Lael Bethlehem

Lael Bethlehem was Director of Economic Development at the City of Johannesburg from 2002 to 2005 and Chief Executive of the Johannesburg Development Agency from 2005 to 2010. Today, Bethlehem is an investment executive at Hosken Consolidated Investments, and a Non-Executive Director of The Industrial Development Corporation of South Africa, where she chairs the Investment Committee. She has also served as a Board Member of the International Institute for Environment and Development and as a Board Member of the Hans Merensky Foundation.

1. The Young Leader

Bethlehem’s calling as a civic leader was apparent from an early age: at 11, she won her first award for good citizenship and later became a junior councillor. Growing up under the Apartheid regime, Lael became very interested in the political dynamics of the city. She explains:

“Apartheid was a very particular set of interventions in city life and in fact was a very anti-urban set of policies, aside from the many other cruel things that it was. I saw my city being horribly divided, and life was made incredibly difficult for black populations in Johannesburg. What happened during the struggle against Apartheid is that the struggle in relation to housing became particularly acute and part of that was a struggle for the right to live in the city centre of Johannesburg. As a student I was quite affected by those movements and [by] people who were trying to find ways to live – to occupy space - in the city centre of Johannesburg.”

Lael’s career began with several research roles within the trade union movement, following which she became Chief Director at the National Department of Water Affairs and Forestry. She worked at the Forestry Department until 2002 when she entered local government in Johannesburg as Director of the Department for Economic Development. In this role, Lael was responsible for thinking through the city’s particular economic challenges, especially how to create jobs in the city.

2. Johannesburg City Centre and the Johannesburg Development Agency

Despite the formal collapse of Apartheid in the early 1990s, the static nature of the built environment meant that spatial segregation in Johannesburg persisted. Black people continued to live on the periphery of the city, whilst white people lived in the suburbs and the city centre. In the immediate post-Apartheid years, the city centre of Johannesburg suffered from severe disinvestment. Bethlehem recalls that:

“At one time I think a majority of buildings could have been said to have been in major decline or dilapidation. Literally nobody maintained the buildings. Many buildings were invaded by people who were looking for somewhere to stay, and many other buildings found themselves being used for things that they were not designed for, so you had a really major collapse of the inner city.”
The JDA was established in April 2001 by the City of Johannesburg and was tasked primarily with inner city regeneration. For five years the agency focussed predominantly on high profile one-off investments which were aimed at catalysing regeneration in the inner city. Investment projects championed during this time included the Nelson Mandela Bridge, Constitutional Court, and the Newtown development. These investments were instrumental in reversing the decline of inner city Johannesburg and in building a community of supporters and investors.\textsuperscript{iv}

After three years in the Department for Economic Development, Lael Bethlehem was appointed the CEO of the Johannesburg Development Agency (JDA) in 2005. The role tied in with Bethlehem’s long standing interest in the use of urban planning as a means of addressing social and economic disparities in the city. Under Bethlehem’s leadership, the JDA moved into a new investment phase, characterised by a series of more sustained smaller scale initiatives aimed at encouraging private sector investment. The agency’s work focused on upgrading public space and improving the sense of place in the city – for example public lighting, pavements, urban squares, parks and community halls were created, replaced or improved. A new museum, library, public buildings, trader markets, dance studio and cricket oval were created. The installation of beautiful public artwork and unusual street furniture became a hallmark of the JDA’s work.\textsuperscript{v} Bethlehem emerged as a firm advocate of the creation of a liveable city, believing this to be more important than simple ‘upgrading’ of space. “Public spaces have to become attractive places that give a city an identity that people can be proud of” she said in a 2008 interview.\textsuperscript{vi} The JDA’s focus was also broadened beyond the inner city areas to the wider townships.

3. Bethlehem as a Leader of Large Scale Investment Projects

Johannesburg has benefitted over the last decade from a significant number of large scale investment projects, which were particularly notable for their delivery within a short space of time. Although the JDA’s own activity between 2005 and 2010 was typified by a large number of small-scale urban regeneration projects, Bethlehem also showed herself to be more than capable of managing several of the city’s large scale investment projects during her time as CEO, including the development of the infrastructure for the city’s Bus Rapid Tranist system, known as Rea Vaya, as well as the preparation of the key precincts for the 2010 FIFA World Cup.

