

Art and Craft in local economic development: Tourism possibilities in Mtubatuba Local Municipality

Jabulani Nyawo

School of Management, Information Technology & Governance
University of KwaZulu-Natal
Nyawoj1@ukzn.ac.za

Prof Betty C Mubangizi*

School of Management, Information Technology & Governance
University of KwaZulu-Natal
Mubangizib@ukzn.ac.za

Corresponding author*

Abstract

Since 1994, the support for small, medium and micro-enterprises (SMMEs) in South Africa has been a common theme in central government policy and planning. However, numerous enterprises in the rural areas have not fully benefited from such state policies. This paper reports on a study that critically examined the role of local government in the development of the art and craft sector as a Local Economic Development (LED) initiative. The study employed a qualitative study design and drew on interviews, on-site visits and participant observations so as to gain perceptions and understanding of the art and craft sector. Secondary data in the form of publications, government reports and policy positions were also used during the analysis and interpretation of the data. The results of the study show that the art and craft sector is vital for rural communities as it addresses some of the socio-economic challenges that communities face and invaluable contributes to tourism. Results further suggest that without the assistance of other LED stakeholders, especially local government, growth and development of this sector will remain a challenge.

Key words: LED, local government, art and craft, unemployment, collaboration, tourism.



Source: https://kidslitquizsa.files.wordpress.com/2012/07/essenwood_market.jpg

Introduction

South Africa is a democratic country with three spheres of government: national,

provincial and local. The White Paper on Local Government (1998:6) stipulates that: "Local government is the sphere of government that interacts closest with

communities, and is responsible for the delivery of services and improving infrastructure so that people's wellbeing will be improved". Taking into consideration the impact of globalisation, decentralisation and socio-economic problems at the local level, local governments were given the task of ensuring Local Economic Development (Rodriguez-Pose & Tijmstra, 2005). Generally, Local Economic Development (LED) in South Africa is conceptualised as a form of coalition between the private sector, government, community and civil society (Nel, 2001; Rogerson, 2006).

The environment in which local municipalities operate varies from place to place and municipalities have numerous responsibilities that are prioritised before LED. Some local municipalities are able to generate revenue within their jurisdiction areas while others are more dependent on the grants received from national and provincial government. While- improving citizens' standard of living is the key function of local government, municipalities should play a vital role in creating an enabling environment whereby the community could progressively improve local economic conditions. In this regard, it is important to examine the role of local government in the development of art and craft as an LED practice in rural areas. To this end, a number of questions arise; for instance: Do local municipalities have the capacity to achieve their LED mandate? Do local communities expect too much of local government? Are the roles and responsibilities of local municipalities over-emphasised? What role can local government play in local initiatives? How does local government relate to other spheres of government for small, medium and micro-enterprises (SMMEs) development? These questions refer to a refinement of issues that the study sought to answer. First however a discussion of local economic development within the context of local government in South Africa is necessary.

LED and local government in South Africa

LED strategies have their origin in the high-income countries of the North (Nel, 2001). This approach was in response to the failure of a top-down government approach to combat unemployment and poverty. According to Rodriguez-Pose and Tijmstra, (2005:3) "slow economic growth, combined with the changes in the national and international economic development, and the effective inability of national government to intervene at the local level have provided an opportunity for local based initiatives". Nel and Rogerson (2005) assert that LED gained widespread acceptance around the world as a locality-based response to the challenges posed by devolution, globalisation and local-level crises.

Rogerson and Rogerson (2010:466) notes that the "spread of globalization and the growing decentralisation in the 1990s saw a circulation of LED ideas and practices from the global North to the South". In South Africa, studies on LED began to appear from the early 1990s through the work of Nel (1994), Rogerson (1994), Claassen (1991) and Tomlinson (1994) cited in Nel & Rogerson (2005:6). An element of LED in South African urban areas was present at this time, but active engagement was affected by the strong control of the state then under an apartheid government (Nel, 2001). After South Africa gained independence, a lot of socio-economic restructuring took place. Because of the nature of this study, the focus is on local government. A great deal of restructuring at the local sphere of government has taken place.

