



**Sustainable economic development partnerships for community based organisations: A
case of Tronox Sands Mining and Umhlathuze Municipality**

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DECLARATION

I, Lindelani Mkhumbuzi Dhlodhlo, declare that:

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ABSTRACT

Local Government in South Africa has a legislative mandate of promoting social and economic development in order to address socio-economic challenges. The study focused on the promotion of sustainable local economic development and formulation of partnerships between the City of uMhlathuze and Tronox Sands Mining. The aim of the study was to assess the level of partnership between the City of uMhlathuze and Tronox Sands Mining in promoting sustainable local economic development through community-based organisations. The study used interviewing method as an instrument to collect data and to answer the research questions and explore the research problem. This study is based on a qualitative approach towards data collection. Three community-based organisations were interviewed in a form of focus groups, 5 officials from the City of uMhlathuze and 2 officials from Tronox Sands Mining.

The results of the study revealed that there is non-existence of formalised partnerships between the City of uMhlathuze and Tronox Sands Mining. Amongst other things which were the results of the study were the lack of entrepreneurship training to the project beneficiaries, lack of partnership contributed to the unsustainability of local economic development in these projects, and lack of monitoring and evaluation as a contributing factor towards the collapse of the project. Data obtained from the research respondents indicated that both officials from Tronox Sands Mining and the City of uMhlathuze were considering working together in future.

The study will contribute to the body of knowledge for local economic development on how partnerships can be facilitated in supporting community-based organisations which can create sustainable local economic development. The study will bring change on how partnerships between municipalities and the private sectors need to be formalised in a form of a memorandum of understanding, and also how the community-based organisations projects need to be constantly monitored. Capacity building on entrepreneurship education using institutions of higher learning need to be introduced to community-based organisations in form of capacity building. The study will be used as a model of how community-based organisations can be properly supported in a form of public private partnership.

Key words: Local Economic Development (LED), stakeholder partnerships, sustainable development.

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LIST OF ACRONYMS AND ABBREVIATIONS

ANC	African National Congress
ASGISA	Accelerated and Shared Growth Initiative for South Africa
BBBEE	Broad-Based Black Economic Empowerment
CED	Community Economic Development
DCOGTA	Department of Cooperative Governance and Traditional Affairs
DPLG	Department of Provincial and Local Government
DST	Department of Science and Technology
ENE	Estimates of National Expenditure
GEAR	Growth Employment and Redistribution Strategy
GDP	Gross Domestic Product
GIZ	German International Development Zone
IDC	Industrial Development Corporation
IDP	Integrated Development Plan
IDZ	Industrial Development Zone
IGR	Intergovernmental Relations
ILED	Innovative Local Economic Development
LED	Local Economic Development
LEDA	Local Economic Development Agency
MIG	Municipal Infrastructural Grants
NDA	National Development Agency

NDP	National Development Plan
NGP	New Growth Path
NYDA	National Youth Development Agency
NSDP	National Spatial Development Perspective
OECD	Organisation for Economic Co-operation and Development
PGDS	Provincial Growth and Development Strategies
RDP	Reconstruction and Development Programme
RBM	Richards Bay Minerals
SDGs	Sustainable Development Goals
SES	Socio-economic Status
SMME	Small Medium Micro Enterprise
STI	Science, Technology, and Innovation
WW2	World War Two

CHAPTER 1

1. Introduction

Globally including South Africa, Local Economic Development (LED) is turning into a significant challenge for many local government institutions in trying to respond to the challenges that are associated with poverty and unemployment. The higher rate of unemployment and poverty requires various kinds of measures, strategies, and interventions; hence, LED is therefore perceived as a viable option. Chapter 1 outlines the background of the study on LED, the research problem, study purposes, plus research questions. Finally, it will outline the structure of the dissertation.

1.1 Background of the study

The study will focus on sustainable LED and partnership between uMhlathuze Municipality and Tronox Sand Mining in supporting community-based organizations. The study will look at ways that can create sustainable local economic development in dealing with the triple challenges that South Africa is encountering, which is unemployment, poverty, and inequality. LED has become a public policy intervention response towards addressing the most pressing socio-economic problems and challenges that are faced by local communities in South Africa and beyond.

LED is one of the most essential tactics to economic transformation in South Africa (Munzhedzi & Makwembere, 2019). South Africa is facing socio economic challenges that include inequality, poverty, and unemployment. The socio-economic development challenges that are faced by the South Africa as a developing nation requires all involved stakeholders to come together, it requires a high degree of partnership and lobbying different role players to form a partnership in addressing society challenges.

Sustainable local economic development should be the responsibility of all stakeholders because government alone cannot achieve such. The stakeholders may include business sector, communities, community-based organizations, traditional leadership, and other development agencies. LED is very important as it aims at economic capacity building in the local periphery, improve the economic financials in the future and positively change the standard of living within the community (Meyer et al., 2019). These authors further argue that LED is perceived as a vital method to eradicate poverty and an important element in enabling the majority and its promotion can only be attained through municipal approaches initiatives by individual communities and areas within a municipality's dominion.

The African National Congress (ANC) government after the apartheid regime had to put in place many transformative policies and legislative frameworks aiming to change the living conditions of the citizens of South Africa. Akudugu and Laube (2013) are of the opinion that for LED to be relevant and effective indigenous participants and authorities should form effective partnerships with the state planning organizations and international donors; together they should design and implement initiatives that focus at raising the standards of the local economy. South Africa as a country has an projected population of 54 million, that includes Africans (80.2%), the Whites are (8.4%) the Indians and Coloureds are (2.5%) and (8.8%) respectively (Statistics South Africa, 2016). After 1994 the government of South Africa prioritised on community involvement and initiatives; and recognises that local government sphere was important in implementing LED (Reddy, 2016).

As per government mandate, for local governments to develop it is critical to create and institute LED. Creating a sustainable LED is seemingly associated with some barriers towards its implementation such as lack of political will by the leaders, inadequate involvement of relevant local stakeholders, lack of funding, as well as the misunderstanding by most municipality level practitioners in regard to the implementation of LED. The World Bank (2014) defines LED as a method that seeks to offer municipality government, the private and non-profit sectors, and the local communities the opportunity to work together and develop economies of local communities. It is therefore becomes the responsibility of all involved stakeholders to ensure sustainable LED.

The above is further articulated by Thornhill (2008) who states that Chapter 8, Section 73 of the Constitution obliges that the municipal government must prioritise the basic needs of their municipality and promote its development. Section 151 of the Constitution Chapter 7 further points out that aims of local government should include the following: -

- Ensure democracy; promote responsibility and good governance in societies.
- Guarantee that service delivery is done in a viable way in all communities.
- Encourage socioeconomic development.
- Promote a safe, peaceful and healthy environment for all.
- Inspire participative democracy as well as support of communities.

As far as South Africa is concerned, it is anticipated that LED will end the socio-economic challenges and at the same time promote economic growth (Nel & Rogerson, 2016). The new

dispensation in South Africa post-1994 has encouraged most government agencies that include the local government to concentrate on developing a people-centred approach in its activities with the purpose of bringing positive change to the communities. Several official policy documents in South Africa have put a strong emphasis on citizen participation in as far as governance is concerned. Citizen participation was done in an effort to empower the masses and redress past injustices that were brought about by apartheid.

Luthuli and Houghton (2019) argue that the concept of the regional economic development can offer solution in addressing the plight of social and economic development in communities; LED has been associated with a lot of challenges and limited success and therefore the rethinking of incorporating regional focus for economic growth on top of a local scale. This is also supported by Meyer and Meyer (2017) highlighting that LED is seen as one of the prominent and emerging tools in the facilitation of development of the country on a local and regional level.

Ntonzima and Binza (2011) argue that locality development refers to socially and economically upgrading and improving the local area where the businesses operate together with improving the environment; this also includes the developing of the infrastructure and spiritual qualities that make the local area important and special. Community development incorporates ways to improve standard of living of individuals, households and communities through improvement in health, housing, education and economic welfare (Ntonzima & Binza, 2011) .

LED in South Africa is very essential as it has been an answer to the low levels of employment and poverty. According to the World Bank (2010) LED processes can be done at different geographical places and most importantly it must comprise of both the business and community development initiatives. Further local business chambers play a vital part in relation to LED in communities. According to the World Bank Report (2016:1), poverty eradication can be explained as a meaningful path that will take communities out of poverty and this call for a strong economy that promotes job creation and reasonable wages; the government in general should be able to provide adequate schools, hospitals, roads, and energy; and healthy, that will fuel economic growth. In this way LED can help to eradicate poverty.

