

# **Durban's port-petrochemical complex as a site of economic and environmental violence**

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## **Rethinking Cities in the Global South: Urban Violence, Social Inequality and Spatial Justice**

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### **Abstract**

South Africa's biggest single location-specific investment project is the proposed eight-fold expansion of South Durban's port-petrochemical complex over the next three decades. There have been two substantial postponements of the main project – the 'Dig Out Port' in the place of Durban's old airport – but no formal cancellation or plans for alternative land use. The project is estimated to cost \$25 billion, but that could be dwarfed by typical 50-300 percent price escalation. For example, the doubling of the petroleum pipeline capacity from Durban to Johannesburg recently cost \$2.3 billion alone, after being initially estimated to cost just \$600 million. In addition to the 'economic violence' that is represented by displacement and the opportunity cost of the investment, environmental violence in the area is already world famous. The notorious refineries owned by BP, Shell and the Malaysian firm Engen – Africa's largest refinery complex – present major health threats to neighbouring residential areas. These neighbourhoods have been occupied by black South Africans for generations – the 'Indian' areas of Merebank and Clairwood and 'coloured' Wentworth – but have become slightly desegregated since the end of apartheid, mainly through the influx of low-income African shackdwellers. Because of sustained economic violence against Durban's working class, in the form of systematic deindustrialisation since the early 1990s, jobs for a vast unemployed labour reserve are desperately needed. Government's national planners claim the expansion of world shipping, from the 'Panamax' 5000-container ships to super post-Panamax ships more than three times larger, will raise annual container traffic from 2.5 million to 20 million units processed annually in Durban by 2040. However, local residents' organisations – united as the South Durban Community Environmental Alliance (SDCEA) – offer multiple and overlapping critiques of this project, including the flawed participatory process; the destruction of small-scale farming and long-standing neighbourhoods (with tens of thousands of expected displacements; major ecological problems in the estuarine bay; climate-change causes and effects; and irrational economics fuelled by overly generous state subsidies but still resulting in an unaffordable harbour. The framing of the campaign is of great importance not simply because the state and allied businesses promise tens of thousands of 'jobs' (in an increasingly capital-intensive sector) but because an alternative vision has been established by SDCEA based on an ecologically-sensitive, labour-intensive economic and social strategy for the South Durban Basin. To achieve victory will require a major shift in the balance of forces, one which campaigners argue can be enhanced by a popular backlash: internationally-coordinated economic violence – specially, financial sanctions – against the project and its parastatal corporate sponsor, Transnet. This is a site-specific project but one with more general lessons for grassroots contestation of industrial mal-development, in part because so many issue areas are up for contestation. The strategic and tactical questions include whether grassroots activists' commitment to physical non-violence is going to be sustained against the system's growing economic and ecological violence, and potential recourse to the kinds of police violence witnessed in so many other sites.

## **Introduction: Urban economic and environmental violence during the export era**

Two processes are underway that are uprooting urban conditions in many of the world's cities, in the process amplifying the socio-ecological metabolism of capitalism: an intensified role for urban settings as export platforms, yet at the same time, contradictions associated with global overproduction, financial speculation and the subsequent slow-down of trade growth. What we can term economic and environmental *violence* is the logical result. Although we trace one source of this pressure back to neoliberal urban management three decades, these processes became more obvious since 2008, when many export-oriented cities appeared extremely over-extended, including Durban, South Africa. Trade crashed dramatically during the second half of that year, and commodity prices fell further. In major port cities like Durban, there were social uprisings. Although few explicitly tackled the strategic matter of urban export orientation, the indirect causes of socio-political unrest can be traced to the perceived need to make such cities more friendly to export-oriented and increasingly unpatriotic capital, just as rising unrest occurs, too, in many financial-centric cities.

Cities have always been the geographical containers in which production and commerce thrived. David Harvey sets the broader context:

A city is an agglomeration of productive forces built by labour employed within a temporal process of circulation of capital. It is nourished out of the metabolism of capitalist production for exchange on the world market and supported out of a highly sophisticated system of production and distribution organised within its confines. It is populated by individuals who reproduce themselves using money incomes earned off the circulation of capital (wages and profits) or its derivative revenues (rents, taxes, interest, merchants' profits, payments for services). The city is ruled by a particular coalition of class forces, segmented into distinctive communities of social reproduction, and organised as a discontinuous but spatially contiguous labour market within which daily substitutions of job opportunities against labour power are possible and within which certain distinctive quantities and qualities of labour power may be found.<sup>1</sup>

The recent history of cities becoming more hyperactive export platforms – in contrast to earlier eras when production and consumption had more local backward and forward linkages – is not merely a function of globalisation. Public policy was a factor, and especially the intellectual project of urban neoliberalism. This was powerfully expressed in the form of a 1986 'New Urban Management Program' at the World Bank, followed by similar efforts at the UN Development Program and UN Habitat. The market-centric urban policies were soon propelled by increasingly neoliberal funders such as the US Agency for International Development and their British, Canadian, Japanese and other official donor counterpart agencies. In 1990, the Urban Institute – paid by US AID – set out the core challenge, namely to compel a

change in policy thinking in the developing world closely linked to the acceptance of market-oriented economies: the growing acceptance of rapid urbanisation.... An emphasis on national economic growth and export-led development will usually

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1. Harvey, David, *Consciousness and the Urban Experience*, Oxford, Basil Blackwell, 1985, p. 250.

mean that new investment resources must be directed to already successful regions and cities.... Governments have considerable control over the entire cost structure of urban areas. Public policy should be directed to lowering these costs.<sup>2</sup>

Lowering these costs – especially by lowering the social wage and by subsidising export-oriented infrastructure and services, often with Export Processing Zone techniques – is integral to a more direct insertion of ‘competitive’ cities into the world economy. As United Nations Habitat strategist Shlomo Angel explained: ‘The city is not a community, but a conglomerate of firms, institutions, organisations and individuals with contractual agreements among them’. Consequently, urban policy should focus on ‘creating a level playing field for competition among cities, particularly across national borders; on understanding how cities get ahead in this competition; on global capital transfers, the new economic order and the weakening of the nation-state’.<sup>3</sup>

The strategy was explicit in South Africa’s transition from apartheid to export-oriented neoliberalism. It was based on intensifying the *productivity* of urban capital as it flows through urban land markets (enhanced by titles and registration), through housing finance systems (featuring solely private sector delivery and an end to state subsidies), through the much-celebrated (but extremely exploitative) informal economy, and through (often newly-commercialised and even privatised) urban services such as transport, sewage, water and even primary health care services (via intensified cost-recovery). The Government of South Africa’s *Urban Development Strategy* states this agenda clearly: ‘Seen through the prism of the global economy, our urban areas are single economic units that either rise, or stagnate and fall together.... South Africa’s cities are more than ever strategic sites in a transnationalised production system’.<sup>4</sup>

But to be a ‘strategic site’ in an exceptionally competitive milieu requires urban reconfiguration. According to Kim Moody, one of the most experienced US labour analysts,

Port extensions and the huge ‘back of the port’ logistics centres are gobbling up land and communities, often moving further and further inland. This in return requires new transport ‘corridors’. It isn’t just merchant capital because these relate to manufacturing production supply chains as well and, of course, commodities export. Pollution is massive. It was interesting to see that the apologists for all of this use the same bogus argument: less pollution or CO2 per container or product [because of economies of scale].<sup>5</sup>

But there is an enormous risk associated with growing reliance upon the maritime sector, tourism and commodity exports, as the globalised economy begins what may become known as a 1930s-style ‘deglobalisation’ era. As *The Economist* argued in October 2013 in its cover story, entitled ‘The Gated Globe’,

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2. Urban Institute, *Urban Economies and National Development*, Report prepared for the US Agency for International Development, Washington, DC, 1991.

3. Angel, Shlomo, ‘The Future Lies in a Global System of Competitive Cities’, *Countdown to Istanbul*, 1995.

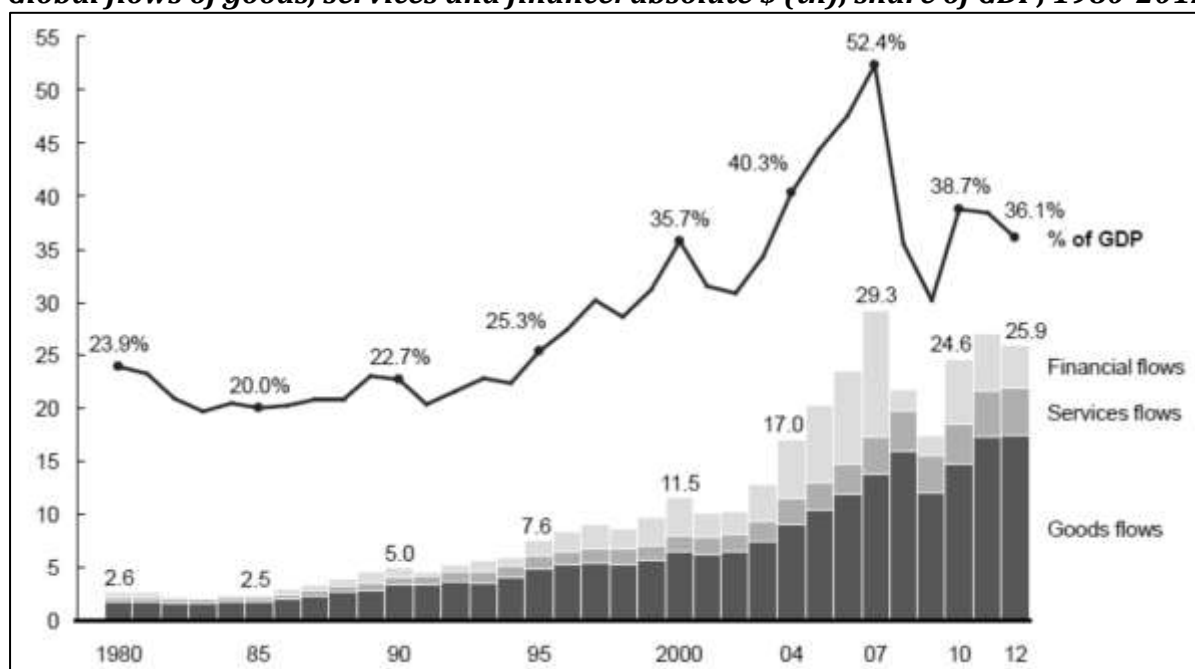
4. Ministry of Reconstruction and Development, *Urban Infrastructure Investment Framework*, Pretoria, 1994-95, pp.17,41.

5. Moody, Kim, personal correspondence with author, 15 November 2014.

Globalisation has clearly paused. A simple measure of trade intensity, world exports as a share of world GDP, rose steadily from 1986 to 2008 but has been flat since. Global capital flows, which in 2007 topped \$11 trillion, amounted to barely a third of that figure last year. Cross-border direct investment is also well down on its 2007 peak... hidden protectionism is flourishing, often under the guise of export promotion or industrial policy.<sup>6</sup>

The pause button will no doubt be lifted. Yet in what was otherwise a celebration of global flows, the consulting firm McKinsey Global Institute also acknowledged that a peak had been reached in 2007 with \$29.3 trillion in flows – 52 percent of world GDP – which then sunk in relative terms over the next five years, to just 36 percent: “This reflects the correction from the global credit bubble and deleveraging of the financial system. Financial flows have changed direction, too, with outflows from emerging markets rising from 7 percent of the global total in 1990 to 38 percent in 2012.”<sup>7</sup> Beginning in May 2013, investors roiled South Africa and four other major emerging markets when the US Federal Reserve’s Quantitative Easing began to be phased out (“tapered”). As a result of US interest rates slightly higher, outflows meant that four of the five BRICS – South Africa, India, Brazil and Russia (which suffered again from financial sanctions imposed after its Crimea invasion) – experienced substantial currency crashes that, in turn, would limit import capacity. Even China’s property bubble burst in the 44 largest cities by 19 percent in 2013-14.<sup>8</sup> All indications are that 2015 was worse, and was amplified in June-July by a \$4 trillion stock market crash.

