



UNIVERSITEIT VAN PRETORIA
UNIVERSITY OF PRETORIA
YUNIBESITHI YA PRETORIA

URBAN ECONOMIC DEVELOPMENT: A CONCEPTUAL FRAMEWORK

by

ANDRÉ CILLIÉ JORDAAN

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If the Lord does not build the house, the work of the builders
is useless;
if the Lord does not protect the city, it is useless for the
sentries to stand guard.

Psalms 127:1

SUMMARY

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by

ANDRÉ CILLIÉ JORDAAN

SUPERVISOR: PROF C HARMSE
CO-SUPERVISOR: PROF JN BLIGNAUT
DEPARTMENT: ECONOMICS
DEGREE: D.COM. (ECONOMICS)

The purpose of this study is to develop an economic policy framework for local urban authorities to empower them to increase economic growth and development and thus quality of life of its residents. The study integrates conventional economic growth theories with the urban environment and shows their applicability within the urban environment. An urban area is perceived as an economic powerhouse within the national economy where the majority of economic activity is generated. The concentration of people and economic activity creates certain positive externalities that should be exploited by residents, businesses and local authorities. High levels of research and development as well as innovation is possible in urban areas and contribute to realise increased economic growth and development.

Unfortunately, urban areas also experience negative externalities and this should be addressed because this leads to a decrease in economic efficiency and thus a decline in quality of life. The study thus introduces several options of urban economic policies for use by the local urban authorities. The main aim of these policies is to serve as a framework for local urban authorities to address the typical relevant urban problems in order to stimulate sustainable economic growth and development and quality of life.



SAMEVATTING

STEDELIKE EKONOMIESE ONTWIKKELING: 'N KONSEPTUELE RAAMWERK

deur

ANDRÉ CILLIÉ JORDAAN

LEIER: PROF C HARMSE
MEDE-LEIER: PROF JN BLIGNAUT
DEPARTEMENT: EKONOMIE
GRAAD: D.COM. (EKONOMIE)

Die doel van hierdie studie is om 'n ekonomiese beleidsraamwerk vir plaaslike stedelike owerhede daar te stel om sodoende ekonomiese groei en ontwikkeling en dus die lewenskwaliteit van inwoners te verhoog. Die studie integreer konvensionele ekonomiese groeiteorieë met die stedelike omgewing en dui die toepasbaarheid daarvan binne die stedelike omgewing aan. 'n Stedelike gebied word gereken as 'n ekonomiese magsbasis binne die nasionale ekonomie en genereer die meerderheid van ekonomiese aktiwiteit. Die konsentrasie van mense en ekonomiese aktiwiteit bring sekere positiewe eksternaliteite na vore wat uitgebuit moet word deur inwoners, besighede en plaaslike owerhede. Hoë vlakke van navorsing en innovasie is ook meer moontlik in stede en dra sodoende by tot die verwesenliking van verhoogde ekonomiese groei en ontwikkeling.

Stedelike gebiede ervaar ook noodwendig sekere negatiewe eksternaliteite en dit moet aangespreek word aangesien dit tot 'n afname in ekonomiese effektiwiteit kan lei en dus tot 'n verlaging in lewenskwaliteit. Hierdie studie stel verskeie opsies van ekonomiese stedelike beleid voor vir gebruik deur plaaslike stedelike owerhede. Die hoofdoel van hierdie beleid is om as raamwerk vir plaaslike stedelike owerhede te dien vir die aanspreek van tipiese relevante stedelike vraagstukke ten einde volhoubare ekonomiese groei en ontwikkeling te stimuleer asook lewenskwaliteit te verhoog.



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