

# **TRANSPORT: A CATALYST FOR SOCIO-ECONOMIC GROWTH AND DEVELOPMENT OPPORTUNITIES TO IMPROVE QUALITY OF LIFE**

**NYASHA CHITATE**

University of Cape Town

## **INTRODUCTION**

According to Article 7 of the Universal Declaration of Human Rights, “All are equal before the law and are entitled without any discrimination to equal protection of the law.” Specifically speaking, all people, regardless of race, gender, religion and socio-economic status, are equal, and entitled to equal such as education, healthcare, and other necessities and amenities that constitute a dignified quality of life.

A brief look into our history, however, will show that this law has been violated many times. The genesis of most wars, colonisations, genocides etc. was a belief that a certain group of people was less equal than another. In the present day, discounting extremities such as civil wars and terrorism, violations of the 7<sup>th</sup> article of the Universal Declaration of Human Rights occurs in subtler forms: inequality regarding access to socio-economic opportunities. This inequality has thus led to limited reciprocity of the benefits of socio-economic growth and development by marginalised people. This is particularly prevalent in developing Southern Africa, where inequality gaps are large. Analysts and researchers have identified interventions such as infrastructure investment and the “fourth industrial revolution” as possible methods of mitigating the causes of socio-economic inequality. This essay will discuss an alternative intervention: public transport (PT). This essay will show how PT can act as a catalyst to socio-economic growth in the Southern African region, thus reducing inequality and improving quality of life. The economic and social benefits will be highlighted, particularly in an African context. It will then move on to identify the relevant stakeholders involved in PT policy, infrastructure and supply, and the role they play in PT.

Inequality to access to opportunities is what the people of Southern Africa have to negotiate on a daily basis. In South Africa, for example, the political and social history, which was largely based on racial segregation, led to people of colour being forced to live on the outskirts of cities during the Apartheid regime. These outskirts were far away from jobs, good schools, healthcare etc. Although Apartheid has been abolished, many people still find themselves living in these informal settlements on the outskirts of city centres.

During the downfall of the Zimbabwean economy, the weak currency made it difficult to import PT vehicles and fuel, resulting in a stagnant PT system (Mbara, 2006). In Malawi, the PT sector is prone to various structural and functional deficiencies, which include high fares, poor quality of service and lack of attention to passenger safety (Tobias, 2008).

The essay will discuss the economic and social benefits of PT in separate chapters. Thereon, effective stakeholder engagement as a means of reaping the full social and economic benefits of PT will be reviewed.

## **ECONOMIC BENEFITS OF PT**

In order to fully understand the issue at large, the key phrase of this essay, socio-economics, must be defined. The term is best understood when it is broken up into its two main components: social development and economic development. Social development is about putting people at the centre of development. It is a process which results in the transformation of social institutions in a manner which improves the capacity of the society to reach its full potential. Economic development is the advancement of economic wealth of countries for the well-being of its inhabitants. Economic growth is used to measure the level of economic development. By combining social and economic development, socio-economic development is thus defined to be the process of the synchronisation of social and economic development within a society. It is measured by Gross Domestic Product (GDP), life expectancy, literacy and levels of employment (International Institute of Social Studies, 2011).

Economic growth in Southern Africa has been stagnant of late, with GDP rates averaging 3.1% for the year 2015, which is below the continental average of 5%. A slow economic growth rate results in lower production output, consequently leading to rising unemployment (African Development Bank Group, The Organisation for Economic Co-operation and Development & United Nations Development Programme, 2015). It would be in the Southern African's region's best interest to improve this statistic.

In terms of PT provision, PT is a major contributor to a nation's economy through the diverse range of skilled, high-tech jobs that it offers directly. Capital investment in PT sparks a chain reaction in economic activity up to three to four times the initial investment, enabling and promoting urban densification and greater urban productivity. In European cities, these investments have been known to provide up to twice as many jobs as other investments. (International Association of Public Transport, 2014). In Southern Africa, PT infrastructure investment could lead to a wide range of much needed job creation, ranging from construction workers to bus drivers and train operators.

Economic benefits of PT can further be divided into two broad classes: short-term benefits and long-term benefits (Bhatta & Drennan, 2003). Short-term benefits are the employment, earnings and stimuli that originate from the construction industry from suppliers, workers and retailers (Bhatta & Drennan, 2003).

The long-term economic benefits of investments into public transportation projects, which is what Southern Africa really needs, include the following:

- i) Increases in productivity (output per unit of input);
- ii) Reductions in cost of production;
- iii) Increases in income, property values, employment and real wages;
- iv) Rate of return equal to or greater than the social cost of investment; and
- v) Reductions in non-commercial travel time, improved access and improved quality of life (Bhatta & Drennan, 2003).