Bethlehem recognizes that tremendous energies and resources are required to implement major projects, and attributes Johannesburg’s ability to manage a large number of such projects almost simultaneously to several different underlying factors:

i) The end of Apartheid – which brought about a will and energy to mobilise resources and remake the city;

ii) The urgent need to address the dramatic collapse of inner city Johannesburg;

iii) The award of the 2010 FIFA World Cup, which created a deadline for mobilization of resources. Lael recalls:

“\textit{I think there is something about the impending deadline of hundreds of thousands of people arriving on your doorstep, and billions watching you on a TV screen that is able to focus institutions and ensure that people get together what can be very difficult processes.}” \textsuperscript{vii}
iv) The city-region’s two tier institutional structure. The existence of both the Gauteng provincial government and the city government enabled the city-region to undertake two simultaneous and complementary projects. The Gautrain (a high speed commuter train, aimed at a middle class audience) was an expensive project which was delivered by the provincial government at the same Rea Vaya (a cheaper bus rapid transport system which would serve a wider section of society) was implemented by the JDA.

3.1. Preparing the City for the FIFA World Cup 2010

In 2004, FIFA announced that South Africa had won the bid to become the first African nation to host the Football World Cup. The Finals were to be held in June and July of 2010, in nine host cities across the country, and the final would be played in Johannesburg’s Soccer City stadium. Johannesburg hoped to utilise the hosting of the global event to:

(i) upgrade and construction of infrastructure, stadia and new/existing urban realm;
(ii) catalyse economic development; and
(iii) improve the lives of the people in low income areas of the city.

As Director of Economic Development in the city, and subsequently in her role as CEO of the JDA, Lael Bethlehem would be an important figure in mobilizing the will, finance and urgency required to deliver keynote transport and sporting infrastructure and urban regeneration projects in Johannesburg. The JDA was involved in several major urban development projects which were accelerated by the World Cup deadline – the most significant of which were the upgrades to Ellis Park and Nasrec precincts in which new outdoor artwork and street furniture were installed, new bridges and roads constructed and new cricket and football pitches built. The JDA also lead the regeneration of Vilakazi Street, one of the most visited sites in Soweto. Other World Cup projects were implemented by other city agencies – a deliberate strategy on the part of the City of Johannesburg in order to minimize risk. This meant that Bethlehem and the JDA had to work collaboratively, co-ordinating execution and delivery of their projects with other agencies.

Bethlehem’s success in preparing the city for its role in the World Cup was recognised internationally. In December 2009, she was invited by the Organisation for Economic Co-operation and Development to London for a three-day stay in order to review the city's preparations for the 2012 Olympic Games.

3.2. Implementing the BRT System

As CEO of the Johannesburg Development Agency, Bethlehem was also responsible for developing the infrastructure for the introduction of Rea Vaya, a Bus Rapid Transit system for the city. This R3-billion flagship project was a social initiative as well as an infrastructure and environmental project: designed to be accessible, affordable and attractive to residents of all races and classes, the scheme sought to promote social inclusion and counteract the physical and social isolation suffered by the city’s poorest communities, particularly in and around Soweto. It was deliberately complementary to the Gauteng provincial government’s Gautrain project – which provided a relatively expensive train service that would predominantly serve a middle class ridership.
If the BRT was to be successful it required the support and co-operation of a wide range of stakeholders. A large number of public bodies were involved in the scheme including national and provincial governments (as funders), the JDA, the Johannesburg Roads Agency and the City’s Transportation Department. The JDA acted as managing agent for the project and, as its head, Bethlehem played a crucial role in securing and co-ordinating the infrastructure elements of the project.

A 2013 peer review of Rea Veya concluded that it was too early to determine the system’s impact on social equality\[x\]. Undoubtedly, Bethlehem and the JDA secured sufficient stakeholder buy-in for the first phase of the scheme to be completed on time (for the city’s hosting of the 2010 World Cup). An in principle agreement for a second phase of the BRT was reached between the City and bus and taxi operators in October 2013. The second phase will launch in May 2014. Rea Vaya currently has an average of 40,000 passengers per day, and is thought to have effected a 10-20% saving in time and costs for its passengers. Several other South African cities are now planning BRT systems. On leaving the JDA in 2010, Bethlehem picked Rea Vaya as the major scheme she was most proud of – particularly because of the role it played in the process of democratization in the city\[xii\].

