Playing by FIFA’s Rules: The Politics and Potential Legacy of Port Elizabeth’s Hosting 2010 World Cup Matches

Abstract

Port Elizabeth was the first South African city to complete construction of a brand new venue to host 2010 FIFA World Cup matches. The metropolitan authority backed by the private sector hopes this spectacular event will change the city’s Cinderella status and transform it into a “winning city”. However, meeting FIFA’s requirements has many pitfalls. The escalating cost of the stadium has contributed to the metropole’s budget shortfall thereby hindering its own service delivery obligations. Long-term developmental goals will be sacrificed for the sake of enhancing the city’s image. Consequently, the legacy of the World Cup will be economically uneven and politically fractious.

8.447 mots, 54.472 signes (espaces et note en bas page inclus)
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The 2010 Fédération International de Football Association (FIFA) World Cup is billed as the largest sporting event ever held on South African soil. The spectacle will dwarf the Rugby and Cricket World Cups held in 1995 and 2003, respectively, in terms of the size of live and television audiences, the scale of advertising and sponsorship deals, as well as the amount of government investment in infrastructure. The staging of such mega-events confirms the African National Congress government’s embrace of neo-liberalism for it reiterates the country’s place within the world of economic globalisation. FIFA operates within this trade/tourism nexus and the 2010 World Cup will be a “mega-event” in every sense of the word.

There is a burgeoning literature on mega-events but only a few writers suggest that host countries are the net beneficiaries of capital flows. Andrew Rose and Mark Spiegel contend that the mega-event serves as a signal to would-be trade partners that liberalization creates the optimum conditions for increased trade and investment; that there is a correlation between the staging of mega-events and economic development.1 Accordingly, potential host countries are sometimes prepared to offer tax breaks or other concessions, as well as special incentives to multinational companies so as to make themselves more attractive sites for investment. Thus country’s hosting mega-events that play by the rules of the global economy are said to benefit.

Much effort has been spent on convincing sceptics that South Africa will be able to host a successful World Cup. The ANC government holds that the 2010 World Cup will stimulate economic growth and counter Afro-pessimism by promoting positive perceptions of the country and the continent.2 The South African public appears to share such optimism. It is widely believed that the World Cup will be instrumental in job creation, economic growth and putting the country on the international map.3 The findings of annual Human Sciences Research Council (HSRC) surveys conducted since 2006 reveal that positive expectations have remained fairly consistent notwithstanding safety and security fears, power blackouts and load shedding, as well as the increasing costs of energy, food, and so on. Anxieties are expressed about the country’s capacity to overcome challenges posed by violent crime and other manifestations of social instability such as the protests against the lack of service delivery. Yet, even the economic recession that has followed on the heels of the sub-prime crisis of late 2008 and the subsequent job losses seems to have done little to dispel the belief that the World Cup would prove beneficial to the country or dampen the enthusiasm for the mega-event.

However, a growing corpus of critical scholarship questions the benefits to be derived from mega-events.4 This literature notes that the hosting of a mega-event tends to divert (limited) human resources and capital from providing essential services that are the developmental

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state’s primary responsibility. Preparations for 2010 reveal that South Africa’s articulation with global capitalism is not mitigating apartheid’s legacies of widespread material poverty and extreme inequality. This literature highlights a disparity between the projected outcomes of such events and their actual impact on the host country. It reckons that the benefits of mega-events are deliberately overstated by vested interests – in the case of the World Cup they comprise an alliance of FIFA, global media and transnational corporations – that stand to profit handsomely from the staging of such spectacle. Conversely, the costs of staging such an event are routinely – and sometimes chronically – underestimated. In fact, FIFA’s extraordinary high technical requirements for stadiums, media facilities, accommodation, security and overall infrastructure place an enormous financial burden on the host nation. Host cities frequently engage in window dressing in order to put on their finest face to the outside world. This may result in dramatic changes to the urban environment to the detriment of the city’s under-classes. For instance, communities of the urban poor have been forcibly removed from city centres and other visible areas to facilitate renewal programmes. The homeless, street traders and sex workers are often subjected to greater degrees of harassment from the law enforcement authorities in the lead up to, and during such events. It is marginalised who pay the price of cities hosting mega-events sprucing up their appearances and images. And it will be no different as South African cities prepare to host the World Cup.

