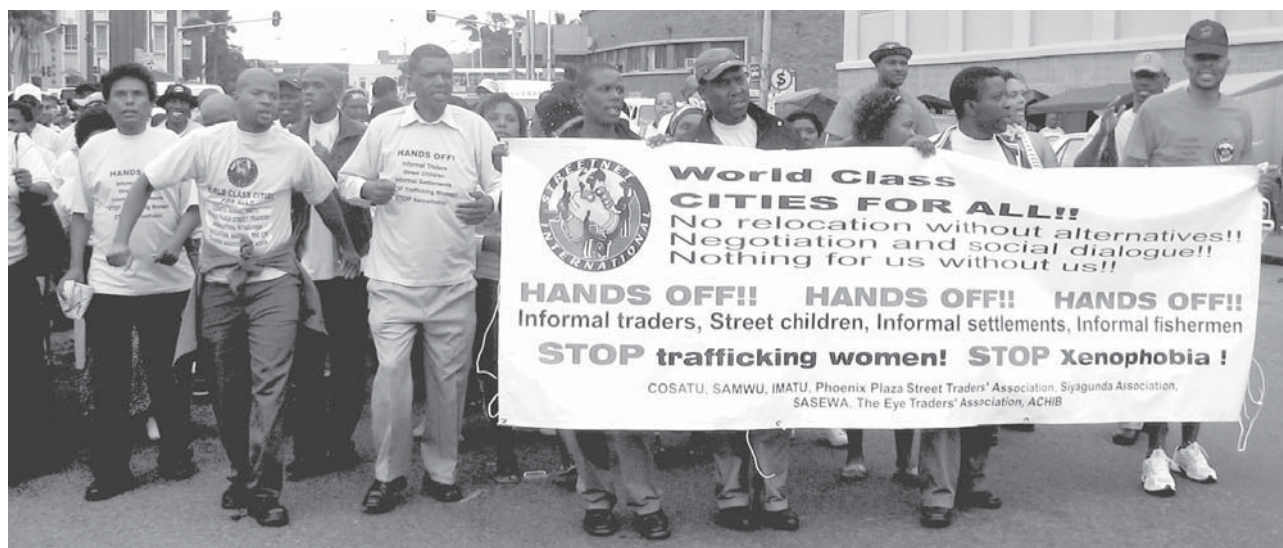
the first consultation about the proposed new mall in the Warwick precinct was held on 18 February 2009, with construction meant to start in early June. There were a further two meetings where traders were presented with the same plans. Although there was time for questions, most of these were unanswered. Traders argue they were not consulted but instead presented with a *fait accompli*.

There are a number of further problems with this process. The city has not secured a Heritage Permit to demolish this listed building. Amafa, the heritage committee, has refused permission.

Then the environmental impact assessment (EIA) that was done was for another site. The city has conducted no new EIA. The original EIA identifies the EMM as an element of 'particular interest and quality' in the area.

Next there was no call by the city for expressions of interest when it released this valuable public land. There was also no public tendering process.

Informal traders, who stand to lose the most, have not been incorporated into the share



Lou Haysom

ownership of the Warwick Mall Pty Ltd. Analysis of the ownership shows that it is made up of mostly well-heeled BEE (Black Economic Empowerment) partners rather than being broad based and involving local stakeholder groups.

Informal traders who were displaced by the construction of the Mega-City Mall in Umlazi township have come forward to join the struggle in the Warwick precinct. They report that the same eThekweni municipality made many promises to them about being accommodated in the mall – promises which were unashamedly broken once the mall was built and they lost their livelihoods.

The city has tried to convince the public that the Warwick development is good for commuters. In early June 2009 research was done comparing the prices of 53 products sold by informal traders including fresh produce, toiletries, clothes and shoes, hardware and fast foods with the precise equivalent in a range of formal retail outlets. On average the cost in the formal retailers was 76% more expensive than the same product sold by informal traders.

The difference in prices between formal and informal traders was particularly great in fresh produce where the difference was 112% and 122% greater in two Spars, one close to the area and one in the Umlazi town centre. Spar will be the anchor client in the new Warwick Mall.

Contrary to the claim by the eThekweni mayor and city manager, that those opposed to the mall are 'anti development', all agree that there is need for investment into this district. There needs to be more ablution facilities and a more effective crime prevention strategy. New flyovers

currently being constructed will divert unnecessary traffic making the area safer for commuters.

MAKING GLOBAL CRISIS WORSE

The removal of Warwick traders is happening in the context of a global recession that has hit South Africa hard. Statistics South Africa tells us that a total of 208 000 jobs were lost in the first three months of 2009. Almost two thirds (143 000) of these jobs were in retail. Also KwaZulu-Natal of all provinces has been most hard hit by the recession. This move by Durban municipality in the name of 'development' will make the job crisis significantly worse in the province.

Local governments such as the eThekweni municipality are worsening these job loss trends as they terminate the temporary contracts of vulnerable workers, and evict informal traders from the public space which is their workplace. This is a misguided attempt to attract investment by selling off public assets to private property developers. It is even worse however where local governments turn a blind eye to the global jobs crisis in their preparations for the 2010 FIFA World Cup.

Shopping malls across the globe are in trouble. Twenty three percent

of shopping malls in the US are currently under threat of going out of business. High vacancy rates in many South African shopping malls show that they too are under pressure. The Warwick case shows the important role informal retail plays in distributing cheaper goods to poorer South Africans.

There is a groundswell of support against the Durban municipality proposals. Cosatu (Congress of South African Trade Unions) and the SACP (SA Communist Party) in the KwaZulu-Natal province have strongly opposed the proposals. They have come together with trader organisations, meeting them weekly in a campaign task team under StreetNet's campaign 'World Class Cities for All'.

As a result, the campaign has seen new levels of worker solidarity among the working poor in the organised working class and the new emerging organisations of informal workers. LB

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