Historically, the local sphere of government was not seen as an important economic actor. Local government structures had little influence on the economy of their localities and the country. Van Rensburg and Naude (2007) stipulate that the reason for local government transformation was ultimately to enable municipalities to fulfil their constitutional obligation. Since 1994 and the democratic transition in South Africa, local government structures have been strategically placed to respond to development needs in their areas of

jurisdiction. The local sphere of government is seen as an instrument that should take action and implement policies that are formulated by national government. The Constitution of the Republic of South Africa (1996), the White Paper on Local Government (1998), the Municipal Structures Act (1998), and the Municipal System Act (2000) highlight the roles and functions of local governments in developing the areas within their jurisdictions. This places the local sphere as a key agent of change in each locality. Therefore, local government is one of the main drivers of LED. It should create interventions and an enabling environment that allow the involvement of poor communities to actively participate in growing their local economy. Providing and shaping a conducive business environment is viewed as the tool for the creation of vibrant competition, which is the main key for successful LED (Department of Provincial and Local Government (DPLG), 2006).

Various authors, such as Nel (2001), Helmsing (2003), and Hague et al. (2011), point out that LED provides an emphasis on inclusiveness and cooperation between various stakeholders such as municipalities, the private sector, community and community organisations, with the aim of stimulating local economic growth. The South African interpretation of LED arises from a dominant understanding of the concept of "developmental local government". Government's interpretation of LED is based on local stakeholders taking effective and efficient initiatives that promote economic growth (Binns & Nel, 2002). The LED approach in the South African context has been promoted by a range of government Acts and policy documents. For example, the White Paper on Local Government (1998) and the Constitution of South Africa (1996) both state that local government is charged with promoting economic and social well-being and introducing development in the areas of their jurisdiction (Binns & Nel, 2002). Local governments are in the best position to be familiar with local issues. Hence, this sphere has an opportunity to

equally distribute public resources and tackle socio-economic issues within its own areas of jurisdiction (Smoke, 2003). On the other side, the capacity of local government to correctly identify the locality's main strengths and weaknesses, as well as opportunities and threats, becomes crucial (Rodriguez-Pose & Tijmstra, 2007).

Tourism and the art and craft sectors

South Africa offers a diversity of well-known tourist attractions. Cultural activities and natural resources, such as art and craft activities, wildlife, forests, beaches, and lakes, enable this country to attract tourists. The tourism sector in South Africa is considered to be one of the key economic sectors (Rogerson & Sithole, 2001). The success or growth of the tourism industry also has an impact on the growth of other small businesses, such as restaurants and art and craft markets. Therefore, tourism is a sector that plays a crucial role in the economic growth of a country, both in developed and developing countries.

Rogerson (2006) believes that tourism in South African rural areas has become an important element of LED. Tourism is a multifaceted sector consisting of both informal and formal enterprises with numerous subcategories. The art and craft sector is an integral part of the travel and tourism-linked SMME economy of South Africa. Several researchers, such as Toops and Cohen (cited in Rogerson & Sithole (2001), highlight that the activities of the craft industry represent a special category of tourism (SMMES). Although the art and craft sector largely consists of an unskilled workforce and individuals from remote and poor rural areas, it contributes to addressing some of the challenges that local communities face. According to Mavundla, McCarthy & Mofokeng (2009: 29), in KwaZulu-Natal province, the art and craft sector is a crucial SMME sub-sector with the potential to make a significant contribution to employment creation, both in the cities and major towns as well as in the rural areas.

Before South Africa achieved democracy, creative industries were side-lined and marginalised as it was believed that they could not contribute to economic growth. Because of such exclusion, the artists in these industries were not properly empowered or given business skills to ensure that they flourished in their respective fields. The lack of development and support for small, medium and micro enterprises had an impact on strengthening the entrepreneurial aspect within communities. Rogerson and Sithole (2001:150) indicate that "the promotion of rural craft production began in the late 80s by the NGOs [non-governmental organisations] and several humanitarian agencies as one source of income and employment generation". As the craft sector was under-researched in South Africa, Rogerson and Sithole (2001:150) note that the "works of Preston-Whyte (1984) were vital in breaking new ground in academic understanding of rural handicrafts in South Africa".