The role of local business chambers varies from facilitation of a good environment that promotes business success, organisation of stakeholders, reinforcing available systems, giving expert advice to locals, giving information and training. In addition Meyer and Meyer (2017) are of the view that local businesses also act as stimulators in attracting new businesses to the

region and they also develop the local communities. It must also be noted that Small Medium Micro Enterprises (SMMEs) play a great role in the transformation of communities; they drive and promote local economic development. Through their work, SMMEs help to address the main challenges that communities face, that are high unemployment rates, great levels of poverty, slow economic development and income inequality. Small Business Development is an essential tool to the advancement of sustainable local economic growth.

According to Nxumalo and Naidoo (2018), LED has become a strategy that seeks to address poverty and slow economic growth in the sense that a ward-based local economic development will ensure development. Mokoena (2017) adds that, LED helps to integrate local governments and private sector functions. The functions to be integrated include environmental planning issues, business development strategies, local entrepreneurship, infrastructures delivery, real estate enlargement and finance.

In cases where local governments are unable to address challenges associated with the inability of local governments to deal with socio-economic development issues, it is the local economic development agencies (LEDAs) that usually fit in. The LEDAs have emerged as appropriate local institutions that have the mandate, legitimacy and capacity to execute development planning and implement LED (Khambule & Mtapuri, 2018). LED in its implementation requires high level of planning like any other programme or project. Planning will ensure proper execution of the LED programmes thereby benefiting the community. In general LED involves many activities and programs that come into existence because of good partnerships that are formed between the municipality, the people and the public sector organisations.

To further explain the importance of LED Venter et al. (2019) explains that LED aims to improve the economic size of a specific local area and advance the financial benefits in future and at the same time improve human development qualities of the society. Different municipalities in South Africa have approached the issue of LED in different approaches. Some have used poverty alleviation programs as their primary LED focus and failed to create sustainable LED working in close collaboration with other agencies. This view is supported by Seduma (2011) that some view LED as involving community poverty reduction projects, and on the other hand some believe that the focus of LED should encompass mainly economic sustainability, therefore becoming one-sided in poverty alleviation efforts. Phago (2009) holds a similar view that municipal LED in South Africa has not been fruitful or effectively functional, it is failing to serve its purpose.

Polank and Snowball (2019) explain that LED projects have not been always successful in South Africa. Factors contributing to such failure as lamented by the authors can be attributed to unsuccessful partnerships amongst the stakeholders and the nonexistence of cooperation amongst the local private sector, local government, and voluntary sector. LED in South Africa develops from several policy documents that have been adopted by then Department of Local Government and Traditional Affairs (Kamara, 2017). Garidzirai, Meyer and Muzindutsi (2019) notes that from a number of studies conducted on LED in South Africa, there is no agreement on which economic sectors really impacts most on LED in communities.

For LED to be classified as sustainable it should also involve environmental protection, economic and social growth (Polak & Snowball, 2016). LED is an involved development process since it promotes partnership arrangements amongst the private business sector and public participants or stakeholders towards common development strategies. This is achieved by making use of the local with the final objective of employment creation and stimulating economic activity. Further Dangi and Damal (2016) explains economic sustainability as the feasibility of enterprises and activities and the capability to uphold them in the future.

According to the World Bank (2010), LED's main aims includes the need to improve the local economy and this should be done by offering all participants that includes municipalities, the business sector, NGOs, and communities the chance to work together. In addition, LED is also expected to focus on promoting good practices and this includes promoting competitiveness, growth of stakeholders and ensuring sustainable growth in communities. Ntonzima and Binza (2011) explains locality development as the upgrading of the local area that is socially, economically, and also the development of the environmental conditions in which the private sector operates. As per Mokoena (2017), local economic development should enhance the introduction of new institutions in communities; new markets improve competitiveness and efficiency by developing new industries and capacity building of employees and the transferring and sharing of knowledge amongst new and old enterprises.

Cunningham and Waltring (2015) defines LED as a development that promotes the participation of the local community where they work hand in hand to enhance and to stimulate local markets therefore resulting in a strong and sustainable economy. Reddy (2016) in summary explains that development is defined globally as, improving people's quality of life, at the same time fulfilling human needs, and reducing or alleviating poverty, it signifies economic growth, an improvement in available income thereby reducing inequality. The

development also includes empowerment amongst the stakeholders thereby giving them power to make their own choices.

1.2 Brief Background of the City of uMhlathuze and Tronox Sands Mining

The City of uMhlathuze (KZ 282) is in the North Coast of KwaZulu-Natal Province, which is about 180 kilometres from the City of Durban. It falls under the district of King Cetshwayo. The city land area covers 123 359 ha, it covers areas and towns like Richards Bay, Empangeni, eSikhaleni, Ngwelezane, eNseleni, Felixton, Vulindlela, Bhucanana and Heatonville as well as the rural areas under Traditional Councils namely, Dube, Mkhwanazi, Port Dunford, Khoza (Bhejane), Zungu (Madlebe), Somopho (Mthembu), Obuka (Biyela) and Obizo (Cebekhulu) (IDP UMhlathuze 2019/2020). According to uMhlathuze Municipality Integrated Development Plan (2019/2020), the population is projected to be about 410 456 as per Community Survey 2016, although this is somehow different in terms of Census 2011 where the entire inhabitants was projected at 334 459. An increase in the number of homes was also noted from 86 609 to 110503 in the period of 2011 to 2016 as per Community Survey 2016.

As highlighted by Municipality IDP (2019-2020), the unemployment level in the City of uMhlathuze is 24.6%. Poverty levels in the area stand at 39.7% as per the Community Survey Statistics South Africa 2016. In terms of the employment levels the said municipality constitutes 49.3% of the official employment in the said district of King Cetshwayo plus an estimate of 45.2% of informal employment. As indicated above due to the economic position uMhlathuze is contributing more significantly to the provincial employment (IDP UMhlathuze2019/2020). The City of uMhlathuze has an industrial zone area which has been chosen at national level to enhance growth in the area and nationally within the manufacturing sector. The industries that are in the City of uMhlathuze includes Richards Bay Mineral (Rio Tinto), Transnet, Mondi Group, Foskor, South 32 Hillside Alluminium, Sappi, Richards Bay Chemical, Tronox Sands Mining, Bell Equipment Company, Bayside Aluminium, Leomat Construction, Richards Bay Coal Terminal, Barloworld Equipment, Tongaat Hullet, RichardsBay Alsphats Construction, and Richards Bay Freight Services.

UMhlathuze Municipality has an established unit of economic development which focus on different aspects such as small business development, rural development, urban development, marketing and tourism. Amongst other projects that the municipality has previously supported are as follows:-

- Community Garden Projects in partnership with Foskor (P. Mthethwa, personal communication, October 24, 2018).
- Initiated SMME that is termed as One Stop Shop activities in conjunction with local banks in particular with Absa Bank and National Youth Development Agency, where trainings in different areas are conducted such as financial literacy, business management, hospitality training, traditional bead weaving, baking, textile development and life Skills (P. Mthethwa, personal communication, October 24, 2018).
- A workshop for Local Mechanics to do their mechanic related work (P. Mthethwa, personal communication, October 24, 2018).
- Ago Processing-Dairy Production helping farmers in form of training in dairy production in partnership with the Department of Agriculture.
- Chicken Processing –Capacitating farmers in chicken processing.
- Small Enterprise Development Agency Coaching Programme for Small Business Enterprise.
- Empowered Zikhulise Community Projects with Baking skills, Textile Development and Business Skills.
- Goat farming training in partnership with King Cetshwayo District Municipality (UMhlathuze Annual report 2018-2019).

Tronox Sands Mining is in the region of KwaZulu-Natal under the District of King Cetshwayo Municipality within the boundaries of the City of uMhlathuze. The Kwazulu Natal Sands operation under the study is in Empangeni town which falls under the City of UMhlathuze. The business operation of this company comprises of the Fairbreeze Mine at Mtunzini and Central Processing Complex in Empangeni. “Tronox Holdings is one of the world’s leading producers of high-quality titanium products, including titanium dioxide pigment, specialty-grade titanium dioxide products and high purity titanium chemicals; and zircon”, (www.tronox.com). Their product range includes titanium-bearing mineral sands and they also involved in the upgrading of facilities that create high-grade quality of titanium feedstock materials and pig iron to mention a few (www.tronox.com). The KZN Tronox Sands employs about 694 people all together. Tronox has also a plant in Namakwa which is situated in the Western Cape Province.

