Youth Entrepreneurship in the Context of Minerals Development, in Esikhawini and Mzingazi

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Research Objectives

To reflect on the nature of “business”, and the ways in which such entrepreneurship remains invisible and unaccounted for.
Key Questions

• What kinds of youth entrepreneurship emerge as a result of mining and minerals activities?

• How do young people create stable futures while sustaining communities through entrepreneurship?
Esikhawini and Mzingazi as a precarious place

• Located near Richards Bay in the northern KwaZulu-Natal Province

• Areas were established following the annexure of Richards Bay as an industrial town and later an Special Economic Zone

• Challenges such as poverty and unemployment.
Significance

• Social sustainability least explored of all sustainability pillars

• CSR initiatives need to approach sustainability as a human “social system”
Case Study 1: Haircut Salon

- 19 year old barber

- Structure located along main road
  - Corrugated iron, wooden poles, wooden pieces
  - Electricity drawn from local resident
Case Study 2: Small Trader

• 37 year old trader

• Located outside a “tshisa nyama”
  - Two metre open tent
  - Two display tables

• Various products
  - Earrings, lip gloss, shoe repair
Categorisation of Youth

• South African youth a socio-economic problem

• ‘youth problem’ a social construct that particularly refers to unemployed and poor young urban black people (Seekings, 1996)

• Often categorised in dichotomies as either ‘victims’ or ‘perpetrators’

• Township youth are also perceived as being trapped in ‘waithood’ (Honwana, 2012)
Entrepreneurship in Africa

- Driver of economic growth and transformation
- Main solution to youth unemployment problem
- Identified as a priority in the New Growth Plan
Youth Participation in Entrepreneurship

- Shared responsibility with government and mining companies

- Corporate Social Responsibility (CSR), enterprise development programmes have been established
  - e.g. BHP Billiton’s Enterprise Development Programme
Framing of Entrepreneurship

**Necessity**
- Entrepreneurship out of poverty crisis and unemployment
- Unlikely to have growth aspirations

**Opportunity**
- Entrepreneurship out of choice
- Growth-oriented
Enterprise Development Programmes

- Noticeably paternalistic, directive and supervisory in approach (Bordonaro and Payne, 2012: 368)

- Use business models that recognise certain kinds of enterprise as participating in the ‘formal’ economy
Reports and Media

Global Enterprise Monitor

City Press Online

Entrepreneur Online

Forbes

Mweb

Formal Business
Skills training and education?

• Central to gain success as a young person

• Township youth perceived as lacking entrepreneurial skills

• Yet, other young people turn the uncertainty into an advantage, recasting themselves as communal entrepreneurs (Diof, 2003: 5)

• Township young people able to change the future of themselves and their communities
Communal Entrepreneurship

“Necessity”    “Opportunity”

Independence    Skill Enhancement

Professional

Proud            Privileged
Conclusion

Understanding of communal entrepreneurs requires frameworks that go beyond normative economic/business models. Instead, deeper understanding of how youth domesticate such models is needed.
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