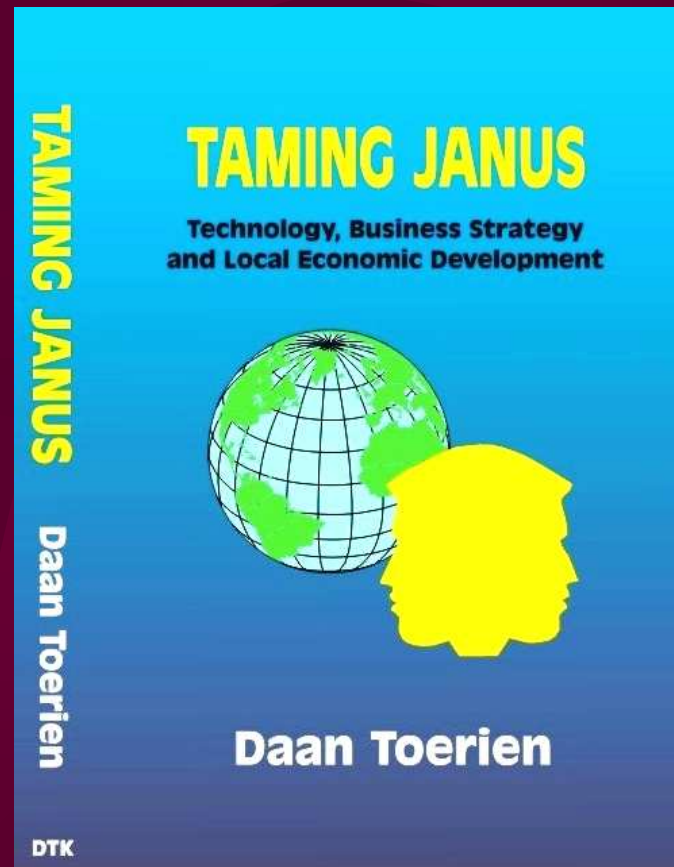


Promoting Rural Development in the Karoo - New Paradigms in Economic Thinking

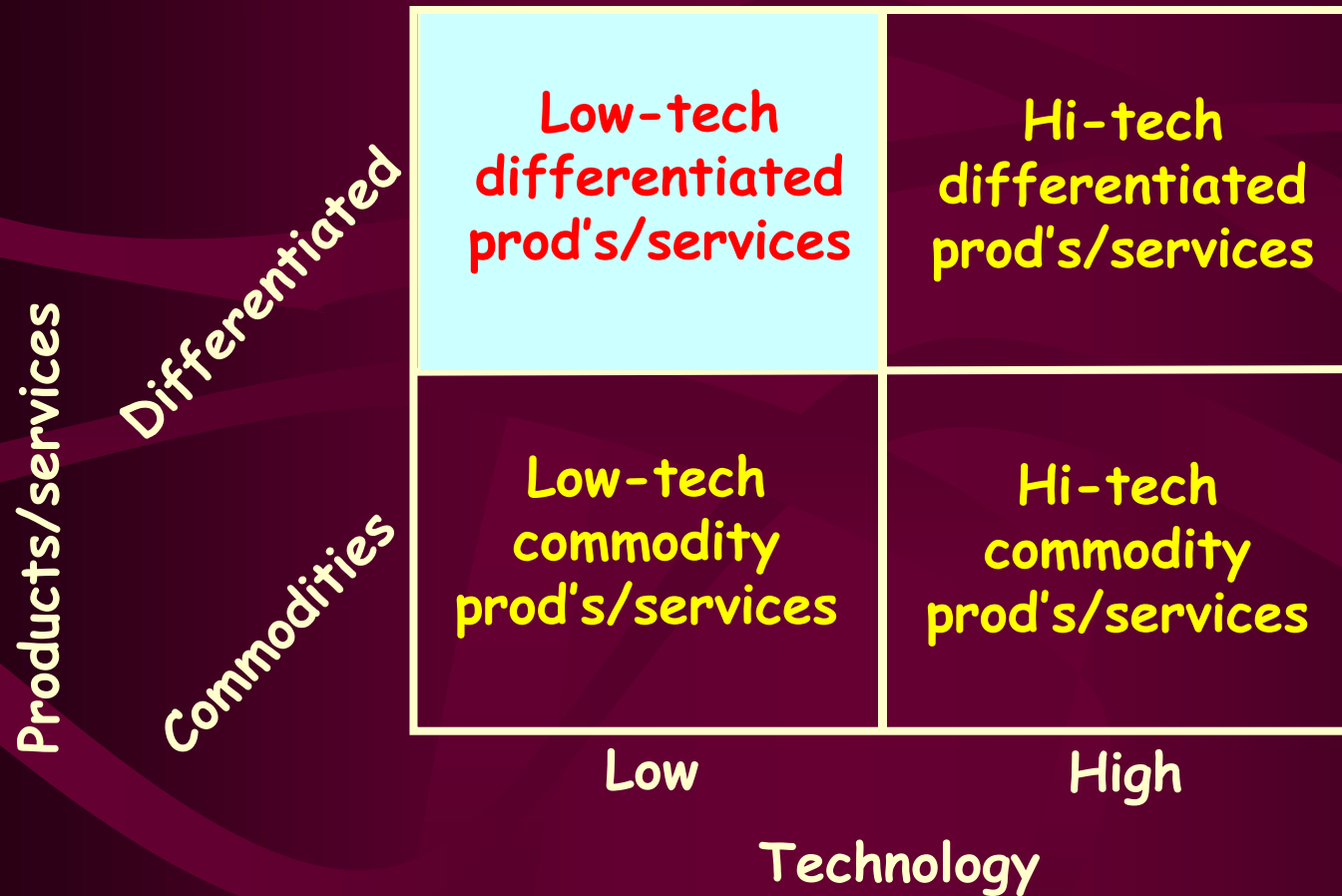
Daan Toerien



New Paradigms in Economic Thinking



New Paradigms in Economic Thinking



South Africa's Resource Curse

Minerals-Energy
Complex

2007 ~80 % of Our
Top Exports were
Commodities

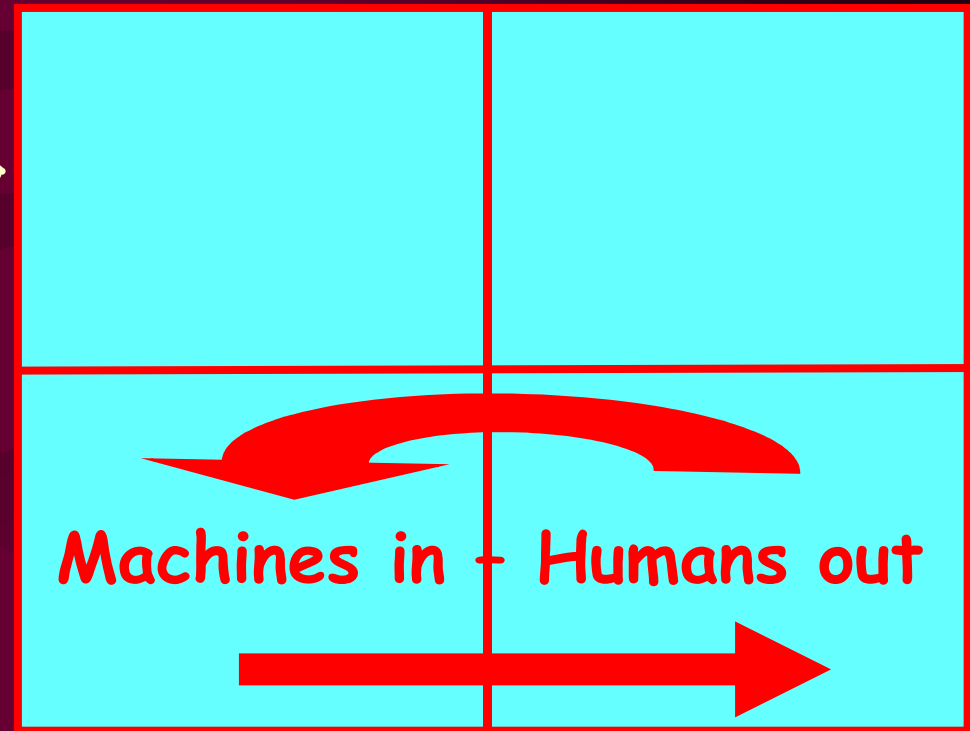
We refuse to learn

The Era
of
"Smart
Machines"

