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PLACE MARKETING, TOURISM PROMOTION, AND COMMUNITY-BASED LOCAL ECONOMIC DEVELOPMENT IN POST-APARTHEID SOUTH AFRICA
The Case of Still Bay—The “Bay of Sleeping Beauty”

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Local economic development (LED) is a common community-based development response to changes in the economic fortunes of a locality. Various economic strategies are associated with LED, some of the most prominent being those of place marketing and attempts to refocus economic activity along new or previously underused avenues, with tourism promotion being an increasingly common option. The authors examine the responses of the small community of Still Bay in Western Cape Province, South Africa, to economic crisis and the absence of vital social facilities. Critical to the success and sustainability of this LED initiative was the establishment of various community development projects, in which certain key actors took a leading role in bringing the community together. Community cooperation, linked with successful place marketing and tourism promotion strategies, has laid the basis for the economic revival of the town and empowerment of historically disadvantaged groups.

SETTING THE SCENE: ECONOMIC CHANGE

The economic geography of the postindustrial world has been characterized by fundamental shifts in the location and function of capital. For example, the process of deindustrialization experienced in the old industrial hearths has been paralleled by the increasing prominence of the so-called
sunbelt areas, such as southeast England, southern France, and California (Cooke 1995). The reality of economic crises has, in many areas, provoked a search for locally driven and innovative alternatives, which are frequently referred to in the literature as local economic development (LED) (Stöhr 1990; Demaziere and Wilson 1996). Although difficult to define, the concept of LED essentially refers to locally based actions that are designed to address and respond to economic change within a local area. According to Zaaijer and Sara (1993, 139), LED is essentially a process in which local governments and/or community based groups manage their existing resources and enter into partnership arrangements with the private sector, or with each other, to create new jobs and stimulate economic activity in an economic area.

Key features of LED are that it usually seeks to encourage economic growth in an area and to diversify the local economic base into sectors other than those in which recent hardship has been experienced.

In recent years, in a parallel process, service-based economic sectors have received significant impetus from altered consumer preferences, choices, wealth, and location mobility (Hudson 1995). Tapping into economic shifts such as these can have significant potential for areas that are seeking to reorientate their local economies. One sector that has performed particularly well in this context is tourism, which has clearly become one of the most critical forces shaping the world’s economy and has been recognized as having a key developmental impact (Williams 1998; Rogerson 2002). The identification and promotion of a locality as a result of its location, natural attractions, and other tourist-orientated facilities have enabled once marginalized areas, such as parts of Iberia, the west coast of Ireland, the Greek islands, and Turkey, to enjoy newfound economic prosperity. Equally important in this context is the potential that tourism has to offer to areas that have experienced fundamental economic restructuring. The redevelopment of dockland areas in places such as London or Sydney for business and leisure tourism (Watt and McGuirk 1997) or former mining areas for heritage tourism, as in South Wales and South Yorkshire, are cases in point (Edwards and Coit 1996). Fundamental to the success of such endeavors is the degree to which a local place can sell itself through place marketing (Hall and Hubbard 1996) to potential investors and tourists to achieve a tourism-based economic renaissance. According to Young and Lever (1997, 332), “The construction of new images

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of place is vital . . . [and] has to be seen as one element of entrepreneurial strategies.”

Place marketing, as a concept, can often be regarded as a locality-based strategy to reimage and restructure local economies (Demaziere and Wilson 1996). As Hall and Hubbard (1996, 162) pointed out, “The strategic manipulation of image and culture clearly provides a strong basis for coalition building,” the latter process often being a critical component of many local development initiatives (Harding 1990). In this study, we consider the case of Still Bay on the southern Cape coast of South Africa (see Figure 1).

This small town provides an inspirational example of how a community has worked to both restructure the local economy toward a focus on tourism development and, simultaneously, has gone some way to addressing the needs of the historically disadvantaged colored (mixed-race) community that has suffered from decades of apartheid policies. Once a thriving fishing center, and after years of economic stagnation, Still Bay has embarked on a number of locally based development initiatives that have led to a successful reimagining of the town and economic revival based, to a large degree, on tourism and the attraction of wealthy, retired people. As a result of effective place marketing and parallel but related attempts at community upliftment driven by local leaders, notable levels of innovation and entrepreneurship have been achieved, and a spirit of collaboration has been expressed through joint ventures or partnerships. These features are internationally recognized as key to the success of LED initiatives (Harding 1990; Stöhr 1990; Nel 1999; Quilley 1999). The case indicates that both effective marketing and a reliance on tourism-driven development can have a noteworthy impact on a local economy, endorsing the significance that Rogerson (2001, 2002) attaches to tourism-led development. This argument, however, presupposes that there natural assets are attractive to tourists, a situation that clearly does not prevail in all localities. An important outcome of this process is that local people can claim that Still Bay has one of the lowest levels of unemployment in South Africa (e.tv 1998), an impressive achievement in a country with an official unemployment rate of 34% (Statistics South Africa 2000), but a de facto unemployment rate approaching 80% in many communities (Lester, Nel, and Binns 2000).

**LOCAL ECONOMIC DEVELOPMENT AND PLACE MARKETING**

LED has become a large and diverse field of literature, encompassing many dimensions and concepts that have been explored in some detail.
elsewhere (Nel 1999). The reality of people assuming responsibility for their own developmental future through LED is a notable focus in academic literature (Stöhr 1990; Nel 1999). This process has clear links with what Harvey
(1989) has referred to as urban entrepreneurialism and the notion of bottom-up development examined by Stöhr and Taylor (1981). Although there is a distinct North American and European bias in writings on the topic, important lessons can be learned from experiences in countries of the South. An examination of applied local development in the South reveals that similar locally based initiatives, often referred to as self-reliance strategies, are particularly prevalent in rural areas (Stock 1995; Binns and Nel 1999, 2000). Some of the most critical aspects of LED include the significance of local initiative and dynamic local leaders, the so-called social entrepreneurs (Binns and Nel, 2000; Nel and McQuaid 2001), together with joint ventures or partnerships involving collaboration between key local stakeholders (Harding 1990; Judd and Parkinson 1990; Nel and Hill 1996; Stöhr 1990). These features have all proved to be critical in the LED endeavor that is the subject of this article.

