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Cultural Clusters as a Local Economic Development Strategy in Rural Small-Town Areas: Sarah Baartman District in South Africa

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Abstract. Theory suggests that cultural and creative industries (CCIs) cluster in cities where levels of socio-economic development are higher and where they can take advantage of the city's hard and soft infrastructure. However, some South African rural areas and small towns have identified CCIs as potential economic drivers. This paper investigates the relationship between the presence of CCIs in non-metropolitan spaces and levels of socio-economic development using a municipal level socio-economic status index and GIS mapping. The results show a positive relationship between larger numbers of CCIs and higher levels of development. It is suggested that a threshold level of development must be met before CCIs will cluster in an area and become a viable option for promoting local economic development.

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1. Introduction

Culture and creativity have become dynamic focus areas for scholarly research across a range of disciplines, including economics, human geography, urban studies, sociology, anthropology, organisational studies and art history (Bain, 2016). Within South Africa, the cultural and creative industries (CCIs) have been described as the "new gold" due to their

potential to increase economic growth and create jobs (Mzansi's Golden Economy Guidelines, 2016). This potential is important for a stagnating South African economy where economic growth levels have been comparatively low since the 2008/09 Global Financial Crisis and the unemployment rate is high, at 27.5% (Statistics South Africa, 2018). The South African economy is traditionally based on mining and agriculture with the result that small-town and rural areas of the country were prosperous (Nel and Binns, 2007). However, both of these industries have contracted, leaving poverty, inequality, unemployment and a rural economic downturn in their wake (Nel and Binns, 2007).

Relatively recently, the cultural and creative industries have become popular policy tools for promoting economic growth and development. This is especially true for post-industrial cities where CCIs are used to promote urban renewal (Florida, 2003; Landry, 2012). Accordingly, most academic and industrial research focuses on cities in developed countries (Gregory and Rogerson, 2018). There is however, a growing interest amongst developing countries in the potential of CCIs as new growth engines, although this has mainly been focused on urban areas (Flew and Cunningham, 2010). However, there is a growing body of literature on CCIs in non-metropolitan spaces within developed countries including the United Kingdom (Bell and Jayne, 2010) and Australia (Waitt and Gibson, 2009; Daniel, 2014; Daniel et al., 2018). The research seeks to contribute to, and expand, the scope of the literature with a developing-world, small-town perspective, following on from recent work by Gregory and Rogerson (2018) that analyses cultural industry clustering in a large South Africa city (Johannesburg).

The international interest in CCIs began with mapping studies in the UK that revealed the potential of the creative economy for job creation and economic growth (Flew and Cunningham, 2010). The interest in the use of the CCIs to promote urban renewal can be traced back to the "Cool Britannia" place branding and urban redevelopment initiatives (Miles, 2005). The economic contributions of CCIs have been well documented in mapping studies of the creative economy in many developed countries. South Africa followed suit in conducting its first national mapping study in 2014 under the Department of Arts and Culture. The study found that CCIs contributed R90.5 billion to GDP, which was 2.9% of total GDP (Department of Arts and Culture, 2014). Moreover, a study on employment conducted in 2015 by Hadisi and Snowball (2017) found that when all three components of the creative trident – specialists, non-specialists and embedded cultural workers (Higgs et al., 2005) – are considered, then cultural and creative employment accounts for 6.72% of total jobs in South Africa. The CCIs have thus become an important sector to the South African economy and, as such, need to be the subject of further research.

However, it was not until the publication of Florida's "The Rise of the Creative Class" in 2002 that CCIs as a policy and developmental discourse gained worldwide popularity (McGuigan, 2009). Florida's work sparked a renewed interest in CCIs as a means of promoting economic growth and regional development through the "rise of the creative class" (creative individuals and professionals) and the concentration of "technology" (high-technology industries), "talent" (individuals with high levels of human capital) and "tolerance" (a diverse and creative atmosphere) in successful cities (Florida, 2002). In his book, Florida reverses the traditional theory in economic geography that people follow jobs, and instead suggests that the creative class is highly mobile and can be attracted to a place, as they prefer locations that are highly developed, have a wide range of amenities and are tolerant towards different types of lifestyle and personal orientation (Florida, 2002; Sacco et al., 2014). Talent can thus be attracted to places, usually advanced post-industrial cities or 'creative cities' and, once there, these pools of talent will attract high-technology industries, promote innovation, create jobs and prompt economic growth and development.