Products/services

Differentiated

Commodities



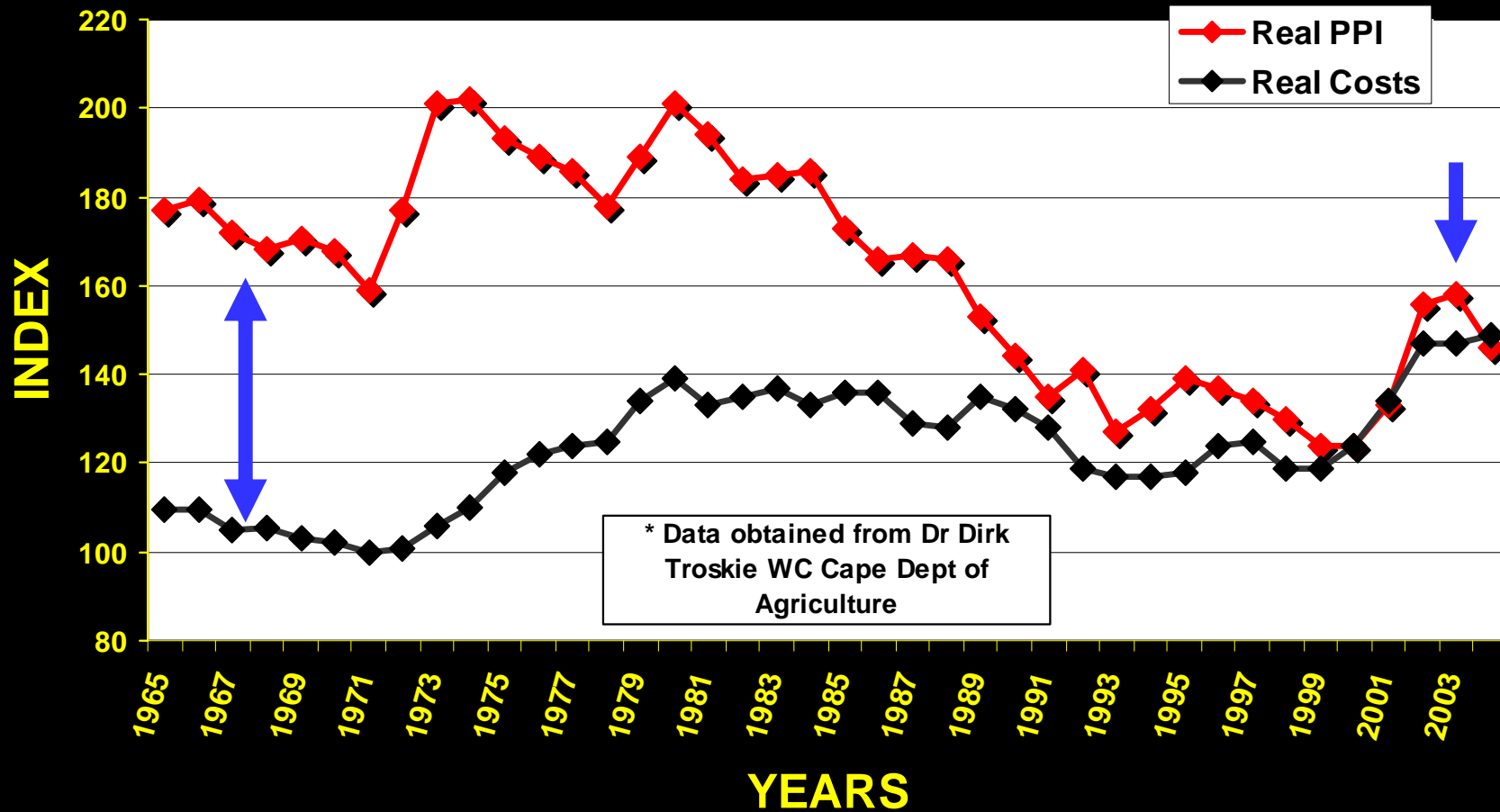
Low

High

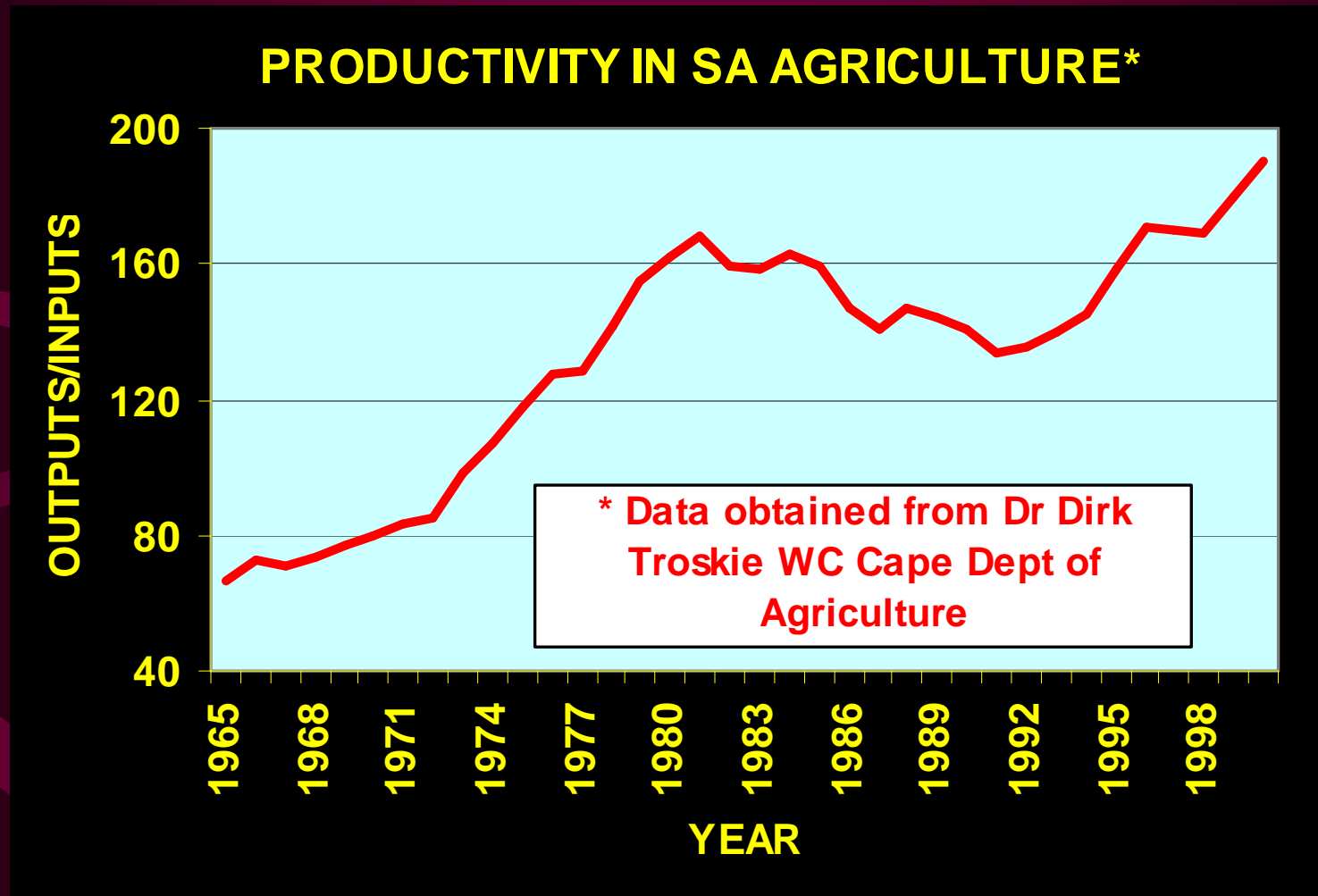