In addition to the introduction of a range of community-building initiatives in the case study considered below, fundamental economic transformation, in this instance, has come about largely as a result of creative and largely successful place marketing. Rogerson (1999a, 32) suggested that the primary goal of place marketing “is to construct a new image of a place, and to replace either vague or negative images previously held by current or potential investors.” Attempts to reimage industrial cities such as Manchester and Glasgow as modern centers with a cultural focus are cases in point (Paddison 1993; Quilley 1999). Place marketing is a strategic choice and involves actively publicizing a town’s assets, both imagined and real, to external investors and tourists, based on the belief that the resulting investment will catalyze an economic revival. The essence of place marketing, therefore, is “the packaging of places . . . to market them to increasingly footloose capital and people” (Archer, in Demaziere and Wilson 1996, 235). Features such as the hosting of festivals and the creation of flagship foci such as heritage sites and convention centers are all hallmarks of this approach (Boyle 1997). In South Africa, place marketing, which is primarily aimed at the tourist market, has been identified by Rogerson (1999a, 2000) as a key LED strategy. He suggests that “the importance of tourism as an anchor for growing local economies is . . . critical in South Africa’s smaller urban centres, particularly those coastal towns which once depended on the fishing industry” (Rogerson 2000, 402). Elsewhere, Rogerson (2002, 2) identified the critical role that tourism is playing internationally and nationally as a “catalyst for job creation and . . . a potential driving force for national economic development.”

In South Africa, LED is currently receiving significant attention in policy and development circles, and local governments are being mandated to intervene within their local areas to promote growth and ameliorate the ill effects
of economic decline (Nel 1999; Nel and Binns 2001). Central government is emphasizing the implementation of what it calls developmental local government, in which LED is perceived as a strategic mechanism that local authorities and communities can and, indeed, should employ to address the joint challenges of poverty alleviation and economic growth (Republic of South Africa [RSA] 1998; Rogerson 1999b). In response to this, evolving practice in South Africa suggests that LED is a development option that numerous local authorities or local agencies are actually adopting in an attempt to enhance the economic well-being of their areas (Rogerson 2000). Results achieved thus far, however, have been rather mixed since some local authorities have significant financial and human capacity deficiencies. But the strategy nevertheless represents an attempt to come to terms with unemployment and economic hardship resulting from both changes in regional economic fortunes and the enduring legacies of apartheid. Although essentially a process dependent on local resources and endeavors, the South African government has, in recent years, made finance available through its LED fund to support locally based initiatives (Department of Provincial and Local Government 2001; Binns and Nel 2002).

A key factor that has affected LED activities is the limited life span of many projects and the fact that many experience a fluctuating boom-and-bust life cycle (Nel and McQuaid 2001; Nel Binns and Motteux 2001). Factors commonly having a negative impact on LED initiatives include political interference, loss of motivation, and a lack of economic sustainability, often because of inadequate marketing infrastructures (Hall 1995; Dewar 1998; Scott and Pawson 1999). It is within this context that the Still Bay experience is refreshing, in that it represents a town that, by contrast, has pursued an active place marketing strategy associated with the recognition of the potential of tourism-led development and, simultaneously, has also striven to improve conditions for the most disadvantaged members of the community. It is also noteworthy because of the nature of the local partnerships that have been formed and what appears to be their enduring nature.

STILL BAY: A LOCAL ECONOMY IN CRISIS

The application of LED in Still Bay has been one of the more interesting LED experiences to emerge in post-apartheid South Africa. Although possibly somewhat exaggerated, a Cape Town–based newspaper heralded Still Bay as “a community which has pulled itself up by its bootstraps” (Still Bay gets cracking 1997, 2). A year later, a television documentary program shown throughout South Africa commented that “the Still Bay story is a story of
transformation, hope and development” (e.tv 1998). Subsequently, the Still Bay initiative was voted the best reconstruction and development program (RDP) project in Western Cape province, and its achievements were further acknowledged with the presentation of a special Presidential Award in 1998 from President Nelson Mandela.

Still Bay is a small coastal town in the Western Cape Province of South Africa, situated some 350 kilometers east of Cape Town and about 30 kilometers south of the main N2 road, which constitutes the so-called Garden Route between Cape Town and Port Elizabeth (see Figure 1). The Garden Route is one of the country’s premier tourist attractions, having a wide variety of impressive natural landscapes and seascapes. The population of Still Bay is approximately 4,000, the majority of whom (around 2,800) might be broadly referred to as white middle class. As in all South African towns and cities, there are still very distinctive racial divisions in the town, with Still Bay itself being the white town, while neighboring Melkhoutfontein is the colored (mixed-race) township with some 1,200 inhabitants (Still Bay gets cracking 1997; J. Veldsman, acting town manager, interview, 8 February 2001). Owing to the racial legacy of the town and the virtual exclusion of black people from this part of the country during the latter half of the twentieth century, there are effectively no black residents in Still Bay. Interestingly, the division between the white and colored communities was not in this case a result of the sort of apartheid planning that was common throughout South Africa but rather as a result of the historical origins of two quite unconnected settlements in the nineteenth century, situated some 10 kilometers apart (Bulpin 1970). Despite this history, entrenched racial inequalities, as elsewhere in the country, have historically been the key hallmark of urban life. In fact, it was only in the 1990s, and largely as a result of the LED initiatives, that the two settlements were formally joined together for administrative and development purposes.