Although Florida's work is highly controversial and has been hotly disputed, Sacco et al. (2014: 2809) assert that "judging in terms of mass media exposure and worldwide consensus, the most successful culture-led developmental scheme available today is certainly Richard Florida's creative class one". Moreover, questions surrounding cultural policy and culture-led development based on Florida's theories are of particular interest and importance given that governments around the world, including South Africa, are implementing culture-led eco-

nomic growth and development strategies that have been influenced by Florida and his contemporaries (Sacco et al., 2014). However, there is still debate about how effective CCIs can be in promoting regional development because of their tendency to cluster around large cities (Sacco et al., 2014).

While the urban culture-led development narrative is one of restructuring and regenerating the post-industrial city, the rural narrative is that of an economic and social post-productivist shift towards a service-centred and rural lifestyle consumption-based economy (Conradson and Pawson, 2009; Lysgård, 2016). Rural spaces do not have the same advantages of urban areas and so factors such as: the size and variety of CCIs; the presence of other related industries and services; population density (or consumer markets); the existence of cultural infrastructure like theatres and galleries; and physical infrastructure such as transportation networks, broadband connections and accessibility are smaller or limited (Conradson and Pawson, 2009; Waitt and Gibson, 2013; Lysgård, 2016). However, there is still a need to interrogate these factors in rural areas, but as the relations between people, places and creativity that characterise rural spaces, rather than in terms of their quantity and variety (Bell and Jayne, 2010). Cultural and creative activity in rural areas has been known to: strengthen networks that foster greater community ties; promote a sense of belonging; encourage civic engagement, entrepreneurship, collaboration and creative transformation; and build community capacity and support an inclusive community field (Waitt and Gibson, 2013; Balfour et al., 2018). Therefore, "questions regarding the relevance of culture-based development strategies are even more relevant to ask when such strategies are applied to rural places and small towns," (Lysgård, 2015: 1).

This paper seeks to determine whether CCIs are associated with regional development in an area without large cities, using the Sarah Baartman District (SBD) in South Africa's Eastern Cape province as an example. The research method includes the construction of a municipal-level socio-economic status index (as an indicator of regional development) and the use of GIS mapping techniques to locate CCIs within the SBD. The next section reviews and describes the characteristics of the research area, and the data and research methods used, and Section 4 presents the results.

2. The study area and research methods

The Sarah Baartman District (SBD) is the largest district in the Eastern Cape, yet it has no large urban centres and is predominantly rural, with generally low levels of income and employment. Even though it is the largest district in terms of land mass, its population is comparatively small, at 479,923 people, or 6.8% of the total Eastern Cape population (Statistics South Africa, 2016a). Consequently, the district has the lowest average population density in the province, at 8.2 people per km^2 (SBDM, 2017). This settlement pattern can be explained by the combination of the district's vast area, land cover (nature conservation areas) and land use (agriculture), which has resulted in no large urban centres. Cultural factors do not vary much across the SBD, which is mainly Xhosa (Statistics South Africa, 2016a).

The SBD has serious issues of unemployment, poverty and inequality. The district economy has not yet recovered from the 2008/09 Global Financial Crisis as economic growth peaked in 2007 at 9.79%, but was only 3.41% in 2016, while the unemployment rate (using the narrow definition) was 17.8%, (Statistics South Africa, 2016a). Despite these issues, improvements have been made to living conditions, as 87% of sampled households lived in formal housing and 92% had access to piped water and electricity (Statistics South Africa, 2016a). However, education levels remain low, as only 35% of people over 20 had completed secondary school (Statistics South Africa, 2016a). This is important in analysing the district's CCIs and the extent of clustering, as theory suggests that they require skilled or semi-skilled labour inputs and that their consumers are usually members of the creative class and so are generally more educated and wealthier.

Despite not having any large urban centres, the Sarah Baartman District Municipality (SBDM) has identified culture as having a strong regional development potential based on history, festivals, fine arts and crafts and natural heritage (SBDM, 2016). The SBDM's interest in using CCIs as a new eco-

nomic growth driver stems from the post-productivist shift that has occurred across small-town South Africa due to the contraction of the former economic mainstays of agriculture and mining (Nel and Binns, 2007). The contraction of the traditional industries has resulted in problems of severe unemployment, poverty and inequality, as well as economic decline, in the majority of South Africa's rural small town areas (Hoogendoorn and Visser, 2016).

