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Analysis of Local Economic Development Initiatives Towards Poverty Mitigation Within Big 5 Hlabisa Local Municipality: Perspectives of Youth and Municipal Officials

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Date of submission: November 2021

DECLARATION

I, Mzwandile Refuge Xaba, declare that: “Analysis of Local Economic Development Initiatives Towards Poverty Mitigation Within Big 5 Hlabisa Local Municipality: Perspectives of Youth and Municipal Officials

” is my own work, it is submitted to the University of Zululand in the fulfilment of the master’s degree in Public Administration. It has not previously been submitted to this institution or at any other institution. All the sources that I have employed in this work have been indicated and acknowledged.

_____ _____

Mzwandile R Xaba Date

DEDICATION

I dedicate this work to my beloved late grandmother **Melta Xaba,** a pillar in several structures of my life—you may be absent physically, but you will live forever through all the memories we share. May your soul rest in eternal peace.

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ABSTRACT

The Constitution of the Republic of South Africa (1996) were considered in advancing the LED initiatives. The national order set an obligation on the local government circle to promote economic movement from a grassroots level and expand formative economic activities. The LED initiatives were planned to magnify economic development, share the alleviation objectives, and incorporate previously excluded groups in social and economic life. Section 152 of the Constitution of the Republic of South Africa (1996) outlines the primary objectives of the local government (municipalities); Subsection (1) stipulates that (a) municipalities have to provide a democratic and accountable government for local communities; (b) ensure to provide services to local communities sustainably; (c) promote social and economic development. This study focused on youth community members' perceptions of LED in the Mpembeni and Bazaneni local areas. The sample also included municipal officials within the Big 5 Hlabisa Local Municipality. The study's primary aim was to analyse LED initiatives towards poverty mitigation within the Big 5 Hlabisa Local Municipality. Qualitative methods were employed to collect and analyse data obtained from the youth community members and municipal officials with the LED department. Qualitative data were collected from the youth community members through questionnaires and from the municipality staff through interviews. The analysis of qualitative data was conducted through thematic analysis. This study and the identified problem were developed to analyse the possibility of LED initiatives to mitigate the poverty level and unemployment rate. For over two decades of democracy, "South Africa is still battling with the issues of poverty, inequality, unemployment, and hunger" (StatsSA, 2017). The study findings confirm South Africa's remaining battle with the elevated level of poverty in rural areas and the high youth unemployment rate. The recommendations and innovative ideas may assist the municipality in facilitating the LED initiatives effectively through local community development.

Keywords: Local economic development, poverty, Constitution, municipal officials, socioeconomic conditions, Integrated Development Plan

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LIST OF ABBREVIATIONS AND ACRONYMS

ANC	African National Congress
APES	Academic and Professional Editing Services
B5HLM	Big 5 Hlabisa Local Municipality
CTO	Community Tourism Organisation
IDP	Integrated Development Plan
LED	local economic development
LG	local government
NDP	National Development Plan
PGDS	Provincial Growth and Development Strategy
PPA	Participatory poverty assessment
RDP	Reconstruction and Development Programme
RSA	Republic of South Africa
UZREC	University of Zululand Research Ethics Committee

CLARIFICATION OF KEY TERMS

Local economic development

This is established when the local government collaborates with the local communities and organisations to discover maintainable initiatives to meet their social and economic needs while improving their lives (*White Paper on Local Government,* 1998). Although the LED concept is recent in South Africa, it enjoys wide acceptance and credibility.

Poverty

According to Tefu (2017), poverty can be defined as the inability to attain minimal standards of living determined by factors, such as low income, human under-development, social exclusion, a lack of capability and functioning, vulnerability and a lack of basic needs. Poverty is associated with inadequate income to purchase essential items for survival (World Bank, 2001).

Constitution

The Constitution of the Republic of South Africa (1996) refers to the supreme law, summarising the political principles and structures of power, such as Parliament and the Presidency and national, regional, and local forms of government. It includes the Bill of Rights—a document containing fundamental rights for society.

Municipal officials

These are officials employed by the municipality.

Socioeconomic conditions

Tefu (2017) defines socioeconomic as conditions in rural communities requiring an integrated strategy to facilitate sustainable economic growth to meet people's needs. These include under-development, poverty, and a lack of economic opportunities.

Integrated Development Plan

A five-year municipality development plan is adopted and reviewed annually.

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CHAPTER 1: INTRODUCTION AND STUDY BACKGROUND

1.1 Introduction

Local economic development (LED) was an essential priority for the local government (LG) and the developmental state. The International Labour Organization (ILO, 2006) confirms that local municipalities need to discover strategies and mechanisms. These would improve and reinforce regional competitiveness and similar points of interest to contend on a global level. In South Africa, LED initiatives were developed considering the stipulations of the Constitution of the Republic of South Africa (1996). The national order set an obligation on the local sphere of government to advance economic movement from a grassroots level, adding to formative economic activities within the state. LED initiatives were planned to expand economic development, share the alleviation objectives, and incorporate previously excluded groups in social and economic life.

Section 152 of the Constitution of the Republic of South Africa (1996) outlines the primary objectives of the LG (municipalities) as follows: Subsection (1) stipulates that; (a) municipalities have to provide a democratic and accountable government for local communities; (b) ensure providing services to local communities sustainably; (c) promote social and economic development; (d) promote a safe and healthy environment; (e) encourage the involvement of communities and community organisations in the matters of LG.

In understanding the context of this study, LED is defined as the process where public, business, and non-governmental sector partners collaborate to create improved circumstances for economic growth and employment generation. It declares that LED concerns local people collaborating to achieve economic growth, generating economic welfare, and life quality for community members (World Bank, 2006). Meyer and Venter (2013) define LED as an initiative comprising all stakeholders in an identified area, collaborating to establish sturdy economic development, employing local resources to enhance the livelihoods of the local populace.

The study's primary aim was an in-depth analysis of LED initiatives towards poverty mitigation within the Big 5 Hlabisa Local Municipality (B5HLM) in the northern part of

KwaZulu-Natal. The primary function of the LG in LED is established by Monchusi and Scheepers (2002), characterising LED as a procedure directed by municipalities. This function is according to their protected command to advance the social and economic improvement of the local communities where the entity is. Dlamini and Reddy (2018) contend that LED programmes ensure municipalities create a sustainable development base, enhancing revenue and employment creation for local people, with the potential to alleviate poverty.

1.2 Study background

Section 152(1)(c) of the Constitution of the Republic of South Africa (1996) "(c) to promote social and economic development" indicates an objective that the municipality should consider all activities. The Constitution includes ensuring the economic progression of the local community and that the local entity is consistent and understanding the context of LED. Municipalities are the closest government body to the people.

The LED concept is significantly discussed in the *White Paper on Local Government* (1998). It developed the idea and the meaning of "developmental LG", stipulating that local economic development concerns government focused on collaborating with the local community and organisation within the local community. This enables discovering maintainable initiatives to meet their social and economic needs and improve their lives. It further stipulates that the target of LED was to assume the liability of municipalities beyond to create and keep up dynamic Integrated Development Plans (IDPs) pursuing private investments and improving municipal performance.

Nel and Rogerson (2005) noticed that before 1994, LED in South Africa was restricted in scope, conned to isolate local improvement and interventions by local authorities in their respective area of jurisdiction. The legislative and policy were implemented to raise LED to a mandatory order for all South African local authorities. LED was recognised by the 1996 Constitution, established in the 1998 *White Paper on Local Government* (Department of Provincial and Local Government [DPLG], 2006).

1.3 Problem statement

After over two decades of democracy, “South Africa is still battling with the issues of poverty, inequality, unemployment and hunger” (StatsSA, 2017). After the post-apartheid in 1994, the government of South Africa assumed a dynamic function in the process of mitigating poverty in South Africa. Several interventions were enforced to hinder the challenge of poverty; LED is one the other interventions that were put in place. However, Kamara (2017); Rogerson (2010) states that poor performance in relation to LED in South Africa is closely related to resource shortages, inefficiencies, and limited local government knowledge of LED development. Interventions were conducted through free primary health care; no-fee paying schools; retirement and Child Support Grants; housing; free essential services (water, electricity, and sanitation) to impoverished households. Although these policies and interventions have resulted in notable gains in poverty reduction since 1994, the country continues to encounter the challenge of a high poverty rate, high inequality, and high unemployment. The persistence of these challenges advocates for a rigorous assessment of the drivers, constraints, and opportunities for reducing poverty and inequality in South Africa (World Bank, 2018).

Poverty is acknowledged as complex and multidimensional, causing various factors influencing and mirroring people’s living standards. Persisting extreme poverty is a vital developmental challenge for the global community; therefore, reduction remains the number one agenda in the recently launched 2030 SDG by world governing bodies. They suggest that poverty reduction is a criterion for achieving other 2030 SDGs. Most recent statistics from the World Bank indicate there was progress recorded towards poverty reduction; however, despite the recorded progress, there are still people living in extreme poverty, and the trend in the reduction varies across regions (World Bank, 2016). The poverty trends, according to Statistics South Africa (StatsSA) (2017), indicated that poverty has since decreased to 55.5% in 2015 compared to 2009, recorded at 62.1%.

Regarding LED initiatives within the B5HLM, no published studies were noted in LED initiatives in mitigating poverty.

1.4 Aim and study objectives

1.4.1 The primary aim of the study

The primary aim of the study was to analyse LED initiatives towards poverty mitigation within B5HLM.

1.4.2 Study objectives

The study objectives were as follows:

- To determine existing LED initiatives within B5HLM
- To investigate the effect of LED initiatives on poverty mitigation
- To describe limitations of LED initiatives towards mitigating poverty
- To determine the best ways to ensure the effectiveness of local economic development initiatives towards poverty mitigation

1.5 Questions of the study

The study questions are as follows:

- What are LED initiatives within B5HLM?
- How effective are the LED initiatives towards poverty mitigation?
- How can you describe the limitations of LED measures towards poverty mitigation?
- What are the best methods that can be implemented to ensure LED effectiveness initiatives towards poverty mitigation?

1.6 Significance of the study

According to Muya (2014), the significance of the study contains the sense of value, importance, and peculiarity that the study will contribute consistently with its primary aim and objectives. Over the half-century, economic growth lifted hundreds of millions out of poverty and improved many lives. It is increasingly evident that a model of development based on economic development alone is insufficient. A society that does not discuss basic human needs, equip citizens to improve their quality of life, erode the environment, and limit the opportunity for its citizens will fail. Economic

growth without social progress causes a lack of inclusion, discontent, and social unrest (Porter et al., 2014).

This study intended to analyse the LED initiatives within B5HLM with the observation to understand their effectiveness in mitigating poverty. It includes the perspective on challenges encountered throughout the process. Methods are developed, ensuring that the LED initiatives operate effectively and efficiently to serve the local community's needs. The community is the primary goal/objective of the local sphere of government. The municipalities are the public service indicators from the national government. The study findings may add to the existing literature.

1.7 Structure of the dissertation

This study comprises the following six chapters:

- CHAPTER 1: INTRODUCTION AND STUDY BACKGROUND

This chapter outlines the problem statement; study motivation; study significance; aims and objectives; research questions; study limitations; and study organisation.

- CHAPTER 2: LITERATURE REVIEW

This chapter includes the literature review; legal framework; LED process; theoretical framework; LED measures; and poverty mitigation.

- CHAPTER 3: RESEARCH METHODOLOGY AND BRIEF OVERVIEW OF BIG 5 HLABISA LOCAL MUNICIPALITY

The research methodology provides the research approach; research methods; population; sampling; and data collection.

- CHAPTER 4: DATA ANALYSIS AND INTERPRETATION

This chapter includes the data presentation, analysis, and discussion of the research results.

- CHAPTER 5: FINDINGS AND RECOMMENDATIONS

This chapter provides the study findings and comparison with the literature. Chapter 5 also summarises findings, conclusions based on findings, and the solutions reached through the study.

1.8 Summary

This chapter discusses the background of this study while providing the problem statement. This chapter discusses the primary aim and study objectives, and the significance of the study towards the analysis of the LED in poverty mitigation concerning B5HLM.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This chapter analyses the LED initiatives in mitigating poverty within South Africa. In analysing the literature, an attempt was made to explore and examine issues such as:

- What are the scope and concepts of the LED?
- How has LED been practised in Africa and, more specifically, in South Africa?

The study involved economic development experiences from African countries, focusing mainly on South Africa. This chapter comprises five sub-sections:

- Limitation of LED
- Effectiveness of LED
- Mechanisms to conduct effective LED initiatives
- Poverty in Africa
- Historical background and trends of poverty in South Africa

Similar studies were consulted to identify the primary debates arising in the context of LED and poverty mitigation. Some studies reviewed were conducted abroad, but most of them were in South Africa. Ample data exist on this study topic and within its context exist. Research articles, journal articles, studies, *White Papers*, books, and other sources added insight into the study. They were consulted towards understanding the context of the study, brainstorming on the objectives, and attempting to answer the research questions. This chapter observes the grounds of the country's Constitution (RSA) and other legislative frameworks on LED and poverty mitigation.

The *White Paper on Local Government (1998)* stipulates that LED concerns the LG, committed to collaborating with citizens and groups within the community. Collaboration would ensure sustainable methods to meet their social, economic, and material needs, improve the quality of their lives. The objective of LED has consequentially been to take the responsibility of municipalities a step further by moulding municipalities to develop and maintain effective IDPs, pursuing private investments while improving municipal performance management.

Todaro and Smith (2006) identify LED as a multidimensional process involving significant social structures, popular attitudes, and national institutions. From their view, economic development in localities must represent the whole concept of change. In understanding economic development, it is necessary to note the aforementioned statement conceiving development as a multidimensional concept.

Rogerson (2010) and Nel and Rogerson (2016) identify LED as a vital part of the development strategy of South Africa, especially at provincial and municipal levels. The success rate of specific LED projects or strategies in South Africa was poor, proving unsustainable.

2.2 Legislative framework

Local economic development initiatives were clarified, considering the stipulations by the Constitution of the Republic of South Africa (1996). The national order placed the obligation on local government. Their duty was to advance economic movement from a grassroots level and to add to formative economic activities within the state. LED initiatives were planned to expand economic development and share the alleviation objectives and incorporate previously excluded groups in social and economic life.

Prescribing of legislation are meant to correct historical imbalances and restructure the development and programmes of the government towards developing social, health, and economic citizens' lives. Legislations are formulated to advance, design, and transform citizens' lives (Kamusoko, 2019).

Dlamini (2019) contents that the failures of the apartheid development policies to account for rural areas shaped the government policy intervention on rural development. These failures resulted in the South African Government directing significant national budgets and procedures to focus on rural development.

The most relevant state policies and legislation targeted for implementing LED include:

- The 1994 Reconstruction and Development Programme
- The 1996 Constitution recognising the significance of LG (2.2.1)
- The *1998 Local Government White Paper-recognition of the developmental Local Government* (2.2.2)

- The 2000 Local Government Municipal System Act implementation of the IDPs in LG and other relevant documents, commissioned by the national DPLG

2.2.1 The Constitution of the Republic of South Africa, 1996

Several pieces of legislation form the foundation of LED in South Africa. The Constitution of the Republic of South Africa (1996) is the foundation, a cornerstone, and a provider for a developmental model of LG. The LG is not only responsible for service delivery but also the socioeconomic development of its local communities. Sections 152 and 153 note the importance of municipalities to provide and manage their administration, budgeting, and planning processes to prioritise communities' basic needs.

The Constitution of the Republic of South Africa 1996, establishes preamble long-term goals for the country, such as acknowledging the diversity among South Africans; the Constitution is committed to healing the divisions of the past while establishing a society based on democratic values, social justice, and fundamental human rights. This basis ensures improving the life quality for all citizens, freeing the potential for each person in each level of government. The Constitution emphasises building non-racial and non-sexist public services as a foundation of the new democracy.

Section 152(1)(c) of the Constitution of the Republic of South Africa (1996), mandates LGs to pursue the economic and social development of communities. This concept was taken significantly further in 1998 when *the Local Government White Paper* introduced 'developmental LG'. This concept is defined as LG committed to collaborating with citizens and groups within the community to find sustainable ways to meet their social, economic, and material needs while improving the quality of their lives (RSA, 1996:17).

2.2.2 White Paper on Local Government (1998)

The *White Paper on Local Government* (1998) expresses the developmental LG, described as an LG committed to collaborating with citizens and groups within the community to find long-term or sustainable ways to meet the social, economic, and material needs while improving the quality of the lives of the local community. The developmental LG establishes a series of developmental outcomes and proposes

several devices to assist municipalities in becoming more developmental. The provincial government is not solely responsible for job creation. It is responsible for active steps to ensure that the economic and social conditions of the locality are conducive to the creation of employment opportunities and poverty mitigation.

It is the National Government's responsibility to provide support to enable municipalities to use the options and devices presented in the *White Paper* to make themselves more developmental. The powers and functions of LG should be exercised in a way that has a maximum influence on the social development of communities; this indicates meeting the basic needs of the poor and on the growth of the local economy. Through its traditional responsibilities (service delivery and regulation), the LG exerts a significant influence over the social and economic well-being of local communities.

2.2.3 Municipal Systems Act, 32 of 2000

The Municipal Systems Act (Act 32 of 2000) emphasises the core principles, mechanisms and processes to enable municipalities to progress towards the social and economic development of local communities. These processes include providing essential services to all local people—specifically the poor and the disadvantaged. The act stresses the municipality should undertake developmentally oriented planning to ensure achieving the objectives of LG established in Section 152 of the Constitution.

It also emphasises the adoption of IDPs for each municipal council within a prescribed period after the start of its elected term. They must adopt a single inclusive and strategic plan for the social and economic development of the local municipality. The IDP must reflect the council's development priorities and objectives for its elected term, including its LED aims and internal transformation strategies and mechanisms.

2.2.4 The Development Facilitation Act, 1995 (Act 67 of 1995)

A primary LG planning and development instrument is the Development Facilitation Act (1995). The Act introduced measures to facilitate and accelerate Reconstruction and Development Programme (RDP) implementation. These measures include projects concerning land, establishing principles to govern land development throughout the country. Local governments are empowered to develop 'Land Development Objectives'. This Act was formulated to rationalise the complex

apartheid geography of the country, redress development imbalances, and accelerate development through more efficient land use.

2.2.5 National Development Plan (NDP, 2030)

This plan highlights the economic vision of the people of South Africa by 2030. According to the plan South Africans want to see themselves as investors, traders, workers living in a developing and prosperous economy. The aim of this program is to set local economic targets targeted by all three spheres of government to meet deadlines. The plan sets out the country's economic policy, for example, the unemployment rate should drop to 6 percent by 2030, Gross Domestic Product (GDP) should grow by 2.7 percent giving an average growth rate of 5.4 percent people, previously disadvantaged groups must have adequate access to resources, assets, attract investment and expand the Public Employment Services Program (EPWP) to reach 2 million people by 2030.

2.2.6 Accelerated and Shared Growth Initiative-South Africa (ASGISA, 2006)

ASGISA aims to promote an inclusive economy that produces a wide range of goods and services. Several key strategies identified by ASGISA require government at all levels to intervene to accelerate growth. These strategies include; infrastructure investment, tourism investment, small businesses, skills development programs and programs, and youth and women empowerment projects. However, ASGISA was well received by the people of South Africa but did not realize its full purpose and fell apart.

2.2.7 Integrated Enterprise Development Strategy (IEDS, 2005)

The vision of this policy is to provide access to support and development services for those who have been excluded from full participation in the economy, by integrating them into the South African economy. Therefore, municipalities are required by this law to direct certain groups to local areas in support of SMMEs. This official policy authorizes municipalities to support SMMEs with their LED strategy. Therefore, the municipality must support local SMMEs by engaging with the following strategic pillars identified by policy: business empowerment through campaigns, leadership training, and awards, strengthening resilience through flexible regulations, better access to finance and markets, infrastructure development. and business support, improving competitiveness and strength at the business level through skills training, highly

focused quality, production, and competitive support as well as facilitating technology transfer and incubation sales. In addition, the strategy states that people in local communities are resourceful, skilled, and entrepreneurs who are smart and intelligent to produce goods and services that meet the needs of poor communities.