Still Bay was established in 1873 when 12 plots were laid out under the name of Little England, and subsequently, in 1894, 30 more plots were sold to settlers. Still Bay’s popularity as a tourist destination has steadily grown in the second half of the twentieth century, with visitors being attracted by the scenic location and tranquil ambience of the town located on a river estuary, well away from the Garden Route’s other busy seaside resorts such as Mossel Bay, Knysna, and Plettenberg Bay. In addition to a fine beach and opportunities for angling and ornithology, other local attractions include whale watching in the winter months and the spectacular spring flowering of the indigenous fynbos vegetation that is typical of the unique and localized Cape Floral Kingdom. Nearby are important archaeological remains, such as the fish traps used by the Khoi Khoi people (Bulpin 1970; A. Rossouw, community
leader, interview, 15 July 1997, 14 April 1999). Before the major tourism boom from the mid-1990s, Still Bay was a relatively minor tourist destination, as well as a retirement location and second home base for members of the white middle- and upper-class population of South Africa. Like many seaside resorts, the town’s economy has marked seasonal fluctuations, with the summer months (particularly December) being the busiest time. In addition to the tourist industry, the town’s attraction as a place for retirement has grown significantly, although initially there were few facilities to cater for the needs of the elderly. The retired residents do, however, provide vital year-round support for the limited service sector that, without their patronage, would probably close during the winter months (A. Rossouw, interview, 15 July 1997, 14 April 1999; J. Veldsman, interview, 7 February 2001).

The colored township of Melkhoutfontein, in sharp contrast, did not, until recently, have any tourism appeal or focus. The settlement had been almost wholly dependent on the fishing industry since its establishment (before that of Still Bay) in the 1830s, with the limited exception of some domestic work opportunities and the supply of cheap labor for the white population in Still Bay. However, the fishing industry steadily contracted from the 1970s due to a decline in fish resources, which was exacerbated by illegal fishing operations (J. Veldsman, interview, 7 February 2001). The result of this trend was that by the early 1990s, 85% of Melkhoutfontein’s potentially economically active population was unemployed, prompting community leader Moses Kleynhans Sr. to comment on a national television program, “My people are dying” (e.tv 1998). In the absence of any social welfare support, health facilities, electricity supply, or employment alternatives, with the exception of some irregular, seasonally available jobs in Still Bay, a serious socio-economic crisis had overtaken Melkhoutfontein. According to a Human Sciences Research Council report in 1991, the community had become “the most destitute fishing village in the Western Cape” (A. Rossouw, interview, 7 February 2001). Melkhoutfontein had the highest rate of tuberculosis of all the southern Cape fishing villages and an exceptionally low life expectancy, and its residents had a generally pessimistic attitude to life, with many families being forced to survive on less than R 1,000 per annum (A. Rossouw, interview, 7 February 2001). A Cape Town-based newspaper reported in 1997 that the situation was “wretched and despairing” (Still Bay gets cracking 1997, 2).

So, while Still Bay was characterized by relative wealth, a clean environment, and leisure activities, Melkhoutfontein from the 1970s was associated with disillusionment, marginalization, and poverty. Apartheid ideology and discrimination, however, ensured that the two communities existed in almost total isolation from each other, despite the very real economic and social
crisis that Melkhoutfontein faced. Still Bay was not entirely without its own problems, albeit of a quite different magnitude from those of Melkhoutfontein. In parallel with the jobs lost in the fishing industry in Melkhoutfontein, by the 1980s, Still Bay was experiencing other difficulties, in the shape of a stagnant and seasonally fluctuating economy and a lack of care and support facilities for the growing number of retired people. By 1986, Still Bay had become “an idyllic place where there is no infrastructure” (A. Rossouw, interview, 7 February 2001).

It was the combined effects of these crises and the desperate need to improve living conditions in Melkhoutfontein and, to a lesser extent, in Still Bay that eventually motivated action to redevelop the economy of Still Bay and to improve conditions among the colored community in Melkhoutfontein. The results of this action have transformed Still Bay and Melkhoutfontein into one of the most interesting and successful LED endeavors in the entire country. Tourism and associated place marketing were targeted as the main focus for development since it was felt that this sector would have the best chance of delivering economic growth and uplifting the two communities.

**STAKEHOLDERS AND INSTITUTIONS**

With the small size of Still Bay and Melkhoutfontein, the range of key stakeholders and institutions is correspondingly limited. However, there emerged a spirit of cooperation that proved to be an important catalyst in driving subsequent developments. As in so many other small-town LED success stories, Still Bay and Melkhoutfontein have been fortunate in having a local champion or social entrepreneur whose individual input into the development process was critical in ensuring success (Stöhr 1990; Nel and McQuaid 2001; Nel, Binns, and Motteux 2001). The champion in this case has been Anthea Rossouw, whose vision and drive quite clearly catalyzed local action and encouraged local people to help themselves. Other key individuals included Moses Kleynhans Sr., the widely respected colored community leader, and his son (Moses Kleynhans Jr.); Jan Veldsman, the town clerk (now acting town manager, initially of Still Bay, but now incorporating Melkhoutfontein); and a number of business leaders. Kleynhans Sr. (now deceased) was the elected chairman of the Melkhoutfontein Forum and, together with his son, both have long been respected as prominent citizens who have engaged in a wide range of community activities (S. Kleynhans, tourism official, interview, 8 February 2001). With the help of various supporting organizations that emerged during the development process, the local
economy and quality of life were transformed through the actions of these key individuals.