Pereira, Shackleton and Shackleton (2006:478) assert that many researchers have shown that "millions of rural people all over world depend on diversity of natural resources products for their livelihood and income needs". Furthermore, the authors note that trade of crafted products represents a critical source of income for previously disadvantaged societies. Kaye (2011:98) also emphasises the point that "craft production in South Africa is a significant economic sector". The art and craft sector is an entry point to the economy for communities coming from poor and disadvantaged societies (Kaye, 2011). Little or no capital input is required to enter into the business and this enables the poor and those in marginalised rural society to join this sector easily. The crafts economy often rests on the traditional skills that women and men crafters possess (Rogerson and Sithole, 2001). Such craft skills pass from generation to generation. Shackleton et al. (2008) also point out that the processing and trade of natural products positively offers a low barrier to entry and widely available options to generate income. Rural craft

organisations share the following characteristics: they are dominated by women; the majority of them do not have formal education; there is little or no infrastructure; some of them work at their homes; and they use natural resources to manufacture products (Hay, 2008:2). Hay (2008:3) further points out that such rural craft organisations have a low level of organisation, a low skills levels, and there is a lack of support from relevant stakeholders. Small interventions in rural craft enterprises can have huge impacts on the families of crafters (Hay, 2008).

The informal economy: Art and craft enterprises

The inability of the formal economic system to meet the needs of the community makes it necessary to find informal solutions. The informal sector not only provides opportunities for the unemployed, but it also attracts the entrepreneur who sees opportunities to generate more revenue in the informal sector. Although different authors (Skinner, 2005; Cohen, 2010) define the informal economy differently, they share a common understanding that it tends to be small and avoids government requirements. The majority of art and craft enterprises fall within the informal sector. For many researchers, the activities of rural handicraft producers represent a special category of tourism-linked small, medium and micro enterprises or, more particularly, a form of informal tourism enterprise (Rogerson and Sithole, 2001).

Crafters work in different contexts. Some are involved in more formalised creative industries while others work in tourism, leisure and event delivery. According to Schwarz and Yair (2010:310), craft makers make a significant contribution to growth and innovation in the wider cultural sector. For instance, craft makers attract new tourists to their locality by producing new products. In England, crafters work beyond manufacturing, and exposing and selling the craft product, but also collaborate with other creative industries where they can apply their craft knowledge (McAuley & Fillis, 2005).

According to Fillis (2007) several studies advocate that the art and craft sector be seen as part of the greater cultural and creative industry sector. The existence of the art and craft sector in South Africa has the potential to contribute to some of government's priorities, such as small business development, rural and urban development, the empowerment of women, poverty alleviation and black economic empowerment (Joffe & Newton, 2007).

Craftspeople possess entrepreneurial characteristics such as creativity, innovation, risk-taking and opportunity recognition. In other words, art and craft informal enterprises have entrepreneurial potential that could prosper if some of the challenges to development could be eliminated. For instance, the Malaysian government plays an important role in the "promotion of traditional skills and craftsmanship, development of a handcraft industry, assisting craftsmen toward the use of modern methods of production, and promoting the marketing and export of handicraft products" (Abdul Halim et al., 2011:92). The craft activities in Malaysia were started by people who reside in the villages and who had an extensive traditional knowledge. Furthermore, the authors stress that the Malaysian government plays a vital and crucial role in the promotion of traditional skills and craftsmanship; the development of the handcraft industry; assisting craftspeople towards the use of modern methods of production; and promotes the marketing and export of handicraft products.