**Global flows of goods, services and finance: absolute \$ (tn), share of GDP, 1980-2012**



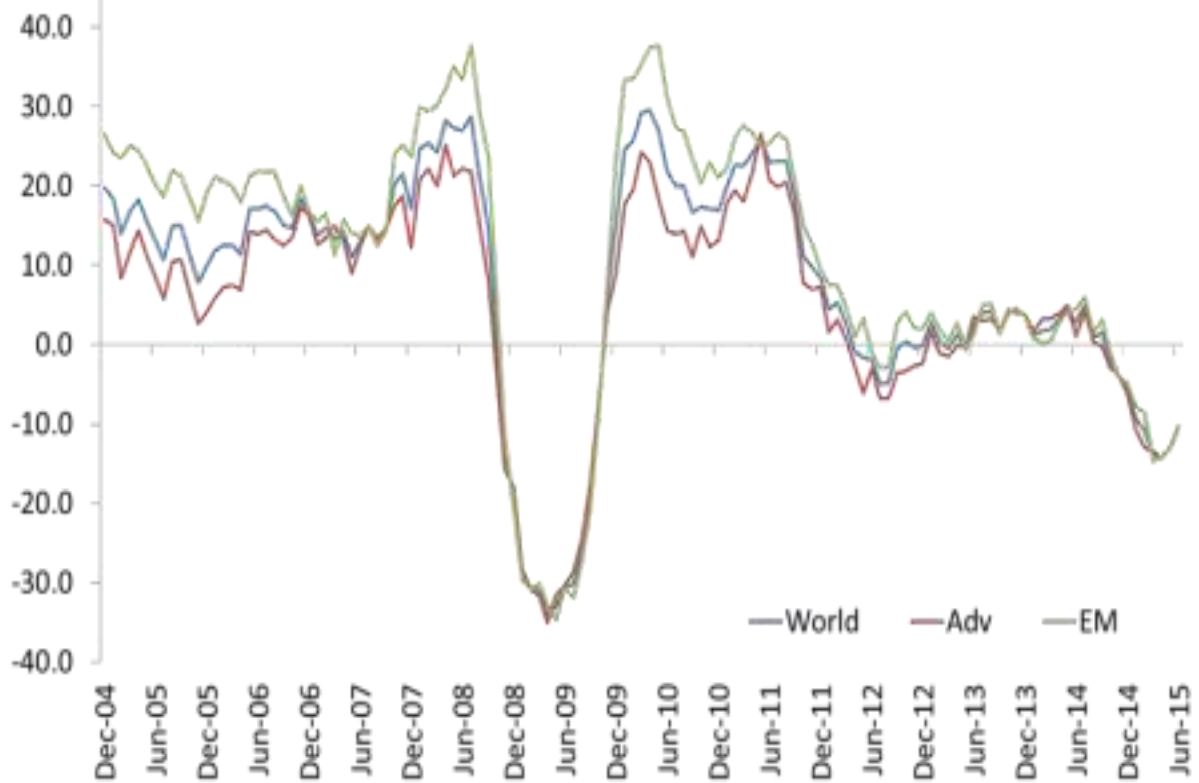
Source: McKinsey (2014, 14)

6. *The Economist*, ‘The gated globe,’ 10 October 2013, <http://www.economist.com/news/special-report/21587384-forward-march-globalisation-has-paused-financial-crisis-giving-way>

7. McKinsey Global Institute, *Global flows in a digital age*, New York, 2014.

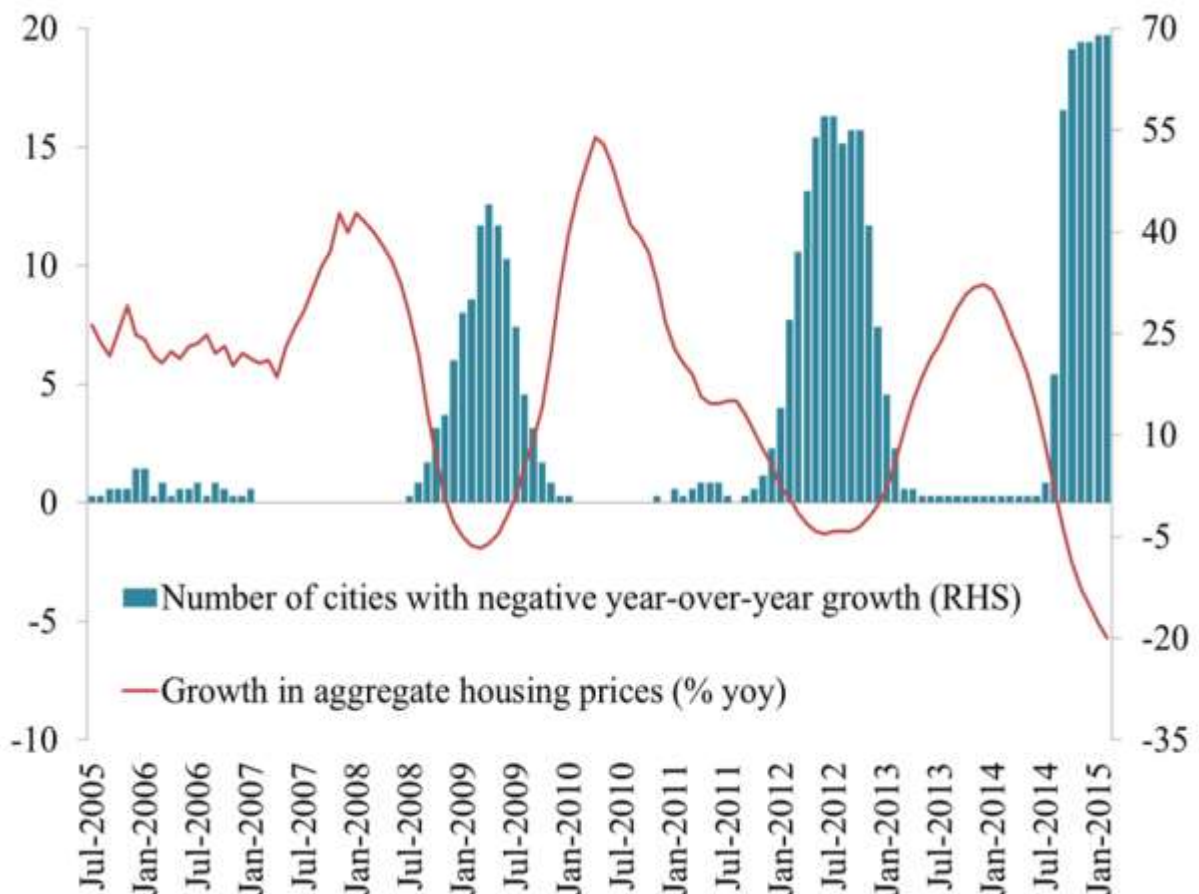
8. *Wall Street Journal*, ‘China’s property bubble has officially popped,’ 5 May 2014, <http://blogs.wsj.com/chinarealtime/2014/05/05/chinas-property-bubble-has-officially-popped-report-says/>

**Trade growth rates at world, advanced-capitalist and emerging-economy scales**



Source: International Monetary Fund.

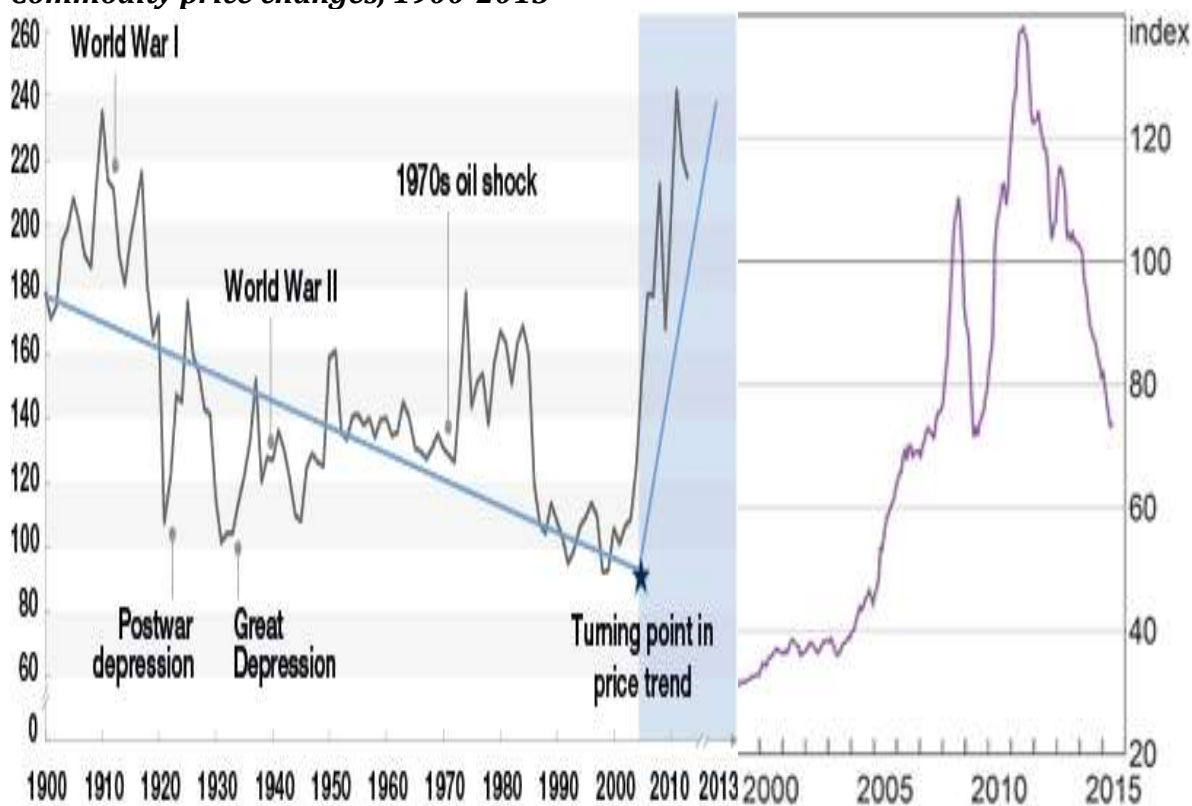
**Chinese property crash**



Because of the economic turmoil roiling the BRICS, Indonesia, Turkey and similar sites, it is wise to recall the United Nations warning, that the world's financial markets aim to shift 'high-risk activities from more to less strictly regulated environments,' especially sites where massive state-subsidised and guaranteed infrastructure projects are envisaged.<sup>9</sup> In these sites, both borrower and lender are facing intense levels of desperation: to sink excess funds into mega-projects on behalf of multinational capital.

The decline (1900-2002), rise (2002-11) and crash (2011-present) of commodity prices reflects this desperation, and in turn helps explain why ports are facing such intense competition with fewer surpluses to draw upon for the sake of financing expansion. From the early 1980s, the Third World Debt Crisis compelled commodity-producing economies to lower the value of their currencies and increase exports so as to pay off their debt. The commercial banks and Bretton Woods Institutions restructured these economies into neoliberal export platforms. Until 2002, there was a distinct downturn in world commodity prices, but a turning point in 2002 reflected a new critical mass in East Asian (especially Chinese) imports of raw materials. This led to a massive price spike that withstood the 2008-09 crash and ultimately peaked in 2011. Since then the prices of nearly every major mineral and fossil fuel has crashed, often by more than half. With slowing demand from China, the overall result contributed to a decline in world trade, not only dramatically in the 2008-09 Great Recession, but in the period from mid-2011 to the present as global overproduction trends resurfaced.

