

The 2010 World Cup and the rural hinterland: Maximising advantage from mega-events

Published in: Udesh Pillay, Richard Tomlinson *et al*, *Development and Dreams*, Human Sciences Research Council (2009).

Doreen Atkinson

In this chapter, regional tourism in non-host areas is considered as one of the potentially positive consequences of mega-events. What can such areas expect from a mega-event such as the 2010 Football World Cup?

The answer is a combination of unintended spillover effects and conscious strategies to maximise beneficial spin-offs. There is, potentially, a wide range of such strategies, whether at community or at governmental level. The latter can also be a complex amalgam of different official agencies, such as provincial governments, regional authorities or municipalities. In effect, a mega-event opens the door for numerous social and economic actors to become involved and to maximise their slice of the tourism windfall.

The chapter first examines the possible spillover effects on local communities, as understood in the international literature. Secondly, it reflects on the possible responses to mega-events by municipal governments, focusing primarily on some Australian case studies. Thirdly, we turn to the South African case and highlight the problem of regional inequality in tourism development – a problem that characterised South Africa for almost a century. The case study addresses a historically neglected area, namely the arid hinterland in South Africa, which includes the Karoo, the Kalahari, Namaqualand and the Little Karoo.

The chapter considers the possible spillover benefits for the arid hinterland, and the current level of planning to maximise advantages for the Karoo. This raises the question of the broader developmental impacts of rural tourism, how these can be maximised by a more holistic regional approach, and what actions municipalities may undertake to promote regional benefits in non-host areas.

By early 2008, the lack of government initiative to maximise spillover benefits raised some doubt as to whether such potential benefits would be actualised. But this negative assessment should be tempered by the fact that non-host areas have several advantages over host cities: they do not have to invest in major and expensive infrastructure; unlike the host cities, they are unlikely to have displacement effects and, in fact, their tourism demand may increase; and their improvements do not require a long lead time for major infrastructural projects such as stadiums.

In sum, non-host areas, particularly those situated near host cities or on main transport routes, have little to lose and a fair amount to gain in terms of bed

occupancy and marketing visibility. This chapter will show that non-host areas can benefit from tourism, as sports fans travel from one host venue to another, as well as from tourist excursions and even fan park events, where games are watched on big-screen television.

It is up to the towns to market themselves and to put themselves on the radar screen of 2010 World Cup travellers. The main difficulty is that smaller towns lack the planning and marketing capacity of the large cities.

This study faced some challenges. Internationally, very little research exists that examines the perceptions and actions of non-host communities. Also, at the time of writing (March 2008), the South African 2010 World Cup is still more than two years away. Government officials are beginning to gear up for the event, but many officials did not respond to requests for information. In addition, many variables are still unclear, such as the selection of the participating teams. Some of the findings are therefore rather speculative. However, this chapter does provide a framework to predict, understand and assess the reactions of non-host communities, and it argues the case for timeous, strategic and innovative planning to maximise spillover benefits to rural regions.

[head A]Possible spillover effects on non-host communities

According to Burbank et al. (2002: 183), 'Mega-events are large-scale, high-profile occurrences of limited duration intended to attract attention and visitors to a host city.'

Much of the literature on mega-events concerns the impacts on host cities (Burbank et al. 2002) and on national economies (Jones 2001). Mega-events are one-time events that draw a lot of attention to the affected area and bring in a huge influx of money. The hosting of mega-events increases a country's capacity to attract international tourists (Cornelissen 2005). Increased economic activity and enhanced international awareness of the region are among the profound long-term effects created by a mega event. Mega-events can bring benefits and costs at various levels – economic, social and environmental. Positive spin-offs can be financial multiplier effects in the local economy, community pride, international recognition, strengthening of regional values, and heightened awareness of public policy issues which need attention (such as strengthening tourism and environmental programmes). Negative impacts created by a major event may include price inflation, tax burdens for the event, and mismanagement of public funds by organisers (Deccio & Baloglu 2002). The challenge, particularly in the context of less developed countries, is to maximise the positive spin-offs.

Curiously, people in non-host communities are likely to be more favourably disposed to mega-events than are people in host cities (Deccio & Baloglu 2002). The reason is that non-host communities are likely to be less affected by the negative spillovers of mega-events, such as crowding, congestion, traffic, crime and high prices. In fact, non-host communities may actively benefit due to the

‘displacement effect’. This happens when people who *would* have spent a holiday in a host city are deterred from such a locality due to the mega-event, and prefer to take their holidays in quieter areas away from the bustle of the host city. Outlying areas may therefore benefit from long-term spillover impacts, which could be maximised by well-placed advertisements and news stories (Deccio & Baloglu 2002). It is also likely that many harassed residents of host cities may decide to escape their cities during the World Cup and take the opportunity to rent cheaper accommodation in non-host towns and villages.

Responses by local governments in non-host cities

Support for a mega-event by public opinion is one thing; strategising and managing effective support is quite another. It requires far-sighted, dynamic and innovative public leadership.

A study of non-host cities during the Australian Olympics of 2000 provides valuable examples of how such cities can maximise their role in a mega-event (O’Brien & Gardiner 2006). In the period leading up to a hallmark or mega-sport event, athletes and coaches usually arrive in the host country well ahead of the event to undertake a period of training and to become familiar with local climatic, cultural and living conditions. Often, this period of final preparation is carried out in the context of pre-event training camps. In the selection process for pre-event training venues, sports managers shop around for optimal locations. Crucial variables include optimal and easily accessible sporting facilities where their athletes can train, appropriate accommodation and support services (food, transport, medical facilities), and a location sufficiently close to the match venues.

An interesting feature of the Australian non-host cities was their implementation of different kinds of networking initiatives and relationship-building activities (O’Brien & Gardiner 2006). Three cities were studied and each managed the process differently. Firstly, Canberra regarded the issue primarily as a sports question. It created a managing committee called Sport 2000, which was based in the Bureau of Sport and Recreation of the Australian Capital Territory. The city outsourced the Olympic management function to a private event company, which failed to invest any resources in building lasting relationships with the visitors.