The craft industry is stigmatised by the perceptions of the broader community (DPLG, 2006). Craft is viewed as the domain of women instead of a domain in which money can be made. Given this stigmatisation, McAuley and Fillis (2005) point out that the craft sector has to compete not only with domestic but also with foreign competition, and compete against many products that seem to be handcrafted even though they are mass manufactured by high-level technological processes. Furthermore, Joffe and Newton (2007) states that the growing

influx of look-alike, cheap products, and fully or partly mechanised crafts and decorative products from countries such as China, Hong Kong and Taiwan has penetrated the South African marketplace and thereby affected the market for traditional handcrafted products. These countries provide strong competition to South African organisations, and the small, informal art and craft enterprises fail to compete with larger organisations from other countries. Due to the lack of financial resources and marketing knowledge, and the shortage of a skilled workforce and the lack of awareness of export information and business support advice, the South African art and craft sector tends to experience barriers to entry into the international markets (McAuley & Fillis, 2005).

Study area

Mtubatuba Local Municipality (KZ275) is one of the five municipalities in Umkhanyakude District Municipality in KwaZulu-Natal. It is situated on the north-east coast of KwaZulu-Natal (KZN) province. The major part of the municipality, that is 80% of the land, is under traditional authority, with a high proportion of people residing in scattered, rural villages. According to Statistics South Africa (2012), Mtubatuba municipality has a high dependency ratio of 78, with 47% of households headed by women and with 2% of households being headed by children. Mtubatuba has a population of 175,425 with a 39% unemployment rate. The youth are more affected with 46.9% being unemployed (Statistics South Africa, 2012).

Mtubatuba Local Municipality, like other small rural municipalities in South Africa, has experienced developmental constraints that have had a long-term impact on the growth, stabilisation and development of the Municipality as well as the community as a whole. The issues of water provision and infrastructure still remain dominant issues within the area. The strength of the municipality lies in its two major tourist attractions: iSimangaliso Wetland Park and Hluhluwe-Imfolozi Park

(Mtubatuba Local Municipality, 2013). These parks make this municipality a tourism-based area. The majority of local women are involved in small business ventures or microenterprises that need little or no start-up capital. There are three art and craft market stalls within the jurisdiction of Mtubatuba Municipality. These market stalls link directly with the tourism industry as tourists are the target customers for the products being produced.

Methodology and objectives of the study

The study employed a qualitative study design and drew on interviews, on-site visits and participant observations. The majority of the participants (80%), especially the crafters, interviewed were females. The following table shows the number of respondents who participated in this study.

Table 1: List of Participants

Type of the organisation	Number of people interviewed in an organisation	Total
Mtubatuba Local Municipality	1 (LED Manager)	1
Africa!Ignite	2 (CEO & Project Manager)	2
iSimangaliso Wetland Park Authority	2 (Development Planning Manager & Capacity Building Manager)	2
Zamimpilo Art and Craft Market	4 (only women are trading under this market)	4
St Lucia Art and Craft Market	4 (with three women and one man - there is only one man in this market)	4
Crafters selling alongside the road	Two women and two men	4
		17

The study explores and investigates the role of local government and other LED stakeholders in supporting rural LED initiatives, and also examines the relationship between key LED stakeholders in stimulating economic growth. Specifically, the study examines:

- the municipality's knowledge of art and craft as LED practice;
- strategies that the municipality utilises to support art and craft development;
- the municipality's attitude and perception toward the art and craft sector;
- the contribution of art and craft to the community's livelihood; and
- the relationship between the municipality and key LED stakeholders.

Discussion and findings

Sustainability of natural resources

According to Kepe (2003), craft work using plants as raw materials has been around for centuries. The production of art and craft products started out with traditional items that meet the day-to-day needs of the culture (Hay, McKenzie & Thompson, 2010). Furthermore, Hay et al. (2010, 37-38) note that "these products are either useful, have spiritual importance or are purely decorative in a specific cultural context". For instance, Kepe (2003) and Shackleton (2005) explain that mats were culturally crucial for several rituals and ceremonies for most black South African

communities. Even today, some of these cultural activities are practised.