### **Commodity price changes, 1900-2015**



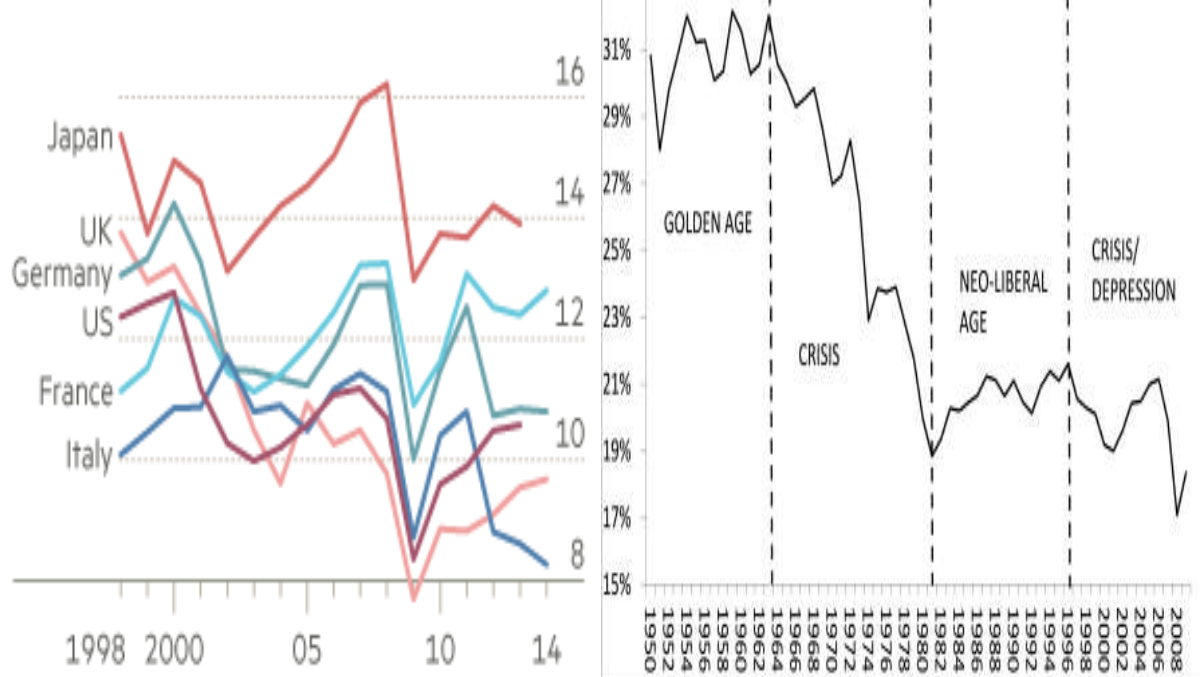
Source: Reserve Bank of Australia

9. United Nations, *World Economic Situation and Prospects 2013*, Department of Economic and Social Affairs, New York, 2013, p.32.

Also since 2012, there has been a major decline in annual Foreign Direct Investment at world scale, with the peak of \$1.56 trillion reached in 2011, followed by a drop to \$1.40 trillion in 2012 and to \$1.23 trillion in 2014.<sup>10</sup> The anticipated increase in US Federal Reserve interest rates in December 2015 is anticipated to slow real-economy activity even further, and one indication of the latter is the glut in corporate savings that follows a steady recent decline in corporate investment that in turn follows the decline in the rate of profit.

## Corporate gross investment

As a % of GDP



Source: Michael Roberts

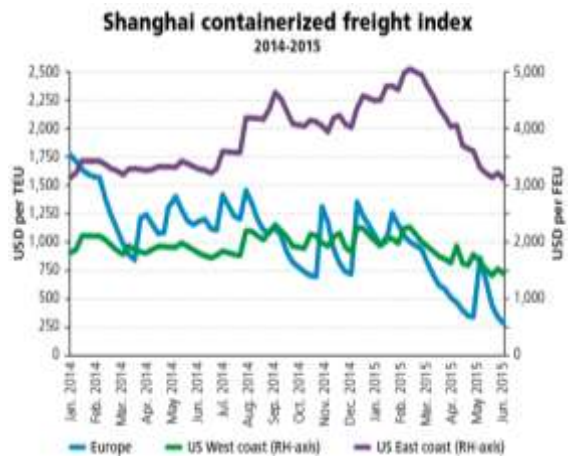
One specific victim of this stagnation is shipping. The mid-2008 peak for pricing transport of a typical container reflected the intense metabolism of commodity trading at the time, and fell by more than 90 percent within six months. But even though after the 2009 recovery commodity prices resumed their rise, the Baltic Dry Index of shipping prices never recovered to even a third of their peak, and in late 2015 are at a 30-year low.

Indeed to carry a container from Shanghai to the US East Coast in March 2015 cost \$2500, a price that fell to \$1500 by June. At the same time, there was a dramatic rise in the capacity of 'post-Panamax' ships – carrying more than 5000 containers (until 2015 the limits of the size that fit through the Panama Canal) – to the point that ships with more than 15,000 containers were flooding the market. Such ships were so robotised that they had only 13 crew.

10. United Nations Conference on Trade and Development, *World Investment Report 2015*, Geneva, 2015.

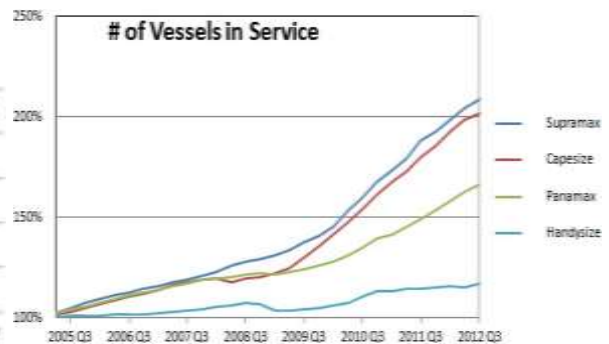
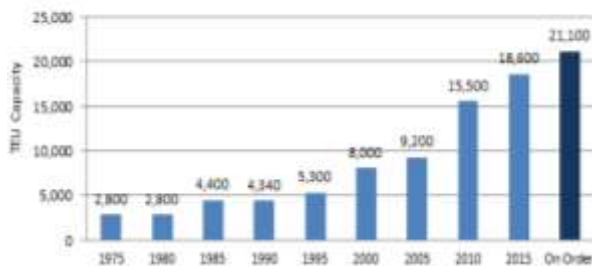


### Shipping prices and overcapacity



### 40 years of container ship growth

IHS Maritime & Trade historical vessel and orderbook data



There was unevenness in the shake-out that followed. The massive port construction projects that Chinese state capital had promoted along its Maritime Silk Road began to face the harsh reality of overcapacity. There are fifty major ports with more than a million 20-foot equivalent units (TEUs) of which a large proportion are on the Chinese coast. Like the real estate and stock market bubbles, these ports were due to shake out their vast overcapacity in the years ahead.

### China's Maritime 'Silk Road'





## The world's 50 largest container shipping terminals



The question that many shipping observers in Latin America, Africa and Asia were forced to ask in 2015, was whether their own capacity expansion had also gone too far. Would crashing commodity prices, rising US interest rates, ongoing European stagnation and emerging market slumps (especially in the three most vulnerable BRICS: Brazil, Russia and South Africa) together doom shipping growth and thus the new port developments? And what, then, would that structural combination ‘from above’ imply for urban politics ‘from below’? There is nowhere better than Durban, South Africa, to enquire into the port-related urban economic and also environmental implications of this more frenetic, crisis-ridden stage of world capitalism.

### Durban’s port-petrochemical complex under contestation

South Africa’s biggest single location-specific investment project (\$25 billion – the cost estimated prior to what could become a typical 50-300 percent price escalation) is the proposed eight-fold expansion of South Durban’s port-petrochemical complex over the next three decades. The doubling of the Durban-Johannesburg petroleum pipeline’s capacity recently cost \$2.3 billion. Notorious oil refineries run by BP, Shell and the Malaysian firm Engen present major health threats to neighbouring residential areas.

These neighbourhoods have been occupied by black South Africans for generations – the ‘Indian’ areas of Merebank and Clairwood and ‘coloured’ Wentworth –but have become slightly desegregated since the end of apartheid, mainly through the influx of low-income African shackdwellers. In South African terminology, the African, Indian and Coloured people have been considered ‘Black’ in relation to the need to fuse their interests against the historic white apartheid project, though after 1994 when democracy was won, the breakdown of the cross-racial alliances has often been a painful feature of life in Durban and elsewhere. The potential to desegregate Durban

was great in 1994, given large tracts of land and the need for densification. By all accounts, practically no progress was made.

Jobs for South Durban's vast unemployed labour reserve are desperately needed, and government planners claim the expansion of world shipping, from the Panamax 5000-container ships to super post-Panamax ships more than three times larger, will raise annual container traffic from 2.5 million to 20 million units processed annually in Durban by 2040. However, local residents' organisations – united as the South Durban Community Environmental Alliance (SDCEA) – offer multiple overlapping critiques of this project, including the flawed participatory process; the destruction of small-scale farming and long-standing communities (with tens of thousands of expected displacements; major ecological problems in the estuarine bay; climate-change causes and effects; and irrational economics fuelled by overly generous state subsidies but still resulting in an unaffordable harbour.

The framing of the campaign is of great importance not simply because the state and allied businesses promise tens of thousands of 'jobs' (in an increasingly capital-intensive sector) but because an alternative vision is being established by SDCEA based on an ecologically-sensitive, labour-intensive economic and social strategy for the South Durban Basin. To achieve victory will require a major shift in the balance of forces, one which campaigners argue can be enhanced by financial sanctions against the project and its parastatal corporate sponsor, Transnet. This is a site-specific project but one with more general lessons for grassroots contestation of industrial mal-development, in part because so many issue areas are up for contestation.

Global contradictions are often amplified at lower scales, especially when intensified metabolisms of capitalist commerce and energy threaten widespread displacement, pollution and community unrest. The 'spatial fix' to overaccumulation crisis is witnessed in the ongoing restructuring of world shipping, while externalities such as greenhouse gas emissions represent 'accumulation by dispossession,' as capital takes further control of non-capitalist territories, consistent with theories of imperialism and crisis displacement pioneered by Rosa Luxemburg.<sup>11</sup>

To illustrate with a detailed South African case study sometimes termed Africa's 'armpit' (for its noxious smell), the expansion of the Durban port and petrochemical complex is the main site-specific 'Strategic Investment Project' within the state's National Development Plan. South Durban is the second highest-priority mega-project (after the Waterberg-Richards Bay coal infrastructure expansion). The investments will expand what is already Sub-Saharan Africa's largest port (in North Africa, only Alexandria is bigger) to a capacity that the 2012 National Development Plan claims must be large enough to handle 20 million TEU containers annually, up from 2000s annual volumes averaging 2.5 million.<sup>12</sup> (Other subsequent estimates are more modest, with the most ambitious Transnet documents suggesting 13 million TEU containers is the objective of the port expansion.)

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11. Rosa Luxemburg, *The Accumulation of Capital*, New York, Monthly Review Press, 1968 [1913]; David Harvey, *The New Imperialism*, Oxford, Oxford University Press, 2003; David Harvey, *The Limits to Capital*, London, Verso, 1999.

12. National Planning Commission, *National Development Plan*, Pretoria, 2012, <http://www.info.gov.za/view/DownloadFileAction?id=172296>

Raising the vast funds required will be the most critical challenge, given that the leading local civil society network, the South Durban Community Environmental Alliance (SDCEA), has announced a ‘financial sanctions’ campaign against the project. The first phase of the work, costing approximately \$4 billion, was pre-funded by the South African government and allied financiers, but the major contestations ahead are over the much greater needs entailed in a new ‘Dig Out Port’ to be built on the site of the city’s old airport.

### Transnet’s investment strategy

In March 2013, during the Durban summit of the heads of state of Brazil, Russia, India, China and SA (BRICS), a Chinese bank lent \$5 billion to the parastatal corporation responsible for the port expansion, Transnet. This was mainly for the purpose of extending rail infrastructure further into the northern and eastern coal fields for subsequent coal exports mainly to India and China. The environmental violence associated with the resulting climate change will be extreme, even if both China and India claim to be cutting back dramatically on coal imports, perhaps leaving the first major infrastructure project stymied as a white elephant.

The funds also provided resources for the purchase of locomotives (mainly from Chinese producers, mainly for the Waterberg-Richards Bay route) and for Durban’s harbour expansion, since such funding is essentially fungible. In addition to increasing the speed and magnitude of freight to the world’s largest coal export terminal, at Richards Bay, Transnet has also been planning a fully-privatised port management model for the Durban Dig Out Port.