4. Leadership Style

Lael Bethlehem’s colleagues and partners have characterized her leadership style in the following ways:

4.1. An Energetic Leader

Colleagues at the JDA have described Lael Bethlehem’s "infectious strength" and energy. She has even been granted the nickname “the Duracell Bunny”, as a leader who never stops and never gets tired. Bethlehem’s energy and drive were crucial factors in the many successes of the JDA, not least Rea Vaya project.\[xiii\]

4.2. A Compassionate Leader

When Bethlehem left the JDA in 2010, Luthando Vutula, chairperson of the JDA Board paid tribute to her years at the agency, saying that her compassion had shone through in everything that Bethlehem did. He was keen to emphasise however, this this compassion did not make Bethlehem undisciplined, or a pushover, and remarked that it was extraordinary that one leader could be so strict and yet so caring.\[xiv\]

4.3. A Collaborative Leader

One of the JDA’s strengths, and Bethlehem’s strengths as its leader, was in building partnerships between different sectors. Bethlehem forged a particularly strong relationship with and secured support from the Mayor of Johannesburg, Amos Masondo (city leader from 2001 to 2011). She also built strong connections with other stakeholders in the public sector, private sector and civil society which, in many different forms, made important contributions to the successes of the JDA.\[xv\] For example, when spearheading the JDA’s regeneration of Johannesburg’s inner city, Bethlehem was very clear that the JDA could not take on every building, or help every area, and
that outside investment would also be needed. In order to incentivize that investment she had to work with property investors and developers - encouraging them to redevelop space in the inner city - and with tenants – persuading them to move back to the city. The JDA also had to work with provincial government, who had moved away from their offices outside of the city centre and had to be convinced to return, with some national governmental entities who were important role players in the city, and of course with the city government.

5. Advice for Future City Leaders

As an individual who has shaped the city of Johannesburg through leadership roles in local government, more recently in the private sector, and also as the head of a Development Agency, Lael Bethlehem has the following advice for future city leaders:

5.1. Help the City to Way-find

The first task of a city leader is in helping the city to ‘way-find’. It is the city leader’s task to plan the city’s future direction and the projects that are needed to take it towards its planned goals. This can require some flexible thinking. For example, Johannesburg’s BRT system began its life as a much more modest project, a strategic public transport network involving lane sharing, and the designation of priority lanes for public transport. However, following discussions with Latin American cities, and under the guidance of visionary transport leaders, Bethlehem and the JDA soon took the decision that the project should be evolved into the more ambitious BRT project.

Bethlehem is clear that city leaders should not be afraid to change course if a better approach or project presents itself. In the case of Rea Vaya, despite obstacles – including increased costs, opposition from some quarters (especially the city’s taxi-drivers) and the fact that plans for the strategic public transport network were well under way – Bethlehem and the JDA recognized that the BRT would deliver much greater utility to the people of Johannesburg than the SPCN, and acted upon that basis.

5.2. Concentrate On Management

Whilst vision is important, regimental management is a pre-requisite if projects are to be delivered on time and on budget. Efficient management includes amassing resources, persuading opponents to get ‘on board’, and building up appropriate and sufficient human resources.

5.3. Build Alliances

As leader of a city development agency, Lael Bethlehem felt that the most important and useful skill she developed was the ability to build alliances. She perceives alliance building to be particularly key to the work of a development agency leader, who is often looking to bring about ‘visionary’ change or address a historic problem. However, any city leader will need to make alliances of many different types, whether political or administrative, and whether collaborating with partners from the private or public sector. Having built alliances, it is then the leader’s responsibility to ensure that they deliver on the promises and the visions they have committed themselves to.
Bethlehem sees connection with the private sector as a particularly critical form of alliance building, because city leaders will often need to tap into the goodwill which the private sector brings. Within the public sector, which is often less hierarchical than the private sector, it is important to be able to work with other bodies, agencies and individuals in ways that are truly collaborative and respectful.

5.4. Have a Sense of Inspiration

Lael Bethlehem believes that, more important than having or developing any one skill set or leadership style, is the fundamental requirement that city leaders should feel inspired by working for the public good. She says:

“I think it is important for people to work in city structures, who feel strongly, who feel that sense of commitment to the public because I think that it is hard work, it is work which often faces obstacles, and what keeps you going is that sense of a mission, that you are trying to do something beyond your shareholders, beyond profit, beyond your own career, [that] what you are trying to do is something that serves a much greater community. That is the sense of inspiration that is needed.”

Bethlehem concedes that in this sense South Africa may be fortunate, as the end of Apartheid has generated a spirit of transition which inspires city leaders and provides them with a sense that they are ‘building the future’. However she reminds prospective leaders that all cities and countries are developing their own histories, and believes that it is those who feel inspired by this, and by the prospect of doing public work, that will be the most successful leaders.
References

i Interview with Lael Bethlehem, May 2014


iii Interview with Lael Bethlehem, May 2014


vii Interview with Lael Bethlehem, May 2014


ix Ibid


xiii Ibid

xiv Ibid

xv Ibid

xvi Interview with Lael Bethlehem, May 2014