

# Developing A Cultural Policy Framework for Small Towns and Cities

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**Abstract-**It has long been known that the Cultural and Creative Industries (CCIs) have the potential to aid in physical, social and economic renewal and regeneration of towns and cities, hence their importance when dealing with regional development. The CCIs can act as a catalyst for activity and investment in an area because the ‘consumption’ of cultural activities will lead to the activities and use of other non-cultural activities, for example, hospitality development including restaurants and bars, as well as public transport. ‘Consumption’ of cultural activities also leads to employment creation, and diversification. However, CCIs tend to be clustered, especially around large cities. There is, moreover, a case for development of CCIs around smaller towns and cities, because they do not rely on high technology inputs, and long supply chains, and, their direct link to rural and isolated places makes them vital in regional development. However, there is currently little research on how to craft cultural policy for regions with smaller towns and cities. Using the Sarah Baartman District (SBDM) in South Africa as an example, this paper describes the process of developing cultural policy for a region that has potential, and existing, cultural clusters, but currently no one, coherent policy relating to CCI development. The SBDM was chosen as a case study because it has no large cities, but has some CCI clusters, and has identified them as potential drivers of local economic development. The process of developing cultural policy is discussed in stages: Identification of what resources are present; including human resources, soft and hard infrastructure; Identification of clusters; Analysis of CCI labour markets and ownership patterns; Opportunities and challenges from the point of view of CCIs and other key stakeholders; Alignment of regional policy aims with provincial and national policy objectives; and finally, design and implementation of a regional cultural policy.

**Keywords-**Cultural and Creative Industries, Economic Impact, Intrinsic Value, Regional Development.

## **Introduction**

The Cultural and Creative Industries (CCIs) have been recognised for their role in economic growth. They have been seen to act as catalysts for economic growth, as their presence fuels other non-cultural activity

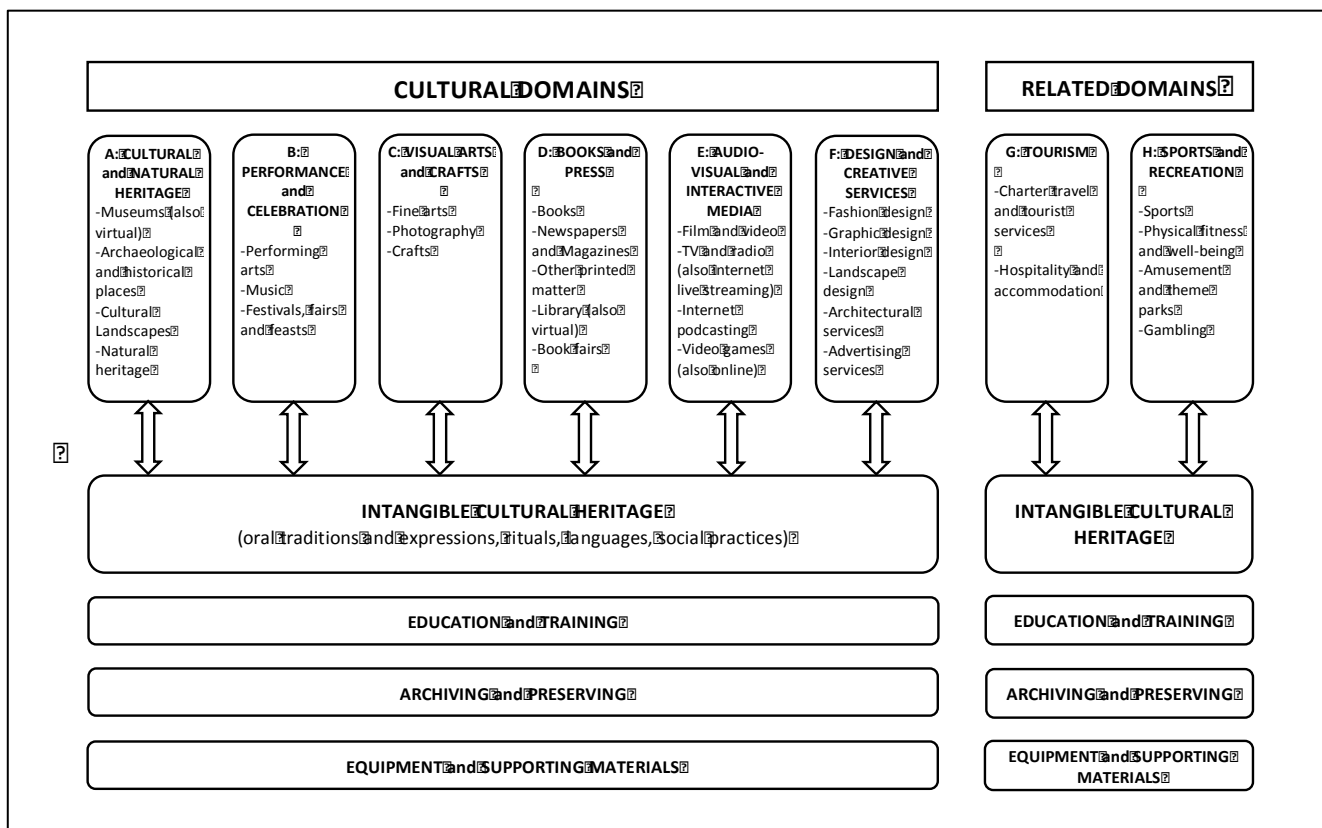
This paper therefore, describes the process of developing cultural policy for regions that have existing and potential cultural clusters, but no coherent cultural policy relating to CCI development. The Sarah Baartman District in the Eastern Cape, South Africa, will be used as an example.