Secondly, the city of Gold Coast convened a community-representative group, which included representation of sport, tourism and business. While the ostensible purpose of the task force was to maximise benefits for the city, the unofficial objective was to use the Olympics to secure better facilities for local athletes. Like Canberra, the issue was delegated to the municipality’s Community and Recreation Facilities Branch. Consequently, the coordination of the pre-Games training was located in the regional sport portfolio, rather than with tourism or economic development. The major strength of Gold Coast’s approach was the creation of a media centre, which promoted tourism marketing of the area (O’Brien & Gardiner 2006).

A third approach was that of the Hunter Valley region. It promoted pre-Games training as a central part of its *business* development strategy (not primarily its sports development strategy). The Hunter Olympic Business Taskforce was located within the Hunter Economic Development Corporation (HEDC), the local economic development agency, which was comprised of representatives from the 13 local government councils in the region. Members of the task force included members of local chambers of commerce, media agencies, tourism, hospitality, education and, of course, sport organisations (O'Brien & Gardiner 2006). Spending by visiting Olympic teams was viewed as one aspect of a much more integrated and long-term economic strategy. The HEDC appointed a full-time staff member to build relationships with Olympic teams and business representatives. The task force collated intelligence on the sporting delegations, media agencies, Olympic sponsors and foreign dignitaries planning visits in the lead-up to the Games. This enabled task force members to 'stage-manage' the visits of important actors as they arrived in the region, and to build business relationships.

These varying approaches by non-host cities suggest that municipal governments and other stakeholders have a wide spectrum of choices to make. They can approach the issue as a purely sporting one, or as an opportunity for business networking and for cementing twinning or business relations between their city or town and similar localities in the sportspeople's countries of origin. The responsibility for managing the teams' training activities can be lodged within a variety of departments, task forces or special-purposes entities. The impact of mega-events on non-host areas is not a foregone conclusion – it can be managed strategically to serve a range of developmental purposes.

In South Africa, it is not yet clear which towns will be selected as training sites. But the Australian example shows that the impending 2010 World Cup will present many local governments in South Africa with a potential tourism or business windfall. What they do with this windfall is up to their own creativity and entrepreneurial imagination.

Regional inequality in South African tourism

Historically, tourism has been unevenly distributed amongst different regions in South Africa. As early as 1936, Arthur J Norval wrote:

South Africa has in the past not made the most of her [sic] visitors...overwhelmed by the vastness of the country, they find it difficult to orientate themselves and are like a flock without a shepherd. The inevitable result is that they are inclined to concentrate around the Cape Peninsula, where the majority of them spend a few weeks and return home having seen and enjoyed very little of the bounteous gifts South Africa has to offer...The tourists have to be induced to visit the hidden corners. (1936: 130)

Some dimensions of rural tourism have always been popular in South Africa. Wildlife tourism has always been a major component of South African tourism (Briedenhann & Wickens 2004). To many overseas visitors, rural tourism has always meant going 'on safari'. But rural tourism can mean much more than wildlife tourism. There are many other economic niche markets, such as adventure tourism, farm tourism, and small town culture and architecture.

Furthermore, governments can do a great deal to promote rural tourism creatively. In Malaysia, for example, government introduced agri-tourism centres to promote education and recreation in rural areas (Viljoen & Tlabela 2006). In South Africa, little has been done to 'package' and market the many small towns and farms in the rural hinterland. It has always been up to the private sector to develop these tourism products, and due to the great inequality in economic skills throughout the country, there has been a divergence between those towns 'that got it right' and those 'where nothing happens'. In the Karoo, for example, towns such as Prince Albert, Graaff-Reinet and Victoria West are maximising the benefits of their architectural heritage, whereas towns such as Loxton and Aberdeen, with fewer entrepreneurial resources, are being left behind.

It is becoming generally accepted that governments have a prima facie task to promote tourism in rural communities in order to promote rural economic diversification. In South Africa, the White Paper on the Development and Promotion of Tourism in South Africa explicitly stated as one of its economic goals, 'To facilitate balanced tourism development in South Africa.' According to section 3.2.vii of the White Paper:

Tourism brings development to rural areas...Many of the prime tourism attractions are not located in the city centres but in the rural areas. Tourism allows rural peoples to share in the benefits of tourism development, promoting more balanced and sustainable forms of development. Tourism provides an alternative to urbanisation, permitting people to continue a rural family existence, enfranchising both women and the youth.

Tourism can also play a strategic role in 'dynamising other sectors of the economy – the agriculture sector that benefits from the tourism industry (increased demand for new agricultural products and services such as organic agriculture, farm tourism)'

A key priority of the Department of Environmental Affairs and Tourism (DEAT) has been to place new emphasis on projects that are located in disadvantaged areas, and on areas that have the potential to develop into tourism growth points or corridors. Thus far, government's focus has been on community-based tourism projects, such as creating local crafts centres, training tour guides and establishing tourism information offices. However, these have encountered many difficulties, such as the long and time-consuming processes of negotiating these projects in communities, as well as the difficulties of community management (Viljoen &

Tlabela 2006). The process of involving working-class groups and traditional communities, who have very little experience of tourism, has been fraught with misunderstandings and poor management. Consequently, once again it has been the local private sector in the small towns that has stepped into the breach and developed marketable tourism products.