However, Rogerson (2006) argues that the government does not support big business and enterprises in the informal sector, the national government leaves that responsibility to municipalities through regulatory regulation, access to urban markets, and agricultural development. Therefore, the local talent, energy, and innovation of COGTA is not disclosed. Instead, the small effect of LED on SMMEs is due to ineffective communication, many local businesses are unaware of the existence of many governments that support SMMEs (Integrated Enterprise Development Strategy, 2005: 8). In addition, Phago and Tsoabisi (2010) argue that the role of municipalities in supporting SMMEs is not clearly defined, but limited in view of the fact that municipalities cannot be more than promoters of economic and social development. In addition, municipalities are unable to provide, for example, financial compensation to local businesses, which is why national institutions such as the Small Enterprise Development Agency (SEDA) and the National Youth Development Agency (NYDA) are among the few.

2.2.8 National Framework for Local Economic Development

The framework of the framework embodies the LED vision: "Local innovative, competitive, sustainable, inclusive, inclusive local needs, responsive to local needs, and contributing to national development goals", which includes the following strategic objectives:

- Initiating a strong fight against poverty, inequality, and unemployment, and to improve the quality of life of all people through the development of inclusive, competitive and competitive local economies.
- Supporting the potential of local economies to grow and develop the country's economy.
- Raise awareness of the importance of districts, metropolitan municipalities, and areas as areas focused on producing national prosperity.

- Strengthen local economic support to recognize and build its economic potential, diversity, employment levels, and create decent work for its communities.
- Strengthen intergovernmental communication to facilitate inclusive economic development between government and non-governmental organizations.

The framework identified the following three roles that local government should play in the development of LED: providing leadership and direction in policy making (with two laws and procedures governing the land in a way that reduces the cost of doing business and increases people's participation in the local economy); managing policy, program, and projects that enhance growth and development; and to be the main initiator of economic development programs through public finance, regulatory capacity, and in the case of large municipalities to promote the development of industries, small businesses, public enterprises, and co-operatives.

The LED frame provides for the establishment of an LED field. The forum is mandated to improve local government performance on all aspects of LED, to assist local governments in identifying and utilizing competitive advantage for LED and social welfare, and to ensure the participation of previously disadvantaged groups and people in communities. in realizing the opportunities provided by LED.

2.2.9 Broad-Based Black Economic Empowerment Act (Act 53 of 2003).

Section 1 (c) of the Act identifies and includes women, workers, youth, people with disabilities and people living in rural areas, therefore, these groups must be integrated and incorporated into integrated socio-economic strategies developed by any state agency or public entity. Subsection (2) (a) (b) and (c) clearly set out how the above-mentioned groups can be integrated into the socio-economic strategies developed by government institutions and other organs of state. The following are the main objectives of integrated socio-economic strategies: empowering rural and local communities by making them accessible to economic activities, land, infrastructure, ownership, and skills; promoting access to finance for blacks (Coloreds, Indians) emerging, small, medium and micro enterprises, co-operatives and black entrepreneurs, including those in the informal sector; and increase effective economic participation with black-owned enterprises, including small, medium and micro enterprises and improve their access to financial and non-financial support.

2.3 Conceptualising local economic development

LED's scope is broad, resulting in scholars battling to understand LED in South Africa. Several definitions for LED exist. The World Bank suggests that "LED is the process where public, business and non-governmental sector partners collaborate to create better conditions for economic growth and employment generation. The aim is to improve the life quality for all (World Bank in Cunningham & Meyer-Stamer, 2005:5)."

The concept of LED came from the context of globalization. As trade expands around the world, more and more manufacturers of goods and services face competition from manufacturers and countries where we are able to provide goods and services at lower prices and sometimes better quality. Globalization brings both opportunities and threats. Opportunities are found to increase trade across regional and regional borders through competitive production strategies, value addition to local products, and innovation in the local economy. Threats are in each player's ability to adapt to global economic power and to produce goods and services at a competitive cost in international markets. This means that the technologies used and the production standards need to meet international requirements (World Bank, 2003).

LED developed as a policy approach in the early 1970s with local governments recognizing that businesses and money were moving between areas in order to achieve competition. By actively reviewing its economic base, communities gained an understanding of the opportunities, barriers, growth and investment. With this new understanding, communities have tried to expand their economic and operational foundations by designing and implementing strategic plans and projects to remove barriers and facilitate investment (Swinburn et /., 2006: 1-2).

International LED awareness has been recognized as a response to modern trends such as increased power allocation and decision-making at the local level. The global trade dynamics associated with climate change have also elevated the LED as an important concept. These methods do not exist in any part of the world. Although occurring at different levels, the effects of globalization and global economic crises have helped to ensure that local economic efforts and independence are a global trend (Zaaijer & Sara, 1993: 3).

Rogerson, (2013: 641) agrees that LED at policy level is a state-of-the-art government policy designed to help developing countries address the challenges of areas such as poverty, productivity restructuring, and increased competition resulting from globalization. in the local field. LED is a system in which local government and community-based groups come together to manage their existing resources and forge partnerships to create jobs and boost the economy in the economy. The LED process provides an opportunity for government officials at all levels to enter into partnerships with community structures to develop local solutions to local economic challenges and social ills. Based on the above definitions, it can be argued that LED is concerned with developing municipal economic zones to improve efficiency of production processes, increase cost savings, and access to markets to improve the use of local services for profit.

Some scholars have noted that LED is the sum of all economic activity by all stakeholders in a specific area, working together to improve the economy and, ultimately, improve the quality of life of all citizens in the area. The above description reflects the internationally accepted and accepted LED standards as stated by Swinburn and Yatta (2006: 5):

- LED process is based on strategic planning.
- Has a geographical approach focused on a particular area.
- The LED must be local, designed, and delivered.
- The process is based on collaboration.
- Integrates integrated government actions.
- The primary purpose is to create an enabling environment for local businesses.
- Has integrated multi-sectoral interventions.

UCLG (2016) in its study summarized the LED signals as it was conducted globally showing that municipalities are the ones most capable of providing leadership and coordinating economic development in their communities. The definitions of LEDs vary, but they all have the same features:

LED participated. It is based on partnerships between local authorities, the private sector, other agencies of state-owned enterprises, and civil society organizations, to promote local commercial activities. This could take many forms, including social

economy enterprises that respond to the needs of disadvantaged groups, as well as small, medium, and micro enterprises (MSMEs). LED systems are community-led and locally operated.

Local governments provide leadership and co-operation in the planning and implementation of LED systems, either directly or by delegating power to community-based agencies. LRGs build social grants, connect local governments with their communities in many ways, and produce new solutions to local needs.

LED plans to mobilize efforts in all sectors, to develop both the legal and informal economy, to achieve social goals, such as better jobs, poverty reduction, environmental sustainability, and the inclusion of disadvantaged groups, especially women, youth, people with disabilities, and indigenous peoples.

LED steps vary widely, depending on local needs and circumstances. They may include infrastructure development, research and innovation, skills training, new investment attraction, new and existing technology and financial resources. A study by Perai (2016) revealed updated components of LED systems. LED measures should be encouraged and considered. In communities where stakeholder participation was limited, the strategic document should be formally developed and used as a basis for further consultation before finalizing the LED programs. Below are the components of LED systems updated in the study of (Perai, 2016):

- Increasing job opportunities
- Strengthening the local tax base
- Preserving cultural heritage
- Conserving the environment
- Creating vocational education opportunities
- Bringing together community and business leaders
- Strengthening political leadership and stability at local and regional level
- Promoting economic opportunities in districts outside the capital
- Improving the business environment
- Increasing private investment
- Poverty reduction through MSME development

Prior to the implementation of the LED systems, a few steps must be taken to ensure the achievement of the main LED policy taken from (Federation of Canadian Municipality, 2014). The municipality must ensure that an effective communication system is in place and in place before it can be implemented. FCM (2014) has adopted the five steps of the LED Strategic Planning Process:

- Step 1: Plan Effort.
- Phase 2: conduct a Local Economic Assessment.
- Phase 3: Developing an LED strategy (includes vision, objectives, objectives, plans, projects, and applications).
- Step 4: use the LED strategy.
- Step 5: Review the LED strategy.

Blakely (1994) characterises LED as the procedure with which the LG or community-based organisation connects to ensure or keep up business movement. The primary LG function in LED can be established in the meaning of Monchusi and Scheepers (2002). They characterise LED as a procedure oversaw by municipalities according to their protected command to advance social and economic improvement.

An accepted description of LED can be established in a study from Helmsing (2003), defining LED as a process where partnerships among LGs, community, civic groups, and the private sector, managing resources to create jobs and stimulate the economy of a well-defined area. The study emphasises local control, using the potentials of human, institutional, and physical and are natural resources. LED initiatives to mobilise actors, organisations, and resources while developing new institutions and local systems through dialogue and strategic actions.

Cunningham and Meyer-Stamer (2005) conclude that LED processes and initiatives should involve learning; it should not only concern producing better products but to producing them more efficiently. LED concerns various stakeholders learning about one another’s existence and goals; learning about the structure and evolutionary pattern of the local economy; learning about opportunities to stimulate upgrading in the local economy; and the devices to do that.

According to the International Labour Organization (ILO, 2006), local economies need to discover strategies and mechanisms to improve and reinforce regional competitiveness. Strategies include similar points of interest to contending on a global scale. The challenge of LED is to discover approaches to maximise local resources and local information to profit the population inside a local community.

Trousdale (2005) characterises LED as an interest where local individuals from all parts inside a particular municipality cooperate in motivating and animating local economic activities. Citizens involvement ensures a flexible and maintainable local economy. According to Bartik (2003), LED is characterised as the local economy's ability to facilitate economic stability for the local community.

The *White Paper on Local Government* (1998) stipulates that LED concerns the nearby government. The focus is on collaborating with the local communities and organisations within the local community to discover maintainable initiatives to meet their social and economic needs and improve their lives. It further stipulates that the target of LED was to assume the liability of municipalities beyond creating and sustaining dynamic IDPs, pursuing private investments while improving municipal performance.

2.4 Limitations of local economic development

In analysing the limitations of LED, writing uncovered several challenges observed by the government of South Africa towards developing the local economy. Rogerson (2010); Nel, Rogerson (2016) identified a core issue concerning the national government with just a couple of exceptional cases (metropolitan territories). The results of LED activities in South Africa were disappointing. Binza (2010) further identifies a lack of funding for LED programmes and capital for improvement, discouraging LED effectiveness within the local economy.

Education is an essential element in development, with the poor educational system leading to lower income and poor access to information and knowledge for children. A flawed educational system with a flawed curriculum leads to an inadequate development level. South Africa made a significant stride in improving average achievements in education. A flawed educational scheme leads to a lower income and

a poor living standard, inducing challenges in developing the people (JICA Research Institute,2019).

A generation with poor healthcare and poor economic standards is likely to generate another poor generation, reinforcing the vicious cycle of low human development. A lack of access to health is also an example of self-perpetuating inequality; poor health affects the poor's ability to increase economic standards (JICA Research Institute, 2019).

When communities are excluded in establishing, supporting, and overseeing the local economy development, the LG lacks the potential to achieve LED. Exclusion is attributable to a lack of community involvement and support for economic growth. By increasing the voice and participation of local citizens, LED can be practical as it will conform to the basic needs and concerns of the local people regarding the Central Government Oversight (JICA Research Institute, 2019).

Poor accountability, transparency, and effectiveness of local municipalities harm LED implementation. Officials of local municipalities performed poorly for the past two decades, favoured by corruption and maladministration. Officials must be empowered and encouraged to effectively respond to the needs and concerns of the local community. Empowerment is reflected in Section 152(1) (b&c) of the Constitution of the Republic of South Africa "(b) to ensure providing services to communities sustainably; (c) to promote social and economic development" (JICA Research Institute, 2019).

South Africa is disappointed in its performance, economically, socially and in health. JICA Research Institute (2019) opined those political leaders and other primary stakeholders of the state are influential in lower or poor development within (RSA), "leaders are the primary determinants whether the rising aspirations of the state and global expectations are met through service delivery and provision of operational interventions to conduct development or growth" (JICA Research Institute, 2019).

Currently, local governments, especially local municipalities in the country, are at a critical juncture due to challenges such as lack of skills and capacity to undermine the ability to fulfil their constitutional obligations (Kamara, 2017). Khambule (2018: 2)

argues that local governments have failed to meet the needs of their citizens due to their inability to plan for development, and major failures caused by the lack of capacity in local municipalities; insufficient LED staff; lack of understanding of local economies; lack of LED funding; and a lack of integration between local authorities, communities and the business community.

In addition, local governance challenges such as political interference, poor political leadership, lack of good governance and widespread corruption have a negative impact on local municipalities by undermining their institutional capacity and planning (Khambule, 2018; Van der Byl, 2014). This suggests that local government in South Africa is faced with a variety of challenges that hinder the effective and efficient planning and implementation of LEDs. Therefore, in order to have an effective LED, it is important to accept and address these existing challenges. In addition, LED programs should prioritize poverty reduction and job creation in order to improve the local economy and improve the quality of life of local communities.

Oranje and Voges (2014) in their study noted that despite good intentions, the urgent need for economic development, and high expectations, LED, among other things, did not live up to expectations. The main reasons for this failure have been identified, in the broader scope of work, mainly the following:

- Lack of human capacity and financial resources in municipalities, often leading to a focus and dependence on public spending and grants;
- Lack of integration, support, integration, planning, and funding;
- Enhancing temporary and long-term municipal relationships with the private sector;
- Lack of market response to strategic planning, program development, and project development;
- Lack of adequate, sustainable investment to support and facilitate economic growth and job creation programs, programs, and projects;
- Lack of marketing of projects and projects and establishment of product markets;
- Lack of established community development tools to address economic needs and challenges;

- Existing dominance of the majority of private sector players in the local, regional and national economy;
- Short-term pursuit, usually three to six months, driven by a project and not a true focus on the local economy and the creation of a livelihood;
- The political performance of LED, as well as the lack of participation, good integration between different schools of thought about what it was, should be achieved and (therefore) focused;
- Failure to properly plan and install LEDs efficiently in municipal operations, which results in setting aside LED units that are usually small, inefficient in municipalities;
- Failure to establish and sustain economic development anchors and clusters in areas that may not have been deliberately developed during colonial times and apartheid, or who lost their previous 'development' status due to changes in the global economy, new technologies and / or consumer preferences., and
- The proliferation of myths and legends that are incompatible with real economic development and social change (Voges, 2013;).

According to (South African Cities Network, 2019) municipalities, there is confusion about the role of the LED department, and LED is not considered a priority. As a result, LED doors have no power and resources and produce unconventional strategic reviews. These programs are often unrelated to reality, lack strong economic insights or make simple assumptions about economic value chains, and assume that funding will come from other spheres of government. Private companies are also not affiliated with municipalities, and economic analysis and intelligence are non-existent.

In addition, municipalities rely heavily on national grants but have little or no say in the plans made and policy decisions are made by national and provincial government, although these plans and decisions affect the local economy. Reliance on national grants means that municipalities are not obliged to consider or use their infrastructure in economic terms, and reduce local accountability.

The South African Cities Network (SACN) (2004: 167) has identified significant challenges which affects the ability of local governments to use LED in South Africa;

Many cities do not have adequate economic growth strategies and are therefore unable to fight poverty. Cities cannot develop local economic strategies apart from national economic policy; production decreases over time; unemployment and low levels of skills are major barriers; cities play a major role in the social and economic life of the country but are also the poorest.

In addition, a few of the concerns expressed about the current LED policy and performance in South Africa's urban areas are highlighted below:

(i). The LED is not yet fully focused on municipal performance, as evidenced by the limited budget allocated, the lack of poverty alleviation policies, and the lack of details of the impact of the intervention. It is still the first days for many municipalities, their policy is still being developed and the tangible results seem to be limited. In addition, a lack of monitoring and evaluation is a cause for concern (Khanya, 2006: 4).

(ii). LED is unequally developed and is used throughout the system of South African cities. There are significant differences between large, well-resourced, and strong municipalities and small urban institutions in terms of policy development, LED construction, and operational efficiency (Khanya, 2006: 4). Nel (2002) argues that achievement is the provision of world-class services in certain areas compared to the limited success in poorer areas. This is exacerbated by the limited involvement of the private sector in small parts of the country, thereby reducing the impact of poverty alleviation projects.

(iii). LED is defined and understood very differently. This leads to challenges in determining objectives and objectives as well as differences between councils, which limits the scope of comparisons. The development of developmental politics is a problem, in which individual interests outweigh the same good (Tomlinson, 2003).

(iv) LED is sometimes regarded as too small for the general service delivery authority in local government. This raises the question of whether local authorities should promote economic development and job creation, or whether local governments should make it easier (Khanya, 2006: 4).

(v). There are significant differences in the number of dedicated services and staff in LED, the level at which LED has progressed without the announcement of policy, and

the results achieved (Khanya, 2006: 4). There are statements in favour of the poor in many municipal policies, but this is often not translated into the key LED budget or operational plans of other municipal departments. This undermines the scale and impact of the municipal council's LED policies. Additionally, there is an obvious failure to clearly link interventions to line work or national government-funded projects in LED e.g., housing and infrastructure. There is only limited private sector involvement and the reasons for establishing partnerships need to be clearly defined and the concept needs to be clearly articulated in lOPs (SACN, 2004: 167).

Rogerson (1999) in his study concluded that LED was generally accepted as a potential job creation in poor communities, however, there were few cases where it led to the fight against poverty. Nel (2001) argues that although LED will not advance poor communities in the common economy, LED systems have been developed as a permanent response to market failures to be able to ensure the economic viability of poor communities. The argument is that in areas with limited economic prospects, it can provide much-needed employment, which can only thrive if it is adequately supported.

Sithole (2019) pointed out that in many municipalities, economic development is not a priority and is often overlooked or overseen by other branches and officials. LED doors have fewer staff, and "the LED unit does not seem to have a voice in the municipality". LED units are “primarily set in the lower standards of municipal organogram” and are therefore “not good enough to influence municipal strategies” (SACN and SALGA, 2017: 48). LED departments should "always fight over budget allocations".

Outside of the department of economic development, "there is a great deal of misunderstanding of the role of LED in local municipalities". A common expectation is that the LED sector should focus on community and community projects - "small clay projects here and there". However, as Rustenburg participants acknowledge, a range of community projects is unlikely to guarantee a post-mining economy. Most LED units have fewer staff, as municipalities step on these units, and have a limited budget (Nel and Rogerson, 2016). With limited funding and investment, municipalities are less likely to move towards a “sustainable economic development or significantly lower levels of poverty and unemployment” (ibid: 117).

Since municipalities do not provide adequate funding for economic development, we should not be surprised if the LED department is unable to fulfil its mandate. Although a lack of sales revenue is a “common problem”, LED departments are expected to provide it. If municipalities do not see economic development as a core business, institutional capacity building will always be difficult. Currently, recruitment processes do not place people with the right skills in LED units - economic development work “is like a dumping ground for less efficient politicians” (Sithole, 2019).

Kamara (2017); Rogerson (2010) states that poor performance in relation to LED in South Africa is closely related to resource shortages, inefficiencies, and limited local government knowledge of LED development. These challenges are exacerbated by international trends and events such as rapid globalization, urbanization, technological advances, and a growing global competitive environment (Koma, 2014). These shortcomings and limited success of LEDs have undermined the credibility and importance of LED connectivity with local government in South Africa (Kamara, 2017). Rogerson (2010), as quoted by Kamara (2017: 102), highlights some of the strategic challenges facing LED implementation in South Africa such as power shortages at local government level, lack of LED funding, and inefficient LED planning methods, and poor network connectivity. Khambule (2018) argues that this development authority is undermined due to the lack of LED communication in local government.

