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Nearer my mall to thee: The decline of the Johannesburg Central Business District and the emergence of the neo-apartheid city

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1998-10-05
http://hdl.handle.net/10539/8421

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SEMINAR PAPER
TO BE PRESENTED IN THE RICHARD WARD BUILDING
SEVENTH FLOOR, SEMINAR ROOM 7003
AT 4PM ON THE 5 OCTOBER 1998.

TITLE: **Nearer my Mall to Thee: The Decline of the Johannesburg Central Business District and the Emergence of the Neo-Apartheid City**

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NO: 442

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Introduction

Many people subscribe to the notion that the Johannesburg central business district, or CBD, has declined substantially in recent years. A closer examination of the available data, however, suggests that the process has in fact been evident for some 40 years (Lauf 1959). By the 1950s, white residential growth had already begun to bulge out to the north (Figure 1), while the 1960s saw the beginnings of a similar movement of office accommodation. Furthermore, some of the major developments that emerged in the downtown area during the 1970s, and that were intended to reinforce the status of the CBD, in fact did much to hasten the decline of downtown retailing. The neo-apartheid city that we see unfolding today has deep historical roots.

The Beginnings of Decentralization

Even though small clutches of shops and some services had inevitably developed in the suburbs by the 1940s, Johannesburg at the time was still for all intents and purposes a city with a single major business district. With the continued expansion of the built-up area in the post-war years, and the increasing ownership of private motor cars by white people, it followed that clusters of decentralized shopping and the number of business nodes would increase and expand. It has been claimed that confidence in the central core was dealt a serious blow in the 1950s when the Council itself decided to move most of its technical departments out of the crowded City Hall, and nearby buildings, and place them in a single complex on the Braamfontein hill (The Star 1987). That decision, and other changes spelled out below, might have been the reason why the President of the South African Town Planning Institute believed that by 1959 the first sure indications of decentralization were visible (Marshall 1959).

Developments in Braamfontein: CBD Extension or Decentralized Node?

The change in the nature of Braamfontein was heralded by two supposedly complimentary developments. First came the decision by the city authorities in the early 1950s to move many of the administrative functions of the municipality to a civic centre complex that would be built across a 7.5 ha. site on the crown of the Braamfontein Hill, and second, the Council zoned additional stands in Braamfontein for commercial activities.

Although the position for the civic centre was selected in the early 1950s it was only in 1960 that the ground was cleared of its small houses. The design of the civic buildings was selected by means of an architectural competition. The winning entry, announced in 1962, was a civic building, dominated by a 17-storey office arm that can be seen from afar in all directions. It was completed in 1972. As such the large 'captive market' of municipal office-workers did little to positively influence the initial commercialization of Braamfontein that had proceeded more rapidly from the mid-1950s onwards.

The birth of Braamfontein as a business node had been encouraged in part by granting business rights under the Johannesburg Town Planning Scheme in 1946 (Muller 1968). In point of fact it was only in the 1950s, after more sites were zoned for business in Braamfontein, after the new bridges were built, and when the increased demand for office space in the CBD could not be readily satisfied, that the modern commercial townscape emerged. It does seem that business people were aware that a location in Braamfontein was a bridge too far from the CBD for the new node to be a genuine extension of the central business district. Consequently the first flush of businesses that opened in Braamfontein, made up of those relocating from the CBD and of 'first-time openers', were office-based activities that required only a degree of proximity to the main institutions of the CBD. They were businesses that did not depend primarily upon personal visits by their clientele or persons from associated businesses in the CBD in order to succeed (Hart 1969).

In 1954 the Electricity Supply Commission (Escom) decided to vacate its 72 metre-high ziggurat 'skyscraper' in Rissik Street and move its headquarters to the bulky 'arm-chair-shaped' Escom Centre. The new building was only a metre taller than the older one but contains 37 155 sq.m. of office space. It was built across a whole city block between Wolmarans and Smit Streets just east of Harrison Street (Chipkin 1993). Other early arrivals in Braamfontein were the head offices of South African Breweries, Imperial Chemical Industries, and Shell. In the mid-1960s the Schlesinger Organization erected their 82 metre-high building across a whole block bounded by Rissik, Wolmarans, Smit, and Joubert Streets. It contains 24 floors of offices and resembles a miniature version of the Pan-Am building (now the MetLife Building) located between the Helmsley Building and Grand Central Terminal on Park Avenue in New York City (Mandy 1984; Chipkin 1993).

Braamfontein had only 4 923 sq.m. of office space in 1950 but by 1965 that area had grown to 163 113 sq.m. (City Engineer 1967). The growth was driven in part by the boom in the South African economy after South Africa left the Commonwealth in 1961. Just over a year later office space in Braamfontein had increased by an additional 121 000 sq.m. (Hart 1969), reflecting in part the 1966-67 economic surge in South Africa that saw 25 per cent added to the stock exchange index during the great stock market boom of 1965 to mid-1969.

On the retail front the developments in Braamfontein were never exciting. Even though shops made up the second-largest category of land use they accounted for only 9.5 per cent of the total floor space by 1965 (Hart 1969). There was no genuine fashion shopping. What retailers there were tended to be located in smallish rented premises at pavement level in the office blocks that had become part of the new high-rise skyline in the former working-class suburb. Also present in the suburb were a scattering of blocks of flats and some hotels.

The continued construction of office blocks throughout much of Braamfontein in the 1970s and early 1980s need not be detailed here. Suffice it to say that with the passage of time construction of high-rise buildings spread north and west through Braamfontein. Even now the suburb continues to be characterized by its office buildings more than by its retailers. By the mid-1990s Braamfontein was afflicted by elements of the same malaise prevalent in the CBD of Johannesburg.

Other Decentralized Nodes

Outside of the developments that took place in Braamfontein there was relatively little in the way of genuine suburban shopping and business centres elsewhere in the Johannesburg municipal area by 1960. As

might be expected the next most significant node was located in the middle- and lower-reaches of Hillbrow where the demands of an expanding and cosmopolitan population of residents was able to support 45 000 sq.m. of shopping by 1959. Significantly almost half of that retail space was occupied by businesses dealing in demand or shoppers goods and only a third of the retailing was of the convenience type (Marshall 1959).

Other suburban centres where demand goods were strongly represented were mainly in those suburbs located farther out, including Rosebank to the north, La Rochelle to the south, and Auckland Park to the west. The total amount of suburban shopping in each of the centres just mentioned ranged between 5 000 and 15 000 sq.m. In fact the total retail area outside of the CBD and Braamfontein in 1959 amounted to only 180 000 sq.m. (*i.e.* equal in extent to 29.7 per cent of the retail core) spread over nodes in 15 suburbs (Marshall 1959). That said, however, the composition of the decentralized retailing was already telling a story of what was to come. Only 39 per cent of it was made up of convenience shops with 47.6 per cent falling in the domain of demand goods and the balance in impulse shopping. The high percentage of shops dealing in demand goods meant that the 'friction of space' between the suburbs and the CBD was beginning to have an effect. At least some customers were already prepared to forgo the cumulative attraction, and glamour, of the CBD in order to save on the effort of travelling the longer distance just to satisfy a need, or desire, that could be satisfactorily met in the suburbs.

The expanding suburbia, that by the mid-1950s had already in places crossed the northern boundary of the Johannesburg municipal area and was administered by the Peri-Urban Areas Health Board, set the base for creating two new towns. The first was the town of Randburg, established in 1959. In 1969 on the recommendations of a provincial commission of enquiry (van der Spuy 1967) the town of Sandton was created. The effect of the two additional municipalities on the Johannesburg CBD grew as the new towns grew. In each instance they established points around which they developed their own CBDs, and in each case their CBD lay at an interceptor point between their own expanding residential areas and the main route back towards the Johannesburg CBD.

In the mid-1960s the CBD not only reached what has been regarded as its peak combination of lateral extent and high-order businesses but was about to be affected by some critical location and planning decisions associated with major business developments in and on the edge of its CBD.

'Superblocks' and the CBD: 1960s and 1970s

The combination of narrow streets, small city blocks, and small stands, all designed in keeping with the nineteenth century belief that Johannesburg would never be more than a temporary mining camp, bedeviled city planners of the 1950s in their attempts to maintain the downtown as an efficient and modern business district measured against ever-rising world standards. One of the ways individual developers had long attempted to overcome the space restrictions was to buy and spread their buildings over more than two adjacent stands. That said, however, it was not unusual for a city block, typically with an area of between 3 900 and 4 950 sq.m., to contain six or eight buildings. As such, that city block might easily have a total of a dozen or more elevator systems and stairwells, and a multiplicity of other services ranging from cloakrooms to fire escapes. By contrast if it was possible to erect a single building extending over the whole city block it might need fewer than half the elevators and less space for service areas.

Until the early part of the 1960s the height of buildings was not allowed to exceed that which would create an angle greater than 59 degrees measured from the ground on the opposite side of the street

(Mallows 1973). Although some of the bulk could be traded off against more height, most buildings erected during the booms of the 1930s and the post-1945 war period were similar in terms of both height and bulk. The exceptions were the tallest buildings in the city where designers had adopted the ziggurat style and spread the building over more than two adjacent stands of a city block.

With the sharply increased demand for space in the CBD, that characterized the mid-1950s through to the early-1960s, the need for taller buildings that would make fuller use of the bulk factor allowed, and thereby make the developments economical, was underscored. The situation just described appears to have both encouraged and assisted the Chief Planner of Johannesburg to successfully persuade the Council to change the rules (Mandy 1984). The negotiated compromise was based on the notion that developers would favour a scheme that encouraged the construction of really tall buildings even if they were then limited to only one complex on a whole city block. Effectively what was negotiated was a reduction in the earlier restrictions. Provided a building was set back at least 2.7 metres from the sidewalk extra height and extra bulk would be allowed in exchange for providing additional "areas of public interest open to the sky" at street level (Mandy 1984). Once the compromise became policy, terms such as podium buildings, 'slab blocks', and 'wing blocks', were used to describe both large developments and the shape of the buildings on whole city blocks (Grant and Flinn 1992).

The expression 'superblock' was coined for sites where development was to take place across a whole city block, and had been used earlier to describe some of the major building sites taken up in Braamfontein in the 1950s. In reality, however, the term 'superblock' was later more frequently associated with those developments that were based on the amalgamation of two or more city blocks, and even the intervening roads, into a single large property. On such a holding considerable advantage could be taken with the new height and bulk controls. In architectural and planning circles the adjustments to the building restrictions were seen as the green light for building to at last take place on a scale that was appropriate to a metropolis. Johannesburg, it was felt, had finally broken with the constraints of a digger's camp and could create a cityscape appropriate to a place of a million people (Chipkin 1993). And so what has been described as Johannesburg's fourth major building cycle was set in motion (Prinsloo 1971).