National governments can also change the way in which non-host regions are brought into the mega-event experience, and the benefits that they might gain. National governments, together with tourism operators, are responsible for projecting 'images' of places and peoples. Scarlett Cornelissen has studied the 'political economy of South African international tourist representation' (2005). 'Destination imaging' is a social and political issue because it creates images, narratives and desire-instilling myths to draw people to a destination. Various actors participate in this image-creation process – coordination tour operators, travel agents, state destination marketing organisations, hotel operators and airlines. The way that 'places' and 'people' are produced and couched in tourist images has an important effect on how they are consumed and packaged. The myths that dominate tourism to Africa tend to highlight landscapes, wildlife and exotic cultures. Africa is generally represented as 'the archetypal other', 'a place where Western tourists can attempt to refashion lost bonds with nature and the environment' (Cornelissen 2005: 679). By analysing promotional material on South Africa (mainly via a content analysis of brochures), Cornelissen (2005) provides an overview of the main destinations sold by overseas tour operators. In order of prominence, the most popular venues are: Cape Town, the Kruger National Park, Johannesburg, Port Elizabeth/Nelson Mandela Bay, Mpumalanga game parks, the Garden Route, Oudtshoorn, Durban/eThekweni, the Winelands, Zululand, the Drakensberg, Hluhluwe National Park, Sun City and the Northern Cape.

The South African government has taken some steps to develop a more inclusive tourism brand as part of the government's larger nation-building project. 'Brand South Africa – Alive with Possibilities'² depicts the geographical, historical and social distinctiveness of the country and its unique heritage. Economically, the assumption is that a more inclusive tourist image will help bring about a more equitable sharing of the developmental benefits of tourism (Cornelissen 2005). To some extent this is indeed taking place in rural areas, where public and privately owned game parks are now including the concept of involving and benefiting local communities (Viljoen & Tlabela 2006). The DEAT has attempted to alter the travel patterns of international tourists in an effort to geographically diffuse tourism's economic impact. The 'routes-and-themes' strategy seeks to disperse tourist flows throughout the provinces, away from key attractions to lesser visited areas in the hinterland where the tourism impact is much lower (Cornelissen 2005). But these efforts have not yet made a major impact on the overarching destination imaging. The international marketing of smaller towns, remote rural areas and commercial farms remains few and far between.

In effect, many non-host rural areas are still off the international tourism map. Whether the DEAT's efforts to broaden the image of South Africa will counter the conventional images portrayed by private sector tour operators remains to be seen.

Yet, in many areas along the coasts and in the hinterland, such as the Karoo, many local towns are spontaneously investing in tourism. These include guest farms, bed-and-breakfast (B&B) establishments, restaurants and local activities such as game drives, hunting, stargazing and river-rafting.

The question now arises: in the two years before the 2010 World Cup, can non-host areas be defined, 'imaged' and marketed successfully, in such a way that some of the benefits of the mega-event can be shared more equitably across the country? Cornelissen (2005) is fairly positive – she suggests that mega-events may offer new political opportunities to host countries. Municipalities, communities and tourism operators need to accept the challenge of publicising their wares timeously, long before the World Cup takes place.

In the rest of the chapter, the possible fortunes of one such area will be examined – the arid areas of the Karoo, the Kalahari, the Klein Karoo and Namaqualand.

The arid areas in South Africa

The arid areas extend throughout the south-western parts of the subcontinent. The Karoo stretches about 600 kilometres from west to east and from north to south. There are three main sub-regions: the Nama-Karoo (central-northern parts of the Karoo), the Klein Karoo (southern parts) and the False Karoo (in southern Free State). The Karoo straddles four provinces (the Western Cape, the Eastern Cape, the Northern Cape and the Free State). These areas have different climatic features, which has led to different agricultural and population profiles.

The Karoo shades into other arid areas, notably the Kalahari, Bushmanland, Namaqualand and the Richtersveld. These arid areas are sparsely populated and in some areas the population density is less than one or two people per km². This has contributed to the political insignificance of these areas, as the various provincial and national governments have invariably given more attention to their more populous regions. Economic planning for the arid areas has been bedevilled by the fact that they straddle four provincial jurisdictions, because provincial planning documents never address any cross-border commonalities.

The arid areas have important economic and social assets. Infrastructure in the towns is generally good and represents a great deal of sunk capital in housing, water, sanitation, roads and other infrastructure. The game industry is becoming an important foreign exchange earner in the area. Agricultural expertise is high, with skilled and experienced commercial farmers who are often eager to become involved in ecotourism. Social services are generally good and include clinics, schools, banks, post offices and retail facilities. Some of the towns have developed

significant tourism potential, with niche attractions and activities. Many towns have a large and growing number of accommodation establishments – country hotels, B&Bs and self-catering cottages. The mystique of Karoo architecture (small, square houses with the characteristic white walls and green roofs) is becoming iconic. There is a growing phenomenon of ‘reverse migration’, whereby middle-class city dwellers are moving to the rural areas, and this brings in new sources of capital, expertise and developmental initiative.

Tourism in the Karoo has escalated dramatically in the last few years. This has been associated with a new generation of city residents who have moved to the Karoo, as well as a greater level of investment in tourism infrastructure by long-established Karoo farmers and townspeople. This process has been accompanied by a rapid rise in property prices as well as widespread efforts to renovate existing housing stock.

In the bigger Karoo towns, a surprisingly large number of visitors can be accommodated. Some towns, such as Colesberg, Graaff-Reinet and Beaufort West, already have more than 1 000 beds available. Upington has about 850 beds and Gariiep Dam has 400.

Positioning the Karoo as a non-match destination

What impact could the 2010 World Cup have on this context of picturesque little towns, vast distances and desert landscapes? Will the World Cup pass the Karoo by, or can this region be drawn into the urban heartbeat of a sports mega-event?

The World Cup may potentially cause an increase in the number of tourist visits to South Africa, as well as widespread media exposure (DEAT 2005). The DEAT has drafted a detailed plan for the 2010 World Cup. Estimates of visitor numbers vary, and may be exaggerated. It is estimated that there will be about 3.5 million participants in the World Cup (1.8 million with tickets and 1.5 million without tickets); of these, 1.3 million are expected to be tourists, of which a third are expected to be foreign visitors (DEAT 2005). According to Shannon Moffett, a tourism planner commissioned by the Eastern Cape government, it is expected that about 300 000 people will visit each host city and, of these people, about 150 000 will have to access overnight accommodation. The remainder will presumably make day trips to host destinations.