2.5 Effectiveness of local economic development

Concerning LED effectiveness, the literature reveals that the LG had a dynamic and continuous function in ensuring the significance and the success of the LED initiatives. Not all initiatives were successful, with challenges articulating in the above literature unveiling the limitations or hindrances to the effectiveness and victory of the LED initiatives. Rogerson (2013) concludes that outstanding strategic planning clarifies competitive advantage, identifies collaborative opportunities, and generates strategies for improving local priorities.

Concerning successful LED rehearses, the function of the LG is persuasive. Overseeing and coordinating LED is an unusual function of LG; it became an undeniably significant capacity due to decentralised government (Hampwaye, 2008; Hampwaye, Rogerson, 2010, Wilkie, 2017; Rogerson, 2010).

Perai (2016) LED is a very competitive and complex process. Success is not about waiting for something to happen; rather it is about going out and making things happen. To do this successfully requires significant commitment and commitment, extensive and diverse experience and knowledge, as well as valuable human and financial resources. These factors do not usually belong to one organization; therefore, broader social cohesion and collaboration are essential requirements for a successful LED.

The 2006 framework flags another strategy of economic development in planning for LED in South Africa. It allocates the base for a period of consolidation in LED activities and planning. In 2006 LED programmes improved; they performed better in the previous years where they created inferior outcomes, unable to meet the objectives of the programmes or projects (Rogerson, 2008:308).

Ruecker and Trah (2007) affirm that larger cities and metropolitan municipalities established successful LED systems with the private network. These encouraged a participatory way to deal with procedure improvement and attention to the various functions of LED for the private sector and LG. South Africa's larger areas are searching for foundational intensity at a local level.

Rodriguez-Pose and Tijmstra (2007:522) identify that moderate economic development and poverty impeded privately based activities. This is joined with the adjustments in the national and global financial condition and the successful powerlessness of numerous states to intervene at the local level.

In SSA, LED was regularly related to self-reliance, survival, and poverty mitigation, instead of an interest in the global economy, aggressiveness, and discovering market specialities (Binns & Nel, 1999:390).

According to Van Der Heijden (2008), LED, as a result, is unequivocally interrelated and reliance upon the other four key performance areas (KPAs). This includes metropolitan change and authoritative advancement; essential service delivery; government money related feasibility; the board and excellent administration; and open support. According to the Local Government Strategic Agenda and Implementation Plan (2006), LED was recognised as one of the five KPAs of LG.

Masuku, Jili, and Selepe (2016) declared that the primary function to guarantee the achievement of the municipal LED team is to encourage LED activities. Encouragement would ensure that all participants cooperate strategically, effectively, and productively to recognise ideal strategies to improve the local economy while composing nature to attract outside economic specialists. Since LED is a complex process, it needs the dynamic inclusion of various stakeholders from diverse sectors concerned with advancing the local economy.

2.6 Mechanisms to conduct effective local economic development initiatives

Literature on the mechanisms to conduct effective LED provides an articulation of the instruments of LG employees. It suggests ensuring success and effectiveness in the programmes or projects established to discuss LED. The DBSA (2008:3) contends that government and LED practitioners still battle understanding and developing initiatives, combating the informal economy and related employment strategies for national planning frameworks and models.

To make progress in LED, strategy is essential. Strategic planning methods vary, but they all include the following components: initial research and analysis of real-life situations in the community, the development of a vision for the future, the development of a strategy for realizing that future, coordinating the implementation process, monitoring. and progress assessments, and subject adjustments as required. Each of these components should include stakeholders as active participants to the extent possible and feasible. Here we discuss these aspects briefly; For detailed treatment, see the resources listed in the Bibliography. Strategic planning begins with research and analysis. Another widely used method of asset mapping is a participatory process designed to identify community resources and resources before focusing on their shortcomings. This positive approach involves participants in identifying individual skills and organizational resources that are already available in the community, the assets on which the development strategy will be built.

UCLG (2016) has suggested that in order for municipalities to fulfil their role in economic development effectively, they must develop mechanisms to work with all sectors of their society to promote consensus, commitment and vision for the future. They need to build the technical capacity of their management systems in all local

areas, especially in connecting key economic actors and economic growth. This requires a deep understanding of the social, cultural, and economic realities of their region, and an appreciation of its potential. In addition, municipalities also need to build capacity in large communities by developing businesses, increasing staff capacity, promoting public and environmental awareness, and identifying financial resources.

In order to promote economic development, it is becoming increasingly important to recognize both small and medium-sized economic measures at national level. Ways to create a larger economy, however, are limited in their impact if internal problems such as social and economic inequalities that divide the nation are ignored. These include unexpected political relations, local and environmental conditions, and minor interventions that may build on local strengths and opportunities. This requires the need for testing methods of economic development from strategic and local level (Sachs, 2005: 45).

In South Africa, LED is often referred to as public participation in income-generating activities and resource allocation mechanisms that maintain and enhance local economic activities. In poverty-stricken countries, the priorities of the poor should be highlighted in the development of LED interventions (Khanya, 2006: 1). The local government mandate for development from the South African Constitution encourages municipalities to address poverty, unemployment and redistribution. They are also required to participate in various provincial and national economic development programs. Municipalities can advertise LED in their areas in many different ways. They take on different roles at different times and can play a more direct role in some LED systems than others. Almost every effort to develop the local economy will require specific ideas, participation, and support from local government (RSA, 1996b).

With their expanded role in economic development, municipalities need to add their voices to national debates on economic priorities and strategies. National development is happening in their communities and, because of their experience in caring for it, they have a passion for protection and the wisdom they can offer.

(SACN, 2019) noted that there is uncertainty at the level at which an LED unit should "assist" or "run multiple projects at different stages at the same time". However, the LED should focus on redistribution and ensuring that local purchases are made

possible. Types of support include access to specialized procurement, based on municipal procurement policy guidelines, working with SEDA offices, direct municipal interventions, and linking small and large businesses.

Introducing LED skills training to all councilors and senior officials for better awareness. COWS are an important part of LED use. Officials and councilors must be actively involved in LED units and need specialized training. Ward committees, in partnership with COWs, need to be fully operational and should be trained in the basic concepts of rural development and LED. Municipal LED position committees should conduct regular meetings and should be conducted by the municipal LED unit.

The Department of Cooperative Governance (DCOG, 2016) and research by the South African Cities Network (SACN) and the South African Local Government Association (SALGA) recognize that the work of economic development at the local level needs to be reconsidered. They recommended that the LED function be reconsidered, based on four principles and six strategic issues.

The four principles of the Local Economic Development Institute recommended by (DCOG, 2016) and (South African Cities Network, 2019):

- An effective economic development unit can be available on a small budget.
- An effective economic development unit needs to participate in both projects that support growth and empower the poor.
- LED needs to take centre stage in the municipality and economic thinking must be integrated with other municipal activities.
- An effective economic development unit must provide the entire municipality with strong economic intelligence.

These six strategic issues do not represent a new approach but emphasize the key ideas contained in the policy documents aimed at redefining LED in South Africa. To assist in advancing the implementation of these ideas, a diagnostic testing tool was developed to provide municipalities and supporting actors with a framework for evaluating the current municipal LED system and institutional framework. A municipality can use this framework to obtain a "health test" which is an indication of

its weakness-related LED potential and use this information as a basis for designing responses to strengthen its LED role.

- Local governments should incorporate economic considerations into their sectoral departments and strategies.
- Local governments need to use municipal resources, such as land use planning, to support their economy.
- Municipalities must do more to build economic intelligence, with the help of other spheres of government.
- Local governments must strengthen economic strategies that are appropriate for their specific economic situation and are based on strong economic strategies.
- Local governments must build economic co-operation, as municipalities need to promote, not drive, economic development.
- Local governments must develop appropriate institutional frameworks that support economic development.

The IUDF (DCOG, 2016) and the report of SACN and SALGA (2017) have identified that economic development work at the municipal level requires a transformational strategy. The economic transformation plan needs to be a priority for the municipality. This will require the Department of Economic Development to play a key role in integrating economic development strategies across the municipality. The SACN and SALGA report proposes the following:

- Review economic development work by discussing the roles and responsibilities of all spheres of government to provide clarity and direction in municipal economic development work.
- Revise and review plans and programs to support a more integrated, efficient and effective municipal economic development function.
- With the development and implementation of the IUDF, relevant national departments should support and intensify the debate on economic development work in line with the findings of this report.

A study conducted (South African Cities Network, 2019) has shown that good economic development is important. The LED unit should assist the municipality to

develop a common understanding of economic realities in the municipality, and industry departments should improve their internal information in partnership with economic development agencies. It is also worth noting that the interim measures that can be taken by the Department of Economic Development include the following:

- Find and measure a red tape for a business.
- Conduct an annual business trust survey.
- Use the call list method to create a database for business closures and business transactions.

Economic development requires the development of management and leadership skills, relevant economic knowledge, and proven ability to coordinate and build relationships. These activities may require a separate approach as well, as local municipalities are less likely to be able to implement all of the proposed objectives, and provincial and district municipalities can effectively share some of these functions. However, municipalities can take practical steps, including the following:

- Appoint sub-committees for economic analysis and economic risk identification, bearing in mind that economic risk identification differs from risk identification because it identifies risks beyond the control of the municipality.
- Reflect on the current structure and functions of departments and units of economic development.
- Hire economics, data management, and business skills.

A variety of skills and competencies will be required to produce economic intelligence that will support economic strategies. While metropolitan municipalities can develop the necessary skills, central cities may need support from their district municipality. Key skills are economic analysis, the ability to create internal databases, economic forecasts, and economic intelligence. Workshop participants identified the following skills:

- Ability to conduct market analysis and demand (local, regional, national and international standards).
- Ability to do feasibility studies, especially promotional projects.
- Industrial information (for example, understanding the mining industry).

- Ability to manage and interpret statistics.

The lack of an integrated LED approach reduces the provision of diversified economic opportunities in communities. Only those LED projects affecting one municipal company are being implemented. Local municipalities can make a significant contribution to the local economy by using LED as an integral part of their planning as part of service delivery. This type of initiative has created small township and rural development projects, with minimal economic impact. The following principles are recommended for the promotion of integration (Malefane 2009: 167):

- The implementation of the LED system must be integrated, with all municipal departments participating in the process.
- LED needs to respond to and respond to social, economic, environmental, physical, and other needs.
- LED operation should be installed in all Departments and initiated by all senior management.

Van Der Heijden (2008:16) declares that to develop influential economies, LED officials in South Africa need more successful diagnostic apparatuses and to concentrate on the most economic difficulties burdening the local community, for example, exact financial information and value chain examination.

The Provincial Growth and Development Strategy (PGDS) is a strategic document. Considering that its planning is not a legislative necessity, an essential function can be expected in ensuring the effectiveness and delivery of the goals of the development state, not least in its position as an arrangement system for LED (The Presidency and DPLG, 2005).

Some issues hindering local LED planning in South Africa could be solved by re-scaling LED or forging increasingly incorporated and spatial relationships among the local, district, and provincial authorities developed in planning. This coherent solution is frequently undermined by the absence of communication on LED issues among interlinked municipalities, communities, and districts and provinces. To overcome this weakness, a helpful proposal would be effectively compelling for LED experts to

understand and analyse value chains for their local areas; on that basis, distinguish potential planning opportunities for LED (Van Der Heijden, 2008).

The unemployment rate can be diminished through developing LED strategies, guaranteeing that they are well presented. These strategies include representation to the community and provided significant entrepreneurial, incorporating an economic mindset to young people of the local community (The Global Entrepreneur Monitor Report, 2014).

The target of a place-based strategy for economic development is to employ and augment local potential. This maximises economic activities, representing areas with a competitive advantage affected by economic conditions (Pike et al., 2006).

Binza (2010) considers LED as providing for communities, creating local economies to improve the economic conditions. Simonyi (2014) recommends for LG to accomplish its goals, it would require more exertion to create a local economy dependent on possessing local resources.

Mountford (2009:3) considers agencies as instruments to advance and shape LED, not solely as instruments to new economic improvement in poor localities. This observation added to a move away from building agencies as a reaction to crisis and more towards an outward-looking perspective where competitiveness and efficiency are significant.

Rogerson (2014) identifies LED as supporting developing independent economies as cooperatives through a vehicle for attracting South Africans into business activities and elevating employment creation.

Rogerson (2010, 2013) called attention to those numerous South African examinations that indicated that the tourism/travel industry is the most significant active force and is a powerful LED strategy. The South African government perceived the travel industry as an instrument that could drive local municipalities, particularly rural ones, towards accomplishing LED activities by presenting various supports to capacitate local people.

Visser and Hoogendoorn (2011) attest that in attempting to upsurge the travel/tourism industry sector, it is urgent to incorporate traditional pioneers in rural municipalities. They further verbalised that the travel industry part needs more consideration from municipalities to contribute up to its capability to the LED of the municipality.

Rodriguez-Pose and Wilkie (2017, p.151) further outline that subnational levels of government are picking up power and abilities to structure and execute logically custom-fitted economic improvement strategies, reflecting the local economy and institutional qualities, conditions, and substances.

With the goal for LED to be increasingly influential in South Africa, the accompanying standards are proposed by Meyer-Stamer (2003): the formation of an unmistakable differentiation among LED and network advancement activities, abstain from taking care of issues by tossing cash to the problems, continuous examination of local economy parts and discuss showcase disappointments, animate enterprise and business improvement, and boost existing local resources; for example, money, natural resources, and human abilities by using tutors, distinguish and actualise "snappy successes" projects and creation of solid incorporation among open and private sectors.

Meyer (2013) identifies technical interaction for municipalities to guarantee LG concerning LED requires collaboration and planning among three perspectives, such as the private sector, government, and local networks. Figure 2.1 provides a delineation of the interaction triangle for LED.

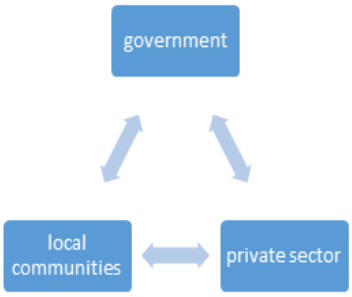


Figure 2.1: Interaction triangle regarding local economic development

Source: Meyer (2013).

Todaro and Smith (2006:17) identify economic improvement as a multidimensional procedure, including significant changes in social structures, mainstream mentalities, and national foundations. From their view, economic advancement in municipalities must deliberate the progressive idea of development. In understanding the term economic development, observation is required of the mentioned explanation, considering advancement as a multi-faceted idea.

Ruecker and Trach (2007) confirm that LED includes various major partners and organisations from all levels of society, general society, and private division. Urban culture works mutually to create a unique advantage for local people and firms. They further noticed that these major partners are trusted to use LED to handle market disappointments, expel bureaucratic challenges for local organisations, and improve the competitive advantage of local organisations. The government bears the obligation to guarantee the accomplishment of LED. It must coordinate and support municipalities for LED through the IDP process. The government's responsibility is to help municipalities execute their development order to provide the authoritative and administrative LED structure.

According to Rodríguez-Pose and Palavicini-Corona (2013), community participation, alongside the limit building, should assume a conspicuous responsibility in LED systems. Rogerson (2007) includes that local community business enterprise is likewise significant to avoid any divergence left by government-drove LED being filled predominantly by voluntary private institutions. Bek et al. (2013) further include that, to thoroughly understand the capability of LED inside the biodiversity economy, solid partnerships among the state, non-government organisations (NGOs), and community participants are needed. Bek et al. (2013) explain that LED should not be a privilege for LGs, as fruitful network-based LED organisations uphold variations with external offices and NGOs.

According to Blakely and Bradshaw (2002), the two principal ways to deal with LED incorporate a corporate-focused method emphasising formal business and modern improvement and an elective strategy with an attention on the poor area of a network. They further attest that whatever the methodology, the LED system should concentrate on expanding the number and assortment of openings for job

opportunities and economic exercises. The local Government should hold an operational responsibility in this procedure.

Reich (1991) says that economic approaches could fix financial concerns for the local economic improvement, enabling enhanced human and money related capital streams. Blakely and Bradshaw (2002) further remarks that opening job opportunities and creating human capacity are complex assignments for the LG. Local foundations and national approach producers must adjust local people and resources of the community to coordinate both national and provincial markets. They can attempt to create new openings, fitting both the local individuals and the locality.

The success of local communities relies on the option to adjust to the quick changing and progressively competitive market condition. Local governments have a fundamental responsibility in making excellent conditions for business progress and employment creation. This requires an association between LG, businesses, and NGOs. Community-based organisations and the private sector are started to oversee existing resources and create job opportunities, leading to the stimulation of the local economy (uMhlathuze LED Strategy Review, 2008-2011).

Malefane (2009:166) expressed that a significant advance towards professionalising LED would be for municipalities to recognise it as a cross-slicing issue. To be powerful, LED execution must be considered as a municipal wide intercession.

2.7 Poverty in Africa

Several studies analysed poverty on the African continent; the literature below holds the results that several scholars and researchers conducted. Poverty remains one of the worst human calamities globally, especially in Africa. Despite its status as Africa's largest economy, South Africa battles elevated poverty levels, similar to its poorer neighbours (Khumalo, 2013).

Sandbrook and Richard (2011) articulated that Africa remains the poorest and least developed continent, although it holds abundant natural resources. Poverty, illiteracy, malnutrition, inadequate water supply and sanitation, and poor health affect a more significant proportion of the people living within the African continent. Various factors favour these aforementioned cases, such as corrupt governments committing severe

human rights violations, failed central planning, a high level of illiteracy, a lack of access to foreign capital, and frequent tribal and military conflict.



Figure 2.2: A map of the African continent

Source: GISAfrica (2017).

Khumalo (2013) confirms that Africa is a global continent encountering extreme poverty. Figure 2.3 below reflects the top 10 countries of Africa living in the status of extreme poverty within the continent (StatsSA, 2019). The challenge of extreme poverty within the continent remains stressed, creating a significant burden to systems, policies, and mechanisms of development since the continent is still rolling on the stand of poverty.

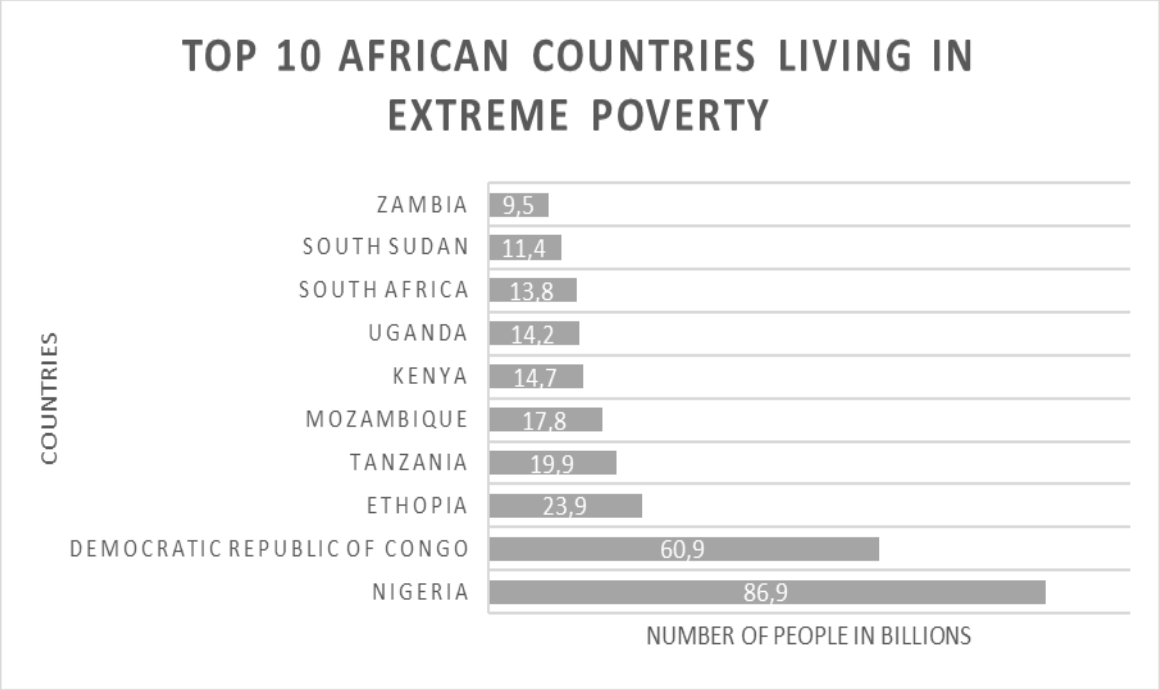


Figure 2.3: The top ten African countries with extreme poverty

Source: Statistics South Africa (2019).

