Creative Cities and Regional Development: The Case of Makhanda and the Creative City Project

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(Full thesis)

By

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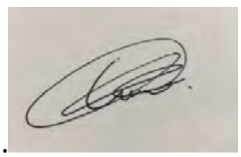
DECLARATION OF ORIGINAL WORK

This page declares that the work produced in this thesis is my own and was conducted whilst completing the degree of Master of Commerce in Economics at Rhodes University. Any work that is not my own is credited accordingly. This work has not been submitted to other universities, Technikons or colleges for degree purposes.

Guy John Campbell

Signed:….. 

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ABSTRACT

The 'Creative City' is a popular term describing a method of regional/urban development through the development of creative and cultural industries (CCIs). Research into this topic has mostly focused on large cities in developed nations. Research into its applicability to small, underdeveloped regions located in developing nations has been severely limited. This research drew on the creative city theory of Richard Florida (2002) and other relevant literature in the realm of creative and cultural economics. The extent to which the 'Creative City' Project of Makhanda, located in the Eastern Cape Province of South Africa, was successful in meeting its stated goals was assessed. The institutional frameworks and operational context of the project were investigated. A mixed-methods approach was applied. This included qualitative research techniques, drawing from multiple international and national case studies and literature. It also involved interviews with key stakeholders involved with the project. A quantitative survey assessed the extent to which the project has been successful in its goal to market Makhanda as the "Creative City" and whether it could become "South Africa's Creative and Cultural Capital". There is no reliable standard blueprint for how to develop a creative city. However, factors for success can be found in the development of new and growing creative spaces for the centralisation of creative and cultural activity; in associated employment opportunities and industry experience made available; and in strong partnerships forged between the project, local government and a range of key stakeholders. The Makhanda project faced significant challenges – namely, scarce financial support, small local consumer markets, an insufficiently recognised brand, limited support from local business and no vertical alignment with the national policy agenda. Despite the challenges several advantages were identified, including; a generous endowment in hard and soft infrastructures, a socially diverse and open environment, and a project rooted in the community interest. The project exhibits the potential to develop a thriving arts and culture sector in Makhanda. But it will be critical for the project to become self-sufficient and remain, and further embed itself, in the interests of the broad community for whom the project ultimately aims to benefit.

Keywords: creative and cultural economy, creative city, regional development, economic and social development, arts and culture.

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Last, this research has broadened my perception on the complexity of public service work and given me a newfound respect for the individuals who dedicate their lives to creating a more equitable society in which communities and individuals may thrive. I would like to thank all the people who participated in this research for their enthusiasm and willingness to engage.

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Acronyms:

- ASGISA – Accelerated and Shared Growth Initiative South Africa
- BBBEE – Broad Based Black Economic Empowerment
- BCDA – Blue Crane District Municipality
- BCDM – Blue Crane Development Agency
- BPS – Black Power Station
- CBD – Central Business District
- CCI – Creative and Cultural Industry
- CCIs – Creative and Cultural Industries
- DTI – Department of Trade and Industry
- dti – Department of Trade and Industry
- EU – European Union
- FCS – Framework for Cultural Statistics
- GBF – Grahamstown Business Forum
- GCI – Global Creativity Index
- GDP – Gross Domestic Product
- GMB – Guggenheim Museum Bilbao
- ICT – Information Communication Technology
- IDC – Industrial Development Corporation
- IMS – Integrated Manufacturing Strategy
- LED – Local Economic Development
- LEDA – Local Economic Development Agency
- LEDAs – Local Economic Development Agencies
- MLM – Makana Local Municipality
- NAF – National Arts Festival
- NDP – National Development Plan
- NGO – Non-governmental Organisation
- PPT – Pro-poor Tourism
- RU – Rhodes University
- RUESC – Rhodes University Ethical Standards Committee

- SA – South Africa
- SACO – South African Cultural Observatory
- SME – Small and Micro Enterprises
- UK – United Kingdom
- UNCTAD – United Nations Conference on Trade and Development

CHAPTER 1: INTRODUCTION

1.1 Creative Cities: The Theory and Debates

The Creative City is a socio-economic term used to describe cities that foster and develop cultural and creative economic activity. As a relatively new growth policy focus, the Creative City is a topic of interest for economic study. Current literature focuses on urban culture, the creative space, and the growth sector of creative and cultural industries (CCIs). Proponents of the Creative City present it as an urban and regional development path towards an innovative economy anchored in a multitude of creative economic activities and creative human capital. The theory is commonly derived from Richard Florida's (2002a) "The Rise of the Creative Class" and has since gained significant popularity in the realm of Western urban development policy. Fleischmann *et al.* (2017) noted that in Australia it was difficult to find any metropolitan or regional development plan that did not include creative industry objectives.

Florida's (2002a) theory describes a new creative labour group called the "creative class". These workers were described as innovative, well-educated, tech savvy and highly desirable for a number of fast-growing industries such as tech and design. The theory explained that cities with thriving arts and culture (cultural industries), social openness and innovation (creative industries) would attract, and then economically benefit from, the creative class. Through the 2000's, many large cities and metropolitans in developed nations, first in the US and then globally, rushed to compete for this workforce by developing and marketing themselves as creative cities. Currid (2007) described this "new economy" as the "Warhol Economy" and as a primary influential perspective on socioeconomic urban development post the 1980's years of technologically centred thinking.

There has been extensive debate around this regional development approach, the associated development policy and the theory itself. The underlying concern of many critics has been that the development approach caters to a neoliberal development agenda (Peck, 2005) geared towards exclusive economic growth. Peck (2008) argues that creative city policies are too consumer-centric and neglect effective and comprehensive production-side development. Thiel (2017) further stresses that the precarious nature of CCIs requires more comprehensive policy than those currently applied. Despite these criticisms, the creative industries are widely considered to be a global driver of economic growth and to be a factor that can help firms and other organisations meet the rapidly evolving, technology-driven needs of society (Fleischmann *et al.* 2017). Research (Sasaki 2010, De Beukelaer 2017, Pratt 2005) has proposed that amendments should be made to the conventional Creative City styled development strategy if the desired outcome is to produce more inclusive economic growth and concurrent widespread social benefit, and is to resist the pitfalls associated with a neoliberal development agenda. Furthermore, critics argue (Bjelland 2013, Plaza and Haarich 2013) that there is no concrete blueprint for successful creative city development.

De Beukelaer (2017) notes that CCI development in the African context differs greatly from what the international literature would project. Hence, a unique approach to CCI-driven development is required for any specific socioeconomic context, particularly in the South African case where poverty, inequality and unemployment are rife. Considering the socioeconomic circumstances, a neoliberal development agenda may exacerbate these ailments, the symptoms of which would be evident in, for example, cultural and economic gentrification (Peck 2005, Gregory 2016). Sasaki's (2010) study of creative city development in Japan provides valuable insight for developing a creative city that is both economically and socially sustainable. The involvement of a broad set of local stakeholders, including business, local government and community leaders, was a key component of success in these cases. A mechanism for public participation ensured that projects and development initiatives remained firmly embedded in the public interest (Sasaki 2010).

According to Ernst & Young (2015), in the first global survey of the creative industries, approximately 30 million people were directly employed in the creative economy worldwide and it contributed to 3% of global GDP. South African national and local government policy has to some extent recognised the importance of CCIs in regional development. The Revised

White Paper Fourth Draft (2018) states for local government that, “all local governments are encouraged, based on this revised White Paper, to develop city and town-level policies on arts, culture and heritage, including the cultural and creative industries, in conjunction with local stakeholders in their sector, to define their desired outcomes and strategic intent at local level” (Eastern Cape Dept. Arts and Culture 2017:65). This resonates with The Accelerated and Shared Growth Initiative of South Africa (ASGISA). ASGISA points to the development of CCIs as a driver not only of sustainable economic opportunity and income for local communities, but also of business growth opportunities for small, micro and medium enterprises (Joffe and Newton, 2007). According to Snowball, Collins and Tarentaal (2017), South African CCI employment demographics have steadily been transitioning towards a truer reflection of the country’s demographics. This indicates the diverse and inclusive nature of the CCIs - a valuable industry trait in post-apartheid South Africa.

The potential benefits of utilising these industries for urban regeneration has been fairly well documented in South Africa - for example, the Maboneng district in the Johannesburg CBD (Gregory 2016). However, research into the development potential of CCIs in small, rural cities and towns in South Africa, or any developing nation, is scarce. Significant research has been done on CCIs in rural regions in developed nations, but it is less abundant than that done on their metropolitan and city counterparts. Research by Herslund (2012) and McGranahan (2012) on rural economies of the US and UK (respectively) report CCIs as a potentially effective growth mechanism for counteracting the decline in primary manufacturing activities, upon which the economies of many towns and small cities have been anchored. A “counter urbanisation” (Herslund 2012) has been observed whereby creative workers move to the countryside, enabled by ICT progress, in search of desirable lifestyle amenities and available space afforded by rural living (McGranahan 2012). This “creative milieu” fulfils many of the forgone functions of the urban creative cluster space (Anderson *et al*. 2016). The research provides empirical evidence that CCIs have, in some cases, been a valid mechanism for rural regional development.

1.2 The Makhanda Creative City Project: a Brief Background and Introduction

The ‘Creative City,’ a branding/development project in Makhanda (a small, rural town formerly known as Grahamstown) was launched in January 2014 by the National Arts Festival in partnership with the Makana Municipality, Cacadu District Municipality, and with the support of the Eastern Cape Department of Sports, Recreation, Arts and Culture. The project included oversight and funding from the European Union. It set out to support a range of industries and provide sustainable employment not only in creative production, but also in tourism and hospitality. The overarching goal was to establish what was then Grahamstown (now Makhanda) as “South Africa’s Cultural Capital” over a 5-year period (Lankester 2013). The project “pulls together a major alliance of institutions in Grahamstown - Festivals, tourism bodies, NGOs, educational and government entities - and harnesses their collective passion for creativity for the benefit of the City” (Creative City 2018). EU ambassador Roeland van de Geer suggested that the project, “could become a model for ‘Creative Cities’ that foster creativity and innovation, and economic growth” (Lankester 2013). The project included a number of secondary economic and social goals, among which were “upskilling and resourcing the creative residents of Grahamstown so that they are positioned to turn their talent, skills and passion into a sustainable career” (Creative City 2018).

A significant parallel can be drawn between Florida’s Creative City and Makhanda’s ‘Creative City’ project. Both were geared toward regional development policy objectives based on the creative and cultural industries (CCIs). However, the express mission statement of the Creative City project was,

> *“driving growth and promoting dignity through the arts. Our flagship project - the Makana Arts Academy is an umbrella initiative aimed at upskilling and resourcing the creative residents of Grahamstown so that they are positioned to turn their talent, skills and passion into a sustainable career.”* (Creative City 2018).

The broad goal has been development through upskilling CCI labour in Makhanda's case. In contrast to Florida's (2002) focus on harnessing the CCI's to attract the new skilled labour pool needed to attract businesses searching for such labour. This is not to say that the two goals are entirely mutually exclusive. In fact, the Creative City project was incorporated as one of two pillars in the "Big City" development strategy proposed by the Stakeholder Forum, which brought together local government, business, community interests and a large NGO. Furthermore, it was included as a facet of the Local Economic Development's 2019 strategy, which aimed to attract creative class individuals as residents or tourists.

1.3 The Research Goals

Some research has been done on Makhanda's 'Creative City' project. However, there is a lack of work directly focussing on the specific intended goals of the project and whether those goals have been realised within the time frame envisaged at inception. Both require consideration if the effectiveness of the project relative to its original goals is to be assessed. An exploration of the operational context and institutional frameworks around the project in this thesis informed the assessment and added more contextual depth to the research. Furthermore, although there is an abundance of literature on creative cities and their effects in the context of cities and metropolitans, particularly in developed economies, there is very little research into how these theories may apply to small, rural towns/cities in developing nations. This research therefore aimed to contribute to a foundation upon which these theories could be applied to cases of small, rural cities and towns in developing nations, like Makhanda.

The goals of the research were as follows;

1. To determine the extent to which the Creative City project had achieved its primary goal of becoming South Africa's Creative and Cultural Capital.

2. To determine the extent to which the project had been successful in reaching its secondary goals of employment creation, economic development and social upliftment.

3. To formulate key success factors for the project and assess the performance of the project in each success factor.

Secondary goals included:

- Exploring the greater operational framework of the project, including local Government and the Stakeholder Forum.

- Using the case to assess whether this regional development strategy may be applicable for other small, rural towns and cities.

1.4 Methods, Procedures and Techniques

To address the primary goal, the research included a core quantitative method in the form of a question included in a larger survey. The question was added to the 2019 National Arts Festival Socioeconomic Impact Study survey carried out by the Rhodes University Department of Economics and Economic History. The survey was done face-to-face and covered a stratified sample of 550 festival attendees including Makhanda residents and visitors. The question was designed to gauge interviewees' perceptions of Makhanda using commonly associated factors such as Rhodes University and potholes as a proxy for factors of education and infrastructural issues, respectively. This was not only used to address the primary project goal, but also to inform an analysis on the project's strengths, weaknesses and key success factors.

Given that the primary and some of the secondary goals of the project were not always directly quantifiable, a range of qualitative methods were used. Hence, the research has taken a post-positivist approach, which considers subjective influences on data gathered. As Tomer (2007) describes, much new knowledge is riddled with complexity for which there is no easily applicable scientific process. This research processed information from qualitative data with this in mind.

Two qualitative methods were used in this research, the first being interviews with key stakeholders. Key stakeholders were identified to represent all corners of society involved in the project – namely, local business, government, a large NGO and the project itself. These stakeholders were all leaders in their respective roles and had a significant interest in, and bearing on, the project. The interviews were open-ended, allowing respondents freedom to touch on any variety of issues, challenges, successes or opportunities. They were at the same time designed to limit interactions to the scope of the project's goals and its operational structures.

Document analysis was the second qualitative method employed. Numerous documents pertaining to the Makhanda Creative City project were sourced and analysed to inform the research and investigate the project. A similar approach is applied in research dealing with a small Australian city called Townsville, which also implemented a Creative City development strategy. This made it a useful case study against which the Makhanda project could be compared. The comparison was tabulated to highlight differences and similarities between the two initiatives and to reveal what might be required to ensure that the Makhanda project succeeds. This method was not strictly qualitative. A fair portion of the data gathered was numerical – such as local statistics, demographics and employment projections.

The literature referenced in this research informed its comparisons, analysis and conclusions. The literature gathered was broad in scope, ranging from urban to rural, and from developed to developing contexts. It deals with a variety of interpretations of CCIs and their development implications. The context of cases covered in the literature perhaps differed from that of the case study at hand, but there were various forms of similarity from which applicable lessons could be learned.

As the research includes human subjects, ethical clearance was obtained in 2018 from the Rhodes University Ethical Standards Committee (RUESC) and was renewed in 2019. All guidelines for appropriate conduct were adhered to.

1.5 Conclusion

This chapter introduced the leading theory of, and prevalent debate around, creative cities and their role in international development policy, and offered a brief look into the Makhanda Creative City project. Following an outline of the goals of this research, an overview of the methods employed to achieve these goals is provided. The next section of this thesis explores the literature dealing with Creative Cities, including its core theories, debates and criticism, how it describes their role in regional development and tourism, and how it treats cases in urban versus rural contexts. The document then takes a comprehensive look at the context of its research, which includes CCI policy in South Africa, South Africa's rank in the Global Creativity Index, the town of Makhanda and some relevant institutions. This is followed by an extended chapter detailing the research methods, procedures and techniques engaged in its research. Next come the results and then conclusions of the research.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

Current Creative City literature focuses on urban culture, the creative space, and the growth sector of creative and cultural industries (CCIs). Proponents of the Creative City present it as an urban and regional development path towards an innovative economy anchored in a multitude of creative economic activities and creative human capital. There are, however, opponents to this development approach. The debate on this development style has been somewhat *en vogue* in the realm of regional development policy over the last two decades and opinions are commonly polarized (Thiel 2017).

The debate largely stems from Richard L. Florida's (2002a) book *The Rise of the Creative Class*, which received global praise and revitalized the subject of urban policy debate (Thiel 2017). This literature review begins by expanding on the theory and application of Florida's Creative City and discussing some of the opposed and proposed literature of the Creative City debate. Proponents present the development theory as geared towards the new knowledge economy and creative capacity, particularly in the context of large cities and metropolitan areas that foster agglomeration (large and diverse) economies and knowledge spillovers (Trullen and Boix 2008, Beaudry and Schiffauerova 2009). Opponents criticize the theory as a "repackaged neoliberal agenda" (Pratt 2008) of exclusive growth with little broad socio-economic benefit, and question the effectiveness of creative city development and policy in meeting desired goals. The duality of this debate is exhibited in the South African case of Maboneng, which has been criticised for cultural and economic gentrification, but simultaneously seen as an example of urban regeneration and bringing arts and culture back from affluent peripheral urban areas to the city (Gregory 2016).

The CCIs have become a frontier of regional development policy in many places, from large metropolitans, like Barcelona, Spain, to much smaller towns in rural regions, such as Townsville, Australia.

Flew (2017:1) defined CCIs as;

> "those parts of the modern economy where culture is produced and distributed through industrial means, applying the creativity of individuals and groups to the generation of original cultural product, which may have commercial value either through direct sale to consumers or as intellectual property. The creative and cultural industries typically bring together the arts, media, and design sectors, with a focus upon convergent digital technologies and the challenges and opportunities of globalization."

CCI policies, such as culture-led urban regeneration, have primarily focused on broadening markets for cultural goods and services (consumption), and promoting innovation and creativity in the industry (production). They are increasingly seen as an alternative to manufacturing as a driver of growth. Both the consumption and production side, which have multiple facets, must be considered when assessing the "cultural cycle" of the CCI market. This includes looking into CCI clustering, and the "hard" and "soft" infrastructure (Flew 2013) that allows them to operate and potentially flourish. The promise of growth in CCIs in rural areas can be seen in the counter-urbanisation phenomena seen in the USA and UK. CCI workers are migrating to rural areas, at varying rates, based on attributes offered that outweigh the advantages of urban operation (McGranahan 2010, Herslund 2012, Knox and Meyer 2009, Illbery and Bowler 1998).

CCIs are inextricably linked to creative and cultural tourism. This is particularly pertinent in development projects and initiatives in rural regions in South Africa, where creative and cultural "hard" (facilities, creative and cultural spaces) and "soft" (communication networks, access to creative and cultural knowledge) infrastructure play a key role driving much needed economic and social development. The creative and cultural tourism markets have forward and backward linkages that have the potential to stimulate other industries (Yang and Fik 2014). Cases like Bilbao, Spain, are a testament to the economic development potential of the creative and cultural tourism industry, when supported by extensive "hard" and grassroots foundation "soft" infrastructure (Plaza and Haarich 2013).

CCIs have been an increasingly prominent feature in South Africa's national development policy. They are a key strategic sector in the Department of Trade and Industry's Integrated Manufacturing Strategy (IMS) and are a priority sector in the Accelerated and Shared Growth Initiative of South Africa (ASGISA). On a local level, creative and cultural or Creative City development projects could be run privately, publicly or through a Local Economic Development Agency (LEDA). A LEDA is a hybrid of the other two with the potential to operate independently and merge private interest with local, municipal development interest in a community embedded approach (Lawrence and Rogerson 2019). The advantages and challenges faced by LEDAs are important insofar as they are the context for, and possible drivers of, local development through which creative and cultural industry driven growth may be implemented and operated.

This literature review explores the global debate on creative city theory and its potential role as, or as part of, a regional development strategy. CCIs have shown the potential to create socially and economically inclusive and sustainable growth. How to ensure and maximise economic growth, and the extent to which it is inclusive and sustainable, is a topic of critical debate. This review introduces Florida's (2002 a, b) creative city theory. The discussion is seen in the context of CCIs, their knowledge, industry and network spillovers; the cultural cycle; and creative and cultural clustering. It primarily focuses on CCIs in the urban space, as most of the literature on creative cities is on urban regions and metropolitan areas. Debate around creative city development is explored, highlighting popular and emerging criticisms of the theory and application of creative city development strategies, and the balance between neoliberal economic growth and inclusive community development. The focus subsequently shifts to creative city theory and policy in the global south, and the realm of inclusive development.

The review then turns to CCIs in the context of rural regions starting in the global west. There is a growing body of research into the trend of "counter-urbanisation" (Herslund 2012), or the migration of urban-dwellers to the countryside. This shapes the idea of the new evolution in rural economic activities, away from economies anchored on declining agricultural and manufacturing industries towards diversified economies in what Ilbery and Bowler (1998) call the "post-productivist countryside." Rural environments face a myriad of social, geographic and economic challenges for which CCIs potentially offer innovative and effective solutions. CCIs have been seen to act as a channel for revitalizing local cultural production, connecting local producers to larger markets through the development of strong horizontal local networks. Creative and cultural activity has at the same time had positive welfare effects on communities. It has equipped people with capabilities and has provided meaningful activity and a sense of expressive liberation (Scott *et al.* 2018, Jowell 2004).

Lastly; development through creative and cultural initiative requires competent horizontal networks among local government, citizen stakeholders and the private sector (Todes and Turok 2018). For this purpose, Local Economic Development Agencies (LEDAs) are poised as a mechanism for bringing together the interests of these three actors (Lawrence and Rogerson 2018). These agencies act as a separate legal entity from government but seek to carry out the government's developmental mandate, providing an accountable agency for private sector interests to engage in development activities. In this capacity, LEDAs have shown the potential to develop social capital at a local level. They offer a flexible, participatory approach to development, encouraging social inclusion, and identifying and capitalising on local economic potential (Lawrence and Rogerson 2018, 2019). These agencies have the potential to play a pivotal role in implementing and managing rural creative and cultural development.

This literature review takes an in-depth look into the creative city, and creative and cultural development, covering large metropolitan areas to small rural areas. The mechanisms and theories are discussed with inclusion of both proponents and the contrary.

2.2 Creative Cities Theory and International Literature

The creative industries have seen increasing recognition as contributors to economic growth. They have also been regarded as integral to efforts by firms and organizations to meet the rapidly evolving needs of a society, which hinge on technological advancement (Fleischmann *et al.* 2017). According to Ernst & Young (2015), approximately 30 million people contributed to the creative economy worldwide. The sector's contribution to global GDP was 3%. The creative and cultural industries are larger than the GDPs of India, Russia or Canada. Florida (2015) argued that cities were central to the global creative and cultural economy because of the clustering of talent and industry that was required to support it.

Much attention has recently been paid to the role of cultural industries, or the cultural sector, in local and regional economic development (Sacco *et al.* 2014). It has been argued that cultural production and consumption could lead, or contribute to, growth and development in a number of ways. Florida (2002a, b) argued that attracting the "creative class" was the key to economic growth and corporate profits in the regions concerned. This class was a new workforce that was well-educated, growing and well paid (Florida 2002b). The aim was to harness their human capital, which was geared towards new ideas, high-tech business and regional development. He described a new kind of economy in which human creativity would be the essential feature of economic life and from which,

> "new technologies, new industries, new wealth and all other good economic things flow" (Florida 2012:1).

Florida (2002a, b, 2012) ranked the 10 most and least creative cities in the US by means of three indicating factors: the Milken Institute's Tech Pole Index; innovation ranked by patents per capita; and diversity rank by the Gay Index as a proxy for social openness. This is Florida's 'Creativity Index.' He identified other key creative economy attributes - like a city's music scene, daytime activities and nightlife - as factors that attracted the 'creative class'.

The Creativity Index was developed for global application in what was called the "Global Creativity Index [GCI]" by Florida and the Martin Prosperity Institute. The GCI applied these indicators to various countries, which were used to assign a GCI ranking. The data informing these indicators employed a wide range of measures from many reputable sources, such as the World Bank, the Global Competitiveness Index and World Development Indicators. These indicators were referred to as the three T's: Technology, Talent and Tolerance.

1. The Technology rank was based on the national portion of GDP allocated to research and development, and the international standard for innovation of patents per capita. According to Florida, Mellander and King (2015), it was well-known that technology increased productivity and created new wealth.
2. The Talent rank was based on education levels, the portion of the population that participated in higher education and a creative class rank. The creative class rank reflected the proportion of the workforce employed in science, technology and engineering; arts, culture, entertainment and the media; business and management; and education, healthcare and law. This was a new indicator of human capital. Florida *et al.* (2015) referred to a large body of literature supporting the link between human capital and economic development at a national and regional level.
3. Lastly, the Tolerance rank was based on racial and ethnic tolerance gauged by surveyed tolerance opinion in urban cities and receptiveness to "open homosexuals", which was assessed in the same way. Florida *et al.* (2015) argued that places that were socially open had the advantage of being more attractive to the creative class and of possessing an environment more conducive to the mobilization of new ideas. This was not to say, as is a common misperception, that the gathering of "open homosexuals" and artists would always result in economic prosperity (Sasaki 2010).

Simply put, a city's creative scene has the function of attracting a new, highly skilled labour pool. This, in turn, attracts innovative, high-technology industries who chase after this talent, which leads to substantial regional growth (Pratt 2008). Malanga (2004) observed that there was a widespread global rush to create and implement policies based on Florida's work by 'leftish' policy makers and urban planners. For example, Singapore ended its antihomosexuality laws and bans on busking (public music displays for donation) as a way of improving social openness and cultural atmosphere as part of a broader economic development agenda (*The Economist* 2004). The state of Michigan's launch of a "cool cities" project. It aimed at attracting 'urban pioneers and young knowledge workers who were a driving force for economic development and growth' (Knox and Meyer 2009).