A study which is the culmination of a five-year project dedicated to gauging the effects of the World Cup highlights the gap between expectations and real benefits of the event. The summary report suggests that the event is likely to fall far short of realizing crucial socio-economic development objectives. Whilst it is conceded that host cities and the economy generally might benefit from investment in public transport, as well as communication and information technology, the event’s overall contribution to GDP may be negligible. Concern has also been expressed that in a country such as South Africa where huge disparities of wealth exist, inequality may even be exacerbated as World Cup preparations distract the state from its responsibility of tackling the problems of poverty and inequality. Equally perturbing is that while South Africa may be hosting the World Cup tournament, it is a FIFA-owned event. In order to comply with FIFA’s requirements, parliament was obliged to enact special legislation demanded by the world body. This legislation provides for a host of exemptions to laws on the statue books, as well as a string of guarantees with which not only government but the private sector and civil society organisations were obliged to provide. For instance, the stadiums are handed over to FIFA for the duration of the competition. The privilege of hosting the World Cup thus comes at a cost of

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9 Such trends have been documented in respect of cities such as Beijing that have hosted the Olympic Games. See Centre of Housing Rights and Evictions, ‘Fair play for housing rights: mega-events, Olympic Games and housing rights’, COHRE, Geneva, 2007, http://www.cohre.org/mega-events. South African cities have adopted similar strategies to clear the streets of the poor. See *Sunday Times*, 25 October 2009 (‘Hiding the homeless’).
11 In conversation with Udesh Pillay’, *HSRC Review*, Vol. 7, n° 2 (June 2009), http://www.hsrc.ac.za/HSRC_Review_Article-149.phtml
12 Glynn Davies, ‘Managing the Alchemy of the 2010 World Cup’ in *Development and Dreams*, pp. 38-39
surrendering a degree of autonomy by both the state and local authority; it amounts to a type of conditionality not unlike that imposed by donor agencies on developing countries. Thus South Africa is effectively playing the game according to FIFA’s rules.
The editors of a recently-published book on the 2010 World Cup called Development and Dreams note that the public has been misled by an alliance of sports-media-business interests and government into expecting a bonanza but suggests that they might be disillusioned. Similar cautionary notes sounded by other academics, newspaper editors, and independent commentators have gone unheeded because it has been drowned in the cacophony of celebratory and self-congratulatory euphoria over South Africa’s coup in achieving “a first” for the African continent. Whilst South Africa may derive some material benefits from hosting the World Cup, officials and politicians who have created unrealistic expectations about its long-term economic benefits might find themselves being held to account by disillusioned and even angry constituencies. Moreover, there is the prospect that FIFA’s state-of-the-art facilities might be under-utilised beyond 2010 and leave municipalities having to subsidise them for the foreseeable future. And if this means that local authorities are unable to achieve their developmental goals then this is bound to invite political “fallout”. Government has done little to manage the repercussions of dashed expectations should the World Cup not deliver tangible benefits. Such a critique is not borne of racist assumptions about the inability of Africans to manage a mega-event successfully. Rather, it is primarily concerned with issues of social justice: who exactly stands to benefit from the World Cup.
This paper will provide a case study of Port Elizabeth. It will ask why the local authorities embraced the World Cup project so enthusiastically, and whether the World Cup is likely to deliver the economic spin-offs that the city’s publicists have projected in their scenario planning. To answer these questions it will be necessary to understand something of the city’s history of “boosterism” and its marketing strategies. It will also be necessary to explore how the politics of the Nelson Mandela Metropolitan Municipality (NMMM), and its partnership with national government, the Local Organising Committee (LOC) and FIFA has impacted upon Port Elizabeth’s preparations for the World Cup. Finally, it will be necessary to examine the World Cup’s likely legacy for Port Elizabeth.

Port Elizabeth’s “Boosterism” and Marketing Strategies

Port Elizabeth has a dual colonial/African identity. Elizabeth was the wife of Rufane Donkin, the Acting Governor of the Cape Colony in 1820, who had her buried in the place that bore her name. Port Elizabeth is now used interchangeably with Nelson Mandela Bay, thereby linking it to a figure revered as the father of the “new” South Africa. The

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14 The Herald, 8 September 2009 (‘Socio-economic benefits of 2010 set to disappoint’).
15 The Herald, 9 September 2009 (Editorial Comment: ‘Need to maximise boom brought by World Cup’).
neighbouring Port Elizabeth, Despatch and Uitenhage local authorities were integrated into a single entity called the NMMMM in Mandela’s honour. The erection of a massive freedom statue as a tribute to Mandela was mooted but the project has since lapsed. However, the city has named its World Cup stadium after him. The exploitation of Nelson Mandela’s name is an opportunistic attempt to benefit from the marketability of the name of a living legend with whom the city has no historical connection.

Port Elizabeth has a history of promoting the city’s image as a place to do business by highlighting those features that are said to give it a competitive edge over the country’s other major urban centres. This practice of “boosterism” has been driven by a loose coalition of Port Elizabeth’s business and political elites. This “boosterist coalition” comprises all tiers of government, the private sector, and the local media, in partnership with the LOC. It has sought to redress the city’s “Cinderella complex”; that is, a desire to be “rescued” rather than attempt to forge its own developmental path. Wishing to reduce dependence on the motor industry, these elites have invested much of their time and effort in promoting the Coega industrial development zone (IDZ) and the new deep-water port of Ngqura as nodes for state and corporate investment. However, the failure to secure a smelter as an anchor tenant in the IDZ on account of the unreliability of power supply proved a blow to investor confidence in the region. This setback might be partially offset by the construction of an oil refinery but the project is well behind schedule and unlikely to prove Port Elizabeth’s panacea. Thus it was hoped that other NMMMM projects might propel economic development and job creation.