The United Nations Development Programme (UNDP) (2014) confirmed extreme poverty as a global challenge. Over 15% of the world experiences extreme poverty with 3 billion people; 1.3 billion of these lives in extreme poverty with less than $1.25 a day. The global economy is, therefore, not performing well because the more prominent global population is drowning in extreme poverty.

Franklin and College (2011) assert that the rapid advancement of global technology raised the engulf of poverty between the has and have not mobilised the poverty level in the continent. They opined there is a need for a re-think of the poverty reduction strategies and efforts provided by the poor performance of poverty alleviation programmes, apart from domestic and global efforts.

2.8 Historical background and trends of poverty in South Africa

An attempt at understanding poverty in South Africa is incomplete without visiting the historical politics, explaining the social dynamics of poverty. Regarding the historical background of poverty in South Africa, the literature below uncovered several scholarly

observations based on findings of studies conducted in South Africa, tracing the trends and poverty level.

South Africa, officially the Republic of South Africa (RSA), is the southernmost country in Africa. With over 58 million people, it is the world's 24th most populous nation and covers an area of 1 221 037 kilometres (758 717mi). South Africa has three designated capital cities; Executive Pretoria, Judiciary Bloemfontein and Legislature Cape-town. The largest city is Johannesburg. About 80% of South Africans are of Bantu ancestry, divided among ethnic groups speaking different African languages (Census, 2011).

Local government around the world is mandated to provide leadership in job creation and economic development in their areas. As municipalities are the closest institutions of government to the people, able to quickly understand the assets, shortcomings, and issues of their communities, municipalities are best suited to call on all local economic actors: the chamber of commerce, council representatives. small, medium and micro enterprises (SMMEs), trade unions, grassroots producers, educational and training institutions, departmental and other agency agencies, non-governmental organizations and active international development partners, and their unemployed, marginalized representatives because of their youth, gender, disability, or racial background, or who find it difficult to survive in an informal economy. Municipalities are the leading initiators, facilitators, and drivers of processes that involve these stakeholders in foresight, strategic planning, and implementation of economic development programs.

Local government in South Africa plays a key role in coordinating LED planning and promotion, as well as the provision of many basic services to the local economy and improving the quality of life of all local communities. In South Africa, LED is a mandatory function of local government based on the constitution and other related laws. These structures are designed to oversee the planning and implementation of LEDs at the national level and also authorize local governments to play their role of promoting and coordinating LED. Local government should consult with communities and other key stakeholders in participatory development processes that are all important to prioritize LED projects and programs.

The Constitution of the Republic of South Africa (1996), Section 152, empowers local government to provide democratic and accountable government to local communities, ensure sustainable service delivery, promote social and economic development, promote a safe and healthy environment and promote community and community involvement in public affairs. In addition, Section 153 (1) stipulates one of the developmental functions of all municipalities that a municipality must plan and manage its administrative, budgeting and planning systems to prioritize the basic needs of communities, and promote social and economic development. such communities.

In addition, local government is mandated to promote the Bill of Rights which upholds the values of human dignity, equality, and freedom, and to respect the principles contained in the Constitution (South African Local Government Association (SALGA), 2015). The White Paper on Local Government (1998) also translated the aims and functions of the constitution into the concept of developing local government. It defines a new mandate as a local government committed to working with citizens and groups in the community to find sustainable ways to meet their social, economic, and material needs and to improve their quality of life. The White Paper on Local Government (1998) establishes the foundation for a new and emerging local government as a framework for transformation and addressing the inherited legacy of local government (SALGA, 2015: 11).

The South African Local Government Sector has been instrumental in rebuilding local communities and areas as the basis for a truly democratic, inclusive, prosperous, and truly non-racial society (South African Local Government Association (SALGA), 2015: 11). The system of local government during apartheid was low, racist, illegal, and in a state of crisis (Koma, 2012; De Visser, 2009). Thus, the transformation of local government into a fully-fledged and non-racial administrative institution was fueled by the legacy of an urban economic ideology that favored white urban areas at the expense of black urban and suburban areas that were disastrous and irrational. results (Visser, 2009: 9).

However, the transition to the new local government system saw local government being given a unique role and role in building democracy and promoting the economic development of local communities as a sector of government closest to the people. Today, local government has the constitutional mandate and responsibility to promote

building integrated communities, economics, and social welfare. Therefore, local government is now embedded in the framework of an integrated development approach (Koma, 2012).

Meyer (2014); Triegaardt (2007) warns that local government has no obligation to create jobs, but rather to take responsibility for creating a conducive environment for economic development. According to Meyer (2014), the key role of local government in development is to provide a conducive environment for all residents and businesses to succeed through the LED system of a balanced approach between "supporting the poor" and "promoting growth.

Radebe (2017) asserted that “social assistance programmes in South Africa have been expanding at an unprecedented rate from covering 2.7 million people in 1994 to over 16.9 million in 2015. The programme continues to contribute to the decrease in poverty levels and vulnerability to hunger by impoverished households. The country remains faced with the triple challenges of poverty, inequalities, and unemployment as reflected by the increase in the unemployment rate, shrinking the economy, and declining the perceptions among South Africans about an expression of confidence in a happy future for all races”.

Figure 2.4 below displays a map of South Africa. South Africa has nine provinces, indicating Limpopo, near Zimbabwe; Mpumalanga in the northwest part, bordering Mozambique frontier; north-west near Botswana frontier; northern Cape in the north part of the country in the boundary of Botswana; and Namibia, Gauteng and Free State internal provinces; Eastern Cape and Western Cape in the south region and facing the coast. KwaZulu-Natal meets the coast along the Indian Ocean, on the eastern part of Lesotho. Lesotho is a small, independent country surrounded by South Africa.



Figure 2.4: A map of South Africa

Source: Carlos and Rangan (2017).

For over two decades after the attainment of democracy in South Africa, the harms of the apartheid era still have consequences in the socioeconomic landscape of South Africa's largest economy. As observed by the National Planning Commission (NPC) (2011), the legacy of apartheid means South Africa's rural areas are characterised by unusually high poverty levels and joblessness, with limited employment in agriculture. The rural populace has the highest poverty levels, with Eastern Cape and Limpopo being the worst poverty-stricken.

Figure 2.5 below indicates the poverty level in South Africa. A report by Statistics South Africa (2017) indicates that more than half of the South African population (55,5%) is drowning in the pool of poverty. It reveals that several provinces within the country are showing a high level of poverty. Provinces with a high headcount of poverty are Limpopo (67,5%); Eastern Cape (67,3%); KwaZulu-Natal (60,7%); and North West (59,6%). For these four provinces, significantly more than half of their total population

are living in poverty. Gauteng and the Western Cape show the least effect on poverty at 29,3% and 33,2%, respectively.

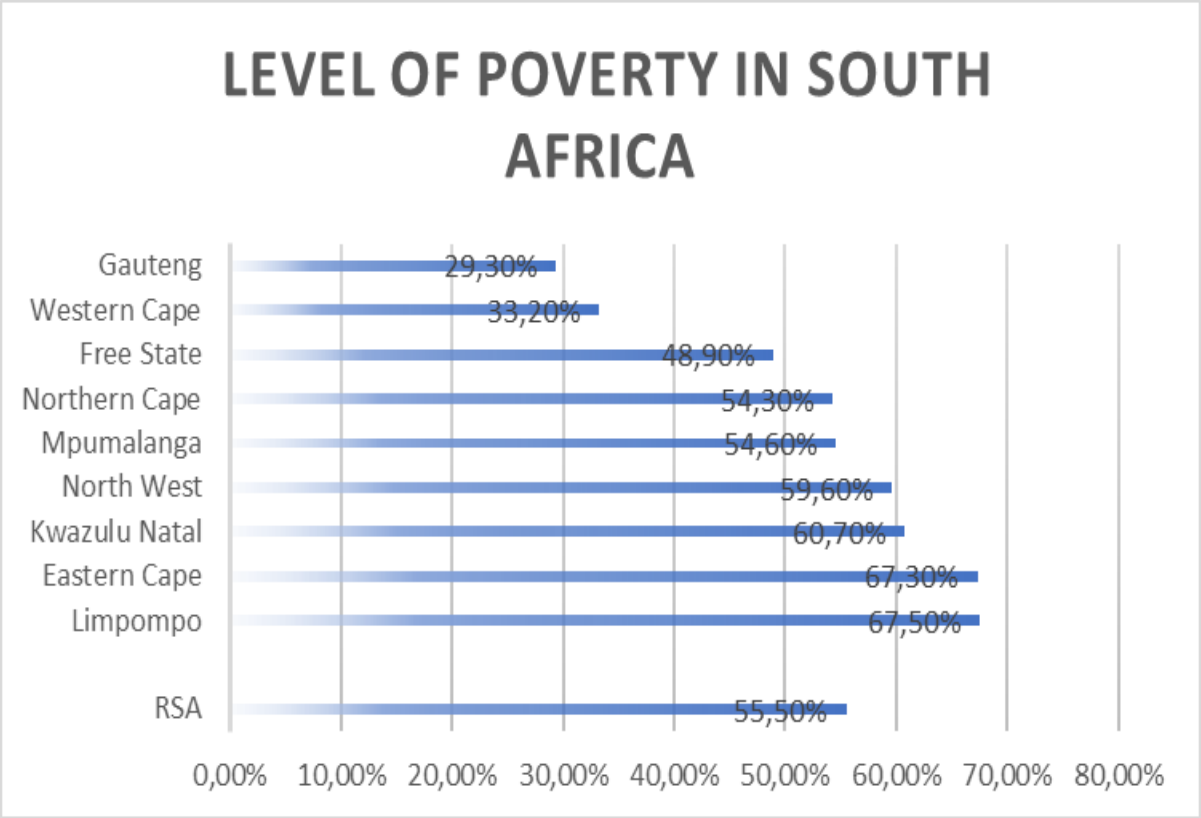


Figure 2.5: South African poverty levels

Source: Findings of the Living Survey 2016/2017.

According to Development Indicators (2016), in South Africa, social assistance provision represents a sustained redistribution of resources to the poor. It remains the most effective poverty alleviation programme. The country, therefore, cares for the most vulnerable, though the government cannot provide employment/entrepreneurship for productive years whose children received a grant.

Woolard (2002) reveals the participatory poverty assessment (PPA) undertaken in South Africa in May 1998, developing features and characteristics of poverty in Southern Africa. These include alienation from kinship and the community; food insecurity; crowded homes; use of primary forms of energy; a lack of adequate paid and secure jobs.

Ndlovu-Gatsheni (2012) expresses that the South African challenge of poverty is neo-apartheid. This system was attributed to the enduring colonial or racial hierarchies implemented during successive colonial and apartheid administrations. He contends South Africa is currently in the 'neo-apartheid' period, not 'post-apartheid'. The primary feature of this neo-apartheid period is the economic exclusion of the demographic black majorities and the economic dominance of a demographic, white minority.

Reducing poverty, inequality, and unemployment is the overriding concern of South Africa's development policies and programmes. These aspects were a concern from the beginning of democracy in 1994 in the RDP to the National Development Plan (NDP) (2013)- Vision 2030 (NDP). The guiding principle, as captured in the NDP, is that no political democracy can survive and flourish if the mass of people remains in poverty—without land and genuine prospects for a better life. Attacking poverty and deprivation must be the priority of a democratic government. The NDP posits that raising the living standards to the minimum required level will involve various mechanisms, such as increasing employment, incomes, productivity, and social protection and quality public services (World Bank, 2018).

Poverty in South Africa is also categorised concerning age, where the youth is more affected by poverty than the older group. The NPC (2011) identifies that the country's development path has not sufficiently broadened opportunities for black South Africans, especially females and youth. Apart from political rights, economic benefits for those with access to employment or empowerment programmes, the socioeconomic conditions characterising the system of apartheid and colonialism broadly define the social realities in the country.

According to the UN-Habitat (2010), South Africa has the world's most unequal cities. The inequalities reflect that poverty in South Africa follows racial lines, with blacks being the poorest and whites being the richest. The South African poverty case confirms Green's stance that inequality is crucial to global poverty. Poor people are discriminated against, and several are poor because they suffer from discrimination (Green, 2008).

South Africa and countries globally encounter high poverty levels. From the policy utterances of the ruling African National Congress (ANC) party, tackling poverty was

a top agenda item since its assumption of power in 1994. This is explicit in the RDP, where the new regime identifies the combat against poverty and deprivation as the priority of the democratic government (ANC, 1994).

In 2004, during Freedom Day celebrations, the former President Thabo Mbeki alluded that the endemic poverty continues to disfigure the face of the nation (President Thabo Mbeki, 2004):

> "... it will always be impossible for us to say that we have fully restored the dignity of all our people as long as this situation persists. For this reason, the struggle to eradicate poverty has been and will continue to be a central part of the national effort to build the new South Africa".

African Reporter (2014) articulates that education is a device to reduce poverty and empower people. South Africa's poor public education system sustains the poverty cycle instead of breaking it. To discuss the education crisis, the government implemented policies to reduce poverty (Agbor, 2012).

Approaches to Local Economic Development in SA

The following are the LED approaches in South Africa.

Pro-Growth

According to Abrahams (2003: 191), the objective of the strategy to grow the LED economy is to make urban areas more competitive, business-focused and poverty alleviation. The often-weakened infrastructure and capacity of rural areas means that some of the LED development goals could face significant difficulties if used in this context. In South Africa's leading cities, the general LED trend is dominated by market-led approaches that have always been aimed at achieving competitiveness and high levels of sustainable economic growth (Nel and Rogerson, 2005; Rogerson, 2011: 159).

According to Rogerson (2011) Johannesburg, Cape Town, Durban, Pretoria and Ekurhuleni are the founders of LED services, which aimed to create local competition. These cities aim to respond to conditions of weak demand and small economic barriers to local productivity. Rogerson (2011) further argued that in an effort to create

productive and competitive cities, significant LED development interventions were established in the way, among other things, efforts to improve institutional efficiency to reduce local costs of doing business in a particular area. local or development strategies to strengthen the relationship between economic growth and investment in infrastructure.

The Pro-growth LED approach can be associated with programs aimed at growing the economy and business in areas as shown above. Local marketing and collaborative building can be viewed as ways to enhance LED. Local marketing according to Binns and Nel (2002a: 186) can be considered as a site-based strategy to restructure the local economy. It is argued that service-based economic sectors have received significant impetus ranging from consumer preferences, preferences, wealth, and geographical location. Binns and Nel (2002a) also point out that entering into such economic transformation can be a powerful force in areas that seek to re-direct the local economy. They point out that one sector that has excelled in this regard, tourism, has become one of the most important forces in shaping the global economy and is recognized as a major contributor to development.

Pro-poor LED

Pro-poor LED proves to be highly cantered. Rogerson (2003: 54) argues that in developing countries, the level, depth, and growth of poverty inevitably push poverty reduction questions to the top of the LED policy agenda. As a result, this means that there is a need to use LED strategies that are more proactive in the way that supports the poor. According to Abrahams (2003: 191) The pro-poor and pro-LED LED harvesting approach is a favorite in rural South Africa. Abrahams says critics of conventional LEDs think that attracting investment and local marketing alone has not succeeded in creating sustainable jobs in the domestic economy over time.

Abrahams (2003) further argued that the return on investment as stated in the growth plan does not usually fall on the poor, who rarely benefit from such investments. Proponents of the pro-poor approach argue that community-based LED strategies are sustainable and that by having communities actively involved in planning and implementing new development, the benefits will be enormous.

There is a clear difference in terms of growth status and LED approaches that support the poor. Given the differences, the fact remains that both approaches work together to achieve the same goal, namely economic development and economic equality throughout South Africa. Another feature is that different methods work in different areas. This reason we need to know which method to use in which situation to get the most out of it. Abrahams, (2003: 191) argues that, despite the differences between rural and urban areas and between ways that promote growth and poverty, there is indeed a synergy between different LED methods.

2.9 Theoretical framework

Grant & Osanloo (2014) articulated that a theoretical framework refers to a design or controlling instrument of research. It is said to be a structure arranged on an outstanding theory in a policy of evaluation connecting to, and even indicating the opinion of an investigation. Moreover, theoretical framework as a design is often considered and implemented by any investigator to formulate their certain study analysis. It works as the foundation considering a point where an investigation is generated from. Brondizio et al. (2014) concurred this is the detailed viewpoint or idea concerned with the characters of a societal scheme to help learn about events.

The empowerment theory and Marxian theory of poverty supported this study. A theory by Halowen and Santrock (1996) refers to a supposition or a system of ideas intended to explain something, especially one based on principles, independent of something to be explained. A theory is essential to assist a reader in understanding the context or phenomenon of the study. The study considered the following theories:

- Empowerment theory (2.9.1)
- Marxian theory of poverty (2.9.2)

2.9.1 Empowerment theory

Empowerment is the act of conferring legality, sanction, or formal warrant. Empowerment is more than providing the resources to assist individuals to escape poverty; it is the act of delivering the devices to shape the whole person and promote a critical way of thinking and consciousness. Several scholars (Perkins & Zimmerman, 1995; Rappaport, 1981; Zimmerman & Warschausky, 1998) identified empowerment

as a value-laden theory for working in public and classical theory for understanding the process and penalties of exerting efforts control and influence decisions. These decisions affect an individual's life, organisational functioning, and the quality of community life. The empowerment theory is necessary for distinction among the values motivating an empowerment approach to social change.

The empowerment theory was founded by Ledwith (2005), indicating that empowerment is an unsubstituted answer to the relocation of unfairly divided resources. The empowerment theory will specify the right of the community in government resources employed to reduce poverty. The empowerment theory can be helpful for the community by involving the community in all the developmental activities and strategies. The municipality provides these in achieving the goals of the developmental democratic government.

The empowerment theory was employed, ensuring a solid emphasis on the importance of involvement and development of the local communities. Empowerment involves achieving the goals of the local sphere of government, as noted in the Constitution of the Republic of South Africa (1996), Section 152 1 (c), to promote social and economic development.

2.9.2 Marxian theory of poverty

The Marxian theory of poverty is based on poverty because of the situation of underprivileged individuals. The poor person is, therefore, a victim of circumstances resulting from several factors, critical of the production system (Harvey & Reed,1992:277). Poverty is defined as the situation where a person's resources (mainly their material resources) do not meet minimum needs (including social participation) (Joseph Rowntree Foundation, 2013).

Several related failures give rise to an increase in the number of the poor. Gordon et al. (1982) identify these as racial and gender discrimination and nepotism. They resulted in the deprivation of particular groups of people's opportunities for jobs, education, and social assistance. Albrecht and Milford (2001) contribute to this theory by remarking that massive restructuring of economic systems leads to increased

economic and social marginalisation of an entire group of people. Such groups become poorer attributable to the lack of access to opportunities.

The Marxist theory recommends poverty alleviation through improved structures of production and increased education and training. These opportunities should be presented, irrelevant of technological improvement, to adapt through a change of environment to the profession. Education ensures persons embrace change and adapt (Winch, 1987). The theory also advocates for a government welfare programme to aid those unable to re-engineer themselves through education. Education will enable them to access basic requirements for upkeep, such as food rations, health programmes, and subsidies (Coser, 1969; Harvey & Reed, 1992:280).

The Marxian theory of poverty was chosen to emphasise the function of the Local Government to collaborate with the local community to mitigate the poverty level within the respective affected local areas. The Marxian theory has relevant normative measures and strategies in poverty mitigation. It is the highest concern of the study "analysis of economic development initiatives in the process to mitigate poverty".

2.10 Summary

This chapter presents the literature review, the concepts of poverty and LED, including the theoretical and legislative frameworks arriving at an in-depth description and insight of the primary study focus. It further describes the levels and dynamics of poverty within South Africa and the whole African continent. Poverty was observed as the primary hindrance to developing the country and the continent. Several limitations and mechanisms of the LED were noted towards solving poverty through the LED.