The First 'Superblock' Developments in the CBD

The first sizable project under the new regulations was completed in the CBD in 1961 (The Star 1987). It was located on a whole city block between Commissioner and Fox, West, and Ferreira Streets (Figure 2) and is the 17-storey convex-slab building named Edura House. The planning for a second whole-block development began in 1962. It was for the new headquarters of the Standard Bank sited on the block bounded by Fox, Commissioner, Hollard, and Simmonds Streets and lying just to the east of the Johannesburg Stock Exchange then still in Hollard Street (Figure 2). The 27-storey building was the first of Johannesburg's genuine tower blocks. Completed in 1970 it has 21 687 sq.m. of office space in a slim 140 metre high tower that is set into a large podium that is below street level. The nett result is that 74 per cent of the site is left as an open plaza at street level (Hentrich 1970). As if not to be outdone another bank, the Trust Bank, planned and eventually put up a 124 metre "Miesian tower in pink, highly reflective glass" (Prinsloo 1971) occupying a whole city block close to the eastern boundary of the CBD. In all, over a period of ten years, 60 tower blocks stretched up at the sky reaching well above the former 70 metre bench-mark set in 1936 by the Anstey Building (The Star 1987; Chipkin 1993).

Those developments, referred to above and that were completed by 1965, contributed to a 34.6 per cent increase in the floor space of the downtown area over what had existed in 1950. In the same 15 year period the retail core expanded by 28.7 per cent to 780 000 sq.m., and the office core by a massive 41.7 per cent to just over 856 000 sq.m. with well over 100 000 sq.m. still in the construction phase. Yet the expansion, either completed by 1965, or already approved by that date, marked an end to further growth. As the economy slumped in the late 1960s, and again in the second half of the 1970s, no new office towers were planned and no major additions were made to the lettable space within the CBD (Mandy 1984; The Star 1987; Chipkin 1993).

Despite the optimism that the 'superblock' concept evoked, and although a large number of 'superblocks' schemes did assist in reinforcing and promoting the CBD, that cannot be said of the four key developments that are to be highlighted below and that involved some of the largest corporations and institutions in the country.

The Carlton Centre Complex

Impressive as the growth in tower blocks that had been planned in the mid-1960s are, it was the construction of the 200 metre high Carlton Tower, in association with a new Carlton Hotel, and a huge shopping complex, all sited on a massive 'superblock', that was most exciting for developers and the public alike.

Unfortunately, for reasons that will be made clear below, the Carlton Centre complex was not only less successful than its powerful backers had hoped for but for several reasons it almost certainly did more damage than good for the CBD as a whole through its effects on the location decision of three other major 'players": the Johannesburg Stock Exchange, the Sanlam assurance company, and the United Building Society.

Conception of the vast Carlton Centre complex was initially prompted shortly after the aged 'first' Carlton Hotel in Eloff Street had closed and been demolished in 1964. Given the surprising boom conditions that favoured the South African economy after the country had withdrawn from the Commonwealth in 1961 so that it could 'protect' its apartheid policy with a greater level of impunity, and given the advent of the jumbo jet that would make Johannesburg rather than Cape Town the gateway to southern Africa, the need was soon felt for a really large business-class hotel that accorded with the highest international standards. The possibility for actually creating such an hotel arose coincidentally and almost immediately after the combined potential of the new 'superblock' concept was realized and fortuitously a large site extending over two adjacent city blocks (bounded by Fox, Main, Kruis, and von Wielligh Streets, see Figure 2), that had recently been vacated by the Castle Brewery, became available on the property market. The initial idea for a super hotel was soon expanded to accord with a new planning movement in the United States where large multi-level shopping complexes, with office towers and hotels, were being designed for sites in the 'downtowns' of major cities (Mandy 1984). In part the very novelty of the concept that was 'imported' from the USA might explain why it was not as successful as it might have been in Johannesburg. Nevertheless there was nothing small about the plan, nor indeed of the concrete and glass complex conceived in the mid-1960s but only fully completed in 1973.

Once it was realized that the original idea of a large 30-storey 600-room hotel (Mandy 1984) was only part of what was needed for the venture to be successful, it became clear that the brewery site by itself would

be too small. That in itself was not a great problem. The brewery site, and the city blocks about it, not only lay outside the hard core of the CBD but one block east of the CBD boundary itself (see Figure 2; City Engineer 1967). Most of the retail business and major office concentrations lay well west of the proposed site of the Carlton. It in turn was to be well and truly located in the industrial and semi-industrial southeast quadrant where land was relatively cheap. Indeed without showing their full face, the then undisclosed main backers of the scheme, the Anglo-American Company and South African Breweries, eventually assembled a parcel of properties that were spread over five-and-a-half city blocks (the remaining half block would later become the site of the IBM headquarters in South Africa). Thereafter, with the agreement of the city council, the brewery site and the two blocks immediately to the north of them were consolidated into a large 'superblock' bounded by Commissioner, Main, Kruis, and von Wielligh Streets (Figure 2). The council not only gave permission to close the cross-streets of Fox and Smal, and incorporate them into the holding, but relaxed a number of other normal requirements. An additional block-and-a-half measuring about 1 300 sq.m., lying immediately south of Main Street between Kruis and von Wielligh, was acquired and consolidated across Smal Street but had later to be linked to the northern 'superblock' by communal basements as Main Street could not be closed off. The result was a 2.63 hectare site that could be developed as a unit with the assistance of a 'co-operative' of top planning and architectural firms from the United States and from Johannesburg (Mandy 1984).

The Carlton scheme when planned in the mid-1960s was for 325 000 sq.m. of floor space, giving a total building bulk of just over 12 times the land area, but with more than 50 per cent of the site left open at street level (Simpson 1970; Mandy 1984). The 50-storey office tower contains 62 450 sq.m. of lettable space, virtually three times as much as the then next largest commercial office block in the country (Hoffe 1973). Two floors, with a total of 38 000 sq.m. for shopping and service businesses, are located below the street-level plaza that in turn is overlooked by the hotel to the south and the tower block to the east. Only the top floor of the five-floor full-line department store on the northwest corner showed on the street-level facing Commissioner Street. Beneath the shopping levels are three basements that could have provided parking for 3 000 cars but were restricted to 2 000 bays by the city council (Mandy 1984).

Notwithstanding the hype that accompanied the announcement of the plans, and an early start to the massive 30 metre deep excavations for the foundations, a number of factors were to delay the completion of the building. Although the perceived virtues of a site clearly located beyond the periphery of the CBD were extolled (Mallows and Beinart 1966), the fact remained that when completed the shopping complex of the Carlton Centre would lie at least two blocks south and two blocks east of the quality retail frontage of the Eloff Street shopping area. About half the length of the two routes that would have to be traversed by pedestrian shoppers in the CBD, who also wished to shop at the Carlton Centre, was lined by buildings that presented dead commercial frontage. As such the Carlton shops would not be able to rely on a natural share of CBD 'passing trade' but from the outset had to aim at attracting shoppers who would make purposeful visits. In that respect the Carlton complex was fortunate to have a substantial amount of basement parking that would be used by its more affluent customers.

In the six years that would elapse before the shopping component was opened, however, other events and developments would hinder its possible integration with the retail core of Johannesburg. Not least was the accelerating trend that had already emerged towards larger better-equipped suburban shopping centres with off-street parking, particularly in the wealthy zones of the northern suburbs. The Carlton, and other CBD businesses, also had to contend with what was believed to be an ill-conceived and poorly managed traffic and parking policy. One that prescribed a low ***maximum*** number of off-street (usually basement) parking bays per unit area of building for businesses in the central parts of the CBD (Mandy 1984). There

was also a major slump in the South African economy after 1969 and, with the exception of a small blip in the early 1970s, it continued throughout the decade. The slump contributed to the withdrawal of a number of prospective tenants, and also slowed up the building programme. Consequently when the shopping-levels of the Carlton were ready for trading the only tenants on opening day were the department store and 14 other shops scattered throughout the 38 000 sq.m. 'underground mall' that could (and admittedly later would) accommodate two department stores and 150 to 170 smaller businesses (Hoffe 1973; Mandy 1984). Significantly, however, just as the full range of Carlton Centre shops were opening some of Johannesburg's oldest and most prestigious department stores in the retail core were closing, or were about to open major branches in the northern suburbs as a prelude to departing from the CBD in favour of suburban locations. The anticipated thousands of 'captive' shoppers who would work on all 50 of the floors in the office tower were also slow to materialize with only about half of it let by mid-1973 (Hoffe 1973). The hotel unit, however, was an immediate success. Not only did the Carlton Hotel assume the status of the premier hotel in the country but a large annex, the Carlton Court, was later opened on the northwest corner of Kruis and Main Street and linked to the main hotel by a skywalk.

So although the Carlton shopping and business centre would be successful for a while, and particularly in the days when the novelty factor was high (see Hoffe 1973), any real hope that it was a natural extension of the retail core situated along the Pritchard and Eloff Street axis, let alone a new heart of the CBD, was soon lost (Tomaselli and Mabin 1972). Furthermore, because the presence of the Carlton had pushed speculative land values steeply upward in adjacent city blocks, there was no immediate flush of new towers rising nearby.

Significantly the Carlton Centre bucked the apartheid laws at an early stage. The first restaurant without a liquor licence to be officially open to all races in Johannesburg was located on the observation deck of the Carlton tower, and black people were made to feel welcome at the Centre. Furthermore, just as Anstey's had found itself on the direct line of the entrance and exit for white passengers at the Johannesburg railway station so the Carlton Centre, although much farther south, was linked almost directly by Smal and Hoek Streets (Figure 2) with the entrance and exit of the station for black passengers.

The Carlton Centre did attract two tower blocks to its immediate vicinity. One was the Kine Centre, a 26-floor office building with a leasable area of 26 500 sq.m. erected on the northeast corner of the Commissioner and Kruis Streets intersection (across the road from the Carlton complex) and formerly occupied by the Empire Theatre. With only a meager amount of retail space tucked into a small 'arcade' the Kine Centre did little to enhance the shopping links that were so desperately needed between the Carlton shops and the fashionable parts of Eloff Street. The other subsidiary development came in the form of the new national headquarters for IBM in South Africa. The American computer company specifically wanted to be near the five-star hotel so that their executives and high-profile customers flying in to Johannesburg could be well accommodated just across the road (Clarke 1979). The only site near the Carlton Hotel (the half block that had not been included in the original Carlton property amalgamation) was a mere 2 787 sq.m. The IBM requirements were for a building with 20 000 sq.m. of usable office space; almost literally a tall order for such a small site! Construction of a 20-storey building, to be clad entirely in black glass, commenced in 1972 and spanned two years. The result was a building that was considered to be architecturally exciting and it became only the second building in South Africa after the Standard Bank Centre to be featured in the highly regarded *Architectural Review* (see Mallows and Mallows 1976). Clearly it was anticipated that the real impact of the IBM development would only be felt in the future. In the review of the building the claim is made that its "day will come only after the run-down area to the south is

developed" (Mallows and Mallows 1976) and other major business organizations have taken up locations nearby.