The NMMMM’s Integrated Development Plan (IDP) was drafted in 2003. Known as Vision 2020, its authors promised that it “… will change the face of Nelson Mandela Bay physically, economically and socially”. According to the blurb on the NMMMM’s website, Vision 2020 is “[t]he key to our future as a bold plan to drive economic growth and investment, and create the jobs that allow the poor to escape from the cycle of poverty.” Specifically, it committed the NMMMM to the provision of free basic services to all indigent households by 30 June 2010. World Cup projects, including the construction of the stadium, were retrospectively integrated into the IDP. It was believed that they might add value to the IDP by the injection of “new money” into the NMMMM’s coffers. It was (mistakenly) assumed that staging the World Cup would provide a windfall to the local treasury. Instead, as we shall see, funds have to be diverted from the provision of essential services in order to offset the NMMMM’s budget shortfall that has been increased by the inflated costs of hosting World Cup matches.

The Mandela Bay Development Agency (MBDA) is tasked with revitalising the city centre by attracting property developers to invest in its urban renewal programme. Although it has

18 The term is borrowed from Alegi. ‘The Politics of World Cup Stadium Construction’, p. 403.
19 Richard Haines cited in ‘IT incubation a key to SA’s economic future’, The Herald, 21 April, 2006, p. 11.
20 The Herald, 16 October 2009 (“Coega smelter dream over”).
managed to give the CBD the makeover it sorely needs,\textsuperscript{25} the proximate residential/commercial area of Central is regarded as an “embarrassment” to the city ahead of the World Cup.\textsuperscript{26} Moreover, projects connected with the establishment of the harbour area as a tourist attraction have been postponed or abandoned altogether. The relocation of the oil tank farm and manganese ore dumps from the harbour to Coega has been held up by the protracted negotiations between Transnet, the owners of the land, and the NMMM and potential investors. And nothing has been done to rid the CBD of its unsightly flyovers and connect it to the harbour in order to establish greater access to the waterfront on the model of Victoria and Albert Docks in Table Bay. Thus developers have evinced an understandable reluctance to when the NMMM has been slow to upgrade existing infrastructure, let alone finance new capital projects.

Recently the city’s promoters have focused on unlocking Port Elizabeth’s tourist potential as a catalyst of economic growth. Sport tourism has been accorded special attention. Local business has given its unequivocal support to the MBDA’s attempts to market Port Elizabeth as a “sporting city”. Although it has reasonable facilities as well as a sports academy, Port Elizabeth presently has little to substantiate such a claim with respect to South Africa’s most popular sporting codes – namely, soccer, rugby and cricket. Its main cricket arena, Sahara Oval (aka St George’s Park), might be a test venue but it is not the headquarters of the Chevrolet Warriors. That right belongs to East London as the headquarters of Eastern Province cricket. Notwithstanding recourse to legal action, the Eastern Cape Rugby Board has failed to convince the South African Rugby Board (SARB) that the region’s franchise, the Southern Kings, deserved a berth in the Super 14 competition which involves teams from Australia, New Zealand and South Africa. Rugby is poorly administered and equally poorly funded in the province and the regional team, has not managed to establish itself in rugby’s premier national competition, the Currie Cup. But most significantly, the city does not have a team in the Premier Soccer League (PSL) after Bay United was demoted at the end of the 2008/9 season. Thus it is unlikely that Bay United – or any other locally-based football team – will be able to afford the use of the Nelson Mandela Bay Stadium as its home ground. So Port Elizabeth cannot lay claim to being the home of top flight cricket, football or rugby.

The city hopes to attract at least 4 800 domestic and 22 600 international visitors to the Port Elizabeth area during the World Cup.\textsuperscript{27} These projections might prove overly optimistic as Port Elizabeth’s promoters have failed to capitalise on the city’s diverse assets in marketing the city to football teams and fans. These assets include its climate and its human capital. The city’s mild winters ensure that the months of June-July are suitable for spectator sports. The people of Port Elizabeth are known for their hospitality and work hard at maintaining its reputation as the “Friendly City”. A shortage of accommodation for visiting football fans was a cause for concern but has become a moot point since none of the teams have opted to set up a base camp in or near the city. Indeed, FIFA’s accommodation agency, Match, has cancelled 43% of the beds that it had reserved.\textsuperscript{28} An opposition Democratic Alliance spokesperson on sport in the Eastern Cape legislature criticised his ANC counterparts for not creating an independent lobby unit to promote Port Elizabeth’s case as a potential host city for teams or touring parties.\textsuperscript{29} However, Port Elizabeth’s situation at