Tronox Sands Mining has supported a few community-based initiatives programmes under King Cetshwayo District in partnership with other organisations. Amongst other projects that were previously supported by Tronox Sands are as follows: -

- Ogagwini Skills Centre in partnership with uMfolozi TVET
- Ogagwini Blocks and Sands Projects
- Renovation of Mevamlhlophe High School
- KwaDube Block and Sand Project
- Mobile Science Kits to Six Schools
- KwaDube Ablutions – Madlankala Primary School
- Mkhwanazi Blocks and Sands Business
- Somopho Youth Garden Project
- Umlalazi Municipality Mayoral Houses Project-this in partnership with Mayoral Office in building two houses for 2 destitute families (N. Bulunga, personal communication, October 22, 2018)

Tronox Sands Mining has been active in supporting community-based local economic development within its radius in KwaZulu Natal. In this study, Tronox Sands has been chosen because of its previous record of supporting community-based organisation in the local economic development initiatives and other related programmes. The next section will emphasise on the focus of the study.

1.3 The focus of the study

The emphasis of this research is based on local government together with the promotion of sustainable LED including partnerships with the mining sectors in supporting community-based programs. The study will pay attention to community-based local economic development as well as the institutions that support LED such as local government and mining sectors. The next segment will concentrate on the statement of the problem.

1.4. Statement of the problem

UMhlathuze Municipality carries a lot of economic potential and opportunities which can create a sustainable living for its communities. This can be achieved by using its financial resources and doing partnerships with industries situated within its jurisdiction by supporting community-based organisations to address their economic challenges. However, a number of community-based organisations are unable to sustain themselves economically and some of

them are at the edge of collapsing citing lack of support, coordinated partnership and collaboration between the City of uMhlathuze and Tronox Sands Mining. In addition, there seems to be a lack of coordinated partnerships between the two main players being the City of uMhlathuze and Tronox Sands in supporting community-based organisations which is a necessity in creating sustainable local economic development in the area.

1.5 Research Objectives

Specific research objectives as far as this study is concerned are as follows:

To determine the level of partnership between uMhlathuze Municipality and Tronox Sands Mining in promoting sustainable local economic development to the community

To assess how uMhlathuze Municipality and Tronox Sands Mining can create sustainable local economic development in supporting community-based programs.

To identify local economic development programs that are supported by Tronox Sands Mining and uMhlathuze Municipality.

1.6. Research Questions

Below are the given research questions:

- What kind of local economic development programs that are supported by uMhlathuze Municipality and Tronox Sands Mining?
- Is there any form of partnership between Tronox Sands Mining and uMhlathuze Municipality in issues that pertain to local economic development?
- How can uMhlathuze Municipality and Tronox Sands Mining create sustainable local economic development in supporting community-based programs?

1.7 The significance of the study

The new Government in South Africa post 1994 with its transformation agenda of addressing the imbalances of the past brought by the legacy of apartheid called for several Public Agencies to adopt a development-oriented approach in their daily operations. This is supported by the White Paper of 1998 on Local Government which introduced the concept of “developmental local government” which is defined as, “local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives”. Ntonzima and Binza (2011) in support point out that LED is about maintainable growth in the long run, in simple terms it takes time

to change local conditions in communities, buildability, and empower stakeholders, the stakeholders that are not easy to empower are the side-lined and the poor people in the communities.

The study on sustainability will therefore make a contribution to the body of knowledge of local economic development, and it will assist mining sectors and local governments in building partnerships in addressing economic challenges faced by the communities. The study will contribute immensely to assisting local governments in South Africa to work closely with mining sectors in stimulating sustainable LED. Local government of South African has been unable to address challenges posed by local economic development sustainably. Similarly, mining sectors have also been unable to address local economic development challenges faced by communities where they operate. This is so because of the shortage of coordination between the local municipal government, the NGOs and the private sector which is a prerequisite to ensure LED.

Despite the introduction of local economic development, poverty and unemployment levels have remained high and common to the majority South Africans (Garidzirai, Meyer & Muzindutsi, 2019). South African economy is relatively dependent on the mining sector as it contributes significantly to the growth of the economy and employment of its resources. South Africa as a developing country is known for the high levels of socio-economic challenges which are more common in the marginalised rural areas, the challenges include but not limited to low levels of employment, high levels of poverty, food shortages and hunger (Jili, Masuku & Selepe, 2019). Economic inequality is also very high in the Republic of South Africa.

The study will add value to policy development and the legislative framework of local economic development. The technical information will be gathered in the study, which will have success stories in how other municipalities and mining sectors were able to address local economic development around jurisdictions. The next section will focus on the scope of the study.

1.8 The scope of the study

This study will concentrate on the practice of LED and local government working together with mining sectors in supporting community-based LED programs. The study will focus on how uMhlathuze Municipality and Tronox Sands Mining working together in creating a sustainable local economy as well as supporting community-based LED programs in its area

of jurisdiction. The study will cover LED in the City of uMhlathuze and Tronox Sands Mining in supporting the local community. The next section will focus on the research design.

1.9 Structure of the thesis

The organization of this dissertation is separated into five chapters. This segment will provide a brief overview and framework of what each chapter contains.

Chapter 1

This chapter covers a brief outline by giving brief information on what this research is all about. The chapter covers the research outline and brief background, the problem statement of the research, the research questions of the study, objectives, aim of the study, and the scope of the study, brief research design, and research hypothesis. The last section of the chapter deals with the definition of the key concepts.

Chapter 2

This chapter provides a theoretical framework and academic perspectives by different scholars about LED. In addition it covers the concept of the part that mining plays in promoting economic development in communities and it further looks at the South African policy framework as well as the stance of the government on LED. This section also looks at pro-poor LED together with the current state of LED in South African communities and any other countries.

Chapter 3

The research design and methodology that are used in the study to collect data are presented in this section. This chapter also looks closely at uMhlathuze Municipality as well as Tronox Sands Mine in relation to LED. In addition the section further deals with research methodology.

Chapter 4

Chapter 4 covers the presentation of data collected together with the examination and interpretation of the collected data. This chapter provides the results of the data collected in this study and provides a presentation and interpretation of the results of the study. It is in this chapter that the findings and analysis of the study based on the information collected are presented. The findings are also then compared with the main findings for the literature review.

Chapter 5

The chapter present the conclusion together with recommendations of the study. The conclusion and recommendations will be based on the data collected by the researcher from the respondents, the data is also analysed in order to come up with the sound conclusion and recommendations.

1.10 Conclusion

This chapter has provided a brief outline and framework in which this study will undertake. Furthermore, the problem statement was introduced, followed by the purpose of the study as well as the research questions. The chapter further presented the research instruments, data collection techniques, which will be used to gather information to be able to answer the research questions. It also provided a theoretical framework of the subject, understudy outlining the importance of the study. The chapter indicated the limitation of the study and specified where the research is going to be conducted. The next chapter will pay attention to the literature review, where scholarly arguments will be looked in depth in line with the research problem.

CHAPTER 2

Literature Review

2. Introduction

This section concentrates on literature review by acquiring scholarly inputs in relation to the discourse of LED. It will cover the following subtopics outline of LED in South Africa, the role of LED agencies in supporting LED in local communities, legislative and policy framework for LED, LED and Public-Private Partnership State of LED in South Africa, an analysis of Sustainable Development and LED, the Green economy and sustainable development, Community Economic Development, together with the role of South African Mining in LED and the LED model. It is through these sub-topics that we find solutions to the highlighted research questions and probable address the research problem with scientific opinions.

2.1. Theoretical framework that underpins the study

As per Nel and Rogerson, (2016) South Africa after 1994 implemented a revived approach in the implementation of development and intervention policies at both regional and local levels in its distinctive development plan route. More so the authors explain economic interventions

in South Africa had a long and contested history, in most cases authorities were using economic interventions to push for political mileage instead of economic and social development. The origins of modern LED practices have an extended past that can be stretched back to as early as the 1960s as per Rogerson and Rogerson (2010). Rodriguez-Pose (2009) further notes that Europe in general is “regarded as the cradle of local economic development approaches”.