In order to combat these issues, small towns and rural areas need to identify new development opportunities, the most successful of which have relied on the characteristics of the town that make it special rather than the rural hinterland (Hoogendoorn and Nel, 2012; Toerien and Marais, 2012). This relates to sense of place based on local characteristics and assets, including cultural, historical and physical assets (Halseth and Meiklejohn, 2009; Ingle, 2012). Therefore, many small towns, including some within the SBD, are pursuing culture-led development, mainly through tourism (Hoogendoorn and Visser, 2016; Irvine et al., 2016). It is thus hoped that the CCIs will be part of the solution to the problems that affect small towns, including those in the SBD, in a manner that Florida suggests: attracting the creative class (either permanently or as visitors) will result in job creation and economic growth. The activities of the creative class would be multiplied throughout the economy in the hospitality, tourism and transport industries (CCI Spillovers Report, 2015).

This study defined the CCIs in the district according to the UNESCO (2009) Framework for Cultural Statistics (FCS). While there are a number of definitions of CCIs, the UNESCO definition is used here to allow for international comparisons, and because it is increasingly being used in South African policy documents. There are six main "domains" that the FCS identifies: Cultural and Natural Heritage, Performance and Celebration, Visual Arts and Crafts, Books and Press, Audio-Visual and Interactive Media, and Design and Creative Services. They include both the more traditional sectors (such as music, fine art, film and literature), and more commercial applications (such as architecture, design and advertising). The SBD study did not, however, include natural heritage (such as public or private nature reserves, or hunting reserves) as it is not usually considered as a part of the cultural sector in South Africa and is governed by a separate body, the Department of Environmental Affairs.

Building on earlier studies that attempted to map the locations of the CCIs in South Africa (Department of Arts and Culture, 2014; Lankester et al., 2016), a micro-regional database of CCIs in the SBD was constructed. The first phase of the research included internet searches of tourism-related sites and online business directories; the collection of tourism brochures listing such CCIs as museums, galleries and craft markets that would be considered CCI-related tourist attractions; and the use of Google Earth and Google Street View to conduct virtual searches of the towns to identify more CCIs and identify areas of interest in which to search for CCIs during fieldwork. The second phase involved field trips to 31 of the SBD's 35 towns (the four excluded towns were difficult to access, very small and did not seem to have more than five CCIs according to the desk research) to "ground truth", or verify, the information already collected, and to identify additional CCIs through snowball sampling. The field research proved to be the most valuable, as snowball sampling and surveying the towns added the largest number of data points to the database because small towns often do not have a large online presence or tourist brochure exposure. The challenges were that information on CCIs in small towns is difficult to find and that Google Earth imagery was often outdated, or did not record street names for some of the smaller towns. Business name, goods and/or services provided, domain, contact details and location were captured for each CCI firm and historical site. The number of CCIs by Domain and Municipality are shown in Table 1.

This method of conducting an audit of CCIs has resulted in the most accurate database of CCI businesses, and their locations and activities to date for the SBD. Two previous studies had been conducted in the region (Department of Arts and Culture, 2014; Lankester et al., 2016) but were not as extensive in their coverage of the smaller towns or as rigorous in conducting fieldwork. Consequently, the micro-regional audit study of the SBD found a total of 1,048 CCIs, double that of the 2016 study and four times as many as the 2014 study. The micro-regional study audit method has thus proven to be effective and appropriate to rural small-town ar-

eas and should be able to be generalised to other rural small-town areas in South Africa and in other countries.

For the construction of the socio-economic status (SES) index, household data from the 2011 Census (Statistics South Africa) was used. The definition of development used in this research follows Amartya Sen's approach of considering development to be a multidimensional concept that encompasses economic and social aspects. Indices have become a popular method of investigating development as they are capable of accounting for the multidimensional nature of development (Botha, 2016). An SES index is a type of asset-based index that measures wealth but that recognises that development means more than access, or the lack thereof, to financial resources (Howe et al., 2008).

The variables used to measure socio-economic status for this research include those relating to economic performance, consumer durable-asset ownership, access to basic services and housing characteristics (Table 2). The data set used was a 10% sample released by Statistics South Africa. The households in the SBD were then extracted (10,493 observations). The recommended sampling weight was applied in order to ensure that the sample was representative of the population of the District.