### Medium-term South Durban Dig-Out Port

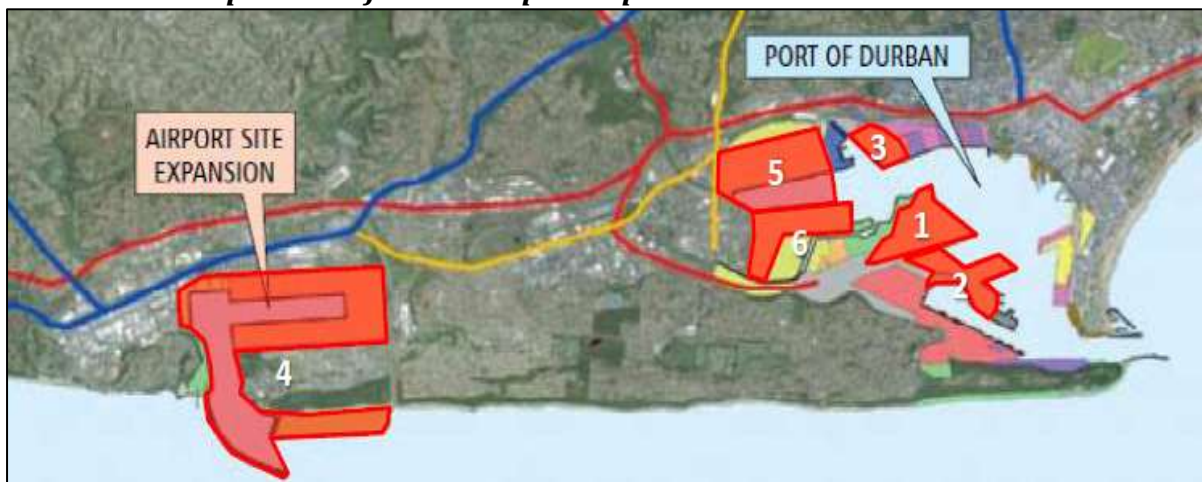


Durban is also now a site of proposed offshore oil prospecting by ExxonMobil, not far from the point where Africa’s largest refinery complex stands in hyper-toxic South Durban. There, near-universal community opposition has emerged to Transnet’s plans, including on grounds of climate damage. Transnet’s Environmental Impact Assessment (EIA) consultants made a contentious statement in 2013 – that larger ships in the new port will allegedly result in lower emissions per container carried – because they failed to consider the alternative of not increasing shipping by the extreme eight-fold multiple.

**The South Durban Basin from the main harbor to the proposed Dig Out Port site**



**2014-2040 components of Durban's port expansion**



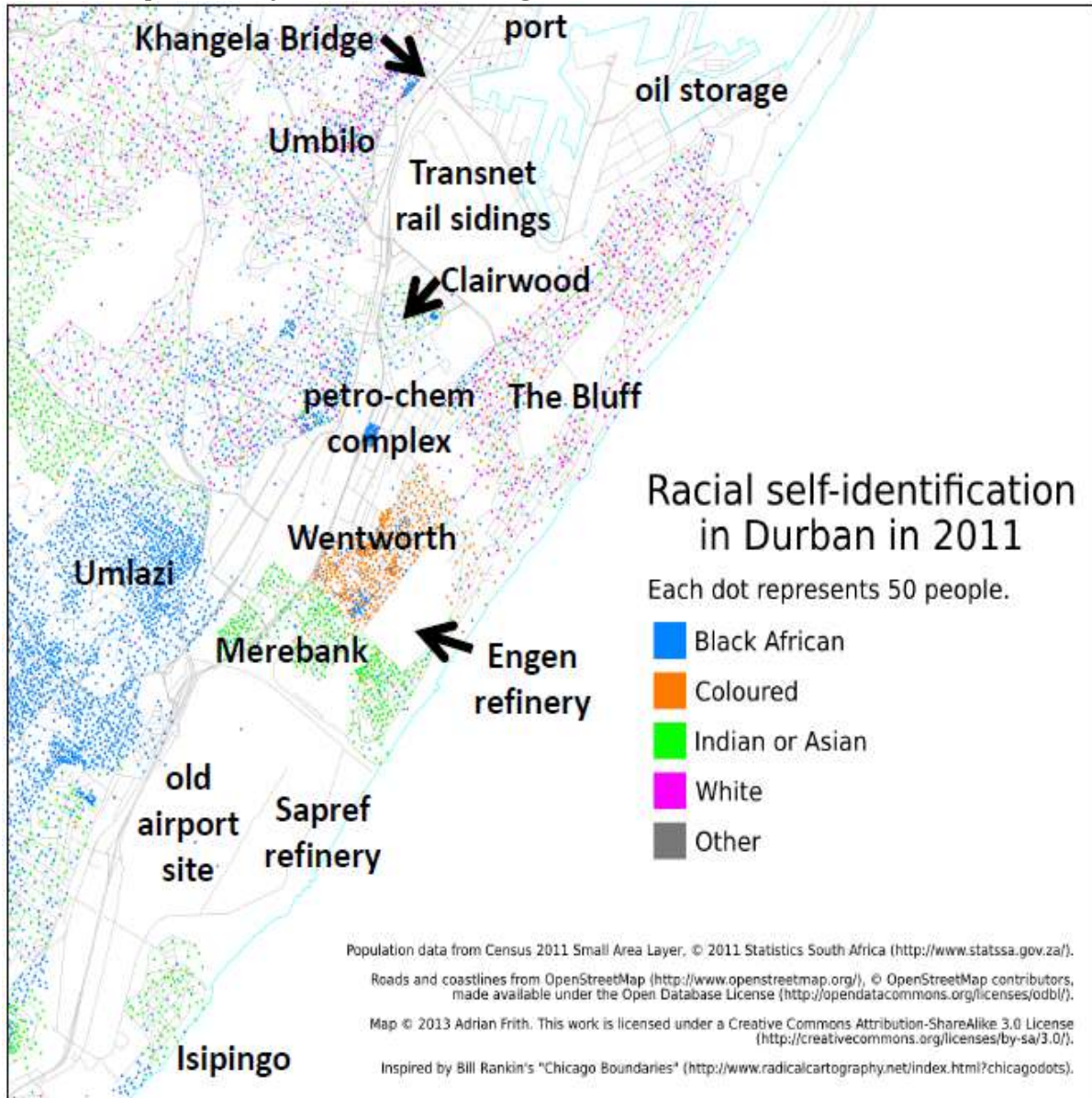
The first set of projects will result a dramatic increase in existing port capacity, so that the 5000+ container 'post-Panamax' ships can be accommodated in the current harbor (stages 1-3). Originally, the dig-out port at the old airport site was to be excavated in 2016, with an anticipated first berthing in 2020 (stage 4), but in November 2015 Transnet announced an indefinite postponement due to adequate existing capacity. The final growth of the existing port will include an extensive dig-out of the area currently under Transnet railroad siding property (stages 5-6).

With liberalisation of transport in the early 1990s and the move of freight to road-based trucking, this land remains mostly unused. In contrast, much of the land surrounding Durban's highway exits has been captured since then, for use by commercial wholesalers for container truck unpacking and repacking, which cements the reliance upon trucks notwithstanding the state's 'truck-to-rail' rhetoric.

In addition to spatial sprawl, patterns of racial discrimination are also evident. The latter stages of the Dig Out Port project are in close proximity to the predominantly Indian areas of Isipingo and Merebank in the south and Clairwood in the north, as well as the African township of Umlazi and the coloured Wentworth area. The Clairwood area is most immediately threatened by Stages 1-3 port expansion, as trucking companies invade the residential space to stack containers.



**Racial composition of South Durban neighborhoods**



Transnet’s most critical challenge will be finding the money for an estimated \$25 billion worth of other mega-projects , especially given the scale of the project and how many aspects are being contested. The Chinese bank loan apparently comes without conditions (and with terms not publicly disclosed), and subsequently, there were also several bond offerings of several hundred million dollars, including in the London markets in November 2013 where Transnet paid an enormous premium on its Rand-denominated bonds: 9.5 percent. But the longer-term threat to South Durban and other communities is that the BRICS New Development Bank launched in July 2015 will seek projects like this one, as exemplars of export-oriented infrastructure.

In July 2013, a high-profile meeting of the Durban Transport Forum heard Transnet’s port expansion director Marc Descoins update his team’s planning: “The fatal flaws

analysis yielded many risks but no show-stoppers.<sup>13</sup> Descoins had not, at that time, factored in either the broader economic problems described above, nor resident and labour opposition to the mega-project, its vast environmental implications, or rising disgust about construction-driven White Elephants. Tracing several of the problems with the port-petrochem expansion in South Durban sheds light on the interconnections between social and environmental grievances, as well as a growing debate about SA's vulnerability to the world economy.

### **The doubling of oil pipeline capacity**

Transnet's Durban-Johannesburg oil pipeline construction project lasted from 2007-14. The mega-project, known as the 'new multi-product pipeline', cost \$2.34 billion, a dramatic cost escalation in part because the pipeline was diverted hundreds of kilometers from the traditional route west along the N3 highway. That route ran through mostly-white Durban suburbs (Mariannhill, Hillcrest, Shongweni and Camperdown), and now the pipeline moves double the pre-existing oil volume through (mostly-black) South Durban, Umbumbulu and other former KwaZulu bantustan areas. According to Durban's leading environmental journalist, Tony Carnie, 'The \$600 million petrol, diesel and jet fuel pipeline will replace the existing Durban-to-Johannesburg pipeline which was built in 1965. The existing pipeline is believed to have rust defects and cannot cope with the future demand in fuel growth in Gauteng.'<sup>14</sup> By moving the project southwards before turning west, the cost estimate rose by more than 50 percent. But there were many other cost increases, with the total reaching \$2.34 billion by 2013, in part because of apparent construction company collusion on tendering by one of the main pipeline construction companies, Group Five Civil Engineering.<sup>15</sup>

In his own 2012 review of the cost overruns, without considering construction company collusion, Public Enterprises Minister Malusi Gigaba uncovered 'systemic failings that compromised the intended outcomes' and he admitted that his project managers 'lacked sufficient capacity and depth of experience for the client overview of a megaproject of this complexity,' especially related to 'analysis of risks.' Nor were EIAs or water and wetland permits 'pursued with sufficient foresight and vigour.'<sup>16</sup> Well before this became public knowledge (Group Five only stepped forward to confess its role in industry collusion in 2009), SDCEA offered several critiques of the pipeline, including the racially-biased routing; inadequate public participation; dubious motivations for the pipeline; government's failure to prevent, detect or manage pipeline leaks; and climate change.<sup>17</sup> According to SDCEA, the race and class bias were crucial reasons to reject

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13. *Creamer's Engineering News*, 'Prefeasibility work starts on Durban Dig Out Port,' 5 July 2013, <http://www.engineeringnews.co.za/print-version/prefeasibility-work-starts-on-durban-dig-out-port-2013-07-05>

14. Tony Carnie, 'New route for R6bn fuel pipeline,' *The Mercury*, 9 May 2008.

15. Irma Venter, 'Construction industry must deal with 'great anger' over collusion, says Upton,' *Engineering News*, 12 August 2013, <http://www.engineeringnews.co.za/article/construction-industry-must-deal-with-great-anger-over-collusion-says-upton-2013-08-12>

16. Malusi Gigaba, 'Where the Transnet pipeline project went wrong,' Statement by Public Enterprises Minister Malusi Gigaba, Pretoria, 2 December 2012.

17. South Durban Community Environmental Alliance, 'Comments on the Transnet Multi Product Pipeline Proposal,' Durban, 7 July 2008. SDCEA suggested: 'Refurbishing the existing pipeline in an incremental manner (instead of doubling capacity), as maintenance is required, replacing the sections with a larger pipeline, using the existing route and servitudes, and installing additional pump stations, as and when



Transnet's re-routing strategy, because 'The pipeline threatens people with potentially severe environmental safety and health problems (well known to refinery victims in South Durban), *in a manner that is discriminatory along class and racial lines.*' The local ecology itself was already saturated with toxins, SDCEA alleged in 2008:

Durban Bay, in which the harbour is situated, is struggling to cope with the pollution loads from harbour and associated activities, contaminated riverine and storm-water inflows. The expansion will require further removal of aspects of the Bay's ecosystem, which will in turn further reduce the assimilative capacity of this threatened and fragile estuary. There have been major incidents affecting the harbour, including the September 2007 fire at Island View Storage. Reducing the amount of hazardous material being stored, handled and transported in the harbour is a crucial first step to reducing the risk to people living, traveling and working in the area. Yet the pipeline proposal will do the opposite. The routing of the pipeline south, directly through low-income black residential areas instead of through areas including farming lands owned by wealthy white South Africans, is suspiciously reminiscent of the environmental racism we in South Durban have become familiar with... The leaks that have occurred in existing petroleum pipelines have been devastating to South Durban, including the 1.3 million liters that spilled from Sapref lines in 2001, that were not detected until residents complained. According to present practices, only a leak of more than 1 percent will be detected. Incidents leading to a loss of product which is not detectable by the system may continue to pollute the soil and groundwater for a long time. During this period, many people, fauna and flora may be affected by the consequences of the pollution and not understand the cause until it is too late. In this case, the costs will not be borne by the polluter, as our legal framework requires.<sup>18</sup>

Many of the same complaints arose again four years later, in mid-2012, when the next stage of the port-petrochem complex reached fruition: the proposal for a new dig-out port and expansion of the old port. The most heart-felt of the critiques levelled was against displacement because, for many Indian and African residents of South Durban, their earlier neighbours during apartheid were moved to South Durban from Cato Manor, a well-located residential area. This was part of the white government's racial displacement strategy. Now the same appeared imminent, though this time for class reasons.