\textsuperscript{25} The Herald, 2 August 2007 (“Improved mindset in “not so friendly” PE will bring investors to our beautiful city’’); The Herald 12 February 2010 (‘New business space trend’).
\textsuperscript{26} The Herald, 5 August 2009 (“2010 Soccer World Cup Special Feature: Central our embarrassment’’).
\textsuperscript{27} Pillay, et al, Development and Dreams, p. 162.
\textsuperscript{28} The Herald, 15 February 2010 (“Bay not taking Cup bed releases lying down”).
\textsuperscript{29} The Herald, 8 February 2010 (“Cameroon base camp mystery continues”).
sea level meant that it could not compete with Gauteng where most of the teams have chosen to base themselves so as to acclimatise to playing at altitude.\textsuperscript{30} Port Elizabeth was awarded the right to host eight FIFA World Cup matches.\textsuperscript{31} Whilst the city’s promoters convinced FIFA that they could provide world-class facilities to stage the matches, they have not succeeded in marketing the city to participating teams and their fans. They relied on the World Cup being a sufficient drawcard to attract spectators but failed to factor into their calculations that South Africa is a long-haul destination and that the worldwide recession has impacted negatively on sport tourism. Moreover, Port Elizabeth’s claim to be a “world class” city has not been backed by a concerted campaign emphasizing the city’s specific advantages and attractions. In fact, the marketing of the city did more to convince local residents that Port Elizabeth was deserving of host city status. For “boosterism” is as much about reinforcing civic pride as it is about promoting the city above its competitors. It only goes some way to explaining why the city’s elites threw their weight behind the bid to host the World Cup matches. The work of Port Elizabeth’s “boosterist coalition” has been jeopardised by political ructions.

**The Politics of Port Elizabeth’s Stadium Construction**

The public enthusiasm for the World Cup that greeted the announcement of South Africa’s winning bid was followed by stiff competition between the local authorities of major urban centres for the right to host matches. The NMMM’s councillors and officials seemed to believe that it had an inside track because the chief executive officer (CEO) of the LOC, Danny Jordaan, has roots in the local community. Proclaimed Port Elizabeth’s “own son” after he headed the team that won the bid, it was thought that Jordaan would be prepared to use his connections to promote the city’s agenda. But he was actually on the world body’s payroll. The NMMM also believed that the city was owed preferential treatment by the national government to make up for years of neglect by the apartheid regime. Its apologists harped on the fact that Port Elizabeth was always overlooked by promoters of high profile sports and cultural/musical events.\textsuperscript{32} In the event, Port Elizabeth was awarded the right to host five first-round matches, a second-round match, a quarter-final and the third-place playoff. Only Johannesburg’s Soccer City stadium will host as many matches (including the final), whilst Cape Town and Durban will each have seven matches (including a semi-final).

The ANC-dominated NMMM embraced the idea of Port Elizabeth staging World Cup matches with alacrity. But its efforts to deliver on its undertaking have been hamstrung by corruption and dogged by political infighting. These problems are largely the result of the factionalism of the ANC’s national structures being mirrored at local level, and because government structures render the metropole’s Executive Mayor answerable to Luthuli House (the ANC’s national headquarters in Johannesburg) rather than to the ratepayers. These problems are compounded by politicians and councillors abuse of state power for personal advancement at the expense of the people whom they are purporting to serve; what a recent ANC discussion document has labelled the “sins of incumbency”.\textsuperscript{33} And the administration of Port Elizabeth, like many other South African metropoles, has been arrested by the careerism and cronyism of public servants. The NMMM’s first and longest-

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\item \textsuperscript{30} The Sunday Times, 7 February 2010 (‘Gauteng to host at least half of 2010 countries’).
\item \textsuperscript{31} The Herald, 29 August 2006 (‘PE may get up to eight 2010 matches’).
\item \textsuperscript{32} Journalist Jimmy Matyu refers to the city’s “bypass syndrome”. See his column in The Herald titled ‘About Town’ of 12 July 2006 (‘City suffers from show bypass syndrome’).
\item \textsuperscript{33} Sunday Times, 4 October 2009 (‘Power has corrupted us – ANC’).
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serving Executive Mayor, Nceba Faku, treated the municipality as his personal fiefdom. The ruling party’s “redeployment” (read: firing) of Faku following a string of financial scandals was at the behest of Luthuli House. He was replaced by President Mbeki’s appointee, Nondumiso Mphazi. But as ANC regional chairman, Faku still exercises considerable political clout and reportedly was involved in attempts to oust his successor, as well as members of the mayoral committee not doing his bidding. This political infighting has not only resulted in the “deployment” of loyal cadres to key positions but has bred a system of patronage. This, in turn, has undermined the functioning of NMNMM committees that have aligned themselves with the former rather than the serving mayor. Now Mphazi has been “redeployed” and replaced by Zanoxolo Wayile, a trade unionist and loyalist of the new President Zuma. Mphazi was not the only casualty of the infighting between the ANC regional executive committee and the council that manages the city. The metro’s entire mayoral committee was also sacked. This factionalism seriously impedes service delivery, the award of tenders, the maintenance of existing infrastructure, and the implementation of new capital projects. Remarkably, the NMNMM’s World Cup project survived these challenges. Despite their differences, all factions appear to be committed to a common vision of making Port Elizabeth a “world class city”. However, there is obviously anticipation that the perceived benefits of hosting World Cup matches will bring its promoters and those with vested interests in the project considerable economic and political gains.