The most widely used technique in aggregating asset data to create an index is Principal Component Analysis (PCA) (Booysen et al., 2008). PCA is a data reduction technique that involves replacing a set of correlated variables with a set of uncorrelated principal components or dimensions that represent unobserved characteristics of the population (Filmer and Pritchett, 2001). The first dimension explains the largest portion of the total variance and, when constructing a wealth index, the weights for each variable are taken from the first dimension to generate each household's score, where assets that are more unequally distributed will have a higher weight. The relative ranking of households using their scores is then used as a measure of SES (Filmer and Pritchett, 2001).

However, PCA is designed to be used on continuous, normally-distributed data and so its application to data sets that contain categorical variables, as is often the case with census data, is considered to be inappropriate (Booysen et al., 2008; Howe et al., 2008). Multiple Correspondence Analysis (MCA) is more appropriate, as it is the only multivariate method that can be used to analyse any mixture of binary, categorical or discrete variables. This study utilised the MCA technique to create a municipal level SES index for the district from the South African 2011 Census household survey.

Once the MCA was completed and the weights obtained, a composite SES index score for each household was calculated using the procedure described in Vyas and Kumaranayake (2006), after which the mean SES score for each municipality was determined (Table 3). Municipalities were then ranked from 1 (highest socio-economic status) to 9 (lowest socio-economic status).

GIS is a particularly useful analysis tool as it produces a visual display of the data and can take complex data sets and relationships and display them in a simpler manner. This makes interpretation easier and may bring to light relationships that were not previously highlighted in complex data sets, tables and graphs. The maps can also be more easily understood by government officials, policy makers, researchers, study participants and the general public. Mapping studies of CCIs have been conducted in many countries around the world, but it is not often that a physical map is generated from the collected data. This research included the production of physical maps to take advantage of their analysis potential and easy communication of results to a wide audience.

Using GIS, the results of the CCI mapping study (for each municipality in the district, as well as for each of the towns) were overlain on the SES index results to explore the relationship between the presence of CCIs and development.

3. Results and discussion

While the SBD as a whole has a large number of CCIs, they are not evenly distributed throughout the nine municipalities. There are three general groupings of municipal CCI numbers: low (below 50 CCIs), medium (between 51 and 150) and high (151 and above). There seems to be a link between the number of CCIs in a municipality and its land use. Municipalities with low CCI numbers are primarily agricultural; for example, the Sundays River

Table 1. UNESCO Domains Breakdown of the CCIs in the SBD

Municipality	Domains					
	Cultural Heritage	**Performance & Celebration**	**Visual Arts & Crafts**	**Information, Books & Press**	**Audio-Visual & Interactive Media**	**Design & Creative Services**
Baviaans	32	6	31	3	0	1
Blue Crane Route	23	2	19	8	0	2
Camdeboo	58	7	69	11	1	7
Ikwezi	12	0	8	2	0	1
Kouga	29	13	108	26	3	53
Kou-Kamma	6	1	21	4	0	0
Makana	53	51	75	26	7	21
Ndlambe	46	9	107	24	1	32
Sundays River Valley	4	3	11	9	0	2
SBD Total	**263**	**92**	**449**	**113**	**12**	**119**

Table 2. Sarah Baartman District SES Index Variables

Variables	
Main Dwelling Type	Motor Car
Total Number of Rooms	Computer
Access to Piped Water	Television
Type of Energy used for Lighting	Satellite Television
Type of Toilet Facility	DVD Player
Refrigerator	Radio
Stove	Cell phone
Vacuum Cleaner	Access to the Internet
Washing Machine	Employment Status of Household Head
Landline Telephone	Annual Household Income

Source: (Statistics South Africa, 2018)

Table 3. The Sarah Baartman District SES Index

Municipality	Obs.	Weight	Mean	Std. Dev	Min	Max	Rank
Camdeboo	1,053	12,398	0.14632	0.90583	-2.1318	2.2345	1
Kouga	2,458	29,446	0.10676	1.14704	-2.2234	2.3300	2
Makana	1,801	21,388	0.06289	0.95917	-2.1912	2.2459	3
Baviaans	383	4,610	0.00793	0.81987	-1.5996	2.1795	4
Kou-Kamma	918	11,032	-0.05518	0.92988	-2.0573	2.2951	5
Blue Crane Route	813	9,761	-0.07192	0.92066	-2.1797	2.3066	6
Ndlambe	1,616	19,330	-0.08623	1.05420	-2.1567	2.3017	7
Ikwezi	242	2,913	-0.14609	0.86167	-1.8757	2.2188	8
Sundays River Valley	1,209	14,749	-0.36826	0.90347	-2.2079	2.2693	9
Total	10,493	125,628	-0.01986	-	-	-	-

Valley and Kou-Kamma are large fruit-producing regions, and Ikwezi is part of mohair country with a focus on farming angora goats. These municipalities are thus characterised by small, rural, service-centre-type towns which are not well suited to large numbers of CCIs because of their small local markets and poor-quality basic infrastructure.