## **Defining CCIs**

Whilst “Cultural” and “Creative” Industries are often presented as one ‘industry’, with the terms being interchangeably, or presented as one phrase, they are not the same thing. In fact, they have “almost totally distinctive modes of production, institutional bases and aesthetic content” (Cooke and Lazzeretti, 2008: 1).

However, in order to make comparisons possible and viable, it is necessary to adopt the UNESCO (2009) definition. According to UNESCO (2009), “culture is the set of distinctive spiritual, material, intellectual and emotional features of society or a social group, that encompasses, not only art and literature, but lifestyles, ways of living together, value systems, traditions and beliefs.” The intangible nature of culture can be deduced from the definition, and whilst it is not possible to directly measure culture and its intangible nature, it is, however, possible to measure the behaviours and practices that are associated with the beliefs and values of a society (UNESCO, 2009: 9).

Further, UNESCO produced a Framework for Cultural Statistics (FCS) that provides a clear-cut break down of cultural industries into domains. It is illustrated below



(UNESCO 2009: 24)

CCIs tend to develop in clusters because of the short-term contract nature of jobs within the industry (Flew, 2014): it is necessary to establish networks through geographic proximity; a phenomenon referred to as ‘soft infrastructure’ by Flew (2014). Further, they tend to be clustered around large cities (Lazzeretti et al, 2010). Moreover, there is a case for the clustering of CCIs around smaller towns and cities because they do not rely on high technology inputs (Oakley, 2006). Smaller towns and cities, by virtue of their link to rural and isolated places, are therefore pivotal to development (McKibben et al, 2012).

Consequently, there is very little research, that looks into cultural policy regions without large cities, and further, how to craft cultural policy for these regions.

This paper, therefore provides guidance on how to craft cultural policy, using the Sarah Baartman District Municipality (SBDM) as an example. The SBDM has no large cities, but has some CCI clusters, which have been identified as potential drivers of local economic growth.

### Cultural Clusters and Regional Cultural Policy

As has been mentioned earlier, cultural firms do not rely on high technology inputs or long supply chains (Oakley, 2006), hence their ability to be to develop, and develop in, smaller towns and cities. They also develop in clusters.

Porter (2000) highlights the importance of clustering; bringing together firms that are similar help them to develop a competitive advantage in terms of cost advantages, skills advantages, increased innovation, as well as increased spillover effects. Although Porter’s clustering theory was not directly linked to Cultural clusters, it can be modelled to suit the phenomenon of clustering in CCIs.

In South Africa, there are some examples of successfully established cultural clusters, occurring outside large cities, where artists have come together to form a coalition. They include the Midlands Meander in the KwaZulu Natal province (Lourens, 2007), as well as the Keiskamma Arts Trust in Hamburg, in the Eastern Cape province (McKibbin et al, 2012).

The manner in which cultural spending is now being channelled through regional and municipal governments, as opposed to through central government, is an illustration of the growing importance of regional cultural policies. Whilst the data available is on European countries (Table 1), making inter-country comparisons difficult, the principle of the importance of regional cultural policy is still brought through.

