



**Communication and Marketing Department
Isebe loThungelwano neNtengiso
Kommunikasie en Bemerkingsdepartement**

Private Bag X3, Rondebosch 7701, South Africa
Welgelegen House, Chapel Road Extension, Rosebank, Cape Town
Tel: +27 (0) 21 650 5427/5428/5674 Fax: +27 (0) 21 650 5628

www.uct.ac.za

3 December 2021

Destigmatise SA's multibillion-rand cannabis sector to achieve economic growth - study

The country's cannabis industry has the potential to lift the economy from the brink of ruin, provided every effort is made to destigmatise the sector first, says Nqobile Bundwini, a lecturer at the University of Cape Town (UCT). South Africa's cannabis sector is currently worth an estimated R28 billion.

As rampant unemployment, an escalating cost of living and dire socio-economic conditions continue to ravage South Africa, coupled with the result of an age-old stigma, the industry is not given the attention it needs in order to flourish. This, Bundwini explained, discourages buyers, sellers and potential investors; and that needs to change – fast.

"The biggest stigma associated with cannabis is those negative perceptions about its uses and its effects. It's the general undesirable picture of cannabis users being unintelligent, lazy, unhygienic, and even dangerous. This leads to discrimination in professional and social contexts," she said.

Catalysing the cannabis industry

Bundwini, who teaches marketing in UCT's School of Management Studies, has dedicated much of her research to creating awareness regarding the cannabis industry in South Africa. "Because of the stigma around cannabis and the history of its illegal status, there has been very little research done on the topic or the industry as a whole. Today, we stand on the cusp of this rapidly growing industry – but we don't know enough about it," she said.

"This industry deserves focused research, because it doesn't operate the same as other industries. It has different environments and restrictions to overcome, and its consumers think and behave differently."

In a recent research paper titled "Destigmatising the Cannabis Industry", Bundwini argues that the fast-burgeoning cannabis market is what South Africa needs to revive its ailing economy. She highlights the challenges the industry faces and has also taken on the arduous task of producing a set of guidelines for how to destigmatise and navigate the sector to reap the long-term benefits. She shared her research during the International Cannabis Expo in Johannesburg in November.

Ripe with possibilities

Cannabis is considered the world's most commonly cultivated and trafficked drug, and the global move to legalise it has attracted significant attention from investors. However, Bundwini pointed out, because of its global stigma, getting investors on board remains one of the sector's biggest challenges.

"The cannabis industry is massive. But the stigma attached to it results in endless challenges. A lack of knowledge about the industry, legal red tape, a lack of funding and limited banking options, and widespread social disapproval are just a few of the pain points," she said.

Despite this, South Africa remains one of the largest exporters of cannabis, and the industry is ripe with possibilities for economic growth. "We are leaders in this field, yet we are still lagging behind. If we don't harness our potential in this regard, it's likely that yet again, western countries will take over our market and resell it to us at a profit," she said.

Work together

To date, Bundwini, said her research on cannabis has yielded several interesting findings.

- The industry won't ever be completely destigmatised; the stigma should be managed effectively.
- The cannabis stigma can be used to businesses' advantage, to attract attention and encourage engagement.
- The industry should openly claim and celebrate its benefits, despite the negative perceptions – affirmation is at the heart of destigmatisation.
- The industry should adopt a collective approach and find ways to collaborate and form a cohesive voice in order to challenge the status quo.

"It's not just one cannabis business that's stigmatised – it's the whole industry. To boost the industry, increase support, create jobs and grow the economy, businesses need to work together," she said.

The framework for change

In her research, Bundwini suggests that the industry makes several improvements. Her first three recommendations, she added, aim to avoid the stigma of cannabis, while the second three seek to eliminate the stigma.

- Adjust internal structures and operations to mitigate negative consequences.
- Comply with existing laws and regulations.
- Don't hide and advertise secretly.
- Proudly declare cannabis' existence and own the stigma.
- Borrow positive associations and tie existing favourable values to the cannabis business.
- Own the stigmatised identities and challenge stigmatisers to accept them.

"I believe that affirmation is at the core of reducing the cannabis stigma. The closer the [destigmatising] strategy is to affirming, the more effective it is in destigmatising. And the further it is from affirming, the more it actually perpetuates the stigma," she said.

Use your resources

Bundwini said she has always encouraged optimal use of the country's natural resources to alter circumstances, and this includes the use of cannabis.

“I feel that South Africa has a tendency to lag behind and not optimally use its rich resources. And if we don’t, we will get left behind – in a situation where we should in fact be the pioneers and leading from the front. We should be jumping on opportunities that will garner economic growth and job creation. The cannabis industry is one such opportunity. The time to change our mindsets is *now*,” she said.



Nqobile Bundiwni

Photo: Supplied

Ends

Issued by: UCT Communication and Marketing Department

Thami Nkwanyane

Media Liaison and Monitoring Officer
Communication and Marketing Department
University of Cape Town
Rondebosch
Tel: (021) 650 5672
Cell: 0725639500
Email: thami.nkwanyane@uct.ac.za
Website: www.uct.ac.za