Le heron (2009) is of the opinion that, the need to arouse LED has come from at least two key dimensions: which are mainly the unequal distribution of income and the low pace in local investment. The Global North, which is the developed world, has a long recognised understanding of LED in comparison to the Sub Saharan region where the ideas are still developing. (Pike et al., 2006). Much understanding of the concept of LED is widely understood in the developed countries like the USA where it has well established and defined structures. Some scholars like Rodriguez-Pose (2001:8) cited in Rogerson and Rogerson, (2010), explain that, in the absence of clear and well-articulated theoretical model, LED practices will actually apply the basic features of the approach to stipulate their features covered.

Back to the historical development, it is believed that the real practice of LED can be drawn back to as early as the 1960s and the 1970s in the developed world of the North (Blakely 1989; Harvey 1989; Valler and Wood 2010 cited in Rogerson and Rogerson, 2010). Rodriguez-Pose (2008) emphasises that globalisation changed all dynamics of development, posing challenges on development; this as a result call for a serious re-evaluating of the previously used approaches to development planning. According to Harvey (1989); Leitner (1990), this therefore brought about a move in those early years from the old-style local government approach of urban managerialism to a concentration on urban entrepreneurialism. In this scenario the local government acted as the entrepreneur.

Next in the development of LED was the period of late 1970s. This period was characterised by the increasing concept of partnership, an expansion of LED into different forms and practices, it was also applied in both private and public sectors of the United Kingdom, the private sector entrepreneurialism was more prevalent in the urban areas of Europe and North America (DPLG, 2006). Not forgetting the 1980s’ where local leaders took the lead in order to curb the negative impacts of the surging globalisation, in response to the threats of globalisation the local leaders redefined their autonomy and were able to take independent decisions that

best suit their communities (National Framework for Local Economic Development, 2006-2011).

In South Africa the government only started to intensively concentrate on LED after 1994, the government explored LED initiatives as an approach to end the social and economic inequalities that were brought about by the apartheid regime (Nel & Rogerson, 2007). From the then 1990s, LED in South Africa has been further developed from just concentrating on isolated local economic and social development initiatives to a national intervention policy that is used to pursue different government policies based on the National Constitution of 1996 (Nel & Rogerson, 2007).

In South Africa with the inception of the White Paper On Local Government in 1998, the government put an emphasis on the need of developmental local government, this marked a paradigm shift from the old-style local government approach to a democratic local government which is people oriented, people centred and encourages participatory development in its approach. As per the new approach the communities can take part in the development initiatives of their area, their local government. Meyer (2014) points out that the White Paper on Local Government reinforced the constitutional mandate of improving local government. As per the Constitution of the Republic of South Africa section 152, local government is mandated to stimulate social and economic well-being of people in communities (Constitution of RSA 1996: Chapter 7). As per the World Bank (2003), local governments realised their potential role in playing and promoting the economic sustainability of their communities. Meyer (2010) shares the similar sentiment in describing LED as a responsibility of local municipalities who are expected to manage LED in line with their constitutional mandate which is to act and manage in ways that will improve social and economic growth of their communities.

Municipal government (local government) institutions have a crucial part to play in their communities; they are responsible for economic development and employment creation in the communities they serve by actively understanding local hindrances to development and thereby acting on the obstacles. Pieterse (1998) notes that the shift to promote LED brought about to the surfacing of the so-called traditional approaches where it is within the mandate of local government to concentrate on employment creation, attract and promote investment in the local communities, develop measures to promote economic growth and at the same ensuring resources are distributed fairly and optimally for the benefit of communities. LED has consequently become an answer to the problems that communities face, slow economic growth,

continuous changes brought in by globalisation and the reluctance by state to intervene at local levels (Khumalo, 2014).

Most of African local economic research pays attention on South Africa, this is so because South African constitution promotes LED, under the constitution LED was constituted as a reform mandate for local and municipal governments (Nel & Rogerson, 2005). In support of this sentiment Rogerson (2006) highlights that in the recent years LED practice, processes and research in Africa is concentrated on South Africa, lessons and findings from South Africa has been and still being circulated in other parts of the continent. Africa's route and progress of LED research is basically based on applied policy deliberations, understanding of LED as a practice, opportunities and drawbacks of LED (Rogerson & Rogerson, 2010). According to these authors it can be concluded that the significant research contributions on this subject matter is as a result of the good work of leading worldwide developmental organisations. The next section of this paper will look at local economic development theories.

2.2. Local Economic Development theories

It was the work of Bingham and Mier (1993) that brought about the grounds for applying theory in LED. Pike et al., (2006) view LED theory as a division of an umbrella of regional development theory. With its intra-urban focus, LED theory emphasises and analyses on all involved parties, structures within local regions, and the applied processes of local regional growth. (Gomez & Helmsing, 2008).

Rogerson and Rogerson (2010) cites three broad types of local economic development theories that can be categorised as follows; market driven development theories, local economic regeneration theories, and an array of LED theories. Market driven development theory refers to where firms are the central topic of analysis where the public policy is based on the locality's appeal or attractiveness. Local economic regenerations examine market-driven development. This theory of local economic regeneration argues that it is actually the firms who play the major role and everything else play variable roles (Malele, 2018). Gomez and Helmsing, (2008) further explain that, local economic regenerations focuses and concentrate on minimising the lagging behind of local governments by analysing if the economic regeneration can be achieved through the promotion of local entrepreneurship or inclusive economic growth in communities. In addition Malele (2018) explain that this theory of local regenerations focuses on small enterprises, local governments, and community-based organizations).

Further central to these theories of LED namely market driven and local economic regeneration, there is a conception that the due to market failures and the capitalist approach of market driven theory most local people are not eager to participate as they deem capitalism as inhumane, socially and environmentally irresponsible way of life (Gomez & Helmsing, 2008).

It must be noted that majority of the LED programmes are closely related to the theories of economic development but the diversity of the theories makes it difficult to assert one theory as the one behind the all-encompassing local or regional development, none of these theories is able to provide a complete framework that helps to clearly explain the complex relationships of these (Rowe, 2009).

Akudugu (2013) further explain that modern LED development does not have its own theory but actually it is developed from the traditional theories and in today's world LED is still based on these traditional theories because of the prolonged application of these theories in the developed world. Triegaardt, (2007) summarizes the development theories by highlighting that of late governments have come to realise the importance of local governments and local communities to broader economic growth and as a result have promoted community involvement in the decision making process so as to have the community's buy in, this is more common in democratic societies, this therefore resulted in the significant growth of LED in communities. The next section will focus on the development theories.

2.3 Development theories

Burkey (1993) argues that Western economic history marks the benchmark of today's development theory, today's development theories are derived from the experiences of developed countries economic history, with capitalism shaping the developed world development perception. Some development theories serve as an initial theory in economic development field. There are also modernisation, dependency, and humanistic theories. Modernisation theory advocates for developing countries also referred as to The South to just follow the footsteps of the developed world countries (Rahnema and Bawtree 1997) in Mohaneng (2008). Theron (2008) suggest that the dependency model was initiated by the failure of the modernisation theory to solve problems being faced in the third world countries; the dependency model was developed in the early 1960s. The dependency theory of underdevelopment as per Burkey (1993) was formulated by several Latin-American economists and social scientists. This author argues that the theory questioned the effectiveness of the theory, the main argument being how the developed world could benefit from the

international trade as per the modernisation and growth theories. Burkey (1993) further argues that the international trade was only benefiting the developed world at the expense of the marginalised developing world. Humanist theory was developed because the other two theories failed to deliver the desired results, the two theories did not manage to give the needed road map in the development discussion (Theron, 2005). This author asserts that the humanist theory was popular amongst the people because of its people-centric approach, it acknowledges the people in communities and encourages them to participate implying a participatory development at micro level meaning development at lowest levels in society. As per Theron (2008) it is the failure of the modernisation approach that brought the birth of an awakening in the 1980s. The next section will focus on the institutional theory.