The choice of site for a stadium to host 2010 World Cup games occasioned considerable disagreement amongst those with a stake in the outcome of the decision. The NMNMM professed a commitment to consultation with stakeholders and so organised meetings in order to ascertain the wishes of the public. These were poorly attended and dominated by the most vocal of those with vested interests. The exchanges in the local media that went some way to shaping public discourse were equally dominated by political elites. The initial debate revolved around whether the NMNMM should upgrade Telkom Park (previously the Boet Erasmus) rugby stadium or build a new stadium from scratch. The former and cheaper option did not win favour because of reservations that the situation of the stadium would not enable the authorities to do much to improve the lot of previously disadvantaged residents of the city. Telkom Park’s location in the historically white area of Forest Hill, and its proximity to the airport and to up-market accommodation made it convenient for visitors but not readily accessible to the inhabitants of the poorer northern areas and townships. However, the suggestion that a new stadium be built in these areas on the periphery of the city was dismissed as impractical. When all was said and done, the NMNMM opted for a site on Prince Alfred Park adjacent to North End Lake, an area that has a mix of residential and commercial properties. Historically, the area housed white working class people but with the demise of apartheid it has been neglected and was sorely in need of upgrading. The clinching argument was that it would cost much less to develop transport infrastructure to service the North End area than the other sites on account of its central location in the city.

34 News 24, 13 March 2002 (‘Bid to axe SA’s worst mayor’), http://www.news24.com/Content/xArchive/Archive/968/184e8fa0e4f046114b2e58706620ac101/13-03-2002-06-16/Bid_to_axe_SAs_worst_mayor ; News 24, 30 January 2006 (‘E Cape mayor may be charged’), http://www.news24.com/Content/SouthAfrica/Politics/1057/a20cadf28de44ac98a22f22e31cb0f38/30-01-2006-08-42/E_Cape_mayor_may_be_charged.
35 The Herald, 2 October 2009 (‘Mayor slams acting municipal manager’).
36 Weekend Post, 21 November 2009 (‘Mayor axed in shock purge’).
37 The Herald, 12 October 2009 (‘Acting manager dividing metro councillors, staff’).
Once the North End site had been rezoned for sports use, the NMMM called for tenders for a new 50,000-seater all-purpose stadium. The design submitted by Architectural Design Associates (Port Elizabeth) (Pty) Ltd. and Dominic Bonnesse Architects found favour with the NMMM. The architect’s state-of-the-art design envisaged a stadium with the capacity for 45,940 seats. The tender for the construction of the stadium was awarded to Grinaker-LTA which entered into a 50:50 joint venture with Dutch company Interbeton.\(^{39}\) Construction commenced in January 2007 and was scheduled for completion to meet FIFA’s deadline of December 2008.

Initially, Port Elizabeth remained ahead of its stadium construction schedule. When the Eastern Cape Province’s Department of Sport, Recreation, Arts & Culture convened a summit over the weekend of 4-5 August 2006, the (national) Sport Minister, Makhenkesi Stofile, proudly announced that “Nelson Mandela Bay was one step ahead of other host cities for the 2010 World Cup”. The congratulatory tone was occasioned by the apparent progress made to “consolidate the efforts of the government towards the preparations for the 2010 Football World Cup in the province”.\(^{40}\) Such a statement by an Eastern Cape ANC stalwart and party heavyweight convinced the NMMM and other local role players that national government would provide unqualified backing for Port Elizabeth’s aspiration to transform itself from a second to a premier-league player capable of holding its own with other major centres. It was precisely this sort of assurance from a spokesperson of the ANC national government that convinced the NMMM to prioritise the project.

The aforementioned summit also advertised government’s intention of co-ordinating the efforts of all tiers of government in providing “a good foundation upon which a solid 2010 comprehensive structure shall stand”.\(^ {41}\) National government sought to establish a platform for ensuring a close working relationship between the metropolitan authorities responsible for providing the facilities that FIFA required of host cities, and with the LOC that was responsible for monitoring the progress of such work on behalf of football’s world governing body. The LOC’s mission statement committed it “to collaborate with all stakeholders in a dynamic partnership based on integrity and excellence”.\(^ {42}\) The NMMM’s organising committee and City Manager liaised directly with the LOC. But the instability in the constitution of NMMM portfolio committees and the suspension of the City Manager disrupted the work schedules on the stadium. And the untimely resignation of the NMMM’s sport, recreation and culture business unit manager, Mbulelo Gidane, apparently due to the aforementioned ANC factionalism, set the process back still further.\(^ {43}\) Despite these setbacks and FIFA’s constant shifting of deadlines for World Cup preparations,\(^ {44}\) the construction of the Nelson Mandela Bay Stadium was completed in 26 months. The stadium became the most prominent feature on the Port Elizabeth skyline. The visually impressive structure with its trusses that symbolise sails evokes a nautical theme.\(^ {45}\) In Figure 1 it is shown against the backdrop of the Indian Ocean. It dwarfs the residential properties in the foreground, as well as office blocks, stores, factories and warehouses in the neighbourhood.