### **Displacement and the trucking threat**

SDCEA, the Wentworth Development Forum and Merebank Residents Association and the Clairwood Residents and Ratepayers Association are justifiably convinced that the port-petrochem project will generate not just traffic chaos, but residential displacement

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required. Accelerating the upgrade of railways and public transport in Gauteng, so as to get more people and product off the roads to minimise transport-related congestion, fuel burning, emissions and associated health effects, by establishing urban transport networks to enable safe and affordable rail transport, linked to park and ride centres with connections to bus and taxi routes.'

18. *Ibid.* On the climate, according to SDCEA, 'the rise of CO<sub>2</sub> emissions that will be facilitated by the pipeline is immense, and is only referred to in the Draft Scoping Report as a potential legal problem, with no details provided.'

on a very substantial scale. From the north, the old harbour's expansion creep will displace residents by the thousands from the culture-rich, 150 year old Indian and African community of Clairwood. That area's African shackdwellers and long-time Indian residents are already under threat from reckless trucking companies, who are beneficiaries of the rezoning – or simply failure to enforce existing zoning – that facilitates Back-of-Ports creep.



In the process of liberalised zoning and lack of residential area zoning enforcement by the municipality, ten Clairwood and nearby Bluff suburb residents were killed in the decade 2003-13 by truck accidents. Mostly carrying freight, these drivers killed 70 people in the course of 7000 accidents in Durban in 2012 alone. The worst single case occurred in September 2013, when 23 people were killed by a runaway freight truck on the Field's Hill section of the alternative (non-tolled) highway from Johannesburg, which was far steeper than the tolled route.

The tragic accident was revealing, for one of the world's three largest shipping companies, Evergreen, hired a local informal truck company which allegedly instructed its driver to avoid the tolls to save \$2.50. Police cracked down after the accident and found several of the company's trucks operating under unsafe conditions. The one that hit two commuter taxis was driven by an unqualified, underpaid immigrant driver; the truck's brakes failed on one of the steepest highways in the country. A few weeks later, government proposed restricting that particular hill to only 5 tonne trucks, banning 16 tonne trucks. But the broader problem of rising accidents was not addressed.

## Local ecological degradation

Opposition from local communities will grow even more intense once the largest part of the port expansion begins. The proposed dig out port is where the old airport stood, on the southern border of the Merebank neighbourhood. To dig a 1.5 kilometre length of soil 20 meters deep is dangerous, given how many toxic chemicals have come to rest there over the years. Even Descoins conceded, 'We have to look at contamination issues. Hydrocarbons have been pumped around this area for decades and we know there have been some leaks.' That soil, water and air pollution will exacerbate the five-year dust cover under which the dig-out port's construction will suffocate Merebank and Wentworth, the mainly Indian and coloured communities of South Durban. These neighbourhoods are already coated with regular oil-related sulfur and soot showers from the oil refining complex, as witnessed in their world-leading asthma rates.

In addition to damage to human health, BirdLife SA observed that, since Durban has one of just three estuarine bays in SA, its 'ecosystem services' value of goods and services is vast: as a heat sink and carbon sink, for biodiversity, as a fish nursery, for waste disposal, and for storm protection. Moreover, the Bonn Convention's protections for bird migration should make estuaries and wetlands, such as South Durban's, immune from more cementing. In May 2013, Gigaba dismissed the worries over 'frogs and chameleons'.<sup>19</sup> In contrast, the ecological damage implied in this stage of Transnet's expansion was so extreme that the Department of Environmental Affairs rejected the first version of the EIA in October 2013, which described the impacts of the build-out of Berths 203-205 – then able to handle ships of no more than 12 meters depth – so as to accommodate super-post-Panamax ships of 15 000 containers or more.

### ***The existing and future harbour: Berths 203-205 (foreground) and expansion plan***



One of the two reasons was Transnet's failure to do more than 'monitor' the damage caused to the major sandbank in the middle of the estuarine bay, which hosts so many reproductive processes for fish and birdlife.<sup>20</sup> As SA's leading maritime journalist Terry Hutson remarked at the time:

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19. Lloyd Gedye, 'South Durban's battle royal,' *City Press*, 28 April 2013, <http://www.citypress.co.za/news/south-durbans-battle-royal/>

20. Ishaam Abader, 'Rejection of the Final Environmental Impact Assessment Report for the Proposed Deepening, Lengthening and Widening of Berths 203 to 205 at Pier 2, Container Terminal, Port of Durban, KwaZulu-Natal Province,' Department of Environmental Affairs, Pretoria, 2 October 2013.

In Durban there is little likelihood of any big growth in volumes in the near future. A few years ago, the port went backwards in the number of containers it handled, dropping something like 200,000 TEU in a year and there has been little growth since... So the questions remain: Does Durban need the deeper berths and aren't the bigger ships premature?<sup>21</sup>

### Global ecological implications and local climate adaptation

The other reason Transnet suffered an early rejection of its EIA was due to the most important environmental problem of all, climate change. The firm's consultants simply did not consider the impact of rising sea levels or extreme storms.<sup>22</sup> As oceans warm up, cyclones and hurricanes intensify, with resulting sea-level rise. 'The volume of Arctic sea ice has been reduced by 75 percent in just 30 years,' reported the world's most respected climate scientist, James Hansen in 2012: 'There is a danger that the ice sheets will begin to collapse and we could get several meters of rising sea levels in one year.'<sup>23</sup> At that rate, big parts of central Durban would sink, along with other cities where coastal sprawl has left millions in low-lying danger: Mumbai (2.8 million inhabitants exposed as sea waters rise), Shanghai (2.4 million), Miami (2 million), Alexandria (1.3 million) and Tokyo (1.1 million).



Durban recently suffered early indications of extreme weather events and associated damage. In March 2007, in one storm exacerbated by unusual tidal activity akin to a tsunami, Durban's main municipal official reported 'wave run-up heights' which 'peaked at 10.57 meters above Mean Sea Level.' The bulk of the beach sand was washed away along the coast and nearly a billion dollars' worth of coast infrastructure was destroyed. In June 2008, a storm submerged much of the South Durban Basin's main valley, cutting off the Bluff and Wentworth from the main access highway. In November 2011, the day before the United Nations Framework Convention on Climate Change (COP17) summit began in Durban, a rainstorm wreaked such havoc that a dozen people died when their poorly-constructed publicly-funded houses collapsed. In August 2012, the same Durban port berths (203-205) proposed for expansion were severely damaged during heavy winds which bumped a ship up against cranes, resulting in a two week-long closure, and the Engen oil refinery was largely submerged by flooding.

Just as important, what of the mitigation challenge associated with the port-petrochem complex? According to the Academy of Science of SA's 2011 book, *Durban: Towards a*

21. Terry Hutson, 'Berth-deepening is in the dock,' *The Mercury*, 22 January 2014.

22. *Ibid.*

23. Cornell University, 'We have a planetary emergency: Hansen, leading NASA climate scientist, urges unions to act', New York City, 23 October 2012, [http://www.ilr.cornell.edu/news/GLIJamesHansen\\_102312.html](http://www.ilr.cornell.edu/news/GLIJamesHansen_102312.html)



*Low Carbon City*, 'The transport sector is pivotal to the transition to a low carbon city... The top priority was identified as the need to reduce the vehicle kilometers travelled in the road freight sector as this provided the greatest opportunity to simultaneously reduce emissions of GreenHouse Gases and traditional air pollutants.'<sup>24</sup> The port-petrochem expansion will do the opposite, in part because for decades, Transnet sabotaged its own rail freight capacity, allowing road trucking of container traffic to surge from 20 to 80 percent.

Yet in addressing the obviously adverse ecological implications of their project, Transnet hired Nemai Consulting, an EIA specialist with no apparent climate consciousness. They in turn hired a sub-contractor, an official of the SA Council for Scientific and Industrial Research, whose 2011 report, 'Modelling of potential environmental change in the port marine environment', also completely ignored climate change. Follow-up with officials of Nemai in 2012 generated this reply: 'The project will decrease the ship waiting and turnaround times which will have a lower carbon impact'. The consultants did not factor in the dynamic aspects of the shipping system, meaning that if there is an increase in efficiency by reducing the ships' offshore wait, the result is to speed up the system as a whole, thus *increasing* carbon impact.<sup>25</sup>

The same carefree attitude to climate was evident in the doubling of oil pipeline capacity from Durban to Johannesburg. According to a SDCEA EIA critique that was ignored by officials,

The proposed pipeline will make a vast contribution to the climate crisis, yet the EIA only speaks in two areas, very briefly, of this problem. The Draft Scoping Report notes that the current Durban International Airport site is within the 1:100 year flood plain, and that the Island View site is 'potentially affected by sea level rise in the future as a result of climate change'. The Scoping Report promises to consider this in the future EIA. In addition, the Draft Scoping Report summary notes in 'TABLE 5-1: Summary of legal requirements that apply to the project and the EIA process' that the Kyoto Protocol is relevant, as it 'Commits a country to quantified emissions limitations and reductions'.

In the first instance, SDCEA does not believe the Draft Scoping Report has begun to grapple properly with location of the pipeline along the South Coast. As our appendix of photographs of 2007-08 storm damage shows, even concrete structures came under severe attack from the elements and were found wanting, as a result of locations in low-lying coastal areas, including The Bluff, Wentworth and Merebank, through which the new pipeline will run. Other areas of Amanzimtoti and the South Coast were demolished in June 2008.

The Draft Scoping Report treats these dangers casually, in spite of the record of public infrastructural decay noted above, in which a variety of pipeline maintenance crises have arisen, causing enormous ecological despoilation. Second, the rise of CO<sub>2</sub> emissions that will be facilitated by the pipeline is immense, and is only referred to in the Draft Scoping Report as a potential legal problem, with no details provided. Since Minister of Environment and Tourism Marthinus van Schalkwyk has committed South Africa to substantive emissions

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24. Academy of Science of SA, *Towards a Low Carbon City: Focus on Durban*, Pretoria, 2011, <http://www.assaf.org.za/2011/08/durban-on-a-pathway-towards-a-low-carbon-city/>