The ability of cities and metropolitan areas to foster knowledge, creativity and subsequent positive externalities makes them a strong developmental force and enhances their competitiveness. A study by Trullen and Boix (2008), which focused on Barcelona, found that the city had been transitioning towards a knowledge-intensive, creative economy. This was confirmed by evidence that employment in knowledge-intensive, creative industries increased from 28.0% in 1991 to 37.8% in 2005. Creative-class professionals saw their portion of average employment grow by 0.7% per annum over the same period. Knowledge-intensive services grew by 10.7% per annum. This contrasted with a contraction in manufacturing output as a whole, which included a 2% contraction in low-tech manufacturing. The study used a time and space-dynamic model of labour growth, grouping activities in accordance with their knowledge intensity. The econometric analysis of the skilled-labour pool, density, innovative capacity, diversity and creative people suggested a fairly strong link between knowledge creativity and urban growth rates (Trullen and Boix 2008).

The Trullen and Boix (2008) study analysed and supported the positive effects of external economies - namely, knowledge and creativity externalities on metropolitan cities. External economies are economic activities that have marked effects on other economic activities, but without a direct reflection in market prices. Knowledge economies, as economies of innovation and idea creation, act as an externality. Research and development of one firm may 'spill over' into other firms situated in other industries, particularly in metropolitan regions (Beaudry and Schiffauerova 2009). This is prevalent where many hi-tech or idea generating firms are geographically clustered. These economies are defined as 'agglomeration economies', which are massive, dense and diverse structures (Thiel 2017). Agglomeration economies have both internal economies and external economic advantages based on their location and their urban environment. Localization economies are created through the concentration of many small firms in a specific location and are associated with the presence of a skilled labour pool, specialised supply and knowledge spillovers. Urbanization is a factor of the size of the available market (resources and consumption), the overall scope of the general economic structure, and the diversity and density level of knowledge and information generation (Trullen and Boix 2008). The study found that localization effects were larger than urbanization. This was attributed mainly to the size of the metropolitan market being a greater factor than the size of the local market.

Porter's (2003) theory of competitive advantage was not specific to cultural industries but focused instead on the benefits of clusters in general. His idea was that grouping similar firms together helped particular regions develop competitive advantages in specific sectors. Not only were such cultural districts or quarters associated with cost advantages (related to inter-firm trade, group marketing and the development of specialist skills), but they also resulted in more and faster innovation because of spillover effects (externalities). This is discussed and explained in detail in the next section (Flew 2013, Sacco *et al*. 2014, CCI Spillovers Report 2015).

2.3 The Cultural Cycle and Employment

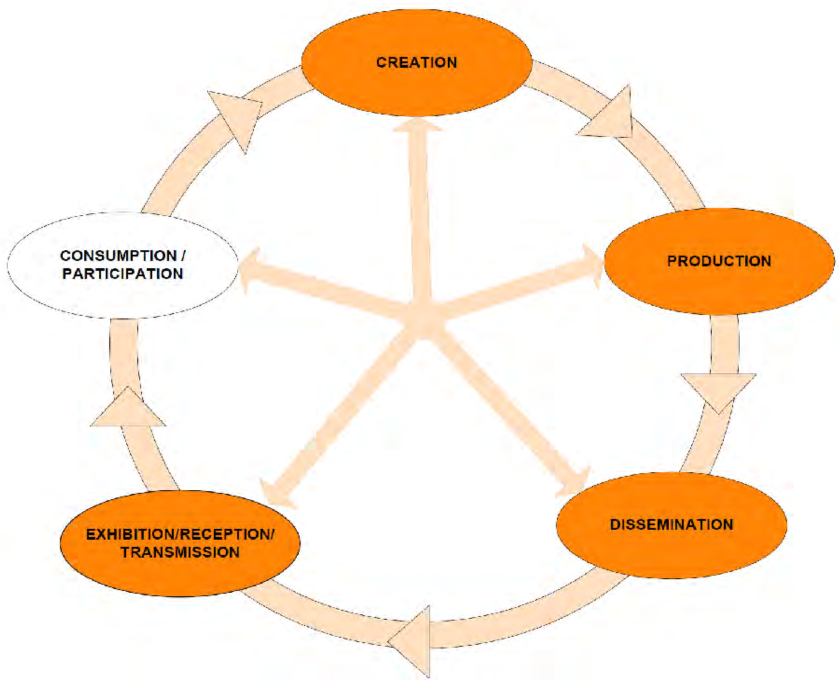

Figure 1: The Culture Cycle (Source: UNESCO Framework for Cultural Statistics, 2009:20)

A UK study by Pratt (1991) emphasised the importance of all stages of cultural production in creating employment in creative city strategies. The UNESCO Framework for Cultural Statistics (FCS, 2009) described this as “the culture cycle” that included not only cultural creation and production, but also dissemination, transmission and consumption (or participation).

Pratt (1991) defined creative output in its product form (fine art, literature, advertising etc). This included productive activity that might not itself have been creative, but that was necessary in the production of creative output. This encompassed distribution, production and display facilitation such as libraries, museums and galleries. Even excluding related activities (such as sport, entertainment and tourism), the study found creative industries employed 972 000 people, or 4.5% of the UK workforce. However, only one-sixth of those workers were in positions that fitted a strictly ‘artistic’ criterion. The majority were employed in occupations related to distribution, dissemination or transmission. Later authors (Peck 2005; Trullen and Boix 2008) also stressed the importance of including the whole culture cycle in creative city planning.

South African studies on employment in the cultural economy supported these findings (Hadisi and Snowball 2017). The total number of people employed in the South African creative economy, including all three parts of the Cultural Trident, was estimated to be just over one million (6.94% of total employment in 2016):

- those who worked in cultural jobs in a cultural or creative firm (such as a director in a film company), made up 0.25% of total employment (82 000 jobs);
- those who worked in cultural jobs, but not in a cultural or creative firm (such as a designer in a car manufacturing company), made up 2.13% of employment (336 000 jobs); and
- those who worked in non-cultural jobs in a cultural or creative firm (such as an accountant in a theatre company), made up 4.29% of total employment (677 000 jobs).

Given these national statistics, it is feasible that jobs related to parts of the culture cycle other than creation and production might actually account for more employment than creative occupations themselves.

2.4 Creative and Cultural Clusters and Spillovers

Cooke (2001:23) defined an economic cluster as "geographically proximate firms in vertical and horizontal relationships, involving a localized enterprise support infrastructure with a shared developmental vision for business growth, based on competition and co-operation in a specific market field". For Thiel (2017), creative clustering was the geographic grouping of creative activities, which was primarily found in urban areas with large agglomeration economies.

Clustering and regional cultural policies that include the establishment and maintenance of networks within the cultural sector can be useful towards diversifying participation in and transforming cultural production. These networks are what Flew (2013:2) referred to as the 'soft infrastructure' of the cultural sector, which was often neglected in favour of investment in 'hard infrastructure' (such as galleries, museums, libraries, universities, theatres, etc.).

> "Soft infrastructure [can be defined as] the relational assets associated with economically successful networks, such as trust, reciprocity, exchange of tacit knowledge, and propensity to share and pool economic risk."

An important part of the success of a creative city project may thus be related to the development of such 'soft infrastructure' – that is, the networks between cultural producers that enable a more productive, transformed and inclusive economy.

Although studies of the creative and cultural industries have generally found that such firms tend to be concentrated around big cities, cultural clusters have also been found in areas of smaller towns. Since many cultural firms do not necessarily depend on high-technology inputs or on long supply chains, they may be ideal candidates for developing areas away from big cities (Oakley 2006). There are some successful examples of this in various countries, including South Africa, where artists have congregated outside of the usual industrial centres to create sustainable cultural economies. Given the high levels of poverty and unemployment in rural South Africa, this might be particularly important. Indeed, a number of cultural products and industries have been established, and some have been very successful - for example, the 'Midlands Meander' in KwaZulu-Natal (Lourens 2007) and the Keiskamma Arts Trust in Hamburg in the Eastern Cape (McKibbin *et al*. 2012).

In addition to the financial or economic impacts of culture, which can be measured using economic data (such as employment levels, value added and economic impact), spillovers from cultural production increase the productivity of other parts of an economy and its society. A report (CCI Spillovers Report, 2015) on spillovers by the cultural industries in Europe identified three broad categories: knowledge spillovers, industry spillovers, and network spillovers.

- *Knowledge spillovers* referred to the "new ideas, innovations and processes" that the cultural industries produced and that could then have also spread to other parts of the economy - for example, the short-term, contract mode of production used by many creative and cultural industry producers (sometimes referred to as the 'gig' economy). This mode of industrial organisation spread to other parts of the economy as well.
- *Industry spillovers* referred to the "vertical value chain and horizontal cross-sector benefits" deriving from an active and growing creative and cultural sector. Some (which to some extent overlap with knowledge spillovers) referred to innovation and entrepreneurship. Others were connected to economic 'multiplier' effects, such as an increase in investment and impact on property prices.
- *Network spillovers* referred to the "impacts and outcomes to the economy and society that spilled over from the presence of a high density of arts and/or creative industries in a specific location (such as a cluster or cultural quarter)". Again, there were some overlaps with other spillover categories, but these were more focused on location and clustering, as per the agglomeration economies already discussed. While some of these impacts could be measured using market prices and gross geographic product, they also included non-market social benefits, such as health and well-being, and social cohesion.

This was broken down by Fleischmann, Daniel and Welters (2018) into two categories of place-based creative policy: first, the culture-centric category, which assigned value to the intangible market benefits attached to creating an inspiring and creative environment, and to non-market social benefits; and, secondly, the econo-centric category, which focused on quantitative economic development indicators of the growth of a creative workforce and creative network, and on exploiting the fruits of creative agglomeration economies.

Given the findings by Trullen and Boix (2008) and later discussions on how spillovers worked, it seems that the density of economic activity, human and physical capital, and specialized labour is among the factors required for a creative city to succeed. Structurally high-density areas in a metropolis can see small firms flourish thanks to a diverse supply of creative labour. The idea that firms initially do better in metropolitan areas and, once they are established, then spread into smaller, less dense surrounding economies is not new (Leone and Struyk 1976). It may also have implications for establishing creative cities in smaller towns and cities that may not possess the agglomeration advantage, in either production or consumption, of larger metropolitan areas.

According to Pratt (2004, 2008), the prevalence and efficiency of spillovers was also contingent on contextual factors. The ability of CCIs to share tacit knowledge was dependent on the quality of horizontal networks existing between entities within a creative cluster. This was particularly pertinent for a cluster comprising small enterprises, which made up the majority of CCIs and for which capitalising on spillover advantages was critical for market survival. Markusen (2006) explored an example of a strong horizontal network among CCIs in Minnesota, USA. The existence of art centres, where local arts producers periodically gathered, played an integral part in facilitating industry spillovers, as entities entered an environment conducive to non-monetary transactions. It was also critical in two other aspects: first, stimulating local consumption and demand for creative products through centralized presentation to the public, and, secondly, attracting new creative entities to the cluster (Sasaki 2010).

Fleischmann *et al.* (2017) focused on how creative industries promoted and drove innovative technologies that had important implications for regional development, even in the case of smaller cities. Innovative methodologies developed in the creative industries, such as Co-creation and Design Thinking, had significant spillovers into other business sectors. The Fleischmann *et al.* (2017) study discussed the case study of Townsville, Australia. This will be further explored in a comparison with the Makhanda experience in a subsequent section. According to the 2013 Australian Census (CIIC 2013), creative industries accounted for $45 billion of the country's GDP; jobs in the sector grew at a rate of 5.3% per annum. The authors noted that it was difficult to find any metropolitan or regional development plan in Australia that did not include creative industry objectives. However, the role of these activities as a catalyst for innovation was, as Fleischmann *et al.* (2015) felt, an under-researched area. Their findings showed that the region would positively benefit from creative industry service development and innovation-based training, like that forming part of the Townsville creative city project. They concluded that there was potential to significantly grow the innovative capacity of the regional economy through, for example, accelerating marketing efforts that emphasised how creative industries could aid business innovation (Fleischmann *et al.* 2015).

2.5 Debate and Criticism of Creative Cities Theory as a Regional Development Strategy

There has been increasing debate around whether the 'creative city' development strategy is a key driver of economic growth - as viewed by Florida (2002a) in his ground-breaking work 'The Rise of the Creative Class' - or is instead part of a neoliberal urban policy agenda (Thiel 2017, Peck 2002, Pratt 2008).

While Florida's (2002) work resulted in renewed interest in regional cultural policy, it was criticised on two main grounds. First, his statistical evidence did not prove causality. Was the 'creative class' attracted to a particular city because of the presence of the cultural sector, or did the cultural sector develop because of the presence of a creative class (who represented market demand)? Secondly, cultural policies that focused on attracting the creative class - generally high-income professionals - were seen as exclusionary and elitist, and did not address the social issues of income inequality, broadening participation and social cohesion (Flew 2013; Sacco *et al.* 2014).

Peck (2002) argued that the creative cities development strategy followed a neoliberal development agenda that was constructed around inter-urban competition, middle-class consumption, place-marketing and cultural gentrification. He was critical of the rush by policy makers and urban planners to implement policies that seemed concrete and achievable, but that had not been adequately researched. In essence, Peck regarded these policies as a 'nouveau-bourgeois war for talent' and a diversion of social welfare concerns in the pursuit of economic development. Peck's later study on creative city policies in London and Detroit, which were implemented in a context of sustained monetary austerity, concluded that fast-tracked creative city policies were born of 'competitive anxiety' and a desire for relabelled policy formulae, rather than a carefully considered regional development plan (Peck 2011:42).

Pratt (2008) agreed with Peck's argument that creative city policies were often simply repackaged neoliberalism on the consumption-side, but also argued that such policies cast cultural production and consumption as dualistic, rather than as part of a cycle. The focus on consumption may thus have undermined the actual growing economic and social importance of cultural production (Pratt 2008).

Pratt (2008) also pointed out that, as affluent creative labour moved into a culturally productive region, those factors of cultural production became gentrified and could become too expensive for smaller creative firms. Hence, consumption-based policies seemed to damage the important indigenous cultural industries rather than promote them. Pratt (2008) concluded that the real goal was rather to find policies that accommodated both the production and consumption of the creative industry.

Similarly, Thiel (2017) argued that Florida's model of a creative economy lacked a number of key structures required to supplement the "complexity of culture and creative production in cities". She pointed to the intermediate structures that were missing or lacked any sort of comprehensive depth. These included organizations, labour markets (which Florida assumed to be horizontal and easily navigable), institutions and infrastructure. Thiel (2017) suggested that cultural production had two properties: the intrinsic, idiosyncratic drive of production or "art for art's sake," and the effect that this had on consumption patterns and the unpredictability of market success. Cultural production did not follow the usual narrow economic logic. In fact, Thiel (2017) highlighted an internal conflict in the creative production structure lying between the individuals and small firms. This required independence for original creative ideas and the conglomerations seeking to economically exploit this peripheral production. However, these two facets were also interdependent. The small firms and individuals needed the conglomerations' economic potential, and the conglomerations relied on the creativity and reflexivity (or adaptability) of the peripherals.

Thiel (2017) concluded that both the pessimistic and optimistic views of creative city development strategies were based on the premise that the cultural industries were "flourishing". She contested this, viewing the creative economy as precarious and vulnerable. The city provided externalities to counteract this vulnerability and gave resources for consumption and production of the creative economy. This echoed Comunian's (2011:116) "complex adaptive system", which was marked with consistent uncertainty, non-linear interaction and positive feedback, which resulted in an economy that was far from equilibrium.

Beaudry and Schiffauerova (2009) found that industrial diversity was the main source driving innovation and growth at a micro- and medium-industry level. However, as regional economies developed and grew, specialization became the main driver of innovation and growth. The implication of this finding for smaller cultural cities might have been that, in the earlier stages of development, a diverse range of smaller firms could have been a more sustainable and realistic option than an overly narrow specialization. The diversity of small firms was an integral part in realizing the spillover advantages of CCI clusters with the developed horizontal networks described by Markusen (2006).

As Sacco *et al.* (2014) pointed out, the instrumentalisation of cultural activity was a common issue in creative city development theories - that is, that arts and culture were valued only for their impact on the economy, rather than for themselves. This potentially led to unsustainable cultural policies that became top-down interventions with little or no connection to the cultural 'roots' of the regions in which they were established. As Lee *et al.* (2014) showed in their analysis of regional creative industries policy in the UK, it was unlikely that this approach would be sustainable. It was argued that regional cultural policies would most likely prove successful when regions were "able to take different approaches, best suited to their region's own creative economy", and when the whole value chain (consumption and production) was considered (Lee *et al.* 2014:220). Sasaki (2010) supported this thinking, positing that careful consideration of the social, cultural and geographic context of different CCIs should be made to best integrate industrial and cultural policy.

Despite the extensive criticism and popular debate around Florida's (2002 a, b) work, Sacco *et al.* (2014:2809) asserted that "judging in terms of mass media exposure and worldwide consensus, the most successful culture-led developmental scheme available today is certainly Richard Florida's creative class one". The criticisms of Florida's creative city strategy are valuable towards further shaping the idea of what a creative city is and whether it is an achievable and socially beneficial model for urban development in a country like South Africa. They also point to areas where smaller cities may need to focus particular attention;

- on offsetting the lack of certain metropolitan area advantages - such as easy access to large markets and specialist labour
- and on minimizing unintended negative impacts - such as gentrification.

2.6 Creative Cities and Inclusive Regional Development

Empirical and theoretical work on CCIs is almost entirely formed around work done in developed western nations. This brings into question the applicability of the theoretical frameworks in a non-western or developing economic context. The creative industries often invigorate policy debate via their exciting potential contribution to economic diversification and the platform they offer to 'leapfrog' into a new dynamic, developing sector of the global economy (Gregory and Rogerson 2016). Since Landry's (2002) work on the 'creative city' and (2002a, 2005), work by Florida popularizing the 'creative class', creative industry policy has spread globally to the US, UK, Europe and the Asian Pacific region (Australia, New Zealand, Singapore, South Korea and China). The creative industries, by their nature, became popular with those policy makers looking to leverage economic development. Hence, the spread of the policies to the global south and their noteworthy effect on urban redevelopment policy seemed natural and somewhat inevitable, given the support the policies have from United Nations agencies (Gregory and Rogerson 2016). According to UNCTAD (2010), the creative industries could be a tool in developing a diverse economy, the creation of jobs and fostering innovation in a way that was socially progressive. Policy makers in the global South generally accredit CCI policy with the ability to alleviate poverty, promote and protect national culture, to develop basic infrastructure, and to advance an inclusive social agenda. De Beukelaer (2017) was clear that there needed to be a nuanced and place-specific "African take" in interpretations of how CCIs could function in the developing economies of Africa, and of how growth in the industry could be supported.

De Beukelaer (2017) proposed that there was a clear disconnect between the popular western literature on CCIs and the desired models under which they were to develop versus the actual, unique reality in which these industries operated in an African context. Although the theoretical debate on CCIs has been globalized, empirical study and consideration has not. De Beukelaer (2017) further explained that policy formation pertaining to CCIs should apply a normative approach and argued for careful consideration of economic and social relationships, as well as of balances - such as those present between cultural participation and economic gains. However, Oakley (2007) observed challenges in the global CCI development policy debate that were pertinent to the ever-developing African case. Key among these challenges were:

- first, whether creative industry policies pandered to an international media business agenda, or served rather for the development of small, local business;
- and, secondly, the difficulty associated with balancing tension between economic development and social inclusivity.

Booyens (2012) noted that the creative industries were often seen both as a promising avenue for economic development and as a tool for enacting social development. While dual development in these areas was the aim, there appeared to be a lack of understanding as to differences between the policies and processes respectively underpinning each of these development processes.

In South Africa, national policies have attempted to strengthen the creative industries at a national, provincial and local level, with a view towards transforming the economy into a knowledge economy. In the post-Fordist economic era, the transition away from industrial activities to a service-based, knowledge economy resulted in vacancies in inner-city industrial areas (Pratt 2008, Gregory 2016, Booyens 2012). These areas often displayed desirable characteristics for service-based industries, such as the creative and cultural industries - most pertinently, their geographic location and low initial property values. In the case of Johannesburg, the development of creative industries was observed in its northern suburbs. However, more recently, creative industries began to cluster around the city centre in areas, like Newtown and Braamfontein, and its immediate fringes (Gregory 2016). The redevelopment of these areas succeeded in incentivizing private property investment and in mobilizing other developers targeting creative industries and commercial tenants (Gregory 2016). It would seem that the goal has been to create a “creative city”, as described by Florida (2002), and to mimic agglomeration economies in cities like Berlin, as described by Trullen and Boix (2008). Gregory (2016) looked at the success story of the Maboneng precinct, a post-urban space in Johannesburg. A private property investor started by purchasing a few unused construction warehouses with the aim of developing the space into a creative hub of art and culture production. The project proceeded rapidly, particularly after world-famous, local artist William Kentridge signed up to relocate his studio to the area. This was followed by residential expansion, a booming weekly market and several high-profile events. This certainly seems to be a realization of Florida’s (2002) creative city.

Although the case of Maboneng has shown signs of success, the case has been criticized for reasons resonating with the critical views of Peck (2005), which referred to cultural gentrification and place marketing. Gregory (2016) noted that, despite the development being profitable and infrastructure being provided for the clustering of creative industries, there were significant failures. Peck’s (2005) cultural gentrification is particularly evident. Recent property revaluations significantly increased the tax on properties, forcing many owners to sell and displacing many illegal occupants. Furthermore, private security was introduced and low-income residents from neighbouring areas were excluded. This exacerbated socio-economic polarization in a country already struggling with inequality challenges (Gregory 2016). Creative micro-enterprises were gentrified as rental costs rapidly increased (Gregory 2016).

Despite its pitfalls, Maboneng became an example of urban regeneration driven by creative industry development that clustered creative interests back into the city as opposed to the northern suburbs (Gregory 2016). It could be argued that clustering the creative industries back into the city - the main economic zone - might possess more than the quality of urban regeneration. As per the argument of Fleischmann *et al.* (2017), this might have fostered innovative knowledge spillover into other industries and supplemented general economic development in the city. Playing host to events has also had a significant bearing on the endeavour. South African fashion week was both a profitable success (Gregory 2016) and a platform for a national expression of arts and culture (Newbold *et al*. 2015).

Funck and Dziembowska-Kowalska (1999) pointed out that the success of a creative initiative should not be measured purely against its costs and benefits; its influence and effect on the economy as a whole should also be considered. However, Peck's (2005) point of a 'repackaged neoliberal agenda' must be considered when assessing the success of such cases. Harris (2008) contended that gentrification was on the agenda of the neoliberal urban redevelopment package by the late 1990's. Gentrification was indeed desired by many of the governing bodies of cities that sought to usher in new private capital. The neoliberal agenda set up new "privatised cultural landscapes" and "circuits of capital accumulation." Pratt (2008) believed that this "place-based competition for mobile capital" was a "zero-sum-game", and that the perceived relationship between the cultural economy, the city and growth was misplaced in Florida's theory. Cunningham (2009) went so far as to say that creative city policy had been a Trojan horse of the 'information society'. It was claimed that the policies had smuggled in "technocratic baggage," undermining the industry's value and aligning it with the interests of business, telecommunications and generic creativity production.

2.6.1 Inclusive Regional Development: Case Studies in Japan

These criticisms have not refuted the idea of CCIs driving development. They have instead insisted that there are important augmentations and changes that should be considered when embarking on a creative city development strategy. Sasaki's (2010) analysis of the case of three Japanese cities provides unique examples of creative city development strategies that delivered on significant social development goals with varying economic returns. These were the cases of Kanazawa, Yokohama and Osaka.

Kanazawa, a city with a population of 450 000, was described as medium sized. In response to a declining textile industry in the late 80's, Kanazawa implemented a number of projects under the umbrella of initiatives to make Kanazawa "the Lively City" (Sasaki 2010: S6). The citizens' art village and the 21st century art museum were key projects undertaken and successfully executed. The citizens' art village was a four-section public art facility comprising music, drama, eco-life and art studios. The village was made up of abandoned industrial facilities and provided an all-day and late-night, after-work use, creative facility for all members of the public. The project was managed by two directors voted in by the public. The 21st century art museum started in a declining area and featured a mix of international and local artists. The museum played a key role in stimulating local interest in art, starting school tour programs and provided essential exposure for local art talent. The museum was also a financial success, bringing in 1.5 million visitors per annum, and attracting funds that could be reinvested in local arts and culture.

The case of Yokohama was located in a former urban industrial powerhouse of Japan. In a time of industrial decline, the city heavily invested in a waterfront business district development. It succeeded thanks to the gravitation of business activities towards Tokyo. The city revised its plans and reinstated the development for the purpose of creating Yokohama as a "creative city of art and culture" (Sasaki 2010: S6). The new arts and culture district aimed to attract 2000 artists and to create 15 000 jobs in the creative cluster. By 2007, the project had raked in 12 million yen and had delivered growth to other previously industrial centres in the city via a number of new sub-projects.

At the turn of the millennia, Osaka - another large city - faced difficulty. Key industries supporting the local economy, like broadcasting and publishing, had moved to Tokyo. A decline in local businesses in the city had reduced investment and financial support for many arts and culture centres. In the early 2000's, the city started the "Shinsekai Arts Park Project" to reinvigorate creative and cultural activity in an ailing retail area. The park witnessed a renewed arts and culture movement, which involved a partnership with local-citizen NGOs. The success of the park nurtured an area where many socio-economically excluded individuals found refuge in housing and support programmes funded and run by the park's management. Notwithstanding how it had brought together a collection of local arts and culture in a socially inclusive development area, the strategy was considered a failure. This was because it hadn't recuperated lost economic activity. The Osaka experience provided an example of a creative city initiative that failed to ground itself in a comprehensive urban strategy and hence to realise its initial economic objectives. This has been attributed to the loss of government support in the 2007 election cycle. Nakagawa (2010) points to two main reasons for this loss of government support.

1. No standard for evaluation was put in place in order to review the progress of the project through its duration or at its termination.
2. Members of government responsible for funding the project could not see the true value in the project.