A major factor is the likelihood that these visitors may spend a longer time in the country, due to the offer of attractive tourism products (DEAT 2005). Improving geographic spread is one of the key strategic focus points of the DEAT’s *Tourism Organising Plan*, which proposes several initiatives of possible relevance to the Karoo: engaging with key stakeholders to package products for 2010, increasing the number of graded establishments, identifying existing and alternative accommodation for short-term spikes in demand, developing products and packages to sell, and cooperating with tour operators. Marketing and branding of functional areas is an important focus.

At the time of writing, the Eastern Cape was one of the provinces which had made the most progress in compiling an overarching strategy for 2010. In June 2007, the Eastern Cape Department of Tourism held a conference entitled '2010 Tourism Readiness'. The conference report highlights potential tourist areas within 1.5 hours' drive from Nelson Mandela Bay, Buffalo City (East London) and Umtata, as well as the Gariep Dam (situated on the boundary between the Eastern Cape and the Free State). However, the report does not recommend the Karoo as an area for strategic interventions for the World Cup – an unfortunate oversight. Furthermore, the Eastern Cape tourism authorities have subsequently become moribund as far as tourism planning is concerned, apparently due to institutional difficulties within the Tourism Board. At the time of writing, these problems were being addressed.

The following host cities are located near the periphery of the Karoo: Cape Town, Nelson Mandela Bay Metro and Mangaung (Bloemfontein). The Karoo may experience four types of impacts:

- * visitors may travel through the Karoo from one venue location to another;
- * Karoo towns and game farms may experience increased tourism as visitors explore specific sub-regions;
- * towns can market themselves as satellite towns; and
- * towns may offer fan park facilities.

These factors are discussed briefly.

[head B]Through travel

Some calculations of possible tourist numbers have been done in the Eastern Cape. It is estimated that the World Cup will draw about 4 800 domestic travellers and about 22 600 international visitors to the Nelson Mandela Bay area (Eastern Cape DEDEA n.d). Many of these visitors will travel by road from one match venue to another, and will drive across the Karoo along the N1, N9, N10 and N12 highways. These visitors will require overnight accommodation and may be enticed by local advertising efforts. Even though the number of overnight visitors may not be that large, it could have a major impact – albeit short term – on the local tourism trade of these Karoo towns.

The Eastern Cape Department of Transport has acknowledged the importance of road maintenance for the 2010 World Cup. The department's Transport Framework has identified the 'Karoo Agro-tourism Belt' as one of the four major tourism regions in the province. In addition, the Framework highlights the 2010 World Cup as a significant potential contributor to tourism in smaller towns, because spectators will want to watch their favourite teams practising in those towns, and then travel to Nelson Mandela Bay for the matches. There is scope for promoting tourism in the Karoo and for 'keeping people for a few days' – an argument also made by Camdeboo Local Municipality in Graaff-Reinet (Eastern Cape Department of Roads and Transport 2007).

Area tourism

When tourists stay on in a location for a few days, they may make day trips to attractions in the vicinity. Factors such as a high standard of accommodation, transport facilities and an internet presence will facilitate such bookings (Eastern Cape DEDEA n.d.). Towns with natural, cultural or relaxation attractions would be at an advantage. In this context, Karoo towns located within a driving radius of about three hours from major cities (Cape Town, Nelson Mandela Bay and Mangaung) may benefit. In these towns, tourists may require the services of tour guides and translators.

Furthermore, the marketing of tourism routes in the Karoo may well attract visitors to explore less known towns (Briedenhann & Wickens 2004). Routes such as the Owl Route (Graaff-Reinet to New Bethesda), the Mohair Route (Aberdeen/Jansenville) and the Horizons Route (Philippolis/Jacobsdal) should position themselves to attract self-drive visitors for short excursions.

Under the banner of the African Dream Project,³ the concept of tourism routes criss-crossing the country has presented exciting new opportunities for rural communities. By 2004, Open Africa had created 32 tourism routes involving 80 towns in four southern African countries.

[head B]Satellite areas

The host venue cities are likely to provide insufficient accommodation for the thousands of visitors who want to attend matches. This means that 'satellite areas' further afield need to be selected and marketed. Many tourists and fans will most likely be stationed in these satellite areas and will have to travel to different cities where matches take place. The key organisation responsible for arranging accommodation bookings is MATCH,⁴ which will also put in place transport to ferry fans to and from matches in different cities.

MATCH is actively negotiating with local accommodation operators to select satellite areas. There are certain requirements for an area to be chosen as a satellite area (Van Rooyen interview). The area can be located anywhere in the country as long as it offers a minimum of 200 rooms and has a good road infrastructure. The rooms also need to be assessed and graded by the Tourism Grading Council of South Africa, with which MATCH has a partnership. Proximity to tourist attractions is not a prerequisite. The availability of an airport would be an advantage, as it will allow the area to serve as a spectator base camp – fans who are accommodated in that area would be able to fly in and out to matches in different host cities.

MATCH is holding sessions in various towns to inform accommodation owners of the MATCH accommodation contract. At these meetings, MATCH explains the contracting process to tourism associations and encourages them to assist in communicating the system to the accommodation owners in their areas.

At the time of writing, Upington and Springbok in the arid areas had been identified as possible satellite areas. However, their satellite status will only be confirmed once they have individually contracted to MATCH a minimum of 200 rooms, and MATCH has confirmed that their road infrastructure is sufficient to allow for efficient transporting of fans to and from matches.

[head B]**Fan parks**

Provincial governments are likely to plan for and contribute towards the capital costs of for the fan parks, which will be large areas with massive TV screens. Such venues will require significant traffic and road planning in the local vicinity. At the time of writing, there was not yet clarity about the selection of sites for fan parks (Langenhoven interview).

