

# Local Economic Development: Why is it important for tourism development in the former Transkei region?

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## ABSTRACT

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This study focuses on LED (with a specific focus in tourism development) within major tourism hubs of the former Transkei region. These hubs include Coffee Bay, Port's St John's and Mthatha situated in Eastern Cape (EC) Province of SA. The Government of South Africa has declared tourism as one of the six pillars for economic growth in line with the New Growth Path (NGP). Furthermore, Local Economic Development (LED) in South Africa (SA) has galvanised widespread attention from government, non-governmental organisations, scholars, and practitioners. The National government acknowledges that SA's LED is the strategic enabler for national economic and development objectives and in particular of SA's National Development Plan (NDP). In addition, SA's LED is viewed as an important potential catalytic instrument to create the necessary broad partnerships and conditions for economic development that can generate better and higher quality service delivery, decent jobs, participation and empowerment of communities, women, youth, and vulnerable groups. Moreover, the study contends that prioritisation of sustainable tourism development using LED by the former Transkei region has a potential to unlock economic sectors in this province. In this context, local government is considered to be at the forefront of advocating for pro-poor tourism and LED policies. Lastly, the study employs a Participatory Action Research (PAR) in diagnosing some of the bottlenecks EC's tourism hubs are grappling with. In conclusion, the findings of the study underscore that there is a need for a Public-Private Partnership (PPP) framework that would further enable the growth of tourism using LED. This PPP framework could inform policy direction for the entire local government community in EC. Such process will assist in mitigating challenges of triple threat (poverty, inequality, and unemployment) through sustainable tourism and LED.

**Keywords:** Local economic development, Transkei, Tourism, South Africa, Eastern Cape