The project was considered unsuccessful as a direct driver of cultural industry in the city. However, it did foster development of an inclusive, grassroots cultural industry movement. This ushered Osaka towards becoming more of what Sasaki (2010: S3) described as a "socially inclusive creative city," which Nakagawa (2010) explained was born of the rare model of citizen and government collaboration exhibited.

The development of a centralised creative area, or "creative milieu" in the arts park, was noted as critical to the success of a grassroots, inclusive arts movement in Osaka (Sasaki 2010: S4). The presence of such areas was also critical to the achievements of Kanazawa's art village and Yokohama's waterfront creative cluster. These creative cluster centres were key to the spillover effects discussed earlier (Peck 2004, 2008). They also provided a mechanism, although not fully exploited, for socially inclusive and endogenous economic and social development.

A centralised forum was established through which the interests of citizens, business and government could be discussed, and through which projects could be planned, finalised, executed and monitored. This was another key success of the project. In Kanazawa, it was the Creative City Council; in Yokohama, it was the Creative City Office located at the waterfront development; and, in Osaka, it was the Creative Café. Sasaki (2010) stressed that these initiatives could not be left solely to government. They required instead the input and active participation of relevant community stakeholders. The quest for a horizontal participatory structure for the broader community may often require a disruption in the usual, vertical structure of local government.

This kind of creative city was rooted in the ideals of innovation and knowledge creation central to economic growth in Florida's (2002a, b) theory. However, if innovative solutions to social exclusion are to be found, human capital assets should be equally geared towards nurturing a regional, grassroots capability. Mindfulness of criteria highlighted by Sasaki's (2010) notion of a "socially inclusive creative city", counters criticism of cultural gentrification (Peck 2005, Gregory 2016). It could also be of value when dealing with cases where social development is a priority, such as one dealing with a rural South African town. Nakagawa (2010) further shows that mechanisms for evaluation need to be in place to communicate the true benefits of these projects with local government or any concerned stakeholder or financial backer.

The criticisms of Florida's creative city strategy are valuable towards efforts to further shape the idea of what a creative city should look like, and whether it could be an achievable and socially beneficial model for urban development in a country like South Africa. It also points to ways in which smaller cities could offset the lack of certain metropolitan area advantages (such as easy access to large markets and specialist labour) and could mitigate unintended negative consequences of creative city initiatives, such as gentrification and social exclusion.

Having now dealt with urban creative cities the review turns to literature on creative and cultural activity and development in rural areas.

2.7 The 'Creative Countryside'

As far back as Roman antiquity, artists, poets, orators and theorists of rhetoric have regarded the rural countryside as a place of creative inspiration and have recognized its spirit as conducive to artistic production (Riikonen 1976). While the bulk of creative and cultural economy literature has focused on an urban context and urban creative clustering (Florida 2002, Peck 2005, Pratt 2008), there is a growing field of research dealing with how creative industries operate in rural areas and their effect on rural economic regions in the UK and the US (Anderson *et al.* 2016, Herslund 2012, Knox and Meyer 2009, Illbery and Bowler 1998).

2.7.1 Counter Urbanisation in the Global West:

Across Europe, the manufacturing sector has been in decline since around the 1980's (Herslund 2012), owing to the gravitation of its activity towards eastern Europe and the far East. Although rural regional employment in manufacturing was much higher than in urban areas, these industries remained the primary agents of employment in many rural towns and small cities. Similarly, the USA also experienced a decline in primary rural manufacturing. Low-skilled activity industries moved to countries more plentifully endowed with low-skilled labour (McGranahan *et al.* 2010). In the first decade of the 21st century, the US lost 800 000 jobs in textile production. The decline of primary industries had acute effects on the economies built around them. This occurred in urban settings, but impacts were more severe in the case of smaller rural cities and towns. The New Economics Foundation found that, in the US, 1000 communities lost their local banks. 50 specialist stores closed per week between 1999 and 2009 (Knox and Meyer 2009). Similar phenomena were seen in the UK and later in Japan.

A flow of people and their economic activity from urban to rural areas has often been considered regressive by mainstream growth theories based around urban development. It has also been associated with rural gentrification in pricing and culture, and with increased carbon emissions from commuting (Herslund 2012). However, this counter-urbanisation trend has presented an opportunity for rural development (Herslund 2012, Anderson *et al.* 2016) in what Ilbery and Bowler (1998) termed the “post-productivist countryside”. Herslund (2012) indicated that, while some rural economies remain anchored in their declining primary and traditional industries, others were engaged in a ‘new economy’ based around knowledge economy business started by urban in-migrants. The countryside might have offered creative workers a rural “creative milieu” (Anderson *et al.* 2016) - one that fulfilled many of the functions of the urban creative cluster space, such as those explored by Sasaki (2010) in Japanese cities. In this new creative rural economy, there was more access to and availability of space and, hence, a greater emphasis on the place (Anderson *et al.* 2016).

McGranahan (2012) found that one in five rural (non-metropolitan) counties in the US experienced employment growth rates higher than the urban/metropolitan county average between 1990 and 2000. To explain this phenomenon, McGranahan (2012) created a model inspired by Florida’s (2002) idea that the creative class was attracted to lifestyle amenities afforded by a location. The model compared rural employment growth with three contingent factors: prevalence of creative workers as a proportion of the working population, entrepreneurship as a proportion of self-employed workers, and start-up business and local outdoor lifestyle amenities. The results showed that counties with a high endowment of local outdoor amenities generally had accompanying endowments in the other two factors and that a combination of all three resulted in a common “economic synergy” of high local employment creation. This was prevalent in the majority of high-employment growth counties. The smaller portion of counties with high employment growth was linked to a ‘smokestack chasing’ style of growth based on urban proximity, cheaper labour supply and natural resource endowments (McGranahan 2012). This connects with Herslund’s (2012) point that rural areas within commuting distance from urban areas were often characterised by very different development patterns compared with those that were not. In addition to this finding, the increasing presence of ICT and developing communication tools and infrastructure had allowed creative workers to operate in non-metropolitan areas, thereby overcoming the challenge of geographic distance from large urban markets (McGranahan 2012).

2.7.2 Rural Creative and Cultural Networks:

Creative businesses in the countryside were predominantly solo producers or a handful of workers. These micro-producers were integral to rural development in a wide range of activities - namely, “arts and crafts, designer fashion, film, theatre and the performing arts, advertising, architecture and design, publishing, broadcast media and recorded music, software development, computer services, digital media, communications and the heritage sector” (Anderson *et al.* 2016:453). Bell and Jayne (2010) heralded CCIs as a promising rural development tool. However, the extent to which these industries could deliver on promises of development might have been limited by their lack of connectivity to other creative producers.

The inherent geographic disconnect between rural creative activity and its urban counterpart perhaps excluded rural CCIs from the benefits of agglomeration economies (Trullen and Boix 2008, Beaudry and Schiffauerova 2009), the creative milieu (Sasaki 2010), and the knowledge and productivity generating spillover effects attached to these concepts. Anderson *et al.* (2016) explained that there was an important creative relationship between place and person, and that what the countryside offered to individual creativity would counteract the lack of agglomeration economies. They proposed that the ability for micro-producers to impart new ideas and knowledge to others in the creative realm were key to rural creative production. ICT was considered a tool that could address spatial distance from a large creative cluster for creative industries in the countryside. To investigate this, Anderson *et al.* (2016) looked at the impact of internet connectivity speed available to creative workers in rural areas. They found that a minimum of 2 megabits per second was critical for the operation of a creative business. If the local connectivity fell short of this, a rural town could lose out on valuable creative economic activity, as creative businesses tended to out-migrate to areas with better connectivity. Features of ICT and the connectivity required for use were critical to the survival of most creative micro-producers. Anderson *et al.* (2016) offered a balanced conclusion. They argued that, while CCIs had possibly been the vehicle for radical and accelerated economic development and employment (contrary to promises by proponents of creative city theory in the urban context), they cultivated place diversity, as well as local and incoming talent.

Herslund (2019) added that the extent to which micro-businesses (either brought in or started by urban in-migrants in the countryside) had an effect on the local economy was contingent upon whether these producers were “embedded” in local networks rather than simply located within them. In order to overcome the rural challenges of thinner markets and geographic distance from clusters, these producers needed to create strong horizontal local networks. These networks allowed micro-business to innovate and adapt their products, and to reach new customers. Local actors might have used these networks to connect with a broader set of public and private actors, and thus to overcome rural socio-economic challenges.

2.8 CCIs and Rural Economic and Social Development

Knox and Meyer (2009) in their book *Small Town Sustainability: Economic, Social, and Environmental Innovation* discussed the potential and pitfalls of this ‘new economy’. They critiqued the neoliberal model of development, owing to its tendency to commodify and homogenize areas (Bjelland 2013). This included smaller cities and rural regions, which perhaps found themselves ‘selling out’ to large outside corporate interests seeking to capitalize on growing creative, cultural, lifestyle and tourism markets. Inviting large chain businesses and subsidising transplant industries into rural towns and cities could be appealing from an economic activity perspective, but Knox and Meyer (2009) argued that this could upset an often delicately balanced system that encompassed economic, social and environmental dimensions. More specifically, it had the dual effect of, first, homogenizing multiple areas and, secondly, undermining the community’s stake in the economic activity of its town/city in favour of outside interests (Bjelland 2013). This resembles the neoliberal development agenda identified by critics of creative city strategies in the urban context (Peck 2004, 2008, Pratt 2005, Thiel 2017). Furthermore, caution should be exercised with respect to commodification of creative and cultural endowments in small towns. As it is put by Knox and Meyer (2009:159);

> *"Small town planners and architects must walk a tightrope between the commodification of art and the real and genuine application of creativity as a change agent in community revitalisation and development."*

Cultural industries potentially play an important role in the efforts of small towns and cities to circumvent a disenfranchising neoliberal development path. Knox and Meyer (2009) specifically pointed to local arts and crafts, and the initiatives driving these activities, as avenues for equitable, socially sustainable economic revitalisation. Local arts and creative activities had beneficial social effects - notably, community cohesiveness, cultural craft conservation and preservation of important social relations among significant actors. Scott *et al.* (2018) suggested that the urban bias of creative-city and creative-class discourse had a material effect on how policies allocated national resources. This was evident in the UK, where the average national spending on arts and culture per head was £68.99 in London compared with £4.58 in the rest of the UK. This disparity brought attention to the debate around the social and community value of culture, and around how social benefits should be measured.

Jowell (2004:7) argued for an equitable balance between the social need for arts and culture, and other agendas;

> *"Complex cultural activity is not just a pleasurable hinterland for the public, a fall back after the important things like work and paying tax - are done. It is at the heart of what it means to be a fully developed human being."*

Some have argued that CCI value should be measured by extracting the hard value of resources or directly measurable productivity. Scott *et al.* (2018:174) applied Sen's (1984) capabilities approach, arguing that the value of arts and culture industries also resided in how they allowed individuals and groups "to be and to do", and how they facilitated access to personal, social and material cultural resources. For example, Malema and Naidoo (2017) found that arts and culture provided an avenue for women in Limpopo, South Africa, to participate in leisure activity, from which they were commonly excluded. They saw participation in these community-centred leisure activities as key to overcoming barriers for women in the region, and believed it was an outlet for economic empowerment. This argument aligned with Sakai's (2010) socially inclusive creative city and aspects of holistic arguments for offsetting the urban-biased and neoliberal agenda concerns of creative city critics (Peck 2004, 2008, Pratt 2005, Knox and Meyer 2009, Thiel 2017). More specifically, it sought a pragmatic method for policy makers to evaluate arts and culture - one that measured their true value to communities and the economy.

Knox and Meyer (2009) criticised Florida's (2002a, 2002b) approach for being insufficiently case-sensitive. They argued that significant modifications would be required when applying his thesis to small towns and cities, owing to differences in their labour markets and forms of creative production. Florida's (2002a, 2002b) centred around creative city growth strategies for large cities and metropolitan areas. He described small towns and cities with a large working-class background or service-class centres, and lacking the allure of a tourist destination, as "hopeless places" entirely left out in the development race. Research by the US Department of Agriculture in 2007 revealed that only 11% of non-metropolitan counties ranked as creative class areas in 2000 (Knox and Meyer 2009). These rural regions were, in most cases, either equipped with widely recognized recreational amenities or were home to established universities. The attraction of recreational amenities to creative workers resonated with counter-urbanisation incentives in the UK outlined by Herslund (2012).

Michigan - an American state where industrial-base decline puts many cities in the "hopeless places" category - embarked on the "Cool Cities Initiative" (Knox and Meyer 2009). In its governor's report (2003) on the project, 73% of partnered cities considered 'small' indicated arts and culture to be one of the top three areas for development initiatives. The project applied a "brick and mortar" strategy targeting physical, enabling infrastructure. For example; the community of Saugatuck, which had a population of under 1000, received funding for the revitalisation of an old pie factory. The property was bought by a group of local stakeholders and the funding was used to develop the building into a local community arts facility. The facility provides community classrooms and art exhibition space, hosts a film and theatre festival, and attaches an environmentally conscious outdoor sculpture area (Knox and Meyer

2009). With the component of an inclusive education facility for the community shows a Western resemblance of the socially inclusive creative milieu described by Sasaki (2010).

Knox and Meyer (2009) argued that a “brick and mortar” strategy neglects a focus on the intrinsic benefits of arts and culture - that is, values that are not directly measurable in economic terms. This intersects well with Cunningham’s (2002) proposition that policies should follow a holistic approach, separating cultural sector benefits from more commercial creative sector benefits, (those outlined by Florida (2002a, 200b)). The holistic view aligns with Scott *et al.’s* (2018) application of the capabilities approach, which highlight the need to consider the intrinsic benefits of arts and culture. Evans (2005) took this argument further and suggested that a cultural facet to regeneration and development plans could offer communities a meaningful channel to express their needs and aspirations. The argument proposed that holistic development provided local residents and relevant beneficiaries with a platform to participate in regeneration and share in the economic gains of development. Cultural projects could otherwise be used as a ‘smoke screen’ to distract a community from an advancing neoliberal agenda, as described by Peck (2005), Pratt (2008), Knox and Meyer (2009).

The neoliberal strategy was summed up by Klunzman (2004:2):

> *“Each story of regeneration begins with poetry and ends with real estate.”*

Knox and Meyer (2009) did not refute the importance of core development indicators like employment, arguing instead for a rural development agenda that was holistic and inclusive. The intrinsic value of arts and culture for economic and community inclusivity (Jowell 2004, Evans 2005, Scott *et al.* 2018) needed to be carefully considered in the construction and implementation of creative development strategies. Arts, culture and cultural arts form a critical part of another industry; tourism.

2.9 Creative and Cultural Tourism

Cultural tourism forms an integral part of many rural economies and can be crucial to small-town development strategies (Kastenholz *et al.* 2016). CCIs play a role in cultural experience innovation aimed at forming renewed cultural identities in, and gaining competitive advantage for, small towns (Richards and Wilson 2006, Long and Morpeth 2016). According to Carvalho *et al.* (2016), innovative, creative and cultural tourism had the potential to enhance the wellbeing of local communities, protect indigenous natural and cultural resources, and contribute to sustainable, inclusive development in rural areas.

2.9.1 Creative Tourism: The Case of Bilbao, Spain

The case of Bilbao, Spain, and the Guggenheim Museum Bilbao (GMB) serves as a prime example of successful economic development primarily driven by creative and cultural tourism. Built in 1997, the GMB was the crown jewel of policy efforts aimed at structural change and urban redevelopment. Prior to this, the town was a dilapidated remnant of a failed shipbuilding, industry-based town. There is general agreement that the new museum helped establish Bilbao as a tourist destination and a cultural image for the city. The term the 'Bilbao effect' was coined by academics and regional development circles to describe the success of a development approach anchored on a cultural centre (Plaza and Haarich 2013).

The Bilbao effect has been applied as a blueprint for culture-oriented regional regeneration strategies offering architectural brand renewal, and access to international networks and partnerships. Plaza and Haarich (2013) reported that Bilbao had enjoyed the advantages of leveraging the development possibilities and international access provided by global players with strong linkages to local and regional stakeholders and their economies. This approach exploited the rise of a globalised market and the ever-growing influence of ICT links from Bilbao to expanding global museum networks.

Franklin (2016) warned against the idea that the successes of Bilbao case could be serially reproduced. Defining Bilbao as a tourist destination based on culture worked with pre-established tourism infrastructure and networks in the surrounding region. Franklin (2016) pointed out that Santiago de Compostella and San Sebastion, two towns in close geographic proximity, had long prior begun developing tourism spots based on Basque Country culture. Offering local gastronomy, historical sites and attractive scenery, these towns had seen increasing tourism flows and were establishing the region as a revitalized tourism economy. The addition of the museum took advantage of an already established, complicated economic, social and political tourism network. Franklin (2016) criticized proponents of mimetic (perpetually mimicking) Bilbao effect blueprints, which had mostly fallen short of their stated objectives. In many cases, development rested on a "just add art" idea that funnelled money into sourcing and acquiring high-profile, international artworks. It often assumed that, if a deindustrialized and dilapidated town like Bilbao had been reinvigorated by cultural centre-based redevelopment, then such strategies should work in any context. It was also frequently based on the notion that any city could build a flow of tourists without prior experience in the sector. Plaza and Haarich (2013) drew attention to questions as to whether the economic prosperity was equitable, and whether there had been a material change to the region's uneven development and inequality. Franklin (2016) criticized "serial monotony" in cities trying to transplant the Bilbao strategy, and ignoring glaring differences and particular nuances applying to their respective regions.

2.9.2 Creative Tourism and the Co-creative Experience:

Long and Morpeth (2016) proposed that there was, to varying degrees, a "complementary, synergistic and mutually constitutive" relationship between creative industries and the tourism sector. Echoing Peck's (2005) more general thoughts on creative industries, Richards and Wilson (2006) noted a growing trend towards serial reproduction of cultural tourism products and attractions in mostly urban regeneration programmes, which had adversely impacted the cultural tourism market. The authors (2006) further proposed that creative tourism might have been an effective substitute or enhancer of cultural tourism destinations and activities. This has been tied to tourists abandoning the role of passive consumer of fixed cultural and heritage tourism products and embracing the role of "co-creator" in the creative experience. Co-creative experiences are geared towards tourism consumers seeking opportunities to build on personal identity, capacity and expertise (Long and Morpeth 2016). Kastenholz, Carneiro and Kastenholz (2016) explained that evolving demands in tourism require tourism products that bring authenticity, innovation and creativity to an enriching, co-creative experience. Co-creative tourism experiences could be significantly enhanced by c/ommunity interaction - a factor particularly relevant to rural communities. They might do more than satisfy the consumer; they could at the same time enhance the wellbeing of local communities, conserve valuable local resources and deliver sustainable development of destination tourism.

As mainstream urban tourism has become more saturated (Long and Morpeth 2016, Richards and Wilson 2006, Knox and Meyer 2009), interest has grown in the potential competitive advantages and development opportunities of rural tourism. Rural tourism includes ecotourism, agri-tourism and - most pertinent to this research - cultural and community-based tourism (Viljoen and Tlabela 2007). Knox and Meyer (2009) believed that local arts and culture industries in small towns were important to maintaining the unique sense of place that differentiates small towns and cities. Cultural tourism in rural areas has been reliant on local business owners and managers. This has been a distinct advantage in South Africa, as rural areas are characterized by high unemployment (Viljoen and Tlabela 2007). Cultural tourism played a significant role in two of Amoah's (2019) five realms of the tourism experience, entertainment and education. The educational experience was an active engagement of the tourism consumer, in which interpersonal interaction took place and consumers gained or enhanced their knowledge or skills. The entertainment experience was one in which the tourist was a passive consumer of a cultural product - most commonly, song, dance and performance products. Both of these realms of experience were linked to consumer satisfaction of the destination. Long and Morpeth (2016) suggested that cultural tourism might have simultaneously satisfied both of these realms by offering an entertainment experience that was engaging, and that contributed to the knowledge and skills of the consumer in a co-creative experience.

Rural tourism does, however, face significant challenges. The strength of its market largely depends on - for example - the accessibility and infrastructure of the destination, and the availability of skills and investor interest. This frequently leaves rural areas at a disadvantage relative to developed, urban areas. Rural areas are subject to poor policy co-ordination, difficulty integrating broader development policies with tourism development policy, and weak national policy interest compared with urban areas and cities (Viljoen and Tlabela 2007). Together with deep-seated structural and historical development problems, these challenges explain severe patterns of geographically uneven development in South Africa, and underpin what the Department of Economic Development (2013) has described as 'extreme wealth disparity, spatially rooted poverty and unequal access to opportunity and amenity' (Rogerson 2015). Turok (2011) observed that the development policy landscape, as it pertains to uneven geographic social development, had become polarized between urban and rural focused development. Policy makers had emphasized immediate socio-economic "need" rather than seeking out "impact" or "potential." Turok (2011) recommended more nuanced policy debate, as opposed to one that pitted pro-urban against pro-rural development policy perspectives.

Tourism industries in developing economies have many inter-sectoral forward and backward linkages. Yang and Fik (2014) identified local multiplier effects of such linkages that were positive for regional development. However, enacting policies to nurture tourism have proven challenging. Todes and Turok (2018) warned of inherent risks in South Africa that were associated with extravagant spending on unfocused policy in marginal locations driven by political pressure, weak institutional integrity and a lack of economic discipline. The authors (Todes and Turok 2018) cautiously concluded that there was potential in place-based policies accompanied by strong vertical policy alignment. Capable local institutions were equally critical, because they possessed the ability and brought together private sector and community stakeholders in efforts to tackle place-specific development challenges.

2.9.3 The South African Tourism Landscape

Toerien (2020) found that, in South Africa, residents in rural towns were more dependent on the tourism industry than residents in urban areas. Rural towns with a higher ratio of tourism and hospitality enterprises had, on average, wealthier communities. It was also found that tourism could be a mechanism for the inflow of external capital, and for greater prosperity and reduced poverty.

According to Rogerson (2105) Pro-poor Tourism (PPT), a tourism strategy aimed at net benefits for the poor, potentially offered these advantages. Reasons for possible poverty alleviation and overall net benefit for poor communities include: a focus on sustainably used natural resources and culture, a channel for additional consumption of locally produced products, labour-intensive and small-scale production opportunities, and low-skill jobs that increase female labour participation in rural areas. Rural tourism has presented a major opportunity for small economies to diversify their activities. This is important in what Rogerson (2015) terms “intermediate areas” of South Africa. Some district economies are precariously anchored in a single, prosperous, medium-sized city characterized by a narrow economy based around one or few economic activities. These areas were similar to the rural areas looked at by Herslund (2012), and Knox and Meyer (2009), McGranahan (2010) in the UK and US for “post-productivist” development. Although tourism is credited with being a development tool, it has been criticized for exclusive growth promotion forming part of a neoliberal development agenda similar, as per Peck’s (2005, 2011) and Pratt’s (2008) criticisms of Creative City style development.

Figure 2: Three Tourism Spaces in South Africa (Rogerson 2014:3)

Rogerson (2014) geographically dissected the South African tourism industry by municipality into three categories: metro municipalities, priority district municipalities and other district municipalities. He discovered that each of them had significant differences in their respective development trajectories, visitor origins and purposes of travel. Rogerson (2014), like Viljoen and Tlabela (2007), found that metropolitan municipalities (developed, urban areas) dominated the South African tourism landscape and held the lion's share of economic activity. Success in metropolitan areas was, in part, credited to the presence of energetic development initiatives. A focus on the tourism industry as a useful labour-absorbing tool in the urban development pathway was of particular relevance in the metro areas. The next municipal category; priority district municipalities, represent 23 districts experiencing the most economic distress. Difficulties they face are mainly attributable to past apartheid policies, which created 'bantustans' or 'homelands' to concentrate cheap labour reserves. The National Department of Tourism includes these areas as a facet of its Rural Tourism Strategy, which was launched in 2012. Although limited, research shows that these regions have substantial assets relevant to leisure tourism, but their rural communities lack the skills needed to exploit these advantages and are unaware of initiatives seeking to aid their tourism development.

The third category, most pertinent to this research, concerns those areas that were neither large economic metropolitan areas nor designated priority areas. These areas fell in between. They were not large metropolitans but maintained significantly higher economic prosperity than the priority districts. This was mainly because most of them included secondary economic hubs like the towns of Knysna or George. These were medium-sized cities/towns with fairly prosperous economies relative to their size, which boosted overall economic performance for the municipality. These areas were categorised as "other" or "intermediate". These areas were economically vulnerable, as their economies were primarily concentrated in few or even a single economic activity. In these cases, tourism, specifically creative tourism, was regarded as increasingly important as a means of diversifying economic activity and moving towards the "New Economy." This shift could be equated to Ilbery and Bowler's (1998) 'post-productivist countryside', because the creative service economy could act as a route to development in primary-industry dependent rural areas.

2.10 Local Economic Development and Local Economic Development Agencies

Todes and Turok (2018) explained that the presence of strong horizontal networks and policy was required for successful place-based development, be it driven by creative and cultural development projects or other. Capable local institutions have been necessary to bring together the private sector and relevant community stakeholders. Local Economic Development Agencies (LEDAs) may hold the potential to fill this role as a willing nongovernmental actor, bringing together the private sector, community stakeholders and local government in a constructive manner (Lawrence and Rogerson 2018, 2019). This is essential when driving a creative city development initiative.