Technology

Agriculture as example

PRICE:COST PINCHER* IN SA AGRICULTURE

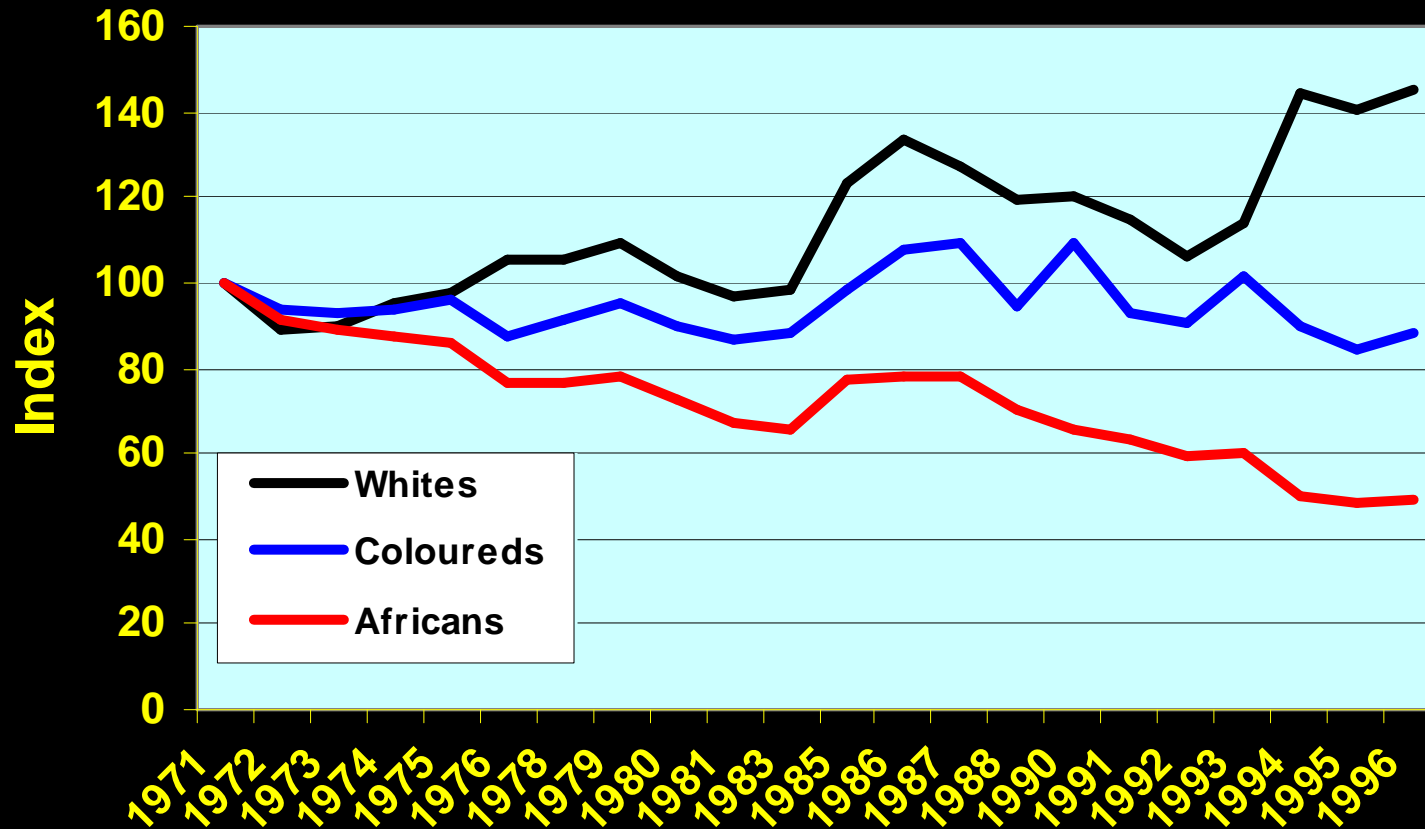