2.4. Institutional theory

Institutional theory of late has become a widespread and influential justification to action, it seeks to explain and give an understanding of individual and organisation action (Dacin, Goodstein & Scott, 2002). On the other side, institutional methodologies are usually being criticised, they purport to comprehend and explain everything about organizations. Further, in a nutshell, outside forces are viewed in most cases as institutional forces, and organisational behaviour is summarily viewed as strongly influenced by the so called institutional forces which is external forces. This is one of the strong theories that has been synthesised and at the same time compared with other approaches that has been developed. The study of institutional theory requires scholars to observe populations, fields, industries, or inter-organizational relationships rather than concentrate on single organizations (Lammer & Garcia, 2017).

Significant characteristics of public administration in organisations based on methodological perspective in conjunction with institutional aspects is also distinguished (Kniazev, 2010). This in general generates preconditions that are required in applying the hypothetical and procedural basis of institutionalism to find the most efficient use of the available resources in an effort to ensure that the economic development in societies is as sustainable as possible (Pokryshka and Zhalilo, Liapin 2010) in Dudchenko and Vitman (2018). In today's world economy, the state's role in economic aspects basically depend on how effective is its participation in the development and functionality of national economy policies, which is based on the creation and use of innovative science-intensive products (Dudchenko & Vitman, 2018).

Dudchenko and Vitman (2018) conclude the following about the Institutional theory

- A country's economic development is influenced by its institutional environment, the environment in which it operates, it also depends on how effective is the institutional environment in influencing change.
- The relationship between economic development and the institutional environment gives a room to develop assumptions on the probability of applying the tools of institutionalism to further explore into economic development and at the same time analysing the society's economic potential within the discipline of public administration. The next section will focus on the Regional Economic Development theories

2.5. Regional Economic Development theories

The Regional Economic development theories are separated into two, mainly macro-economic and micro-economic (Kačar, Curić, & Ikić, 2016). These authors argue that regional macroeconomics focuses on a bigger scale, this include comparatives on economic growth, differences on employment levels together with the movement of resources between regions. Different from regional macroeconomics, on the other hand microeconomics concentrates on micro level, individual level; it deals with location and interaction of specific given economic activities (Kačar, Curić, & Ikić, 2016). Regional microeconomics caters for the theory of location. Spatial economy can as well refer to regional economy, even though in that event the emphasis on the significance of space and distance more micro than the macro aspects about regional differences and economic success of various regions (Kačar, Curić, & Ikić, 2016). The next section will look at the Community LED Development theory.

2.6 The Community-LED Rural Development Theory

The Community-Led Rural Development theory was developed by Murray and Dunn in 1995, it is also known as the Community Development theory or bottom up partnership approach (Kacar, Curic & Ikić, 2016). It is a precondition in the introduction and continuation of LED in communities and the local actors basically include the policymakers, entrepreneurs, and human resources from different local societal sectors (Khumalo, 2014). Self-reliance capacity is the ability of self-help, mutual help, and indigenous participation using home initiatives and resources (i.e. policy makers, entrepreneurs and labour) available in a community to do what is required of them to be what they want to be (Kim and Ismail, 2013).

Self-reliance or self-sufficiency capacity in communities is a very critical issue in the aspect of LED in all communities (Venter et al., 2019). These authors argue that as far as the

Community-Led Rural Development theory is concerned community resources, which are the internal and external networks, labour, social and cultural and any other available local resources are essential elements in building self-sufficiency capability. It must be noted that through the use and utilisation of local actors, local institutions such as local governments, municipalities, business chambers, township economies and community organisations come into existence (Venter et al., 2019).

Alternatively, these institutions are also the tools that local actors can make use of them to improve their socio-economic conditions that include unemployment and poverty. Venter et al., (2019) argue that it is through the building up, utilisation and preservation of community resources by the local actors that determine the resources' usefulness and sustainability. According to Meyer et al., (2019), "entrepreneurs interact with other local or external actors of a community to build internal or external networks, provide opportunities to elevate human capital, and utilise social capital, cultural capital and local resources to create new initiatives that will benefit the community". These authors argue that local actors can as well develop cooperative and voluntary alternatives to make a better future for-themselves by responding to the challenges of economic development as it relates to standard of living issues in the local economy. The next section will look at local economic development approaches.

2.7 Local Economic Development Approaches

Many different types of LED methods have been applied throughout the world and directly relate with the varied theoretical heritage of LED. United States in the 1980s was the first one to use the "Urban efficiency" approach which advocated for the reduction of costs and improving productivity by municipalities by investing in infrastructure and service provision; Italy's industrial districts together with the Silicon Valley applied the entrepreneurial and sectorial approach which advocates the promotion of the local economy, the "progressive community-based" approach, which comprises of tactics involving the partnership or working together of the marginalised and poor members of the society and their organisations; and lastly the "radical redistributive and socialist" method dealing with "interventionist methods for equal wealth distribution as was implemented in Liverpool", DPLG (2001). The rebirth of the LED approach was because of numerous reasons including the aftermath of World War 11 which left many economies crippled characterised by decrease in economic growth (Roberts, 1993).

Wekwete (2014) argues that developing countries need LED and this is encouraged by the point that in most cases economic development in developing nations is not even when

comparing different localities and different social groups. This therefore results in challenges that include equally meeting the needs and expectations of the citizens, availability of work, wealth creation and provision of services mainly for poor, disadvantaged and marginalised groups. The next section will look at the theory and approach adopted by the study.

2.8 Theory and Approach Adopted by the Study

This study will adopt the Community Led Rural Development theory, as it covers what the study is focusing on which on UMhlatuze and Tronox Sands Mining which are institutions viewed by the researcher as important tools of improving the socio economic conditions of the community-based organisations which are the study. This is supported by Meyer et al. (2019) arguing that local government plays a facilitation role in supporting community-based entrepreneurs or organisations in as far as improving local economic conditions in their localities. This study will further adopt the progressive community-based approach. Deakin (2009) is of the view that the community-based approach concentrates on redeveloping, and the standard of living, community-based approach gives what can be viewed as the best people-centred approach. Community-based approach therefore represents grassroots approach to deal with problems that local people face, it deals with area-based challenges, deprivation, poverty, discrimination and inequality together with social exclusion. The next section will focus on LED in context.

2.9 Local Economic Development in Context

Local government is legislatively obligated to stimulate socio-economic development for poor and disadvantaged communities thus LED is a core municipal strategy (Munzhedzi & Makwembere, 2019). LED remains a core part of the nation's development strategy. As highlighted previously better local governance performance in relation to LED needs collaboration and partnership among the private sector and local governments, the service delivery that relates to LED comprises of three main partners which is the government, the private sector and local communities (Meyer, 2013). It must as well be noted that, from the beginning of theoretical and policy discourse around LED, discussion is focussed on the importance of developing and promoting partnership amongst the interested stakeholders. The importance of partnership in the promotion of LED can be demonstrated by the global understanding of LED which encourages the private sector to actively partner with the local government in developing local initiatives. The non-public sector can participate in local development programmes for gaining the market, to have access to resources or even for

innovative ideas (Froy, 2009). The partnership involving both the public and non-public is very vital in the promotion of LED.

The Republic of South Africa have acknowledged five main groupings of actors where a number of stakeholder partnerships need to be available so as to be able to meet the targets and aims defined by Agenda 2030. The five include (1) global institutes, and specifically the United Nations system, its agencies and subdivisions; (2) the government of South Africa; (3) the private owned organisations; (4) civil society (NGOs) organisations; and (5) the technical, technical and academic society, that's including higher learning institutions and research institutes (Heywood et al., 2019). The authors further highlight that, it is important for South Africa to create and preserve functional partnerships amongst the actors in order to achieve national economic development goals. For South African municipalities, the reality in local economic development have been so different to the extent that some municipalities speak of successes while others of massive failure (Munzhedzi & Makwembere, 2019).

LED in South Africa's main aim is to generate dynamic community economies that benefit everyone, exploit the local opportunities, attending to community needs and significantly contribute towards economic growth and poverty eradication in communities (Meyer, 2014). For LED to be benefit communities a clear process that includes all stakeholders is required. According to Hardman (2011) LED involves the following: -

- It involves both hierarchical and horizontal integration, hierarchical in that there are different responsibility levels at both institutional and personnel levels, for example, local, provincial and national departments and different responsibility levels within local government where local economic development is designated as a key function.
- Requires complex interfacing with businesses of all sizes and with reference to various charters and purposes which are highly significant to institutions and individuals.
- Requires appreciation of demographic and economic data and systemic modelling techniques to develop some appreciation of the implications and outcomes of strategic decisions.

The next section will focus on Coordination of Local Economic Development Programmes.