CHAPTER 3: RESEARCH METHODOLOGY AND BRIEF OVERVIEW OF BIG 5 HLABISA LOCAL MUNICIPALITY

3.1 Introduction

This chapter describes the research methods applied in this research project. This research employed the qualitative approach in the analysis of LED initiatives towards poverty mitigation within the B5HLM. Mouton (2007:438) defines research methodology as the “how?” dimension of research how evidence is collected, analysed, and presented? It is further noted that data may be collected either quantitatively or qualitatively. As mentioned above, this study employed a qualitative method. This chapter is vital to describe the research methods used in this study.

3.2 Research paradigms

According to Williman (2018), research paradigms aim at implementing a direct and indirect argument about reality and how things should be viewed. Paradigms help to distinguish the observation upon which the research report is based. Research concerns the pursuit of knowledge and how is it used (Gary, 2009). Gary (2009) remarks that interpretivism concerns how people construct and attach meaning to the world. It involves how people interrelate to objects and how they develop ideas about the world where they live. This study employed the interpretivism approach to analyse LED initiatives towards poverty mitigation in B5HLM because the interpretivism paradigm pays more attention to and value what people says, do and feel, and how they make meaning of the phenomena that is being researched.

3.3 Research methods

A research method is an operational plan for collecting and analysing data to help the researcher analyse the study findings and respond to the questions of the study. Research design is essential in implementing a survey (Flick, 2006). The following sections comprise the background of the research design.

Schwardt, (2007: 195) describes the research method as a theory of how an investigation should proceed. It involves thoughtful analysis, principles, and procedures in a particular questioning process. According to Schwardt (2007),

Creswell and Tashakkori (2007), as well as Teddlie and Tashakkori (2007), approaches determine the types of problems to be investigated; what covers the problem being researched; hypothetical ideas; how to pose a problem in such a way that it can be investigated using specific designs and processes; and how to select and develop appropriate data collection methods.

A method of advanced research

Advanced research, according to Van der Merwe (quoted by Garbers, 1996) is a research method aimed at the development of theories and insights. Denzin and Lincoln (2005) describe quality research as an existing work that puts the observer on the planet. It involves a method of interpreting, of the natural world, that is, quality researchers researching events in their natural environments, trying to make sense, or interpreting events according to the definitions that people bring to themselves. Quality research means an emphasis on corporate merits and processes and definitions that are not evaluated or rated (Denzin & Lincoln, 2005: 10).

In concert Denzin and Lincoln (2005), Patton (2001: 39) describes qualitative research as a method that uses a natural approach that seeks to understand events in specific contexts, such as real-world contexts, in which the researcher does not. attempting to deceive interesting events ... is any kind of research that produces results that have not been achieved using mathematical methods or other measurement methods, but instead, a type of research that produces findings based on real-world settings where events of interest occur naturally. "

Weinreich (2009) points out that the purpose of qualitative research is to give the researcher an opinion of the target audience by immersion in culture or context as well as direct contact with the people being studied. This means that in a qualitative paradigm the researcher becomes a data collection tool, and the results may be very different depending on who is conducting the study.

The purpose of advanced research is to promote better self-awareness and to increase understanding of the human condition. Unlike quantitative research, as its purpose, which collects facts about human behavior that will lead to validation and expansion of theories, quality research emphasizes improved understanding of human behavior and knowledge.

3.3.1 Research approach

Research approaches lead researchers to various levels of understanding of behaviours and events they intend to study or investigate (Privitera, 2017). Ngulube (2015) defines research approaches as the ways of designing and conducting research. Three research approaches, primarily used in research, are quantitative, qualitative, and mixed methods. In this study, the qualitative approach was employed to analyse LED initiatives for mitigating poverty with the B5HLM. A qualitative approach was employed, allowing the researcher to generalise the findings while reducing biases that may result from interpreting qualitative data in the data analysis.

3.3.2 Qualitative approach

Leedy and Ormrod (2013) define the qualitative approach as focusing on understanding where things happen and the reasons behind their occurrence. The qualitative approach was employed in this study, allowing the researcher to capture the findings while also helping to reduce biases that may result from interpreting qualitative data. The qualitative approach enables the researcher to attach meaning and events as they occur.

Mason (1996:4) defines the qualitative research approach as grounded in a philosophical position. It is broadly interpretivism because it concerns how the social world is interpreted, understood, and produced. It is based on methods of data generation flexible and sensitive to the social context where data are produced. It is also based on the methods of analysis and explanation. Qualitative research is crucial with the primary aim of creating a clear understanding based on rich, contextual, and detailed data.

Qualitative research strives for the establishment of a sense and more accurate knowledge about phenomena, it is further elastic about its method (Denzin & Lincoln, 2013; Merriam & Tisdell, 2016). The qualitative researcher, therefore, seeks to understand the way individuals acquire meaning and sense about their lives and experiences (Merriam & Tisdell, 2016). Thus, the researcher wants to define, explain, and interpret this phenomenon of public participation and its programmes in enhancing

service delivery in municipalities to give responses to the research problem and questions and to attain the aim of the study.

3.4 Sampling procedures

Purposive sampling was employed to select research participants forming part of the youth of the community and ward committees with the two targeted respective local areas. Etikan et al. (2016) note that purposive sampling carefully selects participants based on their abilities. The researcher decides on what needs to be known and identifies people who can and will provide information by data availability. The researcher purposefully selected participants likely to help in understanding the research problem. The researcher chose this method to find participants more likely to assist with responses to the research problem.

The sample comprised 26 participants; 20 youth community members; four ward committee members from both local areas; two officials of the LED department. Primary data were employed, collected from the aforementioned categories. Table 3.1 reflects the sample population:

Table 3.1: Sampled population

Population: 27 073 (25.3%)	**Community A**	**Community B**	
Category	Mpembeni	Bazaneni	Total
Community members (youth)	10	10	20
Ward committee members	02	02	04
LED personnel/officials	--	--	02
Total number of participants	12	12	26

Source: Author.

3.5 Population

According to Grary et al. (2017), a population is a particular group of elements, which can either be individuals, objects, with events as the focus of the study. This study focused on the two local communities within the B5HLM in northern Zululand. The

population is107 147 people (StatsSA, 2017), including the Mpembeni and Bazaneni local areas. Big 5 Hlabisa is one of four regional municipalities that make up the uMkhanyakude district, centrally located among local municipalities of the district. The Mpembeni and Bazaneni areas comprise 25.3% of the total population.

The municipality grew in numbers, as it was considered to have an amalgamation process. It was combined with the Big 5 False Bay and Hlabisa Local Municipality, then named “Big 5 Hlabisa Local Municipality”. The Demarcations Board initiated this concerning the Municipal Structures Act. The population targeted for the study was the youth of the two aforementioned local areas; youth is the most politically conscientious individuals in the community, with a vested interest in LED. Ward committees within the two respected local regions and the LED personnel were also provided with an opportunity to participate in the study within the economic development department to express their observations in the analysis of LED initiatives towards poverty mitigation.

As aforementioned, the study targeted 26 participants, comprising 20 community members (youth) from the two targeted local areas (Bazaneni, Mpembeni); four ward committee members from both local arears; two LED personnel/officials from the department of LED within the respective municipality. All respondents participated as targeted (100% participation) with no challenges.

3.6 An overview of Big 5 Hlabisa Local Municipality

Big 5-Hlabisa Local Municipality is in the northern-western part of KwaZulu-Natal. It is one of four local municipalities structuring the uMkhanyakude District family. It is centrally located amid local municipalities of the uMkhanyakude family. The municipality is a Type C amalgamation process between the former Big 5 False Bay and Hlabisa Local Municipality, initiated by the Demarcations Board concerning the Municipal Structures Act.

The name of the municipality reflected the historical context of the two former municipalities. The municipality is rural, with only one semi-urban area being Hluhluwe in Ward 5. The municipality is demarcated into 13 wards and has twenty-three (23) councillors. Hluhluwe and Hlabisa are the centres of the significant towns of

employment opportunities, shopping, and recreational facilities easily accessible off the N2 national route. The municipality is next to the False Bay (western) side of the Isimangaliso Wetland Park (previously known as the Greater St Lucia Wetlands Park).

The B5HLM was established on 4 August 2016 after the LG elections. The municipality has a low revenue base and depends on grant funding from the government. The municipality will employ sturdy revenue strategies to enhance revenue collection. The Big 5-Hlabisa Local Municipality forms part of the uMkhanyakude District, identified as an ISRDP Node by the Presidency. This programme was implemented to assist the municipality with the human, technical, and financial capacity, ensuring development and alleviating poverty.

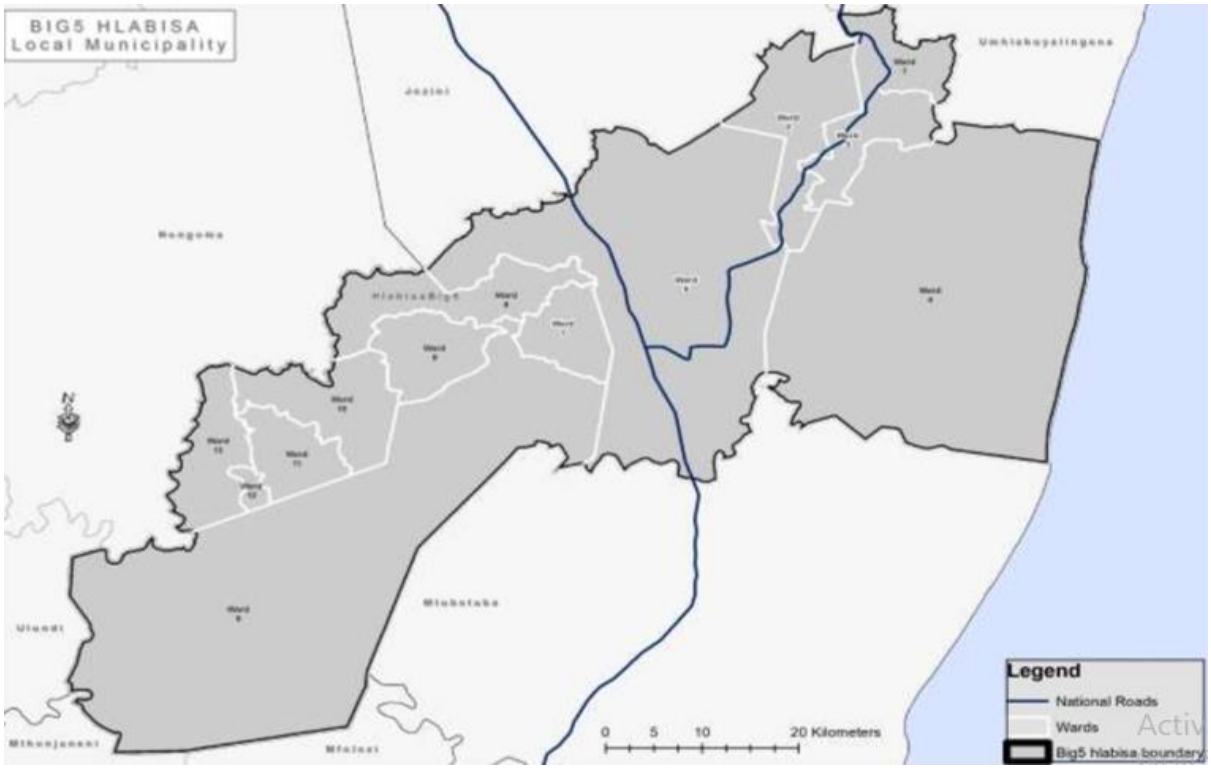


Figure 3.1: Local map of Big 5 Hlabisa Local Municipality

A substantial proportion of the land is used for agriculture and game lodge activities and is sparsely settled. The north-eastern parts of the municipality are occupied by densely populated three rural traditional communities (Makhasa, Mnqobokazi, and Nibela). The major drawcard of Hlabisa is the tourism industry centred on the Hluhluwe-Umfolozi Game Reserve, located 280 km north of Durban—the oldest proclaimed park in Africa. It comprises 960 km² (96,000 ha) of hilly topography in

central Zululand, KwaZulu-Natal, South Africa and is known for its rich wildlife and conservation efforts. The park is the only state-run park in KwaZulu-Natal where all the Big Five game occurs. Attributable to conservation efforts, the park has the largest population of white rhinoceros globally. The municipality has infrastructure development backlogs and is, therefore, committed to reducing backlogs by 2030.

Most Hlabisa Municipality population resides in rural villages scattered throughout the municipal area, mainly traditional authority areas. According to the Census 2015, most of the population (70%) are within the 0 – 34-year age group (youth). Community members classified as pensioners (people over 65 years) account for only 5% of the population. Most of the community's population is youths; the municipality needs to derive or strengthen social programmes, accommodating this age group, such as life skills activities, sports, and recreation facilities and activities. Such programmes could help decrease the occurrence of social disruptions (e.g. large number of school drop-outs, drugs, and crime) often associated with this age group.

Table 3.2: Total number of households

BIG 5 HLABISA LOCAL MUNICIPALITY	
NUMBER OF HOUSEHOLDS	41 795
NUMBER OF WARDS	13
NUMBER OF TRADITIONAL LEADERS	6

Source: UMkhanyakude District municipal IDP 2020/2021.

The population summary reflects the population and household of 71 925 populations and 13 184 households (Table 3.2). Most of the Hlabisa Municipality population resides in rural villages, scattered throughout the municipal area, mainly traditional authority areas. The Hlabisa Local Municipality population is slightly imbalanced, with females outnumbering their male counterparts. According to Census 2011, females account for 54%; males, 46% of the total population (Figure 3.2).

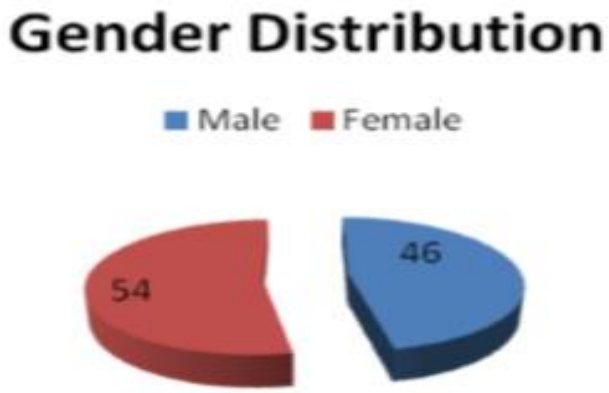


Figure 3.2: Gender distribution

Source: Census 2018

The education level for the community of Hlabisa is marginally low. Figure 3.3 below indicates a continuous challenge concerning education in the area. The above survey was conducted among persons aged 20 and above. Observing the unemployment rate countrywide, it would be difficult for this community to compete for well-paid jobs, as they lack primary education.

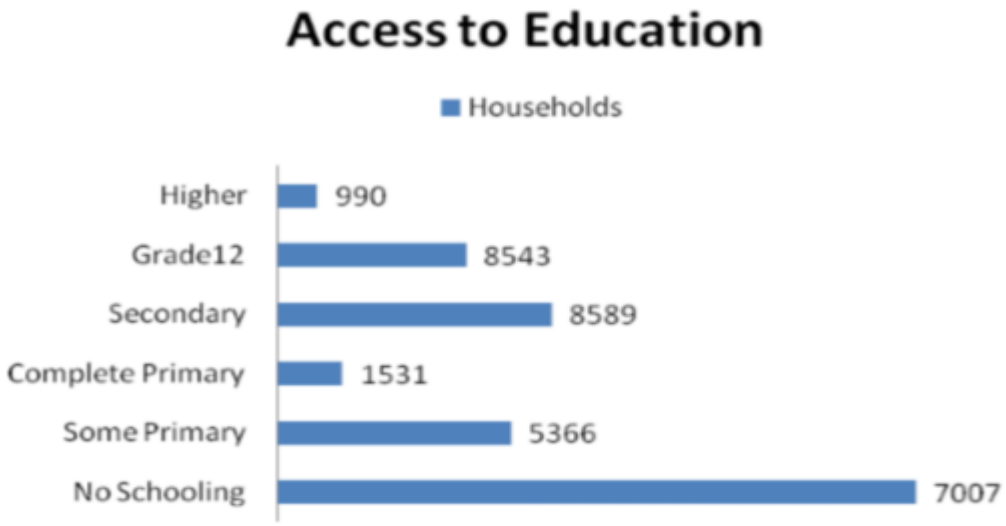


Figure 3.3: Education access

Source: Census 2018.

3.7 Research instruments

The type of research depends to a broader extent on the quality of data collection devices used. This study used methods, such as questionnaires and interviews, to collect data during data collection.

- **Interviews** were conducted with the ward committees within the two targeted local areas and the LED personnel within the Economic Development Department of the B5HLM (3.7.1)
- **Questionnaires** were employed to collect data from the youth community members on the participation of community members and the ward committee members from the two targeted local areas (3.7.2)

3.7.1 Interviews

Interviews were employed to collect qualitative data. Howell (2013) notes that interviews provide data collection mechanisms enabling description, investigation, and assessment of personal perceptions. Interviews involve social dynamics, determining and moulding the knowledge and understanding collected. Kuada (2012) further notes that an interview can help a researcher understand the observation of interviewees, their situation, and other conditions regarding their involvement in events and capabilities. The interview strength is the richness of the communication, allowing for extended response and clarity to be provided in time of need. An interview is cost-effective and time-consuming concerning conducting the interview and analysing data (Gillham, 2000). Interviews were chosen to gain a deeper understanding of the research participants' observations and opinions while also gaining insight into their social dynamics.

Seale, Giampietro, Gubrium, and Silverman (2004) also describe interviews as social interactions in which speakers collaborate in producing backward and upcoming accounts or versions of their past or future actions, information, feelings, and thoughts. Two types of interviews were used in this study, namely focus group discussions and formal interviews.

In this study, two interview sessions were held with the officials of the LED department and the ward committee members. All sessions were conducted successfully; there were no challenges encountered.

3.7.2 Questionnaires

Questionnaires were employed to collect qualitative data. Babbie (2010) Defines a questionnaire as an instrument specifically designed to elicit valuable information to data analysis. Questionnaires have the advantage of being flexible, being accessible and convenient for respondents. Questionnaires are economical and can cover several people in a large area. The questionnaires were employed to collect data from the community members as they formed a large group. Questionnaires help reach many people in a shorter period than the interviews, requiring personal attention.

A questionnaire is a form that contains a set of questions, primarily focused on a significant number of statistics, and is a way of collecting survey information. It is used to gather statistical information or ideas about people. The Oxford Advanced Learners Dictionary (1997: 952) defines a questionnaire as a written or printed list of questions to be answered by a few people, especially as part of a research project.

In this study, 20 questionnaires were distributed among 20 participants, comprising community members to partake in the study as requested; all the targeted individuals participated successfully with no constraints. The 20 questionnaires distributed to the community members were returned to the researcher for data analysis, presented in the next chapter.

3.8 Data analysis and interpretation

This study focused on analysing data collected from community members, ward committee members, and LED officials (Mpembeni and Bazaneni) as the targeted population for the study within the B5HLM. According to William (2006), in most studies, the data analysis section involves testing or recording data, testing data accuracy, entering data into a computer, and developing and keeping a database record.

Qualitative data collected in this study were analysed using thematic analysis. Thematic analysis, according to Schwandt (2007), refers to identifying patterns or themes in analysing qualitative data. A thematic analysis was simplified and made it more flexible in analysing collected data from participants. The meaning was made, compiled from a variety of perceptions and opinions of the community members, ward committee members, and officials of the economic development of the local municipality of Big 5 Hlabisa.

3.9 Ethical consideration

Ethics considered for this study are consistent with the research ethics of the University of Zululand. Informed consent and confidentiality took centre stage in this study. According to Unizulu (2013:10), the university is committed to research rigorous, valid, and reliable. It should be conducted with integrity and in a manner that protects the rights of all participants, staff, and other participants in the University. Research attempts are urged to perform research socially and ethically, pursue truth, intellectual honesty, and openness to ideas while maintaining the highest professional and ethical standards. The study participants were requested to participate and were alert to do so of their own will. They were informed of the intention of the research. Data collected during questionnaires were without names and stored in private software storage.