Local economic development (LED) has become an important part of local development at a global level and a cornerstone of the well-known developmental state. According to Lawrence and Rogerson (2018), numerous cases from the developing world have shown that municipalities engaging in LED policy and practice have witnessed no improvements in human development. Local government engagement in LED promotes place-based development and nurtures input factors by organizing infrastructure, providing service delivery, and introducing spatial development frameworks that link local place, regions and cities to economic opportunity. While local government plays a central role in this endeavour at a municipal level, other supportive institutions have been recognised as an important mechanism for driving LED strategy and implementation. LED has a significant role in policy of South Africa's post-apartheid government. The mandate for "developmental local government" stipulates that LED forms a core part of the decentralised local government planning process (Lawrence and Rogerson 2019). South Africa is often considered a leader of LED in the global South, but it is disputed as to whether the outcomes have led to significant change, particularly in rural areas and small towns where LED is limited by a lack of local funding. National government has acknowledged the challenges facing LED in the 2017 (revised draft) National Framework for Local Economic Development. The policy is geared towards the vision of "innovative, competitive, sustainable, inclusive local economies that maximise local opportunities, address local needs, and contribute to national economic development" (Lawrence and Rogerson 2019). The research generally indicated low confidence in local government's ability to carry out the mandate of LED. In response, the new framework assigns an important role to local economic development agencies (LEDAs), which aim to implement place-based development strategies specifically crafted to draw maximum benefit from unique opportunities present in a particular town or area (Lawrence and Rogerson 2018).

LEDAs have become increasingly pivotal in efforts to drive LED in the global South. Lawrence and Rogerson (2018) proposed that LEDAs should play an important role in facilitating development and project management and had the potential to maximize the efficiency of place-based development strategies. LEDAs were viewed as "legal, non-profit structures owned by the public (local authorities and other public institutions) and private entities (associations of producers), NGO's, and other civil and community organisations" (Lawrence and Rogerson 2018). LEDAs were unique in that they could work closely with local government and development agendas, while acting as an independent stakeholder. This facilitated institutional embeddedness in local government and applied an organisational approach in efforts to understand the local business environment. As such, LEDAs have shown the potential to develop local social capital and offer a flexible, participatory approach to development that encourages social inclusion, and identifies and capitalizes on local economic potential. LEDAs play a multifaceted role in linking aspects of LED strategy. However, they face significant challenges. Financial allocation decisions are often made at national level without considering local conditions. In addition, there are often institutional arrangements, capacity constraints and/or an influence of political decision making which has a significant bearing on a LEDA's ability to successfully execute their role in LED (Lawrence and Rogerson 2018).

Lawrence and Rogerson (2018) investigated LEDAs in South Africa in a survey of 19 of the 26 operational LEDAs in the country. They found that LEDA goals were aligned with their respective local LED goals - namely, economic and social service delivery. In most cases, economic development was the primary goal. LEDA projects and initiatives were primarily aimed at agriculture, tourism, small town regeneration, job creation and business development. All of these components are relevant to creative city development, bar agriculture.

Funding has been provided by national public entities - namely; the Industrial Development Corporation (IDC), National Treasury, the Development Bank of Southern Africa, the Department of Environmental Affairs, and the Provincial Departments of Co-operative Governance, Economic Development and Tourism. The majority of agencies have viewed income generated by local projects as a key source of funding to supplement finance provided by public and private entities. LEDAs have faced significant challenges. Most importantly, they are obliged to abide by both the Municipal Finance Management Act and South African business legislation, which has made for a challenging financial environment and significantly slowed the implementation and operation of projects. Nevertheless, LEDAs appear to have made an important contribution to local development. They have in particular been able to incorporate municipal mandates and local stakeholders in a socially aware approach grounded in the community interest (Lawrence and Rogerson 2018).

As an example of a generally successful LEDA, Lawrence and Rogerson (2019) looked at the case of Somerset East, which is a small town in the Blue Crane Route Municipality, located in the Sarah Baartman District Municipality, a peripheral region of the Eastern Cape. The municipality had historically faced significant socio-economic challenges of high unemployment, poverty and a household dependence on government grants. This was a common situation in peripheral regions of South Africa, particularly in the Eastern Cape. The local economy was primarily based around commercial farming and tourism and, to a lesser extent, creative industries. The study looked at the Blue Crane Development Agency (BCDA), which was registered as a Section 21 Company in 2004 and was incorporated as a LEDA municipal entity in 2006. The BCDA was linked at inception to a long-existing partnership forum for local development stakeholders, which acted as individual project implementers and development partners. At that time (2006), South Africa's IDC encouraged LEDAs to support local municipalities' efforts to alleviate poverty, rather than seek sustainable economic development through viable business opportunities. The IDC was the major funder and sought to apply the BCDA as a model of best practice for the future LEDA roll out. The express mission of the BCDA was to "conceptualise opportunities and facilitate macro-sustainable developmental projects related to agriculture, business, renewable energy, tourism and social responsibility to the benefit of all citizens with special emphasis on job creation" (Lawrence and Rogerson 2019). The BCDA was to run alongside the existing LED unit of the municipality, which focused on youth social projects and local skills development. The BCDA and LED unit had different and separate roles. The BCDA was a separate legal entity, responsible for macro projects and funded by the IDC, while the LED wing was a component of government directives, responsible for micro projects and funded by the municipality. In line with the Integrated Development Plan (IDP) of the municipality, the BCDA aimed to foster innovation and to simultaneously apply a community-centred approach to local skills development that could aid with implementation.

Projects of the BCDA included the flagship aviation project. This entailed renovating an old airbase in the town, which provided a link for tourists needing to reach local tourism destinations like Addo National Park (64km away). It also involved starting an aviation school, and tarring and maintenance of the road linking Somerset East to Addo, which simultaneously had positive effects for other local and regional business interests. Other projects included renewable energy schemes, recycling initiatives, land reform-based agricultural projects and the provision of technical advice and supporting infrastructure needed to link various opportunities to relevant beneficiaries. The BCDA leveraged an estimated R120 million in investments. Another R20 million was committed by the IDC and R12 million by the local municipality. In 2014, the BCDA was absorbed into the Cacadau Development Agency (CDA) (the development agency of the Sarah Baartman District Municipality – previously Cacadau). This move was designed to continue the good work of the agency, retaining experienced persons like the CEO, in an initiative providing a broader scope and area on which the team could work (Lawrence and Rogerson 2019).

The BCDA faced a number of challenges that impeded their development mandate. First, the 5-year cycles of local government saw a rotation of political leadership. The BCDA consequently faced priority-level shifts and varying levels of engagement from local government. The local government in place at inception was the most supportive, but its successor did not prioritize the agency. This slowed progress of project implementation and development. This was similar to the loss of government support for the "arts park" in Osaka, Japan, which Sasaki (2010) thought had impeded the full economic potential of the project. For the BCDA, the implementation of large-scale projects was held back in particular by inadequate support from the municipality, which withheld operational funding. A comparatively weak relationship between the BCDA and provincial government also stood in the way of funding support from important provincial agencies.

Lawrence and Rogerson's (2018) study of 19 LEDAs identified the remote location of towns as another challenge. The BCDA nevertheless generated positive results from projects that were implemented during its overall tenure, directly creating an estimated 3 250 jobs and R120 million-worth of municipal assets. The agency's success was attributed to how it had forged strategic national networks. Important relationships were formed with actors in the private sector and major research institutions. The networks and relationships were crucial to raising the significant funding required to implement the BCDA's development projects. It should be noted that there was a conscious effort to link the projects and planning of the BCDA with key local, district, provincial and national policies, with a view towards gaining a broader scope of influence and becoming part of the national interest. The authors stated that development in the local municipality "cannot be a standalone function of the BCDA, it needs to be aligned to the broader governmental planning" (Lawrence and Rogerson 2019). The case study offers insight into the implementation, challenges and opportunities of a development initiative in a remote, small and rural locality, and the critical role of LED and LEDAs. Not noted by Lawrence and Rogerson's (2019) research was the variety of different sectors and industries encompassed by the BCDA. Beaudry and Schiffauerova (2009) found that diversity in industrial growth had significant implications on small and medium enterprise growth, suggesting that this might have been a significant factor in the BCDA's success.

2.11 Conclusion

This chapter reviewed the fundamental theory, debates and discourse, and a variety of case studies on creative cities. This has ranged from the abundant research on large cities and metropolitans in developed nations to the relatively scarce research on small rural towns in developing nations. The review presented the desirable products of creative city development, such as its ability to drive economic growth, and contrasted it with the undesirable outcomes of economic and cultural gentrification. Partial resolution to this schism was sought through cases which exhibited a range of approaches which aimed to balance these outcomes or directly negate the undesirable aspects while attempting to maximise the desirable effects. The review then turned to the rural creative city, again moving from the developed to developing contexts and focused on the important role of tourism in rural creative cities. The review takes a final and critical tangent to discussing the broader framework, and context in which a small, rural South African town would pursue creative city development. The chapter ends with a study based in the Eastern Cape province, South Africa, only 80km away from the town of Makhanda, the home of the Creative City project and the subject of this research.

Chapter 3 discusses, in detail, the context of South African creative and cultural policy and the Makhanda Creative City project.

CHAPTER 3: CONTEXT; South African Cultural Policy, the GCI and Makhanda's Creative City Project

This chapter outlines the context of the case study in focus, Makhanda and its Creative City project. The chapter first puts the case in the context of national policy and reviews the composition and importance of CCIs in South Africa and their role in the national development agenda. The recognition of the social importance of CCIs is then discussed, with reference to the provision of heritage, cultural conservatism, national expression and wellbeing that CCIs provide. CCIs are then discussed in the context of the South African economy, exploring their contribution to GDP, growth, employment composition and transformation. South Africa's standing in Florida's Global Creativity index is then explored highlighting the international advantages in innovation and translation to GDP growth, and the glaring shortcoming in income inequality. Then, the context of Makhanda is laid out including its geographic proximity to large cities, demographic, social and economic statistics and the (hard and soft) educational, creative and cultural infrastructure. The 'Creative City' project is then introduced, highlighting the primary goals, organisation and sub-projects. Lastly, the broader operational context of the project is explored, namely the Department of Local Economic Development and the Stakeholder Forum and their entwined structural role in the operation of the creative city.

3.1 Cultural Policy and the CCIs in South Africa

Todes and Turok (2018) state that successful place-based development strategies require horizontal and vertical policy alignment. It is, then, important to briefly review the history and current state of South African creative and cultural sector policy, as these policies shape the current context in which CCIs operate in South Africa and how they are understood.

A turn towards early acknowledgement of the creative industries in South Africa could be seen in the 'Creative South Africa' report (Cultural Strategy Group 1998) commissioned by the then Department of Arts, Culture, Science and Technology. The report highlighted South

African arts and culture heritage as an important resource but acknowledged the lack of policy understanding into how this sector could be a source of energetic and dynamic growth for the national economy (Cultural Strategy Group 1998). It broadly defined a number of sectors within the creative and cultural industries: music, the visual arts, the publishing sector based on creative writing of literature, the audio-visual and media sector, performing arts, the craft sector (including traditional African art, designer goods and souvenirs); and cultural tourism and the cultural heritage sector. The sectors of design and fashion were also defined as industries in which creative input was of a secondary nature but would be of lower value without the creative input (Cultural Strategy Group 1998). The report left out advertising, architecture, tech development and a handful of innovative technological fields that were included as CCIs in the Florida (2002 a, b) styled "Creative City" development agendas of developed nations.

The later Create SA Report (2005) found that some of the most needed areas of national creative industries development were found in: inadequate skills, poor access to markets and a paucity of innovation in product development (Rogerson 2006). In the decade following the report, no major national-level progress seems to have been made in developing CCIs in South Africa. The most notable achievement stemming from the report was the inclusion of cultural industries as one of nine key sectors for economic growth, equity and employment creation in the 2002 Integrated Manufacturing Strategy (IMS) issued by the Department of Trade and Industry (dti)(Rogerson 2006). This policy focus was delegated two focal streams; (i) to strengthen linkages between the crafts industry and tourism, and (ii) to provide support for film and television production industry (Rogerson 2006). The creative industries were renewed as a priority sector in the 2006 and 2007 reports by the dti in the Accelerated and Shared Growth Initiative of South Africa (AsgiSA 2007). At the time, this was consistent with the policies in the US and in the UK, where creative industries were also categorized as a priority sector.

The most recent policy debates on the Creative industries in South Africa revolve around the redrafting of the Revised White Paper on Arts, Culture and Heritage in 2013 and from 2016 onwards (Snowball 2019). Proposed updates to the Paper in 2013 were accused of overlooking the objectives of equal national access to arts, culture and heritage in favour of using these resources to further the government agenda. This policy push was harshly criticized and mirrored Peck (2005, 2008) and Pratt's (2008) criticism of the potential for creative city policies to be used as a new proxy for a neoliberal development agenda. The debate reopened on the White Paper in 2016 and is ongoing, with the most recent iteration published in October 2017 but not yet adopted as policy. The White Paper deals with a range of policy implications, including heritage, arts and culture development and promotion, which in 2012/13 took three quarters of allocated funding.

The core aim of the Department of Arts and Culture set out in the original 1996 White Paper was to "realise the full potential of arts, culture, science and technology in social and economic development, nurture creativity and innovation, and promote the diverse heritage of our nation". The last lines serve as a reminder that there are significant social factors of national expression, cultural conservation and heritage that are important for intrinsic reasons that go beyond their economic potential. Similarly, the UK's White Paper refers to the cultural sector as, 'an extraordinary network of individuals and organisations that together preserve, reflect and promote who we are as a nation, in all our rich diversity' (UK Department for Culture, Media and Sport 2016:15).

These intrinsic benefits form part of the broader debate on the value of arts and culture. Snowball and Webb (2008) explained that the arts and culture industry was narrowly focused on expressing their value through the economic benefits of their activities, as this tended to better secure public funds and the social benefits were taken as a given feature. Economists value arts and culture using willingness-to-pay models to demonstrate market failure and the need for public funding in the first place. Snowball and Webb (2008) argued that there was a holistic value of arts and culture that could be accounted for qualitatively. The qualitative method was used to study the National Arts Festival and stages of qualitative value through the history of the festival. The qualitative value categories were; maintaining diverse South African cultural capital and building new cultural capital, outlets for expression of political, and social resistance and awareness. These categories gave an idea of the non-economic benefits that arts and cultural activities held.

The above policies on arts, culture and CCIs indicate that the South African government acknowledge the importance of these industries in national development. These policies set the governance framework in which arts and culture activities operate in South Africa. There is a recognition of the features of innovation and creativity inherent in CCIs, and an aim to harness them not only for economic development, but also the non-economic benefits seen in social value and social development.

The CCIs play an important role in the South African Economy. The Value-Added impact of CCIs contributed R74.39 (1.7%) billion to the South African GDP in 2018 (SACO, 2020). For context, the next-largest sector is agriculture, with a 2.4% contribution. Between 2016 and 2018, CCIs grew at a rate of 2.4% per annum, more than double the GDP growth rate of 1.1% p.a. The cultural domain of visual arts and craft grew at 5.3% p.a. If the economic production of backward-linked supply industries (non-cultural input producers), and the direct and indirect income multiplier effect is used, the total effect of CCIs is R241.8 billion (5.6% GDP) (SACO 2020).

SACO (2020) calculated that 2.77% of all employed workers in South Africa were employed in CCIs in 2017. If the broader definition of cultural industries were used, then CCIs accounted for 7% of total employment or 1.14 million workers (SACO 2020). This broader definition includes all three parts of the 'cultural trident.' The cultural trident includes three kinds of workers: cultural workers in cultural occupations, cultural workers in non-cultural occupations and non-cultural workers participating in cultural production. 27% of workers in cultural occupations had tertiary education compared to an average 17.8% in other industries. Half of the CCI labour force was considered "skilled labour"; national education hence played a critical role in growing these industries in the future (SACO 2020). CCI workers had, on average, a higher income than non-CCI workers.

These estimations were done using the 2009 UNESCO Framework for Cultural statistics to define the CCIs, which includes conventional creative and cultural sectors in: fine and performance art, theatre, music, craft and the like, as well as more commercially based sectors in design, architecture, advertising and tech development. It was also found that over 71.8% of those employed in CCIs were black African, 20.8% white, 10.1% coloured and 2.9%

Indian/Asian. When the employment demographics were broken down by age categories, it was evident that the younger age categories have demographic employment distributions more reflective of the population demographic than the older age group. This strongly implies that the industry is transforming in a positive direction (Snowball, Collins and Tarentaal 2017).

The debate of unequal opportunity is particularly pertinent in South Africa, where the post-apartheid government is mandated with transforming the economy to better represent the nation's demographics. While this effort, known as Broad-Based Black Economic Empowerment (BBBEE), has seen some level of transformation, there is still a persisting under-representation of black, Indian and coloured South Africans in business ownership, and a vast over-representation in unemployment in CCIs, which means that people of colour are more likely to be unemployed (Snowball, Collins and Tarentaal 2017). Nationally, members of the creative class in South Africa face a number of impediments to their development and prosperity. Notably, the South African creative class has difficulty partaking and competing in international markets, as shown in the prominent income and product value gap relative to international producers. A lack of investment in developing a larger local market and audience hinders growth of many creative subsectors. The [debated] volatility of the creative market impedes the majority of SMEs' and creative producers' ability to secure access to financial credit. There is also a lack of effective communication and under-developed policy understanding between government departments and government agencies (Gregory and Rogerson 2016).

3.2 Florida's Global Creativity Index (GCI) and South Africa

Florida's GCI ranks South Africa as 39th out of 139 countries, with a GCI of 0.564 (Florida, Mellander and King 2015). For perspective, the highest-ranked nation is Australia, with a GCI of 0.970, and the last-ranked is Iraq, with 0.032. South Africa performs well in Technology, ranking 30th owing to innovation exhibited by a high number of patents per capita.

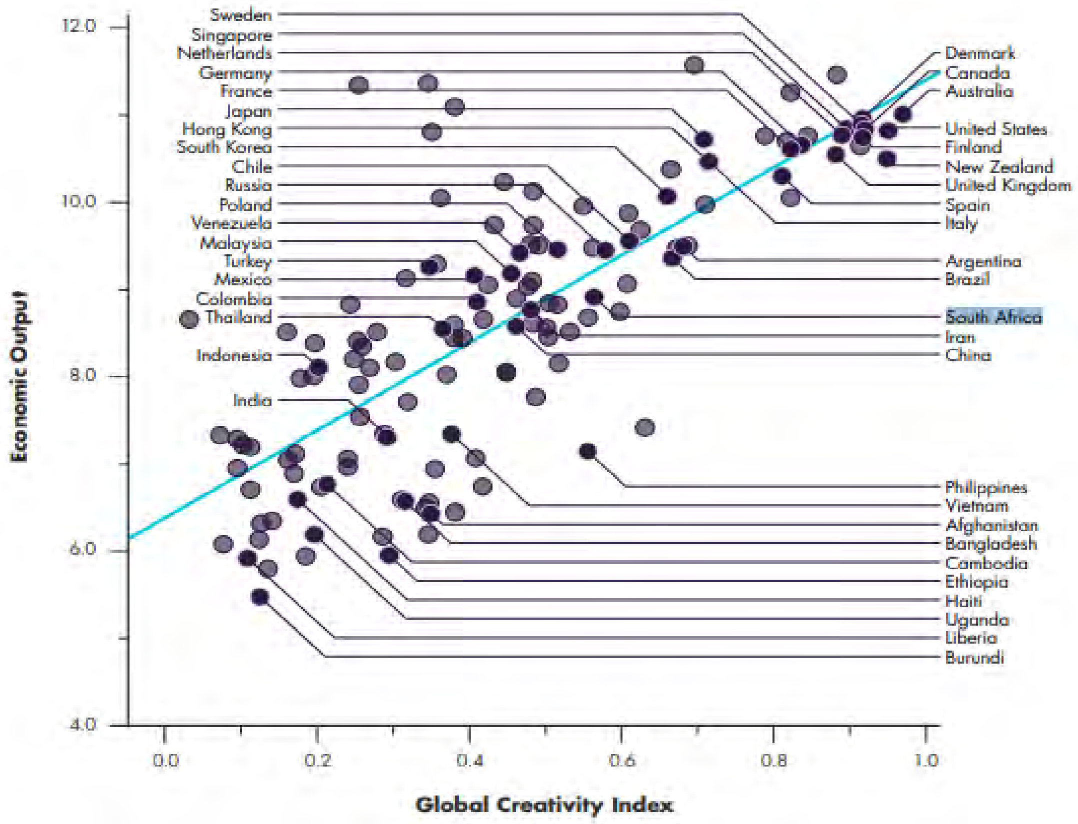

Figure 3: GCI vs. Economic Output Scatter Graph (Florida, Mellander and King 2015)

The GCI report then compares the GCI score of countries against economic and social indicators. Figure 1 shows that South Africa is just below the trend line of the economic output (GDP based) expected for the given GCI score. This could be a promising indicator that the creative advantage of South Africa has been translated into economic productivity, as exhibited in CCIs increasing contribution to GDP (SACO 2020). However, when comparing South Africa's GCI to income inequality (GINI Coefficient), in figure 2 below, the nation is extremely far off the trend line.

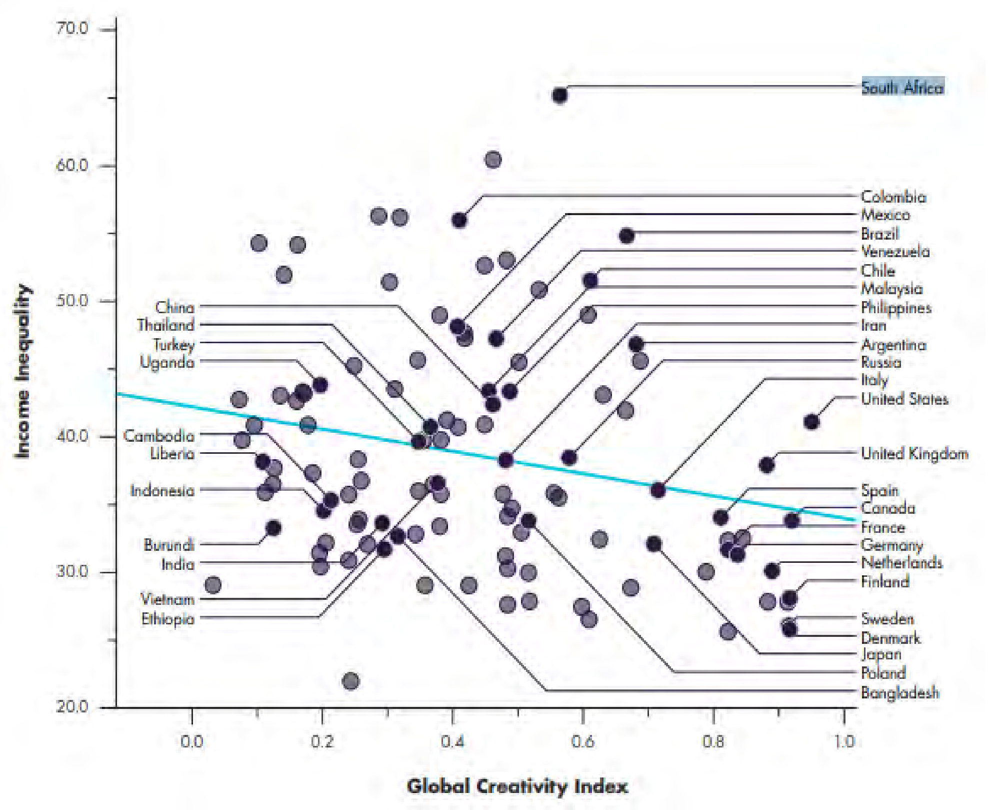

Figure 4: GCI vs. Income Inequality Scatter Graph (Florida, Mellander and King 2015)

The scatter graph exhibits a negative relationship (-0.23) between the indicators. A higher GCI is correlated with low income inequality. Income inequality in South Africa is far higher than the trend line. The Scatter graph shows that South Africa had the worst income inequality of the featured nations, which include Colombia, Brazil, Argentina and even the United States. Income inequality is one of South Africa's biggest challenges. Although SACO (2020) data indicates transformative and increasing employment in CCIs, vast inequality persists in South Africa.

3.3 Makhanda, the National Arts Festival and the Creative City Project

Having reviewed the national context of the research, the focus is now shifted to examining the local context of the Makhanda and the Creative City project. Makhanda, formerly known as Grahamstown, is situated in the Eastern Cape province of South Africa. The Eastern Cape is arguably the most impoverished province of South Africa owing to its poor performance according to a number of key economic and social indicators. The province has the lowest

GDP per capita in the country at R30 249, which is well under the national average of R53 238. Within the Eastern Cape is the Municipality of Makana (not Makhanda, the city). According to the Makana Annual Report Makhanda was home to 80 391 people in 2016. The Municipal district is located inland of Port Elizabeth, 120km to the west, and East London, 180km to the east. These cities are important shipping ports of South Africa and are two of the largest industrial centers in the province (Makana Annual Report 2015/2016). It is important to note the similarly worded names of Makhanda, the city and subject of this research, and Makana, the name of the municipal district. For clarity Makana will only be used in reference to Makana Municipality.

Makhanda itself is home to just over 50 000 people, of which 65% have no available access to the internet and 48.1% have no piped water inside their dwelling (Census 2011, Statistics SA 2019). According to the Makana 2016/17 Municipal Report, only 22.7% of Makana Municipality residents hold a matric certificate (high school completion) and 11.9% have gone on to tertiary education. Despite the municipality showing positive growth over the past decade, unemployment rates are high. The 2011 Census revealed unemployment to be at 40.3%, which is higher than the national level of 29.8%. Also concerning is the high youth unemployment rate (42.3%). In more recent times, Makana Municipality has also faced drought conditions of increasing severity and was declared a Drought Disaster Area in 2017 (Makana Municipal Report 2017/18). There have also been allegations of municipal mismanagement. The alleged municipal mismanagement culminated in a currently disputed court order from the Makhanda High Court for the municipal government to be dissolved and put under administration (Nowicki, 2020).

Nevertheless, Makhanda has a number of significant advantages compared to other towns of its size. The city is home to Rhodes University and several internationally acclaimed primary and high schools, including St Andrews College, Diocesan School for Girls and Kingswood College (Makana Annual Report 2015/2016). Rhodes University has been, and continues to be, a national leader in research (RU Research Report 2017). Florida (2002) indicated institutions of higher education as an import catalyst for creative cities, since it provides access to human capital and can help drive innovation.