The Stock Exchange Goes West

In the years 1964 to 1973 persons and companies that held properties in the city blocks surrounding the Carlton 'superblock' were caught up in the euphoria precipitated by the 1964 announcement of the Carlton project and the construction phase that followed a little later. Many of them thought that the Johannesburg Stock Exchange (JSE), already cramped for space in Hollard Street, would eagerly move east to their vicinity. They also believed that such a shift by the JSE would act as a catalyst in encouraging other investors to construct office towers nearby to house an associated drift of financial businesses from locations near Hollard Street in the western half of the CBD (Bryant 1987). As such the Carlton complex, coupled with the JSE, would indeed have defined the new heart of the CBD. Not surprisingly while the 'bulls' were rampant on the JSE between 1967 and part of 1969, the asking price for properties in the vicinity of the Carlton 'superblock' seemed to rise even more rapidly that did the tower section itself. As a consequence the Stock Exchange managers, who as might be expected were not complete fools in money matters, formed a building committee in 1969 and charged it with the task of not only searching in secret for a suitable new site but to go ahead and buy it at the lowest possible price (see Bryant 1987 107-10). The committee inevitably turned its 'eyes' westwards towards Newtown and those parts of the city where prices were not inflated.

In 1969 Newtown was in a state of decay, due in no small measure to the continued indecision of the Council about the future of the area. Plans made in 1965 were already being implemented to close and move the abattoir and the fresh-produce market to a new site at the old City Deep Mine well to the east of the city. The tramsheds just west of West Street, and adjacent to the 'central' power station, were vacant and derelict but no development plan for the Newtown area had emerged. As might be expected the land to the east, between West and Diagonal Streets, was not only affected by the indecision of what to do with Newtown but it lay in the 'twilight zone' that had been disregarded by serious white investors since 1887.

The building committee of the JSE soon found a large piece of land occupying most of the block between West, Diagonal, Kerk, and Pritchard Streets (Figure 2). It was occupied by the defunct premises of a factory and owned by Union Flour Mills. Through a chance friendship between the chairman of the flour company and the president of the JSE, the land not only changed hands for a mere R1.8 million (at a time when the exchange rate of the Rand to the US dollar was 1 to 0.75 cents) but the identity of the buyer was kept secret. The Stock Exchange committee was also shrewd enough to use several front companies to purchase the whole block to the south and most of the block to the north. Finally the committee submitted a tender to purchase the only outstanding piece on the northeastern corner of the main site. The property at issue housed the Newtown Coloured School. Had the tender failed the scheme would have foundered. Everything, bar the tender, was done in secret. As a result not only were the prices of the specific sites needed for the new exchange kept low but no-one else tendered for the school site. Nevertheless once it had declared itself, in August 1970 (Bryant 1987), the JSE was in a position to profit from selling off most of the land it did not need for itself. The surplus land was purchased by developers and institutions that wished to be close to the exchange. Clearly the JSE had intended to profit from its endeavours and it did. In real terms the main site that is now occupied by the Exchange cost the JSE managers very little indeed.

With a site secured but with the stock market in a down-swing, planning for the new JSE building began in earnest only in 1973 when the national stock market was showing signs of revival. In the belief that the economy was about to boom again the first design proposed was for a 36-storey building, with more lettable floor space than contained in the taller Carlton tower. It was intended that the new building would not only house brokers and other financial firms and institutions but that it would be the focal point of a whole new financial district which would coalesce with Newtown when the latter area was upgraded (Bryant 1987). Stock markets, however, are fickle creatures and when it was rudely gripped and pulled down by the 'bears' at the end of 1975, before plans for the proposed tower block had been accepted, a major re-assessment seemed propitious. The outcome was a building of only 10 storeys facing onto Diagonal Street and completed in 1978. It had been planned so that it would be occupied almost entirely by firms of brokers with space for the trading halls and offices of the exchange itself. Other financial firms that deemed Diagonal Street a desirable address, and brokerages that needed additional space in bullish times, would have to look to office developers or their own resources in order to be near the exchange if they wished it. The effect of the JSE announcement in 1970 naturally pushed up land prices in the Diagonal Street area.

Before considering other developments associated with super-block developments it is appropriate to take note of decentralization trends in respect of both retailing and offices between the early sixties and mid-seventies.

Retail Decentralization

From the early 1960s onwards the spread and growth of what were then termed planned suburban shopping centres (analogous to small malls in today's parlance) was gathering momentum. The first of the malls, the Southdale mall, had opened in the southern suburb of Robertsham in 1963. The Killarney mall was opened in 1966, set in the midst of the upper-income but low-rise Killarney apartment cluster. A year after the creation of the new municipality of Sandton plans were passed for a mall of 30 000 sq.m. called Sandton City that together with a tower block containing 20 floors of office space above the shopping podium, would form the nucleus of the CBD for the new town. Over the next ten years malls opened in three of Sandton's suburbs, namely Benmore, Hyde Park, and Bryanston. Malls also opened in the neighbouring municipalities of Bedfordview, and Randburg, as well as in the Johannesburg suburbs of Brixton, Blackheath, and Cresta (Sapoa 1993, 1995). In Rosebank the decentralized shopping facilities, with convenient off-street parking, at and near the intersection of Tyrwhitt Avenue and Oxford Roads, had become increasingly popular since the early 1950s. In the 1970s the nucleation was reinforced by the addition of two malls, the Mall of Rosebank and the Firs both catering specifically for the tastes of upper-income spenders.

The pattern and quantity of decentralized businesses changed dramatically between 1959 and the mid-1970s. Whereas local government figures for decentralized retailing in 1959 highlights only Rosebank in the northern suburbs with 104 shops (Marshall 1959) a survey of the northern suburbs undertaken in 1975/76 identified 108 locations where the number of shops ranged from small isolated food stores to the CBD of Randburg with 264 businesses and the Rosebank nucleation on Oxford Road with 227 (Beavon 1980).

Office Decentralization

For reasons already stated Braamfontein is not a simple extension of the CBD. As such the offices located there must be seen as a first step in the process of decentralization of office-based businesses from the CBD. The novel appeal of the sleek tower blocks, planned and constructed in the downtown between 1964 and 1975, served as some form of counterbalance to office decentralization from the CBD. The world energy crisis of 1973, however, aggravated in South Africa when there was a four-fold increase in the cost of electricity in the late 1970s (Mandy 1984), soon had a significant impact on the design of, and preference by tenants for, energy-efficient accommodation. The tall, mainly glass-clad buildings of Johannesburg, along with similar buildings throughout the developed world, were shown to be energy inefficient. Solar build-ups of heat within the buildings required sophisticated and energy-consuming air-conditioning systems that increased the running costs and consequently the rents. It became apparent that whereas in terms of the ratio of floor area to external walling the most cost-effective design for a building is a cube, for optimal thermal transmission the ideal shape is a half-cube (Standard Bank 1990). Not surprisingly a combination of inertia and a lack of suitable alternative sites meant that many concentrations of tall office blocks throughout the world were simply unable to relocate to new more energy-efficient buildings. Johannesburg was not one of them. Because of the pattern of low-density development in the suburbs there was an abundance of opportunities for new office clusters provided the objections to office penetration by residents in the suburbs could be overcome.

Office-based activities wishing to operate in low-rise, areally extensive, and energy-efficient buildings began acquiring relatively cheap land in the suburb of Parktown just north of Braamfontein. In the 1970s sales of the large stands in the former high-status residential suburb were being encouraged by a combination of a rising municipal rate and an aging population of land-owners. Other office-based businesses that wanted a location near a retail node, mainly for the convenience of their workers, began acquiring land, and erecting offices, in the residential areas on the periphery of the Rosebank retail nucleation. In a survey undertaken in 1972 it was found that there were 358 firms employing 6 503 people, and occupying 103 700 sq.m. of office space in the downtown area, that were seeking to move to various decentralized locations in greater Johannesburg. The most preferred of the destinations were in Braamfontein, Parktown, Rosebank, Sandton, and Randburg (Cohen 1973). It was only after 1976 and through the 1980s that office decentralization gathered significant momentum.

Notwithstanding the relative and absolute decline in the fortunes of the CBD, and in the extent and quality of its hard core, the overall effects of the post-war developments that took place in the white areas of Johannesburg were ones of consolidation and augmentation of urban amenities and opportunities for the city's white citizens. It should be noted that by 1965 there were 46 of the country's top 100 firms headquartered in Johannesburg. By 1975 that had grown to 56 with most of them still located in the central area (Rogerson 1984). As indicated in the discussion above, the extension of shopping and business facilities into the suburbs accelerated after the mid-1960s and was indeed in part a reaction to the greater congestion in the CBD. It was also a reflection of the growing bulge of areal expansion and concomitant affluence into the northern suburbs (Figure 1). Associated with that pattern was a continuous northwards shift of the centre of gravity of a considerable amount of spending power.

In the central area of the city an additional set of moves by major companies to positions just outside the CBD boundary continued, and some of the most notable are considered next.

Other Significant Moves away from the CBD Core

In order to pick up the 'narrative' of commercial change in the CBD the discussion here commences with a further consideration of the effect of relocating the stock exchange. The new Johannesburg Stock Exchange building, facing onto the west side of Diagonal Street (Figure 2), was completed and occupied at the end of 1978. Later an annex was built on some of the adjacent land it owned on the northern side of Kerk Street. Not only was the main Exchange building smaller than the 36-storey structure originally anticipated but the part of 'town' in which the Stock Exchange found itself at the beginning of 1979, alongside a decayed and decrepit Newtown, was still without an approved development plan. Thus, just as the Carlton complex had failed to quickly attract a really significant number of additional high-rise office developments to its immediate locality, so too with the Exchange. The one notable exception was the 32-storey AA Life Centre, with 55 000 sq.m. of office space on the 'superblock' bounded by Commissioner, Kort, Market, and Diagonal Streets (Clarke 1979) (Figure 2). The assurance company, who owned the building let out surplus space to stock brokers and the building was virtually fully occupied until 1986. The most conspicuous of the new buildings was at 11 Diagonal Street just south of the JSE. Shaped to resemble a modified tetrahedron the entirely dark-glass clad building designed by an American architect contains 33 000 sq.m. of prestige office space and is partly occupied by Anglo American Property Services.

Notwithstanding the fact that some additional office space was attracted to what has been termed the Exchange District, in a physical sense the JSE found itself isolated from the main core of the CBD's financial houses. In addition persons working in the JSE were no longer close to the high-order retailers scattered throughout the older financial district of the CBD. The Exchange instead was surrounded by the small-shops and other businesses that were owned and run by the Indian and Asian community, many of whom lived just above or behind their business premises, and that catered mainly to a Black clientele. Furthermore, as the Indian community in the vicinity of Diagonal Street was, and for some time had been, under threat of being removed at short notice in terms of the Group Areas Act, the area in which they lived and worked contained a noticeable amount of physical blight. A consequence of the visible decay, caused by the lack of a development plan for Newtown and the area west of Diagonal Street, and government threats to enforce race controls at an unspecified future date, meant that the Exchange District did not attract the high-order central business activities that one might normally have expected in its vicinity. By the same token the distant retail core lost at least some of the purchasing power of people who worked in or about the new JSE building and AA Life tower block. It must be remembered that unlike most major cities in the world Johannesburg has no underground railway or metro system, the bus service was poor other than at peak hours, and there were no cruising cabs to carry people across the downtown.