The following is proclaimed:

- The research does not fall into any class that requires special moral obligations.
- The research does not generate any struggle of interest, real or perceived.
- The research conductor is not associated with any project or activity that will become the subject of my research, nor are any of his family members or close friends or associates involved.
- Except as disclosed in this proposal, the researcher has no direct or indirect financial interest in the conduct of this research or does any of his family members or close friends or associates.
- The researcher assumes to tolerate the principles established in the University‘s policies and the obligations the policies imposed upon and to moderate any ethical and other risks that might arise. In particular, the researcher undertook to:

- Respect the self-esteem, safety, and well-being of others, including the graffiti writers, and unless express written permission is given, he will respect anonymity and confidentiality.
- Reflect and be thoughtful of diverse cultures, languages, beliefs, views, and payments people who participate in or are affected by this research.

3.10 Validity and reliability of data

Validity of research can be explained as the extent to which requirements of the scientific research method were followed while generating research findings. Oliver (2010) considers validity to be a compulsory requirement for all types of studies. Various forms of research validity exist. Cohen et al. (2007) specify the primary structures of content validity, criterion-related validity, construct validity, internal validity, external validity, concurrent validity, and face validity. Reliability is a concern when a single observer is the source of data, lacking a specific guard against the influence of that observer's subjectivity (Babbie, 2010:158).

The aims and study objectives used a simple language (English) with the questionnaires to ensure that respondents understood the questions. Questions were formulated and briefed to support the respondents in understanding. The study findings were presented to aid the Department of Economic and Social Development within B5HLM and assist the youth community members within the respective local targeted areas (Bazaneni and Mpembeni).

3.11 Resources

No additional University of Zululand resource allocations were required, except for standard research and travel allowances.

3.12 Feasibility

Accommodation around the Hlabisa local community was acquired to ensure it becomes closer to the target population, to reach participants in a brief time easily. Relevant textbooks, research documents, and LG documents, such as Big 5 Hlabisa LED strategy, IDP documents, and all municipal documents related to LED and poverty alleviation, were perused. Access to the Internet contributed to feasibility.

3.13 Intellectual property

Property and innovation copyright is the leading intellectual property protected from the study.

3.14 Limitation of the study

The study was limited to B5HLM and only certain areas inside the Hlabisa rural community (Mpembeni and Bazaneni). The study findings were not universal to the LG but assisted B5HLM to mobilise the community members in all LG matters. A limitation was more specific in the LED process as the baseline of the study.

3.15 Summary

This chapter concerns the methodologies employed in conducting this research. In this chapter, several elements are noted, such as research paradigms, research design, sampling procedures, target population, research instruments, data analysis, and interpretation. The ensuing chapter (Chapter 4) concerns analysing and interpreting the collected data from the research participants.

CHAPTER 4: DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

The previous chapter focused on providing details of the research methodology used for data collection in this study. This chapter analyses data collected through questionnaires and interviews with the municipal officials and the ward committee members of the B5HLM. Integration of the study results and various literature material used in this chapter provides a comprehensive study analysis.

During the data collection process of this research, municipal officials and ward committee members of B5HLM participated in an interview, and the community members completed questionnaires. These activities help collect information on the analysis of the LED initiatives. The fundamental question that the research posed was to analyse the relevance of the initiatives towards mitigating the poverty level within the respective municipality. The systematic data presented in this aligns with the self-developed questionnaires attached in Appendix B.

The data presentation is classified according to Part A and B. Part **A** comprises seven headings; these headings were formulated based on research questions presented to respondents. Part **B** comprises five titles of data collected from the municipal officials. They are presented, based on the research questions posed to municipal officials as the primary informant for this study.

Data presented in this chapter was analysed using thematic analysis to capture and interpret different themes collected from respondents. Thematic analysis was used to give meaning and one meaning since it is compiled from various perceptions and opinions of the community members, ward committee members, and municipal officials of the economic development of the local municipality of Big 5 Hlabisa. According to Clarke (2017), thematic analysis identifies, analyses, and interprets patterns of meaning (themes) within qualitative data.

4.2 Respondents' demographic background

This part presents the demographic background of the research respondents. Demographic information is essential because it gives details of the characteristics

and attributes of the research respondents, and it makes it clear to understand the research findings.

Table 4.1: Respondents' gender and age

	Bazaneni n=10	Mpembeni n=10
Gender		
Male	3	4
female	7	6
Age		
17-25 Years	5	5
26-35 Years	7	3

Source: Author

On the age category, all the respondents were young people from the two local areas (Bazaneni and Mpembeni) ranging from 17 to 25 years (Bazaneni- 50% and Mpembeni- 50%) and 26-35 years (Bazaneni- 70% and Mpembeni- 30%). The above Table 4.1 demonstrates that most respondents from the study were females from both local areas (Bazaneni and Mpembeni). Females are academically motivated as they avail themselves in research participation.

Table 4.2: Occupation and education level

	Bazaneni	Mpembeni
Occupation		
Employed	2	2
Unemployed	10	6
Level of education		
Primary	1	1
Secondary	5	6
Tertiary	4	3

Source: Author.

The above Table 4.2 emphasises the unemployment level within the country. South Africa encounters a devastating level of youth unemployment (Table 4.2); the level of unemployment within the B5HLM is high since it is 80% based on the findings from the local areas that the study targeted. On the level of education, Table 4.2 indicates that most respondents attained secondary education, and some attended tertiary education. The respondents were, therefore, not only literate but understood the study concept.

4.3 Community member's participation

Questionnaires set for the study respondents in Section B of the appendices were distributed to respond to the questions and objectives of this research. Open-ended questions would have gained the views, perceptions, and opinions about the LED initiative implemented to mitigate the poverty level within the B5HLM. It is the primary goal and objective of B5HLM to provide and accommodate the basic needs of the local community where the municipality is based.

According to the data obtained from the community, members of the Bazaneni and Mpembeni areas responded 'yes' to whether a community member supports and

partakes in the opportunity, providing grounds for economic developments. This implied that they agree that in the quest to mitigate poverty within the B5HLM; developmental projects are encouraging LED participation.

Table 4.3: Participation by the community members

	Bazaneni	Mpembeni
Yes	10 (100%)	10 (100%)
No	0 (0%)	0 (0%)

Source: Author.

Referring to Table 4.3 above, 100% of the respondents from local areas (Bazaneni and Mpembeni) noted that the community fully, actively, and collectively collaborates with the municipality. This aims to mitigate the poverty level through the LED initiatives provided by the municipality. The *White Paper on Local Government* (1998) specifies that public participation refers to the active involvement of the local population in development projects or their implementation. In development planning and execution, people, as citizens and consumers of services, are the most valuable resource since they know and understand their needs and how needs can be met.

Madzivhandila and Maloka (2013) elaborate that community participation allows people to voice their say in developmental projects. Public participation involves the public in planning (budget process system and the entire decision-making process), public involvement in bringing citizen knowledge into project planning; it ensures democracy and human rights in the development process (Yebo-Assiamah, 2017; Debela, 2017; Deng, 2017).

4.4 Existing local economic development Initiatives provided by the municipality

The municipality implemented several initiatives to alleviate poverty within the local areas where B5HLM is located. As noted in Section 152(1)(c) of the Constitution of the Republic of South Africa (1996), it mandates LGs to pursue the economic and social development of communities.

In brief, LED is a bottom-up socioeconomic instrument within a broader IDP and PGDS to create conducive business environments to improve their competitiveness. LED in this context is community-driven through individuals and sectors. The sectors referred to are LG, business, and civil sectors. The three sectors aim to influence individual communities within the municipal jurisdiction. Table 4.4 below indicates the initiatives expressed in the youth community members targeted for the study:

Table 4.4: Initiatives expressed

	Bazaneni	Mpembeni
(a) Skills Development Plans (SDPs)	10	10
(b) Community gardens	9	8
(c) Driver's licence programme	7	7
(d) One Home One Garden	5	5
(e) Business fora	3	4

Source: Author.

4.4.1 Skills Development Plans (SDPs)

As outlined in Table 4.4 above**,** 100% of the respondents noted the municipality facilitates skills development programmes to equip the young people of local communities. The municipality is based on skills and knowledge to better their lives and present a job market. It is facilitated to implement employment potential and mitigate the poverty level within the municipality and nationally, since poverty and unemployment are national and global challenges. The respondents identified various programmes as part of skills development:

- **Plumbing-** Unemployed youth is presented with the opportunity of training on plumbing; they are provided with all skills and theoretical knowledge on plumbing. They are presented with plumbing certificates to use in finding employment.

According to a respondent:

> The municipality is giving us the opportunity to do plumbing skills.

- **Computer skills training**- Unemployed youth are invited to select any computer skills training academy of choice where they will be trained and presented with computer skills certificates. The municipality is responsible for costs for each person.
- **Bricklaying-** Unemployed youth is presented with training in bricklaying, facilitating skills to develop and standardise their lives. Certificates are issued, supporting job opportunities.

The respondents (youth) identified the aforementioned programmes the municipality presents to them as part of economic development in combating poverty.

4.4.2 Community gardens

Community gardens are a leading initiative implemented by the municipality as part of poverty mitigation programmes to facilitate job creation. Older people and youth within the local community, trade veggies on the market. They support their families with the monies received. Other families receive a meal through these community gardens. A respondent remarked:

> The municipality is fencing gardens for the community to plant crops, and they provide seeds for plants that will be planted in the gardens.

4.4.3 Driver's licence programme

The unemployed youth is invited to driver's licences training to equip them for the job market, where driving is required. The municipality carries the costs for the training and the issuing of licences. This initiative forms part of the youth skills development within the local municipality areas.

4.4.4 One Home One Garden Programme

The One Home One Garden is the other initiative expressed by 50% of the respondents from local areas (Bazaneni and Mpembeni). Councillors are the drivers of this programme, ensuring all families receive seeds for planting. As suggested in Table 4.4, this initiative is positive and progressive; 50% of respondents recognised the initiative facilitated by the municipality.

> Councillors bring us seeds at home to plant veggies and encourage us to start our home garden.

4.4.5 Business forums

According to Table 4.4, over 30% of respondents noted that the business forum is an additional municipality initiative as part of economic development. Most respondents who acclaimed this initiative attained tertiary education. These respondents, therefore, understand the scope and context of economic development, as one participant commented:

> The municipality post on the Municipality Facebook page, inviting young people for entrepreneurial workshop.

4.5 Relevance of the initiatives to the community

Table 4.5 details the relevance of the municipality LED initiative to the local communities within B5HLM; all respondents asserted that the municipality initiatives are relevant and practical concerning economic development and poverty mitigation in the community. This was the primary study focus.

Table 4.5: Relevance of the initiative

	Bazaneni	Mpembeni
Yes	10 (100%)	10 (100%)
No	0 (0%)	0 (0%)

Source: Author.

Municipalities intend to achieve the economic potential of all municipal areas around the country, enhancing the macroeconomic growth through increased local growth, employment creation, and development initiatives within economic development (Tefu, 2017). South Africa's significantly larger areas are searching for foundational intensity at a local level. From the findings from Mpembeni and Bazaneni communities, respondents agreed that the community members actively participate in LED opportunities. These involve measures to mitigate poverty within the B5HLM initiatives

prove to be relevant to the local community. Due to saturation, the study established similar responses from the Bazaneni area and Mpembeni area. These study conclusions are, therefore, based on the data collection.

The municipality (through the LED project) facilitates skills development plans and community gardening in the area. Findings indicate that the community participates in projects that help them.

Having moderate economic development and poverty, joined with the adjustments in the national and global economic conditions, led to the success of the weakness of numerous states to intervene at the local level. This presented an impetus to privately based activities.

Implementing LED programmes often requires broad-based, comprehensive initiatives through public/private sector partnerships, strongly driven or led by the local municipalities (World Bank Report, 2018). The private sector is often keen to manage initiatives aimed at improving the vitality and viability of town centres or to become involved in business development initiatives. Community groups may attempt to lead initiatives to improve the health, housing, and economic conditions of the target group of disadvantaged individuals. To understand if the LED measures achieve their primary objective of mitigating poverty, the respondents responded that the community experiences positive changes in the area as they participate in the LED projects.

4.6 Are the initiatives achieving their primary goal?

Table 4.6 below represents data from the respondents as evaluation, checking if the initiatives achieve the planned goals; all respondents responded that the initiatives hold a dynamic function in developing the lives of local people. According to a respondent:

> The community members are actively participating in the programmes, particularly the youth members.

Table 4.6: Respondents' evaluation

	Bazaneni	Mpembeni
Yes	10 (100%)	10 (100%)
No	0 (0%)	0 (0%)

Source: Author.

Table 4.6 above indicates that the developmental LG, as stipulated in the legislative framework, establishes a series of developmental outcomes. It proposes several devices to assist municipalities in becoming more developmental. The LG is not solely responsible for job creation. It is responsible for active steps to ensure the economic and social conditions of the locality are conducive to creating employment opportunities and poverty mitigation. It is the responsibility of the national government to provide support to enable municipalities to use the options and devices suggested in the *White Paper* to make themselves more developmental.

The local Government's powers and functions should be exercised to influence communities' social development. The focus should be on the basic needs of the poor and regional economic growth. The LG exerts a significant influence over the social and economic well-being of local communities through its traditional responsibilities (service delivery and regulation). Findings from some respondents concerning the existing LED measures in achieving its significant aims are as follows:

> The community is actively involved in agricultural activities. They use the acquired skills from the programmes to create employment opportunities. The community gardens have helped most of the community members.
>
> Hence, they produce their food and more developed more skills, they are given food packages and made financial contribution to the underprivileged.

The legislations are formulated to advance, develop, and transform the citizens' lives (Kamusoko, 2019). According to Dlamini (2019), the failures of the apartheid

development policies to account for rural areas shaped the government policy intervention on rural development. This resulted in the South African government directing significant national budgets and policies to focus on rural development. More findings indicated that the LED initiative help change the standard of the community, as the community receives assistance from the programmes.

4.7 Challenges encountered by the local economic development initiatives

Meeting the basic needs of communities is one of the critical challenges LGs in South Africa encounter. This has been at the core of the LG system since the early 2000s. The first democratic LG elections were held on 5 December 2000. Municipalities focused on growing local economies and extending services to previously neglected areas (Project Consolidate, 2015).

Table 4.6 below specifies the challenges encountered by the LED initiatives within the B5HLM; the research respondents expressed information captured on the table.

Table 4.7: Local economic development initiative challenges

	Bazaneni	Mpembeni	(%)
(a) Corruption, nepotism, and maladministration	10	10	100%
(b) Insufficient budget	10	10	100%
(c) Poor budgetary strategy	6	4	50%
(d) Lack of participation	2	0	10%
(e) Lack of knowledge about LED	1	0	5%

Source: Author.

According to Table 4.7, responding to the question of the challenges encountered by the LED measures of the municipality in the process to mitigate poverty, the respondents indicated there is a perceived level of “corruption, poor budgeting strategy and maladministration”. This was confirmed by JICA Research Institute (2019) that when communities are not involved in establishing, supporting, and overseeing developing the local economy, the LG has no potential to achieve LED. This is attributable to a lack of community involvement and support for economic

development. By increasing the voice and participation of local citizens, LED can be effective because it will be parallel, relevant to the basic needs and concerns of the local people, not neglecting the Central Government Oversight (JICA Research Institute, 2019). Respondents noted that:

> Projects are discontinuing due to so called ‘insufficient budget’ but it is actually money corrupted using the name of the projects implemented to standardise the community.

Poor accountability, transparency, and effectiveness of local municipalities harmed LED. Officials of local municipalities performed poorly for the past two decades, favoured by corruption and maladministration. Officials must be empowered and encouraged to effectively respond to the needs and concerns of the local community. According to the Constitution of the Republic of South Africa (1996), “to ensure the provision of services to communities in a sustainable manner; to promote social and economic development” (JICA Research Institute, 2019). A participant expressed:

> There is no accountability and transparency around the utilisation of the public funds. Officials never account on the funds which were located for the projects while projects are discontinuing.

South Africa is disappointed in its performance, economically, socially, and in health. According to the JICA Research Institute (2019), political leaders and other primary stakeholders of the state are influential in lower or poor development within (RSA):

> Leaders are the key determinants of whether the rising aspirations of the state and global expectations are met through service delivery and provision of operational interventions to conduct development or growth.

A selection of the relatives of officials and people not meeting the criteria for those opportunities (nepotism) indicates a considerable challenge to LED. People are supposed to benefit from those opportunities. Unskilled people who do not qualify for selection provide unproductive service delivery. This leads to an ineffective and inefficient municipality. Other respondents noted:

> Officials and councillors select their relatives to benefit on the projects while every public community member is eligible to partake in the projects, but they are deprived the opportunities due to nepotism

Table 4.7 reveals an elevated level of lack of understanding of the concept or scope of LED and; therefore, there is a need for targeted literacy and intervention as further education programmes. This elevated ignorance rate is attributable to the previously disadvantaged, lacking educational facilities and resources. Attempts to eradicate the legacy of the past are suggested.

> Many officials do not have clear understanding of the concept of local economic development.

> It is observed from performing the initiatives provided that results from poor strategic plans.

4.8 Innovative ideas to conduct effective initiatives

Understanding how effective LED execution is, the literature reveals that the LG has a dynamic and continuous function in ensuring the effectiveness and the success of the LED initiatives. Not all initiatives were successful; the challenges are articulated in the above literature, unveiling the limitations or hindrances to the effectiveness and success of the LED initiatives. According to Rogerson (2013), if strategic planning is appropriately conducted, it clarifies competitive advantage, identifies collaborative opportunities, and generates strategies, achieving local priorities. The following question was directed: What innovative ideas are needed to ensure effective execution of LED in the various communities to alleviate poverty: The participants responded:

> Organising for community member to have a better understanding of agricultural activities is an innovative idea that can help in ensuring effective local economic development. This will further help mitigate poverty in the local community.

Understanding the strategic position of the LED budgetary towards the actualisation and effective implementation of grassroots LED projects, which help alleviate poverty in the local community, findings show a superior level of insufficient budget and poor

budgetary strategies. In response to enquiring about understanding if the LED measures can achieve their primary objective of mitigating poverty, the respondents indicated that:

> The community is experiencing positive changes in the area as they participate in the LED projects.
>
> Some innovative ideas put in place by the LED project to mitigate poverty include:
>
> Advancing public participation tools, community meetings are mostly attended by old people. Requesting enough budget to the province and national level.

In examining the limitations of LED, findings from the literature identified challenges for the Government of South Africa towards building up the local economy. Rogerson, (2010); Nel, Rogerson (2016) noticed that regarding the national government, a core concern. Among metropolitan territories, the results of LED activities in South Africa were disappointing. Binza (2010) further noticed the absence of funding for LED programmes and capital for improvement, discouraging LED effectiveness within the local economy.

> The advancement of strategies within the initiatives and the provision of adequate budgeting. Better budgeting tools and the advancements of strategic plans of the initiatives.

Regarding LED effectiveness, literature discloses that the LG has a dynamic and continuous function in ensuring the effective promotion of government initiatives and the subsequent success of the LED enterprises. Not all initiatives were successful; challenges were attributed to the limitations or hindrances observed in the literature to the successful running of the LED initiatives. According to Rogerson (2013), if strategic planning is appropriately conducted, it clarifies competitive advantage, identifies collaborative opportunities, and generates strategies that better achieve local priorities.

> Develop best ways of budgeting skills. Develop educational programs to equip youth with the context of Local Economic Development. The training of staff with facilitating LED.

According to the DBSA (2008:3), for government and LED practitioners, the challenge remains. This indicates understanding and developing initiatives to discuss the informal economy and related employment strategies. These often go against national planning frameworks and models. Van Der Heijden (2008:16) believes that to develop influential economies, LED officials in South Africa need more successful diagnostic apparatuses, and to concentrate on the most economic difficulties burdening the local community; for example, exact financial information and value chain examination.