Another important advantage is that Makhanda hosts the South African National Arts Festival (NAF), which is one of the oldest and largest mixed arts festivals in Africa. The festival takes place over 11 days in June/July each year. The NAF claims to be the largest arts festival on the African Continent. Despite the host town's relatively small size, it has the 900-seater Monument auditorium, one of the largest in South Africa, which makes it a very useful venue for hosting large-audience performances.

"Mixed arts" festival refers to the wide variety of genres. The festival is separated into two parts. First, the main performances are selected and curated by the festival management. They are largely funded by sponsors. Sponsors include the Department of Arts and Culture (under the Mzanzi Golden Economy Flagship programme), the Government of the Eastern Cape, Standard Bank, the National Lotteries Commission and other, smaller strategic sponsors. The second part is the Fringe, which is open to all, but performers are responsible for their own costs, promotion, sponsorship and ticket pricing. The festival includes music, arts, drama, dance, lectures and discussion series, a family and children's festival, and a film festival. It also features a craft market, street theatre, awards for young artists and numerous free shows.

According to the National Arts Festival 2019 report (Snowball and Antrobus 2019), the NAF had an estimate attendance of between 13 000 and 14 200 (depending on the population estimation method), more than 10 000 of which were visitors from outside the host city. The festival is organised by the NAF office, which also manages the Creative City project. The organisation of the NAF is that of a non-profit Section 21 company and the festival is funded by large sponsors including; Standard Bank, Multichoice, the National Lotteries Commission, the Province of the Eastern Cape and the Department of Arts and Culture. There are also a number of smaller sponsors including the Sarah Baartman District Municipality, Makana Municipality and the EU. The 2019 festival brought an economic inflow of nearly R86m to the Makhanda economy, compared to R94.4m in 2016. The decline in attendance and economic inflow was owing to a number of factors primarily stemming from a decline in the South African economy. As put by the 2017 Domestic Tourism Survey (Statistics SA 2017):

> “…a general pattern of decline in domestic tourism over the past two years as associated with economic stagnation and reprioritisation of consumer spending that has taken place in the country”.

According to Snowball and Webb (2008), the NAF has been an important part of maintaining national cultural stock/capital and developing an audience for its consumption. The festival has historically been a place of political activism and social awareness expressed through the arts and continues as a place of cultural value formation and expression validated by the diverse pool of cultural producers and consumers.

The ‘Creative City’ project was started in Makhanda in 2014 with financial support from the European Union of an initial R6 million. The project aimed to establish the city as “South Africa’s cultural capital” by the year 2020 through initiatives aimed at building creative capacity, a creatively conducive environment and partnerships between relevant stakeholders (Lankester, 2013). The project has been centrally organized through the NAF Office, which has been instrumental in applying for the funding, and managing and marketing the project. Changes in the organisation of the project management will be discussed in the results.

The Creative City is organized around a number of key projects. The Makana Arts Academy is the overarching flagship project. The main aim is “upskilling and resourcing the creative residents of Grahamstown so that they are positioned to turn their talent, skills and passion into a sustainable career” (Grahamstown Creative City 2019). Furthermore, the project intends for upskilled residents to have the ability to better participate in the economic activities of the National Arts Festival and for these economic benefits to be better distributed among the local community. As put by NAF and Creative City project CEO, Tony Lankaster (Artsvark 2016); “An 11-day Festival is like a pebble being dropped into a pool. It has a ripple effect that, without intervention, will gradually dwindle as time goes on. Together we’re able to add to the pool and get those ripples felt by more people in Grahamstown [Makhanda].”

Other projects were:

- *The Festival Gallery*, which aims to showcase fine artists from the area during the NAF;

- *The Foto Fence* project, which is a local photography competition and exhibition;
- *Masicule*, which is an annual mass choir show that includes participants from schools, churches and civil society (the 2019 edition featured more than 1000 participants and the two shows were sold out);
- *Uyabona Ke*, which is a locally based physical theatre company that has put on successful shows at the NAF;
- *Visual Art at Ntsika*, which supports arts teaching at a local secondary school;
- *The Fingo Festival*, which takes place during the NAF and "is a festival devoted to art as a platform to promote social cohesion and social transformation within Fingo Township and Grahamstown", through offering workshops, dialogues and activities with a focus on children and young people;
- *The Gruffalo*, originally a children's book, which is an internationally renowned stage play that was produced with an all-Grahamstown cast. It premiered in Cape Town in September 2016 and then went on a national tour;
- *The Gathering/Intlangano*, which used dance and choreography, applied theatre, and narrative therapy "to produce a series of performative encounters" in 2015. The aim was to stimulate dialogue through the arts;
- *The Vuka Workshops and Makana Drama Development Festival*, which is a theatre skills development initiative that provided workshops as well as a performance platform for local artists;
- *The Black Power Station*, which is a re-purposed venue in the industrial area that provides a platform for local performers to showcase their work.

Some of these projects have become annual events, such as *Masicule,* while others have had a planned limited lifespan, such as *The Gruffalo.*

3.4 Local Economic Development Strategy, Stakeholder Forum and the Creative City:

To better understand the governance and public framework around the Creative City project, it is important to understand the Local Economic Development (LED) Strategy of the Makana

Local Municipality (MLM). The LED strategy has not been aimed to provide direct social support or poverty relief, but has instead been geared towards sustainable poverty reduction through the provision of opportunities for sustainable income (LED Strategy, 2019). The strategy aims to stimulate economic growth, address socio-economic challenges, expand the tax base and build administrative capacity in Makana Municipality. The LED strategy aims for an ongoing participatory process between private and public stakeholders to leverage local resources and competitive advantages for economic growth and social welfare improvement.

The main goal of the Creative City project is recognised in Strategic Objectives 1 of the LED Strategy (2019:5) as Key Performance Area 1.2: "promoting Makana* as a creative city." This means to promote the municipal area as the home of the Creative City. This would be done through Strategic initiative 1.2.1: "mobilise resources through the Inclusive Local Stakeholder clusters to establish Makana as the creative city." The Creative City project is recognised as a "leverage project" for which the LED strategy aims to "promote and network to implement leverage projects as catalyst for economic growth" in strategic initiative 1.1.2. The project is also an important leverage project for Strategic Objective 2: "promoting the generation of work opportunities", Key Performance Area 2.3: "encouraging a vibrant township economy," and Key Performance Area 2.2: "capacity building for employment of self-employment." In Development Priority Objective 4, the strategic aim is "to promote creative arts and talent development." (LED Strategy 2019:12). The LED strategy included a SWOT analysis which recognized the creative industries in the region as a significant strength; however, attached was the weakness of a low participation rate of poor communities in the mainstream tourism economy. The desired outcome was to promote Makana, the municipal area, as the home of the creative city. This required a buy-in from all stakeholders, establishing a nationally recognised identity and local collaboration and co-operation (LED Strategy 2019:38).

The Makhanda Stakeholder forum has become the vehicle for coordination between local actors. The stakeholder forum includes key stakeholders in Makhanda, such as Rhodes University, the Grahamstown Business Forum (GBF), and other local business and community leaders. The forum has been driven by the Kagiso Trust NGO.

The GBF is a diverse collection of local business owners looking to better the business environment of Makhanda. Their aims include promoting good business practices, strong local networks and relationships, attracting support and entrepreneurial activity, and engaging and collaborating with non-local businesses, civic organisations and local government to enhance the economic conditions of Makhanda (GBF 2020). The Kagiso Trust NGO is one of South Africa's leading development agencies working to overcome poverty by developing and implementing scalable, replicable and sustainable development models in the areas of education, institutional capacity building, socio-economic development and financial sustainability. Over the past 30 years, the trust has invested more than R2 billion in development and has implemented over 1 831 programmes.

3.5 Conclusion

This chapter presents the context of CCIs in South Africa, their policy framework, place in the economy, employment composition and role in the national development agenda. This extends into their non-economic role as a driver of social development, transformation and wellbeing. South Africa is then seen in the context of it's ranking in Florida's GCI index relative to economic indicators, in which the country has encouraging correlation of GCI to GDP but also has the worst global rank in income inequality. A brief economic, demographic and geographic context of Makhanda is then presented. This includes the hard and soft creative, cultural and educational infrastructure and the nature of the NAF in Makhanda. The Creative City project is then introduced, with its goals, sub-goals and primary sub-projects. Lastly the immediate governing structure under whose mandate the project falls is introduced, namely the Department of Local Economic Development, and the NGO/business forum, namely the Stakeholder Forum is introduced.

The following chapter describes the research methods used to evaluate the impact and sustainability of the Makhanda Creative City project.

CHAPTER 4: RESEARCH METHODS, PROCEDURES AND TECHNIQUES

This research will take a post-positivist approach. That is to say that the research uses a combination of quantitative and qualitative methods and, while the data gathered provides empiricism in testing theory, consideration is made to leave room for subjective interpretation. As Tomer (2007:464) states that knowledge is a complex matter and that there is no simple scientific way to determine what is and is not knowledge.

The research makes use of three methods, two qualitative and one quantitative, respectively; key stakeholder interviews, comparative case study analysis and a visitor survey.

4.1 Key Stakeholder Interviews

Key stakeholder interviews involve persons who have an active interest in the project and the outcomes. This includes stakeholders from within the project itself, local government and local business. These interviews aimed to determine:

(i) opinions on whether the stakeholders have seen tangible and intangible benefits from the Creative City project and, if so, the extent of that benefit;

(ii) whether stakeholders believe that the project has had social welfare impacts on the local community;

(iii) if stakeholders believe Makhanda has the potential to meet the goals set out in the project;

(iv) to uncover challenges facing the project and how these have been, or will be, dealt with.

Interviews also explored the organizational structures within and around the project.

The interviews were open-ended and only guided to be geared towards gaining insight into the project. Interviews were guided by a list of questions and open to covering topics outside of the prepared questions guide. The interviews typically lasted 25-30 minutes. Permission to record and use the interview content for this research was obtained prior to the interview.

The recorded interviews were critically analysed using thematic analysis and discussed in relation to the aims of the Creative City project itself, and in relation to the critical success factors for creative cities in general identified in the literature review.

For ease of identification table 1 below denotes each stakeholder by a letter. The stakeholders are identified by position when their insights are shared. When information is corroborated by multiple stakeholders they are identifiable in the in-text reference which includes their identification letter and interview date. The stakeholders are represented by their role in the project.

Table 1: Key Stakeholder Identification

Stakeholder Letter:	Position or Role:
Key Stakeholder A	Creative City Project and National Arts Festival CEO
Key Stakeholder B	Leader: Black Power Station
Key Stakeholder C	Leader: Gruffalo Play Producer
Key Stakeholder D	Leader: Local Economic Development
Key Stakeholder E	Leader: Supporting NGO

4.2 Comparative Case Study Analysis

As part of identifying factors that affect the likely success of creative city initiatives as development strategies, the Makhanda Creative City project was compared to a creative city project in another small-town context – Townsville, Australia. Documents pertaining to the 'Creative City' project and the 'Growing the Creative Industries of Townsville' plan were critically analyzed and contrasted. The documents pertaining to the 'Creative City' project include; Grahamstown – South Africa's Creative Capital Proposal and Business Plan for discussion by broader stakeholder group (2013), Makana Local Municipality Socio Economic Review and Outlook (2017), 'National Arts Festival reports positive results' – NAF Administration (2018) and Statistics South Africa (StatsSA 2011).

Documents that pertain to the case of Townsville include; 'A Cultural Plan for Townsville' – Townsville City Council Community and Cultural Services Department (2001), Townsville Economic Development Scorecard Townsville City Council (2016), Project Outcomes – Creative Industries in Townsville (2018) and What's Your Other Job? A Census Analysis of Arts Employment in Australia (Cunningham and Higgs 2010). The most important document was 'Growing the Creative Industries of Townsville' plan (2015) which surveyed 69 CCI businesses and conducted 29 interviews for insight.

Using information gathered from document analysis, as well as information derived from stakeholder interviews, case study analysis was undertaken to contrast the creative city policy and impact in the two cities. The basis for this case study choice was that the case of Townville, Australia had the smallest population of any other research on the subject of creative cities. The gathered information was also used to assess the founding goals of the Creative Cities project. Lastly, using reviewed literature on the theory of a 'creative city', most prominently from Richard Florida's 2002 book '*The Rise of the Creative Class,'* Thiel's (2017) 'Creative Cities and the Reflexivity of the Urban Creative Economy, Sasaki's (2010) study of three Japanese cases critical success factors for a creative city were identified. The ratings given to the presence of these factors, in Makhanda, were ranked as either 'strong', 'moderate' or 'weak' based on the information gathered. Makhanda's creative city was then reviewed with these critical success factors and given a scorecard to identify its current strength as a creative city.

4.3 National Arts Festival Survey

A question regarding the recognition of the Creative City project and Makhanda as the 'Creative City' was included in a larger Socio-economic impact study conducted by the Rhodes Economics Department and commissioned by the 2019 National Arts Festival (NAF). Since visitors to the NAF come from all over South Africa and are obviously engaged by arts and culture, the NAF was considered a good opportunity to determine the extent to which

Makhanda was becoming recognized as "South African's cultural capital." The question also provided important insights into local and national perceptions of Makhanda, which supplemented the assessment of other goals in the project, the Stakeholder Forum and Local Economic Development Strategy. The question asked;

> "When you think of Makhanda (Grahamstown), what are the first things that come to mind?".

The Survey was carried out over the duration of the 2019 Festival. A stratified sample of Festival attendees were interviewed face-to-face by members of a trained research team. The questionnaire was done through trained student interviewers who captured a total of 550 responses, of which 420 responded as non-local visitors of the festival, 125 responded as local residents and 5 responses had their status unrecorded (NAF Report, 2019). The sample for this survey was carefully constructed. Interviewers were given a quota based on the three previous studies conducted at the festival in 2006, 2013 and 2016. Interviewers made periodic checks to see that the quota was a good reflection of the attendee population observed. The interviewers, in debriefing after the data collection, confirmed that the quota seemed to accurately reflect the apparent population of festival goers (Snowball and Antrobus 2019). The tables below breakdown the respondent sample in the report over the past 3 reports and the most recent (2019), used in this research.

Table 2: Festival Attendee Demographics

Demographic	**2019**
Sample size (%)	555
Women	58.3
Men	41.7
Home Language (%)	
Afrikaans	9
English	60.7
Xhosa	23.3

Zulu	4.1
Other	2.9

(Snowball and Antrobus 2019)

Sample demographics show no significant changes in proportion of men and women. Festival respondents mostly comprised of women at 58.3% and men trailed at 41.7%. The sample has become more diverse over the years with isiXhosa first language speakers representing 23.3% of the sample, significantly higher than the previous report in 2016 (9.5%). This correlates with the increase in sample proportion of black African respondents (32% in 2019 compared to 22% in 2016) (NAF Report 2019).

The vast majority of respondents are South African (91%). This corresponds well with the desired response sample as the research component was looking into mainly South African's perception of Makhanda. Of respondents, 55% reside in the Eastern Cape, 23% of those are Makhanda residents. It was important to note that with 32% of non-local respondents still residing in the Eastern Cape, a large portion of 'non-local' responses are still in close regional proximity. The majority of respondents from outside of the Eastern Cape are from either Gauteng (20%) or Western Cape (15%), making 90% of the domestic sample from these three provinces (NAF Report 2019).

Of the sample, 55% were below the age of 35 (29% - 18-25 and 26% - 26-35) and, 22% were 36-50 with the remaining 23% being 51 and over. The sample group is a good reflection of a youthful demographic while still holding a significant response for age groups over 35. The young demographic explains the second highest respondent occupation as student (25.6%). Professional/management was the largest respondent occupation at 32.6%, the third most common occupation being self-employed (18.4%). These three occupations accounted for 76.6% of respondents. The young age of the sample group correlates with the higher household income estimates and lower individual income estimates. Students are most likely earning an income under R5000 per month (23.2% of sample) and young professionals and self-employed persons likely accounting for a large share of the income range R10 001 – R30 000 (39.8% of sample). The education level of respondents was well spread with high school (26%) probably correlating with the 25.6% student sample size. Apprenticeship/short course/professional qualification at 19%, the modal group at one degree/diploma and an impressive 24% with more than one degree/diploma.

In an open-ended question, the interviewees were asked which two factors they would most strongly associate with the town of Makhanda. Responses were then placed into one of the following categories: The National Arts Festival; Rhodes University; The Creative City [Project]; The water crisis; Family and Friends; Potholes and/or Donkeys. If the response did not fall into a category then the interviewer would place the response, manually explained, in the 'other' category.

4.4 Ethical Considerations

Ethical consideration is necessary in this research in relation to providing an objective analysis of the extent of success of the project, untainted by conflicting interests – of which I have none.

This research involved interaction with human subjects. Ethical clearance from the Rhodes University Ethical Standards Committee (RUESC) was thus required and was obtained in 2018 and renewed in 2019. All the guidelines for the ethical interaction with human subjects, as described in the RUESC Handbook, have been adhered to.

Ethical clearance regarding the question in the National Arts Festival survey was obtained in conjunction with the larger survey approval in 2019.

4.5 Conclusion

This chapter set out the three primary research methods used in this research. The survey primarily served to give insight on whether the primary goal of becoming South Africa's "Creative and Cultural Capital" had been achieved and, if not, give indications for whether it could be achieved in the future. The survey also supplemented the assessment of the secondary goals. The comparative case study aimed to identify critical success factors from a case with a similar context and then contrast the identified factors with those of Makhanda. The key stakeholder interviews also serve to identify key success factors. Additionally, they offer first-hand insight on challenges, weaknesses, potentialities and strengths in the project.

The next chapter will discuss the results of the research set out in this chapter.

CHAPTER 5: RESULTS AND DISCUSSION

5.1 Introduction: Evaluating the Project Goals and Determining Key Success Factors

The Creative City project set out a primary, and a number of secondary, goal(s) in their founding documents (Proposal and Business Plan, Steering Committee 2013). This chapter sets out to evaluate the extent to which these goals have been achieved, what challenges have been faced and what potential paths are available for the future. The primary overarching goal was to become South Africa's 'Cultural Capital' by the year 2020. Secondary goals were as follows:

- The project aimed to create 500 jobs in the creative and cultural industries and another 500 in supporting and input industries;
- Arts and culture were to be used as a mechanism for social cohesion;
- The project aimed to identify public arts, performance and related learning spaces to be used by the public;
- Strong partnerships were sought between local government, government agencies, local business, NGO's and the Creative City project management team;
- lastly the project aimed to develop a brand for itself which could be recognised locally.

First, Table 3 exhibits the results of the survey. The association factors and their survey response proportions are then examined. They are then used to assess the primary goal of the project (5.1.1). The next section then uses the key stakeholder interviews and document analysis to further develop the operational and institutional framework within which the project operated. This primarily discusses the LED Strategy 2019 and Stakeholder Forum (5.1.2). Then, the survey responses and framework discussion are applied together to assess the sub goals (5.1.3). The assessment is presented in Table 4 and discussed thereafter. The case of Townsville, Australia is then used as a comparative case study which is summarised in

Table 5 (5.2). The case is used as an example of success in a similar context relative to population size and rural geography, and identifies areas, particularly in project-local business relations, in which the Townsville case excelled.

Finally, the data gathered, and information acquired in the research above are used to identify critical success factors in Table 6 (5.3) for the Creative City project and the projects performance in each, ranked as either strong, moderate or weak (5.3). The literature supplements and justifies points drawn from the data throughout the results and corroborates the projects performance score in the key success factors identified.

5.1.1. Recognition of Makhanda as a Creative City and Other Associated Factors

First, the survey question that was part of the NAF economic impact survey was geared towards assessing the extent to which Makhanda has become recognised as South Africa's Cultural Capital, which was the overarching primary goal of the project. The question could have asked, "is Makhanda the Cultural Capital of South Africa?" This would have directly addressed the goal but missed an opportunity to break down different associated aspects of Makhanda. Hence the question was presented to be answered open-endedly as, "what factors do you most commonly associate with the city of Makhanda?" The responses were put into categories and the results indicated the extent to which the Creative City project has been recognised as a national and a local brand. This is both with reference to both the Creative City agenda and the Big City strategy of the Stakeholder Forum discussed in more detail later. In addition, the responses point to a number of strengths and weaknesses, leverage points and pitfalls in the perceived image of Makhanda which may inform the future strategy of the Creative City project.

Table 3 shows which attributes Festival visitors most commonly associated with Makhanda. These include the positive associated factors of the NAF and learning institutions; these associated factors are used as proxy indicators for culture and education respectively. The negative attributes of water supply problems and potholes act as proxy indicators for infrastructural and governance issues. These associations address the primary goal of the project, numerous sub-goals and objectives of the Stakeholder Forum and Department of Local Economic Development.

Table 3: Festival Attendees Associations with Makhanda

RESPONSE CATEGORIES:	NON-LOCAL (420)	LOCAL (125)	TOTAL (545)
FESTIVAL (NAF)	226	55	281
(% OF TOTAL)	(59.5%)	(46.6%)	(56.4%)
RHODES UNIVERSITY / SCHOOLS	170	70	240
	(43.9%)	(50.8%)	(45.6%)
CREATIVE CITY	40	11	51
	(10.5%)	(9.3%)	(10.2%)
WATER	81	42	123
	(21.3%)	(35.6%)	(24.7%)
POTHOLES	73	54	127
	(19.2%)	(45.8%)	(25.5%)
FRIENDS/FAMILY	55	28	83
	(14.5%)	(23.7%)	(16.7%)
GROUPED RESPONSE CATEGORIES:			
EDUCATION/CULTURE	297	80	377
	(72.3%)	(59.3%)	(69.0%)
INFRASTRUCTURE/ISSUES	114	66	180
	(27.7%)	(48.9%)	(33.0%)

Table 3 exhibits the results of the survey. The associated attributes are listed in the left column and the number of positive responses to the attributes are split between local and non-local, and a total response in the rows. This is accompanied by a positive response percentage, which is worked out with the local response number to total local responses, non-local positive responses to total non-local responses and total positive (local & non-local) to total responses for the survey. Responses of the NAF, Creative City and Rhodes University/schools are grouped as education/culture and water and potholes are grouped as infrastructure/issues at the bottom of the table. The results are laid out below and inform the following discussion.

The results show that Makhanda has the advantage of being associated with the NAF and educational institutions, which bodes well for positioning the city as a "choice destination" for cultural and educational excellence. However, there are two key limiting factors; this reputation has not been successfully associated with the Creative City project, both locally and nationally, and the cities association with infrastructural and governance issues hinders the "choice destination" position of the city.

The NAF has been the largest mixed performing arts festival on the African continent and one of the oldest and largest arts festivals globally in terms of number of performers. Hence, it was not surprising that just under 60% of visitors and 47% of residents listed it as a defining part of Makhanda. It may have been expected that the response rate for the festivals association with Makhanda would have been even higher considering the respondents were attending the festival at the time. The response from visitors is a good indicator that the NAF is a prominent feature associated with Makhanda. A strong association with the NAF translates to a strong association with arts and culture. Hence it may be used as a positive indicator that Makhanda is associated with arts and culture. This is a major advantage for Makhanda, particularly in differentiating itself from other small cities.

The responses indicated that Rhodes University and the Schools are also strongly associated with the town. While not having as much recognition as the NAF amongst visitors (just under 44%), over half of local respondents chose RU/Schools as a prominent feature. The non-local (visitor) response is a positive indicator that the town is associated by outsiders with the reputable university and schools in Makhanda. The overall response suggests that the town is associated with educational institutions and may be considered an educational hub. This highlights a second key leverage point and is pertinent to the LED Strategy goals. For Florida (2002a,b), a university acts as a centre for knowledge creation and a socially open and diverse community and hence acts as an attraction factor for the creative class and as an important internal driver of creativity in a city. As put by Florida (2006), "colleges and universities are the hubs for the new microeconomics of regional growth." As Rhodes University is a national leader in research output it is a fitting example of a centre for innovation and new knowledge creation. The university is also a source and creator of new talent and indicates that the town has a decent provision of network coverage for ICT activities . Furthermore, Knox and Meyer (2009) found that small, rural cities that qualified as "creative cities" were almost always home to a university if not a significant outdoor lifestyle amenity.

There was no specific target set out in the founding documents of the Creative City project with regards to a measurable level of recognition of the project branding, bar the broader goal of becoming South Africa's cultural capital by 2020 (Proposal and Business Plan, Steering Committee 2013). Considering the broader goal, the feedback of 9.3% of local residents recognising the project is certainly a lower recognition figure than project management and stakeholders have aimed to achieve. This indicates that the broad goal of becoming South Africa's cultural capital by 2020 is a goal that will likely need to be reassessed and rescheduled as a goal to strive for in a longer-term plan. This affirms the thoughts of the project CEO (Key Stakeholder A, Pers. Comm, 2018) (refer to table 1 for Key Stakeholder identification), which indicated that becoming the 'Cultural Capital' of South Africa had become a longer-term goal. This is not to say that the town is not considered to have the potential for being a creative city, as is certainly not the case, but rather that the brand has not established itself significantly locally or nationally. The disconnect between the city's recognition as a place of culture and the Creative City project brand is a shortcoming of the project to market and establish itself as a brand. Of the 'other' responses, 10 were associated and could be classified as a creative/arts characteristic but factoring in the additional 10 still leaves the overall finding relatively unchanged. Seven non-local 'other' responses noted the town's historical significance and value. The historical significance of the town is a cultural asset and, although only mentioned by a minority, indicates some potential for including the town's historical significance as a part of branding and marketing a cultural facet of the Creative City project.