The advertising pitch of the town of Somerset East (150 kilometres from Nelson Mandela Bay) illustrates the kind of marketing towns can devise for the more off-the-beaten-track type of traveller:

Somerset East could be a centre for overseas tourists coming to South Africa for the 2010 Soccer World Cup to WATCH IT WITH US! The potential exists for smaller towns to offer an experience where the visitors could watch the matches they are not attending on a widescreen TV with the local people, and stay in local homes or B&Bs. The area has over 160 graded beds already, with at least 54 which will be graded in time for 2010. There is potential, in the time before 2010, to help develop and grade Township HomeStays, and some of the international visitors will be interested in this REAL experience. This same concept could be developed by CACADU [District Municipality in the Eastern Cape] as a whole. In Somerset East, WATCH IT WITH US could be staged on a local soccer field, with the experience of watching with the soccer-loving community; or it could be staged in one of the hangars which will be available at the newly recommissioned Somerset East Airfield. Somerset East and the Blue Crane Route is an area of great natural beauty, is safe and secure, and offers a wide range of cultural and outdoor experiences.

The potential downside: Budgetary re-allocations

There is a potential negative consequence of mega-events for non-host areas. This is the reduction of capital expenditure in these areas, because capital is diverted to host cities (Madden 2006). It is very difficult to estimate whether this will take place, because budgeting decisions are often very obscure and trade-offs may not be clearly specified (and may also not be admitted by officials).

Municipalities in host cities have benefited from additional budgetary allocations. In 2005 the government created a Public Transport Infrastructure Systems Grant for passenger transport services to facilitate movement of people for the 2010 World Cup. In particular, the development of Bus Rapid Transit schemes offers exciting

opportunities to improve municipal public transport systems. To ensure that the World Cup leaves South Africans with a legacy of better public transport, the government is adding a further R2.3 billion to this programme. The South African National Roads Agency and the Rail Commuter Corporation will receive a further R1.7 billion to upgrade roads and stations in areas critical to the World Cup. In total, over R9 billion will be allocated by national government for municipal transport, roads and precinct upgrading related to the 2010 Fifa World Cup (IDASA 2007).

The provincial governments have appealed to central government for additional funding for 2010, but while they are getting funding for stadiums, it is unlikely that they will get sufficient funding for capital projects such as roads and neighbourhood rejuvenation. This means that provinces will have to utilise their existing funding strategically (Langenhoven interview). The sectors which are most likely to be affected are transport, roads, health, sport and culture. The provincial departments of health, for example, will have to provide emergency medical services. The emergency health services have received some additional funding from central government, but this is for emergency services generally. Once the World Cup takes place, these emergency services will be applied more strategically to assist at specific events.

The importance of the World Cup is definitely revealed in the priorities chosen for the years leading up to 2010 (Langenhoven interview). For example, departments of transport will evaluate projects in the light of the contribution that they can make to manage traffic flows in host cities, and departments of economic development will focus on specific projects, such as tourism and marketing. Some non-host areas might also benefit from government investment if certain towns are identified as potential base camps, because specific issues need to be addressed to deal with traffic bottlenecks.

For non-host areas, the budgetary implications of the 2010 World Cup are likely to be mixed. In KwaZulu-Natal, for example, the mega-event has caused road expenditures to be diverted from rural areas to host cities. In the budget speech for Transport, Safety and Community Liaison, the MEC, Bheki Cele, said that the original estimate for the road network was calculated at R3.9 billion for the 2008 financial year. This needs assessment excludes provision for the backlog of pedestrian bridges and access roads throughout the province, which needs to be managed within the R2.3 billion budget allocated to the programme. 'Whilst inundated with this huge demand for road networks, we should also take cognisance that our road network must also respond to the rapid and easy execution of activities for the success of the Fifa 2010 World Cup,' according to Cele (*Engineering News* 18 May 2007).⁵

In the Eastern Cape, R250 million was allocated for the upgrading of the 2010 sports stadiums in Nelson Mandela Bay, Buffalo City and Mthatha (Nel 2008).

Without the World Cup, this money could have been spent in the rural areas, where there is a great need for infrastructure.

On the other hand, the ‘spirit of the 2010 World Cup’ caused renewed allocations for rural sports facilities in KwaZulu-Natal: an additional R128.9 million over the Medium Term Expenditure Framework was allocated to sport and recreation programmes and to finance the construction of sports facilities in underprivileged areas.⁶

[head A]From mega-event to rural development

The expansion of the impact of the 2010 World Cup to non-host cities is part of a larger set of issues. It is possible that the World Cup may promote tourism in previously under-marketed areas. But the danger exists that this may be of short-term benefit, lasting only for the duration of the event – unless other measures are taken to multiply the longer-term impacts.

Already in 1936, Norval argued that South Africa’s tourist traffic can, if well directed, play a most important part in the future economic and industrial development of the country – it can act as a ‘spearhead...for the introduction of capital, and for the creation and development of foreign markets’ (Norval 1936, cited in Ingle 2006: 84).

Tourism has the potential to generate growth and development because it brings financial resources into an area (either as capital investment or as the spending power of tourists), and because it encourages governments to provide infrastructure in the form of roads, transport systems, water provision and electricity. Governments can select tourism as a growth area by identifying sites and injecting public and private investment into the areas, possibly in the form of subsidised facilities and infrastructure. Furthermore, it is important that tourism agencies and economic development officers understand the existing linkages between firms. Eventually, economic growth in the area becomes self-sustaining and diversifies to include non-tourism activities. The growth of the residential population means that additional products and services are required, thus stimulating a wider range of markets (Telfer 2002).