Unusually in South Africa (and indeed also elsewhere), the development process seems to have been largely apolitical, which may be a significant factor in the success achieved by avoiding local rivalries and focusing instead on the seriousness of the development crisis. Although there are a number of political parties present in the area, the unified focus on community development has encouraged concerted action rather than factional divisions (M. Kleynhans Jr., school teacher and community leader, interview, 7 February 2001; A. Rossouw, interview, 14 April 1999). Other key local stakeholders involved in the community development process include the following:

- the Still Bay local municipal authority, which, following the demise of apartheid, has assisted with infrastructural and physical development issues and has been broadly supportive of the community development projects;
- the local business community, which has been instrumental in the town’s economic transformation;
- the Tourism Bureau and the supporting Tourism and Economic Forum, which have played a key role in the enhancement of the tourism industry and place marketing of the town;
- the Fisherman’s Trust, which was established to support and represent unemployed fishermen in Melkhoutfontein;
- the Jagersbosch Community Care Centre, which was set up initially to care for the needs of the white retired community, but, as a section 21 (i.e., not-for-profit) company, has since become a conduit for securing and providing funds and support to all the local community initiatives and has also provided logistical and administrative support;
- the Community Development Committee, which oversees social development needs and interacts closely with key stakeholders and groups in the town;
- a variety of external participants, including external grant providers and the provincial and national government, whose support for housing and the staffing of the clinic has been critical (A. Rossouw, interview, 7 February 2001; J. Olivier, chairman of the Tourism Forum, interview, 11 May 2001; J. Veldsman, interview, 8 February 2001).

**RESPONDING TO THE CRISIS**

The development initiative in Still Bay and Melkhoutfontein has followed two broad strands: first, in the form of a community development and social welfare orientation and, second, a commercial and business-oriented approach. While the former was initially a crisis response, the latter provided
the real impetus for transforming the economic and employment base of the town.

THE COMMUNITY DEVELOPMENT INITIATIVE

The initial development that laid the basis for the multifaceted community development strategy in Still Bay was the establishment of the Jagersbosch Community Care Centre for the aged in 1985, under the guidance of Anthea Rossouw. Anthea was initially motivated to set up this center because of the absence of care provision for retired people in the white community (A. Rossouw, interview, 7 February 2001). The center grew to become a fully fledged community center, with health, welfare, and support facilities for the aging white population and also providing much-needed employment opportunities for a number of women from the then impoverished colored community of Melkhoutfontein (Jagersbos lei nuwe diensera aan 2000). The success of the Jagersbosch center led to a direct appeal in 1990 from Moses Kleynhans Sr., the Melkhoutfontein community leader, for Rossouw to intervene in his community because “his people are dying” and “the rest of the world has forgotten about us” (A. Rossouw, interview, 15 July 1997). Kleynhans Sr. requested that a similar community facility should be established in Melkhoutfontein, in an effort to address the chronic social and employment crisis that had developed. At the time, the provision of separate race-based facilities was still legally enforced, and the physical distance between the two communities militated against the notion of sharing facilities. This coming together of the two key local leaders/social entrepreneurs from the historically separate colored and white communities was significant and proved to be the vital catalyst in both bringing about change in Melkhoutfontein and gradually changing local perceptions, such that the two communities were increasingly viewed as a unified entity.

These actions led to the formation of a joint Community Development Committee, consisting of four representatives from Still Bay, four from Melkhoutfontein, and two from Jongensfontein, another, but much smaller, white holiday village situated to the west of Still Bay. Despite the apparent dominance of whites (i.e., six vs. four), the committee was established in an effort to involve all local settlements in promoting collective development. Committee members, while having their own political affiliations, seem to have largely perceived development activities in an apolitical manner, focusing instead on broad-based initiatives. A further step that was taken was that the Jagersbosch Community Care Centre was registered as a section 21 company, making it a nonprofit organization yet giving it the power to collect and channel funding from sources from within and outside the community. In a
very real sense, this organization became the cornerstone of the development process in the communities. The Community Development Committee empowered Rossouw to take the lead in determining the development goals and needs of Still Bay and, more specifically, those of Melkhoutfontein. The most urgent needs were identified as the provision of housing for destitute senior citizens; the construction of an accessible clinic; the creation of permanent jobs; practical training in social work, craft, and construction industries; and the encouragement of economic growth in both communities. Following the identification of key objectives, much time and energy were put into liaising with various authorities involved in service provision, most notably Still Bay local government, the Regional Council, and electricity and telecommunications parastatals (agencies operating on behalf of government and usually sponsored by government) (A. Rossouw, interview, 14 April 1999).

The establishment of an old-age care center at Melkhoutfontein, similar to that in Still Bay, was the key initial focus of the Community Development Committee. The building of the facility, known as Soeterus (sweet rest), was financed in two ways. First, under the guidance of Rossouw and based on the principle that people should attempt to do things for themselves first before donors are likely to invest, the women of Melkhoutfontein held fund-raising functions such as cake sales and collected donations. This raised an impressive R 15,000 (e.tv 1998). Second, following this success, a number of external sponsors were then found, including the national electricity supply corporation (ESKOM), the National Economic Forum, the Independent Development Trust, the Fisherman’s Trust, and the Still Bay local government that provided the land for the scheme. A total of R 430,000 was raised, and these funds were managed and controlled through the Jagersbosch Community Care Centre. Training in building and running the facility in Melkhoutfontein was provided to 26, predominantly women, residents and was carried out alongside various craft courses, mainly offered by skilled residents from Still Bay and also Langeberg Foods, a large, regional agro-industrial firm that was drawn into the process. It was hoped that these practical skills would enable unemployed women to supplement their income by tapping into the tourist trade after the construction of the center was completed. Significantly, the project instilled local pride, and as one woman in Melkhoutfontein commented, “I am proud we did it ourselves.” The center was finished in 1995 and consists of a clinic, dining room, and seven cottages for retired community members. In addition, a day care center was built and a clinic, the first proper medical service in the Melkhoutfontein community. According to community leader Moses Kleynhans Jr., the success achieved became “a beacon of hope for ourselves and other communities” (e.tv 1998).
A further project was the establishment of community vegetable gardens in Melkhoutfontein to improve levels of nutrition (A. Rossouw, interview, 15 July 1997, 14 April 1999).