The municipalities with a higher number of CCIs are those that have the larger towns in the SBD: Graaff-Reinet, Grahamstown (Makhanda), Jeffreys Bay and Port Alfred (Fig. 1). Although these municipalities engage in agricultural activity, their overall municipal economies are more diverse, offer a wider range of services and have a greater variety of economic activity. Consequently, CCIs have located in greater numbers in the municipalities with larger towns because they are more capable of providing them with the conditions they require: better hard and soft infrastructure, and larger local consumer markets due to their greater relative population densities.

The municipalities with medium numbers of CCIs have aspects of both the high and low CCI municipalities. While they are also primarily agricultural, the Blue Crane Route has a medium sized town, Somerset East, which acts in a similar way to the larger towns. Baviaans is home to the Baviaanskloof World Heritage Site and has large Angora goat farms, so is similar to the low-CCI-number municipalities in terms of land use and settlement pattern. However, Baviaans has managed to create a small tourism industry based on mohair, and is marketed as a quiet escape from city life. There are thus a significant number of CCIs that have been established in the municipality's towns. These results show that that it is not just the size of the municipality or town that is important; its characteristics also have a heavy influence on the number of CCIs, and thus the potential of the sector to drive development.

It is possible that the categories of CCI numbers indicate a threshold town size that must be reached in order for CCI-led development to be a viable option. Low-CCI municipalities consist of towns that are below the threshold because they are mainly small agricultural service centres with limited hard and soft infrastructure. Accordingly, there is no pre-existing level of CCI-related infrastructure on which to build. The threshold is reached by the medium-CCI-number municipalities because, even though some of the towns have small permanent populations and are small in physical size, their tourism industries and in some cases second-home owner communities have resulted in the towns being able to support the CCIs quite successfully (for example, St Francis, Bathurst, Nieu-Bethesda and Kenton-on-Sea). These types of towns are the threshold as they have a good level of pre-existing infrastructure and a decent number of existing CCIs on which they can expand. This means that for them, CCI-led development is more likely to be a viable option for local economic development. The high-CCI municipalities exceed the threshold and so are even more likely to be able to foster CCI-led development.

These classifications of municipalities based on their numbers of CCIs show that there is a diversity that exists in rural areas with small towns. The overarching and simplified theory that small towns and rural areas are not suited to CCIs is incorrect. While the three low-CCI municipalities do conform to the traditional theory, municipalities with larger numbers of CCIs have managed to create a niche tourism sector for themselves, and have some potential for culture-led development. Some CCIs have thus positioned themselves to take advantage of the visiting creative class and so offer a different type of cultural experience than do cities. The larger number and greater range of CCI activity in these municipalities may also be based on providing creative services to their own populations, as the larger towns have greater proportions of professionals and creative class members who would consume cultural and creative products.

The total number of CCIs per municipality is represented in the same manner as the total number of CCIs per town: bigger circles represent greater numbers of CCIs (Fig. 2). A colour gradient is used to represent the SES index rankings, with darker colours showing higher rankings and thus better socio-economic status performance. The map shows that there is generally a positive relationship between a municipality's SES ranking and the number of CCIs that it has.

The four municipalities with the largest numbers of CCIs (Makana, Kouga, Ndlambe and Camdeboo) also have the four largest towns in the district. The towns are the economic centres of the district and so,

