# ARTICLE IN PRESS

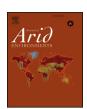
Journal of Arid Environments xxx (xxxx) xxx-xxx

FISEVIER

Contents lists available at ScienceDirect

### Journal of Arid Environments

journal homepage: www.elsevier.com/locate/jaridenv



# The 'Small Town Paradox' and towns of the Eastern Cape Karoo, South Africa

#### Danie Francois Toerien

Centre for Environmental Management, University of the Free State, PO Box 339, Bloemfontein 9300, South Africa

#### ARTICLE INFO

#### Keywords: Entrepreneurial development Productive knowledge Enterprise richness Population dynamics

#### ABSTRACT

Some small towns regress whilst others grow, i.e. a 'Small Town Paradox' (STP). Differential accumulation of productive knowledge could possibly be its cause. Suggestions that small towns in the Eastern Cape (EC) Karoo, South Africa survive only as a result of a state welfare system suggest that the STP does not occur in this semi-arid region. Productive knowledge (measured as enterprise richness) and demographic shifts between 1946 and 2015 in EC Karoo towns were analysed. Whilst all populations increased, the productive knowledge of three small towns increased but that of five small towns regressed. The STP is present in the EC Karoo. The contrarian success of the three towns is apparently due to strength in two business sectors: agricultural products and services, and tourism and hospitality services. These sectors are important in generating monetary inflows into the local economies of EC Karoo towns. The successful small towns are innovatively using tourism resources available to them, including tourists on national routes, the attractions of wilderness areas and a national park, gay tourism, game farms and hunting. Productive knowledge seems to play a part but aridity not. Development plans of towns in arid and semi-arid environments could benefit from these findings.

#### 1. Introduction

Small towns account for a significant fraction of the total population in many regions of Europe, North America, Australia, New Zealand and Japan (Kenyon and Black, 2001). For instance, in the United States (U.S.), more than 97% of cities have fewer than 50 000 residents (Mayer and Knox, 2010). Hinderink and Titus (2002) mention that despite the fact that many people believe that small towns play an essential role as regional service centres in rural hinterland development through direct production linkages, 'spread' and 'trickle down' effects, hardly any evidence has been found to suggest that small towns really initiate rural hinterland development, and yet small towns are the fastest growing places in the U.S. (Mayer and Knox, 2010). There are also small towns across rural America that are struggling. They face stern economic and social challenges, including population loss, a rise in mental health issues among teens such as substance abuse and depression, and losses of key economic infrastructure and community institutions (Crabtree, 2016). In contrast, some communities are finding ways to overcome the challenges they face. This is also true for towns in Australia (Tonts, 1996; Kenyon and Black, 2001) and Israel (Portnov, 2004).

Some small-town communities in Australia have shown remarkable economic persistence and population stability and even growth (Tonts, 1996). Contributing factors include local government development

initiatives, specific local conditions, urban push factors and small-scale flexible industry. Kenyon and Black (2001) mention that rural renewal involves a sustained and united effort by the whole community to improve the local economy, quality of life and future options. It represents a process of planning, action, organisation and learning where community residents enhance and balance the local economic viability, community well-being and environmental health of their community. Renewal is about local people taking responsibility for their preferred futures.

Various reasons have been advanced for the regression of small towns. A major economic factor in rural Australia has been the economic decline of agriculture. Arising pressures have moved agricultural production onto fewer and larger farms (Kenyon and Black, 2001). Reduced need for farm workers has led to out-migration, the nature of the services provided to farms by the communities has changed and the level diminished, and the formerly close relationship between farms and rural communities has declined (Collits and Gastin, 1997). Many rural people are angry, frustrated and upset about low commodity prices, eroding rural infrastructure and services, and the perceived lack of government attention (Kenyon and Black, 2001). The declining quality of life has become a major social pressure. Virtually every measure of the standard of living, e.g. income, health, education, aged care, access to services, infrastructure and housing in rural Australia, is either stable or declining. Australian towns that have experienced at

E-mail address: Toeriend@ufs.ac.za.

https://doi.org/10.1016/j.jaridenv.2018.04.001

Received 16 November 2017; Received in revised form 30 March 2018; Accepted 4 April 2018 0140-1963/ © 2018 Elsevier Ltd. All rights reserved.