2.10 Coordination of Local Economic Development Programmes

Sustainable LED will require a high level of coordination amongst all stakeholders in order to develop meaningful partnerships. Meyer and Venter (2013) argue that absence of an integrated

approach to LED in most municipalities contributes negatively to the provision of diversified opportunities in local economies. State entities that should be working together surprisingly often work as competitors instead of collaborators, thus compromising the prompt execution of local economic development programmes (Munzhedzi & Makwembere, 2019). This limited collaboration between sector departments mainly national and provincial adds to coordination difficulties. This does not only affects National and Provincial Governments Departments but also other stakeholders such as local organisations, community-based enterprises, local communities and local economic development beneficiaries.

Khumalo and Thakhathi (2012) believe that the primary challenge affecting the application of LED programmes and project is the absence of working relationships between the financiers and those who implement the programmes. While it is generally difficult to obtain adequate funding for local economic development, the lack of coordination between entities threatens the channelling of funding to the rightful beneficiaries which is mostly the locals. Entities and stakeholders work separately and there is no proper coordination, particularly from the side of municipalities (Khumalo & Thakathi, 2012).

The lack of coordination often leads to a duplication of positions, tasks and duties in LED projects and programmes (Munzhedzi & Makwembere, 2019). The authors argue that the challenges that hinder successful LED implementation in South Africa Municipalities are, improper monitoring and evaluation of LED projects, corruption, weak leadership and lack of coordination. The next section will focus on stakeholder's engagement as a solution in sustaining LED.

2.11 Stakeholders Engagement as a solution in sustaining LED

One of the fundamental doctrines of the governance theory is the regular contact and communication with important interested parties (stakeholders) (Seemela & Mkhonto, 2007). The stakeholders include local communities, the private sector, traditional leaders and non-governmental organisations. These authors argue that more interaction with the relevant stakeholders will adequately address the lack of coordination by the municipalities. Stakeholder engagement is very necessary, it will ensure that LED programmes can be sustainable and challenges with beneficiaries will be addressed, and solution be found quickly. Rogerson (2010) emphasises on the need of closer cooperation amongst all stakeholders as this will help to minimise repetition of tasks and it will also help to establish complimentary roles. This author further argues that the absence of a unified methodology to the implementation of

LED is a systematic weakness in any form. In 2008 the National Joint Programme of Action for LED was proposed in an effort to integrate departments of agriculture, minerals and energy as well as the DTI and the DPLG (DPLG, 2008a). According to Rogerson (2010) no joint programme occurred because of lack of internal capacity that is required to promote the institutional arrangements. In a nutshell this initiative never achieved its intended objectives.

The importance of good governance cannot be overemphasised; good governance is a prerequisite and a solution to LED in South Africa in order to counter bad governance, which is a primary limitation to successful LED in developing countries (Munzhedsi & Makwembere, 2019). The authors further explained on the role of municipalities highlighting that, the principal objective of local municipalities is to offer a supporting environment for local businesses to flourish in boosting local economies and to create employment. This will also assist the municipalities to have necessary dialogue and negotiations with those who own the land such as the traditional leadership rural areas and whites on farms. The land issue is a barrier in different community projects where traditional authorities are not in support of the project and other landowners and as a result they will try by all means to stop the project. It therefore becomes very necessary to engage all stakeholders including landowners and traditional leaders in order to understand the significance of the project so that they may have a buy in. The next section will focus on Community-based local economic development and partnership.

2.12 Community-based Local Economic Development and Partnership

In a mission to sustain LED in supporting community-based organisations, there is a great need for private sector to come on board in ensuring that LED projects bear tangible fruits for their benefit and the community at large. Rogerson (2010) explain that in much of South Africa, the private sector is not participative its either they have not been included or the private sector has opted not to get involved, this can be caused by the mutual suspicion from the private and non-private sectors which therefore makes it very difficult to have constructive dialogue between the two sectors. Lawrence and Hadingham (2008) further added that the private sector indifference towards LED initiatives led by local government has been made worse by the private sector's bad experience of, "too much bureaucracy", "red tape" and unfruitful "talk shops" in local governments, in the so called "talk shops" so many promises were made but are of no or little benefit to the private sector .It therefore becomes obvious that in most cases the LED projects that are led by local private business and local communities have higher chances of success as compared to the ones led by local governments, government is well

known for its talks and no action. This suggests that partnerships in LED play a significant part in guaranteeing that local economic developments are sustainable.

In support Triegaardt (2007) highlights that LED enables the local government to establish partnerships with potential stakeholders in communities, work towards job creation, poverty eradication and motivation of economic activities in the respective local community. As per Mokoena (2017) LED mainly aims at poverty mitigation projects and programmes that are started and applied in the local government in a bid to empower local community-based organisations. Polak and Snowball (2019) explains that LED projects have not always been successful in South Africa and the factors contributing to the unsuccessful of LED include unsuccessful partnerships and the absence of cooperation amongst the local private sector, municipal local government and voluntary sector. This sentiment agrees with the argument of the study that meaningful partnerships can create sustainable local economic development. In a research conducted by Polak and Snowball (2019) which sought to establish a link between sustainable LED and a market-based approach, they discovered that despite the potential of LED projects to tap into local comparative advantage, engage local communities in 'bottom-up' development and to create jobs, they have often not been sustainable in the longer run.

Crane and Swilling (2007) advocates for the movement of LED towards Sustainable Local Economic Development (SLED) as the local governments are failing to maintain sustainability in LED. This statement is in line with the aim of this study which is to basically evaluate how uMhlathuze Municipality and Tronox Sands Mining can create sustainable local economic development is supporting community-based programmes. The argument of this study is that meaningful partnerships amongst the local government, institutions and the business sector can create sustainable local economic development. Luthuli and Naidoo (2018) advocates for a ward-based local economic development programmes as a strategy or tool to promote LED.

Luthuli and Naidoo (2018) explain ward-based LED program which strives to enhance LED from the grassroots starting at the ward level, focussing more on poverty reduction and local economic growth. This strategy of a ward-based local economic development seeks to manage LED programmes at a smaller scale and encourages community participation which will eventually ensure that the LED Projects are sustainable. Sustainable Local economic development projects are also socially oriented, in that they promote social and economic development. Local economic development's main intentions include empowering the weakest, the side-lined and poor units in communities; this is done in an effort to empower

them and be able to raise enough resources and funds that will enable to meet their daily needs. (Koma, 2012).

In a way of enhancing the sustainability of community-based LED programmes Venter et al. (2019) advocates for Community-Based Entrepreneurs. CBEs are innovative initiatives that improve the economy and the standard of living of a region Welsh and Kuhns (2002) and are an independent strategy to develop communities Meyer et al (2019). Development strategies in Africa need to focus on issues of local self-support and community self-sufficiency (Stock, 1995) cited in (Meyer et al., 2019). These authors lament that not enough research has been done on analysing the perceived contribution of Community-based enterprises on local economic development. Korsching and Allen (2004) adds that research indicated that for small communities, self-reliance and self-sufficient strategies help in improving local economic vitality. Meyer et al. (2019) summarises that LED relies far more on initiatives coming from the local community and utilising local available skills in order to guarantee the continual survival than contribution in the global economy. The next section will focus on local economic development strategies.

2.13 Local Economic Development Strategies

Developing LED strategies is very important for every municipality. The strategies will outline how the municipality will use its capacity and resources to implement LED, the strategies will also show how the municipality intends to work with the various sectors. The municipalities should develop local economic development strategies which will properly outline how community-based programme will be supported and how partnerships amongst the local communities and the business sector will be carried out. Local economic development strategy should be aligned with documents that include the integrated and spatial development plan, Provincial growth development strategy, and National development plan to ensure that there is proper coordination in its implementation. Koma (2012) further support the assertion by saying that such coordination among the National social development Plan, Provincial growth development strategy and the Municipal Integrated Development Plan is a necessity in order to assure a unified approach to planning and organisation among the three spheres of government, the executive, the judiciary and the legislature.