In terms of the broader level of social service provision, it is to the credit of the local government that before it was legally obliged to join with Melkhoutfontein and provide basic services to it, the local government took the independent initiative in 1990 to formally apply to incorporate the settlement as part of Still Bay. This enabled the local government to apply for government funds to install roads and electricity and water supplies on behalf of the community, as they were then recognized as a formally constituted area. In addition, housing funds were secured from national government in 1996, leading to the construction of 40 houses, with a much higher standard than usual government specifications, to rehouse residents from informal shacks in Melkhoutfontein. The resultant elimination of shack dwelling must be virtually unique in South Africa, despite nearly a decade of concerted state action in housing improvement. A further housing scheme, undertaken in 2001, added another 100 houses to the stock in Melkhoutfontein and helped to significantly reduce the existing backlog of 200 homes (A. Rossouw, interview, 14 April 1999; J. Veldsman, interview, 7 February 2001; H. Michaels, Melkhoutfontein community leader, interview, 7 February 2001). Another initiative has involved securing donor funding and support from the church to upgrade the educational facilities in Melkhoutfontein through the building and equipping of new classrooms (M. Kleynhans Jr., interview, 8 February 2001). These achievements have improved social conditions, and although more still needs to be done, as interviews with key individuals testify, these actions have helped to promote racial reconciliation and lay a basis for a program of economic development.

ECONOMIC DEVELOPMENT

In addition to addressing social development needs, an improvement in the economic health of Still Bay and Melkhoutfontein has also taken place, which has helped to meet the very serious challenges of economic stagnation and the decline of the fishing industry. While targeted initiatives to create jobs for former fishermen were initiated, the real economic turnaround has come about through a concerted effort to strengthen and diversify the local economy through promoting the communities as a tourism destination. Although Anthea Rossouw also played an important role in this process, other stakeholders, including local business leaders, took a leading role. Some of the key elements in the economic development process will now be considered.
Employment Creation in Melkhoutfontein

The success in creating jobs for the inhabitants of Melkhoutfontein has largely been as a result of the expansion of the private sector in Still Bay. However, some noteworthy job creation projects have been undertaken within Melkhoutfontein itself. The unemployed fishermen, who were affiliated with the provincial Fisherman’s Trust, were encouraged to sell the fishing quota that they had been granted and to use the funds to buy the necessary land and equipment to make bricks, chop firewood, and produce charcoal from the invasive acacia and willow species in the area (Southern Cape turn around 1995; Still Bay gets cracking 1997; A. Rossouw, interview, 15 July 1997). Training in these activities was again provided by retired members of the Still Bay community, indicating the degree of reconciliation and support that has emerged between the two communities. At present, the enterprise is on a small scale, and it seems that the brick-making and charcoal-burning businesses are not as lucrative as employment in the formal-sector building industry. However, a magazine article reported that the firewood production business in Melkhoutfontein actually services all the towns on the Cape South Coast (Community organizations 1998). In the 1996-1997 season, some 250,000 pieces of wood were cut and sold by the business. According to Henry Michaels, a local councillor and chair of the Fisherman’s Trust, the firewood business, involving some 25 men, has “turned around the lives of dejected fishermen” (e.tv 1998; Still Bay gets cracking 1997). In total, some 45 former fishermen have found reemployment through the firewood business and other activities (A. Rossouw, interview, 15 July 1997).

Tourism Promotion and Broader Economic Development

While these employment and training achievements are noteworthy in a community as small as Melkhoutfontein, the development of tourism and related activities has played a more important role in the economic renaissance of Still Bay. In the light of concerns about the stagnant nature of the local economy, and recognizing that the town had significant exploitable tourism assets, Anthea Rossouw initiated a tourism development initiative that was parallel to the community development initiatives in Melkhoutfontein. This involved the establishment of the Tourism and Economic Forum in the early 1990s, which drew in key stakeholders in the tourism and business communities and the local Chamber of Business, and whose objective was to launch a tourism-based economic boom in the area. The Tourism and Economic Forum argued that “the whole future of the town lay in tourism” (e.tv 1998; J. Olivier, interview, 11 May 2001). In the absence of an
industrial base or exploitable natural resources, and given the small size of the town, the pursuit of a tourism-based strategy has been inevitable. Key achievements of the forum included the identification of a distinctive brand image for the town, which was successfully promoted, and the opening of two tourism bureaus, one in Still Bay and another linked to the tourist-related development in Melkhoutfontein (H. Ferguson, tourism official, interview, 14 April 1999; S. Kleynhans, tourism official, interview, 7 February 2001; A. Rossouw, interview, 14 April 1999).

The Tourism and Economic Forum realized that from an economic perspective, certain unique aspects of the local environment should be promoted. Recognizing that Still Bay could never compete with larger and more prosperous coastal centers such as Knysna and Plettenberg Bay, with their hotels and various entertainment facilities, the forum promoted Still Bay as a place of tranquil beauty, with a deliberate absence of the sort of vibrant holiday activity found in other centers along the Garden Route. They chose to market Still Bay with the logo “Bay of Sleeping Beauty,” and with well-targeted publicity, the town was promoted as a place for relaxation in a peaceful, effectively crime-free environment. This strategic identification of a niche market seemed an appropriate response to the limited holiday facilities, the area’s striking natural beauty, and its potential as an ecotourism destination. Furthermore, there was much concern among local residents that development should not spoil the serenity that they greatly valued (A. Rossouw, interview, 14 April 1999, 7 February 2001; J. Olivier, interview, 11 May 2001). A conscious effort is being made to upgrade accommodation and other facilities while ensuring environmentally friendly development and restricting disturbance from such things as motorized craft on the river. Specialized design signage has been erected, and through marketing, attempts have been made, with some degree of success, to try and make Still Bay a year-round destination. With the relative isolation of the town and its limited facilities, most tourists, second home owners, and retirees are South Africans. Even though the country has experienced a boom in international tourism since the 11 September 2001 terrorist attacks on the United States, because of its perceived safe status and quality of infrastructure, Still Bay continues to rely almost exclusively on the local market.