Agriculture's Response



Its Consequences

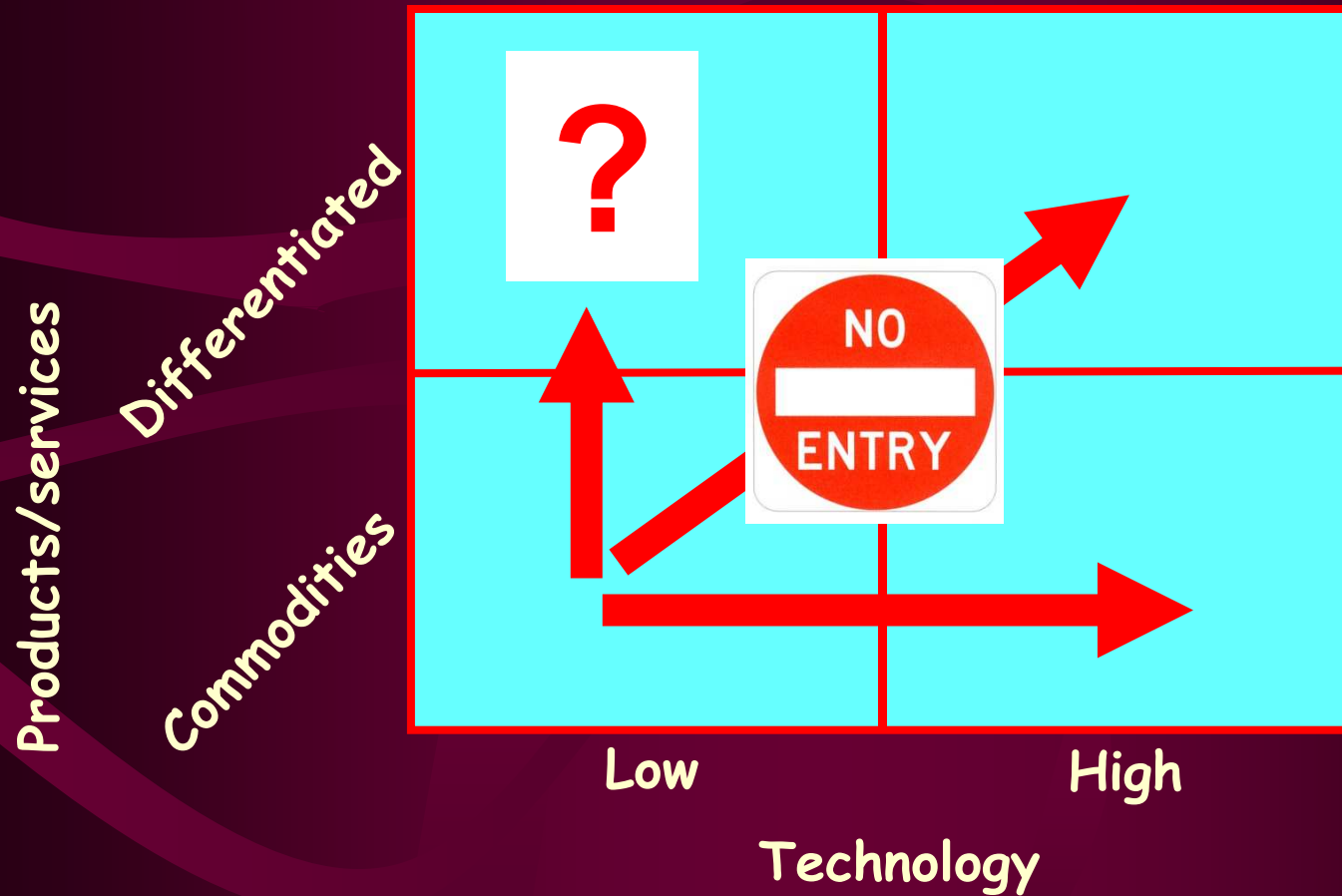
Workforce in SA Agriculture (1971=100)