### **Increases in productivity**

For freight transportation, there can be additional gains from reducing the times goods are held up in transit. Time-savings could mean economic efficiency gains, thus resulting in tighter scheduling and thus increased productivity (Lindfors, 2013). Increasing productivity in Southern Africa could serve to boost a stagnant GDP rate as well as make local products globally competitive.

### **Increases in income, property values, employment and real wages**

A comprehensive PT network is one that is easily accessible to more users' homes. This improvement in accessibility will subsequently have a positive impact on property values. Employment will also increase as accessing business and industrial hubs becomes easier. Employees will be able to pocket more of their wages and increase their disposable income as an affordable transport network will demand a smaller percent of their wages. Properties that are valued higher will transform neighbourhoods into areas that are more socially friendly and crime free, improving safety and security.

### **Social benefits of PT**

The social impacts of transport have traditionally been viewed as secondary or even tertiary concerns relative to economic and environmental impacts. Geurs *et al* (2009) defines social impacts as "...changes in transport sources that (might) positively or negatively influence the preferences, well-being, behaviour or perception of individuals, groups, social categories and society in general (in the future)". The University of Leeds goes on to describe social benefits as those that PT users enjoy from accessing particular services that they would otherwise not have had easy access to without the use of PT. It is a worldwide trend that people in lower socio-economic groups use PT more frequently than people in higher socio-economic groups, with buses and MBT's being relied upon the most in Southern Africa.

The following criteria have been identified as social benefits resulting from PT:

- Safety;
- Security;
- Accessibility;
- Mode interchange;
- Land-use policy;
- Physical fitness; and
- Journey ambiance (International Association of Public Transport, 2009).

In addition to the aforementioned attributes, the key benefits experience by people in lower income groups, of which the majority of Southern African countries falls under, are:

- Access to employment;
- Access to education;
- Access to health services;
- Improvements in health (direct and indirect benefit);
- Reduced risk of socio-economic exclusion; and
- Increased opportunities for socio-economic mobility for children from low income families (International Association of Public Transport, 2009).

### **Access to employment**

About 40% of job seekers say that a lack of personal transport or poor public transport is a key barrier preventing them from obtaining a job. Unemployed people, and in particular, long-term unemployed, have been found to be the most alienated from public transport provision as they cannot afford to use PT (Beard et al., 2013). South Africa has one of the highest unemployment rates in the world. Easier, more affordable access to opportunities could drastically improve the employment rate.

### **Access to education**

In addition to the burden brought on by unemployment, access to education also poses a great social barrier. Some parents with a low socio-economic status cannot afford bus fares (or other forms of transportation) for their children to access schools further away from home, and as a result, their children are put at a further social disadvantage. This often forces low-income families to send their children to the closest schools, which may be of a lower standard compared to those in the local area or CBD for instance (Beard et al., 2013). In previous research done on the community of Khayelitsha, it was observed that next to workers, school children were the majority bus users. The research showed that these school children were travelling for over an hour to attend schools in the city, and that the travelling expenses of these children's families were inappropriately high. Improving PT can alleviate the stress of travelling to and from school for these school children, thus improving performance in school (Chitate, 2015).

In order to fully achieve the socio-economic benefits of PT implementation listed above, all relevant stakeholders should be identified, and once engaged, involved in the decision-making process. Without stakeholder engagement, under-represented groups will not have their key considerations brought out in a transportation project,

and the implementation as well as the maintenance of such a project will have an underwhelming effect in the proposed communities. A stakeholder is any individual, group or organisation affected by, or able to affect, a proposed project and its implementation (Civitas, 2000).

### **Solutions to better engagement between public and private stakeholders**

Although stakeholders will vary from project to project, main stakeholders in transport projects in Southern Africa will include the public sector, e.g. provincial governments, such as relevant departments of transport, private sector (for those entering a public-private partnership), and transit users and operators.

In certain parts of Europe stakeholder engagement is increasingly becoming a legal requirement for major projects. This could be due to the fact that projects are more successful when there is specified accountability and designated responsibility. Stakeholder engagement has the following benefits:

- i) “Improves the quality of decision making, since those with a vested interest contribute from the initial stages;
- ii) Identifies controversial issues and difficulties before a decision is made;
- iii) Brings together different stakeholders with different opinions, enabling an agreement to be reached together and preventing opposition at a later stage which can slow the decision-making process.” (Civitas, 2000, p.5).

Civitas (2009) has recommended five strategies in improving stakeholder engagement, of which the last four are applicable in this context. The second recommendation is to build effective partnerships. Project leaders must think of which stakeholders to involve, and what potential role the stakeholders could fulfil. The third recommendation for transport planners is to develop a strategy defining the steps for each stage of the project. The strategy should clearly outline the type of engagement activities (methods, tools and techniques) that are to be implemented.

Following the third recommendation planners should devise involvement strategies. This is necessary as different strategies require different formats and techniques (e.g. surveys, interviews and discussion groups) at different levels of use. The final recommendation is the most important. Once recommendations one to five have been executed, transport planners must evaluate and follow up.