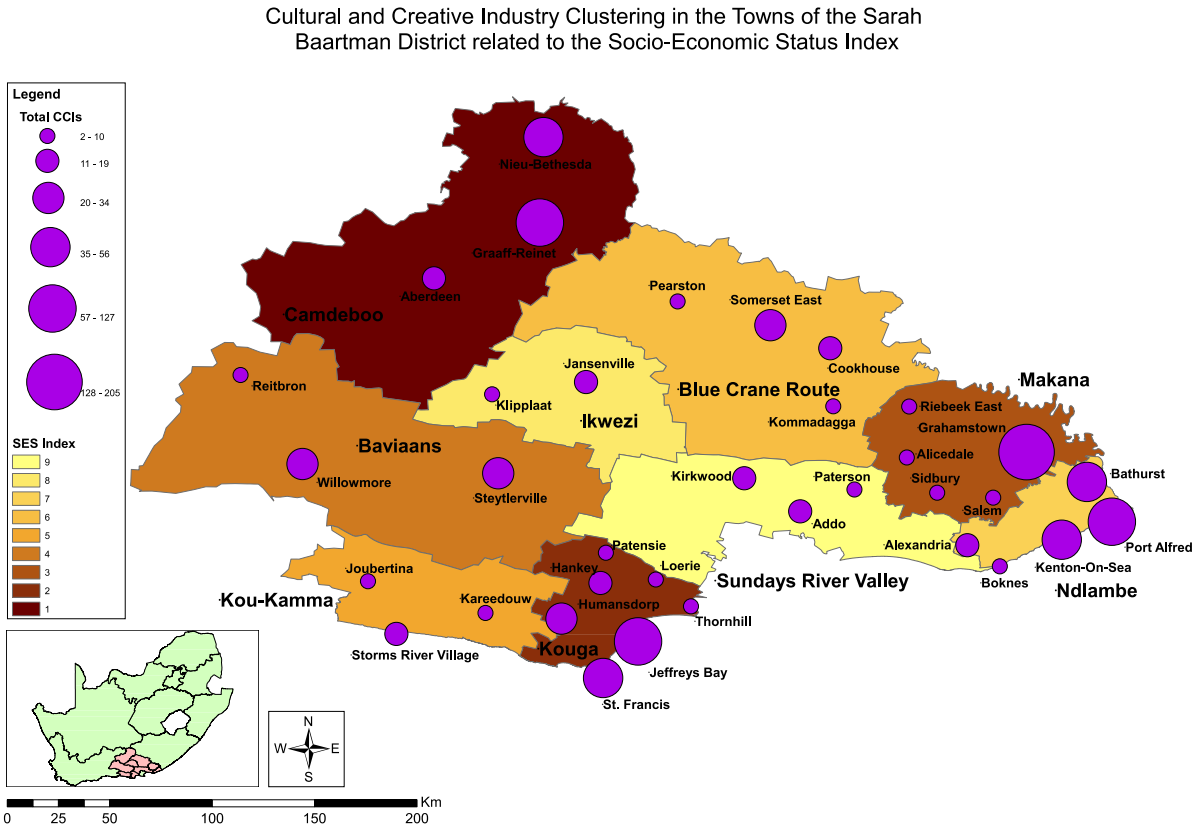

Fig. 1. Cultural and Creative Industry clustering and the SES Index

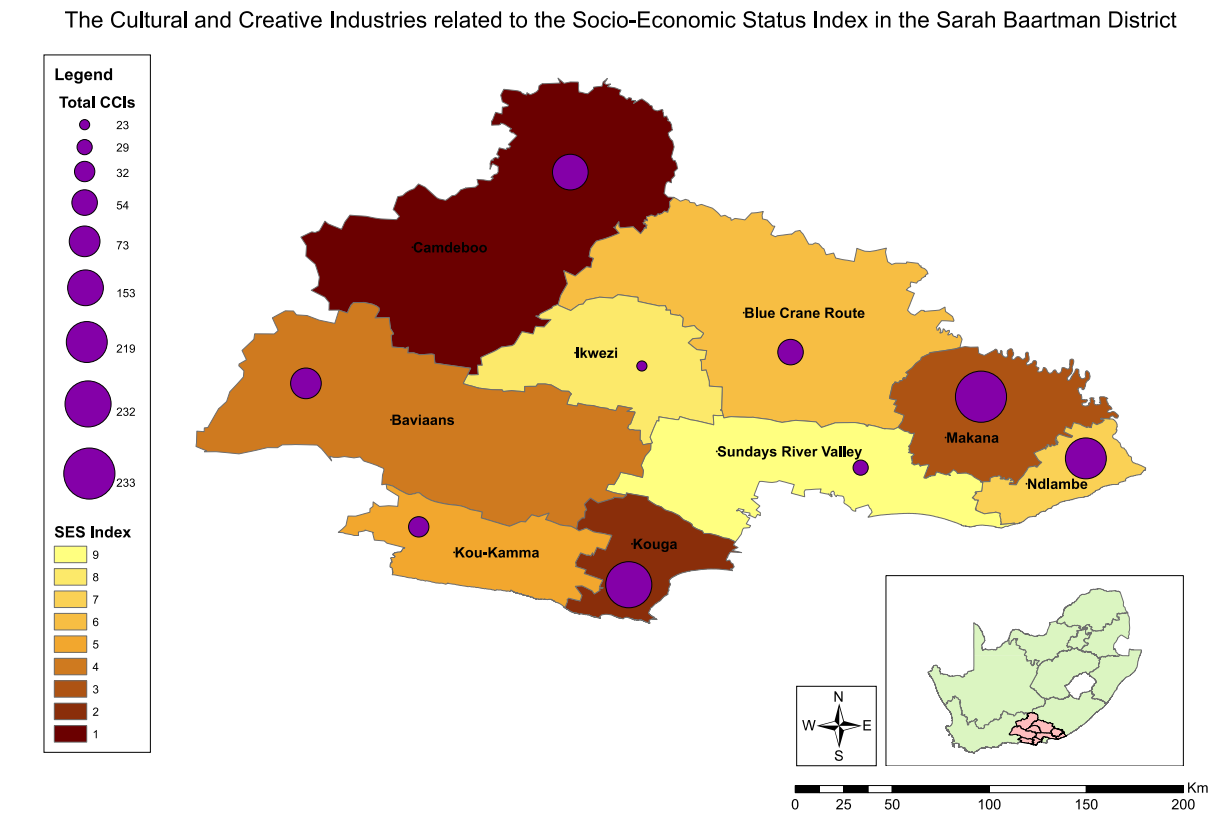

Fig. 2. The number of CCIs and the SES Index

even though the SES results and field observations show that unemployment, poverty and inequality are high, there are still better economic opportunities associated with the larger towns than in the more rural areas of the district. This is exemplified in the general national trend of people moving away from rural areas (Harrison and Todes, 2015; Hoogendoorn and Visser, 2016), as well as in official SBD statistics, where larger towns were found to be growing in population size as people relocated from the more agricultural regions in search of job opportunities (SBDM, 2017). Furthermore, since the towns have larger populations and are large service centres, they accordingly have larger numbers of the creative class, who are wealthier and so can afford to consume CCI products. Barring Ndlambe, these municipalities have positive SES index scores and are the three best socio-economic performers. Even though the SES index rankings and the number of CCIs do not correlate exactly, they support the idea that places that are more developed will also have more CCIs (Florida, 2002).

Baviaans is the last municipality with a positive ranking, placing fourth, and has the fifth-largest number of CCIs. Although it is primarily agricultural, with a prosperous mohair industry (Camdeboo Municipality, 2018), it has a relatively large number of CCIs as compared to the other prominent agricultural municipalities in the SBD, such as the Sundays River Valley and Kou-Kamma. These two municipalities seem to