Rural tourism is eminently suitable to promote small-scale, locally owned development. The defining feature of rural tourism is the opportunity to give visitors personal contact with the physical and human environment of the countryside and, as far as possible, to allow them to participate in the activities, traditions and lifestyles of the local people (Petric 2002, in Viljoen & Tlabela 2006). In countries such as Italy, France and the United Kingdom, rural tourism is becoming a major drawcard, with significant economic and financial impacts in the rural areas. In developing countries such as South Africa, rural tourism includes wildlife, ecotourism, game ranching and hunting; but it also opens the way for a new appreciation of small towns, working farms and rural lifestyles.

Tourism has certain benefits and disadvantages as a lead sector. It is beneficial because it is labour-intensive and stimulates a wide range of entrepreneurial activities, and it is often based on rural and natural amenities which are available anyway. Tourism can promote local economic multipliers.

But there are many difficulties in promoting rural tourism (Briedenhann & Wickens 2004). Local areas often lack sufficient skills, finance, entrepreneurship, marketing expertise and reliable market information. Lack of tourism awareness and understanding amongst rural communities is a significant constraint to effective participation, communication and decision-making. Local economic multipliers are eroded by the purchase of goods and services from businesses external to the areas (and often located in the cities). Many rural tourism businesses struggle to identify appropriate promotional and communications programmes and face complicated booking procedures. Furthermore, rural tourism enterprises, like any others, have to survive in a tough business environment. A mega-event creates opportunities for tourism in rural and small-town areas, but it will require assertive, dynamic and innovative leadership and support by provincial and municipal governments.

A fully fledged developmental response to 2010 should go beyond the promotion of accommodation opportunities in rural localities. For effective long-term rural development, rural areas need at least two major support strategies. Firstly, tourism should form part of a wider economic diversification strategy (Briedenhann & Wickens 2004). Rural tourism can assist rural areas to diversify from agriculture to adventure tourism or cultural tourism.

Secondly, rural tourism needs to move beyond a supply-led strategy and begin to promote tourism demand, increasing tourist volumes and escalating market volume. The 2010 World Cup offers an opportunity to do this, but only if government promotes the marketing of rural areas in ways that attract many more visitors to these out-of-the-way places (Briedenhann & Wickens 2004). Thus far, the government's attempts to market the non-host areas remain patchy at best.

Marketing a tourism region: The state of the art

Rural tourism can be promoted as a type of *regional* tourism. The creative marketing and branding of regions is required to attract teams and tourists to more remote and unconventional localities.

A useful concept is that of a 'tourism destination zone'. Such a zone needs several characteristics to be a meaningful developmental unit (Smith 1995, in Telfer 2002): the region should have a set of cultural, physical and social characteristics that create a sense of regional identity; it should have adequate infrastructure; it should be larger than just one community or one attraction; it should be capable of supporting a tourism planning agency and marketing initiatives; and it should be accessible – by various means of transport – to a large tourist market.

Borders have emerged as a 'new frontier' in international tourism research (Rogerson 2003). Cross-border cooperation can be significant, whether at the level of districts, provinces or national governments. Cross-border cooperation situates entire regions more strongly in the tourism market, because tourists will often have a regional rather than a specific destination in mind. It enables an ecological biome (e.g. The Karoo) to be marketed and branded. 'Desert tourism' is a potential new option on the tourism menu – and deserts often cross borders.

Promoting regional tourism can also allow the rationalisation of investments in tourism infrastructure by encouraging the sharing of facilities, such as airports. Furthermore, cooperation amongst governments can lead to different features from each of the countries being combined to provide complementary tour circuits (Cleverdon 2002).

The key strategic question is: to what extent can provinces and municipalities synchronise their tourism promotion efforts across borders, in order to promote a region (such as the Karoo) in a holistic way?

Specific policy measures for regional development could be concentrated on three different aspects (Smallbone et al. 2007):

- * developing the supply base (skills, education, innovations, communications);
- * developing the demand side of regions by finding new markets (including mega-events);
- * developing the institutional framework (development agencies, business associations, political representation).

Significantly, this can be done in areas that are economically underdeveloped:

In less favoured regions, initiatives that seek to build a sense of pride and regional identity may be a helpful tactic, when introducing new policies and in seeking to gain support for them. Moreover, in a cross border context, where border regions artificially divide cultural regions, with common traditions and a common language, developing this regional identity could well benefit from a cross border element. (Smallbone et al. 2007: 136)

This has huge relevance for a remote arid area such as the Karoo; in Australia, the efforts of Desert Knowledge to promote the regional advantages of the Outback illustrate the potential success of such initiatives (DKA 2005).

Such government intervention would create a vision for the region, using symbols accepted by the regional community to create a regional brand. It could also assist small enterprises to upgrade their operations by means of bridging loans and specialised services, and provide training to increase human capacity (Smallbone et al. 2007).

According to Deccio and Baloglu (2002), mega-events create opportunities for regional mobilisation. A marketing plan for such events should be initiated with an emphasis on working with local residents and state tourism officials: ‘Leaders should present the plan for the Olympic [in this case World Cup] period and generate interest – perhaps through volunteer activities, events and committees’ (Deccio & Baloglu 2002: 54). Effort should be put into community tourism education, discussion forums and other consultation activities. By working with state officials, local governments can join tourism campaigns and special promotions designed for mega-events.

Another approach of relevance to the arid areas is ‘route tourism’, which brings together a variety of activities and attractions under a unified theme and thus stimulates tourism entrepreneurs to provide ancillary products and services (Lourens 2007). The concept of rural trails or heritage routes has been used in several parts of the world, particularly for promoting rural tourism and less explored areas with valuable cultural resources. In particular, it can appeal to specific niche markets. Routes vary considerably in length and scale (local, regional or international).

Local governments can play an important role in regional development, particularly in providing and facilitating social and physical infrastructure (Smallbone et al. 2007). But such strategies will require institutional innovation. As shown by the examples of the Australian cities, described earlier, municipal governments can make choices about how to position themselves to capture a potential windfall. They can entice World Cup managers to use their town as a base camp, or they can mobilise accommodation facilities to serve as a satellite area, or they can attract local and regional visitors to a fan park. Regional and municipal governments can be entrepreneurial and use the mega-event to attract business to their localities.