Due to development challenges in the rural areas, most people, particularly in developing countries, rely on natural resources for their livelihood, and these people are very vulnerable to any deterioration of their resource bases (Choge, 2000). The existence and sufficiency of natural resources are crucial for the art and craft sector. From the interviews, crafters said that they use natural resources extensively in order to produce craft products. Consistent with the findings of the survey on what products crafters make, wood and llala palm (*Hyphaene coriacea*) are the two most commonly used raw materials. Of those crafters interviewed for this study, 80% of participants, all of women, indicated that the majority of their natural resources are harvested from their neighbouring reserve, the Mbazwane area, which is far from the market stalls. A small amount of the raw materials are harvested in their communal lands, but these quantities are insufficient for their enterprises to be viable. On the other hand, 10% of all participants (all in this 10% being men), who produce the wooden sculptures, indicated that they collect raw materials from their communal land. Furthermore, crafters highlighted that they harvest a lot of raw material and store them in order to meet the demand. This is due to the seasonality of some products.

Several researchers, including Shackleton (2005) and Koziell and Saunders (2001), point out that natural resources gathered from grasslands, woodlands, forests and agriculturally converted land have long formed crucial elements of a rural community's everyday livelihood needs, providing energy, medicine and the raw materials for building and crafts. Furthermore, as Neumann and Hirsch (2000) indicate, trade in these resources enables rural communities to generate cash. The art and craft sector is a crucial means of livelihood for people in remote rural areas and in urban areas. Choge (2000) argues that the depletion of natural resources has serious implications for the

environment, the viability of the industry, and the livelihoods of hundreds of thousands of people who depend on the industry for economic survival.

Almost 70% of crafters interviewed highlighted that there are enough raw materials to use for the production of the craft products and to ensure the sustainability of their businesses. Two reasons were mentioned for this by crafters; firstly, these raw materials were used in past centuries by their grandparents and ancestors and these resources still exist. Secondly, everyone who harvests in the forest must get a permit from the KZN Nature Conservation Authority. This is one of the ways in which the harvesting of natural resources is controlled. For centuries, raw materials such as grasses and sedges have been part of traditional Zulu life and more recently have also been manufactured into products that could be sold to local and tourist markets (Mavundla, McCarthy & Mofokeng, 2009:15).

In addition, Mavundla et al. (2009, 16) point out that there has been a drive by "Ezemvelo KZN Wildlife and iSimangaliso Wetland Park to protect these resources and promote sustainable harvesting practices" For sustainability of the art and craft sector, it is vital that the use of natural resources is managed. From the interviews, participants from iSimangaliso Wetland Park said they had a craft programme that was aimed at educating crafters about the importance of natural resources. From the findings, it is evident that the overriding purpose of protected areas is to conserve biodiversity and protect many plants from extinction, which is a threat if economic development is allowed to spread unchecked across all parts of this area and the country as a whole.

Gyan and Shackleton (2005) point out that the sustainable harvesting of natural resources is a matter of concern, not only for the art and craft sector, but also for conservationists and enterprise developers. In addition, Braedt and Standa-Gunda (2000) and Choge (2000)

warn that the heavy use of natural resources can have negative effects on the income earned by the crafters as well as the sustainability and productivity of the resource itself. Braedt & Stande-Gunda (2000) indicate that, for example, the increase in the number of art and craft enterprises since the 1980s in Zimbabwe (Masvingo-Beitbridge areas) has caused challenges in terms of getting raw materials for production. From the interviews, the researcher observed that as the sector grows, the crafters have to travel longer distances from their market stalls in their search for raw materials. In response, programmes have been initiated by the iSimangaliso Wetland Park Authority to educate crafters and to assist in terms of avoiding resource depletion.

The value chain of the Art and Craft sector

The foremost components of the art and craft sector's value chain are the inputs (raw materials and the skills and creativity), production (manufacturing), marketing and distribution, and consumption (United Nations Industrial Development Organisation (UNIDO), 2005). Human resources with the necessary of skills and creativity are crucial within the value chain. The Department of Trade and Industry (2012:55) stipulates that the "best crafters are those who learned from their families, who grew up in crafting households, who have been around craft and design since they were young". In addition to this, the best crafters are those who create new designs in accordance with the changing market, who price their products accordingly and are able to make informed decisions. Physical infrastructure and information, and other basic equipment are also essential inputs (UNIDO, 2005).