\(^{40}\) *The Herald*, 7 August 2006, p. 1 (‘Bay outruns other cities in preparation for 2010’).

\(^{41}\) *The Herald*, 3 August 2007.

\(^{42}\) *Sunday Times*, 22 November 2009.

\(^{43}\) Gidane resigned on 17 July 2006, a week after accompanying a regional delegation to Germany.

\(^{44}\) *The Herald*, 11 September 2007 (‘Countdown to new venue – a saga of shifting deadlines’).

\(^{45}\) *Sunday Times*, 25 October 2009 (‘Stunning stadiums will do SA proud’).
To meet its obligation to host public events in the stadium prior to the World Cup, the NMMM held an open day in the Nelson Mandela Bay Stadium. The official opening ceremony was held on Sunday 7 June and then Deputy Executive Mayor, Councillor Bicks Ndoni, said the occasion gave residents the chance to see first-hand the stadium’s “state-of-the-art facilities, experience its beauty, warmth and uniqueness, and bask in the glory and pride of knowing that we are the joint owners of a truly world-class facility”. Jordaan paid tribute to the NMMM’s “project management capability, the construction company and the workers [who] managed to complete the stadium in record time”. But the occasion was also an exercise in testing the preparations for managing the crowd of 25 000 that attended the event. It apparently went according to plan, apart from congestion in the vicinity of the stadium caused by the poor regulation of traffic and parking.46

Then on 16 June 2009, the Nelson Mandela Bay Stadium was utilised for a rugby fixture between a Southern Kings invitation side and the touring British and Irish Lions. Despite the precinct being incomplete, the stadium received the “thumbs up” from the public who attended the match. But the occasion was marred by an armed robbery an hour after the game when five gunmen stole cash from a bar on the fifth level of the Stadium. The robbery occurred because measures such as a security cordon one kilometre around the venue, special passes, metal detectors and bag scanners did not remain in place after the match. The reaction to the breach of security ranged from relief that the robbery had occurred during a “trial run” instead of the World Cup itself and press concerns about the adverse publicity that the incident generated.47 This complacency in the face of danger to life can be attributed to the fact that the robbers did not use violence and that no one was harmed. But it also raised questions about Port Elizabeth’s readiness to host the World Cup. Such concerns were laid to rest by the successful staging of an international friendly football match between South Africa and Japan on 14 November 2009. A near-capacity crowd filled the Nelson Mandela Bay Stadium and the local press proclaimed that “soccer fever” had gripped the city. Despite the match ending in a tame draw and the fans finding little to cheer about with respect to the national team’s performance, the atmosphere in the stadium was celebratory. Jordaan hailed the city’s operational readiness and added that the LOC was convinced that the stadium was ready to host its 2010 matches.48 There were no

repeats of the previous security lapses and the post-match mood was one of mutual backslapping by all the parties involved in what amounted to a dress rehearsal for 2010. Port Elizabeth was the first South African host city to complete construction of a brand new venue for the purpose of staging World Cup matches. It was also the first to hold a trial run involving the national team. The civic pride evident in these achievements is readily apparent to visitors to the NMMM’s website which apportions an extraordinary amount of space to 2010 World Cup projects, especially to the construction of the stadium. Its host city poster (Figure 2) depicts a football bulging in the back of a net as if a goal has been scored. It seems to proclaim Nelson Mandela Bay/Port Elizabeth a “winning city”.

![Figure 2: Nelson Mandela Bay/Port Elizabeth Host City Poster](http://www.fifa.com/worldcup/destination/cities/city=4961/index.html)

But it remains to be seen exactly what it means to be a “winning city”. Whilst the erection of the stadium is an achievement in its own right, it marks the mid-point of a process that is not complete until the final whistle has been blown, and footballers and their fans depart from Port Elizabeth. After the event, FIFA and its accommodation agency, Match, will depart with their profits and start preparations for the next tournament. And it is the city’s ratepayers and residents who will have to reckon with the World Cup’s legacy. I will attempt a preliminary evaluation that suggests the ANC’s political infighting has caused it to lose sight of its promise to deliver a “better life for all”. Instead, the ruling party has allowed itself to be diverted from its commitment as a developmental state.