Highest skilled

Lowest skilled

We refuse to understand



We Refuse to Learn from Low- tech Successes



What you can do
with "sugar water
with dubious taste"



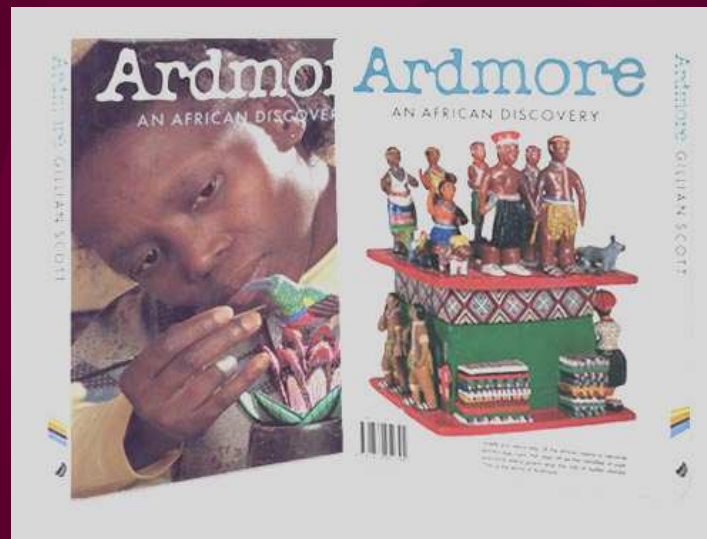
US\$ 65
billion

Also in Rural South Africa

Ardmore



Ardmore studio situated in the foot hills of Champagne Castle



Kapula Candles



Kapula Candles



Carrol Boyes



The biggest of
them all

South African Wines

South Africa's wine
exports according to FAO

1975 US\$6.5 million

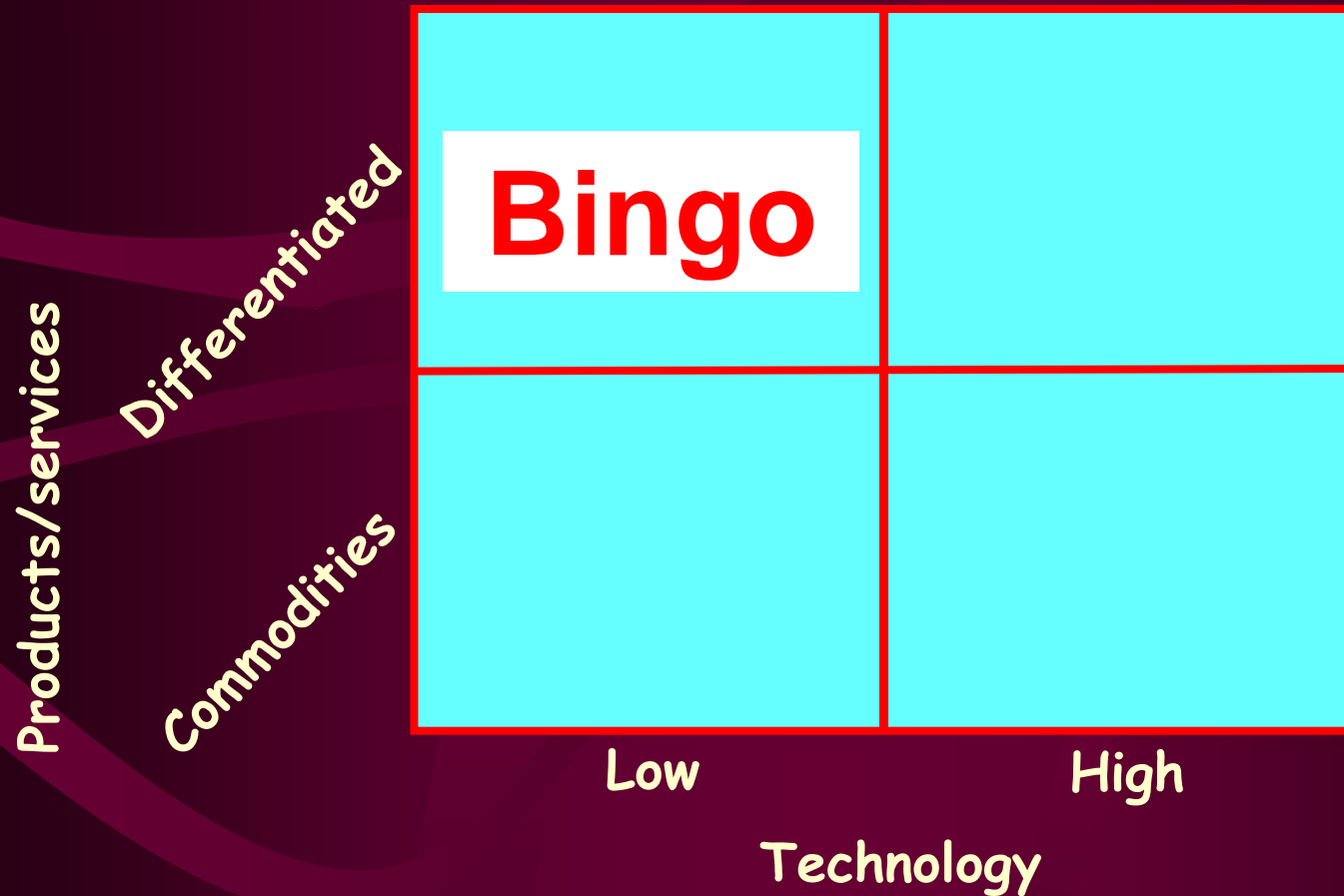
1994 US\$69.4 million

2004 US\$533.2 million

Sake24 Verslag

“Suid-Afrikaanse wynuitvoer skiet die hoogte in terwyl die wêreld 'n ekonomiese verlangsamingsbeleef, het me. Su Birch, uitvoerende hoof van Wines of South Africa, vandag gesê.”