From the interviews, it was noted that the crafters applied their specific skills in order to produce art and craft products. The majority of the crafters (90%) who participated in the study have a low formal education level. The researcher observed that certain products, such as wooden craft products, are only produced by men

as the women do not have the required skills to produce them. Other products are produced only by women. Due to limited resources, women crafters from both market stalls that formed part of this study indicated that they import some of their products from neighbouring countries such as Swaziland. Male crafters mentioned that they are not given a space to operate within the market stalls. It appears that even the municipality regards the art and craft sector as the domain of women. From the findings, it was observed that women and men do not work together. This becomes a problem, as different skills sets are required to produce the products.

For the crafters, the main target customers are tourists followed by local people. In order for crafters to attract customers, they rely mostly on word-of-mouth as their marketing strategy. In addition, the researcher observed that both market stalls also sell fruit and vegetables at their markets. Crafters indicated that they employ this strategy to attract customers. Marketing is crucial for an enterprise to succeed. With marketing, customers become aware of the different products that are available for purchase. Lack of business information amongst crafters has a negative effect on the business. The micro enterprises in isolated, rural communities, both in developing and developed countries, find it difficult to expand their markets beyond their locality because relationships with global distributors are nonexistent. Due to the environment in which the craft enterprises operate, new trade opportunities in the market are not easily identified. The isolation also affects the ability of these enterprises to fully participate in the global market and to take advantage of more open trade, which will enable small businesses to boost their revenues. One of the participants from Zamimpilo art and craft market said:

We like to trade even in the international market but because of information limitation we do not know the processes and procedures that we have to follow when we want to export our products. Participating in the global

market could broaden our knowledge in terms of taking this sector to another level.

On other hand, the participants from Africa!Ignite indicated that the art and craft sector in South Africa is faced with strong competition from countries of the East, and the productivity of local craft products is low compared to the high productivity of countries of the East. Joffe and Newton (2007) and Session (2003) also note that South Africa is not a large player in the global art and craft industry.

According to Nichter and Goldmark (2009) and Hay (2004), access to market information may help micro enterprises to seek or respond to new opportunities. However, Hay (2004) warns that insufficient skills to meet new customer demands affect the growth and development of this sector. From the findings, it was noted that crafters from both market stalls do not have information related to the market nor do they have generic business skills. An ability to thoroughly understand the needs and expectations of potential customers, and also having knowledge of general market structures and trends is crucial in any kind of business. Lack of market information tends to affect an enterprise in that it fails to meet the new demands of customers with appropriate products. The low level of formal education of crafters also has an impact on this aspect. Nichter and Goldmark (2009) also point out that micro enterprises are faced with the broad problems of innumeracy, illiteracy and a lack of business skills.

The art and craft sector as a focal area for development

The growth and development of the country's economy depends on both the formal and the informal sectors, which consist of big, medium and small enterprises. In the past, people in the rural areas were heavily dependent on agriculture. Due to socio-economic changes, people in these areas pursue multiple strategies to make a living. Forstner (2004: 499) stipulates that "rural

households cannot depend on agricultural production as the sole source of income but have to explore additional livelihood options". The tourism and arts and crafts sectors are sectors that rural people have engaged in as a potential source of income to complement other activities.

Several authors, such as Rogerson and Sithole (2001), Joffe and Newton (2007), and Schwarz and Yair (2010), argue that the art and craft sector plays a significant role in addressing socio-economic problems affecting communities in the rural areas. From the findings of this study, crafters at both market stalls mentioned that they are able to support their families and send their children to school with the money that they receive from the market stalls. Furthermore, participants indicated that the art and craft sector contributes to the economic growth of the area generally, and of the country as a whole. A participant from the municipality said:

The art and craft sector play a huge role in the development and growth of rural economy. If the community and government could show a positive attitude towards this sector, huge and meaningful contribution on the local economic growth could prevail. Due to many options that people have in terms of businesses and jobs, art and craft sector end up being seen as the sector for women, and people with low level of formal education. Political recognition of this sector at a high political level is required so that the perception that the community holds about this sector could change.