Another loss of clientele for retailers in the hard core of the CBD was brought about when the Standard Bank became the first major business in Johannesburg to respond to the need for energy savings in their building following the impact of the energy crisis of the earlier 1970s. By 1978 the 27-storey tower they had erected eight years earlier in Fox Street was inadequate for their needs, and the Bank's 25 headquarter departments had already spilled out into 10 other buildings. Plans for a new building were commissioned with a stipulation that it be energy efficient. As a consequence the new building that was designed in 1979 contained 86 000 sq.m. of floor space spread over only 5 levels of offices, two basement parking areas, and a recreational floor; that is 38 per cent more space than in the 50-storey office tower of the Carlton. The need for a site that would allow the Bank to have expansive floors, each of about 10 000 sq.m., prompted Standard to look outside of the CBD boundary. Almost inevitably, and particularly in light of the comments made earlier about the location decisions taken for the other key developments that have been highlighted for the downtown area, the Standard Bank acquired cheap ground located not only in the decaying industrial

and 'motortown' area, south of the CBD boundary, but in the otherwise neglected southwestern quadrant of the downtown. The site also lies immediately above some of the earliest gold workings. More precisely, the Bank acquired and created a 'superblock' bounded by Simmonds, Thorpe, Harrison, and Frederick Streets (Figure 2). Standard also purchased land for future expansion on the west side of Simmonds Street directly opposite the new site. There a similar low-rise but somewhat grander building, linked by a skywalk to the first, was completed in the second half of the 1980s almost exactly a 100 years after Standard was the first bank to open in Johannesburg. The nett result is a headquarters that is south of the 1965 CBD boundary and just within the downtown 'box' laid out in 1887. The building was designed to enclose 120 000 sq.m. of office accommodation, and have its own canteens, dinning rooms, and recreational areas, with a daily workforce of some 7 000 people (Standard Bank, 1982, 1990; Mandy 1984).

Whereas Standard Bank, in its search for suitable land for its enlarged headquarters, had been happy to locate on the northern edge of the 'motortown' and industrial area that choice was not good for the hard core of the CBD. The new building was and is just too far way, and too self-contained, for the large workforce to support the shops in the heart of the CBD during lunch hours. As such the relocation of the Bank's headquarters further undermined the support base for the leading CBD retailers in the CBD.

The large assurance firm of Sanlam had selected a 'superblock' location on the northeast of the CBD boundary, just beyond the zone of increased property prices inspired by the Carlton development. Although its new 38-storey headquarters was ready for occupation by 1976 no major ancillary central business development was immediately attracted to its vicinity. In the early 1980s, however, most of the two city blocks directly to the west were consolidated into a 'superblock' to be used not for retailing or offices but as a site for a new five-star hotel, the Johannesburg Sun (Figure 2). Unfortunately the 40-storey hotel with 800 rooms was ill-timed and was consequently a poorly located venture doomed to early failure.

Changes in Central City Retailing: The Increasing Influence of the Large Malls, 1976-1990

The total purchasing power of the Black community who worked in Johannesburg began to increase significantly after 1976 as wages for a whole echelon of Black employees were pushed up (admittedly from a low base) in the wake of the Soweto Revolt (Mandy 1984). After 1976 many CBD office-based businesses began to ignore the strictures of the apartheid laws and employed a growing number of black clerical staff. In 1960 the ratio of white to black employees in the CBD had been 7:1 but as early as 1970 that had changed and was 2:1 and continued to move in favour of black employees albeit at junior levels. By 1976 the Black population at large out-numbered the whites by 2 to 1 and given the poor provision of shops and services in the Black areas it was clear that the economic base of retailing in the CBD, still the most accessible point on the Witwatersrand, would become increasingly the service centre for Black people (Mandy 1984).

In 1978 when the CBD businesses that had always relied primarily on white customers were already under pressure from a fall-off in sales the first of the new mega-malls was set to make an appearance. Named Eastgate it was located at a major access and egress point of the new Witwatersrand freeway system linking the eastern suburbs of Johannesburg to the international airport in Kempton Park and to other East Rand towns, notably Germiston, Bedfordview, Edenvale, Boksburg, and Benoni (Figure 3).

When it opened in 1979 Eastgate contained 90 000 sq.m. of shopping and business. As such it had twice the retail and service business area of the Carlton Centre and was three times as large as the Sandton City

Mall until then the biggest in the metropolitan area. Eastgate also secured large branches of OK Bazaars, Edgars, Woolworths, Greaterman's, and John Orr's all of which had their 'flagship' stores in the CBD of Johannesburg. By 1982 the cumulative effect of the emerging malls (Figure 3), and other up-market shopping clusters catering for the upper-income customers of the wealthy (mainly northern) Johannesburg suburbs, in addition to those in the neighbouring municipalities, saw most of the big-spending shoppers lost to the CBD. As a consequence the major department stores of John Orr's and Stuttafords had little choice but to open additional premises in the areas where their former customers now wished to shop. By 1983 the CBD that had already lost Anstey's saw the departure and closure of Greaterman's, Stuttafords, and John Orr's (Mandy 1984) and some of the small dependent businesses. The vacated CBD premises were almost immediately taken over by other businesses but ones that offered lower-order and more utilitarian goods and services that would match the pockets and needs of an ever more predominant Black clientele. One whose mores and customs were markedly different from that which had preceded it.

With the continuing growth of a wide range of good shopping in the white suburbs it was not surprising that in the second half of the 1970s one third of all white shoppers were making their purchases in the suburban centres alone. Whereas 70 per cent of all shopping in the Johannesburg municipal area was still made by white people they accounted for only 52 per cent of the total sales in the CBD by 1978 (Mandy 1984). It needs to be noted that it was not the merely that white shoppers were being replaced by Black shoppers that began to have a noticeable effect on the character of the downtown. Rather it was the fact that although the overall purchasing power of the Black community was increasingly significant their individual disposable incomes were not as large as those of the customers who were now shopping elsewhere. Consequently the type of goods stocked in the CBD shops was changing markedly. Whereas it would become increasingly difficult to find high-order internationally-branded luxury items in CBD shops it became increasingly easy to buy the types of items needed by householders living in townships where the bulk of houses were still without electricity. In keeping with the changes the clusters of small shops that had earlier been located only on the periphery of the downtown area, and mainly near the transport terminals, began to increase in numbers and to choose locations within the CBD boundary. An expansion of such businesses southward was particularly noticeable from the area on the southeastern side of the main railway station and bounded by Noord, Plein, Hoek and Klein Streets (see Figure 2). A 1982 sample of 1 300 businesses in the CBD showed that no more than 500 of them still had only white shop assistants and 220 were under Indian management (Mandy 1984). As part of the process of change more black shop-owners were operating businesses in the downtown area of Johannesburg regardless of what was prescribed by law. For the Indian traders in the CBD it was the achievement of the goal their forefathers had held but been denied a hundred years before.

As the number of white shoppers in the heart of the CBD declined so did the locational attributes of certain sites and streets. Although a new sense of inevitable change was in the air formal and enforced apartheid still operated. Consequently when Eloff Street was turned into a busway, in an attempt to boost pedestrian flows past the shops, most of the busses that moved along it carried and off-loaded white passengers. The majority of the black commuters who were still using the trains to get to Johannesburg entered the CBD from the southeastern corner of the main station buildings. From there they moved south into the CBD heading mainly along Smal Street. Given that the Carlton Centre was not only located opposite the southern end of Smal Street, and from inception it had succeeded in its attempt to attract black people to its shopping facilities, by the late 1980s Smal Street had replaced Eloff Street in terms of the hustle and bustle of pedestrians if not in the order of commodities that had once characterized the latter. In an attempt to adjust to the changing realities of the downtown the Johannesburg CBD Association played a leading role in having Smal Street pedestrianized. Although it was still cut by east-west traffic-carrying roads between

Bree and Commissioner Streets the 'walkway' lined with small shops became known as the Smal Street Mall.

Although not discussed in any detail here there were massive changes to the demographic structure of the Hillbrow and Joubert Park residential areas after 1976 when many of the wealthy white people left the area. The nett result was that by the 1980s the type of spending power in the nearby and adjacent high-rise apartment zones had changed and offered less support to the type of shops that had characterized the CBD for many generations and were now seeing their customer thresholds crumble.

Office Decentralization: a Period of Indecision, 1976 to the Early 1990s

The movement of offices into the suburban areas of northern Johannesburg, and excluding the Braamfontein node, continued at a gentle pace in the 1970s approximating the average of 70 000 sq.m. per annum that had been projected by the Town Planning Department in the late 1960s. By 1982 it was estimated that there was about 350 000 sq.m. of office space in the northern suburbs equal to 9 per cent of the total office space in Johannesburg as a whole: or about five times the floor space in the Carlton Office tower. The demand for space did increase in the early 1980s thereby pushing up the rentals that could be charged and encouraging developers to begin building more offices. Some 431 000 sq.m. of office space were under construction in the suburbs between 1981 and 1984 *vis-a-vis* only 205 000 sq.m. in the CBD. One of the leading office brokers and developers predicted that in the second half of the 1980s demand for suburban office space would outstrip that for centralized positions in Johannesburg. The city authorities took an opposite point of view and seemed confident that further office development in the suburbs would be slow (Mandy 1984).

Certainly the late 1980s was a period of indecision for those who had to make choices about future office space. The behaviour of the companies who owned large stables of major buildings in the downtown gave the impression that they saw a rosy future for the CBD once apartheid was scrapped. One of South Africa's major banks, First National (FNB), not only committed itself to Johannesburg in the mid-1980s but set about constructing its new headquarters, Bank City, over three city blocks of the CBD not far from the Johannesburg Stock Exchange (Figure 2). The commitment was indeed massive and the equivalent at the time of US$ 300 million went into the construction of the building alone. By 1995 FNB had taken occupation of their building that currently contains 145 000 sq.m. of the planned 200 000 sq.m. of office space, in addition there was almost 8 000 sq.m. of retail space, and 3 to 4 basement levels of parking (Beavon 1998). Property firms that really believed that the arrival of the 'new' South Africa would herald a massive demand for office space in or near the CBD also set about constructing and upgrading office space in the Braamfontein node. The reality was to be something else.

Of course the movement of office-based activity was not confined only to financial firms and corporations but it also included the offices of small firms and individual professionals and practitioners. Particular mention needs to be made of the northward movement of medical practitioners. In the 1950s and 1960s they had been tenants in the finest medical suites in South Africa that in turn were found in the custom-designed buildings that stretched along Jeppe Street east of Eloff Street (Figure 2). The relative decline of the major departmental stores and fashion shops *vis-a-vis* their branches in the suburban malls meant that many of the private patients who use to shop in the CBD were no longer prepared to make the

trek into town just to consult with a gynaecologist, dermatologist, or even a surgeon, let alone a general physician. Instead they preferred to visit the rooms of practices that were opening in the suburbs.