Table 1: Spending on Arts and Culture by different levels of Government

<b>Country</b>	<b>Central Government</b>	<b>Provinces/Regions</b>	<b>Municipalities</b>
Austria (2011)	34%	38%	28%
Azerbaijan (2011)	37%	0%	63%
Croatia (2011)	41%	0%	59%
Denmark (2011)	62%	0%	38%
Spain (2010)	15%	26%	59%
Poland (2011)	18%	46%	36%
Sweden (2011)	45%	15%	41%
Ukraine (2011)	37%	25%	38%

*(Source: Cultural Policies and Trends in Europe)*

## **The Sarah Baartman District Municipality**

The Sarah Baartman District Municipality (SBDM) (formerly Cacadu District) is the largest district municipality in the Eastern Cape, covering about 34% of the province. It has a population of about 450 584 (Statistics, South Africa, 2017) with seven local municipalities: Dr. Beyers-Naude (which was previously three local municipalities; Camdeboo, Ikwezi and Baviaans, and amalgamated into one in 2016), Makana, Ndlambe, Kouga, Blue Crane Route, Koukamma and Sundays River Valley.

In the SBDM is Grahamstown, in which Rhodes University is located. According to Florida (2002), regions with universities tend to be characterised by a large presence of the Creative Class, and consequently, a high level of cultural and creative resources. Grahamstown also hosts the National Arts Festival, which is the largest Arts Festival of its type in Africa (National Arts Festival, 2016), and it has also (through the National Arts Festival) taken on the pilot 'Creative City' project in South Africa. These factors make the SBDM an interesting case study

### **Steps to creating a regional Cultural Policy using a practical example of the Sarah Baartman District**

#### **Step 1: Identification of what resources are present (including human resources, soft and hard infrastructure)**

The first step towards building a cultural policy lies in identification of what resources are present; these include human resources, soft infrastructure and hard infrastructure. The major question to be asked is "What do you have?"

Human resources, or what Florida (2002) referred to as the 'Creative Class' refers to the group skilled, innovative and talented professionals who are able to increase the level of productivity of knowledge. He further argues that regions and areas that experienced the largest growth were those that had an established cluster of cultural and creative professionals (Florida, 2002).

The 'Creative Class' also tend to invest in soft infrastructure of the cultural sector. As was stated earlier, jobs in the cultural industry tend to be contractual and short term in nature, and collaboration and networks are therefore key in this sector (Eikhof and Warhurst, 2013) to guarantee success. In fact, teams often consist of artists who know each other, or have been

recommended by others who are in the sector. It is therefore plausible that the link between the Creative Class and soft infrastructure is present.

Moreover, investment is more often skewed towards hard infrastructure, than to soft infrastructure. Hard infrastructure refers to the physical infrastructure used for cultural purposes, for example, libraries, galleries, theatres etc.

Nevertheless, the larger the resources and resource base available, the larger is that region's comparative advantage.

In a national mapping study commissioned by the Department of Arts and Culture in 2014, 147 CCI firms were found to be in the SBDM. Of these, 64 were in the Cultural and Natural Heritage domain; 28 were in the Performance and Celebration domain; 16 were in the Information, Books and Press domain, 4 were in the Audio-Visual and Interactive Media domain; and 45 were in the Design and Creative Services domain.

A further mapping study commissioned and conducted in 2016 by the SBDM revealed an astounding 441 CCI firms. This highlights the need and importance for and of regional studies in the CCIs. Of the 441, 55 firms were in the Cultural Heritage domain. It was decided to exclude the 'Natural Heritage' firms from the study, as they skewed the findings, and did not accurately represent the state of the domain, and indeed, the CCIs. 52 firms were in the Performance and Celebration domain; 179 firms were in the in the Visual Arts and Crafts domain, 91 firms were in the Information, Books and Press domain; 11 firms were in the Audio-Visual and Interactive Media domain; and 53 firms were in the Design and Creative Services domain.

What is evident from the 2016 study is that the National Mapping Study (2014) grossly understated the number of CCIs in the district; again, it highlights the need for detailed regional studies in the CCIs. Identification of these firms can therefore help in, and be used in identifying clusters (Step 2).

## **Step 2: Identification of clusters**

The major question to ask in this section is "Where are the clusters located?" CCIs seldom exist haphazardly, even in the smaller regions, towns and cities. Because of the networks that need to be established and maintained within the sector, they tend to form in clusters. The importance of clustering is emphasised by Porter (2000), when he puts forward the idea that

clustering of smaller firms enables them to have a regional competitive advantage in the specific sectors in which they specialise.

In the SBDM, it was found that the Dr. Beyers Naude local municipality had 145 CCIs (of the 441 in the SBDM), of which Visual Arts and Crafts and Cultural Heritage accounted for 72 and 36 entries respectively (of the 145 firms in the Dr Beyers Naude local municipality). Both of these domains were also the highest overall in the SBDM.