Amongst the crafters, 60% of households had no employment other than their trading businesses, and had no other source of cash income than the one generated from selling art and craft products. For households with other sources of cash, 10% received a pension and 30% received child grants. As most rural areas are faced with the ills of socio-economic problems, the art and craft

sector is an entry point to the economy for people mostly coming from poor and previously disadvantaged areas (Session, 2003; Shackleton, et al., 2008; and Kaye, 2011). The sector is an enabler for people to participate in the economy, while at the same time a means of displaying the culture and heritage of the country. Hay (2004:54) maintains that the benefits of craft production transcend the economic, providing opportunities for social interaction, reinforcing cultural tradition, and in some instances contributing to the improved natural resource management of the raw materials used in the production process. In addition, Sharma et al. (2012:120) state that micro enterprises are not only enhancing productivity and generating employment, they are also assisting in developing economic independence and personal and social capabilities, especially in rural women.

In the post-1994 period, the government initiated numerous structures to assist and support SMMEs' development, but the lack of access to support structures by the crafters is a cause for widespread concern (Rogerson, 2005). Many participants mentioned that the art and craft sector is still marginalised and is not well recognised like other sectors, such as agriculture and tourism. One of the participants said:

The municipality should invite the relevant departments that might be helpful in our business growth and development. This could be, amongst the others, Trade and Investment, Small Enterprise Development Agency. Such institutions could assist us to conduct our business in an effective way.

From the findings of this study, the awareness of available national government support programmes and structures for micro enterprises' development is poor. This raises the question as to how municipalities relate to other government institutions for better service delivery. According to the Constitution of South Africa, Act 106 of

1996, Section 41 (h), all spheres of government and all organs of the state within each sphere must cooperate with one another in mutual trust and good faith by, (i) fostering friendly relations, and (ii) assisting and supporting one other. Hence, municipalities should, through intergovernmental relations, be able to bring such SMMEs support structures within their locality for the benefits of the micro enterprises.

Mechanisms for the informal art and craft sector's development

According to the White Paper on Local Government (1998), local government is responsible for the attainment of LED; playing a crucial role in improving the local economy through the provision of business-friendly services; investment promotion; and support for small business and growth sectors. Creating an enabling environment for any business is crucial for its survival. From the municipal side, formulating policies that would not negatively hinder the operations of the organisation; providing proper infrastructure; and creating a platform where small informal traders can directly interact with relevant stakeholders also become vital.

From the findings, it was observed that the municipality has supported the informal economy through organising business support forums, where informal businesses had been given training on some business management aspect. Crafters from both market stalls (60%) assert that, previously, the municipality had offered them business-related training, which helped them to improve their business understanding. Although such support was previously provided, the participants from both market stalls highlighted that the municipality had not assisted them as they had expected. For instance, at Zamimpilo art and craft market, participants mentioned that they had requested the municipality to change the metered electricity system to a card system as the meters cost them a lot of money, but the municipality failed to deliver the service. Furthermore, the participants from both market stalls

highlighted that the municipality fails to interact with other government organisations that could provide information about different markets and also capacitate them with business skills.

According to Hay (2008), creating a favourable environment means that the spheres of government's policies to support the small informal economy are well aligned to small organisations, they empower individuals within the organisations, particularly women, and also ensure that SMMEs' development does take place. The participant in this study from the municipal level indicated that the capacity within the municipality to implement policies and tackle problems that are faced by the community is a challenge. Researchers, such as Mhone and Edigheji (2003) and Saito (2008), also argue that the capacity of local governments, especially those operating in the rural areas, hampers their ability to perform allocated functions.