Striking Pay Dirt in the Creative and Associated Industries



Importance of:

Human talent (doing what a machine cannot yet do)

Know-How

Attractions

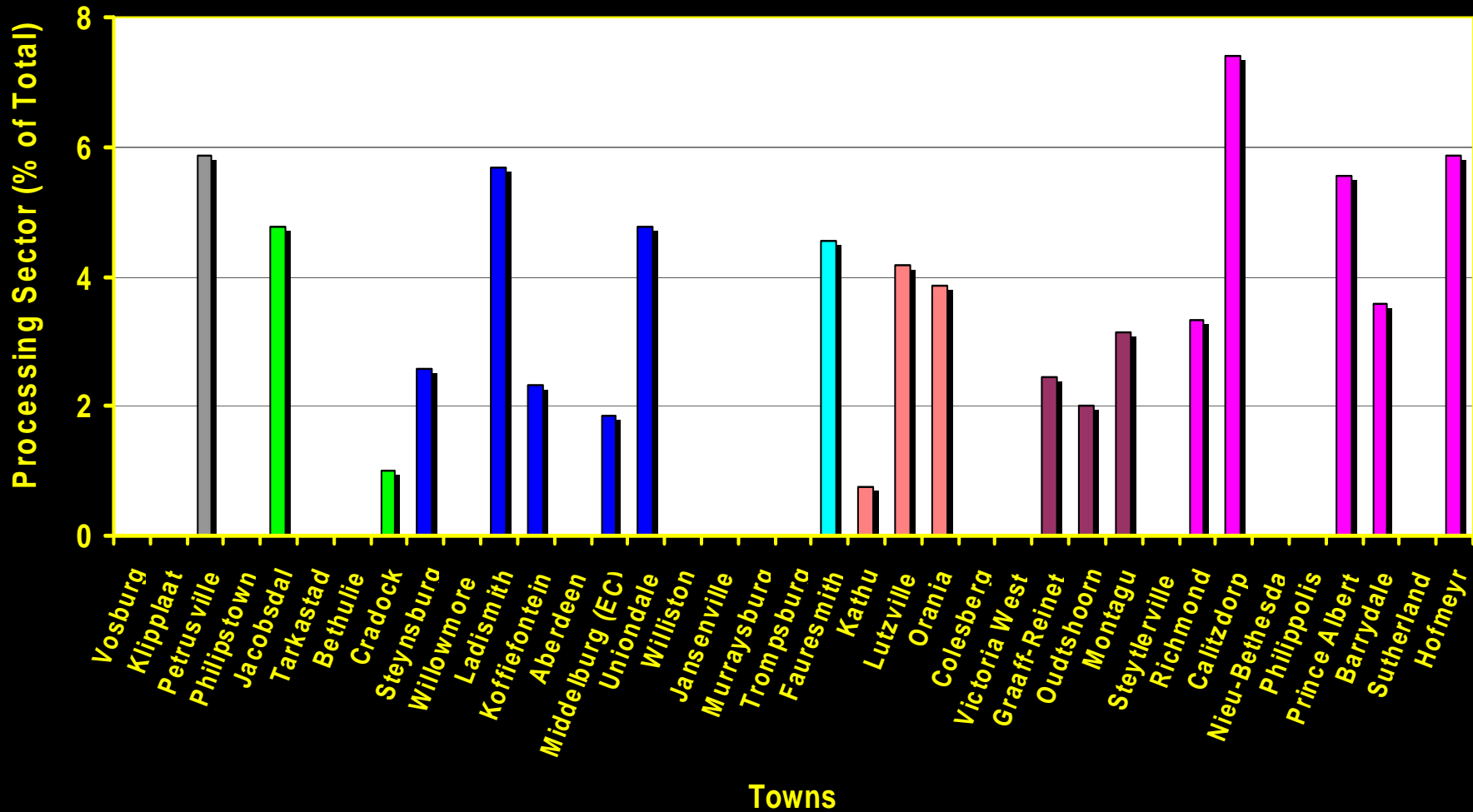
How are we doing
in SA towns,
including Karoo
Towns?

With Colleagues



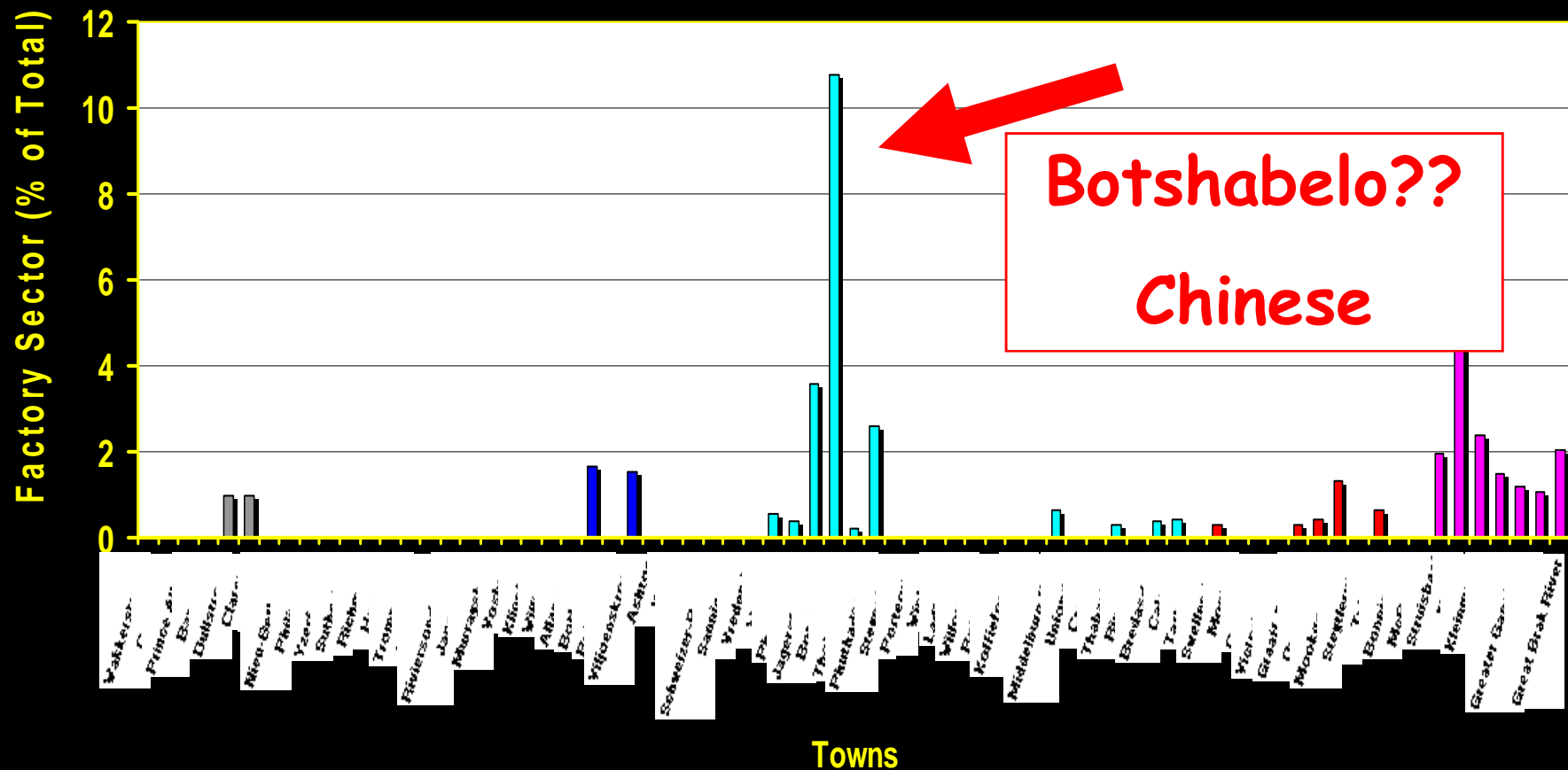
How are we doing?