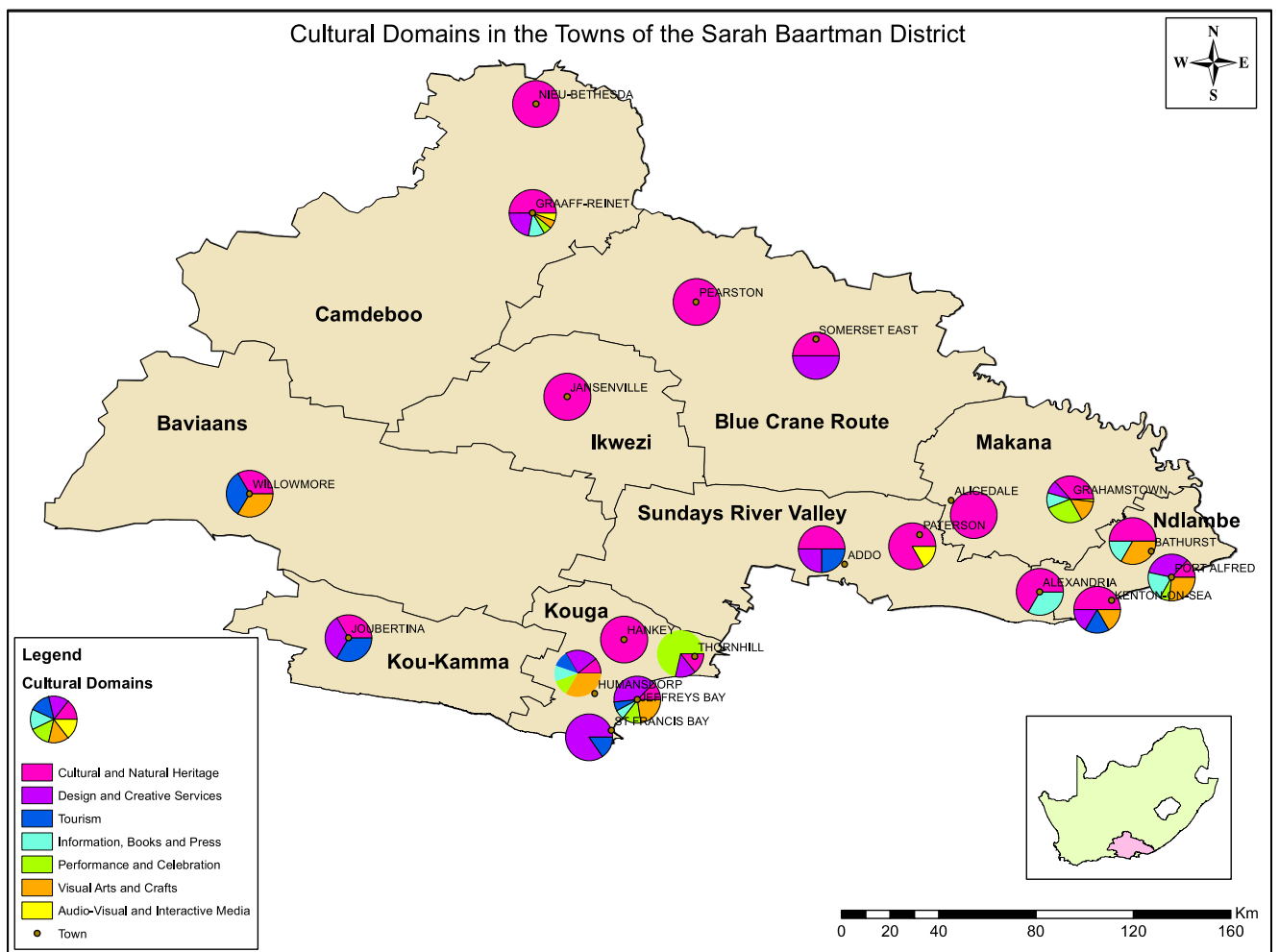
Makana local municipality had 113 CCIs (of the 441 CCIs in the SBDM), of which Performance and Celebration, Design and Creative Services, and Audio Visual and Interactive Media accounted for 32, 22, and 7 entries respectively (of the 113 entries for Makana).

Kouga had 52 CCIs (of the 441 CCIs in the SBDM), of which Information, Books and Press accounted for 20 entries (of the 52 entries for Kouga).

Ndlambe, Blue Crane Route, Koukamma and Sundays River Valley had 70, 28, 18 and 15 CCIs respectively, of the 441 entries for the SBDM.