fit the traditional theory of CCIs not being well-suited to rural areas (Florida, 2002). In part, Baviaans fits this theory as it has an agricultural focus and has only three small sparse settlements and the second-smallest population in the district (Statistics South Africa, 2016b). However, towns in Baviaans are slightly larger and provide more services than the average agricultural town in the SBD, in addition to having a small tourism industry with a significant cultural and creative aspect. Baviaans thus has a more diverse local economy than the other primarily agricultural municipalities and has a greater number of economic opportunities, which are spread out over a smaller population, resulting in a higher SES score.

If Ndlambe is excluded, the remaining four municipalities (Kou-Kamma, Blue Crane Route, Ikwezi and Sundays River Valley) generally follow the pattern of lower socio-economic status scores being associated with lower numbers of CCIs. In Ikwezi, this result is unsurprising as field research found hardly any economic activity in Klipplaat and limited economic activity in Jansenville with a few CCIs that mainly related to mohair. This is supported by official statistics for Ikwezi, as the municipality had an economic growth rate of only 0.16% between 2001 and 2011 (Statistics South Africa, 2018). Thus, the result from this municipality suggests that there is a link between development levels and CCIs as, according to field observations, the municipality with the least economic activity, the smallest population in the district (10,537 people in 2016) and high unemployment (71% in 2011) also has very low numbers of CCIs (Statistics South Africa, 2016b; SBDM, 2017).