**The “Lasting Legacy” of Port Elizabeth’s World Cup**

The alliance of special interest groups promoting the World Cup promised South Africans that it would leave a “lasting legacy” that would redound to the benefit of host cities and their inhabitants. National government and local authorities have, in turn, fed expectations that the public should benefit from improvements to public transport, new infrastructural developments and the upgrade of existing facilities.

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49 *The Herald*, Editorial Comment, 10 February 2010.
The introduction of a Bus Rapid Transit (BRT) system was mooted as a cost effective way of providing affordable and convenient public transport in host cities for the duration of the World Cup and beyond. An amount of some R330-million was made available by the National Department of Transport under the Public Infrastructure Fund earmarked for preparations for the World Cup.\textsuperscript{50} The BRT system with its dedicated bus lanes would require the widening of arterial roads and other measures to accommodate the expected increases in the volume of traffic during the World Cup. The so-called Khulani Corridor was pivotal to the NMMM’s plan to create a sustainable transport network in Port Elizabeth’s northern areas. The corridor is to link the main arterial roads in KwaZakhele and New Brighton to the city centre via Korsten. The idea is to link the industrial and commercial zones of Korsten and Sydenham with the townships and the city centre rendering easier access to the Nelson Mandela Bay Stadium. The budget for the upgrading and rehabilitating of the roads was nearly R15-million.\textsuperscript{51} However, the construction of dedicated bus lanes is nowhere near completion at the time of writing. Moreover, the R100-million tender awarded to Volvo South Africa to build the buses for the BRT was delayed by more than a year as the NMMM struggled to “sell” the scheme to the taxi associations.\textsuperscript{52} The BRT system was renamed the Integrated Public Transport System (IPTS) as the NMMM envisaged supplementing rather than replacing the services provided by the taxi operators who cater primarily for low-income earners in Port Elizabeth’s townships and poor northern suburbs. According to the former Mayor, Maphazi, “bus and taxi operations will be combined into an integrated public transport system to improve service delivery to the community”.\textsuperscript{53} Notwithstanding the Mayor’s attempt to allay taxi owner’s fears that the IPTS posed no threat to their livelihoods and an extensive – albeit poorly supported – consultation process brokered by the NMMM, taxi owners were not immediately convinced. Taxi drivers, who have a deserved reputation for being a law unto themselves, resorted to road blockades which effectively held the city to ransom and embarked upon strikes that stranded commuters. They also engaged in random acts of sabotage and the destruction of municipal property to force the authorities to back down. The contretemps was characterised by violence and intimidation as taxi owners flexed their political muscle. And the local authorities seemed to have neither the political will nor the means to hold the taxi operators accountable for their actions.\textsuperscript{54} In November 2009 an agreement was eventually negotiated with taxi associations whereby taxi and bus operators would become joint owners of the IPTS. In order to facilitate this arrangement, taxi operators undertook to form five co-operatives which would conclude contracts with the NMM for the operation thereof. Thus taxi operators effectively backed down from earlier demands for full ownership of the IPTS. This modus vivendi included an agreement that the IPTS would be phased in and that it, along with the taxis, would be subsidised by the government. In fact, the agreement could only be reached after the newly-installed Zuma government guaranteed that there would be “no loss of legitimate profits or jobs by the taxi industry”. Taxi operators welcomed the development as “the beginning of the transformation of the taxi industry from informal operations into formal business

entities”. Then Deputy Mayor, Ndoni, proclaimed that the IPTS “will go a long way to ensuring the success of the 2010 FIFA World Cup as well as leave a lasting legacy for the region”. Given the record of mutual mistrust, Ndoni’s optimism is likely to prove misplaced.

The Nelson Mandela Bay Stadium was initially projected to cost R787-million. In June 2006 the NMMM secured a R80-million loan from the Development Bank of Southern Africa to offset building costs for which the estimate was subsequently revised to R1.1 billion. The latter figure included the cost estimates for the upgrading of transport routes and signage in the province. But costs continued to spiral and the stadium’s final price tag reached R2.0 billion. With similar budget overruns being incurred by other host cities, the National Treasury eventually declared that it was no longer prepared to supplement municipal expenditure on the construction of infrastructure and facilities for the World Cup. When the NMMM was faced with the prospect of having to ask ratepayers to fund a projected R2.4 billion municipal shortfall, it decided instead to trim the budget in a number of areas that were deemed non-essential. These included drastic cuts to the budget of the city beautification programme, stadium precinct development, and elements of the IPTS network. Only the preparation of the Sahara (cricket) Oval/St George’s Park grounds as the official Fan Park, at a cost of R5 million was unaffected. These projects have had to be downscaled in order to offset the NMMM’s budget shortfall that has been exacerbated by the inflated costs of the World Cup project.