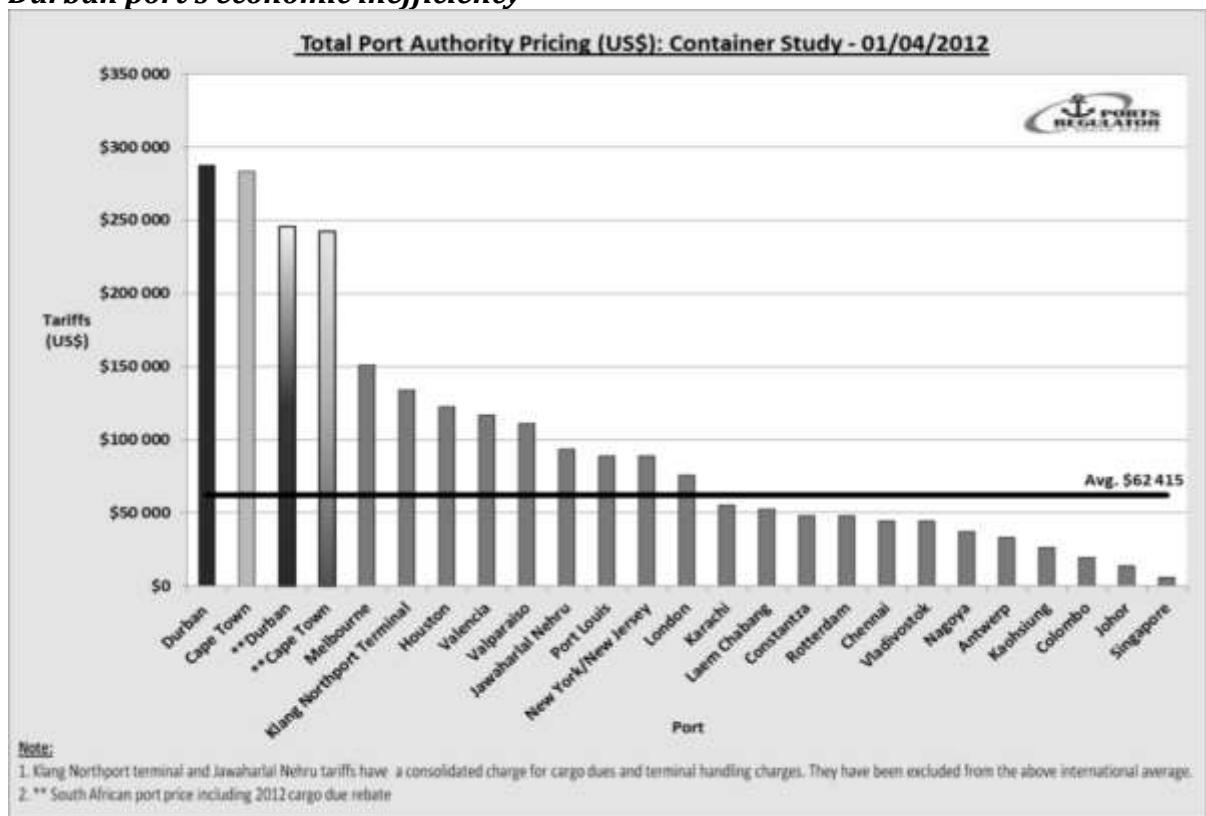
25. Patrick Bond correspondence with the Nemai consulting company, May 2012-November 2013.

cuts which will be formalised at the 2009 Copenhagen Conference of Parties to the Kyoto Protocol, a huge effort by all state agencies, including Transnet, will be required to reduce emissions in all areas. *The proposed pipeline does the opposite, just as South Africa enters the 21<sup>st</sup> century with emissions that are 42 percent of the entire African continent's output, and 20 times higher per unit of per capita GDP than even the USA's emissions.*<sup>26</sup>

### Economic irrationality

Ironically, in spite of all the socio-economic controversies, financing for the port-petrochem project may ultimately be threatened most by the project's inefficiency and lack of economic feasibility. The argument in favour of the port is mainly that jobs will be created and SA will have world-class infrastructure for export-led growth. But rising capital intensity at Transnet along with trade-related deindustrialisation may result in fewer manufactured exports as well as net employment loss. This has been the norm since 1994 when democracy also ushered in economic liberalisation after SA joined the World Trade Organisation. Subsequent port expansion and Transnet restructuring did not create new jobs, but destroyed employment.

### Durban port's economic inefficiency



The project only makes financial sense if South Africa's economic development mentality is locked into national boundaries established in Berlin during the colonial 'Scramble for Africa' in 1885, the point at which borders were determined by white men representing imperial interests. As the region's main port-rail link to the largest market,

26. South Durban Community Environmental Alliance, 'Comments on the Transnet Multi Product Pipeline Proposal,' Durban, 7 July 2008.



Gauteng – and from there to the rest of the subcontinent – Durban is facing stiff competition from Maputo in Mozambique for shipments to Johannesburg, because it is a more direct, shorter and much less mountainous journey. In addition, there is general container-handling competition from other ports along the coast attempting to set up regional freight hubs and export processing zones, including a vast state-subsidised complex, Coega, in the Eastern Cape near Port Elizabeth.<sup>27</sup>

As it stands, Durban's costs of processing freight are the highest in the world, at \$1080 per container, or \$280,000 per typical ship. What port advocates have not been able to do is explain how an additional \$25 billion in investments (no doubt much more what with recent trends tripling original estimates) will cut operating and maintenance costs to competitive levels. Repaying the principle, interest on the capital, and all the additional costs will force much higher container handling charges, leaving the real prospect of another white elephant. In Durban, similar projects that were anticipated to earn profits – such as the airport, convention centre and marine entertainment complex – all have needed multi-million dollar annual taxpayer bailouts.

### **An alternative strategy**

Is an alternative to this flawed economic development strategy possible? A very different Strategic Investment Project would recognise the urgent need to detox South Durban and reboot the local economy towards more labour-intensive, low-polluting industry, and add much more public transport, renewable energy, organic agriculture not reliant upon pesticides, a 'zero-waste' philosophy and a new ethos of consumption. The South Durban activists and the national Million Climate Jobs campaign want society to adopt this approach, but they remain on a collision course with Transnet, its financiers, the Treasury and Presidential Infrastructure Coordinating Commission, as well as the municipality. Unlike the Medupi campaign from February to April 2010, there is far more time for mobilisation of advocacy pressure to halt Transnet's access to external financing, and hence the project itself.

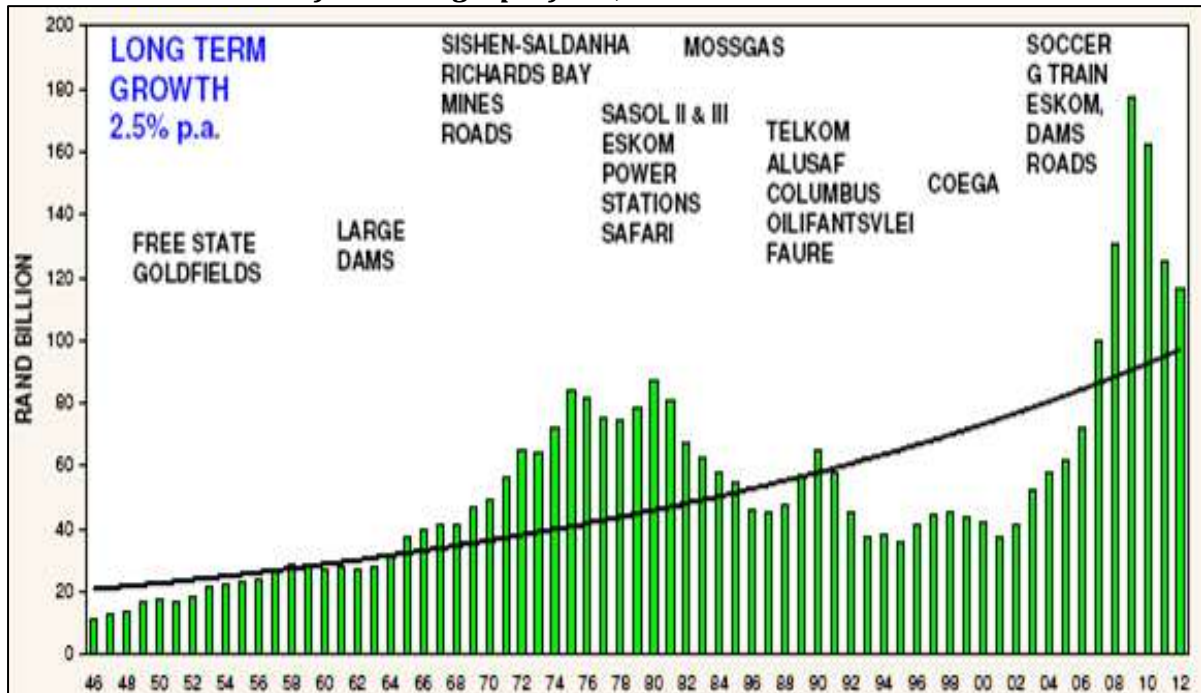
In October 2012, at a Presidential Infrastructure Investment Conference in Johannesburg, Deputy Public Works Minister Jeremy Cronin confessed what is patently obvious in the neo-colonial SA economy: 'Too much of our development has been plantation to port, mine to port.' Instead, we need 'social infrastructure, such as water, hospitals, schools, and housing, in order to prevent the kind of protests witnessed recently in the mining sector.'<sup>28</sup> Cronin's influence notwithstanding, this rhetoric is probably just a case of 'talk-left, invest-right': in mega-projects like Medupi and South Durban's port sprawl, against the interests of people and planet, and instead on behalf of corporate profits. In these respects, there was more continuity than change in the pre-1994 and post-1994 eras. For many years, such mega-projects have dominated corporate investment, and these have always entailed very generous state-supported subsidies, usually associated with mining (Free State Goldfields), smelters (Alusaf, Columbus), airports and ports (Richards Bay, Saldanha, Coega), mega-dams (Gariep, Lesotho), coal-fired powerplants and other energy projects (Mossgas, Sasol oil-from-coal) and special projects (sports stadiums and the Gautrain).

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27. Patrick Bond, *Unsustainable South Africa*, London, Merlin Press, 2002.

28. *CityPress*, 'Infrastructure roll out to cost R844 million', 19 October 2012, <http://www.citypress.co.za/business/infrastructure-roll-out-to-cost-r844bn-20121019/>

### Investment in South African mega-projects, 1946-2012



Source: SA Reserve Bank

What this means is that there remains a formidable lobby for fossil-fuel based infrastructure investment in SA, ranging from mining houses to the construction industry. The elite mandate is to ‘mine more and faster and ship what we mine cheaper and faster’, as *Business Day* editor Peter Bruce ordained just as Finance Minister Pravin Gordhan was finalising his \$100 billion infrastructure budget in February 2012.<sup>29</sup>

Thanks to this philosophy, South African ecological problems have become far worse, according to the government’s 2006 Environmental Outlook research report, which noted ‘a general decline in the state of the environment’.<sup>30</sup> By 2012, SA’s ‘Environmental Performance Index’ slipped to 5th worst of 133 countries surveyed by Columbia and Yale University researchers.<sup>31</sup> For example, Gauteng, the country’s main megalopolis, experienced water scarcity and water table pollution, when the first two Lesotho mega-dams were built during the late 1990s with World Bank financing. There were not only destructive environmental consequences downriver, but the extremely costly cross-catchment water transfer to Johannesburg raised water prices, thus, deterring consumption by poor people in low-income townships.

With this level of degradation, it is no surprise that there is such intense labour, social and environmental resistance. The 2012-15 World Economic Forum *Global Competitiveness Reports* placed SA in the world-leading position for adverse employee-employer relations out of the 140 countries surveyed.<sup>32</sup> And in the last measurement of

29. Peter Bruce, ‘Thick end of the wedge,’ *Business Day*, 13 February 2012.

30. <http://www.info.gov.za/speeches/2007/07062911151001.htm>

31. Environmental Performance Index, <http://epi.yale.edu/>

32. World Economic Forum, *Global Competitiveness Report 2012-2013*, Davos, September 2012, <http://www.weforum.org/reports/global-competitiveness-report-2012-2013> and same document for 2013-14 and 2015-16.

protests recorded by police, there was a marked increase after 2011, from violent incidents numbering in the triple digits from 1994 to 2011, and then rising to 1882 in 2012-13 and 2300 in 2013-14.<sup>33</sup>

South Durban's experience so far corresponds to more general conclusions about community contestations of industrial activity as a result of global-local rescaling processes sometimes termed '*glocalisation*'. In the face of the widespread yet elusive power of transnational corporations, civil society nonetheless continually pressures companies to reduce environmental and social impacts from their activities,' as Leah Horowitz explains:

Protestors may use direct action, such as violent attacks, or discursive action, including court battles as well as attempts to tarnish the companies' reputations, which are increasingly important in a globalised world. All these costs contribute to 'the internalisation of externalities'. Beyond direct costs to corporations, these actions influence the financial sector as investors realise that companies pass financial and reputational risks on to the institutions that support them, and that a company's management of environmental and social issues may provide an indication of its ability to tackle other management problems. These concerns have prompted investors to screen potential funding recipients, through mechanisms such as the FTSE4Good Index Series, and have inspired powerful funding agencies such as the World Bank to impose directives upon clients.<sup>34</sup>

Attempts to change South Africa's carbon-intensive, export-oriented economic policy have failed, thus far, and one harbinger of the coming conflict was in January 2014 when in Parliament, SDCEA was prevented from testifying about the port-petrochem complex during hearings on a fast-track Infrastructure Development Bill which passed a few weeks later, and which will reduce to a maximum of one year the approval processes for EIAs and other permits. As a result, if the project does not suffer more delays due to the overarching world capitalist stagnation of shipping, the only obvious pressure point will be for SDCEA to attack Transnet's financing.