The issues of water provision and drought problems (a longstanding water crisis) are significant factors to locals, exhibited in their 35.6% response proportion. 21.3% of visitors associated the town with the water crisis. The non-local association with water issues serves as a significant challenge in branding and developing the Creative City project on a national scale. As expressed by the government LED stakeholder (Key Stakeholder D, Pers. Comm, 2019); the water crisis was publicised in the media leading up to the 2019 National Arts Festival as serious doubts were raised as to whether there would be running water throughout the entirety of the festival. The municipality managed to avoid any water cuts or provision issues for the duration of the festival. The availability of water throughout the festival may have contributed to lowering the towns association with water issues as there was no effect on the festival experience. The stakeholder noted that media outlets did not publicise the municipalities success in averting any water issues during the festival.

Of local residents, 45.8% identified potholes as a part of Makhanda's identity, surpassing water issues significantly. 19.2% of visitors also mentioned potholes. Local residents owning cars may consider this issue more prominent than the water issue as it has a direct impact on their tyre wear and probable incidental damage. Visitors are not likely to be in vehicles as most venues of the festival are within walking distance. However, the response shows that service delivery, in the form of road maintenance, is a prominent issue for residents that partake in the festival and a noticed issue by many visitors.

Both the water issue and pothole responses act as proxy for issues pertaining to service delivery and local governance issues. Just under half of local resident responses mentioned at least one of the two issues. This speaks to a broader issue, that stretches far beyond the scope of this research, of service delivery shortcomings leading to a High Court order to dissolve the municipality, which is currently in legal dispute (Carlisle 2020), and for it to be placed under temporary administration. This came as a result of the Unemployed Peoples Movement and other civil society groups who pressured for the dissolution of the municipality on grounds of corruption. Related to these results was the failure to manage water and sewerage and the neglect of infrastructural matters including potholes and rubbish (Nowicki 2020). Service delivery issues, in various forms, are commonplace in much of South Africa. This often leads to a distrust between a community and its local governance. Overcoming this and integrating the interests of the broad community will be a critical factor in the success of the project, a sentiment expressed by all stakeholders (Key Stakeholders, Pers. Comm, A&B 2018, C&D 2019, E 2020).

27.7% of visitors responded with either one or both infrastructural issues indicating that these issues are, to some extent, recognised by visitors and form part of the national image of Makhanda. The municipal LED and an NGO stakeholder (Key Stakeholders, Pers. Comm, D 2019, E 2020) indicated that an association with infrastructure/service delivery issues is detrimental to building an attractive brand around Makhanda as a creative city.

It is promising that the response rate amongst non-locals for education and cultural factors (72.3%) is far higher than the response rate for infrastructural/governance issues (27.7%). This was an overall positive response from non-local visitors and exhibits a key advantage to be leveraged in promoting Makhanda as the 'Creative City' and as a "choice destination" of "educational and cultural excellence." Ensuring that the city builds on this advantage and works to minimise the perception of infrastructural and governance issues will be critical in the success of the regional development agenda. This sentiment was reiterated by the LED stakeholder (Key Stakeholder D, Pers. Comm, 2019) explaining that there would be little point working towards educational and cultural excellence if there is no water coming from the taps. These issues disable the city's potential to reach these goals and, if they were to become worse, would overshadow success in these areas. This is both for attracting tourists and new residents and, more importantly, for the local community for which basic service provision is a right.

5.1.2. The Institutional Frameworks and Operational Environment

The findings above, in conjunction with key stakeholder insights, are useful in looking at the operational environment of, and institutional frameworks around, the Creative City project (which is, furthermore, useful in assessing the project). This includes the Stakeholder Forum (consisting of local business leaders, Rhodes University, local governance, other key stakeholders and spearheaded by a large NGO) and the local municipality (most pertinently the department of Local Economic Development (LED) and their LED Strategy).

Leveraging the cultural and educational reputation of Makhanda is an important shared objective between the Stakeholder Forum and the goals of the Creative City project. The Stakeholder Forum aims to promote Makhanda as a hub of both educational and cultural excellence under the broader "Big City Project". The Creative City project aims for Makhanda to be South Africa's Cultural Capital. A hub of cultural excellence and a cultural capital are similar aspirations, perhaps differentiated only by scope of recognition (regional/national). The large response for cultural factors suggests that the goal to be recognised as a hub of cultural excellence has been achieved to an extent, or has always formed part of the town's reputation, certainly, and in large part for hosting the NAF. The high response of association with Rhodes and Schools also indicates that the town is recognised as a place of learning and educational institutions. Both these associations bode well for the goal set out by the "Big City Project" to make Makhanda a "choice destination" of educational and cultural excellence.

Although the proportion of respondents who associated the town with education/cultural factors was high, the proportion of those who associated it with the Creative City brand or project was low. This suggests that Makhanda has not significantly established itself as the "Creative City," even in the minds of local and visiting arts festival attendees (who would likely be one of the groups most aware of an arts and culture development initiative). The LED Strategy 2019-2023 indicated the promotion of Makana [through Makhanda the city] as the "Creative City" in Key Performance Area 1.2. The low visibility of the Creative City project was acknowledged as a shortcoming by key stakeholders (Key Stakeholders, Pers. Comm, A&B 2018, D 2019). This was seen by some as a weakness resulting from poor marketing co-ordination in linking the town's assets of cultural excellence and significance to a "Creative

City" brand. The current challenge was identified by the municipal LED director as, "finding innovative ways of merging the town's evident reputation for culture with the project brand" (Key Stakeholder D, Pers. Comm, 2019).

It was also noted, by the NGO representative, that the awareness and branding effort should begin with a focus on local recognition of the brand. Local recognition could play a critical part in getting local stakeholders to "buy-in," and commit to the town brand, the project and the overarching LED strategy (Key Stakeholder E, Pers. Comm, 2020). However, Broad stakeholder engagement was also seen as a critical factor for success by multiple key stakeholders, discussed in more detail later. A strategy for how the project should market itself and leverage support off the advantages of its existing reputation is perhaps a subject for further research with a marketing-oriented approach.

The findings of this research in conjunction with the literature do offer some context and direction in developing a recognised and locally supported creative city development project. First, in the creation of a central forum (Stakeholder Forum) and its role as the main institutional framework for the project. Second, in the creation of an "implementation wing" which will put a team in charge of implementing project objectives. Thirdly, both the Stakeholder Forum and the implementation wing are contrasted with local and international cases and literature for context and direction.

The Stakeholder Forum and the Department of LED have become increasingly more involved with, and play an important role in, the Creative City project. The project is a strategic leverage point in the LED strategy for 2019-2023. For the Stakeholder Forum the project is one of two main initiatives, the other being the development of Makhanda as a hub of educational excellence, that make up the "Big City Project". The "Big City Project" is the name of the broader development initiative that has been created by the Stakeholder Forum to develop Makhanda as a "choice destination" of educational and cultural excellence. This goal is geared towards attracting both visiting tourists and potential new working residents. The Creative City project and NAF form the base of the cultural excellence platform while the educational excellence is leveraged off of Rhodes University and the Schools. Stakeholder interviews and analysis of documents revealed important insights into these broader stakeholder organisations, and the networks bringing them together. These organisations and networks form an integral part of the current narrative, operational context and future of the Creative City project and Makhanda.

The Stakeholder forum has aimed to encourage and develop an inclusive platform for engagement between a broad set of community leaders, the local institutions, the Creative City project, NGOs and local governance. The NGO stakeholder (Key Stakeholder E, Pers. Comm, 2020) indicated that the success of the forum would be contingent on the willingness of participants to take "an equal, vulnerable and realistic stance." This was important for all participants and in particular it was noted that local governance will need to take an equal input position rather than enter in a position of authority. This would be important to prevent stakeholders withholding participation on the basis of mistrust in local government integrity. The Mayor of Makhanda has led the government representation in the Stakeholder forum but there has not yet been a comprehensive integration of strategy between local governance and the forum. According to the municipal LED director (Key Stakeholder D, Pers. Comm, 2019), this merge is to be planned and work will be done to align the goals of the LED Strategy and Stakeholder Forum. The reasons for the merger, predominantly, are the mutual objectives of employment and welfare improvement for which the Creative City project provides an actionable avenue for working towards these goals. Strong networks and strategic communication between stakeholders have been seen as a critical success factor by stakeholders (Key Stakeholders, Pers. Comm, A&B 2018, C&D 2019, E 2020) and in the literature of small city development (Sasaki 2010, Lawrence and Rogerson 2019).

Distinct advantages of Makhanda's small size were identified in the ability for government, the Creative City project and other stakeholders to congregate and communicate. However, there are a number of challenges with regards to structural organisation, communication and implementation that can be seen in the current state of the project (Key Stakeholder D, Pers. Comm, 2019). While the project is a stated strategic leverage point for economic growth and employment creation for the municipality, under the wing of Local Economic Development, it is still managed by the National Arts Festival office, located in Makhanda, and directed by the NAF CEO. This has been the case since the municipality approved the project in 2014 and committed to funding and involvement. It was decided that given the strong networks with the local arts and culture producers and the extensive expertise in the sector inherent in the NAF office, it would be the most suitable institution in which to base the management of the project (Key Stakeholder D, Pers. Comm, 2019). Stakeholders agree that the expertise has certainly played a critical role in initiating, running and developing the project up to now (Key Stakeholders, Pers. Comm, A 2018, B 2019). However, there are currently no persons employed full time to implement and manage the project. This has been identified as a current challenge in growing the project and meeting its goals.

To overcome this challenge a key development has been made in plans for the Creative City project to be driven by a new "implementation wing" (Key Stakeholder D, Pers. Comm, 2019). The implementation wing will implement the "Big City Project" plans decided on through the Stakeholder Forum, of which the Creative City project forms one of the two flagship initiatives. This wing is to consist of two working interns and one lead manager. Rhodes University indicated willingness to source the personnel for these positions and, together with local business (as indicated by the Grahamstown Business Forum), will fund this operation (Key Stakeholder D, Pers. Comm, 2019). The new implementation wing, the Stakeholder Forum and municipal LED office have been designed to be the capable local institutions, described by Todes and Turok (2018). This will bring together relevant private and community interests in the pursuit of inclusive economic and social development. The Stakeholder Forum, and the new implementation wing, act in a similar capacity to the LEDAs researched by Lawrence and Rogerson (2018, 2019). The Stakeholder Forum, spearheaded by a large development NGO, is aligned with the inclusive development agenda of municipal LED but runs on an equal-footing using a participatory approach. The design of local governance taking an equal participatory role in the process is a mechanism for negating mistrust in government activity and encouraging broad stakeholder participation. The NGO stakeholder (2020) indicated that a key cluster of business and community leaders had not yet been fully reached, notably those from the geographic East side, who are historically and currently the lower income population of Makhanda. Lawrence and Rogerson (2018) notes the broad participation of these business interests will more likely give a more community-centric LEDA style approach. This cluster's participation also has a major bearing on the extent to which development projects embed themselves in the interests of the community.

The case of the Blue Crane Development Agency (BCDA) researched by Lawrence and Rogerson (2019) was built on an apparently similar existing partnership forum of local development stakeholders who acted as individual project implementers and development partners. The objectives, similarly to the Makhanda Stakeholder Forum, were to foster innovative development through community-centric development initiatives focused on local skills development and employment creation. The BCDA included a number of projects in renewable energy, recycling, land-reform based agriculture, new road tarring and networking local economic opportunities to a broad private and public investment network (Lawrence and Rogerson, 2019). The agencies activities were spearheaded by the development of an airstrip for an air school and air access to local tourism amenities, most notably Addo National Park which is also close to Makhanda.

The Makhanda Stakeholder Forum has a comparable opportunity to the BCDA; to spearhead development through the Creative City Project. The project links together local creative and cultural production and tourism, skills development, place creation and local business opportunity. The BCDA developed R120 million in municipal assets, largely through the creation of the airstrip. In the case on the Creative City project the Black Power Station (BPS) acts as a developing hard infrastructure element. Key Stakeholders (Key Stakeholders, Pers. Comm, B 2018, C 2019) noted that there were prospective opportunities to build a centralized arts and culture infrastructural area in closer reach of the greater community. A centralized, community-accessible arts and culture center would ideally take a similar shape as those seen in the Japanese cases by Sasaki (2010). Stakeholder Forum's equal-footing approach will be critical for broad community buy-in as was seen in the Japanese cities. It may also be suggested that the stakeholder forum act on community consensus for the appointment of the implementation wing. Sasaki's (2010) Osaka case study saw the use of a community forum allowed local residents with an interest in the arts and culture development to vote for the candidate mandated with running the project, which was seen as an important part of ensuring a community driven approach.

The relationship between the BCDA and local governance was reported as weaker than ideally desired. Key local municipal operational funding was lost as well as links to provincial agencies and their financial support structures (Lawrence and Rogerson, 2019). In contrast, the

Makhanda Creative City project has a critical advantage in the functional, strong working relationship with the local municipality reported by stakeholders but would need to take a structured, accountable approach to ensuring financial commitments are met (Key Stakeholders, Pers. Comm, A 2018, C&D 2019). However, the success of the BCDA was, in large part, credited to strong vertical networks with national institutions and private sector networks securing R120 million in investment and R20 million directly from the Industrial Development Corporation (IDC).

This leads to another key insight from the LED director (Key Stakeholder D, Pers. Comm, 2019) that the Makhanda project lacks strong vertical policy or direct alignment with the national agenda to drive development through arts and culture. The goals of the project, and the aims to grow decent employment and contribute to economic development in the municipality, align well with the National Development Plan (2013), but there is no vertical policy connection to the national agenda. It was suggested by the LED stakeholder (Key Stakeholder D, Pers. Comm, 2019) that there is perhaps an opportunity to leverage the connections between the NAF and national cultural and development policy to bring the project into the fold of the National Development and the Arts and Culture agenda.

Todes and Turok (2018) explain that successful place-based development strategies require strong horizontal networks and policy. First, the Stakeholder Forum, and the coordination and communication it provides between local actors, governance and the project, may be critical in the success of the Creative City project by fostering important horizontal networks (Herslund 2012). These horizontal networks were also seen as vital in the Japanese cases of Kanazawa, Yokohama and Osaka (Sasaki, 2010) where councils were set up to deal solely with management of Creative City activities. Sasaki (2010) viewed the active participation of community stakeholders and citizen interests as critical and stressed that local governance could not be the sole director of such initiatives. The Makhanda Stakeholder Forum may, in a significant way, play the role of a community driven council to guide the project and gain local community support. Second, Todes and Turok (2018) indicate that vertical policy alignment, to the provincial and national policy agenda, could be important in avoiding unfocussed spending and may expose the project to unforeseen opportunities for funding.

The Makhanda Stakeholder Forum is the coming together of key local stakeholders in the project, private sector, community actors and government. This coordination of stakeholders, it's drive from an NGO and the Department of Local Economic Development and the formation of the independent "implementation wing" resemble the operation of a Local Economic Development Agency (Lawrence and Rogerson, 2018). LEDAs were found to be primarily funded by national institutions but the Creative City project has been funded by international institutions and local government. However, according to Lawrence and Rogerson (2018) sustainable complementary funding through income generation of local projects was seen as an important part of the majority of LEDAs in South Africa. The Creative City project has similar goals of sustainable income generation, local upskilling and employment (Proposal and Business Plan Steering Committee, 2013). The LED director (Key Stakeholder D, Pers. Comm, 2019) stressed that the ability of the project to be financially self-sustaining through income generation will be critical to the sustainability and longevity of the project. Hence, it will be critical for productions of the project to identify and reach or create new consumer markets. The LED director (Key Stakeholder D, Pers. Comm, 2019) also indicated that the LED strategy saw the role of this project not as a poverty relief measure, but as a driver of sustainable economic development. This aligns with emphasis of SA's Industrial Development Corporation that LEDAs may drive sustainable economic development through job creation (Lawrence and Rogerson, 2018).

5.1.3. Addressing the Sub Goals of the Creative City Project

The discussion now moves to evaluating the extent to which the sub-goals of the Creative City project have been met, which is summarised with the primary goal in Table 4 below;

Table 4: Assessment of the Goals and Status of Makhanda Creative City Project

Goals	Status
1. Makhanda to be South Africa's Creative Capital	- Not yet established. However, survey indicates a strong association between Makhanda and the NAF/institutions of learning. A key leverage factor in achieving the goal in the long-term.
2. Create 500 jobs in the arts and creative sector	× Progress, but not yet achieved
3. Create 500 jobs in supporting industries	× Progress, but not yet achieved
4. Foster social cohesion in the Municipality through the arts	✓Significant progress in terms of establishing multicultural arts projects and reducing traditional spatial divides.
5. Identify public art spaces, places of learning and performances	✓ Achieved in a number of areas.
6. Foster strong partnerships with government, government agencies, business and NGO's	✓ A number of partnerships established, but inter-industry spillovers with local non-cultural businesses limited.
7. Develop the 'Creative City' as a brand	× Survey responses indicate that the 'Creative City' has not established itself as a brand locally or nationally.

The employment goal was to create '500 jobs in the arts and creative sector' and another '500 jobs in supporting industries.' In interviews with stakeholders, it was evident that this goal had not yet been achieved "on any significant scale." (Key Stakeholder A, Pers. Comm, 2018). However, the Creative City project has created some employment opportunities through the various activities which indicate the potential for the project to fulfil its employment and upskilling goals.

For example, *The Gruffalo,* a stage production for children, went on a national tour that was highly successful, selling out at 6 of its 11 performances in Cape Town, and at all its month-long production runs in Johannesburg (Creative City 2018). The cast for *The Gruffalo* was made up entirely of local talent sourced from another one of the Creative Cities projects, The Makana Arts Academy. These artists were fully employed on a salary basis for the duration of the project. The costumes and set were also produced in Makhanda, creating a demand for artistic products and non-CCI production (woodwork, fabrics, performance space). This stimulation in production is an example of the forward and backward linkages Yang and Fik (2014) attribute to CCIs. Although the production was of limited duration, the project did provide economic benefits for the town, with a longer-term focus on the development of both artistic skills and experience, as well as theatre supply and support services. Tours with local companies and presenting the production to a wider regional and national audience, may be an important way of offsetting the lack of agglomeration economies (Thiel 2017) in Makhanda. This connection to regional and national audiences provided access to the larger markets that are found in metropolitan areas and larger cities. Although the National Arts Festival provides an ideal platform for local production to reach a wide audience, it is temporary. Without local access to large market demand, smaller creative cities may need to pay special attention to ways in which access to larger markets can be facilitated.

The case of Bilbao, Spain may also shed light on how to foster a larger visitor audience year-round. The introduction of a Guggenheim museum was at the core of the city's redevelopment agenda and heralded as the catalytic success factor in the success story of urban revival (Plaza and Haarich 2013). The success of the redevelopment prompted many cities to copy the blueprint of the project, known as the "Bilbao Effect" or "Guggenheim Effect." However, the large majority failed to achieve the same level of socio-economic benefit, often with the projects failing to even generate return equal to the input costs. Plaza and Haarich (2013) noted, in the Bilbao case, that the existence of an already-developing tourism network in the region played a critical role in the success of the museum-centred redevelopment. Subsequent attempts to imitate the same development strategy most often neglected careful consideration of their regional demand markets. The existing tourism market that had formed part of a larger regional development strategy in the Basque region ensured adequate demand and tourist flow to Bilbao.

The region surrounding Makhanda is home to several nationally and internationally renowned tourist attractions including Addo Elephant National Park and a number of other game and wildlife reserves and the nearby coastal attractions of Port Alfred, Kenton on sea and Port Elizabeth. The city is also a midpoint on the national road linking the large cities and airports of East London and Port Elizabeth. With this in mind, the case of Bilbao and research by Plaza and Haarich (2013) may suggest that the LED Department and Stakeholder Forum should consider, and work the project into, the existing or developing tourism and arts and culture consumer markets in the region whilst pursuing the goal of building Makhanda as a "choice destination" for creative and cultural (or other) tourism, arts and culture consumption. The case of the Blue Crane Development Agency (BCDA), which operated in the same district municipality, also sheds some light on utilising the geographic closeness of other attractions to stimulate the development of a market. This was exhibited was the airstrip built through development initiative of the BCDA (Lawrence and Rogerson 2019).

On the supply side, the CEO of the Creative City project (also the CEO of the National Arts Festival) (Key Stakeholder A, Pers. Comm, 2018) emphasised the importance of the supportive role played by the Festival office. The NAF used its existing reputation and global networks to secure the rights to the play (referring back to *The Gruffalo)*. The rights holders were receptive to the idea of a "community production" as opposed to a typical large-scale production with well-known performers. Their experience in managing and marketing theatre production nationally would also have influenced the success of the venture. Being able to access skilled and experienced arts management and marketing expertise proved to be an important component in the successful development of this aspect of the Creative City project's development strategy. This also serves as an example of the advantages of, in this case private, vertical networks described by Todes and Turok (2018) and seen in the BCDA by Lawrence and Rogerson (2019). However, in this case the networks provided beneficial specialised skilled labour supply as opposed to funding. With the project management shifting to the independent "implementation wing" it will be critical for the project to maintain a close relationship with the NAF office in order to continue to benefit from their specialised skills, talents and extensive national and international networks in the creative and cultural industries.

Another success can be seen in the two-day Masicule choir performance which brought together over 1000 choristers from 15 local choirs (Key Stakeholder C, Pers. Comm, 2019). This has become an annual event that unites parts of the community that would otherwise not have collaborated and interacted on shared projects. While both performances were sold out, performers participate on a voluntary basis and additional sponsorship to cover the costs of venue hire and organisation is still required. Thus, while Masicule can be regarded as successful in fostering social cohesion, place marketing and developing musical skills and appreciation, it does not contribute directly to the economic goals, such as direct job creation and economic growth. It is, however, important for the social benefits, which are not to be understated or undervalued (Jowell 2004, Evans 2005, Scott *et al.* 2018). The intrinsic social value of artistic performance participation and the platform given for cultural expression should not be overlooked.

Many of the Creative City's sub-projects seem to have been more successful in achieving the social, rather than the economic, goals that were set out at the project's inception. This is not entirely surprising given the relatively small audience available in the city to grow demand, coupled with the high unemployment and poverty plaguing the town. Indeed, there is evidence that creative industries in South Africa tend to cluster in large cities. Snowball *et al*. (2018) found that creative labour clustered in the three richest provinces which also have South Africa's three largest cities; Gauteng, KwaZulu Natal, and the Western Cape, which account for 36.9%, 15.5%, and 15% of the creative labour force respectively. Makhanda is a special case, since it is much better endowed in creativity-supporting infrastructure and arts and culture management expertise (through the National Arts Festival office) than most small cities are. The organisational capacity, and national and international reputation afforded by the city hosting the largest arts festival in Africa certainly plays a key role in the city's ability to follow a creative city regional development strategy. This correlates with another important finding: that the partnerships between the Creative City project and local artistic workers give local art credibility and hence, value. The project leader for the Black Power Station and Fingo Festival project (Key Stakeholder B, Pers. Comm, 2018) described how the partnership with the Creative City project has been a critical factor in giving his own personal artistic production, and the creative products of many members in his community, credibility and a base for setting a 'fair' price. This was noted as critically important as small/solo art producers often struggle to gain any credibility, traction or value. It was expressed that there is still a long way to go to building a value base for local arts and crafts that could provide a decent income and livelihood. However, it was acknowledged that the project was the most useful mechanism available to achieve product value and some artists had made significant progress in this area.

The goal of fostering social cohesion in the municipality through the arts is an important factor given the historical context of South Africa. It is difficult to gauge the extent to which social cohesion is apparent, as noted by key stakeholders. What can be confidently stated is that there were prevalent examples of socially cohesive activity facilitated by the arts [provisioned by the project] in Makhanda. The Creative City CEO (Key Stakeholder A, Pers. Comm, 2018) noted three examples:

1. Although there have been changes, Makhanda is still divided along racial and wealth lines, with the West, including the CBD, being mostly white, and middle to upper-class, while the East of town is mostly black African, with a high level of poverty in the township. The Creative City CEO noted that some white South Africans have begun attending the Fingo Festival, a locally produced and organised festival that runs concurrently with the NAF in Fingo square in the Joza Township. This may indicate the breaking of a long-standing socio-geographic barrier and also help to spread the economic benefits of the spending of Festival tourists into the Eastern part of the town.
2. The street parade at the end of the National Arts Festival (which has traditionally mostly taken place in the Western part of the town), now also includes routes in the East, and includes local performers and residents, thus facilitating interaction between diverse groups.

It is also a diverse, inclusive event that demonstrates civic unity and cultural expression. The street parade is, to some extent, a co-creative experience in that attendees form a part of the overall performance. The parade provides a cultural authenticity for an enriching and engaging performance that blends some of the local community with the tourist experience. According to Kastenholz, Carneiro and Kastenholz (2016) this kind of tourism experience is an effective differentiator in cultural tourism place-making and concurrently has the ability to enhance community wellbeing and social cohesion, conserve local culture and resources, and create destination tourism that is sustainable.

3. *The Gruffalo* production was put on with a 100% black African cast. The Creative City CEO noted that some attendees (mostly families with young children) at the production may have expected the Western Classic to have a white cast, and that exposing children to quality performances by black actors is an important way of shaping a more socially cohesive future generation in South Africa.

In addition, 81% of festival attendees agreed or strongly agreed that the NAF contributed to a social cohesion (NAF Report 2019:3). This is, at least in part, a result of the socially open and diverse platform of arts and culture consumption and production that is offered by the NAF. This, in conjunction with the closing street parade mentioned above, show that the NAF has been, and is, an important event, not only for regional economic stimulus and financial inflow, but for fostering a socially cohesive environment. Arts and performance are a critical avenue for open social dialogues and fostering cultural and situational understanding (Fleischmann, Daniel and Welters 2018).

Social openness/diversity is one of the three indicators Florida (2002) used to construct his 'creativity index.' Florida (2002) uses a Gay Index as a proxy to measure openness, however looking at examples of social cohesion seems an appropriate measure for 'social openness/diversity' in the South African context. It will also play a critical role in striving for "unity in diversity," the motto on the South African National Coat of Arms.