Processing Sector in Arid Town Clusters



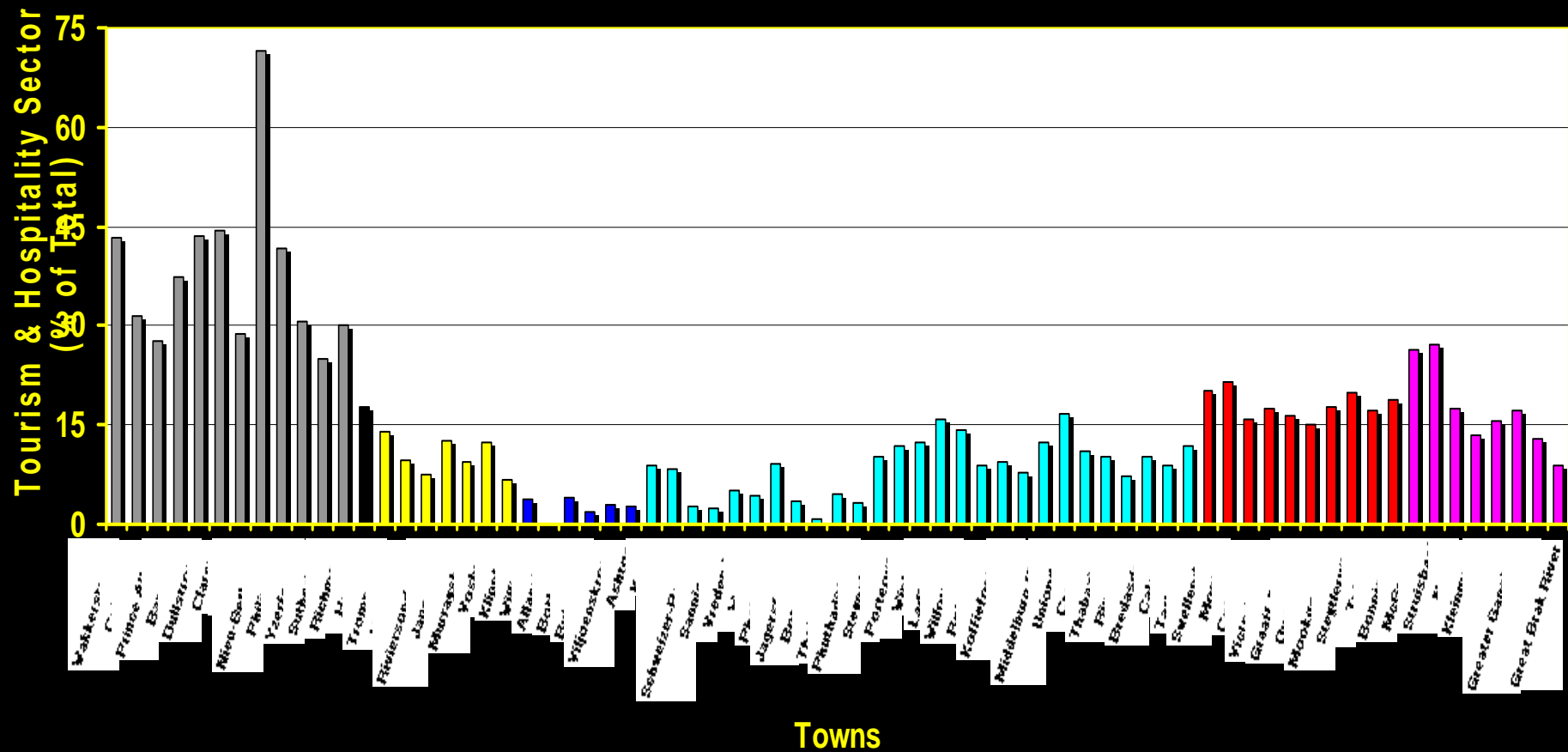
How are we doing?