Municipalities should act as an intermediary between small and micro enterprises and other government institutions and the private sector, in order to effectively address issues affecting small businesses. All participants from the municipality, Africa!Ignite and also iSimangaliso Wetland Park Authority, stated that the art and craft sector is faced with numerous challenges that need to be addressed by, not only the crafters, but also by all stakeholders who are involved. The following challenges were mentioned by crafters as they affect their daily business operation: shortage of space to store raw materials and finished products; lack of tools to market and advertise their products at local, domestic and national levels and also in international markets; high electricity costs; lack of quality controls; competition within and outside the country; security issues; lack of office equipment; lack of accurate market-related information; and finance for expansion. iSimangaliso Wetland Park Authority and Africa!Ignite play a crucial role in developing the art and craft markets within Mtubatuba and KZN as a whole. These two institutions help the

crafters with product development, design, production support, exportation (by getting orders or customers for them in international markets), importance of quality control, and giving them relevant information about the market.

Integration and collaboration for LED activities

Various authors (Nel (2001); Nel and Binns (2001); Nel and Rogerson (2005); and Van Rensburg and Naude (2007)) indicate that LED is one of the processes for finding solutions to the problems facing communities while stimulating local economic growth. With the inclusion of various stakeholders in LED activities, the best possible solutions can be achieved. From the findings, it was noted that the municipality had not worked with institutions such as Africa!Ignite and iSimangaliso Wetland Park Authority for the purpose of supporting the crafters. These participants pointed out that, sometimes, it is difficult to work with the local municipality because of the politics and long processes that need to be followed when someone proposes something to them. A participant from iSimangaliso Park said:

We don't see a need of working with local municipality in trying to support the art and craft producers. Changing of municipality LED officers sometimes has an impact on planned projects and programmes that have to be implemented. In addition to this, there are many issues within the local sphere of government that also blocks us from working with them.

From the interviews, it emerged that, other than the lack of a relationship with the municipality, Africa!Ignite and iSimangaliso Wetland Park Authority have an excellent relationship with each other. The inability of the municipality to create good relationships with other stakeholders affects service delivery. Authors such as Nel (2001), Helmsing (2003), Nel and Rogerson (2005), and Hague, et al. (2011)

highlight partnership and collaboration as a key to the concept of LED. Furthermore, these authors argue that joint action between key LED stakeholders is vital if LED strategies and programmes are to succeed. The local sphere of government is a crucial actor in LED. This sphere has numerous ways of influencing other actors. It drafts the by-laws, some of which are translated from national policies, it sets rules and regulations, and delivers various services to the community. Although local government structures have been given a critical role to act as the key facilitators and coordinators of the LED strategies and as enablers of a more conducive environment for businesses in their areas of jurisdiction, there are still considerable constraints in their ability to promote LED functions and also strengthen partnerships with other key LED stakeholders. It is vital to note that a crucial part of local municipalities' leadership role in the area of LED rests on their ability to include and draw other key actors into LED processes.

Conclusion

As local government operates at the grassroots level, communities and the private sector expect municipalities to effectively create an environment that is favourable to everyone. This puts pressure on municipalities to ensure that the needs of everyone within the community are met.

While there is great potential for their contribution to tourism, small and micro enterprises that operate in the rural areas are faced with many challenges that hinder their ability to develop. There is no doubt that there has been wide-ranging support for SMMEs in South Africa since 1994, however micro enterprises operating in the rural areas do not fully benefit from these support structures. The art and craft sector is no different from other small enterprises as it also experiences the same challenges. There is high potential for this sector to grow. If municipalities, in collaboration with other stakeholders, can effectively support this

sector, it can significantly stimulate economic growth and tourism in South Africa's rural areas.

For rural art and craft enterprises to take advantage of what is available to them through local government, the marketing and campaigning aspect of support programmes should be improved so that these enterprises will also benefit from the programmes. It is thus crucial that the municipalities formulate strategies that will address the different challenges of all informal enterprises within their areas. This will in addition enable them to identify areas where they should intervene in order to assist informal micro-enterprises.

The results of this study raise some important aspects for research on the art and craft sector and also different stakeholders in LED and tourism. In this respect, future research on LED in the art and craft sector within South Africa should focus on the following areas: A snapshot is needed of the use and consequences of new technologies in the art and craft sector; and it is therefore vital to assess the impact that the institutional support network have on the art and craft sector.

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