An example of lack of adequate stakeholder engagement in South Africa is evidenced by taxi drivers holding protests against intended Bus Rapid Transit (BRT) implementations due to fear of losing money or feelings that their concerns were ignored. Another illustrative example is how Gautrain was taken to court by homeowners who were not in favour of its implementation. From these examples, it is clear that comprehensive stakeholder engagement is crucial at all planning stages if a PT project is to be successfully implemented. Potential socio-economic costs and benefits should be carefully identified and weighed, so that the most beneficial services are offered to the community/communities, at a social and/or economic cost that stakeholders can afford.

## CONCLUSION

In Southern Africa, the Universal Declaration of Human Rights is under threat due to unequal access to socio-economic opportunities. Southern Africa is plagued with low GDP rates, high unemployment rates and crime, vast disparities in incomes, and sub-par education and healthcare. Easy access to economic and industrial hubs, good healthcare and education, as well as other amenities that constitute a dignified quality of life is mostly enjoyed by the social elite: those who can afford private vehicles. Those that cannot afford such must rely on inefficient, unreliable PT to access, at times, poorer versions, of the goods and serviced enjoyed by the former. The discrepancies in access to transport has led to blatant, unethical socio-economic inequality that is so prevalent in the developing Southern African region. This inequality, however, can be rectified through the supply of a comprehensive, sustainable, affordable public transport system.

The economic benefits of PT include increases in productivity, reductions in cost of production, and increases in income, property value and real wages. An increase of the afore mentioned factors can boost the stagnant GDP rate of Southern African countries, thus giving the economy a much needed boost. In addition, local products will also become more globally competitive.

The social benefits of PT include increases in safety and security, improvements in and access to health, access to employment, education, and a reduced risk of socio-economic exclusion. With increasing property values, there could be an increase in security of certain homes or small businesses, leading to overall reduced crime rates within that area. School children and workers will find it easier to access better schools and jobs in the city respectively, and not have to sacrifice quality of education and income in exchange for proximity and cheaper travelling costs.

Direct investment into PT in Southern Africa can act as a sustainable catalyst for socio-economic growth by achieving the potential economic and social benefits with the aid of thorough stakeholder engagement. The benefits of PT projects can only be fully reaped once all relevant stakeholders are fully addressed, recruited and informed. Public Transport is the tool Southern Africa can use to become a globally competitive, socially equal powerhouse.

## REFERENCES

African Development Bank Group, *The Organisation for Economic Co-operation and Development & United Nations Development Programme 2015*. African Economic Outlook. OECD Publishing.

Beard, J., Hurst, N., Heath-Brook, C., Wardman, M., Batley, R. & Gordon, A. 2013. *Valuing social impacts of public transport*. Birmingham, United Kingdom: University of Leeds; Mott MacDonald.

Bhatta, S.D. & Drennan, M.P. 2003. *The economic benefits of public investment in transportation a review of recent literature*. Journal of Planning Education and Research. 22(3):288-296.

- Chitate, N. 2015. *Public transport capacity analysis and quality of service assessment: A case study in Khayelitsha*. BSc. University of Cape Town.
- Civitas 2000. *Involving stakeholders: Toolkit on organising successful consultations*. Hungary: Civitas.
- Geurs, K.T., Boon, W. & Van Wee, B. 2009. *Social impacts of transport: literature review and the state of the practice of transport appraisal in the Netherlands and the United Kingdom*. *Transport Reviews*. 29(1):69-90.
- International Association of Public Transport 2009. *Assessing the benefits of public transport*. Available: [http://www.uitp.org/sites/default/files/cck-focus-papers-files/01%20Assessing%20the%20benefits%20of%20public%20transport.pdf](http://www UITP.org/sites/default/files/cck-focus-papers-files/01%20Assessing%20the%20benefits%20of%20public%20transport.pdf).
- International Association of Public Transport 2014. *Monthly Focus: The Economic Impact of Public Transport*. Available: <http://www.uitp.org/news/monthly-focus-economic-impact-public-transport> [2016, March 13].
- International Institute of Social Studies 2011. *Indices of Social Development*. Available: <http://www.indsocdev.org/defining-social-development.html> [2016, March 13].
- Lindfors, J. 2013. *The wider economic impacts of transport investments*. Bothian Green Coridoe.
- Markovich, J. & Lucas, K. 2011. The Social and Distributional Impacts of Transport: A Literature Review. *Transport Studies Unit, School of Geography and the Environment Working Paper*. (1055).
- Mbara, T. 2006. Coping with demand for urban passenger transport in Zimbabwe: challenges and options. *Satc 2006*.
- Tobias, M. 2008. *Minibus operators and passenger welfare in Malawi*. Jaipur, India: CUTS International.
- Wati, K. 2009. *Transport related social exclusion in Ahmedabad*. Masters. University of Twente.