Public art spaces (5) were identified in the Fingo Square and the Black Power Station (BPS). The BPS is a project aiming to develop an artistic performance and learning space in the old Grahamstown Power Station. The venue, granted by the municipality for this purpose, has been repainted and branded as “The Black Power Station”. The venue has been used for artistic and cultural performances for which there is free transport from the east side of town as the walk is far for those without transport. Productions are also free, although attendees are welcomed to donate in cash or books. On the day of the interview with the project leader, the BPS production brought in R400 and 4 books. With costs of transport, props, dressing and labour this is not a for-profit exercise, but rather a community-based project, under the umbrella of the Creative City, with its own set of long-term goals.

The BPS project leader (Key Stakeholder B, Pers. Comm, 2018) expressed concern about the black community’s limited exposure to, and education in, the arts. He identified this lack of cultural capital as a factor contributing to a low willingness-to-pay for artistic products and performances. It was also expressed that many producers of artistic goods have little leverage in setting prices or negotiating power in the economy of Makhanda, and that local business was not playing as supportive a role as it could be in fostering the creative sector. The project leader noted that a better relationship with local businesses, particularly those that produce inputs to the arts, such as fabric makers and paint suppliers, could be a significant factor in accelerating the growth of the cultural sector in Makhanda. While public funding has been available for projects with a community development focus, there are many projects competing for these scarce funding opportunities.

The lack of a strong relationship between the cultural sector and local business in Makhanda could be a critical stumbling block in the further development of the Creative City project. However, the Stakeholder Forum has provided a mechanism for local business and the project to share ideas and seek co-creative opportunities. The Grahamstown Business Forum indicated their commitment to help seek out, and aid in, the funding of the implementation wing. While there were no significant co-creative ventures between the project and local business to date, the Stakeholder Forum has opened an avenue for building a relationship between the project and local business.

One of the key positive drivers of a creative city is knowledge and innovative spillover between small creative firms and local, non-cultural businesses (Beaudry and Schiffauerova 2009). Trullen and Boix (2007) note the positive effects of greater densities of economic activity, human and physical capital and labour in a measurable space. The more centralised and higher the density, the more positive spillover effects occur. These spillovers can occur between different industries, referred to as inter-industry spillovers (Fleischmann, 2017; Trullen and Boix, 2007), or between industries of a similar type, referred to as intra-industry spillovers (Frencken *et al.,* 2005; Beaudry and Schiffauerova, 2009). In the case of Makhanda, there seems to have been considerable intra-industry spillover (within CCIs), in particular in terms of the arts management and marketing expertise of the National Arts Festival and the creative talent and skill of local performers and artists. However, there has been little to no inter-industry spillover.

The BPS project leader (Key Stakeholder B, Pers. Comm, 2018) felt that local businesses had not yet seen the potential synergies that could arise between their businesses and the CCIs. He suggested that this may be partly because of a lack of effective communication about the marketing and socially beneficial opportunities that the BPS could provide as a centralised creative hub, integrated with the community as a place of learning, arts and performance.

Despite challenges, the Black Power Station (BPS) shows the potential to be a 'Maboneng success story' on a rural town scale, but with a stronger grassroots community development focus. The BPS is located behind the more affluent west side of Makhanda and has a post-industrial surrounding, much like that of the Maboneng precinct. Gregory (2016) notes that the Maboneng precinct, once developed through private investment, became a thriving area of centralised creative and cultural economic activity that has also allowed other supporting industries to grow in the area. While not yet financially self-sustainable, the BPS is becoming known as a multi-cultural, innovative space that has started to attract a more diverse audience, offering opportunities for local traders who provide food, beverages and producers of crafts to sell their goods. Importantly, activities occur outside of the NAF's timeframe, helping to provide more sustained, year-round exposure for local artists and audiences.

The BPS exhibits the availability of space for cultural production in Makhanda. In Ilbery and Bowler's (1998) "post-productivist countryside" the availability of space is a key factor in attracting urban creative producers to rural areas. The availability of space could allow Makhanda to position itself as a potential "creative milieu" fulfilling many of the advantages of the urban creative cluster space. This could be done through the developing horizontal networks, and the existing creative and cultural infrastructure of the university and NAF. This would be critical in marking Makhanda as the Creative City, especially if South Africa follow in the trend, seen in the UK and US, where a proportion of urban creative producers choose to migrate to rural areas (Herslund, 2012, McGranahan, 2012).

Capturing a creative urban talent outmigration has not been a stated goal of the project or the LED strategy, but the promotion of Makhanda as a "choice destination" includes attracting migrating creative and cultural producers and consumers. The LED director (Key Stakeholder D, Pers. Comm, 2019) confirmed that the Makhanda LED strategy includes attracting this labour force to the town. Rural development in the US has shown that rural regional growth is attainable, where one in five rural counties had higher employment growth than the national average which McGranahan (2012) attributed to the availability of a rural "outdoor lifestyle." The extent to which Makhanda offers this "outdoor lifestyle" and "outdoor amenities" has not been a subject of this research but could form part of extended research into marketing Makhanda as a "choice destination." Still, the US and UK cases of "counter-urbanisation" would suggest that the strategic development of a kind of "creative milieu" in Makhanda may be a viable part of an economic development plan, particularly if further research exhibited any similar labour migration trends in South Africa. Should it be the case that a portion of the "creative class" labour force in South Africa followed the "post-productivist" rural migration trend of the US and UK, Makhandamay be well positioned, with its creative and cultural infrastructure, university and cultural reputation, to attract, and benefit from, this labour migration.

The community-centric development of the BPS as an arts and culture hub is similar to those seen by Sasaki (2010) in Japan. The citizen's art village in Kanazawa similarly made use of abandoned industrial infrastructure and made its facilities freely available to the public. The 21st century art museum, also in Kanazawa, provided free school tours and bus transport. The community-oriented development of these creative projects resulted in broad community support and enthusiasm. Both the BPS and the 21st century art museum included free-access education as a factor of their operation. The success of the Japanese example highlights the potential for the BPS, and possibly a more geographically centralised [to the community] arts and culture centre, to develop Makhanda into a model of Sasaki's (2010: S3) "socially inclusive creative city". It may also prove important in securing long-term community approval (buy-in) (Sasaki 2010, Herslund 2012) and involvement which was deemed critical by all interviewed stakeholders (Key Stakeholders, Pers. Comm, A&B 2018, C&D 2019, E 2020).

This kind of community-centric development of a centralised creative hub could act as a tool in Makhanda's Creative City project's box for avoiding the pitfalls of Peck's (2005) theory; that all creative city development is based in a repackaged neoliberal agenda that gentrifies areas for middle-class consumption. The BPS project leader indicated that middle income consumers of the arts are possible target consumers for the productions of the BPS (and may help to establish financial sustainability). However, the 'grassroots' style of the development of the BPS means that the success of the project will have positive benefits beyond the economic, in; education, further access to the arts, and building social cohesion. The BPS provides a platform for increased financial inflow to local creative and cultural industry workers and a mechanism for growing the local arts and culture consumer market in the long-term (through education and accessibility). This aligns more with the approach of Funck (1999), who argued that the success of a creative project should be judged on both the economic and the social (welfare) criteria. Also, according to Trullen and Boix (2007) a cluster of creative economic activity must have time to mature and specialise in an area that is dense in economic activity, and human and creative capital before it can spread into less dense surrounding economies. This would suggest that the placement of the BPS, which is outside of the economic centre of town in an industrial area, may not be the ideal location as it is somewhat detached from the city's centre. The spatial detachment was acknowledged by the project leader (Key Stakeholder B, Pers. Comm, 2018) as a limiting factor. However, given that the area was previously not in use and has no formal surrounding residences the project has already avoided one of the primary problems of the Maboneng project, which was that, following the development, property prices increased to such an extent that many artists and poorer residents were forced to move out of the area (Gregory 2016).

The sixth goal of the Makhanda Creative City project was to 'foster strong partnerships with government, government agencies, business and NGO's.' Apart from the limited, but improving, relationship with local businesses already discussed, the Creative City CEO (Key

Stakeholder A, Pers. Comm, 2018) reported that relations between the project and local governance structures were strong. Arranging meetings between the Creative City project leaders and the Mayor of Makana Municipality, Head of Tourism, LED and others, was not a difficult task as would be the case in a large metropolitan city. This was recognised as a major advantage of running the project in a small city – close physical proximity and good working relationships made project management easier.

The director of LED indicated that local government also felt a strong relationship and effective communication with the project (Key Stakeholder D, Pers. Comm, 2019). As discussed earlier, the 2019 LED Strategy included Key Performance Area 1.2, "promoting Makana [through Makhanda] as a creative city." This strategy was developed to support and work in conjunction with the creative city to achieve the shared goals of generating skills development, local employment and decent income through arts and culture. The LED Strategy also includes, "encouraging a vibrant township economy." The Fingo Festival has exhibited the possibility that the right consumer market can be developed or attracted to consume in the "township economy". According to Herslund (2019) producers need to create strong horizontal local networks and be "embedded" within them. This helps in overcoming thin consumer markets and geographic disconnect from large agglomerations, as is the case for producers in Makhanda, especially in the lower-income East side. These networks have and may continue to concurrently act as a broader connection to a range of public and private actors which may assist in overcoming their rural challenges, one of which being the BPS. The stakeholder forum appears to be a mechanism for developing these critical local networks, not in consumer reach but between local public and private actors. Networks with local public and private actors also act as an avenue for co-creation and, supporting and building a broader local consumer market.

The involvement of local government in the project looks encouraging given that the national governance has somewhat neglected the sector, despite its growth rate in OECD nations exceeding both the services and manufacturing sector (Joffe and Newton 2007). However, a challenge in the relationship with local government has been the uncertainty of financial commitments. The municipality committed R1.5 million to the project, and, 5 years later, have an outstanding balance of R600 000 owing. This is an example of a critical limiting factor for the Creative City project, and the creative industries in South Africa as a whole – scarce and uncertain finance, even where funding commitments have been made. Especially in the establishment phase, start-ups are likely to need public funding and support as a key determinant of becoming financially sustainable in the longer-term.

To sum up (as shown in table 4), the Makhanda Creative City project has made considerable progress towards meeting its stated objectives, especially in terms of building partnerships with local communities, expanding access to the arts through education and skills development, and the development of performance spaces. The "Creative City" brand has not significantly gained local or national recognition as a brand. The *Masicule* choir performance, and *The Gruffalo*, have been successful in both attracted audiences (demand) and in giving opportunities to local performers to showcase their work and gain skills and experience (supply). A potential challenge is that, as with many parts of the cultural industries, the work is short-term contract, or project based. This limits the number of permanent jobs created. There is also a need to improve the inter-industry linkages with local businesses in order to encourage more spillovers and to improve the financial security of projects like the Black Power Station.

The following results section compares the Makhanda Creative City project with that of Townsville, Australia, pointing out differences and similarities between the host cities and their respective projects designs. This indicates critical factors for success, particularly in how the Makhanda Project could capitalise on co-creative venture and stronger partnerships with local business.

5.2 Comparative Case Analysis: Townsville, Australia

This part of the discussion compares the Creative City project of Makhanda to a similar project undertaken in another small city, that of Townsville, Australia. Table 5 exhibits the data and compares the two towns and their respective projects. The table compares contextual, educational and infrastructural statistics, factors pertaining to CCIs and the aims of each project. This will contribute to determining key success factors of a creative city and presents a comparative example for the Makhanda project.

Table 5: A Comparison Between the Makhanda and Townsville Creative City Projects

		Makhanda	Townsville
Contextual Statistics:	Regional Population size	80 000	170 000
	Regional GDP	R 5.46 billion	R 114.14 billion (adjusted on 2018 exchange rate)
	Unemployment rate	32.5%	8.5%
	Household access to internet	11.6%	80.9%
Education: (of resident population)	Bachelor's degree or higher	11.9%	14.2%
	High School Completion or Diploma	22.7%	46.5%
Relevant Infrastructure:	Number of Universities	1	2
	Number of High Schools	19	28
	Number of Libraries	10	4
	Number of Arts/Culture Festivals	3	1
	Attendance of largest festival (2018)	210 000	100 000
Creative/cultural industry factors:	Presence of centralised CCI	Weak	Moderate
	Well established cultural facilities	Strong	Strong
	Creative sectors targeted	Architecture, design, advertising and	Theatre, creative arts, musical performance

		marketing, software and digital content and film. Theatre, arts and music.	and other artistic goods production
	Relationship between CCIs and governance/NGO's	Strong	Moderate
	Relations Between CCIs and business sectors	Weak	Strong
Project Aims:	Place-marketing using CCIs	Yes	Yes
	Create and/or improve creative spaces/facilities	Yes	Yes
	Promote co-creation between the CCIs and other sectors.	No	Yes
	Foster strong partnerships with local governance, business, creative institutions and other key stakeholders	Yes	Yes
	Is, or forms part of, a regional economic development strategy	Yes	Yes
	Increase employment in the CCIs	Yes	No

The significant similarity of these two cases is the relatively small population size of Townsville (170 000), which is one of the smallest cities in which a creative city development strategy has been applied and researched. There are also similarities in infrastructure relevant to the creative and cultural industries, and both cities are home to prominent universities (Rhodes University in Makhanda and James Cook and Central Queensland University in Townsville). High schooling facilities are also relatively similar with Makhanda being home to 19 and Townsville, 28. Makhanda exceeds Townville in the number of public libraries. Both cities host major arts and culture festivals, but Makhanda attracts a larger audience (because of the NAF, but also through hosting other festivals such as *SciFest*). Townsville's largest tourism event or festival in 2018 was the Commonwealth Games, which was a once-off event. The largest annual festival hosted by Townsville is the Australian Festival of Chamber Music, which attracted 16 500 attendees in 2017 (Australian Leisure Management 2017). These similarities make the case of Townsville one of the most appropriate case studies with which to compare the Makhanda Creative City project and further determine the critical success factors of such a development approach.

While the advantages of the town's small size were indicated by the Makhanda Creative City CEO (Key Stakeholder A, Pers. Comm, 2018), the theory would suggest that the small population and geographic distance of Makhanda from other major economies in the region would be a limiting factor in developing a creative city (Trullen and Boix 2007, Thiel 2017). This seems to have also been the case for Townsville, where the share of creative industries employment has declined from 3% of total employment in 2006 to 2.8% in 2017.

Like Makhanda, a challenge for Townsville was a lack of awareness by local businesses that the local cultural sector could offer productivity-enhancing, innovative services. A business survey (City of Townsville, 2018) determined that there was a lack of awareness in local business that local creative and cultural industries could offer valuable services such as advertising, creative product development and marketing. Design-thinking is an innovative and creative approach to product renewal and design and a new way of thinking about the standard business processes. Co-creation is, in part, a process of business involving innovators from outside the boundaries of that specific industry (inter-industry spillovers) (Fleischmann *et al.,* 2015). Fleischmann *et al.* (2015) concluded, in their study of the Townsville case, that there was significant potential for, and advantage forgone in, increased innovation in business. This was driven by local creative industries, given the right marketing of the idea to the business sector. This somewhat reflects the disconnect between the creative industries and local business in Makhanda (Key Stakeholders, B 2018, D 2019). It could be argued that there is potential for better communication to local business in Makhanda to promote the potential economic benefits of utilising local creative talent in innovative ways for marketing, social development and creative innovation. The Stakeholder Forum presents the platform through which these relationships may be initiated and developed.

As previously mentioned, the Makana municipality LED strategy partially aims to attract the "creative class" to Makhanda, or market Makhanda as a "choice destination," for creative class type labour. This would have extensive benefits of new talent and innovation for local business, and increase demand in numerous markets. This is, however, likely to be a long-term goal. It is important to make the distinction that the creative talent in the Townsville case resembles that found in Florida's (2002) "creative class". Talented labourers that are highly educated and seeking medium to high income work, often in the creative industries of technology, design and the likes. The creative individuals currently focussed on for development in Makhanda are primarily from low-income and poor educational backgrounds and seek occupations in their artistic or performance craft. This by no means says that the co-creative venture will bear no fruit in Makhanda but rather that it is likely to take on a different form of co-creation in the short term. Local businesses involvement in the Creative City project, and their developmental support of local arts, culture and creativity will play a significant role in the longer-term attraction of migrating "creative class" labour. A labour group that will bring talent, innovation and economic growth (Florida, 2002a, b). This research indicates the co-creative gap, but further research could be useful to discuss how the industries of arts and culture could best engage in synergetic productive activities with local businesses. In particular, research in the parameters of small, rural towns in developing nations.

Communicating the potential long-term economic benefits of growing CCIs in Makhanda with the business community may also be important in maximising financial support and "embedding" the project in the local horizontal networks of local business and CCIs. The LED plan's inclusion of attracting creative class type individuals to Makhanda indicates a risk of this development project falling into Peck's (2005) "neoliberal development agenda." This may not seem a pressing issue in the short-term but should CCIs begin to grow in Makhanda it could present at least two significant problems:

- First, that a growing CCI economy could be attractive to larger interest investment (which is desirable) and remove the element of authentic, organic creative and cultural growth which is essential in the maintenance of community support (undesirable).

- Second, that economic development may be exclusive and neglect the opportunity for social development and cultural conservation. Furthermore, it could uproot and gentrify the important grassroots, endogenous cultural “soft” infrastructure developing among community stakeholders. Sasaki’s (2010) cases of Kanazawa and Osaka would suggest that the best route to negating such possibilities is to ensure the mechanisms are in place to provide broad community input and consistent effort to operate purely for the benefit of the immediate community.

Given that the local government in Makhanda has come under pressing public scrutiny for mismanagement, as have many municipalities, it is evident that mechanisms for easing public discontent will likely be requisite for moving forward in a constructive way. While the Stakeholder Forum provides a platform for those interested to engage and work towards communally beneficial relations, it is still unclear exactly how to ensure that the public will feel included in the process and how to best disseminate the advantages to the immediate community. Sasaki’s (2010) “socially inclusive creative city” includes methods of public participation in voting for the management of projects and ensuring that facilities are built to be publicly accessible and provide a service to the community, like the Black Power Station. Further research would be necessary for exactly how communities may feel included and participatory in developing these public assets. This is critical for all industries and governance processes in South Africa as growing popular discontent with government derails any constructive activities in place and puts the national economy in an ever-more precarious state of instability.

The expected differences between the two cities were found in the economic indicators. Development indices, such as education levels, GDP and GDP per capita, and access to internet from the household were all significantly higher in Townsville than in Makhanda. Townsville also has a far lower unemployment rate. This signifies the developed/developing economic contexts that are present in Townsville and Makhanda respectively. Higher levels of human capital are important for achieving goals related to increased economic impact and job creation, as well as for productivity-enhancing inter-industry spillovers. Higher levels of disposable income are important for demand-side development for which the highly constrained economy of the Eastern Cape province does Makhanda no favours.

A document analysis of the project proposals and aims of the Makhanda Creative City and Townsville Cultural Plan was undertaken. Comparative analysis showed that the initial goals set out in both projects had key similarities:

- Both aimed to further the development of the creative and cultural industries in their respective cities;
- Both aimed to create and/or improve creative spaces and facilities;
- both projects are founded on partnerships between local government, the business/private sector, key stakeholders and creative and cultural institutions;
- Both have formed part of larger regional development strategies;
- both aimed to use creative sector development as a tool to place-market their city.

In terms of relevant infrastructure, both cities are relatively well-endowed. For smaller cities, both Makhanda and Townsville benefit particularly from the presence of university facilities and the associated human capital. Florida (2006) notes that universities are a crucial aspect in a creative city. He refers to universities as 'talent machines' that act as central institutes for idea creation and sharing, and innovative capacity building. The universities offer a dense supply of human capital that can aid in growing CCIs (Trullen and Boix 2007). The "Growing the Creative Industries in Townsville" report is one such example of these benefits. The report, which surveyed 69 businesses, was a partnered effort between James Cook University and the Townsville City Council for the further development of co-creative activity between CCIs and other local business. The Economic Impact Assessments done by Snowball and Antrobus (2019) on the NAF, and indeed this research, are examples of the same advantages in the case of Makhanda. Furthermore, Rhodes University is a key stakeholder in the Stakeholder Forum driving the Creative City project in Makhanda. There are extensive advantages available from the university including facilities, networks and human capital. The Stakeholder Forum presents the communicative platform through which the project can best leverage the opportunities these provide.

Another key advantage for Makhanda is the presence of the Monument Building, which has a 1000-seater auditorium, as well as smaller performance spaces, restaurants and office facilities. This infrastructural endowment gives Makhanda the capacity to host high-end/large-scale productions, a prerequisite to hosting an arts and culture event as large as the National Arts Festival. The Monument Building is a unique advantage and plays an important role in making the goal of Makhanda becoming the “Cultural Capital of South Africa” a credible one in the future.

There were, however, some significant differences in the aims of the two projects:

- Firstly, the Makhanda plan explicitly aimed to increase employment in the creative and cultural industries, which was not a goal in the Townsville Plan. The focus on employment in the Makhanda case was logical, given the high unemployment rate in the region (56.5% in non-metro areas in the first quarter of 2020) (StatsSA, 2020) compared to only 8.5% unemployment in Townsville. Providing employment has been a key priority for Makhanda stakeholders and the community. This is also a factor which aligns well with national policies (NDP, 2013) that aim to address the issue of unemployment in South Africa. Furthermore, the projects focus is on employment and social benefits for the majority low-income community of Makhanda. Given that CCIs in South Africa have exhibited employment reflective of the national demographic (SACO, 2020), a CCI driven development initiative should fit well into the fold of an equitable development agenda, which is also critical in gaining public “buy-in” (Sasaki, 2010).

- Secondly, the promotion of productivity-enhancing spillovers between the cultural industries and the business sector was a priority in the Townsville plan, while this has not yet been evident in the Makhanda plan. Mutually beneficial linkages between the cultural and non-cultural business sectors were an important part of the original conception of how creative cities development worked (Florida 2002a, b) and could improve the financial sustainability of commercial as well as community based (non-profit) cultural projects (Sasaki 2010). This aligns well with the indication from Key Stakeholder B (2018) that there may be forgone synergies of co-creative venture between CCIs and local business in Makhanda. Developing these activities should be an explicit goal of the project moving forward.

The ‘Growing the Creative Industries in Townsville’ report (2015) indicates that CCIs in Townsville mostly function from the business centre of the town, that is, they are centrally clustered. Geographic clustering can be an important way of fostering the positive spillover effects identified by Trullen and Boix (2007). Providing a more centralised facility purely for creative and cultural industry activities is listed as a future goal for the Townsville project. Makhanda is a considerably smaller city than Townsville, making the geographic distance between CCI producers less of a constraint. However, as already discussed, the town is still somewhat divided along apartheid-era lines, with some projects being located in the poorer township area in the east, and others in the more affluent west of the city. The Black Power Station is located in the industrial area slightly detached and on the western side of Makhanda. However, steps have been made to negate its distance from the lower income east side through offering free transport to the venue. The post-industrial space shows the BPS’s potential to be not only a Maboneng type development story but to also function as the starting point for a “creative milieu” (Herslund 2010) in Makhanda. In recent times, other non-industrial businesses have also been established in the formally industrial area including a dance studio, gym, coffee shop, sushi restaurant and an antique furniture and collectables shop, demonstrating that the area is developing in this direction. It will be critical that grassroots projects like the BPS are conserved in the event that this area grows and gentrifies activities. However, this should not be an issue in the near future.

The founding documents also differ in the specific creative industries targeted. Makhanda is primarily focussed on core arts and culture; theatre, creative arts, musical performance and the production of other artistic goods. The Townsville plan includes a wider range of creative industries, such as architecture, design, advertising, marketing, software development and digital content, as well as ‘theatre, the arts and music.’ Expanding the focus of the Makhanda Creative City project to include some of these more commercial creative industries could potentially result in a better relationship between the more broadly defined “cultural sector” and local business. Indeed, it was indicated by Key Stakeholder D that attracting creative class-like talent will form part of the Stakeholder Forum’s plans. While not wanting to take the focus off the core community development, non-profit projects, a broader approach may be necessary to overcome some of the financial constraints of the project.

The comparative assessment of Makhanda's Creative City project against the case of Townsville highlighted a number of key insights. Both cases have the presence of large reputable universities and CCI infrastructures which offer extensive advantages which, in the case of Makhanda, should be further exploited by the project strategy going forward. The notable differences were seen in; Makhanda's primary focus on employment creation, which is critical for public support in the South African context, in contrast with Townsville's explicit targeting of creative class attraction - which will also form part of the Makhanda strategy going forward.

5.3 Critical Success Factors

This section of the discussion summarises the factors considered critical to the success of the Makhanda Creative City project. The success factors were drawn from the literature and applied to the relevant findings of this research. An assessment is then made based on the evidence available which ranks the project's performance in each factor as strong, moderate or weak. This is accompanied with the relevant rationale for the assessment.

Table 6: Critical Success Factors for the Makhanda Creative City Project

Critical Success Factor:	Assessment
1. Partnership between the project and government/NGOs	Strong
2. Vertical alignment with national policy	Weak
3. Partnership between creative and cultural industries and local business	Weak

4. Centralised forum for broad stakeholder input	Moderate
5. Broad Community Buy-In	Moderate
6. Cultural Infrastructure	Strong
7. Centralised areas for cultural production	Moderate
8. Social diversity ("social openness")	Strong

Table 6 above lists the eight key success factors. The evaluation highlights a number of strengths, weaknesses, potentialities and pitfalls.

5.3.1 Partnership between the project and government/NGOs

The first factor pertains to the operational relationship between the project, local government and involved NGOs. Collaboration between these paries is essential for project effectiveness (Nakagawa 2010, Todes and Turok 2011). The project has met regularly with local government through its time and produced a number of directional documents. Although the initial committed funding target was not met by a significant margin, it must be seen in the context of severe resource constraints. Key Stakeholders (A 2018, D 2019, E 2020) expressed their satisfaction with the institutional relationship, particularly pointing out that the small size of the town allowed for easy arrangements of congregation between the project and local government, when required, making this factor "strong". Maintenance of this strength would be advisable considering Sasaki's (2010) example of the Osaka project's demise on account of a loss of government support.