Evidently, the varying number of CCIs in the municipalities supports the theory of clustering. What is also evident is that there is a cluster of CCIs in the Visual Arts and Crafts sector, particularly in the Dr. Beyers Naude local municipality, Makana (25 entries out of the 113 entries for Makana), Ndlambe (41 entries out of the 70 entries for Ndlambe), Blue Crane Route (14 entries out of the 28 for Blue Crane Route), and Koukamma (14 entries out of the 18 entries for Koukamma).

It is possible to use GIS to map the clusters, as done by Drummond and Snowball (2016), to illustrate the clusters, and thus provide easy visual reference.



*Drummond and Snowball (2016).*

### Step 3: Analysis of CCI labour markets and ownership patterns

Further to Step 1 (Identification of Human resources), it is also necessary to carry out a more detailed analysis of into the level of human capital available, including age, genders, and the general demographics of the players in the cultural and creative field. The key question to be asked is “Who are the CCI labour force i.e. who are the owners, and the workers within the CCIs?”

In a developing country such as South Africa, but indeed, applicable to the rest of the world, this is particularly important, given the low levels of literacy, the high unemployment rates, the ‘transformation agenda’, as well the ‘women empowerment’ agenda.

CCIs interviewed in the SBDM employed an average number of 13 employees. Interestingly, the 2014 Mapping Study found that the average employees per CCI firm was 21, significantly different to the average of 13 identified by the 2016 study. This could be as a result of the larger number of firms that were identified by the more detailed 2016 study. In both studies, CCIs employed more women than men, and 82% of all employees in the CCIs were black (including black African, Indian and coloured).



The ownership patterns revealed that less than half of the interviewed firms in the SBDM had a black (black African, Indian/Asian, or coloured) owner.

#### **Step 4: Opportunities and challenges from the view point of CCIs and any other key stakeholders**

The identification of opportunities and challenges provides a useful tool in streamlining regional policy that capitalises on the opportunities, whilst simultaneously addressing the challenges faced by CCIs.

Many of the issues identified in the SBDM as challenges were to do with finance and funds i.e. insufficient or lack of funds, and high operational costs. Others included volatility in demand for their cultural goods and services (seasonal trade), lack of equipment and machinery, crime (corruption, shoplifting, piracy), market competition, and lack of local skilled labour. Some firms also highlighted the lack of clear guidelines and policy regarding funding, which made their environment a hard one to work in.

Opportunities that were, however, identified included opportunities to network and meet new people, creation of job opportunities, improving skills and experience, as well as preserving culture.

#### **Step 5 Alignment of regional policy aims with provincial and national policy objectives**

As the cultural policy is being drafted, it must always be borne in mind that it must align with national, provincial, and regional policy and goals. In South Africa, the Department of Arts and Culture streamlines its priorities with those of the National Development Plan (NDP), which aims to “eliminate poverty and reduce inequality by 2030” (NDP Executive Summary, 2013: 14) through “growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society” (NDP Executive Summary, 2013).

The main document governing Arts and Culture in South Africa is the White Paper on Arts, Culture and Heritage. It aims to promote the arts, culture and heritage, whilst simultaneously highlighting their intrinsic, social, and educational values and capacities (White Paper, 2016).

The key question to ask is “Do the proposed outcomes align with national, provincial and regional goals?” Should the answer to this question be “Yes”, and the above steps have been

followed, it then becomes plausible to say that cultural policy for areas without large cities and towns has been developed successfully

### **Step 6: Design and Implementation of a regional cultural policy**

Once the cultural policy has been developed, it then becomes possible and necessary to implement or operationalise the policy. A funding scoring mechanism which gives priority to projects that meet the goals of the policy must be used, in order to provide funds to those projects and firms who meet the goals of the local, regional, provincial and national policy, and who may also be pursuing the goals of growth, development, employment creation and SMME development.

### **Conclusion**

From the study conducted in the Sarah Baartman District Municipality, there is clear evidence of a need to conduct regional and more detailed studies, at a local municipal level, in order to fully understand the CCIs, and thereby create a regional policy that directly reflects the composition of the industry within that region,

The growing interest in the development of CCIs in areas without large cities and towns necessitates the need to design and develop a regional arts, culture and heritage policy. Also of importance is a monitoring and evaluation framework that accompanies the policy. It is evident that the arts and culture play an important role in regional development, and therefore support the theory of culture-led development. Immense potential lies with the CCIs to aid in development, and so development and support for a regional cultural policy would be a right direction.

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