Attention in Still Bay has been directed toward attracting various off-season activities such as sporting events (rugby and fishing) and the hosting of an annual Strandlooper Festival in September, a cultural event based on the archaeological heritage of the area. The promotion of annual events, such as whale watching and flower spectacles, has also been encouraged, in addition to celebrating the area’s significant archaeological heritage (J. Marais, business chamber chairman, interview, 11 May 2001). In parallel, the Tourism
and Economic Forum has also identified certain niche market groups as potential permanent residents and has achieved some success in attracting to the town early retirees and telecommuters, who have established their work base in Still Bay, making infrequent visits to their more distant business headquarters by using the airport at George, about an hour’s drive from Still Bay (J. Marais, interview, 11 May 2001; J. Olivier, interview, 11 May 2001).

Tourism bureau staff have worked hard to promote the town through the production of a range of publicity brochures and advertisements in the print media, as well as through the timely release of newsworthy events to the press and electronic media. Probably their most ingenious publicity initiative demonstrated the effectively crime-free nature of the town to a crime-ridden country. A story and pictures were released of the local police officers touring the town in a purpose-built donkey cart, illustrating that since crime was effectively nonexistent, such a form of transport was perfectly adequate. This story was carried by most major newspapers in South Africa and also by many television stations in Europe and North America (A. Rossouw, interview, 14 April 1999, 7 February 2001). Such a deliberate pursuit of the eccentric, as well as the promotion of the “Bay of Sleeping Beauty” and the portrayal of Still Bay as the safest town in South Africa, has clearly contributed to the economic expansion of the town (H. Cronje, hotelier, interview, 7 February 2001; J. Olivier, interview, 11 May 2001). Although the claim of a low crime level is difficult to verify relative to the national experience, the small size of the town and virtually full employment should inevitably lessen socially undesirable behavior.

It was realized that tourism needed to be seen as the cash cow in Still Bay and Melkhoutfontein (A. Rossouw, interview, 14 April 1999), around which further social and economic development could occur. In addition to attracting tourists to experience the area’s natural beauty and tranquillity, various tourist facilities have been created. These include the following:

- Construction of a craft center at Soeterus in Melkhoutfontein and the training of 26 women in various craft industries, using local products, colors, and designs. Locally produced goods are sold directly to visiting tourists at the center, as well as being marketed to major retail outlets in Cape Town.
- Creation of the country’s first botanical gardens within a township, in which plants indigenous to the southern Cape have been collected and established. Visits are arranged for organized tour groups to the garden and the center, together with the preparation and serving of traditional foods in a purpose-built eating area.
- Formal training of a community member as a tour guide to oversee and further develop this activity.
It is significant that tourism marketing has not bypassed Melkhoutfontein but has instead actively incorporated it as a key asset, to the benefit of the local community. As one community member observed, “There have been important changes and improvements in Melkhoutfontein too” (J. Daries, community gardener, interview, 14 April 1999).

The General Expansion of Still Bay’s Economy

While the Tourism and Economic Forum and the Chamber of Business identified new growth options, with the exception of providing the aforementioned facilities, their role has focused mainly on marketing the town and facilitating its development and economic growth. The results of this place marketing have been significant, attracting private investors and generating benefits for both the local economy and the community. Some of the most important results achieved in the local development process include the following:

- The number of formal small enterprises (i.e., less than 50 employees) in Still Bay has tripled from approximately 60 in the mid-1990s to the present total of 191.
- The number of accommodation establishments increased from 2 to 13 between 1996 and 2001.
- Approximately 700 permanent jobs have been created among the local people and workers who travel daily some 50 kilometers from the town of Riversdale. The new jobs are mainly in the building industry, involving the construction of new homes and businesses. Many of those who have undergone training in Melkhoutfontein have found permanent jobs in the construction industry and in newly opened businesses.
- A key result of the development initiatives has been a dramatic decline in the area’s unemployment levels, from a peak of 85% in Melkhoutfontein in the 1980s to virtually zero in 2001.
- There has been a significant growth in the overall number of tourists visiting Still Bay and Melkhoutfontein in response to the marketing initiatives. Tourist numbers are currently estimated at 25,000 per annum, almost twice the 1998 total (e.tv 1998; A. Rossouw, interview, 14 April 1999; H. Cronje, interview, 7 February 2001; J. Veldsman, interview, 7 February 2001; J. Olivier, interview, 11 May 2001).
- During the 1990s, the number of permanent residents in Still Bay tripled, and nearly 250 new houses were built (J. Veldsman, personal communication, 2001).
- The generation of near full employment has led to Still Bay having, allegedly, “the lowest crime rate in South Africa and [being] one of the safest places in the country” (A. Rossouw, interview, 7 February 2001).
The new businesses in Still Bay are concentrated on the west bank of the river, and a small industrial area serves the needs of the building industry. While tourism remains largely a seasonal activity, the growth in the service and building sectors now enables the Still Bay economy to continue to function out of the main tourist season, particularly during the winter months of May, June, July, and August. Private enterprise has given work to those who could not find employment in the projects initiated by the community committee. Local business leaders are extremely positive about what has happened, and one entrepreneur claims that “business is definitely much better . . . there has been a massive growth in turnover” (H. Cronje, interview, 7 February 2001). According to the chairman of the local Chamber of Business, “We really have a special town, and we can constantly see an improvement from our side” (J. Marais, interview, 11 May 2001).