What is at stake in South Durban, as in so many other similar sites of micropolitical-ecological struggle, is whether common sense prevails over profits. That calculus has to be swung in the favour of the former, by reducing the latter, perhaps through non-violent civil disobedience of the sort pioneered in Durban in 1913 by Mahatma Gandhi; i.e., of the sort international anti-apartheid activists used to assist in ending apartheid. The most powerful weapon was financial sanctions. And whether the World Bank and other international lenders – including China and the coming BRICS New Development Bank – can be compelled to avoid new Transnet financing, is a matter of organising prowess.

### **Durban activists connecting dots against economic and environmental violence**

Aside from the top-down threats of capitalist irrationality, the greatest risk to Durban's proposed port-petrochemical complex expansion is the repertoire of mandatory tools in

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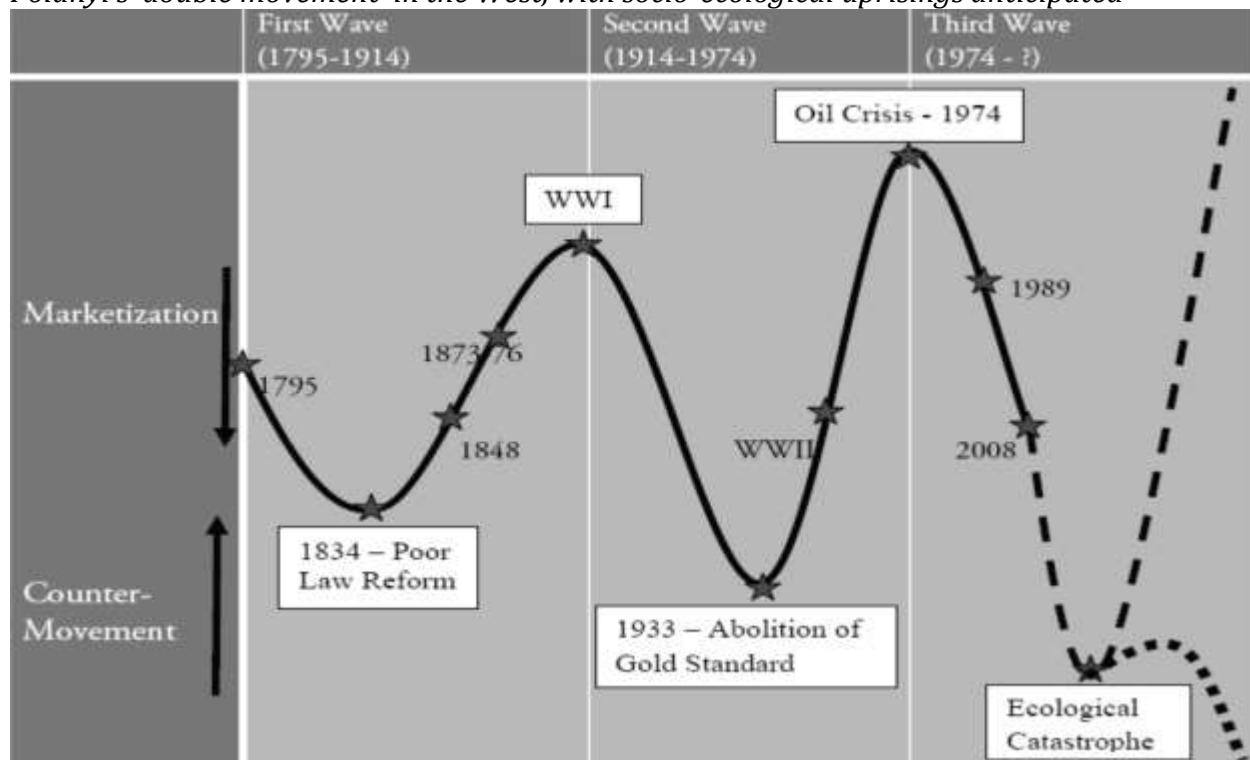
33. SAPA, 'Cops handled 12 399 protests,' IOL News 19 September 2013.

34. Leah Horowitz, 'Power, profit, protest: Grassroots resistance to industry in the global North,' *Capitalism Nature Socialism*, 23(3), 2002.

any activist’s toolbox: popular education, democratic decision-making, mass-based organisation, linkages of people across interest areas leading to new alliances, unity of purpose, an ability to transcend divisions, powerful analysis, fluidity and pragmatism combined with a profound commitment to eco-social justice principles, and effective strategies and tactics. If sustained, it is this that can be termed the ‘double movement’ against the economic and environmental violence emanating from above.

The logic explored in this paper, in contrast, is much more similar to the ‘double movement’ analysed by Karl Polanyi and updated by Michael Burawoy.<sup>35</sup> It identifies the logic of capital as imposing increasing costs that are externalised. In prior eras, this required the North’s anti-capitalist resistance forces – primarily organised labour but also social movements, and social-democratic and even further-left parties – to generate a social logic as the double movement. By the time of the most recent capitalist crisis, the need for a red-green movement with a transcendent eco-social logic is all too obvious, especially with catastrophic climate change bearing down.

*Polanyi’s ‘double movement’ in the West, with socio-ecological uprisings anticipated*



Source: Burawoy (2014)

There is not sufficient space in the rest of this paper to do more than reveal some of the double-movement discourses being developed in South Durban by SDCEA activists and their allies. However, it is also vital to point out that one set of allies operated in the Glebelands Hostel in Umlazi, where from March 2014 to November 2015 there were 54 assassinations, of which the vast majority (documented by Vanessa Burger) were members of the resident association and other community groups. That kind of violence

35. Burawoy, Michael, ‘Marxism after Polanyi,’ in M. Williams and V. Satgar (Eds), *Marxisms in the 21st Century*, Johannesburg, Wits University Press, 2014.

seems to have a logic comparable to the 1980s internecine battles between oppressed KwaZulu-Natal residents (in that case playing out as Inkatha versus United Democratic Front). The logic is of state and political control, in contrast to the economic and environmental violence associated with the current stage of capitalist crisis, for which a different logic exists (as discussed in the Introduction), and against which a different kind of resistance has emerged.

The resistance is difficult to characterise scientifically because it is so diverse and inchoate. For at least two decades, South Africa has witnessed what are probably the most prolific protests in the world dedicated to improved 'service delivery' – i.e. demonstrations against lack of (or excessively expensive) water and sanitation, electricity, housing, clinics, schools, roads and the like). These have occurred in South Durban, but as ever, the challenge is linking people's immediate concerns to wider matters, i.e. to connect the dots between local and global and back again, and between economic, social and ecological matters.

SDCEA's activists were motivated by a variety of minor victories against polluting industries. In two cases, substantial landfills that were used as toxic dumps by unethical waste companies were shut down. SDCEA leaders of those campaigns, Bobby Peek and Desmond D'Sa, were successful in 1996 (Umlazi) and 2012 (Chatsworth), respectfully, and in each case they won the Goldman Environmental Prize for Africa two years later as a result. SDCEA recorded other victories, notably against the Engen and Sapref refineries which are collectively the largest refinery zone in Africa. Because of SDCEA lobbying, they both installed SO2 scrubbers so South Durban is not nearly as thick with airborne pollution and the sickly-sweet smells of chemical emissions.

### ***SDCEA's 4 December 2012 protest blocking the port's southern truck exit***





# PROTEST!!!

## CALLING ALL DURBAN COMMUNITIES... - UNITE AGAINST THE DURBAN PORT EXPANSION PROJECT

**THIS PROJECT WILL...**

- Put more than 2 000 MORE trucks PER HOUR on our roads;
- Cause a housing crisis as unbearable living conditions displace communities & increase social decay & crime;
- Convert Clairwood Racecourse, South Durban's only green area, into a container & trucking depot;
- Aggravate Clairwood community's decay, caused by wilful historic failure to control the invasion of illegal businesses into a residential zone;
- Deny fishermen access to the Beachfront & North Piers;
- Disposes the Airport Farmers & cause food prices to soar;
- Divert R250 BILLION from vital services such as housing, education & health;
- Increase petrochemical industry pollution-related illnesses, cancer & asthma;
- Force small businesses to close - this unemployment will outweigh any jobs created by this project;
- Put a further burden on taxpayers in addition to existing white elephants;
- Worsen climate change;
- Create more opportunities for corruption;
- Profit a few at the expense of hundreds of thousands of Durban residents.

**DATE: SAT 29 MARCH 2014**  
**TIME: 8:00am - 12:00pm**  
**START: KING DINIZULU**  
**(Botha's Gardens) Kwa Pixley Ka Seme (West) St**

*For more information on this protest call:*  
 Desmond D'Sa: 083 982 6939 · Megan Lewis: 083 450 5541  
 Vanessa Burger: 082 847 7766 · Mthembiseni Thusi: 081 021 8608

**IT'S NOW OR NEVER!!  
RAISE YOUR VOICE!!**





SDCEA's own strength ebbs and flows, as does any civil society institution fighting injustices where the adverse balance of forces is so glaring. In an earlier stage of opposition to the port-petrochemical expansion, in 2004-05, SDCEA gathered thousands of residents to halt a major link road planned from the city's main southern freeway to the port. In 2006 SDCEA began campaigning against the doubling of the oil pipeline capacity and its rerouting through South Durban. In 2008, SDCEA used the EIA to challenge the climate implications of a major project for the first time. But at that stage, neither protests nor allegations (quite valid) of environmental racism nor EIA interventions slowed Transnet; Gigaba openly admitted the roughshod way Transnet treated such contestation led to numerous problems in the pipeline's implementation.

In 2011, Durban municipal City Manager Mike Sutcliffe – perhaps the city's most controversial leader in history – drew up a secret plan, estimated to cost the equivalent of \$25 billion, for the entire South Durban Basin. The plan reflected many decades of official ambition to re-engineer the Basin, in the wake of the 1940s-60s attacks on black residents which turned South Durban communities into racial enclaves. Racial settlement patterns existed nearly entirely unchanged into the second decade of democracy, with the exception of Clairwood's desegregation by shack settlers as urban blighting began in the 1990s. Sutcliffe's master plan was only unveiled to the public in mid-2012 at which point a half-dozen community meetings called by the city under the rubric of public participation were taken over by SDCEA activists, led by D'Sa. A near unanimous sentiment was expressed in meeting after meeting: close down the event and refuse to have it declared a form of tick-off participation. The main planner, consultant Graham Muller, was repeatedly frustrated.

The narrative in the August 2012 pamphlet, 'ACT NOW! EXPANDING PORT, POLLUTION AND FREIGHT THREATEN SOUTH DURBAN' is worthy of even brief consideration because, like a poster for a March 2014 SDCEA protest at Durban's City Hall, it helps reveal activist attempts to link issues and constituencies. The first of eight SDCEA critiques in the pamphlet was that 'We need one planning process. The municipality refuses to discuss the port expansion projects, which are spear-headed by Transnet.' The city's strategy was to join Transnet in fragmenting the long 2014-2040 process of approval, construction and operation so that the vast implications for the entire project are not collected in any single moment of opposition. In reply, SDCEA demanded 'a *single participation process* with all spheres of government, developers and communities to chart a sustainable and common way forward. Otherwise we will be arguing one puzzle piece at a time and will never change the overall picture.'

The second critique was 'Cost vs. Benefit... Proponents boast 130 000 permanent jobs will be created – is this accurate? If correct this means a high capital investment of \$190 000/job created. What other ways could this money be invested to create sustainable livelihoods without the terrible social and environmental impacts? Are the full costs – including community destruction, adverse health effects, and our greater contribution to climate change – being considered?' Activists suspected the jobs calculation was far out of touch with reality given, as noted earlier, that even the largest container ships are designed to have crew numbering less than two dozen (13 in the case of Walmart's 15 500-TEU China-California shuttle).

The third critique also questioned the planners' understanding of global shipping demand: 'Is the expansion justified? Transnet are arguing expansion based on projections for the growth in container handling. At an 8 percent growth rate their projections show that a capacity of only 12 million containers will be needed by 2040 – yet they are building capacity for 20 million. Is this growth rate attainable given competition from other ports, growing resource constraints, carbon taxes on shipping, and global economic collapse?' Activists pointed out that harbour efficiency was appalling and that Durban's notorious status of world's highest-cost port would not be changed by adding \$25 billion in capital costs given high interest rates affecting repayment of loans plus high operating and maintenance costs.

