INNOVATION FOR LOCAL ECONOMIC DEVELOPMENT

Lindile L. Ndabeni, National LED Conference, St Georges Hotel, Pretoria, 09 November, 2017
Own bias

Context matters

Agriculture

Informal sector

Small and medium enterprises and their role in the local system of innovation

Emphasis on the role of science and technology in creating a more prosperous and more inclusive local system of innovation
OWN BIAS AND OWN CONTENTION

- Innovation Geography
  - The distribution of innovation activities and their impact on society
  - Formal system of innovation continues to create both wealth and social exclusion
  - The formal system of innovation is highly dependent on highly trained scientists and engineers
  - Our colleagues who are highly trained in conventional forms of development tend to be less equipped to deal with challenges of LED in marginalised localities
The problem is not agriculture or informal sector but the local system of innovation that continues to be less inclusive and continues to marginalise some actors and certain economic activities.

The challenge is not lack of entrepreneurs but lack of innovative entrepreneurs.

ILED is introduced to develop a more equitable local systems of innovation and to improve the performance of the national system of innovation.
OWN CONTENTIONS

- ILED is broad and includes sectoral systems of innovation found within the local system of innovation.
- ILED recognises the uniqueness of each local and regional system of innovation.
- It recognises that solutions that emanate from the local system of innovation are more relevant to solving local and regional problems of social exclusion, inequality and unemployment.
- The boundaries of ILED are indeterminate.
CONTEXT MATTERS

- South Africa’s economy is highly dependent on her cities
- Recognition that the rising tide does not lift all boats
- Cities
  - Especially pockets of social exclusion
- Distressed district municipalities
  - Especially rural areas and towns experiencing economic decline
- Key focus is social exclusion, unemployment and inequality
- Improved national system of innovation
Gauteng is the smallest Province but contributes more than any other Province to the national economy of RSA

eThekwini about 65% provincial formal economic activity and economic output

Nelson Mandela Bay and Buffalo City contribute about 65%

King Sabata Dalindyebo Local Municipality generates 90% of sanitation budget at O. R. Tambo District Municipality
When all hope is lost
Every local system of innovation is unique

Occurs in a context

- Economic, social, cultural, political, technological

Our major concern is inclusive development and not inclusive innovations

Increasingly ensures that solutions originate from their social contexts and are embedded in their contexts and solve local and regional problems

NSI does not lead to further inequalities
POLITICAL ECONOMY OF LED

- Conduct case study research that characterise empirical realities and inform policy development
- Generate material that can be used to develop alternative forms of development
- Bridge the gap between policy makers and marginalised citizens
- Development of more inclusive forms of LED
Education and our experiences tend to influence our world views, our interactions with the world, our intentions about the world (or lack of them) and our responses (or lack of them) to the challenges that we face in that world.

- Education system is thus neither neutral nor apolitical.
- Education often does not produce neutral results.
- It can produce unintended consequences.
Policy making remains a contested terrain

Policy making and policy development are social processes
  - They occur in a social context

We tend to reproduce ourselves in the kind of policies we generate
  - Policies we generate say something about us
  - They also say something about us in that situation

Consequently policy making or policy development can neither be neutral nor apolitical
AGRICULTURE

- Transform and create an economy that is more inclusive
  - unskilled
  - semi-skilled
  - skilled
  - Highly skilled

- Enhance technical change

- Enhance the link between agriculture and industrial development:
  - Cat fish and pharmaceutical industry
  - Fruit and concentrated fruit juice industry
SOLVING LOCAL PROBLEM BY LINKING AGRICULTURE, COMMUNITY DEVELOPMENT AND ENTREPRENEURSHIP

- Eco-friendly sanitary pad as an inexpensive local solution that offers needy women and girls dignity and create opportunity for sustainable income
EXTRACTING FIBRE FROM BANANA STEM
SOLUTION EMERGING FROM LOCAL CONTEXT
ENTREPRENEURSHIP AND ILED

- S&T entrepreneurship
- Informality and its inability to utilise S&T results and lack of understanding about the informal sector and its role in the local system of innovation
- Poor linkages between producers and scientists and engineers
- Under-utilisation of traditional knowledge
  - Production of drugs and other technologies
CONCLUSION: IMPACT OF ILED

Training and skills

Innovation

Economic Development

Employability & Entrepreneurship
Le kao sane
Thank you

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