Local government institutions should develop strategies that will enable LED to be sustainable as well as increasing community participation and partnership. These strategies should further outline how community-based development programmes are going to be supported. Meyer

(2013) proposes standard local economic development strategies to be in any LED strategy formulated by municipalities:

- Firming of both inside and outside organisational set-up and procedures.
- Support and firming of the farming division.
- Guarantee best connections and support to the mining sector.
- Support and safeguarding of the manufacturing sector.
- Guarantee optimal expansion of the “Green economy”.
- Ensure quicker tourism development.
- Ensure the informal sector is given or is exposed to maximum opportunities for development.
- Backing and advancing of entrepreneurship and small and medium enterprises development.
- Education, training, and skills development in all economic sectors.
- Guarantee infrastructural development.
- Delivery of basic services needs and social development.

The next section will focus on Community Economic Development

2.14 Community Economic Development

As suggested by HSG (2018) in Ndaguba and Hanyane (2018), the idea of Community Economic Development is viewed as the main objective of achieving LED, employment and poverty eradication on community or local level. Community Economic Development put a strong emphasis on the following principles which include asset-based approach, efficient use of resources, contribution, community-based, and self-resilience. The LED programmes that are driven by the Public Sector must not serve as hand outs to their recipients but must be such that they capacitate their recipients to be self-reliant and be able to sustain themselves in the future.

These authors further argue that the issue of district community sustainability is a part of the whole concept of LED at national level besides the fact that community sustainability is driven towards community economic development. CED imparts certain principles of localness in realising LED implementation, having a community drive, the use business inclined models, together with non-governmental organisation unified method all this being led by the government or any other agent to achieve Community Economic Development (Ndaguba and

Hanyane, 2018). The idea of CED is mainly to achieve LED and reducing the levels of poverty and its approach is community driven.

Ndaguba and Hanyane (2018) further argue that community-based approach will succeed because the community-based actors or stakeholders hold important links for development, especially development that is community driven. Community-based approach encourages all community members to become drivers of their own development and the development will directly benefit them. The reasonableness behind the community-based approach is the main idea of making the community members take charge of their development through the participative approach and the embracing of collective decisions in solving problems. LED related activities should be geared towards encouraging active stakeholder participation in all angles in every locality or community (Kimbu & Tichaawa, 2018).

Diamond (2004) claim that Community Economic Development has the ability to transform the community from scrap into a prosperous economy this is done by its ability to generate and offer greater opportunities to the people, the opportunities include employment, participation and decision-making. Local government institutions should adopt a more vigorous community-based approach basing the approach on the standards of Community Economic Development. Communities are key role players in any form of development it is then proper for development to be community centred and community driven. If LED programmes were to be driven by the community members and be supported by different agencies LED can be sustainable. Without the support of all stakeholders including communities, sustainable LED is likely to fail. The next section will look into on the role of LED agencies in promoting partnership.

2.16 The role of Local Economic Development Agencies in promoting partnership

People have low confidence in local governments this is so because the practices of most local governments is not according to the, as a result LED Agencies were put forward in an effort to promote economic and social development in marginalised (Lawrence & Rogerson, 2019). In addition Khambule (2018) highlights that South Africa's LED Agencies have appeared as suitable formal structures for evolving socio-economic improvement at municipal level, this is so because of the incapability of local governments to lead LED. This author further argues that the shift to include LED agencies indicates that the country is turning to LED strategies to address most developmental challenges.

According to Khambule (2018) it is for the reason of the failure of South African municipalities to lead LED that led to the creation of LED Agencies as institutions aiming to create conducive

environment that will enable to address inequalities, poverty, low levels of employment and lack of economic growth challenges and enforce a capable local government. In support of the above argument, Lawrence (2013) is of the view that (LEDAs) came into existence in order to support the goals of LED in both the North and the South countries and the LEDAs act as initiators and tactical resources for the execution and practice of LED in the communities that they are established.

Blakely and Leigh (2013) assert that LEDAs are crucial facilitators in terms of human and state economic and social development; LEDAs have a strong implementation and delivery focus. To add Nene (2015) is of the view that the LEDAs powers can be noted for their ability to coordinate their planning efforts and all stakeholders, they are also more accommodative and flexible as compared to the bigger provincial or national agencies in solving issues of social and economic development. The origin of LEDAs can be traced back to the 1950s, they were initiated to try and address the economic devastation of World War and this LEDA approach has gained momentum in both developed and the less developed countries Publishing (2012) in Nene (2015).

The main purpose of establishing subnational entities like LEDAs in the Republic of South Africa is to develop the efficiency of government's capability to bring development and advancement in the lives of ordinary South Africans who are living below the poverty datum line, to deal with unemployment and inequality (Khambule, 2018). In South Africa, LEDAs are formally viewed as the promoters and drivers of LED in communities at either local or regional level local or regional level (Lawrence, 2013). Municipalities are empowered by the Municipal Systems Act, Section 77 to form their own local economic development agencies in their own areas to accomplish local economic development goals. These entities are essential in realising the developmental goals and agenda of government.

According to Lawrence (2013), in South Africa since the mid-2000s, through the help of the state owned enterprises known as the Industrial Development Corporation (IDC), majority of the state local governments were encouraged to deliberate the setting up of LED as an alternative institutional instrument to supervise the running and leading of tactical projects in communities in trying to bring the wide-ranging LED benefits.

Lawrence (2013) observes that development agencies are responsible for playing quite a lot of roles in local governance within the communities they serve. The DPLG guidelines recognise the following roles as key to development agencies:

- LEDAs help to establish sound and formal partnership amongst different stakeholders in an effort to integrate development efforts so as to reduce negative issues associated with repetition of duties and lack of coordination.
- LEDAs are of benefit to the existing LED structures and resources within a local municipal area.
- LEDAs can be responsible for driving the economic growth plan in local municipalities, and this will help to raise funds to implement LED.

Many local government institutions have assigned local economic development agencies to promote LED on their behalf. This move gives them the opportunity to focus on delivering the local economic development mandate and achieve its objectives. Lawrence (2016) cites LED agency in Amathole District Municipality which is based in the Eastern Cape, this agency has an obligation to stimulate and execute development policies in line with the local and regional economic production and investment. The agency also was also to make known the 20-year economic vision of Amathole District Municipality through project management and facilitation support.

There are couple of LEDAs that exist in South Africa which include Aspire which functions in the Amathole District of the Eastern Cape. In KwaZulu-Natal there are development agencies that have been formed to partnership with District Municipalities in implementing local economic development to name the few is Ilembe Development Enterprise in Ilembe District Municipality, uThungulu Development Agency in King Cetshwayo District Municipality, and uMhlosinga Development Agency in uMkhanyakude District Municipality. The purpose of uMhlosinga Development Agency as cited by Nene (2015) is to perform as an mediator for and on behalf of the said Municipality, being responsible for the implementation of development policies and projects as authorised by the District and local Municipalities of uMkhanyakude.

Establishing developmental institutions is too involving, it is not just setting up a structure; there should exist sound tactical planning of the roles and tasks of the established institutions (Khambule, 2018). The agencies assist local government in promoting sustainable local economic development just because its formation is dedicated towards promoting LED in the community. Khambule (2018) further explain that the hindrance that weakens the role of LEDAs, is that local economic development agencies do not plan their own LED or craft policies, instead it's done by municipal LED units and the agencies only implement them. This author further contends that for LEDAs to be effective in the promotion of economic

development of the state, both local and national government authorities are obliged to be committed in the issues of economic development through prioritising allocation of funds to LEDAs. The coming section will focus on the Public Private Partnerships.

2.17 Local Economic Development and Public Private Partnerships

Purpose of LED is to establish a supporting environment in local governments that will promote economic advancement and for the private sector to thrive. The government, non- public sector and local communities form a service delivery triangle relating to LED (Meyer, 2014). This service delivery triangle speaks directly to this study as the study seeks to explain how these three legs contribute to the creation of sustainable LED through partnerships. One of the principles that can assist in making LED better and more effective in South Africa, as suggested by Meyer-Stamer (2003) is the formation of a solid partnership between the government and business sectors. The main driving force behind local economic development initiatives is the need to promote strong partnership amongst local stakeholders (Meyer, 2014).

LED advocates for the promotion of partnership amongst the main four important stakeholders that includes the private business sector, community interest groups, municipal local governments and NGOs (Mago & Hofisi 2013). The World Bank Group (2011) further suggest that LED gives the above-mentioned partners the chance to work together, bring together ideas and resources that will help to improve the local economy. Rogerson (2010) is also of the view that a crucial subject for LED stakeholders is the, “relationship or linkages of LED within wider spatial planning frameworks that have emerged and strengthened in significance over the past few years”.