Slowly but surely the city-centre medical practices began to take up rooms in a growing number of medical clusters centred around private hospital and clinics that were opening and thriving not exclusively but predominantly in the northern suburbs. As a consequence when leases expired the CBD medical suites were left vacant and they could not be let for the purpose for which they had been built. Eventually the former prestige medical suites, and indeed other small offices in vacated CBD buildings, particularly between Jeppe Street and the main railway line, would be taken over and occupied by people desperate for accommodation and who in rapidly increasing numbers became the new inner-city residents in the late 1980s and early 1990s.

Changes in the Geography of Retailing and Office-Based Activities of the Metropolis 1993-1998

The rapid change in the demographic characteristics of the residential areas closest to the CBD have not been dealt with here. Suffice it to note that between the late 1980s and 1993 there was a considerable deterioration in the quality of residential life in the inner-city areas exacerbated by the strife between landlords and tenants, the retreat of the local authorities in enforcing their own bye-laws, and rising levels of crime at least some of it drug related. At the same time the numbers of street traders grew astronomically. It was therefore not surprising to find that the great trek to the northern suburbs, pioneered by retailers and subsequently followed by an initially small number of office-based and public service businesses in the early 1990s, became more substantial from approximately 1993 onwards. Amongst the first to capitulate was the 5-star Johannesburg Sun with its frontage on the Smal Street Mall. As petty crime, muggings, and even serious physical assaults on victims both in the Mall and the surrounding area increased, the hotel realized that its guests (a declining number of business people and international tourists) were at risk in the centre of Johannesburg. In 1993 the Johannesburg Sun closed and the hotel was re-opened as a down-graded 'Garden Court' under the auspices of Holiday Inn. Even so by 1997 the new owners were only using the top 20 floors of the 40-storey tower to accommodate a decreasing number of guests and as from October 1998 the hotel will close completely.

When there were still no real signs of improvements in the downtown situation following the 'honeymoon' period after the new ANC-dominated councils had taken office, owners of large CBD property portfolios became restless. Earlier in 1995 some of the major tenants in the most prestigious buildings of the city began leaving the CBD for the suburbs. By late in the same year there were sizeable vacancies in the Diamond Building at 11 Diagonal Street, the Carlton Office Tower, and the former IBM headquarter building opposite the Carlton Hotel had been 100 per cent vacant for at least 18 months. In mid-1996 Anglo American Properties who own the Carlton Centre and many other city properties formally devalued its holdings by 37 per cent as it was unable to attract tenants who would pay the rentals required to sustain the previous value. At the end of 1996 the property division of Old Mutual, and owner of many CBD buildings, moved out of its own regional headquarter building (building 8 on Figure 2) near Bank City in the CBD and set up office in Rosebank. From there it continued to attempt the letting of its portfolio of properties located in the CBD including the very property it had vacated. In April 1997 yet another large assurance company, with massive property interests in Johannesburg and nationwide, stated that it was freezing investment not only in the Johannesburg CBD but in all South African CBDs. The company has stated that it will only re-

commence investment once it is satisfied that the local authorities have got to grips with the rampant crime and grime that beset the former prime location for offices, where economic rentals can no longer be obtained. In October 1997 about 60 per cent of the rooms in the 5-star Carlton Hotel were closed off and mothballed. By May 1998 the Carlton Hotel had closed completely, and the last 5-star hotel in the downtown was lost. To complete the litany of closures and departures from prestigious buildings alone it should be mentioned that in May 1998 the 50-storey Carlton Office Tower was 54.3 per cent vacant, the former IBM building was still 100 per cent vacant; and the Diamond Building at 11 Diagonal Street was 72.7 per cent vacant. The United States Consulate office in a tower block opposite the Carlton Centre, and almost the last consulate office still in the city centre, announced in April 1998 that they would close and open new offices in one of the northern suburbs.

Subsequent to the general election of 1994 Johannesburg became the provincial capital of the newly-created Province of Gauteng. The old City Hall in the centre of the CBD was selected as the seat of the new provincial legislature and in effect became the Gauteng Capitol. In the wake of those decisions there was a demand for 89 000 sq.m. of office space, later rising to 110 000 sq.m (Beavon and Larsen 1998) to house provincial bureaux in the CBD. Hopes that the acquisition of the Capital functions would prove to be a fillip to the CBD have not been realized. Most if not all of the space the provincial authorities have occupied in and about the precincts of the Library Gardens (the remnant of the former Market Square) had been vacated by businesses moving out to the suburbs. Thus apart from creating a momentary blip on the 'graph' the vacancy rate in good quality buildings has continued to rise.

Most of the firms that have pulled out of the CBD have headed north to find accommodation in the rapidly expanding retail and office nodes of the suburbs.

An Emerging Neo-Apartheid City?

When one examines not only the nature and quality of the retailing in the northern wedge of Greater Johannesburg but also the rate at which it is being expanded *vis-a-vis* the central city area, then the notion that a neo-apartheid city form is emerging must be considered. For those not familiar with the emerging pattern what follows may be useful.

The New Retail Nodes

The basic pattern of retail decentralization, with a focus on large malls, was already in place by the end of the 1980s (Figure 3). What followed in the 1990s was a virtual shopping explosion based on the earlier pattern (*cf.* Figures 3 and 4). It has been estimated that the central area of Johannesburg still contained 700 000 sq.m. of retail space in 1995 (Beavon 1998). Yet as early as 1993 the South African Property Owners' Association (Sapoa) had recorded that there was already 941 500 sq.m. of retailing outside of the Johannesburg CBD in 29 malls that were of at least 10 000 sq.m. in size. By 1995 an additional eight malls, exceeding 10 000 sq.m. each, had been opened and total space in the 37 nodes had increased by 24.3 per cent to 1 169 827 sq.m. As additions and improvements were made to existing older malls the retail area rose to 1 200 806 by the beginning of 1997 thereby exceeding the CBD retail space by a factor of 1.7. In addition there are numerous small shopping centres and suburban malls that have less than 10 000 sq.m. of lettable

space and that are not included in the 1.2 million sq.m. just mentioned (Sapoa 1993, 1995, 1997; Beavon 1998).

Not only is there a substantial amount of shopping space, offering high-order commodities and services, outside of the CBD in the metropolitan area of Johannesburg but the overwhelming majority of it lies in the northern suburbs of old 'Johannesburg'; the northern parts of the former municipality of Johannesburg and its neighbours Randburg and Sandton. As shown on Figure 4 there is relatively little in the way of major malls south of the Johannesburg CBD. The most glaring 'open space' is to the southwest, the area that contains Soweto and that by 1997 had only one shopping facility of more than 10 000 sq.m. Little wonder therefore that so many Sowetans continue to shop in the Johannesburg CBD, and that shops in the CBD cater more exclusively for Sowetan residents and those from other southern townships than for the tastes of those residing in the northern suburbs, and who long ago stopped shopping in the CBD.

The location of the shopping malls (Figure 4) is such that even if the CBD of Johannesburg were clean and crime free, there would now be little need for any residents in the former white suburbs to use it. The reason being that to reach the CBD they would have to travel past malls that already stock the full range of items that would normally be found in the centre of a city. In terms of normal shopping behaviour the malls *en route* to the CBD would simply 'intercept' the shoppers.

The claim is frequently made in the daily press and in specialist business papers that the owners of retail properties are doing very well in the central area of Johannesburg. That claim needs to be examined a little more closely and certainly the perspective of what is happening north of the Witwatersrand ridge needs to be brought into the equation. Clearly there is a demand for retail space in certain parts of the CBD, and that includes in particular the frontages along streets that are used by persons to get from major points of employment to the main transport nodes; the main railway station and the taxi-ranks on the eastern side of the station, the taxi-ranks in Newtown, and to a lesser extent the minor terminals of Westgate and Faraday railway station in West and (south) Eloff streets. In the first half of 1998 the top rentals for prime locations near Bank City were as high as R120 per sq.m. For shops that are not in prime locations, and there are plenty of them selling lower-order commodities, the rentals were 50 to 70 per cent less. It must also be noted that by mid-1998 there were whole street blocks where every one of the former retail facilities at street level were vacant and whose doors and windows have simply been bricked up. Even the Carlton Centre was finding it difficult to fill its retail premises. In contrast to the Johannesburg CBD the shops of even community-sized shopping centres in the suburbs are being let at rentals of R90/sq.m. and the many top-line speciality shops in the plethora of major malls are paying as much as R240/sq.m. and generally in the range of R180 to R200 per sq.m.

Despite the demand for commercial space in the suburbs the spectre of crime and grime creeping northwards, and making its presence felt in some of the more impressive and successful suburban nodes, is causing concern to property owners in both the private and public realms. Amongst the nodes feeling the threat most keenly are those that might be described as 'organic'. They are nodes composed of a mixture of privately owned and managed malls and high-street type businesses that occupy premises in separate buildings. The large single-management enclosed malls, many squarely located in the heart of the northern 'wedge' seem to be faring best because they are able to command their whole environment: from parking areas to passageways, thereby effectively controlling petty criminals, litter-bugs, and unlimited numbers of informal sector operators.

Suburban Office Nodes

When it occurred the rapid growth of suburban office space followed a similar pattern of location to that of the malls (*cf.* Figure 5 and 4). By the beginning of 1993 A- and B-grade office space in the CBD amounted to approximately 1.6 million sq.m. and there was already some 2.4 million sq.m. of similar grades of office space in the suburban nodes. Given its intermediate status between the central area and the northern suburbs the half a million sq.m. of office space in Braamfontein has been excluded from both zones. The 'expansion' of office space, prompted by the prospects that the events in 1990-91 had seemed to herald, was completed between 1993 and late-1997 pushing the amount of high-grade office stock in the CBD to 1 732 100 sq.m. By the end of 1997 suburban office space of grades A and B had risen to 2 374 600 sq.m. On the simple basis of the changing ratio of extra-CBD space to that within the city's business district, from 1.5 in 1993 to 1.8 in 1997, there might at first glance appear to be little cause for concern about a CBD decline. A closer look at the figures, however, reveals a number of points that would appear to merit serious reflection on the stability and future of office space in the Johannesburg CBD; space that must be let at high rentals in order to maintain not only the rateable value of the sites but the physical quality of the buildings (Beavon 1998; Beavon and Larsen 1998).

Between the beginning of 1993 and the end of 1997 the *gap* between the total amount of A- and B-grade office space in the CBD and in the suburbs widened by 86 per cent, from nominally 758 thousand to 1.4 million sq.m. The result is that for every square metre of high-grade office space that has been added to the Johannesburg CBD 3.7 square metres of similar quality space have been provided elsewhere in the suburbs. Furthermore the demand for office space outside of the CBD has exceeded that for space within it by a ratio of 8.6 to 1. To emphasize the magnitude of what has just been outlined consider the following formulation. If the average amount of vacant office space in the CBD over the period 1990-1997 is compared to the annual take-up rate in the same area, then by December 1997 there was already sufficient space in the CBD for at least the next five-and-a-half years. In the case of the decentralized nodes existing supply in 1997 was sufficient for seven months (Beavon and Larsen 1998). By mid-1998 it was being claimed by property analysts and brokers that the vacancies in the CBD would take 10 years to fill at current take-up rates whereas there was only a 4 month supply in the suburbs.