The fourth critique was that 'Increased containers mean increased impacts,' and that this would translate into '8x the traffic, pollution and noise... There will also be an increase in Port related illegal activity including smuggling, drug trafficking, prostitution and shebeens' (informal pubs).

The fifth was of the 'wrong fossil fuel development model. Port expansion will serve increased imports of consumer goods (60 percent of container cargo are imports to Gauteng), expansion of petro-chemical industries & fuel storage and the automotive industry (Toyota). This does not take into account dwindling resources, especially oil, and the need to stop climate change.'

The sixth was the environmental risk: 'In addition to increasing climate change, port expansion will increase large water areas within the south Durban flood plain while removing the last natural wetlands. Toxic industry is also expanding in the basin. This increases the potential for flooding and hazardous chemical spills as extreme weather events increase.' Moreover, 'the Bay's estuarine ecosystem has been compromised to the point that it has lost resilience... The Bay provides a critical breeding ground for reef associated and migratory marine fish. 132 species of birds are found here and 62 species of endangered, migratory birds rest and feed here.' The sandbank's destruction in the first phase would wreck any remaining chance of restoring the harbour's ecological integrity.

The seventh was the resulting 'Community upheaval... Clairwood is earmarked for rezoning to logistics with some light industry. 6000+ people will be forced to relocate through market pressure, and with no active community present will inevitably result in the degeneration of historic cultural sites in the area. The port expansion requires 878 hectares of land for containers!'

The eighth critique was to ask, 'Freight – rail or road? The documents make reference to rail and interchange nodes. However, the documents refer to 'freight routes' which on some plans are shown as rail but more recently as roads.' Just over a year later, on the Field's Hill slope through the main mountain pass towards Durban, 24 people were killed by a runaway truck carrying a container belonging to Taiwanese-based shipping behemoth Evergreen. It was being freighted from Johannesburg by a small Durban truck transport agency, which skimmed on paying toll fees (staying on the main highway with its more gradual slope would have cost \$4 more), hired as a driver a low-paid Swazi national with an illegitimate license, and failed to have its faulty brakes repaired before the fatal trip. The SDCEA 'truck off' protest of 500 residents on the freight area's main

throughway (Solomon Mhlangu Drive) in March 2012 had forewarned of this kind of risk, given that there were 7000 accidents in Durban in 2010 involving trucks, leaving more than 70 fatalities. In Clairwood alone, trucking companies invading the residential area with illegally zoned truck yards, and accidents there and on nearby Bluff roads had killed nine residents in the prior five years. The Clairwood community leader who opposed trucks the most vigorously, Ahmed Osman, was assassinated in April 2009, shot dead on his front porch in one of many unsolved crimes involving the deaths of Durban activists.

In spite of such dangers (D'Sa himself was a target of a nighttime firebombing in his working-class flat in December 2007), the rhythm of street protest is also revealing. As the municipality and Transnet began public consultations in 2012, SDCEA activists were able to use the mass meetings as rallying points. For example, in September 2012, Clairwood's established Indian residents most immediately threatened by the existing harbour's expansion invited then Finance Minister Pravin Gordhan – who thirty years earlier was a community organiser against apartheid housing in those very streets – to make a presentation defending Transnet and the city. He attempted to do so, using the standard neoliberal narrative of international competition, and specifically the threat that Maputo would get ahead in port traffic to Johannesburg (itself a reasonable proposition given that it is a shorter route without the Durban-Johannesburg mountainous terrain to cross). Tellingly, however, Gordhan also hinted that a divide-and-conquer strategy lay ahead against SDCEA activists, because Clairwood is also a site of several thousand black African shackdwellers barely surviving in informal settlements, backyard slums and even large tents. Fires regularly ravage these residents' shacks, destroying their belongings and often injuring (and even occasionally killing) people, including one night-time blaze that wrecked a double-yard settlement of 500 shacks in mid-2013. The mainly middle-class audience of traditional homeowners of Indian ethnic origin were reminded by Gordhan that the ANC's ability to mobilise in a relatively desegregated Clairwood could haunt a coming political showdown, in which those with the most to lose were Indians in Clairwood and Merebank, followed by those in the mainly Coloured area of Wentworth (which suffers the most pollution) and the traditionally white Bluff area.

Still, three months later, in December 2012, several hundred people heeded SDCEA's call to block the back port entrance, leaving a three kilometer long queue of trucks. Protests slowed in 2013 as the port EIA process and other high-profile debates with Transnet and municipal politicians took priority. But by March 2014, when SDCEA held a march to City Hall of 800 residents, new issues and constituencies were added to the coalition, including farmers on the old airport land who are to be displaced as the Dug-Out Port is built, and subsistence fisherfolk whose access to the existing harbour was contested from the time of the 9/11 bombings – thus generating US paranoia over port security – until in 2013 they were permitted back into their traditional fishing area.

The challenge for connecting dots and adding issue areas will continue to arise. One potentially important development occurred in 2014 when the Umlazi Unemployed People's Movement (UPM) joined the anti-port coalition, for their ultimate ambition is to have the old airport land turned into low-income housing and labour-intensive industrial cooperatives. There is also potential for the country's largest trade union, the National Union of Metalworkers of South Africa (Numsa), to concretise its ambitions for



a United Front linking workers, residents, environmentalists, women and youth. If Numsa succeeds in taking over the organisation and representation of Durban port workers – as they were doing down the coast at the Coega container terminal due to disillusionment with the South African Transport and Allied Workers Union – and in the process evoking genuine eco-socialist politics, if the UPM leads land invasions at the airport before the digging is due to begin (presently not scheduled, following the November 2015 delay), and if Clairwood shackdwellers and nearby worker-hostel residents in Umbilo and Jacobs become better organised, then the threat of racial divisions would fade.

However, it must be conceded, finally, that although there is a SDCEA vision for a South Durban Basin economic and social development philosophy that transcends port and petrochemical activities, the network has remained weak when it came to making explicit demands towards this end. As SDCEA's 2012 pamphlet reported, 'We must urgently invest in a post-fossil fuel development path including renewable technologies and resilience to climate impacts. Are we giving up our land, environment and community to facilitate imports feeding rampant consumerism?' But aside from defensive gestures, a genuine strategy for a Just Transition in South Durban still lies ahead.

### **Conclusion: Urban alliances against capitalist violence**

That stark choice confronts not only SDCEA, South Durban residents and the broader city – but the country and world as a whole. With the capitalist 'development model' representing by far the greatest risk to the continuation of a decent life on a climate-constrained planet, and with inequality and political degradation out of control in South Africa and across the globe, the showdown over South Durban's future might, in microcosm, signal whether disparate forces can find unity in opposition, and use that unity to plan a future based on less risky ways of arranging economy, society and nature.

The search for powerful urban alliances against top-down economic and environmental violence of the sort described above will continue far beyond South Durban. Across the world, uneven urban development spawned by the rule of capital and the intensification of commodification is being vigorously contested by popular movements, with sites like Gezi Park in Istanbul, Rio de Janeiro prior to the World Cup, Egypt's Tahrir Square, and New York's Zuccotti Park just the highest profile of many central-city popular occupations, as the ongoing capitalist crisis continues to displace its contradictions onto urban residents and workers.

As austerity hits South Africa in coming years, the urgency for such shows of strength is intensifying, what with 2015 witnessing cuts of approximately 4 percent in state grants to poor people, with a neoliberal finance minister re-installed at capital's insistence in late 2015, and with more budget cuts demanded by ratings agencies in coming years. Yet the university students' formidable October 2015 protests taught the society that it is possible to win major concessions, in that case by making alliances with precarious workers and taking control of urban spaces (in the vicinity of their campuses), but also necessarily, to truly shake power through *national* manifestations: substantial protests at



parliament in Cape Town on 21 October, at the ruling party's Johannesburg headquarters on 22 October and at the president's office in Johannesburg on 23 October.

Across the world, this scale-jump is increasingly vital. Some movements have, in the process, begun to transcend the traditional dichotomy between an inward-looking territorial identity and the rhetoric of a broader emancipation, one expression of which has been termed the 'Right to the City.' Such a framing may optimally be seen not narrowly as mere constitutionalist 'rights talk' – which in South Africa soon hit Constitutional Court ceilings<sup>36</sup> – but more broadly in terms of arguments spelled out in Henri Lefebvre's *The Urban Revolution* and David Harvey's *Rebel Cities*.<sup>37</sup> There, the critical formulation of anti-capitalism is neither Leninist (with a vanguard socialist party at the helm) nor autonomist (the danger signified by the Occupy movement's too-rapid demise in late 2011), nor Keynesian and social democratic (in the sense of harking back to the municipal patronage politics of a more generous 20<sup>th</sup> century state), but instead, the generation of alliances between disgruntled social forces during periods of urban upheaval such as the present.

These disgruntled urban rebels are beginning to explore a broader set of urban class-alliance practices, which in the Latin American case – according to James Petras and Morris Morley – generate new movements that traverse the spheres of production and collective consumption, under conditions of persistent capitalist crisis:

The power of these new social movements comes from the fact that they draw on the vast heterogeneous labour force that populates the main thoroughfares and the alleyways; the marketplaces and street corners; the interstices of the economy and the nerve centers of production; the exchange and finance centers; the university plazas, railway stations and the wharves – all are brought together in complex localised structures which feed into tumultuous homogenising national movements.<sup>38</sup>

The main structural factor forging the unity of the urban poor and the formal working class, Petras and Morley continue, is economic crisis itself. 'The great flows of capital disintegrate the immobile isolated household units, driving millions into the vortex of production and circulation of commodities; this moment of wrenching dislocation and relocation is silently, individually experienced by the mass of people, who struggle to find their place, disciplined by the struggle for basic needs and by the absolute reign of ascending capital.' Under such conditions, the social base for urban movements is continually recreated at the point that the limits to both commodity production and consumption become evident.

With respect to production, Petras and Morley on the one hand view the rise of militant urban social movements as a consequence of the sudden increase in mass unemployment

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36. Bond, Patrick, 'Constitutionalism as a barrier to the resolution of widespread community rebellions in South Africa,' *Politikon* 41, 3, 2014, pp.461-482.

37. Bond, Patrick, 'The "Right to the City," limits to rights talk and the need for rights to the Commons,' *Revista Theomai*. 27-28, 2013, pp. 42-63.

38. Petras, James and Morris Morley, *US Hegemony Under Siege: Class, Politics and Development in Latin America*, London, Verso, 1990.

since the 1980s debt crises began, which 'lifted the control and discipline of capital over labour – making the latter available for, and receptive to, a new kind of discipline: that associated with the structure and action of mass social movements.' On the other hand, a complementary explanation – not grounded in the formal sector labour market (unemployment) – also presents itself: 'It comes down to this. Capital transformed an inert mass of atomised producers into a concentrated army; and the market that it created could not sustain it. The impersonal ties – the cash nexus – are the only link in that anonymous urban labour market. The rupture of that tie sets the stage for the eruption of uprooted people.'

Kim Moody expresses this potential in a port city like Durban as follows:

Port labour can be important to a coalition. Port expansion has often been used to de-unionise a large portion of total labour and weaken the existing unions. Also, new facilities will tend to undercut older, unionised ones so a good union has reason to oppose such expansion and not fall for the usual line about new jobs. This is what happened to the warehouse and trucking workers in the ports of LA and Long Beach – though not the dockers themselves. In the UK, new 'state-of-the-art' facilities – London Gateway (which is resisting the union UNITE) – will compete with older facilities in the Thames estuary like Tilbury, where the employers are already demanding that the port workers go on zero hours contracts.<sup>39</sup>

The ultimate test is whether the linkages sketched in the case above, ranging from citizenries and residents, to labour movements and environmentalists, can find unity. If in specific cases they do, and these fuse with the broader political-economic processes of overproduction, shipping overcapacity and falling prices, it may be that the danger to the city of an overambitious mercantile circuit of capital can be avoided. But this short-circuiting of capital, and its replacement by a broad-based Right to the City, are political projects that require ideology and analysis just as much as effective strategy and tactics, powerful alliances and social militancy. The brain and the hands of the oppressed in Durban – and everywhere else – need to operate much more collaboratively in future, so as to avoid the amputation of city life we have seen in recent years, given capital's emphasis on accumulation-by-commerce.

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39. Moody, Kim, personal correspondence with author, 15 November 2014.