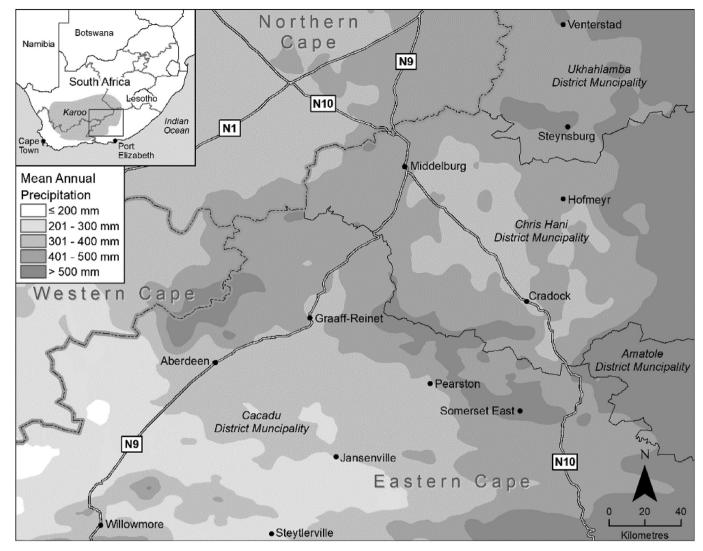


Fig. 1. Map of the Eastern Cape Karoo, its towns and rainfall patterns.

least 20% population loss since 1976, suffer from at least one of the following: a depleted local mineral resource, technological advances that have reduced manufacturing workforces, the lack of a market for goods manufactured in the town, farm aggregation reducing workforces, competition from large towns, mining operations that switched to fly-in, fly-out operations, and physical isolation from main highway systems (Australian Bankers Association, 1998). There is also an uneven economic and social struggle between many of the smaller communities and regional centres in Australia (Kenyon and Black, 2001).

Many of Israel's development towns (e.g. Sederot, Ofakim, Yeruham and Bet Shean) have never reached a phase of rapid and sustained growth, i.e. their 'socio-economic take-off' points. The population growth of these towns remains sluggish, and the indicators of employment and welfare lag well behind those achieved by more successful urban communities, e.g. Ashqelon, Karmiel, and Ashdod (Portnov, 2004). The absorption of new immigrants in some Israeli towns is marred by tensions between the newcomers and the veteran population, some occurring over scarce employment opportunities.

There is an obvious paradox, here named the Small Town Paradox (STP), in the fact that some small towns do well whilst others struggle. None of the above studies has focused on productive knowledge as a factor in the STP. Hausmann et al. (2017) promote the concept of productive knowledge, i.e. collective knowledge to make/deliver hosts of products and services, as an explanation as to why there are

enormous income gaps between rich and poor nations (discussed more fully in section 2.3). Toerien (unpublished data) suggests that differences in the levels of productive knowledge might explain the differences in the entrepreneurial development in towns. It was shown that the number of enterprise types in a town, i.e. its enterprise richness (Toerien and Seaman, 2014; Toerien, 2017), is a proxy for the level of its productive knowledge and helps to determine its wealth/poverty status. His approach enabled the comparison of the advance/regression of productive knowledge in towns with the growth/decline of their populations, an approach also used in this study. Growth of productive knowledge indicates entrepreneurial wellbeing in towns, or vice versa. Population growth coupled with the growth of productive knowledge indicates small towns that are increasing their contributions to regional development, a precondition for the presence of STP. However, population growth coupled with a decline in productive knowledge indicates increasing poverty and towns in regression.

The question as to whether STP is also present in arid and semi-arid settings deserves research scrutiny. The arid to semi-arid Karoo biome occupies  $427\,015\,\mathrm{km^2}$  or 35.1% of central South Africa (Cowling, 1986). It is a relatively contiguous part of South Africa, uninterrupted by physical barriers, international boundaries or the presence of major metropolitan areas (Nel and Hill, 2008). Karoo vegetation is a dwarf open shrubland used almost exclusively for extensive pastoralism that supported until recently primarily sheep farming. In other words,

## Download English Version:

# https://daneshyari.com/en/article/8848493

Download Persian Version:

https://daneshyari.com/article/8848493

<u>Daneshyari.com</u>