These economic successes should not take detract from the achievements of Anthea Rossouw and the Community Development Committee. The marketing of the town as a tourism destination and a place in which to invest, together with the upliftment and empowerment of the historically disadvantaged colored community, has helped address development backlogs and has laid the basis for engendering a spirit of collaboration and partnership.

EVALUATING THE LOCAL RESPONSE

Most of the community-based and economic initiatives started in Still Bay in the late 1980s and during the 1990s have produced tangible results. For example, those who did not previously have water, electricity, housing, and employment now have it. The services are not substantial, but at least they are now present. Furthermore, although much more needs to be done, relationships between the people of Still Bay and Melkhoutfontein have improved, and a recognition of the need to work together is acknowledged, as verified by interviews with key individuals in both communities. The development process has successfully helped to address poverty issues, as testified by the creation of near full employment and meaningful improvements in living standards. There is also a strong sense that gender empowerment has taken place. Since women were the first to be trained and employed in Melkhoutfontein, this has enhanced the position and perception of women within the community.

In many ways, the experience of Still Bay is a noteworthy example of the potential of LED, under the right conditions, to transform a small town, reorient its economic focus, and improve living conditions. Some of the important factors responsible for this successful LED include the following:
Strong local leadership, with a clear vision. Given the small size of Still Bay, with a population of 4,000, it is far easier for a local champion to coordinate, maintain, and execute projects than it would be in a larger center. The fact that there was a local champion (Anthea Rossouw) who could coordinate and receive support from stakeholders, both white and colored, in a mission to improve conditions for all is significant, as is the seemingly low levels of opposition to such plans from the residents and authorities in the town. According to the colored community leader, Moses Kleynhans Jr., “Mrs Rossouw . . . pulled us out of poverty and gave us life” (e.tv 1998).

Quite unlike the scenario elsewhere in South Africa, the poor section of the community is outnumbered by the wealthier section, which has made development targets easier to attain.

The prevailing spirit of reconciliation and the sensitive establishment of proactive partnerships are also important. The fact that the majority of people in Still Bay and Melkhoutfontein speak the same language, Afrikaans, has facilitated communication between the white and colored communities. The willingness of retired members of the white community to train and assist others is noteworthy, as are the actions of the local church in fostering harmony and collaboration. The development process has been apolitical and has avoided the difficulties of rivalry and vested ownership that can so often threaten such initiatives.

A sense of ownership in the project was created, with Melkhoutfontein residents being able to claim “we are very proud” of the initiative (e.tv 1998). Getting involved has instilled commitment to the process and has helped to ensure its success.

A series of practical and viable development strategies, driven by the needs of the community, has been identified.

Economic growth based on the use and marketing of local resources, skills, and potential has been crucial. The rapid expansion of the private sector, based on the town’s inherent growth potential, seems to have been the key catalyst of change, a process in which the role of local facilitation agencies was clearly significant.

A highly successful place marketing campaign was adopted to attract external investment based on local tourism assets.

A wide range of internal and external stakeholders and funders, including government and parastatal bodies, provided support and involvement in the development process. This was of critical importance in achieving the necessary investment in infrastructure, training, and facilities.

A supportive local government has made resources available and has secured funds from government sources to improve local living conditions. Nearly R 500,000 was secured for service provision and infrastructure from national and provincial tiers of government in the 1990s (A. Rossouw, interview, 14 April 1999). Local government was also prepared to abandon old forms of administration that concentrated on service provision and top-down development, and
it readily accepted the development directive taken by the Community Devel-
lopment Committee to support the most destitute people in the area.

• Institutions such as the Jagersbosch section 21 company, the Tourism and Eco-
nomic Forum, the Community Development Committee, and the Chamber of Business have been established. These organizations have undertaken suc-
cessful joint ventures and embarked on ambitious place marketing campaigns

Many of these factors are clearly in line with established wisdom regarding
the key ingredients for successful LED. Several of the aspects that Stöhr
(1990) has recognized are present in Still Bay and Melkhoutfontein, includ-
ing initiative and entrepreneurship, flexible institutional structures, local co-
operation and information exchange, the presence of a key individual, and the
reality that the most successful initiatives are those that are “indigenously
triggered and orientated towards mobilization of local entrepreneurial re-
sources, economic diversification, the introduction of new products, the up-
grading of skills and the introduction of new organizational forms for eco-
nomic, cultural and training activities” (Stöhr 1990, 5).

Equally important in the Still Bay experience have been “the packaging
and marketing [of] the urban place commodity” (Archer, in Demaziere and
Wilson 1996, 241) through an innovative and successful place marketing ini-
tiative, the establishment of local-level partnerships, and the undertaking of
projects as joint ventures (Nel 1999). Also fundamental to the economic suc-
cess of the initiative has been the fact that an economic strategy was progress-
vively pursued in parallel with a more socially responsible and empowering
initiative in Melkhoutfontein. Significantly, without the realization of the
need to work with the private sector, the economic and employment results
achieved by the LED endeavor would possibly never have been achieved.
Simultaneously, socially responsible action has clearly led to an improve-
ment in living conditions in Melkhoutfontein and has provided people with
the necessary skills to join the formal sector. The collaboration demonstrated
between the white and colored communities provides an important moral les-
son in such a racially divided society as South Africa (e.tv 1998; S. Kleyn-
hans, interview, 7 February 2001).