The success of local communities depends on the option to adjust to the quick changing and progressively competitive market condition. Local governments have a fundamental responsibility, implement requirements for business progress and employment creation. They drive matters about an association between LG, business, and NGOs. Community-based organisations and the private sector are advanced to direct existing resources and implement job opportunities, leading to the stimulation of the local economy (uMhlathuze LED Strategy Review, 2011).

> … training of municipal employees and the community members for better understanding of LED.

Several factors hinder local LED planning in South Africa. These could be resolved by re-scaling LED or forging increasingly incorporated and spatial relationships between the local, district, and provincial authorities developed in planning. This coherent solution is frequently undermined by the absence of communication on LED issues among interlinked municipalities, districts, and provinces. To combat this weakness, a beneficial proposal is effectively compelling for LED experts. This indicates understanding and analysing those value chains for their own local areas, distinguishing potential planning opportunities for LED (Van Der Heijden, 2008). Respondents indicated the need for community members to be trained with agricultural skills to conduct farming activities.

Training the community member for better understanding of agricultural activities.

According to Zewde (2016), economic development is determined to create trust and dialogue among experts, authorities, and the people. This merits individually and communally growth, instituting rational and functional systems and bureaucracies for social and economic progress. Conversely, this is for the typical development and the good of the people. It promotes their economic, political, and social well-being.

A LED goal is to generate the wealth of the local community. LED, therefore, became concerned with reducing poverty, inequality, and unemployment. Life quality became comparable among people from developing or underdeveloped countries; disease, malnutrition, and death experiences transformed the observation of development goals. This coincidentally was reflected in the World Bank's report in 1991, recognising improvements in income distribution, environment, health, and education as measures of economic development (Dang & Sui Pheng, 2015).

Part B

This part of the analysis covers the information provided by the municipal officials as targeted, thematic analysis. According to Clarke (2017), thematic analysis identifies, analyses, and interprets patterns of meaning (themes) within qualitative data. It was employed in analysing the data received for the municipal officials.

4.9 Does the community collaborate with the municipality to mitigate poverty?

The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), encourages the involvement of communities, particularly stakeholders, in matters relating to developing LG, promoting socioeconomic development. When communities are not uninvolved in establishing, supporting, and overseeing local economy development, the LG have no potential to achieve LED. This is attributable to a lack of community involvement and support for economic growth. By increasing the voice and participation of local citizens, LED can be practical. It will, therefore, be recurrent, relevant to the basic needs and concerns of the local people without neglecting the Central Government Oversight (JICA Research Institute, 2019).

Based on the LED World Bank definition, the Big 5 Hlabisa local community should collaborate to achieve sustainable economic growth to improve quality of life. Living standards within the LED framework are determined by the following primary variables of this study:

- Poverty mitigation
- Employment opportunities

The officials remarked that the community actively and effectively participates in all the initiatives brought by the municipality in community social and economic development. This confirms that the municipality employees correct communication methods with the local community in delivering public services and socioeconomic development. An official expressed:

> The community is actively participating in the programs provided by the municipality to the community, particularly youth community member.

4.10 Which local economic development initiatives does the municipality provide?

According to the International Labour Organization (ILO, 2016), local economies need to determine strategies and mechanisms for local socioeconomic development. According to the municipal officials, the municipality provides initiatives to increase the standard of the local communities. They also mentioned that not all initiatives are successfully attributable to particular challenges. Below are initiatives provided by the municipality, identified by the municipal officials:

> There are three sectors from where the initiatives are being sourced, namely: tourism sector, business sector, and agricultural sector

4.10.1 Tourism sector

- Community Tourism Organisation

Officials noted the CTO was introduced to promote tourism services within the municipality, creating municipality job and business opportunities. Rogerson (2010,

2013), after several South African examinations, confirms the tourism and travel industry as the most significant active force—a powerful LED strategy. The South African Government perceived the travel industry as an instrument that could drive local municipalities. This involves rural municipalities accomplishing LED activities by presenting support to capacitate local people.

4.10.2 Business sector

4.10.2.1 Issuing business licences

The municipality conducts a programme, assisting the local community members who run informal businesses to register as formal businesses. This was active for years, with the local community to follow correct channels concerning business or company registrations.

4.10.2.2 Business forum

The private sector is often keen to manage initiatives aimed at improving the vitality and viability of town centres or to become involved in business development initiatives. The municipality, in previous years, implemented a forum, introducing the business sector and business opportunities to the community as part of poverty mitigation measures. Respondents express the forum assists local community members with business ideas. It equips them to run those businesses towards standardising social life effectively; it also offers on-the-job training opportunities and face-to-face interaction with business tourism.

> The structures for business forums on LED seek to fill the capacity of building and economic growth for local communities.

4.10.2.3 Local economic development forum

The LED forum is consistent with the post-apartheid government's pursuit of an economic strategy and a commitment to devolve powers of government to a local level. To support community-based attempts, the forum created awareness and educate local citizens about facilitating LED initiatives provided by Big 5 Hlabisa Municipality.

It is a very important device to address and unpack the importance of the LED initiatives, for the local community to have a clear mind-set about the concept of LED," expressed the respondent.

4.10.3 Agricultural sector

4.10.3.1 Coordinating with other departments

The department of agriculture collaborates with other governmental departments, operating with a primary goal to mitigate the poverty level and job creation in LED. This includes providing support in innovative and creative mechanisms for poverty alleviation, job creation, and economic development.

4.10.3.2 Giving seeds to the community members

Respondents indicated that the municipality, through the department of agriculture, facilitated a programme dealing with distributing seeds of various vegetable types to the local community. The intention is to start their small home vegetable gardens to avoid buying minor needs that can be self-prepared. This initiative was effective because community members could provide without using their own money; they could generate a small amount of money from trading their harvest.

4.10.3.3 Promoting gardening

The municipality promoted gardening by employing the aforementioned initiative of providing seeds to the local community, creating vegetable gardens at their respective homes and community gardens. According to the respondents, it was an effective initiative, since the local community generated their own crops to feed their families. They would sell crops if they had a huge harvest from their gardens, favouring the primary goal of LED to uplift the economic standard of the local community.



Figure 4.1: Vegetable gardens

4.10.3.4 Spreading agricultural information

The municipality shared agricultural strategies with the local community through the department of agriculture to ensure that the community was using agricultural services effectively. The department evaluates the initiative by visiting the homes of those who received seeds as part of following up.

4.10.3.5 Providing agricultural resources: tractors, fencing of gardens, spades, and shovels

The municipality presented resources to facilitate the community gardens by providing equipment, such as tractors, spades, shovels, and fencing material. The municipality, therefore, promotes gardening, standardises the local community, and ensures food security.



Figure 4.2:Tractors provided for the local community to conduct agricultural activities

4.11 Are the local economic development initiatives provided by the municipality effective in serving the primary goal of regional economic development?

Both targeted officials confirmed the initiatives provided to them effectively serve the primary goal of LED. Some initiatives, though, provide improvements at a slower pace; they are adequately effective to increase the standard of the community socially and economically. Jobs are created, and skills are equipped. Community members can sell veggies from their homes and community gardens in the marketplace, generating their own income. This assists the community with economic development. Other families are being able to put food on the table. The official expressed:

> No complaints were reported to the department and the municipality. Everything is running smoothly.

4.12 What are the challenges the municipality encounters in implementing local economic development initiatives?

South Africa disappointed the nation with its performance, economically, socially, and in health. The municipal officials identified several challenges in delivering economic development initiatives. From the officials, budget insufficiency is a leading challenge. Binza (2010) opined that inadequate funding for LED programmes and capital for improvement discourages LED effectiveness within the local economy. An official expressed:

> Insufficient budget leads slower pace of development, since everything needs money so without enough funds to carry out the initiatives there will be no socio-economic development.

Political leaders and other prominent stakeholders of the state are influential in lower or poor development within (RSA).

> Leaders are the key determinants of whether the rising aspirations of the state and global expectations are met through service delivery and provision of operational interventions to conduct development or growth (JICA Research Institute, 2019).

An official claimed:

> Involvement of politics in the development of the local community is a greatest challenge.

According to the DBSA (2008:3), the government and LED practitioners are still battling with the challenge of understanding and developing initiatives to discuss the informal economy and related employment strategies. These often go against national planning frameworks and models. Van Der Heijden (2008:16) believes that to develop influential economies, LED officials in South Africa need more successful diagnostic apparatuses while concentrating on the most economic difficulties burdening the local community; for example, exact financial information and value chain examination.

An official declared:

> Lack of understanding the concept of LED by the LED personnel is a challenge in delivering development.

4.13 Which further initiatives are planned by the municipality for the community as we are heading to “vision 2030”?

Numerous plans have been developed to form a comprehensive strategy towards poverty mitigation. Several initiatives were mentioned by the officials towards the advanced development of local economies. Officials noted the IDPs would be adjusted to LED initiatives. Bek et al. (2013) attest that to thoroughly understand the capability of LED inside the biodiversity economy specifically, solid partnerships among the state, NGOs, and community participants are needed.

Local economic development (LED) represents an approach to economic development, encouraging local people to collaborate to achieve sustainable economic benefits and improved life quality in a local municipal. Bek et al. (2013) explain that LED should not be observed as a privilege for LGs; fruitful network-based LED organisations regularly uphold variations with outside giver offices and NGOs. The government’s responsibility is to offer assistance to municipalities to execute their development order to provide an authoritative and administrative LED structure. Officials noted:

> The Integrated Development Plan will be adjusted to Local Economic Development initiatives.

Integrated development planning, presented in the Municipal Systems Act, 2000 (Act 32 of 2000), aims at promoting intergovernmental planning. The process includes reconciling local development with national and provincial legislation, policy, plans, and programmes (Business Referral and Information Network, 2010). In pursuing the goal of shared development objectives, the national and provincial levels must consider IDP process outputs, extend support and assistance to municipalities and involve LG in any plans and policies affecting the municipalities’ developmental goals.

LED is a weapon to combat several socioeconomic battles in society. Well-structured initiatives for development succeed through various strategic plans implemented for

their success. Officials noted that the municipality will be standardising job creation as the other device in facilitating LED as the country is heading towards vision 2030.

Visser and Hoogendoorn (2011) attest that in attempting to anticipate the travel and tourism industry sector, it is urgent to incorporate traditional pioneers, mostly in rural municipalities. The travel and tourism industry part needs more consideration from municipalities to contribute up to its capability to the LED of the municipality. Officials observed:

> A hotel is in the pipeline for the tourism industry to establish job creation and business opportunities for the local community.

Initiatives enlisted below are initiatives expressed by the officials to be implemented by the municipality in conducting effective LED:

4.13.1 Pineapple pine factory

Agriculture is the other sector producing dynamic results concerning poverty mitigation and employment creation. Officials noted that:

> The municipality is initiating a pineapple pine factory within the municipality since the land within the municipality has a high production of pineapple.

The pineapple factory will assist the municipality with job creation, benefitting from poverty mitigation within the local areas of B5HLM.

4.13.2 Potatoes programme

According to the respondents, the municipality intends to implement the potatoes programme as part of its vision. The aim is to mitigate the poverty level and a high unemployment rate globally. The respondents further noted that the potatoes programme would also advantage food parcel creation, helping pro-poor families to have something to eat.

4.13.3 Sustainable projects

Respondents articulated that:

The municipality is integrating all the implemented initiatives towards achieving economic and social development of the local community.

The municipality advances the initiatives with strategic approaches to collaborate with achieving the primary goal of LED.

4.14 Coordinating the findings and the theory of the study

Chapter 2 presents a theoretical framework, including two theories, indicating the Marxian poverty theory and the empowerment theory. The Marxian theory of poverty notes poverty as the situation where a person's resources (mainly their material resources) are inadequate to meet minimum needs (including social participation). Albrecht and Milford (2001) contributed to this theory by remarking that massive restructuring of economic systems leads to increased economic and social marginalisation of an entire group of people. Such groups become poorer attributable to the lack of access to opportunities. The Marxist theory recommends poverty alleviation through improved production structures and increased education and training to those made irrelevant by technological improvement to adapt through a change of environment to change of profession.

Gordon et al. (1982), on the Marxian theory of poverty, identified the related failures in mitigating poverty in rural areas. These are racial and gender discrimination and nepotism. These result in the deprivation of particular groups of people's opportunities for jobs, education, and social assistance. This observation of the theory concurs with the study findings that corruption, nepotism, and maladministration are leading challenges in providing measures to alleviate/mitigate the high poverty level within local areas.

Ledwith (2005) founded the empowerment theory, indicating that empowerment is not a substitute for the relocation of unfairly divided resources. The empowerment theory specifies the community's right to government resources. Its right can be employed to reduce poverty. The empowerment theory can be helpful for the community through their involvement in all municipal developmental activities and strategies in achieving the goals of the developmental democratic government.

The empowerment theory emphasises the importance of community involvement in developmental initiatives. The study findings revealed that the community effectively participates in the initiatives and all the municipality services. The community is granted equal opportunity to employ the initiatives to their advantage.

4.15 Summary

This chapter analyses qualitative data obtained from the respondents. A thematic analysis was employed to analyse the qualitative data. The chapter comprises two parts, Part A comprises seven sections covering the analysis of data received from the youth community members from the two targeted local communities (Mpembeni and Bazaneni). Part B comprises an analysis of data provided by the officials of the respective municipality (B5HLM) under the LED department.

CHAPTER 5: FINDINGS AND RECOMMENDATIONS

5.1 Introduction

The study identified the perceptions and opinions of the local communities' youth within the B5HLM (Mpembeni and Bazaneni) and the municipality officials within the Economic Development Department. The focus is on the analysis of the LED initiatives towards poverty mitigation within B5HLM. This chapter presents the interpretation of findings and recommendations to improve the LED initiatives towards combating poverty within local communities.

5.2 Research findings

The youth community member participants completed the questionnaires; the officials responded through interviews in assisting in collecting data in the analysis of the LED initiatives in combating poverty within the local communities in B5HLM.

5.2.1 Objective 1: Determining local economic development initiatives

In determining the LED initiatives within the B5HLM, local citizens are aware of Section 152(1)(c) of the Constitution of the Republic of South Africa (1996). This mandates that the LG are objected to pursuing the economic and social development of local communities. The study uncovered several initiatives conducted by the municipality in developing the lives of the local community; 100% of respondents noted SDPs are leading initiatives provided to the community as part of social and economic development. SDPs were reported to be effective in mitigating poverty within the local communities through acquiring skills and job creation, leading to the financial freedom of local people.

SDPs are merged with other initiatives towards collaborating on developing the lives of local people. The additional initiatives were also observed as effective in serving the agenda of LED. The World Bank confirmed this as the process where public, business, and non-governmental sector partners collaborate to create better conditions for economic growth and employment generation. The main aim is to improve the life quality for all. The participants identified the LED initiatives as follows:

- SDPs

- Business forums
- One Home One Garden
- Community gardens
- Driver's licence programme

5.2.2 Objective 2: Analysing the effect of local economic development initiatives in poverty mitigation

The study findings revealed that 75% of the LED initiatives positively affect alleviation/mitigation of poverty; 50% believed that it creates job opportunities and platforms. It provides adequate skills that local people can use in the job market. In understanding how effective LED execution is, findings revealed that the LG has a dynamic and continuous function in ensuring the effectiveness and the success of the LED initiatives.

Not all initiatives were successful challenges, unveiling the limitations or hindrances to the effectiveness and success of the LED initiatives. Rogerson (2013) remarks that if strategic planning is appropriately conducted, it clarifies competitive advantage, identify collaborative opportunities, and generate strategies for practical local priorities.

5.2.3 Objective 3: Describing limitations/challenges of local economic development initiatives in poverty mitigation.

Respondents identified several challenges hindering the LED initiative's progress. The perceived level of 'corruption, poor budgeting strategy and maladministration' was determined as a leading challenge/limitation to the LED initiatives' progress. Respondents observed that officials and representatives scrutinise the budget to receive 'pocket monies' for themselves. This hinders the effectiveness of the initiatives, implemented to discuss the LED agenda in mitigating poverty with local communities. The JICA Research Institute (2019) emphasises this statement, claiming that state political leaders and main stakeholders influence lower or poor development within South Africa. Leaders are the primary determinants of meeting rising aspirations of the state and global expectations through service delivery.

The study results also illustrated that the local communities within the B5HLM also suffer from the global challenges of development, as indicated below:

- Corruption, maladministration, and nepotism
- Poor budgetary strategy
- Lack of LED knowledge

5.2.4 Objective 4: Determining best ways in ensuring the effectiveness of local economic development initiatives in poverty mitigation

Respondents summarised the importance of training in facilitating LED initiatives. Staff members and representatives of the initiatives need to be well trained on how to facilitate the LED initiatives effectively. This directs to achieve the primary aim of bringing development into the local communities. Twenty per cent of participants noted strategic plans must be implemented to conduct effective LED initiatives. Masuku, Jili, and Selepe (2016) emphasise that the primary function to guarantee the achievement of the municipal LED team is to encourage LED activities to guarantee that all participants cooperate strategically, effectively, and productively. This will enable recognising the ideal strategies to improve the local economy and compose nature to attract outside economic specialists.

According to the study, people are alert of the opportunities and the LED agenda through the initiatives. They observed potential solutions to conduct the effective implementation of LED initiatives. This indicates that they are informed of the context, concept, and content of LED. The findings identified the following methods to conduct the effective implementation of LED initiatives:

- Implementing strategic plans
- Training municipal LED officials/practitioners
- Advancing budgetary techniques

5.3 Recommendations

According to the study findings, challenges affecting the local communities within the targeted respective municipality were identified. The following are the recommendations to assist in effectively facilitating LED initiatives in poverty mitigation

and generating social and economic development. This is the primary objective of the LG established by the Constitution of the Republic of South Africa and other pieces of legislation:

- Avoid challenges identified by the study concerning delivering LED initiatives effectively. The municipality needs to implement a proper budgetary strategy. Ward committees and ward councillors should be an anchor of communication between the local community and the municipality on community preference and development strategies. To ensure effectiveness, municipalities need to implement proper budgetary planning and strategic budgetary techniques for local citizens. They should present these in a more accessible and user-friendly format, which ward councillors can then engage with.
- Local municipalities need to avoid corruption, maladministration, and nepotism in the practice of Section 195 (1) (d) of the Constitution of the Republic of South Africa (1996). This signifies that services must be provided impartially, reasonably, equitably, and without bias. Officials and service delivery practitioners need to note that public services must be governed by the democratic values and principles enshrined in the Constitution. High standards of professional ethics must be promoted and maintained. Efficient, economic, and effective use of resources must be advanced (RSAConstitution, 1996).
- It is recommended that the economic development practitioners need to be well trained to facilitate economic development initiatives. For the initiatives to be conducted effectively, the officials responsible for the presentation of LED initiatives must have clear primary LED objectives and goals.
- Municipalities need to implement strategies to evaluate and monitor the progress of the initiatives. This will assist municipalities in adding less funding to ineffective initiatives in developing the lives of the local people. Municipalities need to develop those measures to fill every loophole observed around those developed strategic initiatives.
- Municipalities must consider political differences. They have to safeguard political influence in the delivery of LED initiatives. Every community member must benefit without political consideration.

5.4 Chapter summary

The literature and the study findings observed that combining LED and poverty mitigation is a challenging task. It requires ample learning, transparency, professional conduct, and community involvement. The recommendations should be applied when implementing future policies for policymakers encountering socioeconomic challenges in South Africa.

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APPENDICES

APPENDIX A: INFORMED CONSENT

UNIVERSITY OF ZULULAND

Researcher: Mr Mzwandile Xaba **Supervisor:** Dr NN Jili

Research Dean/Officer: Prof Irrshad Kaseeram

INFORMED CONSENT

Dear Sir/Madam

You are kindly requested to complete the questionnaire for academic purposes, as I am doing my Masters in Public Administration. I am undertaking a study titled:

Analysis of Local Economic Development Initiatives Towards Poverty Mitigation Within Big 5 Hlabisa Local Municipality: Perspectives of Youth and Municipal Officials

You will not be required to write your name or your contact details, therefore, your response will remain anonymous. This study does not intend to cause any harm now or in the future, your privacy and confidentiality will remain. You may refuse or withdraw to participate from the project at any time you want.