[head A]Cross-border tourism planning in the Karoo: New directions

As yet, there is no multi-provincial approach to promoting tourism in the Karoo. But provincial governments are beginning to think in this direction. For example, the Western Cape’s *Integrated Tourism Development Framework* asserts the need for collaboration across regions:

We believe that the hinterland regions should look beyond their own boundaries and link products across previously discussed frontiers in order to build collective strength and a sustainable product. Such co-operation would enable these areas to capitalise on the growing trend of tourists travelling into hinterland areas seeking more diverse and unique experiences. (Western Cape Provincial Government 2006: 6)

At a more practical level, a promising initiative is the Lake !Gariep⁷ tourism route, centred on the Gariep Dam area in the southern Free State. It is a cooperative venture between the provincial governments of the Free State, the Northern Cape

and the Eastern Cape, because the dam is at the very point where the three provinces meet. It is surrounded by three provincial game reserves, which will be joined in due course to create a conservation area in excess of 85 000 hectares.⁸ The game reserve will offer ecotourism activities such as game drives, walking trails, angling and bird watching. In addition, the huge Gariep Dam offers opportunities for yachting, sunset cruises, power boating and waterskiing. The key role-players are three district municipalities: Xhariep (in the Free State), Ukhahlamba (in the Eastern Cape) and Pixley ka Seme (in the Northern Cape). However, the project has suffered a range of bureaucratic delays, which are apparently being remedied in the light of the impending 2010 World Cup.

The Free State, in particular, is now attempting to fast-track the Lake !Gariep project. The province has created a 2010 Hospitality Committee, which is investigating accommodation options within a vicinity of 200 kilometres from Mangaung. Lake !Gariep is located about 180 kilometres from Mangaung and is earmarked as a MATCH satellite town. The province is urging all accommodation establishments to become officially graded by the Tourism Grading Council in order to qualify for MATCH status. To speed up the process, the Free State Department of Tourism is training additional grading assessors (Motsahi interview).

The Free State has also launched a 2010 World Cup website, in which the Xhariep region features prominently. Even though this region is so undeveloped, the website manages to spin a positive image for the potential 2010 tourist:

As one of the five districts in the Free State, the Xhariep District covers basically the south-western Free State, an arid region with typical Karoo characteristics. The main economic sector is stock farming, supported by limited horticulture based on irrigation infrastructure from the Orange, Caledon and Riet rivers. However, with this region having the lowest population density, highest unemployment rate and smallest GDP in the Free State, tourism is the sector with the best chance to unlock its developmental potential.⁹

Such initiatives offer a useful starting point to marketing the arid areas. There is a major potential opportunity to market the Karoo holistically (Firfirey interview). But there is, as yet, no inclusive 'Karoo brand' on offer, in comparison to Australia's Outback which is aggressively marketed as a joint effort of several state governments. Organisations such as Desert Knowledge Australia promote research, development, businesses, technological investment and tourism marketing in the Outback. As yet, South Africa lacks such cooperative regional institutions in the arid hinterland, although Lake !Gariep is the first tentative step in this direction.

The challenges for municipalities in South Africa in 2010

In South Africa, municipalities are likely to play a key role in determining their approach to the 2010 World Cup. For those towns which are located within 120 kilometres of match venues, there is a major opportunity to function as a base camp. Fifa will assess these facilities, although the ultimate choice will depend on the preferences of teams, team managers and coaches. Such localities will need sophisticated training facilities and will have to provide 4-star or 5-star accommodation for at least 50 to 80 people; these teams may also be accompanied by hundreds or even thousands of supporters (Neumeier interview).

District municipalities are becoming involved in assessing their own role in promoting the benefits of the World Cup experience. For example, the Cacadu District Municipality in the Eastern Cape has held stakeholder meetings with a view to creating a 2010 Cacadu District Municipality. The committee includes the departments of sport and recreation, and arts and culture, the South African Football Association, sports councils and community services officers.

Due to its close proximity to Nelson Mandela Bay, the Cacadu District Municipality intends attracting soccer teams to the Eastern Cape to establish base camps (*Graaff-Reinet Advertiser* 26 October 2007). In the Western Cape, several municipalities are considering bidding to be selected as base camps (Langenhoven interview).

At this stage, provincial governments are promoting consultation amongst municipalities and providing municipalities with information. The Eastern Cape, for example, has a 2010 Steering Committee, bringing together various government departments. Similarly, the Western Cape has monthly forum meetings, attended by government departments and municipalities. However, the fruits of these discussions remain to be seen.

A successful response to the 2010 World Cup will require an effective marriage of the public and private sectors. Government, at all levels, can only provide frameworks and promote discussion and facilitation. It is up to the private sector to respond dynamically to these opportunities, because such a response will require entrepreneurship, investment, innovation and, of course, a degree of risk. Each locality will require a 'driver' – an enthusiastic person or organisation which will galvanise local energies to provide accommodation and tourism opportunities. With such initiative, the World Cup can enable previously marginalised areas to place themselves on the world map. The 'driver' will need to undertake an active media strategy to 'fight to get noticed' (Neumeier interview). Local communities need to link up with travel agents and tour operators, they need to lobby overseas teams or Fifa, they need to assess their own assets and stimulate improvements where necessary.

Conclusion

The 2010 World Cup will be a mega-event, but it will be transient. Once the event is over, the dust has settled and the visitors have departed, the key question will be whether the World Cup had lasting developmental impacts.

The international literature shows that innovative thinking, creative branding and assertive marketing can bring non-host areas into the mainstream for the duration of the mega-event. Localities have to organise and sell themselves. Governments, at all levels, are strategically placed to create and maintain strategic infrastructure, and to facilitate the networking of local players. The private sector needs to take the opportunity to invest in tourism infrastructure. Local entrepreneurs need to seize the new market windfall.