5.3.2 Vertical alignment with national policy

Although the project maintains a close working relationship with government, the municipal LED director (Stakeholder D, Pers. Comm, 2019) noted that there is no (or only weak) direct vertical connection between the project and the provincial or national development agenda. Todes and Turok (2018) stress that strong vertical policy alignment is important for the success of place-based development strategies and allows them to access unforeseen funding. The goals of the project align very well with the South African government's view for 2030 (NDP 2013) and the project may stand to access funding should it be integrated into policies at a provincial and national level. Uncertain and constrained financial terrain was indicated as a major challenge to the project's development. Accessing more funding from the vertical networks may provide important financing, but it is finite. The LED stakeholder (Key Stakeholder D, Pers. Comm, 2019) stressed the need for the project to become more self-sustainable if it is to survive in the long term.

5.3.3 Partnership between creative and cultural industries and local business

One avenue possibly available for the project to develop sustainable income generation is through mutually beneficial partnerships and activities with local business. Fleischmann *et al.* (2017) exhibited that local businesses in Townsville were importing a vast array of creative services which were locally available, unnecessarily draining money from the city. Similarly, the BPS stakeholder (Stakeholder B, Pers. Comm, 2018) expressed that there was forgone co-creative opportunity between the project and local business. Precisely what form these co-creative and cooperative activities should take is a subject for further research. This research identified the "complementary, synergistic and mutually constitutive" (Long and Morpeth 2016) potential between CCIs and co-creative (active consumer) tourism in the street parade of the NAF. The BPS stakeholder (Key Stakeholder B, Pers. Comm, 2018) suggested that creative services could be offered to suppliers of inputs in return for organised discounts. Key stakeholder B also indicated that there were very limited current relations between the project and local business giving the factor a current rank of "weak" with the potential for future collaboration. Communicating the advantages of collaborative activity was seen as a critical part of developing CCIs in Townsville and will be equally important in the case of Makhanda.

5.3.4 Centralised forum for broad stakeholder input

The Stakeholder Forum provides a meaningful opportunity to communicate to local and regional business the benefits of the Makhanda Creative City project, CCIs, cooperative and co-creative activity and the attraction of a creative class. The forum is a mechanism through which strong local horizontal networks can develop, which was critical for CCI development in small, rural towns in the UK (Herslund 2012). The research unveiled the Makhanda forum's plans to appoint an "implementation wing" which would take over the duties of project management from the NAF office. The new wing has the potential to function in the same manner as a LEDA, bridging public and private interests. A case of LEDA success was seen in Somerset East, less than 100km away (Lawrence and Rogerson 2018). Given that both the forum and the implementation wing are in still in early stages, the rank for a centralised forum was considered "moderate."

5.3.5 Broad Community Buy-In

The forum also plays a critical role in factor 5; broad stakeholder "buy-in." The forum has brought together an influential set of stakeholders from the community, notably bringing government to the table as an equal stakeholder and not an authority. This was noted as critical in progressing to the next step of the forum, that is, bringing business and community leaders (whom are typically sceptical of government intervention) from the East side of Makhanda to the table (the Stakeholder Forum). The inclusion of these stakeholders and projects like the BPS will be critical in persuading public support for the project. It may even offer mechanisms through which the public may play a participatory role in the project as seen in Japan by Sasaki (2010) where project managers (implementation wing managers) were voted in by the public.

The low local visibility of the project brand uncovered in the survey is also a significant challenge in gaining broad community support. Support that, Key Stakeholder D (Pers. Comm, 2019) indicated, forms an important part of the forum's plans moving forward. However, the Stakeholder Forum has considerable buy-in from important stakeholders but still has a way to go in achieving full community inclusivity, hence the balance hung between these is considered "moderate."

5.3.6 Cultural Infrastructure

In the comparative assessment, it was evident that Makhanda is uniquely well endowed with infrastructures conducive to CCI development, even when it is compared to a small city in a developed nation. This infrastructure comprises of Flew's (2013) "hard" (the Monument Building, university facilities and many others) and the "soft" (networks and expertise in the NAF office and university) categories. Florida (2002 a, b) attributes a plethora of CCI related benefits to being home to a university and Knox and Meyer (2009) indicated that small, rural towns in the US that were considered "creative cities" were almost always home to a university. Rhodes Universities human capital will be utilised as it takes charge of appointing the staff of the "implementation wing." The NAF office has provided reputation, industry connections, and arts management expertise to the Creative City project. The new wing must ensure it remains well connected with the NAF office to ensure that it does not lose the immeasurable depth of expertise and knowledge (soft infrastructure) which has been so valuable up to now. The unlikely healthy endowment of infrastructure warrants a rank of "strong."

5.3.7 Centralised areas for cultural production

The research identified examples of new creative spaces (7); the Fingo Square/festival and, of more focus in this research, the BPS. The BPS exhibits the potential to develop its surrounding post-industrial space into an economically productive arts and culture area like Maboneng, Johannesburg (Gregory 2016). This potentially adds to Makhanda's attractiveness for "creative class" (Florida 2002a, b) type labour, creates a kind of "creative milieu" (Herslund

2012, Anderson *et al* 2016) and presents an area of opportunity for CCI clustering and the associated inter- and intra-industry spillovers (Trullen and Boix 2007; Thiel 2017; Fleischmann *et al.,* 2015). Concurrently the BPS is rooted in a community centric approach which aims to provide free access to arts and cultural activities and foster a hub for free education. These core ideals will help to create a more "socially inclusive creative city" (Sasaki 2010) and ensure broad community buy-in and benefit. The socially mindful leadership of this project will aid in offsetting some of the common downfalls of CCI development, namely; socioeconomic and cultural gentrification (Peck 2002, 2005; Pratt 2008; Harris 2008, Gregory 2016), which would only serve to further exacerbate the inequality plaguing South Africa. The BPS faces the challenges of geographic distance from the greater community, which it overcomes with free transport, and the Fingo Square presents an arts space that is geographically central to the East Makhanda community. Although both the examples show immense potential for growth, neither have yet become financially self-sustainable. Therefore, considering the notable provision of arts and culture space limited by the relative infancy of these spaces in their potential development path; the factor is rated as "moderate."

5.3.8 Social diversity ("social openness")

The final factor (8) is "social openness" which Florida (2002, a) considers a core element in developing a creative city. This is measured by Florida as open homosexuals as a proportion of the population. Florida (2002a, b) also considers the presence of a university a generator of a socially open environment. Considering the historical context of South Africa, a more appropriate proxy for "social openness" in Makhanda is socially cohesive activity. The Fingo Festival and the NAF closing street parade exhibited prevalent socially cohesive activity granting the factor a "strong" rating. The social benefits of arts and culture play a vital role in a number of sociological areas including national and personal expression, cultural conservation, heritage and wellbeing (Newbold *et al*. 2015; Carvalho *et al.* 2016; Scott *et al.* 2018).

5.4 Conclusion

This chapter used a combination of three research methods; a survey, key stakeholder interviews and critical document analysis to establish whether the Makhanda Creative City project has met (or is on track to meet) its goals, establish the operational context and institutional framework around the project and finally identify and rank the project on critical success factors.

The concluding chapter of this thesis relays the initial goals of the research and the methods utilised to achieve them. The primary results of the research are summarised, and implications are drawn from the findings. Finally, limitations and indications for further research are presented.

CHAPTER 6: CONCLUSION

This research set out to assess the Makhanda Creative City project through the lens of Creative City theory (Florida 2002a, b) and associated literature, employing a trident of research methods. The research aimed to assess the project's original goals over a five-year period. These included the primary project goal of making Makhanda South Africa's Cultural Capital by 2020 for which a survey of National Arts Festival attendees was conducted. The project's secondary goals were assessed via interviews with key stakeholders. The information gathered via both methods was used to map out the institutional frameworks and operational context of the Makhanda Creative City project. The literature was then used to identify key success factors for a CCI driven development initiative, especially as they applied to the context of a small, rural town in a developing nation. The assessments of the goals, augmented by institutional and contextual findings, were then used to rank Makhanda's performance or progress in each of the key success factors. The assessment was also used to identify challenges faced and opportunities available. From these findings and assessments implications were drawn for the future of the Makhanda Creative City Project. Areas for further research were identified and an early platform was developed for assessing creative cities in small, rural towns and cities in developing nations.

6.1 Results

The results of this research were loosely broken into three sections. First, the primary goal of Makhanda becoming the "Creative and Cultural Capital of South Africa" was assessed in detail using the results from the NAF Survey question. The assessment was made through a discussion on Makhanda's local and national image that brought to light the factors which were most strongly associated with the city. This was complimented by information given by Key Stakeholders and was given context with reference to relevant case studies. The context of the Creative City project was then examined through an exploration of the operational context and external institutional frameworks within which the project operated. This comprised the Stakeholder Forum and pertinent local government interests. The sub-goals were then extensively reviewed, drawing from the same resources.

6.1.1 Assessing the Primary Goal

The results of the survey question indicated that Makhanda was strongly associated with the NAF and institutions of education (Rhodes University and the schools), which would be key to differentiating the identity of the town. This would serve to attract visitors and possibly new residents. The association with the NAF acted as a proxy indicator that the town was renowned as a place of arts and culture - a distinct advantage. However, the response pertaining to Makhanda as the “Creative City” was weak. This showed a clear disconnect between visitors’ and locals’ impression of Makhanda as a place of arts and culture on the one hand, and the project as an identifiable brand on the other. This strongly suggests that becoming South Africa’s ‘Cultural Capital’ through the project should be incorporated as a long-term goal.

The results also indicated, through proxy associations, that negative infrastructural and local government issues were associated with Makhanda, although to a much lesser degree than the positive associations with education and culture. These associations were key impediments to the efficacy of the Local Economic Development Strategy, and to the success of the efforts forged by the Stakeholder Forum to market Makhanda as a “choice destination” of “educational and cultural excellence.” The use of the attraction factors of education and culture mirror those of the Creative City theory described by Florida (2002 a, b) in which the creative class are drawn to these amenities. This exhibited the parallel development levers between the Makhanda project and Florida’s creative city development style. The results showed that Makhanda was already well known as a place of education and culture. However, adverse associations with infrastructural and local government issues appear to have impeded the city’s efforts towards becoming a ‘choice destination’. These issues stand as a major challenge to the Creative City project’s development path and, indeed, to the future of Makhanda. However, the results are encouraging insofar as the cultural and educational reputation of Makhanda speak to key advantages for the project, the LED Strategy, the attraction of creative individuals and creative city development.

A development strategy partially geared towards attracting creative workers may seem far-fetched for a rural Eastern Cape town. However, evidence from the US and UK - their vastly different socio-economic contexts aside - exhibit the potential for rural city development along the lines of Ilbery and Bowler's (1998) "post-productivist countryside." Herslund (2012) describes the "counter-urbanisation" trend in the UK as creative-class type labour attracted to the abundance of space (Anderson *et al.* 2016), in a physical and metaphysical sense. McGranahan (2012) categorises these attractions as lifestyle amenities, and finds that the presence of a university is a key similarity found in most cases of US rural town development. Makhanda's creative and cultural (hard and soft) infrastructure, together with its cultural reputation and university, position the town well to capitalise on this labour force that may ironically become much more mobile in the new era of stay-at-home work.

This strategy is geared towards growing tourism for which nearby attractions in the region, including wildlife and the outdoors, are similarly 'lifestyle amenities'. The successful case of the BCDA in the geographically proximate Somerset East adds to the credibility of the development route. The Bilbao case study suggests that plans geared towards regional tourism development should consider their positioning within the existing geographic tourism network and in relation to soft infrastructural networks present or needing development. Makhanda finds itself well positioned midway between major cities and amongst a variety of popular attractions and what soft infrastructural networks are present or need development.

6.1.2 Expanding the Context of the Project

The results informed a layout of the greater operational structure within which the Creative City project operated, thereby presenting a broader understanding of the case. This also assisted in making comparisons with relevant case studies and literature. Three Japanese cases discussed by Sasaki (2010) found that a key success factor in creative and cultural development projects was the cohesion between a project, local governance and the community. The Japanese cases all exhibited the establishment of a forum for concerned stakeholders to actively participate in strategy development and project management. A similar approach has been applied in the case of Makhanda the form of the Stakeholder

Forum, a congregation of an involved NGO, local government, local business leaders, leaders of the Creative City project and community leaders. Although the forum does not solely deal with the Creative City project, it forms one of two pillars upon which the forum can promote sustainable development in Makhanda.

Findings from key stakeholder interviews affirmed the notion found in the literature that attaining broad interest and “buy-in” from the community is a key factor in a successful arts and culture development initiatives. The Stakeholder Forum is potentially the mechanism whereby community members may have their say in the development process, particularly on a level platform with local government. This is intended to foster participation from community groups that have withheld participation on account of a loss of trust in their local government. Furthermore, Makhanda’s small size also allows for more direct working relationships and more frequent engagement among key community stakeholders compared with larger cities and metropolitans. The Stakeholder Forum gives the Creative City project a forum through which local horizontal networks can be strengthened and extended, and through which, as Herslund (2012) stresses, CCI development in rural towns can be “embedded” within communities.

Plans to create an ‘implementation wing’ - that is, a team to manage the project on a full-time basis (taking over from the NAF office) - was another important finding regarding the operational structure of the project. The formation of this “implementation wing,” against the backdrop of the Stakeholder Forum, could be compared with a LEDA. In drawing this comparison, Lawrence and Rogerson’s (2019) research into the case of the Blue Crane Development Agency (BCDA) sheds light on success factors to be considered. Working towards a community-centric development agenda is reiterated, and objectives centred around local skills and employment development is seen as critical. This is much in line with the objectives of the Creative City project. The successful case of the BCDA further indicates that public and private stakeholders’ vertical links to national institutions and private sector networks, respectively, should be utilised to access new and otherwise remote sources of funding. This may prove critical to the Creative City project, as inadequate funding was viewed as a constraint to its progress. The existing networks have been critical to the advancement of the project to its current standpoint, notably with the expertise and creative and cultural industry networks inherent in the NAF office. It is crucial that the new management of the project retains the networks and expertise in the NAF office as best as possible so as to continue reaping these advantages.

6.1.3 Secondary Goals

The results then assessed the extent to which the secondary goals of the Creative City project had been achieved. Key stakeholder interviews revealed that the employment and upskilling goals had fallen short relative to the plans initially envisaged. However, this is not to say that there has been no success with respect to employment creation, and upskilling local creative and cultural labour. *The Gruffalo* stage production exemplifies how a project of this nature can create local employment, and enhance income and skills development. The play employed a purely local cast and crew, successfully showcasing the town's available talent. It also provided a top-class production working experience which otherwise might have been inaccessible to many of the performers. In addition, the production had many forward and backward linkages, stimulating demand for artistic inputs (the set, costumes), offering performance space and creating opportunities for touring productions. The case of Bilbao's Guggenheim Museum and tourism development furnishes guidance when analysing and capitalising on existing networks of tourism - in this case, arts and culture consumption. This reiterates Herslund's (2019) observation that local horizontal networks should be maximised in order to reach wider audiences. This will be a critical success factor in overcoming the challenge of a limited local consumer market in the case of Makhanda.

Whereas *The Gruffalo* was economically successful, another project - the Masicule choir performance - managed only to sustain itself with supplementary finance from sponsors. But the choir did still offer an opportunity for performers to hone their skills and gain experience. It also helped bring together otherwise separate choir projects in a joint performance of artistic expression. This highlights a key aspect of these projects – namely, the socially cohesive nature of arts and culture, even when this does not form part of the initially intended outcome and/or cannot be quantitatively reflected. The Fingo Festival in the Joza township (East Makhanda) and the festival ending street parade were two such activities where the benefits of social cohesion appeared to far outweigh the quantifiable economic benefits. Qualitative feedback from stakeholders affirmed this was the case. Indeed, creative and cultural activity has positive welfare effects on communities, equipping members with enhanced capabilities, spawning meaningful activity and providing a sense of expressive liberation (Scott *et al.* 2018, Jowell 2004).

The Black Power Station, although not yet financially self-sustaining, serves as an example of how the Creative City project can be embedded in the community interest and can contribute towards the development of social, creative and cultural capital. Providing an open library and arts and performance space, with free access for the community's youth, resembles the arts and culture centres of Kanazawa and Osaka. These were critical to the success of Sasaki's (2010) "socially inclusive creative city." This community-benefit orientation encourages broad community "buy-in" for the projects, nurtures talent, advances social development and stimulates consumer market growth. The BPS also offers the potential to construct a "creative milieu" space, consistent with what Herslund (2010) describes as "creative countryside", thereby expanding the creative capacity and increasing the allure of Makhanda. The leader of the BPS (Stakeholder B, Pers. Comm, 2018) indicated that the arts space, and the project as a whole, has enhanced the credibility of some local arts and performance producers and has assigned value to their products. Community access also fostered local demand for the arts and performance among low-income groups. The BPS also aims to target middle and upper-income audiences with greater disposable incomes. Developing and growing local demand for creative and cultural goods, across income groups, will be key to the longevity of the project and CCIs in Makhanda, given that funding is finite in the long run. All of these socially beneficial factors combined could help to attract what Florida (2002) describes as the "creative class", especially if they are considered as indicators of "social openness" the proxy for which in Florida's case is the presence of "open" homosexuals. It is fitting in the South African context to consider socially cohesive activities as a contextually appropriate substitute for Florida's (2002a,b) "social openness".

Lost opportunities for co-creative ventures between the arts-and-culture producers and local business was seen as a shortcoming of the Makhanda project. The case of Townsville, a rural town with a comparatively small population, demonstrates how creative individuals and organisations can engage with businesses in other industries through co-creative ventures and activities. Co-creation ignites, and capitalises on, inter-industry spillovers, which are specifically targeted as an economic development mechanism in the Townsville plan. It would be advisable for the Creative City project and the LED Strategy to look at potential synergies between business and creative talent, to market the long-term advantages of creating a Creative City and attracting the "creative class" to Makhanda. The project and LED strategy should at the same time take care to not fall into the trap of a neoliberal development agenda, as described by Peck (2005). While the encroachment of an exclusive, neoliberal development agenda may appear unlikely in the near future, the literature suggests it may be an issue in the long run if there is significant CCI growth in Makhanda. As the Japanese cases (Sasaki, 2010) recommend, it would be advisable that the project leaders to pay careful attention to remain and make efforts to become further embedded in community interests.

The Makhanda project, and its overarching "Big City" project, had no direct link to the national development agenda. This was found to be another shortcoming of the project. The project's goals of growing decent employment and contributing towards economic and social development fit well with the narrative of the National Development Plan (2013). It was suggested by the LED Stakeholder (Stakeholder D, Pers. Comm, 2019) that this could be an opportunity to leverage existing networks to escalate the project into the fold of the national agenda.

6.2 Challenges, Opportunities and Recommendations

Research results identified a number of factors key to the success of CCIs in Makhanda. Makhanda's standing with respect to each was ranked as either strong, moderate or weak. The Makhanda Creative City project faces a number of significant challenges:

- scarce financial support;
- small local consumer markets;
- an insufficiently recognised brand;
- limited support from local business; and

- no vertical alignment with the national policy agenda.

The recent dissolution of the Makana Local Municipality and an increasingly difficult national economic climate exacerbate the challenges faced by the project and could frustrate the project's goals of much-needed, inclusive economic and social development. In light of this, it is encouraging that the project has achieved success on certain fronts. The project has revealed its ability to:

- create employment and provide experience and expertise to local arts and culture producers;
- create new arts and culture spaces;
- bring a diverse community together via the common purpose of cultural expression and unifying consumption;
- include tourists in these experiences; and
- provide access to arts and culture to those who need it most.

Makhanda is endowed with hard and soft infrastructures conducive to developing a creative city. The local operational context of the project suggests that strong local horizontal networks (soft infrastructure) exist and should be exploited. This bodes well for the place-making goals of LED and the Stakeholder Forum.

This research identified a number of challenges faced by the Makhanda Creative City project, made recommendations as to how such hurdles could be overcome and suggested ways to capitalise on the town's idiosyncratic advantages and opportunities. The research told the story of a town rich with the ingredients and endowments necessary to establish a Creative City but, at the same time, faced with challenges typical to small towns situated in South Africa's rural areas. The project presents an opportunity to ameliorate systemic problems of unemployment, inequality and poverty in Makhanda, and to establish a foundation for equitable local-community access to arts and culture.

The findings revealed a number of implications for the project moving forward.

- The goal to become South Africa's "Creative and Cultural Capital" should be reconstituted as a long-term goal.
- The new "implementation wing" needs to conserve close ties with the NAF office if it is to continue benefitting from the extensive expertise and networks offered by the office.
- The project's goals should be aligned with broader, national agendas, through vertical networks, which could unlock access to unforeseen funding opportunities.
- The Stakeholder Forum should persist in its efforts towards the broadest inclusion of community stakeholders.
- The project should remain focussed on embedding its goals firmly in the interest of the community through community-centric initiatives like the BPS.
- The project should first focus on creating an established local brand, and secondly, on harnessing its inherent national association with arts, culture and education. This is crucial to fulfil the Stakeholder Forum goal of establishing Makhanda as a place of "educational and cultural excellence", and the "Creative City" as a national brand.

The leader of the BPS was interviewed after putting on the local "*Xhosa Chronicles*" production. The play deals with a sense of loss of cultural identity among the Xhosa youth, and highlights the need for arts and culture to be used as a vehicle for passing down traditions and knowledge. The sociocultural wellbeing aspect of arts and culture was referenced somewhat superficially within the remit of this research. There exists a large body of international literature dealing with the intersection between arts and culture, and wellbeing. Investigations into this relationship in the context of Makhanda, and/or other rural South African towns and cities, is worthy of consideration for future research.

6.3 Suggestions for Further Research

This thesis indicated a number of other areas that warrant further research. These include investigations into:

- the extent to which Makhanda and the Municipal area of Makana offer other "lifestyle amenities" (McGranahan 2012) conducive to attracting the creative class;
- mechanisms for broad public participation in socioeconomic development, that position the public individual as an involved stakeholder, as per the public appointment of project management in Japan (Sasaki 2010);
- methods and arrangements that encourage, and seek to eventually take advantage of, mutually beneficial, co-creative activity between CCIs and local business; and
- the influence of ICT on the success of creative city development, in the context of small, rural towns in developing nations.

6.4 Conclusion

In conclusion, it is worth noting that the Covid-19 pandemic and attendant lockdowns have had crippling effects on domestic CCIs. A SACO (2020) report published in May surveying a large sample group reveals that 45% of local CCIs could not sustain any of their normal business activities and that a further 25% could only sustain some of their usual activities. There can be little doubt that the economic effects of the health crisis and disease mitigation efforts will exact a heavy toll on the ambitions of the Makhanda Creative City project. Yet it is during such times that development initiatives are most sorely needed - measures that resist, and offer the prospect of turning the tide against, industry shrinkage, loss of employment, reduced incomes and impaired livelihoods.

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APPENDICES:

Prepared Guidance Questions for Key Stakeholders:

Questions for Key Stakeholders: Creative Cities and Regional Development

Questions for Creative City Grahamstown/Makhanda Director:

1. How was the Creative City project designed?
2. What were/are the goals that the project aims to achieve?
3. What are the challenges you have faced in implementing and running the project?
4. What aspects of success have you seen since implementing the project?
5. Do you believe that the geographical location of Grahamstown limits the town's ability to foster a creative economy?
6. Does the development of skills, from the 'Creative City' project, allow for the community to better participate/ accrue economic benefits from the National Arts Festival? (for example, Fingo Festival; criticisms that the NAF is exclusive/ doesn't benefit the larger community).

Questions for key stakeholders (project leaders) in the Grahamstown/Makhanda Creative City:

1. Does the development of skills, from the 'Creative City' project, allow for the community to better participate/ accrue economic benefits from the National Arts Festival? (i.e. Fingo Festival)? What are your opinions about criticisms that the NAF is exclusive/ doesn't benefit the larger community?
2. Do you feel that the project has provided social/economic benefits and social cohesion? (Please give examples).
3. Do you believe that there is, or there is the potential for, a flourishing creative economy in Grahamstown/Makhanda? Why or why not?

4. In your opinion, has the project helped to equip you, and other participants, with the skills necessary to be creatively productive? Has there been an opportunity to use these skills?
5. Do you think that the Creative City project has helped the local community to get higher returns from the National Arts Festival? Please explain.
6. Finally, do you have any suggestions or requests for the project moving forward?

Ethics Approval:

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1 July 2019

guy campbell

Email: g14C5369@campus.ru.ac.za

Dear guy campbell

Re: Creative Cities and regional Development , Creative Cities and regional Development (0621 , Jul , 2019)

Principal Investigator: Prof Jen Snowball

Collaborators: Mr Guy John Campbell ,

This letter confirms that the above research proposal has been reviewed and **APPROVED** by the Rhodes University Ethical Standards Committee (RUESC) – Human Ethics (HE) sub-committee.

Approval has been granted for 1 year. An annual progress report will be required in order to renew approval for an additional period. You will receive an email notifying when the annual report is due.

Please ensure that the ethical standards committee is notified should any substantive change(s) be made, for whatever reason, during the research process. This includes changes in investigators. Please also ensure that a brief report is submitted to the ethics committee on completion of the research. The purpose of this report is to indicate whether the research was conducted successfully, if any aspects could not be completed, or if any problems arose that the ethical standards committee should be aware of. If a thesis or dissertation arising from this research is submitted to the library's electronic theses and dissertations (ETD) repository, please notify the committee of the date of submission and/or any reference or cataloguing number allocated.

Sincerely

Prof Joanna Dames

Chair: Human Ethics sub-committee, RUESC- HE