Factory Sector in different clusters



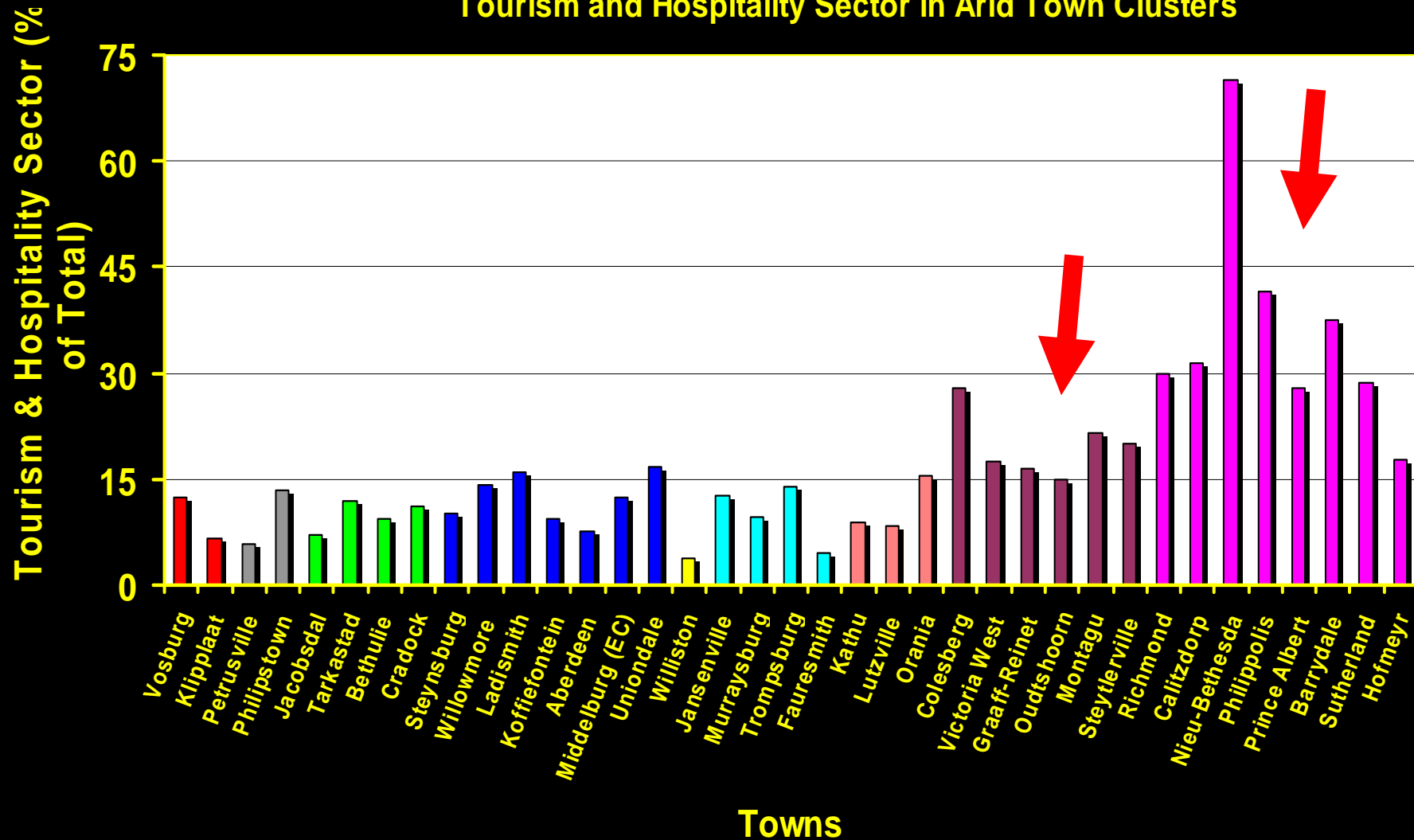
How are we doing?

Tourism & Hospitality Sector in different clusters



And the Arid Zone?

Tourism and Hospitality Sector in Arid Town Clusters



Oudtshoorn



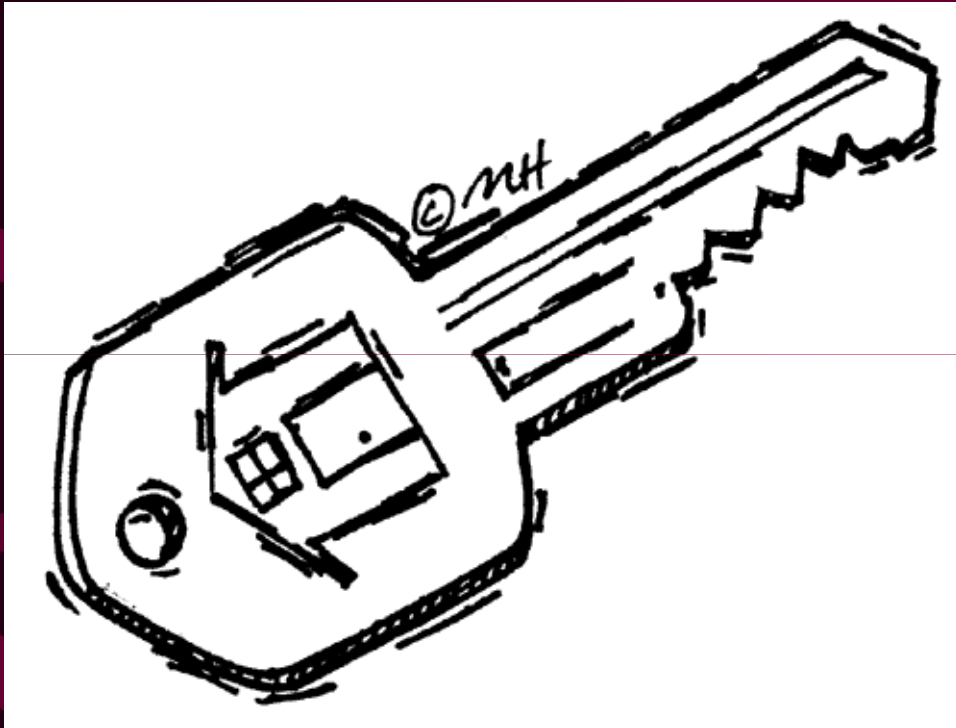
**We need
entrepreneurs
specialising in low-
tech differentiated
products/services**

Think
differently

Plan
differently

Train
differently

Implement
differently



Philippolis



Photo: Estelle Knoesen