Qinga Vika, the spokesman for Sicelo Shiceka, chairman of the Host Cities Forum, insisted that it had never been the intention to pass on the cost of servicing NMMM’s R1.3 billion shortfall to ratepayers. But this assurance had a hollow ring to it. The proposal of property rates increases in the 2009/10 and 2010/11 financial years over and above annual increases was a tacit admission that the NMMM would be hard pressed to recoup its outlay on the stadium and/or repay its loans. And if ratepayers were to be spared these additional hikes, it begged the question of where the money was going to come from if it was not diverted from the normal service delivery programmes and IDP projects.

The NMMM’s financial straits have been exacerbated by its inability to collect revenue from debtors – both government departments and ratepayers. This state of affairs is partly a hangover from the apartheid-era when townships were characterised by desperate poverty and rent boycotts. The fact that more than half of all municipal account payers are in arrears and the NMMM has an outstanding debt of close to R1-billion means that the city is facing the very real prospect of bankruptcy. Apart from leaving Port Elizabeth with an unserviceable debt, concern has also been expressed that the city might be saddled with an under-utilised stadium. It was initially reckoned that the stadium would run at a profit for its first four years but thereafter projections of income from the hire of the stadium and its facilities were difficult to determine. Even these guesstimates probably err on the positive side and we will have to await the NMMM’s 2010 business plan before we are in a position to know whether the costs of operating and maintaining the stadium will exceed the income it generates.

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55 The Herald, 5 November 2009 (‘Integrated transport system a step closer’).
56 The Herald, 11 Sept. 2006 (‘Bay stadium estimated to cost R1,1 bn’).
57 The Herald, 7 August 2006, p. 4 (2010 World Cup Stadium: Latest on Development Plans’).
58 Davies, ‘Managing the Alchemy of the 2010 World Cup’ in Development and Dreams, p. 48.
60 The Sunday Times, 31 May 2009 (‘Ratepayers spared 2010 cash squeeze’).
61 The Herald, 12 October 2009 (‘Metro focus on service delivery needed to get city back on track’ by Piet Naude) and (‘Revenue collection drop could bankrupt Bay’).
capacity of the stadium will be reduced slightly after the World Cup by the removal of some temporary seating, but even then it is seldom likely to be filled for sports fixtures unless the city wins the right to host the Springbok Rugby team for the occasional test match, or popular PSL teams such as Kaizer Chiefs and Orlando Pirates play exhibition matches at the venue. Until such times as the Southern Kings franchise is promoted to the Currie Cup or is granted a berth in the Super 14 competition, it is unlikely to attract large enough crowds to warrant the relocation of its headquarters from Telkom Park to the Nelson Mandela Bay Stadium. And if local football and rugby teams do choose to relocate to the stadium, the cost of match tickets might become prohibitively expensive for local fans. Even world-renowned artists and performers are unlikely to fill the stadium. Thus there is every chance that the Nelson Mandela Bay Stadium might become something of a “white elephant” because the NMMM was seduced by the symbolism of stadium building and playing host to the spectacle of the World Cup.

It appears, then, that Port Elizabeth’s bid to become a “winning city” is likely to be foiled by a combination of factors: an unfinished IPTS, a scaled back urban renewal programme, and a crippling debt. Moreover, it appears that resources will be diverted from IDP developmental goals in order to realise a project of enhancing the city’s image. In the process, the interests of Port Elizabeth’s marginalised will undoubtedly be neglected at the expense of promoting the interests of business and political elites.

Conclusion

So why has Port Elizabeth miscalculated the benefits of being a World Cup host city? This was partly because local authorities accepted at face value national government’s positive appraisal of the advantages of staging the tournament. The impression that I have gleaned from media coverage is that compliance with FIFA deadlines and requirements subsumed the development goals of both the national government and local authorities. For instance, the NMMM spokespersons expressed concern that cost-cutting measures might mean that Port Elizabeth would jeopardise its chances of hosting the World Cup. And measures implemented by the NMMM accord priority to the convenience, comfort and security of visiting FIFA officials and football fans rather than the needs of the local populace. Given its limited resources, the metropole should be obliged to prioritise the needs of its residents over those of an organisation that has no long-term commitment to the city.

Hosting the World Cup is not a win-win situation for all parties. There will losers. Given the budget shortfall, there is a strong likelihood that ratepayers will have to bear the burden of the NMMM’s debt because the National Treasury has insisted that there is no more money available to assist local authorities with cash-flow problems. The NMMM’s increased indebtedness would seem to suggest that the municipality has not always represented the best interests of its own ratepayers. Instead, the interests of local political and business elites, as well as those of multinational corporations and FIFA have been well served by an ANC-dominated council intent on rewarding those prepared to showcase their city to the global community. But there has been little incentive for such corporations to invest in Port Elizabeth’s people. Consequently, the legacy of the World Cup will in all probability do nothing to alleviate poverty and address inequality. Instead, it is likely to exacerbate existing economic disparities, contribute to social instability and increase tensions within the ruling party at local level as it struggles to defuse dashed expectations amongst its constituency. Port Elizabeth/Nelson Mandela Bay will pay a price for playing the game according to FIFA’s rules.