So severe and so rapid has the move of offices been that if by chance a magic wand could be waved, and all the firms that have moved out of the CBD since 1990 were to move back over-night, then there would be serious problems in the suburbs where massive vacancies would exist. In short the office space available in the metropolitan area is no longer in equilibrium with total demand.

Until recently the sector between Jan Smuts Avenue and the M1 motorway, from their intersection in Parktown, has been the zone most sought after by firms either decanting from the CBD or entering metropolitan Johannesburg for the first time (Figure 6). Since the beginning of 1998 there have been signs that some businesses, including those that have been in the Parktown node almost since its inception, are moving to locations elsewhere. The danger is that if top-rated firms move out of Parktown the perception could well be created that, like Braamfontein, it is considered too far south for comfort and too far away from the new business centre of gravity that is now located in the Sandton CBD. The amount of A- and B-grade office space in the Sandton CBD has increased by 87 per cent between 1990 and the end of 1997, and equal to 63 per cent of what had been in the CBD of Johannesburg as recently as 1990. Sandton in general is steadily attracting major corporations to what was its former municipal area. In 1994 sixty-three corporations listed on the Johannesburg Stock Exchange were headquartered in Sandton (Maher 1994) and the number had grown to 82 by 1998. The Johannesburg CBD, although still home to the largest single concentration of listed corporations in South Africa is still ahead but 'houses' only 128 of them.

As in the case of retailing there are major differences in rentals charged for offices in the Johannesburg CBD and in the suburbs. Top A-grade space in the CBD of Johannesburg can be had for not more than R25/sq.m. and, in late 1997, the Carlton Centre in an attempt to lure tenants was offering A-grade office space at R15/sq.m. In the CBD B-grade space can be had for R15 or less per sq.m. making it the cheapest office space in terms of quality, not the setting, anywhere in Greater Johannesburg. Establishing an office in the suburbs is considerably more expensive. Well-positioned A-grade space in Rosebank can cost up to R70/sq.m. and in both Hyde Park and the Sandton CBD R50/sq.m. is pretty much the minimum. In other suburban nodes in the northern suburbs wedge (Figure 6) R40 to R45 per sq.m. would be normal even for B-grade space.

Back in the Johannesburg CBD some former leading office buildings have been 'mothballed' in the sense that although vacant they are physically maintained and guarded, other have been sealed by bricking up their doors and windows at the lower levels. In other instances the buildings have genuinely been abandoned, taken over by vagrants, and in many instances the current backlog of rates and taxes exceeds the value of the building. Unless a buyer is found for the site the Council cannot even afford to incur the costs associated with demolishing the building. In several parts of the central city there are now an increasing number of vacant sites where owners have pulled down their buildings, replaced them with temporary car parks, and are waiting to see what will happen to the property market in the CBD.

Whether small, medium, and micro-enterprises (the 'pop'-sounding SMMEs) taking up space in former office blocks of the central area will have any significant affect on the attempts to revive the CBD sufficiently for it to pay its way in the future, let alone generate the bulk of the income for the city's budget, remains to be seen.

Changes in the Residential Areas North of the Reef

Crime has never been entirely absent from the residential areas of Johannesburg. Even so as the incidence of crime in the suburbs increased dramatically in the 1990s so did the costs of protecting property. Consequently from the early 1990s there has been a growing preference among many buyers of dwelling units for smaller more easily protected properties. As a result large numbers of cluster units, various forms of townhouses, and other types of 'gash' (good address small house) accommodation have mushroomed relative to the proverbial 'large house on large stand with pool' so typical of the older areas in the northern suburbs. Much of the first waves of the new more densely developed style of residential living were sited where relatively cheap land was available; notably on the periphery of the metropolitan area and particularly but not exclusively in the north and northwestern sectors (see Figure 1) that were formerly part of the independent municipalities of Sandton and Randburg.

As the new 'lock-and-go' style of living became more popular so property prices for large houses on large stands began to stagnate and even fall, pushed down in part by interest rates that have soared to about 20 per cent. Generally speaking large properties became more difficult to sell than had been the case for years. In many of the older established suburbs property developers have stepped in, and taking advantage of the situation just mentioned, have acquired sets of adjacent properties on which they have then built clusters of gash housing. Consequently the residential densities in small pockets of the north are now higher than ever before although by northern hemisphere standards, or by the standards in black townships, they remain ridiculously low.

The northern periphery of greater Johannesburg has a history of being a profitable area for property developers and has attracted a mixture of first-time home-owners and those seeking greater value for their money. Nevertheless the previous generation who bought on the northern rim faced a long journey to work in the central area of Johannesburg where large numbers of them were employed. As the volume of traffic from the spreading periphery increased so the arterial roads to the centre became more congested at peak hours and lengthened the travel times. In recent years that scenario has changed. As large amounts of decentralized retail and office-based business have concentrated not only in the northern wedge but in the northern parts of that wedge (*cf.* Figures 4, 5, and 6), the residential developments north of the old Johannesburg municipal boundary have proved to be much more attractive than in the past. Consequently each year more gash houses and more shops and offices have been attracted to the northern periphery with the CBD of Sandton assuming an increasingly important and even geographically central position.

Naturally, given the racial zonings of the past and the inevitable inertia of those patterns, it follows that the new trends in residential living, north of the line of the Reef, have undoubtedly favoured white people more than they have Black residents. Even though there are no longer any racial barriers to where one might live, the northern 'wedge' (Figure 6) and the suburbs adjacent to its western side remain overwhelmingly white.

Although the only barrier to entering any residential area is price in reality that alone creates a form of *de facto* apartheid. There are a significant number of well-positioned and wealthy black people now living in many of the expensive northern suburbs. Yet the overwhelming majority of Black people remain literally and figuratively on the margins, largely as a consequence of the cards dealt them in the apartheid years when they were growing up, seeking an education, and searching for a good job.

As might have been expected the movement into white areas by black people purchasing houses in the 1990s has been greatest in suburbs on the southwestern side of the city and least in the north. Unfortunately there is no published analysis based on a definitive data set of property transactions for the last decade. On the basis of a small non-random sample of 9 000 transactions in greater Johannesburg between 1993-1996, it has been noted that the percentage of houses purchased by black people in the former whites-only suburbs in the southwest ranged from 63 per cent in Naturena to a mere 3 per cent in Rosettenville. In the northern suburbs sales to black buyers amounted to only one or two per cent of all sales made but 56 per cent of those purchases were for upmarket properties in the Sandton suburb of Bryanston (Prinsloo 1997). In simple terms the 'picture' that emerges is one of 'business as usual' with no real signs of genuine inter-mingling of races in the former whites-only suburbs being visible by 1998.

Hopes were at one time high that upgrading or gentrification might act as a powerful force for renewal of some of the older, more run-down, sections of inner-residential suburbs such as found in and between Bertrams and Bezuidenhout Valley, Kensington, Malvern, and Jeppe on the eastern side of the Johannesburg CBD. Gentrification had occurred and appeared to be very successful particularly in some of the inner western suburbs notably in Mayfair, Mellville, Richmond, and Brixton. Unfortunately the rapid decline of the CBD and the increasing attractions much farther north have dampened the future prospects for the type of renewal that appeared possible in other parts of the inner suburbs.

In the high-rise inner-apartment zone, with the notable exception of certain blocks of apartments towards the crest of the north-facing slopes of Hillbrow and the Berea, living conditions have not improved since 1991. Attempts to establish co-operative housing schemes in a number of apartment blocks where 'owner'-occupiers would undertake their own upgrading and maintenance have also not been as successful as was hoped.

By 1989 the 50-storey Ponte apartment block in Berea had lost the status it held in the 1970s as Johannesburg's premier yuppie address. In 1998 the government was seriously considering how it might be converted into a one-stop combination police station, court, and prison. The idea being that Johannesburg's criminals would be booked, held for trial, tried, and if convicted serve their sentence, whether short or long term, all in the 50-storey Ponte building.

In attempting to conclude this paper some mention must be made of the most recent plan that city officials believe will provide the remedy for the malaise of the central area, and the role that the private sector believed a casino would play.

Mayivuke and other Plans to Revitalize the CBD

Attempts to manage, if not to control, what was happening in the central area of the city on the one hand, and to co-ordinate, if not to direct, the mushrooming extra-CBD developments on the other, were not really successful during the interregnum filled by the Metropolitan Chamber (Central Witwatersrand Metropolitan Chamber 1992, 1993). Consequently the business community in the CBD and elsewhere, as well as members of the public, eagerly awaited signs that a firm hand had been placed on the levers of the municipal machine following the local government elections in November 1995. There were soon signs that something positive was happening but whether it would be successful was another matter.

In November 1995 the property management arm of the railway commuter corporation, with assistance from both the national government and the local authority, was able to negotiate the move of the resident squatters from the main railway station to shelters elsewhere both inside the CBD and beyond Johannesburg. With the squatters gone serious renovation of the station and its precinct was commenced but the malaise that had gripped the CBD earlier continued. What seem to have been genuine attempts by the CJP and the Council to work co-operatively with the operators in the informal sector, and with the taxi industry, continued to break down, be revived, only to break down again. Petty and more serious crime escalated and calls for better policing could not be met successfully. Satellite police stations were opened in the CBD and then closed.

In part the problems of governing the city were caused by massive financial shortages for a whole variety of reasons. Nevertheless in July 1997 what was billed as the most ambitious plan ever for reviving the CBD was officially launched by Thabo Mbeki, the Deputy President of the country. Styled the Johannesburg *Mayivuke* Project (or Johannesburg Awake) the plan drawn up under the auspices of the Metropolitan Council is to upgrade the transportation terminals and their associated taxi ranks, provide a more controlled environment within which hawkers and pavement sellers will operate in the informal sector, improve the cleansing of the inner city, and cut back on crime by better more efficient use of policing methods on the city streets. The private sector agreed to carry a significant proportion of the cost, an indication of how seriously business has viewed the decline of the central area. It was therefore disturbing that in the same month it was revealed that, based on the Greater Johannesburg Metropolitan Council's operating estimates for 1997-98, the Council planned to spend more on food, furniture, festive illuminations, and travel allowances for councillors and staff than it did on repair and maintenance of roads, ambulances, safety equipment, and anti-litter campaigns.

By June 1998 some progress had been made on the construction of the taxi ranks, the renovation of the railway station was complete, but the drain of major businesses out of the CBD and closure of prestigious

major buildings in the central area, as described earlier in this chapter continued virtually unabated. In addition installation of the much publicized closed-circuit TV that was to help combat street crime in the central area, announced in April 1997, had not yet commenced and it appeared it could no longer be afforded.

While the city officials were pinning their hopes for reviving the CBD on the success of the *Mayivuke* project at least two syndicates of business people were placing their hopes on the roulette wheel, at least in the figurative sense. Some business people believe that a Vegas-style casino in the CBD of Johannesburg would revive the city. One group put forward a bid that had the Carlton Centre as its focal point and another syndicate proposed a location in Newtown. There were a number of other bids including one that was intended to be based in Soweto.