Even areas which are not selected as host cities have a range of options to position themselves to benefit from this windfall. Smaller towns can function as satellite areas and can maximise tourism activities in the hinterland around the cities. Towns which are located further afield, on main highways, can entice travellers to stay a night or two en route to their next match venue. Towns can also entice residents in the vicinity, as well as domestic tourists, to enjoy the matches in a fan park setting.

For this to happen, the major ingredients are entrepreneurship and networking. Rural tourism operators need to be very creative to put their areas on the radar screen of tourists and teams. Regional players need to network amongst themselves to brand their region (or sub-region) as a tourism destination zone. Government agencies need to broker these relationships – this is a major role for provincial, district and local governments. The Australian case studies show how innovative municipalities can rise to the occasion. South Africa has been given a potential windfall; it will require local dynamism to spot the opportunities and to make them a reality.

Notes

- 1 Available at www.info.gov.za/whitepapers/1996/tourism.htm
- 2 See <http://www.southafrica.info/>
- 3 [see www.openafrica.org
- 4 brief explanation of MATCH
- 5 B Naidoo, 'Transport department reduces KZN transport budget', available at http://www.engineeringnews.co.za/article.php?a_id=108233, accessed in March 2008.
- 6 'KZN pumps millions into 2010 World Cup', available at http://www.sa2010.gov.za/news/080229_kznbudget.php,
- 7 The word '!Gariiep' is pronounced with a distinctive tongue click.
- 8 See http://www.gariiepdam.com/news2_sept2004.htm, accessed on 8 October 2007.
- 9 See http://www.freestate2010.com/region_xharies.php.

References

Briedenhann J & Wickens E (2004) Rural tourism: Meeting the challenges of the New South Africa. *International Journal of Tourism Research* 6: 189–203

Burbank MJ, Andranovich G & Heying CH (2002) Mega-events, urban development and public policy. *The Review of Policy Research* 19(3): 179–2002

Cleverdon RG (2002) Tourism development in the SADC region: The opportunities and challenges. *Development Southern Africa* 19(1): 7–28

Cornelissen S (2005) Producing and imaging ‘place’ and ‘people’: The political economy of South African international tourist representation. *Review of International Political Economy* 12(4): 674–699

DEAT (Department of Environmental Affairs and Tourism, South Africa) (2005) *The 2010 Soccer World Cup tourism organising plan*. Pretoria: DEAT

Deccio C & Baloglu S (2002) Non-host community resident reactions to the 2002 Winter Olympics: The spillover impacts. *Journal of Travel Research* 41: 46–56

DKA (Desert Knowledge Australia) (2005) *Our Outback: Partnerships and pathways to success in tourism*. Alice Springs: DKA. Available at www.desertknowledge.com.au. Accessed in October 2007

Eastern Cape DEDEA (Department of Economic Development and Environmental Affairs) (n.d.) *Eastern Cape province review and ‘2010 tourism readiness, basis for partnership’ document*. Compiled by Shannon Moffett. Durban: Urban-Econ

Eastern Cape Department of Roads and Transport (2007) *Provincial land transport framework*. Final draft. Bisho: Department of Roads and Transport

IDASA (2007) *The Budget speech and local government*. Available at http://www.idasa.org.za/index.asp?page=output_details.asp%3FRID%3D1148%26oplang%3Den%26Pub%3DY%26OTID%3D5. Accessed in March 2007

Ingle M (2006) The Free State roots of international tourism research: The case of Prof. AJ Norval. *South African Geographical Journal* 88(1): 79–87

Jones C (2001) Mega-events and host-region impacts: Determining the true worth of the 1999 Rugby World Cup. *International Journal of Tourism Research* 3: 241–251

Lourens M (2007) Route tourism: A roadmap for successful destinations and local economic development. *Development Southern Africa* 24(3): 475–489

Madden JR (2006) Economic and fiscal impacts of mega sporting events: A general equilibrium assessment. *Public Finance and Management* 6(3): 346–394

Nel WH (2008) *Budget speech*. MEC for Finance, Eastern Cape, 29 February 2008. Available at <http://www.ecdoh.gov.za/uploads/speeches/040308154536.pdf>. Accessed in March 2008

Norval AJ (1936) *The tourist industry: A national and international survey*. London: Isaac Pitman and Sons

O'Brien D & Gardiner S (2006) Creating sustainable mega event impacts: Networking and relationship development through pre-event training. *Sport Management Review* 9: 25–47

Rogerson (2003) The OUZIT Initiative: Re-positioning southern Africa in global tourism. *Africa Insight* 33(12).

Smallbone D, Labrianidis L, Vesenaar U, Welter F & Zashev P (2007) *Challenges and prospects of cross-border co-operation in the context of EU enlargement*. Sixth Framework Programme (Priority 7: Citizens and Governance in a Knowledge-based Society), Kingston University.

Smith S (1995) *Tourism analysis: A handbook*. New York: Longman

Telfer DJ (2002) Tourism and regional development issues. In R Sharpley & DJ Telfer (eds?) *Tourism and development: Concepts and issues*. Clevedon, UK: Channel View Publications

Viljoen J & Tlabela K (2006) *Rural tourism development in South Africa: Trends and challenges*. Cape Town: HSRC Press

Western Cape Provincial Government (2006) *Integrated tourism development framework*. Cape Town: Western Cape Provincial Government

Interviews and email correspondence

Ms Yumnaa Firfirey, Director: Tourism Growth, Western Cape Provincial Government, 8 October 2007.

Mr Klaas Langenhoven, Western Cape Provincial Government, 16 October 2007.

Ms Shannon Moffett, Urban-Econ, 2 October 2007.[

Mr T Motsohi, Department of Tourism, Environment and Economic Affairs, 1 October 2007.

Mr Josef Neumeier, Eastern Cape Development Corporation, 11 October 2007.

Ms Sharlotte van Rooyen, MATCH Event Services, 16 October 2007.