Your Participation in this study will be of great importance, should you have any queries you should feel free to contact myself (researcher) or my supervisor using the following contact details.

Mr Mzwandile Xaba (Researcher) Dr NN Jili (Supervisor)

Mzwandilen22@gmail.com JiliN@unizulu.ac.za

Cell Number: 0713915700 Office Number: 035 902 6615

INFORMED CONSENT DECLARATION

(Participant)

Project Title:

Analysis of Local Economic Development Initiatives Towards Poverty Mitigation Within Big 5 Hlabisa Local Municipality: Perspectives of Youth and Municipal Officials

I 'Mzwandile Refuge Xaba' from the Department of Public Administration, University of Zululand has requested my permission to participate in the aforementioned research project. The nature and the purpose of the research project and of this informed consent declaration have been explained to me in a language that I understand.

I am aware that:

- ✓ The purpose of the research project is to fulfil the requirements for Master in Public Administration
- ✓ The University of Zululand provided ethical clearance to this research project and I have seen/ may request to see the clearance certificate
- ✓ By participating in this research project I will be contributing towards understanding the function played by LED initiatives towards poverty mitigation
- ✓ I will participate in the project by responding to research questions and assisting with relevant documents needed for the study
- ✓ My participation is entirely voluntary and should I at any stage wish to withdraw from participating further, I may do so with no negative consequences
- ✓ I will not be compensated for participating in the research, but my out-of-pocket expenses will be reimbursed
- ✓ There may be risks associated with my participation in the project. I am aware that
    a. the following risks are associated with my participation: None
    b. the following steps have been taken to prevent the risks: None

c. there is a 0% chance of the risk materialising.

- ✓ The researcher intends publishing the research results as a Masters Dissertation. However, confidentiality and anonymity of records will be maintained and that my name and identity will not be revealed to anyone who has not been involved in the conduct of the research.
- ✓ Any further questions that I might have concerning the research or my participation will be answered by Dr Nokukhanya N Jili (Supervisor) Tel: 035 902 6615 and Email: JiliN@unizulu.ac.za.
- ✓ By signing this informed consent declaration, I am not waiving any legal claims, rights or remedies.
- ✓ A copy of this informed consent declaration will be given to me, and the original will be kept on record.

I, ……... have read the above information / confirm that the above information has been explained to me in a language that I understand, and I am aware of this document's contents. I have asked all questions that I wished to ask, and these have been answered to my satisfaction. I fully understand what is expected of me during the research.

I have not been pressurised in any way and I voluntarily agree to participate in the aforementioned project.

……. …….

Participant's signature Date

APPENDIX B: INTERVIEW QUESTIONS TO LOCAL ECONOMIC DEVELOPMENT OFFICIALS

1. Does the community collaborate with the municipality to mitigate poverty?

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2. What are LED initiatives provided by the municipality?

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3. Are the LED initiatives provided by the municipality effective enough to serve the primary goal of LED?

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4. What challenges does the municipality faces in implementing LED initiatives?

_____

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5. What are further initiatives planned by the municipality for the community as we are heading to “vision 2030”?

_____

_____

_____

_____

_____

UNIVERSITY OF ZULULAND



Umcwaningi: Mzwandile Refuge Xaba **Umnqondisi:** Dkt Nokukhanya N Jili

Umphathi wehhovisi labacwaningi: Prof Irrshad Kaseeram

ISIQEMBU ESILWAZIWE

Mnumzane othandekayo / Madam

Ucelwa ukuba ugcwalise lemibuzo yezinhloso zemfundo, njengoba ngenza iMasters ami ekuPhakathini koMphakathi. Ngenza isifundo esibizwa ngokuthi. “Ukuhlaziywa Kwemisebenzini Yokuthuthukiswa Kwezomnotho Wendawo (LED) ukwehlisa izinga lobuphofu ngokubhekisela kumasipala wasekhaya omkhulu wase-Big 5 Hlabisa ". Ngeke udingeke ukubhala igama lakho noma imininingwane yakho yokuxhumana, ngakho-ke impendulo yakho izohlala ingaziwa. Lesi sifundo asihlose ukulimaza manje noma esikhathini esizayo, ubumfihlo bakho kanye nokuyimfihlo kuzohlala. Unganqabela noma uhoxise ukuze ubambe iqhaza kule phrojekthi noma kunini lapho ufuna khona.

Ukubamba iqhaza kwakho kulolu cwaningo kuyoba okubaluleke kakhulu, uma unemibuzo kufanele ukhululeke ukuxhumana nami (umcwaningi) noma umphathi wami usebenzisa imininingwane elandelayo yokuxhumana.

Mr Mzwandile Refuge **(Umcwaningi)** Dkt NN Jili **(Umqondisi)**

Mzwandilen22@gmail.com JiliN@unizulu.ac.za

071 391 5700 035 902 6615

UKUQALA OKUHLELWAYO

(Umhlanganyeli)

Isihloko seProjekthi: “Ukuhlaziywa Kwemisebenzini Yokuthuthukiswa Kwezomnotho Wendawo (LED) ukwehlisa izinga lobuphofu ngokubhekisela kumasipala wasekhaya omkhulu wase-Big 5 Hlabisa”.

Mina Mzwandile Refuge Xaba, kusukela eMnyangweni WezokuPhathwa Kwemiphakathi, iNyuvesi yaseZululand isicele imvume yami ukuba iqhaza kule phrojekthi yocwaningo eshiwo ngenhla.

Imvelo nenhloso yocwaningo lokucwaninga kanye nalesi simemezelo semvume esaziwayo sesichazwe kimi ngolimi engilwaziyo.

Ngiyazi ukuthi:

- ✓ Inhloso yocwaningo lokucwaninga ukugcwalisa izidingo ze-Master ku-Public Administration.
- ✓ IYunivesithi yaseZululand inikeze imvume yokuziphatha kuloluhlelo lokucwaninga futhi ngibone / ngingacela ukuthi ngibone isitifiketi sokuthola imvume.
- ✓ Ngokubamba iqhaza kule phrojekthi yocwaningo ngizofaka isandla ekuqondeni indima yokubandakanya umphakathi emisebenzini ye-LED.
- ✓ Ngizohlanganyela kulo msebenzi ngokuphendula imibuzo yocwaningo kanye nokusiza ngemibhalo efanele edingekayo ekufundeni.
- ✓ Ukubamba iqhaza kwami kuphelele ngokuzithandela futhi kufanele nganoma isiphi isigaba ufisa ukuhoxisa ekuhlanganyeleni okuqhubekayo, ngingenza ngaphandle kwemiphumela emibi.
- ✓ Ngeke ngithole imali yokubamba iqhaza kulolu cwaningo, kodwa izindleko zami zangaphandle zizokhokhelwa.
- ✓ Kungaba khona izingozi ezihambisana nokuhlanganyela kwami kule phrojekthi. Ngiyazi ukuthi lezi zingozi ezilandelayo zihambisana.
- ✓ Umcwaningi uhlose ukushicilela imiphumela yocwaningo ngendlela yama-Masters Dissertation ne-Journal articles. Kodwa-ke, imfihlo nokungaziwa kwamarekhodi kuzogcinwa futhi igama lami kanye nobunikazi bami ngeke

kubonakaliswe kunoma ubani ongazange abe yingxenye yokuziphatha kocwaningo.

- ✓ Noma yimiphi imibuzo engingayithola mayelana nokucwaninga noma ukubamba iqhaza kwami kuzophendulwa uDokotela Nokukhanya N Jili (Umqondisi) Ucingo: 035 902 6615 kanye ne-imeyili: JiliN@unizulu.ac.za.
- ✓ Ngokusayina lesi simemezelo semvume engaziwa angiyikushiya izimangalo zomthetho, amalungelo noma amakhambi.

Mina,.....

Ngifunde ulwazi olungenhla / ngiqinisekisa ukuthi ulwazi olungenhla luye lwachazwa kimi ulimi engikuqondayo futhi ngilazi okuqukethwe kwalolu dokhumenti. Ngiye ngabuza yonke imibuzo engifisa ukuyibuza futhi lezi ziphenduliwe ukwaneliseka kwami. Ngiyaqonda ngokugcwele lokho okulindeleke kimi phakathi nocwaningo. Angizange ngicindezeleke nganoma iyiphi indlela futhi ngizithandela ngokuzithandela ukuthi ngibambe iqhaza kule phrojekthi ekhulunywe ngenhla.

.....

Ingxenye yokuqala

UNIVERSITY OF ZULULAND

Ingxenye A (Imininingwane yabantu)

Ukukhetha impendulo ngokufaka uphawu... (X)

1. Ubulili

Owesifazane		Owesilisa	

2. Iminyaka

17-25		26-35	

3. Amabanga emfundo

Amabanga aphansi		Amabanga aphezulu		Amabanga ezemfundo ephakeme	

4. Ngokwempilo

Ngiyasebenza		Angisebenzi	

5. Isigceme

Mpembeni		Bazaneni	

Ingxenye B (Imibuzo)

1. Kungabe umphakathi uyabambisana nezinsiza ze-LED ezinikezwa umasipala emphakathini ukwehlisa izinga lobuphofu kumasipala i-Big 5 Hlabisa?

Yebo/Cha:.....

2. Yiziphi izinsiza ze- LED ezikhona emphakathini ezikhishwa umasipala i- Big Hlabisa ukuthuthukisa umnotho womphakathi?

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3. kulezi zinsiza ze- LED ezibaliwe kwimpendulo ngenhla, kungabe zihleleke kahle yini ukulwa mesimo sobuphofu esihlasele imiphakathi eyakhele umasipala i-Big 5 Hlabisa Municipality?

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4. Kungabe izinsiza ze- LED zisebenzisana nqo nenhlosonqangi yokusungulwa kwazi okuwukwehlisa izinga lobubha?

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5. Ngombono wakho, kungabe yiziphi izinqinamba ezibhekana nomasipala ohlelweni lokunikeza ngamathuba okuthuthukisa ezomnotho phakathi kwemiphakathi eyakele umasipala i-Big Hlabisa?

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6. Ngovolwakho, yiziphi ezinye iziphakamiso ezingaphakanyiswa ukulekelela ukusebenza ngamandla kwe- LED ukulwisana nobuphofu emphakathini eyakhele umasipala i- Big 5 Hlabisa?

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APPENDIX C: INTERVIEW QUESTIONS TO WARD COMMITTEE MEMBERS AND LED OFFICIALS

1. Does the community collaborate with the municipality to mitigate poverty?

2. What are LED initiatives provided by the municipality?

3. Are the LED initiatives provided by the municipality effective enough to serve the primary goal of LED?

4. What challenges does the municipality faces in implementing LED initiatives?

5. What are further initiatives planned by the municipality for the community as we are heading to “vision 2030”?

APPENDIX D: ETHICAL CLEARANCE CERTIFICATE

UNIVERSITY OF ZULULAND
RESEARCH ETHICS COMMITTEE
(Reg No: UZREC 171110-030)

RESEARCH & INNOVATION
Website: http://www.unizulu.ac.za
Private Bag X1001
KwaDlangezwa 3886
Tel: 035 902 6731
Fax: 035 902 6222
Email: LumdallN@unizulu.ac.za

ETHICAL CLEARANCE CERTIFICATE

Certificate Number	**UZREC 171110-030 PGM 2020/23**							
Project Title	**Analysis of Local Economic Development Initiatives Towards Poverty Mitigation within Big 5 Hlabisa Local Municipality Perspectives of Youth and Municipals Officials**							
Principal Researcher/ Investigator	M Xaba							
Supervisor and Co-supervisor	Dr N.N Jili							
Department	Public Administration							
Faculty	Commerce, Administration and Law							
Type of Risk	Med Risk – Data collection from people							
Nature of Project	Honours/4th Year		**Master's**	x	Doctoral		Departmental	

The University of Zululand's Research Ethics Committee (UZREC) hereby gives ethical approval in respect of the undertakings contained in the above-mentioned project. The Researcher may therefore commence with data collection as from the date of this Certificate, using the certificate number indicated above.

Special conditions:

(1) This certificate is valid for 1 year from the date of issue.
(2) Principal researcher must provide an annual report to the UZREC in the prescribed format [due date-23 September 2021]
(3) Principal researcher must submit a report at the end of project in respect of ethical compliance.
(4) The UZREC must be informed immediately of any material change in the conditions or undertakings mentioned in the documents that were presented to the meeting.

The UZREC wishes the researcher well in conducting research.

Professor Mashupye R. Kgaphola
Chairperson: University Research Ethics Committee
Deputy Vice-Chancellor: Research & Innovation

23 September 2020

CHAIRPERSON
UNIVERSITY OF ZULULAND RESEARCH ETHICS COMMITTEE (UZREC)
REG NO: UZREC 171110-30
23-09-2020
RESEARCH & INNOVATION OFFICE

Faculty of Commerce,
Administration and
Law

University of Zululand
Website: http://www.uzulu.ac.za
Private Bag X1001
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Tel: +2735 9026615
Email:JiliN@unizulu.ac.za

May 18, 2020

Dear Sir/Madam

PERMISSION TO CONDUCT RESEARCH AT BIG 5 HLABISA LOCAL MUNICIPALITY

This letter serves as a request for permission to conduct research at Big 5 Hlabisa Local municipality, which will involve data collection from sampled number of employees. By **Mr Mzwandile Refuge Xaba, 201620324**. The research is strictly for academic purposes to fulfil the requirement to obtain a master's degree in Public Administration. The research project titled:

Analysis of Local Economic Development Initiatives Towards Poverty Mitigation Within Big 5 Hlabisa Local Municipality: Perspectives of Youth and Municipal Officials

The research will contribute by recommending best ways to ensure that the LED initiatives are being effective to discuss poverty within Big 5 Hlabisa Local Municipality.

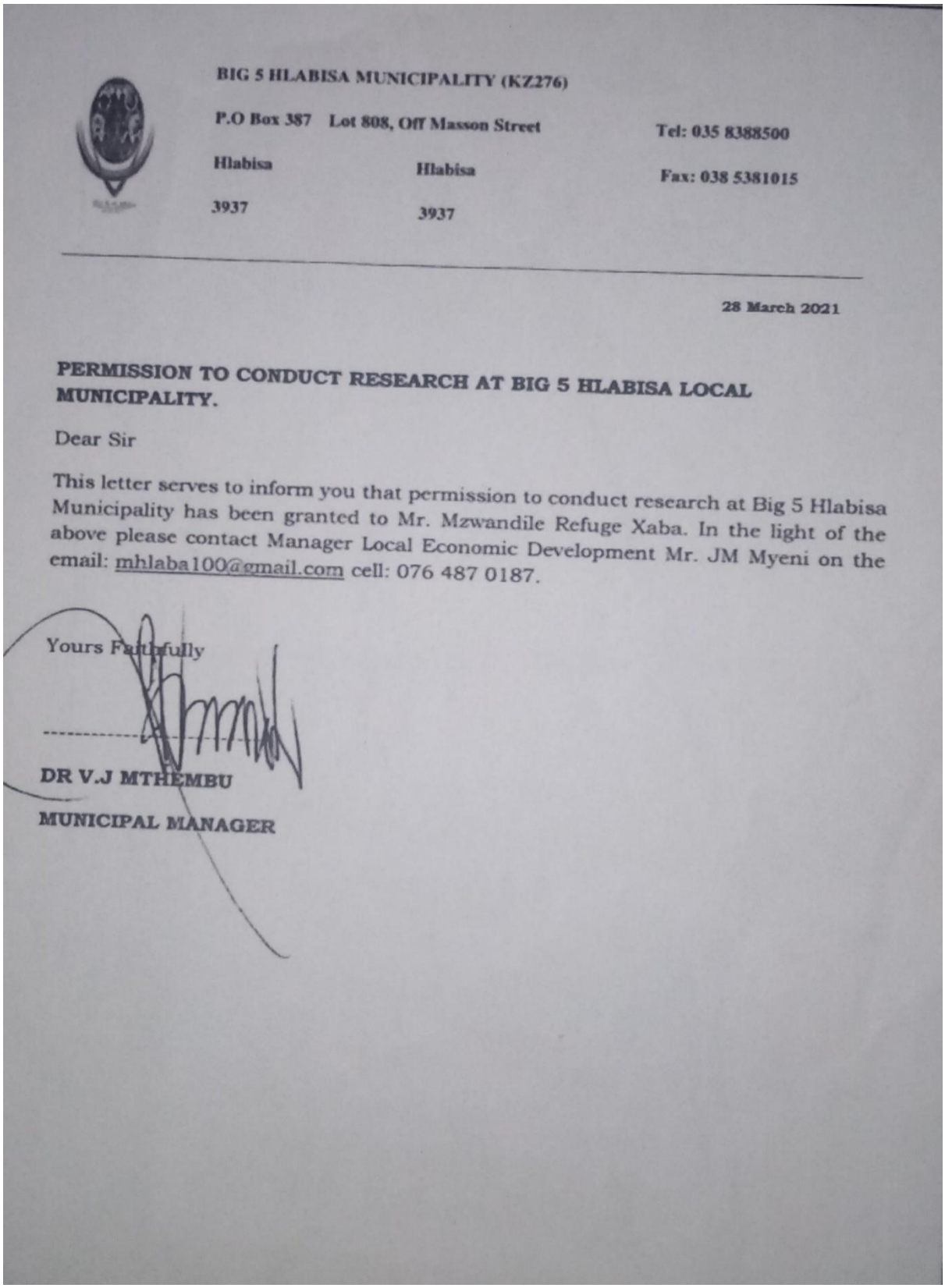
The participation of the selected respondents towards the success of this research is vital and voluntary. The consent form that will be distributed to the respondents would not require their names, but they will sign and give date after completion. All information collected will be strictly confidential. Kindly note there is no risk for participating in this research, as no information used in the study will be linked to participants involved.

Your approval to conduct this research will be greatly appreciated. For more information, do not hesitate to contact myself on the above details or my supervisor Dr NN Jili on 035 902 6615 or email JiliN@unizulu.ac.za.

Sincerely,

Supervisor (Dr NN Jili)

APPENDIX E: PERMISSION TO CONDUCT RESEARCH



BIG 5 HLABISA MUNICIPALITY (KZ276)

P.O Box 387 Lot 808, Off Masson Street Tel: 035 8388500

Hlabisa Hlabisa Fax: 038 5381015

3937 3937

28 March 2021

PERMISSION TO CONDUCT RESEARCH AT BIG 5 HLABISA LOCAL MUNICIPALITY.

Dear Sir

This letter serves to inform you that permission to conduct research at Big 5 Hlabisa Municipality has been granted to Mr. Mzwandile Refuge Xaba. In the light of the above please contact Manager Local Economic Development Mr. JM Myeni on the email: mhlaba100@gmail.com cell: 076 487 0187.

Yours Faithfully

DR V.J MTHEMBU

MUNICIPAL MANAGER

APPENDIX F: LETTER FROM LANGUAGE EDITOR

Nr. 20159

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Tel nr: USA: +1 (773) 217-4568/ NZ: +64 22 359 2202 SA +27 81 534 3590/
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LANGUAGE EDITING CERTIFICATE

Research report title:	Analysis of Local Economic Development Initiatives Towards Poverty Mitigation Within Big5 Hlabisa Local Municipality: Perspectives of Youth and Municipal Officials
Authors:	Mzwandile R Xaba
Institution:	University of Zululand
Date Issued:	24 October 2021

This document certifies that the manuscript listed above was edited for proper English language, grammar, punctuation, spelling, and overall style (Silver level of editing). Neither the research content nor the author's intentions were altered in any way during the editing process. Documents receiving this certification should be English ready for publication; however, the author has the ability and choice to accept or reject our suggestions and changes.

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Warm regards

Elizabeth Marx

Attended the EFA International Editors' Conference – Chicago: August 2019 https://www.the-efa.org/efas-2019-conference-announcement/