When the Gauteng Gambling and Betting Board announced the names of the successful bids in February 1998 the list of four did not include any of the three just mentioned. Not only was the CBD to be denied a casino but two of the successful bids were for casinos located not only on the current edge of the metropolitan area but on the northern half of it. As such they are most likely to have a detrimental impact on the business revival hopes of the CBD and, at least initially, attract a good measure of new retailing and hotels to their locations. It is of course a moot point whether a casino at say the Carlton Centre would really have revived the whole CBD of Johannesburg. Nevertheless it was at about the time of the casino announcement that the Carlton Hotel decided to close its doors and thereby in a very symbolic manner the southeast sector of the CBD announced its demise as a central point for high-order commodities and services.

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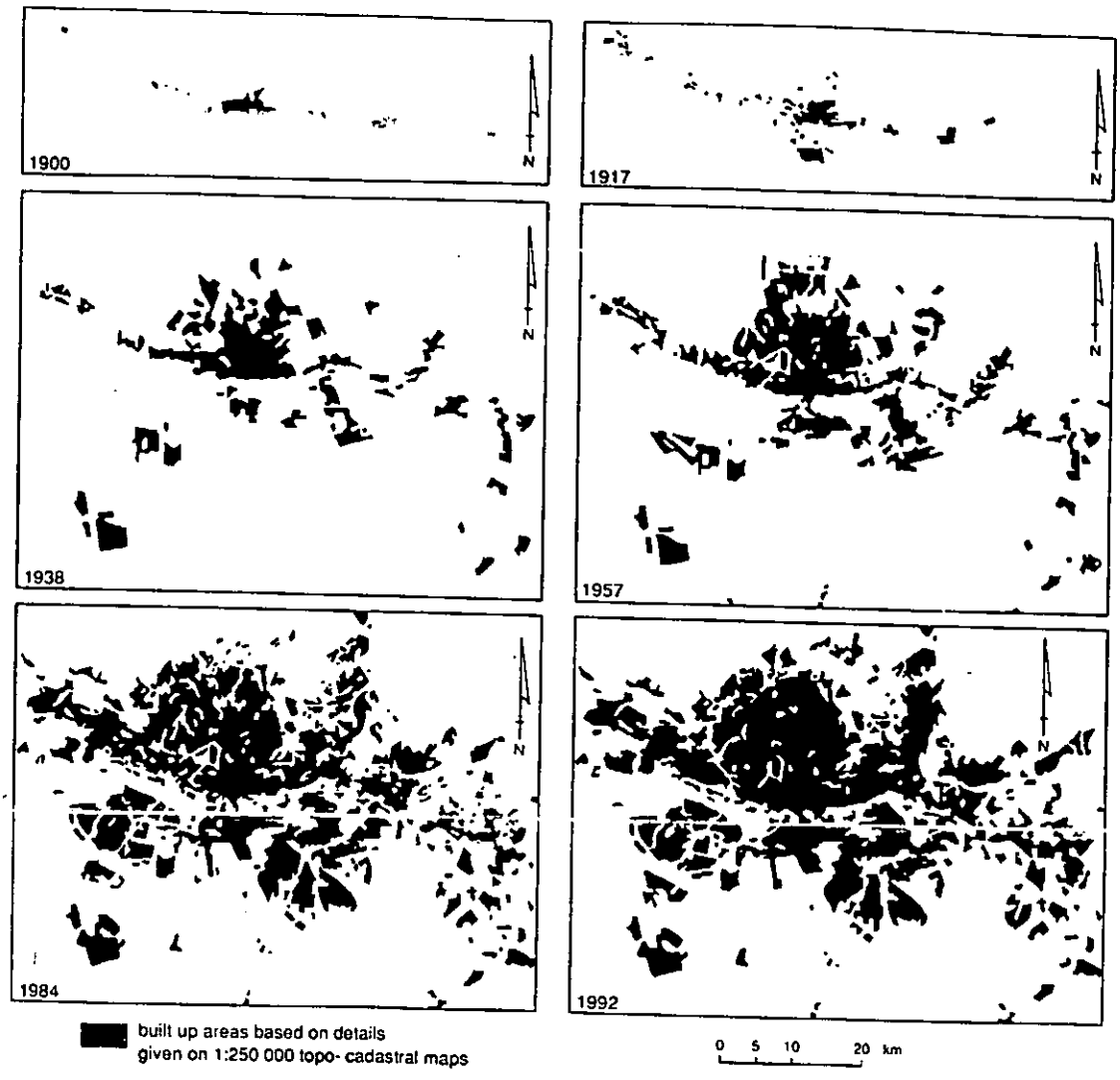
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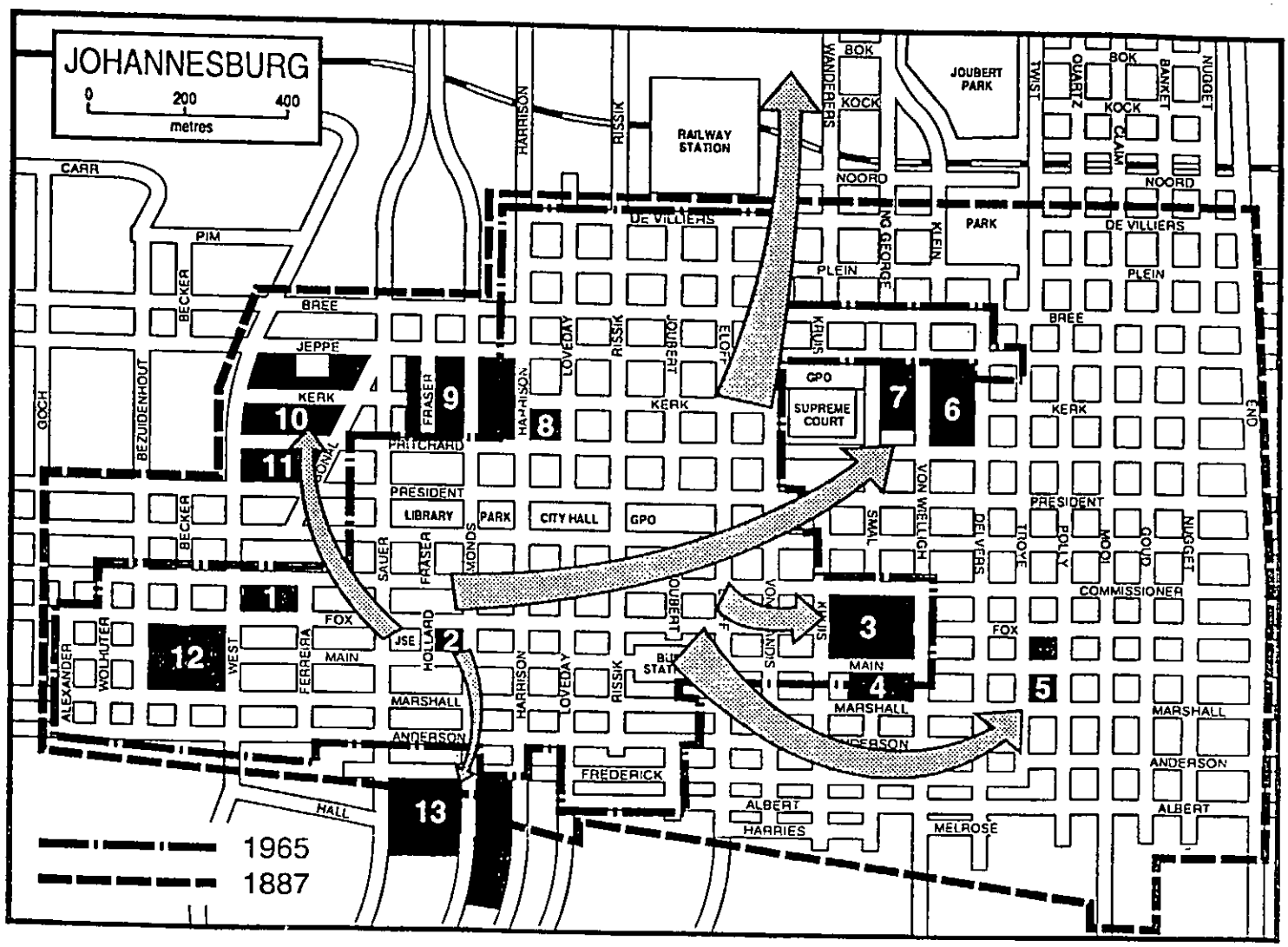
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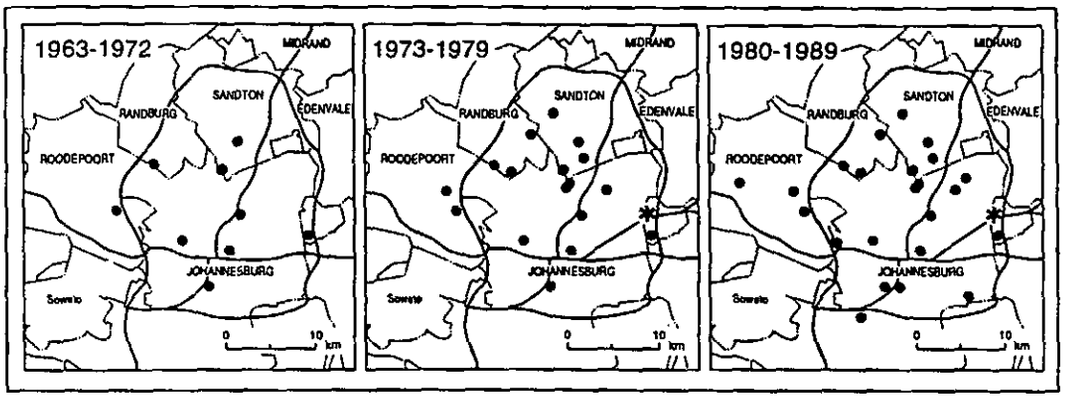
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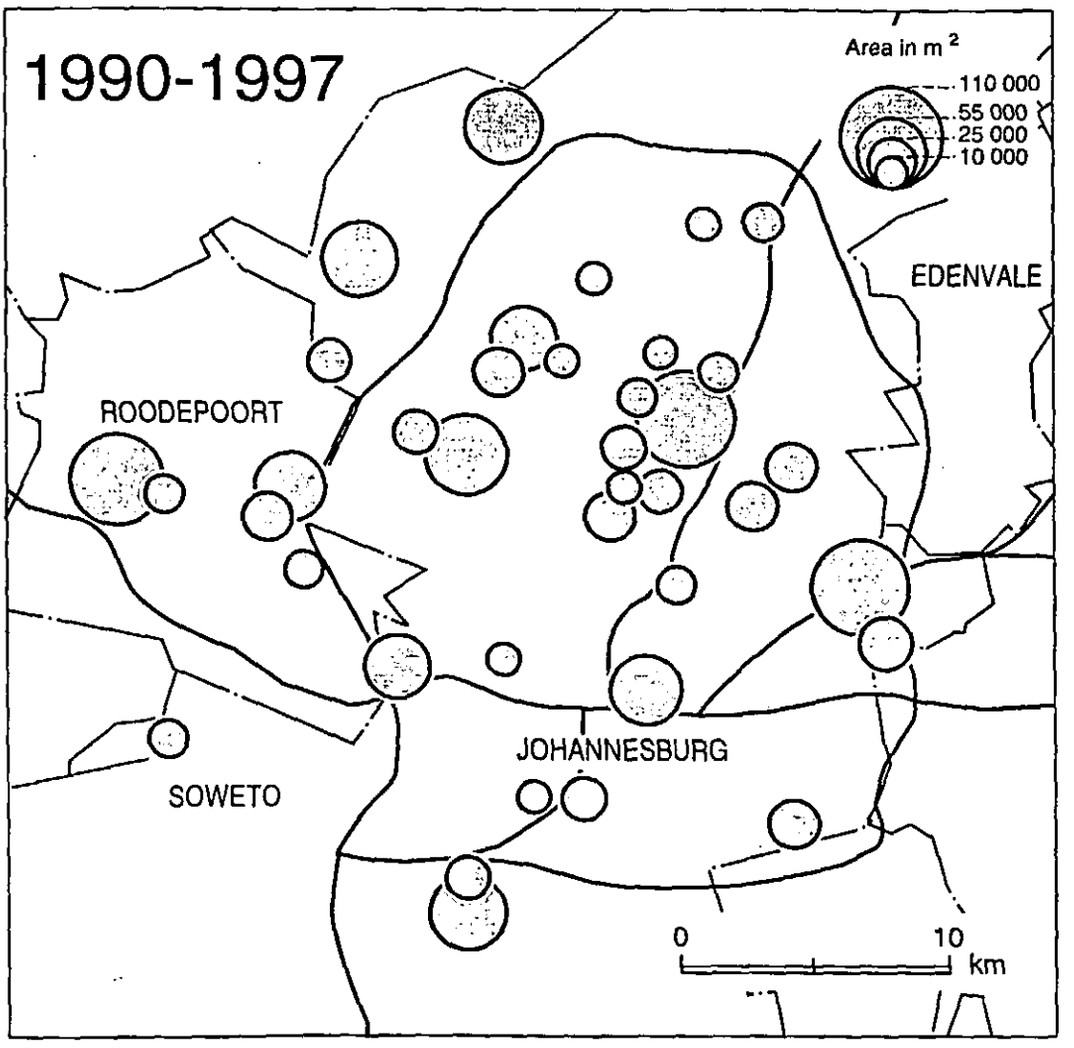
1. Areal growth of Johannesburg and the Central Witwatersrand 1900-1992 (modified from Whitlow and Brooker 1995).