The results support the idea that there may be a development threshold that needs to be reached before CCIs can flourish. This idea can also be linked to the creative industries "virtuous cycle" as explained by Sacco and Segre (2009). In their model, the key factor responsible for growth is the acquisition of competence, which is made up of social, cultural, symbolic and identarian capital. To enter the virtuous cycle, the level of competence and capability of consumers must be sufficient to guarantee their willingness to pay for the creative component of a good or service. Therefore, a town would need to have reached the development threshold before CCI-led development was a realistic option. However, this can be difficult to achieve in developing country contexts, and especially in rural areas, as it is often the case that the development of CCIs is constrained by low disposable income levels which means that demand amongst the local populations for CCI goods and services is low (De Beukelaer, 2015).

4. Conclusions

There is still debate about the potential of the cultural and creative industries to drive growth and development in more rural areas, and there are critiques of cultural policy "transfer" from cities to rural areas (Lysgård, 2016). The study area for this research does not currently have a regional cultural policy, although the District Municipality is in

the process of developing one, despite the fact that the area has no large cities and struggles with high levels of poverty and unemployment. Could CCIs provide a viable development pathway in such a context? A first step in answering this question is to audit and map the kinds of CCI activity currently found, and to examine the relationship between the presence of the CCIs and other development indicators. In this, the research takes a "cultural planning" approach, where existing organisations are mapped so that they can be built on by targeted policy initiatives (Balfour et al., 2018).

The results show that there is CCI activity in the SBD, and that, in some cases, clusters can occur. However, small towns are not all suited to clustering, as more than half of the 35 towns in the SBD did not have clusters. In general, low-CCI towns also had lower levels of socio-economic development, as illustrated by the SES index, and so concurred with the traditional theory that CCIs are unsuited to rural small-town areas that are agriculturally focused. For these towns, the cultural industries are unlikely to offer a sustainable development pathway. However, CCI clusters were found in towns with more diverse markets and better infrastructure. This potential for clustering, and thus effective development, is based on the town's characteristics, such as having: larger proportions of the creative class (defined by education levels); a larger consumer base for CCI goods and services; existing tourism industries; greater socio-economic development levels; more diverse local economies; and important economic functions as service centres for the district. For these towns, culture-led development may be a viable and productive LED option.

The municipal level SES index analysis found that municipalities with higher SES index scores also generally had larger numbers of CCIs. This suggests that a pre-existing or threshold level of development is required before CCIs will establish themselves in larger numbers within a municipality and form clusters. This is based on the inability of the lower ranking municipalities to support CCIs as they are characterised by: primarily agricultural economies; smaller populations and consumer bases; lower levels of talent; and high levels of unemployment, poverty and inequality. Meanwhile, the municipalities that are higher-ranking in terms of SES index have larger numbers of CCIs, as they have surpassed this development threshold and are on the virtuous cycle.

The fact that CCI clusters can occur in rural small towns means that local economic development (LED) initiatives surrounding the promotion of CCIs in rural areas can be successful. The pursuit of the development of CCI clusters has important social implications, as the clusters will generate employment, increase incomes, contribute to the town and district's GDP, increase collaborations and networking and have spillover effects on other industries in the town, such as tourism, hospitality, retail, food and transport. However, as Balfour et al. (2018) caution, cultural-industries development strategies that focus only on attracting tourists, and "excessive commodification" can have negative socio-economic impacts.

It should be noted that the success of CCI clustering is not only dependent on the variables included in the socio-economic status index used in this research. There are other economic, social and cultural factors such as infrastructure, accessibility, network and collaborating potential, place attractiveness and the impacts of neighbouring regions' activities that may play a role in clustering and could be investigated in future research.

When compared to economic growth rates such as gross geographic product (GGP) used by Florida to predict where large numbers of CCIs will locate, the SES index is more accurate in the rural, small-town and developing country context. This is because highly profitable commercial farming may result in a high GGP, but still be associated with low levels of general household welfare. Wealth is an important factor in determining demand for CCI goods and services, and thus their ability to contribute to LED.

The two maps that were produced for this research have shown how GIS can be used to investigate the relationship between CCI activity and socio-economic development. Its growing use in cultural economic geography points to it becoming an increasingly popular analysis tool in this field. The mapping techniques demonstrated here are important prerequisites for the development of realistic and sustainable cultural policies for rural areas.

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