But the development process in Still Bay has not been without its fair share
of difficulties. The local leaders openly testify as to just how difficult it is to
motivate people, pressurize government, address entrenched racial preju-
dice, approach other agencies for support, and embark on projects that do not
always succeed (A. Rossouw, interview, 14 April 1999; M. Kleynhans Jr.,
in interview, 7 February 2001). A frustrating shortage of funds has, on many
occasions, slowed down the implementation of the various development
projects. From a social perspective, the process cannot be said to be without its handicaps. For a section of the white community, as elsewhere in the country, decades of discrimination and negative, racially based stereotypes do not disappear overnight, and reluctance to change is common. Fortunately, such opposition does not seem to have affected the overall development process significantly. Also on the negative side, for all practical purposes and based on historical reasons, the two communities remain physically separate. Racial reconciliation and positive economic change have not yet led to a significant relocation of colored people from Melkhoutfontein into Still Bay. People tend to remain in their historically separate areas, although somewhat ironically and through the development process, social, educational, and health services in the two settlements are now broadly comparable. An additional but very real concern is that tourism-led development, while creating jobs, may well lead to members of the colored community remaining as low-income laborers, working on the construction and servicing of the homes of wealthy retired whites, second home owners, or holidaymakers.

Furthermore, despite strong efforts to promote Still Bay as a year-round tourist destination, success has been slow to be achieved. A key issue is that local facilities are still not fully used throughout the year, such that business turnover is slow and certain types of employment are somewhat tenuous for much of the year (H. Cronje, interview, 7 February 2001). With the exception of a few small industries, most businesses are largely dependent on income generated during the main tourist season (J. Marais, interview, 11 May 2001; J. Olivier, interview, 11 May 2001). There is potential danger in the fact that tourism is really the only economic activity, relying on the holiday season to cover a shortfall in profits during the off season. If the tourist trade were to decline rather than grow, both Still Bay and Melkhoutfontein would undoubtedly suffer. Experience elsewhere suggests there is an inherent danger in depending on a single activity in any economy, and further diversification of the economic base is necessary. A very real concern must be the fact that so many jobs depend on the building and tourism industries, both of which are characterized by fluctuating fortunes in South Africa as elsewhere in the world. As long as the country continues to enjoy a tourism boom and people seek to relax and retire in Still Bay, it is likely that the local economy will grow. But should this change, for whatever reason, the effects on the town could be very serious indeed. Local leaders have debated at length the difficult dilemma of how to encourage economic growth and diversity while wishing to preserve the character and tranquillity of the town (J. Marais, interview, 11 May 2001; J. Veldsman, interview, 7 February 2001).
REFLECTING ON THE EVIDENCE

The local economic development experience in Still Bay and Melkhoutfontein has clearly been a significant one, in which meaningful improvements in human welfare have taken place, the economy has been transformed, most job seekers are now employed, and investment is taking place. The experience vividly reaffirms just how important place marketing can be as an economic development tool, particularly when there is a tangible asset to promote (Rogerson 1999a, 1999b)—in this case, tourism potential. The experience also testifies to the potential of a tourism-based strategy to achieve significant economic development, even though tourism might be accused of being a vulnerable and fickle growth sector (Williams 1998).

Issues of local leadership, joint venturing, and the economic orientation of the initiative also clearly stand out in the experience. The presence in the town of a charismatic social entrepreneur, Anthea Rossouw, has clearly been a key catalyst in the economic and social renaissance. Even though such social entrepreneurs might be few and far between (Nel and McQuaid 2001; Nel, Binns, and Motteux 2001), the role model and practicalities of what was pursued are inspirational in their own right. While a key reason for the initiatives’ success would seem to be the small size of the town and the resultant ability of local leaders to clearly appreciate each other’s needs and perspectives, leading to the motivation and involvement of the wider community, this does not ultimately detract from the potential of other towns pursuing similar strategies and looking to Still Bay for inspiration.

Having reflected on the Still Bay experience, it seems appropriate to question whether it is unique or whether it could be replicated elsewhere. Place marketing has worked in Still Bay because there is clearly a very defined product to market with very real growth potential. However, not all centers are so fortunate, and many may be unable to drive economic change through the marketing of local assets. By the same token, the tourism assets of Still Bay have given the town a unique advantage, while less well-endowed centers may have to rely on more modest initiatives dependent on local skills and resources. While issues such as the small size of the town, a common language, significant tourism assets, and committed local leaders are not found in every town, some elements that are more generally applicable can be discerned. These include the need to foster community and racial reconciliation, seek common ground, encourage local leaders, focus on economically viable growth options, work through partnership arrangements, raise funds to address social backlogs, and build on the strengths of the local area and
community. The Still Bay experience indicates that all these issues, including racial reconciliation, can and should be embarked on. These factors are fundamental to successful LED and the principles embodied in the new South African policy on developmental local government (RSA 1998).

Successful development initiatives elsewhere can only be ensured if leadership remains dynamic and flexible and does not lose the trust and support of the community. There is a strong need to identify and nurture potential local change agents to take the lead and to identify economically viable development strategies that can simultaneously address issues of community development, economic growth, and job creation. Evidence from Still Bay and elsewhere suggests there is a need to work in cooperation rather than competition with the private sector; the community should not develop a sense of passive dependency but rather must become actively engaged in the improvement of people’s own livelihoods. The involvement and support of local government are also important, as is the need to be able to access external funds to address local shortfalls. Undoubtedly, one of the most vital issues in creating a sustainable local development process is to work toward diversifying a local economy away from its historical and often somewhat restricted base, drawing on options that are evident from an evaluation of local resources and human skills.

NOTES

1. The term township is widely used in South Africa to refer to black or colored urban settlements that, under apartheid policies of enforced racial segregation, were created quite separate from white settlements, in many cases located on the edge of the urban area.

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