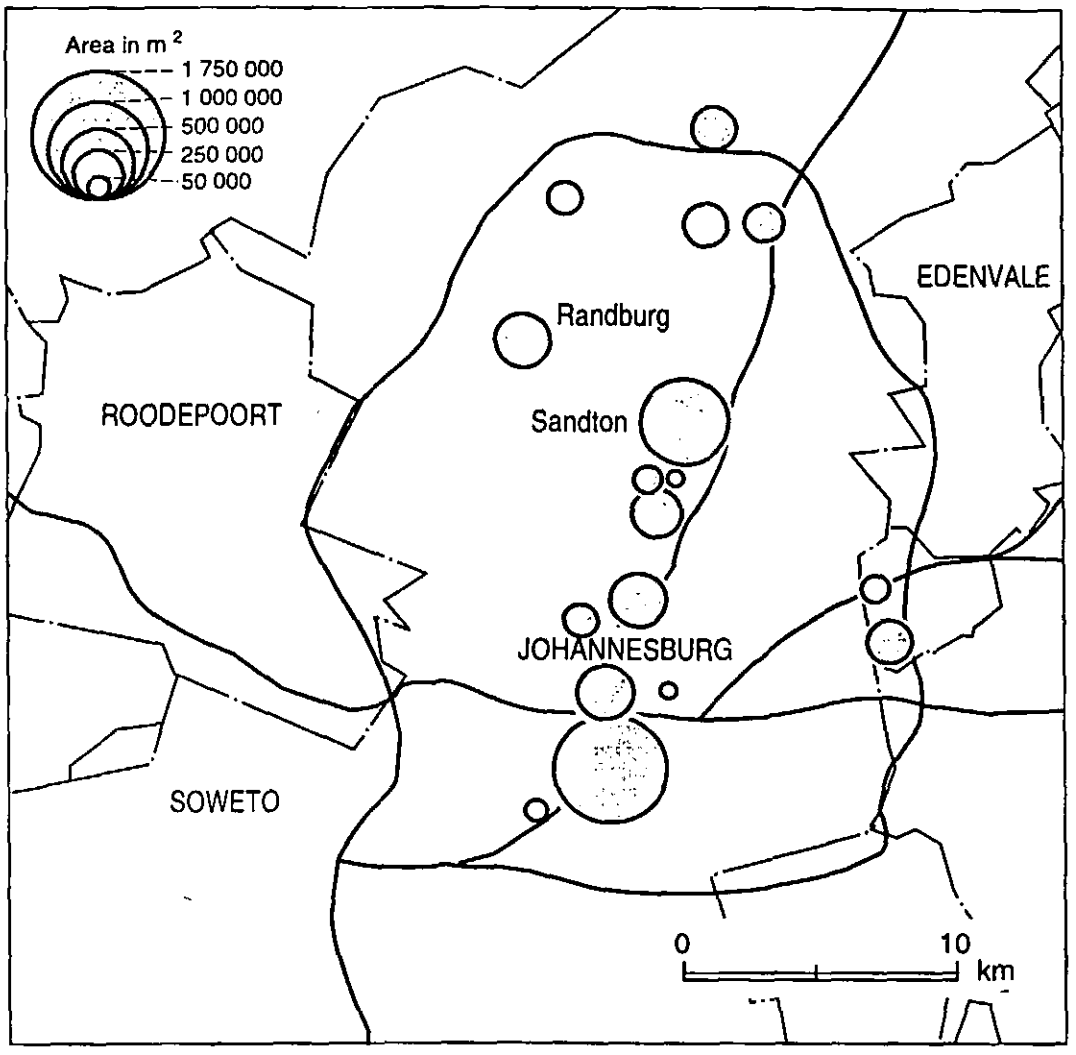
2. The position of 'superblocks' in the downtown area together with the shrinking CBD boundaries of 1959 and 1965. The main access routes from the south are indicated diagrammatically along with the bridges over the railway lines to the north. The numbered blocks are: 1. Edura House; 2. Standard Bank Centre; 3. Carlton Complex; 4. Carlton Centre Extension; 5. United (ABSA) Tower and current extensions (just to the north); 6. Sanlam Centre; 7. Johannesburg Sun Hotel (now closed); 8. Old Mutual's 1066; 9. Bank City (three blocks); 10. Johannesburg Stock Exchange; 11. Diamond Building or 11 Diagonal Street; 12 Magistrates Courts; 13. Standard Bank Headquarters (two blocks).



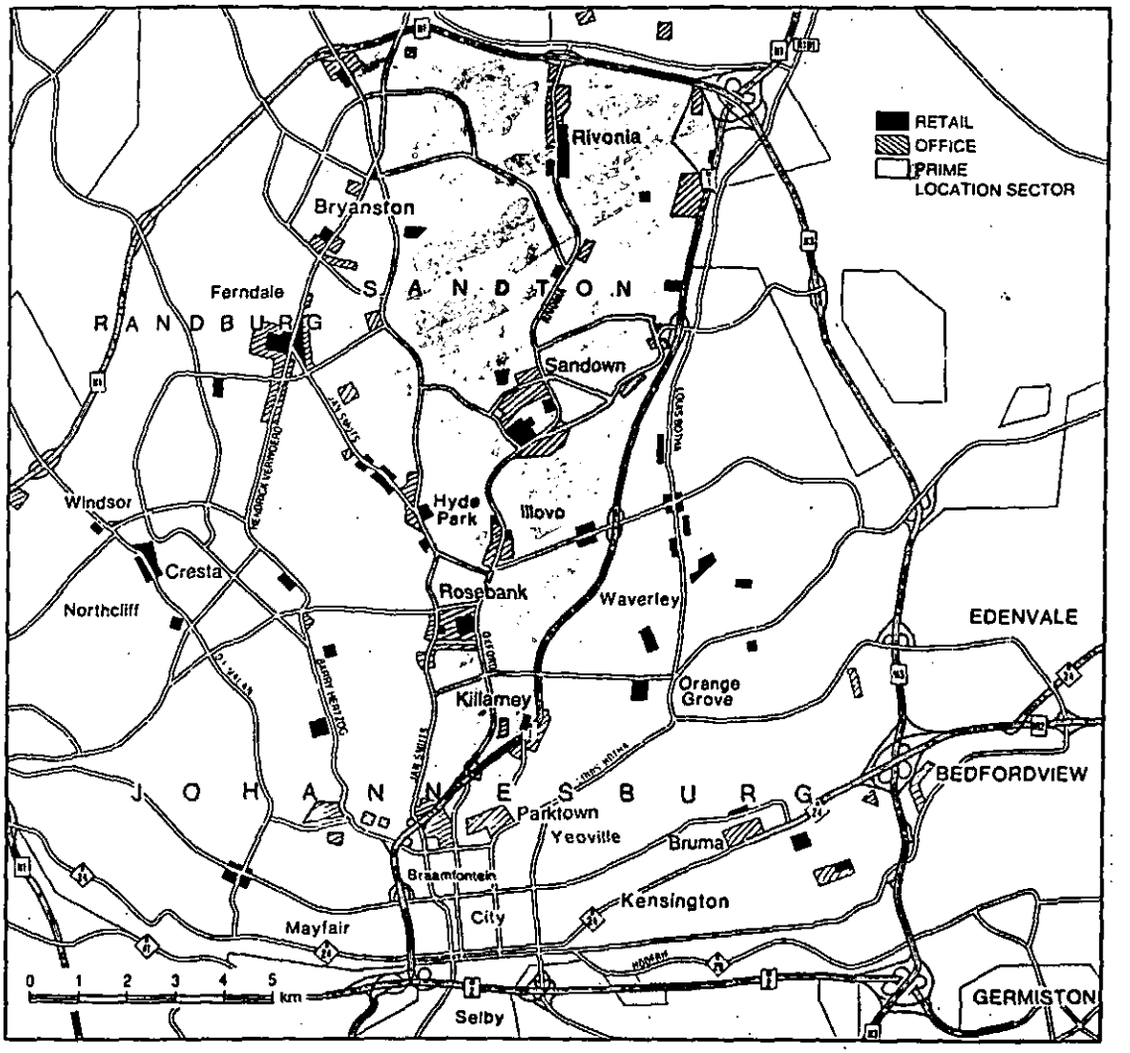
3. The distribution of shopping malls of at least 10 000 sq.m. in size. The position of Eastgate, the first of the super-malls, is indicated with an asterisk star.



4. The distribution of shopping malls (at least 10 000 sq.m. in size) that opened and grew between 1990 and 1997.



5. The distribution of nucleations of A- and B-grade office space in and beyond the Johannesburg CBD, 1997.



6. The northern 'wedge' of metropolitan Johannesburg which contains the most sort-after sites for new malls and office developments (modified from Beavon 1997).