In his first State of the Nation address 2018 President Cyril Ramaphosa restated the importance of small medium sized businesses in growing the economy and creating jobs. President Ramaphosa made a plea to the private sector and big business to support SSME’s through incubation and other initiatives that will be rewarded through tax incentives. The call by the President speaks directly to the issue of LED that there should be a close collaboration between private sector, small medium micro enterprises, and government in economic growth and employment creation for the local citizens. Local government alone cannot create jobs and grow the economy on its own; it must instead create partnership with the private sector and

small medium enterprises. These partnerships initiatives will make local economic development projects or programmes to be sustainable.

In support Kamara (2017) argues that local municipality don't put much effort, they don't possess the required skills, and also they lack the finances to effectively deliver on the mandate of promoting local economic development. Binza (2013) gave a view on developed countries where he highlighted that most of the advanced countries have recognised the benefit of efficiency and competence in LED and therefore promoted the incorporation of various participants including higher learning institutions like universities. The call to have various participants in local economic development will ensure that LED programmes are sustainable. This author argues municipal senior officials by the use of their technical understanding, knowledge plus wisdom they have to make sure that environmental threats to development are kept at minimal level.

In order for LED to take place, it is the obligation of the municipality or local government to convince the investors on the availability of basic infrastructure which comprises of the physical resources and financial capital to add value to what they will be obtaining from investors or other revenue sources (Binza, 2013). The author further explain that skilled, creative and knowledgeable people are also required to be drivers and managers of LED projects and programmes, on top the social environment must be conducive for development, it has to be stable and accessible in order to enhance development, and labour be drawn to serve as the source for effective LED.

The former Department of Provincial and Local Government which is now known as Cooperative Governance and Traditional Affairs has a dedicated LED executive board which is accountable for the given below activities in the implementation and assessment of national policy, plan and procedures on LED:

- Giving help and support to the provincial and local government in certain instances
- Supervision and Technical Support to Nodal Economic Development Planning.
- Assisting, organising and checking of donor programmes, and
- Supporting on LED capacity building processes.

Cloete (2015) contends that the collaboration between the most important traditional economic stakeholders in South Africa namely the government, private sector and labour, is complicated,

the private sector treats the government with suspicion disillusionment. In a nutshell local government should create an enabling environment to allow business to thrive so that LED goals can be realised together with sustainable LED. Collective effort is therefore needed with other stakeholders in pursuing sustainable local economic development activities and programmes as this will not only address short term problems but offer permanent solutions to the problems faced by the community. In working with other stakeholders municipality and the stakeholders should commit themselves to a memorandum of understanding so that each part will know what its obligation in terms of local economic development.

Cloete (2015) advocates for innovation as a crucial factor in the promotion of economic development as it helps improve labour, capital and extends resources. In addition, LED practitioners need to develop an entrepreneurial approach in matters of LED and come up with necessary means and strategies of attracting the private sector to partner with local government in creating sustainable jobs and reducing poverty and inequality. In this regard there is need to build public-private partnerships, these partnerships will enable the flow of skills and knowledge from the private sector to the government sector, i.e. “brain gain” (National Treasury Regulation 16:2004:3), and not vice versa.

There should be a political will in the municipality; municipalities should adopt transformational leadership approaches in forming collaboration with other stakeholders that include the private sector, community and development agencies. This will therefore yield positive results for all the parties in addressing local economic development challenges in the community.

In his State of the Nation address of 2006, the former president Mr Thabo Mbeki in Binza (2013) expressed the following, “We will have to attend to the improvement of the state machinery on a sustained basis so that it is both responsive to the needs of the people and accessible to the masses. Among other things this requires that those who serve in the public service should have the necessary skills to provide the required goods and services as well as commitment to serve the people”. In support Ingle (2014) highlights that LED is integral to the South African government’s determination to promote development in the local government in communities. The next section will focus on the challenges faced by local economic development.

2.18 Challenges faced in executing Local Economic Development

Kamara (2017) compiled the document on the national conference on Local Economic Development 2017 which cited the challenges faced by the local government in executing LED which are as follows:

- Lack of capacity due to limited experience and skills of local government
- Limited funding for local economic development
- Unproductive LED practices for planning
- Lack of coordination and integration of LED networks
- No clear understanding of LED, the concept is still not clear and is still in the development stage in local governments
- Contradictory paradigm in national procedures
- Institutional capacity building efforts are failing to achieve the intended results
- Intergovernmental Relations (IGR) approach to shore up and build capacity at local level not living up to its expectations
- The limited technique of participative democracy in communities
- Imperatively, the quest for effective collaborative governance ensued

Local economic development face challenges especially in small municipalities due to lack of funding to support the community-based organisations. The incentives grant funding from the National Government can assist municipalities in addressing LED backlogs or challenges faced by the communities. The conditional grants from the International agencies as well as National, Provincial governments can assist in addressing local economic development challenges in the local government sector. Furthermore, private agencies can play a meaningful role in supporting LED programmes in municipalities. For there to be improvement in local governance in relation to LED there should be collaboration and partnerships (Meyer, 2014). LED programs and activities must be properly funded so that they can play a meaningful role in the communities that stands to benefit from its LED programs (Akudugu & Laube, 2013). In the absence of funding cooperation and partnerships between local government institutions and private institutions plays a significant role in addressing local economic development challenges.

Binza (2013) propose the following which should be used by local government institutions as a guide and obligation to improve the living standards of people in communities, improving their social and economic conditions challenges:

- nurture a steady and diversified economy
- generate and maintain local government work opportunities
- advance the standard of life of the people and maintain quality communities
- skills development and educational improvement of the indigenous workers
- improved service delivery to the people in an effort to meet their
- build and sustain good quality facilities and infrastructure for LED

The next section will pay a close attention on the LED and Integrated Development Plan.

2.19 Local Economic Development and Integrated Development Planning

The complications that hinder the achievement of LED preparation in South Africa can be cracked by re-scaling LED or by encouraging strong integration and cooperation between the local, district and provincial authorities in community improvement design (Rogerson, 2010). In support Munzhedzi and Makwembere (2019) are of the view that, in practice, the planning and implementation of LED strategies must be part of IDP processes. It is through the IDP process, involving various key stakeholders in a municipality wherein agreement and decision-taking is made on the ways that will help the local economy develop and to generate more income-generating chances for local communities. Rogerson (2010) maintains that since the attainment of independence in South Africa in 1994, LED planning has been a vital obligation of the local governments in the country.

The initial step is that of developmental local government or municipalities, they have to initiate their LED plans as a reference and obligation to better the people's living standards (Binza, 2013). According to the author, the common footsteps used by the developmental municipalities in framing local economic development plans and models was rooted in the understanding of community relationships and values, this made it essential for the local government to:

- (i) Give an account of the people
- (ii) Perform environmental scanning by analysing the community's strengths, weaknesses, opportunities and threats
- (iii) Grow and develop the people's values and a mission statement

(iv) Assess the community

(v) Introduce action plans with key result areas and specific tactical goals. Planning for local economic development must incorporate how community-based will be supported and how partnership will be carried out.

Van Niekerk and Bunding-Venter (2017) argue that there is clearly a need for responses to economic development facilitation that integrate local and regional planning, at the same time demands the formation firstly of regional partnerships that should integrate the planning of different areas or local governments that belong to a wider functional economic region, and also between this functional economic region and the sub-national or provincial region. This argument by these authors suggest that Integrated Development Plan should be used as a necessary tool for planning, coordination and facilitation of LED activities within a municipal area and seek to foster partnership with National and Provincial Government as well as district municipalities in executing LED programmes. The next section will look closely at sustainable development and local economic development.

2.20 Sustainable development and Local Economic Development

In September 2015 the member states that belonged to the United Nations organisation implemented a fresh sustainable development agenda and centrally to the agenda are Sustainable Development Goals (SDG's) (Heywood et al., 2018). The achievement of the sustainable development goals mainly depends on the strength of the partnership between the involved stakeholders that includes the private sector, government, development agencies, civil society, community based organisations, the community in general, academic and research institutions and involved international development agencies. Proper and effective coordination is required to ensure the achievement of the goals. Heywood et al. (2018) further argue that, partnership of stakeholders is one of the five most important areas highlighted in the introduction to the 2030 Agenda. Rogerson (2010) added climate change as another major factor impacting upon LED futures in the future, this as result requires ensuring sustainable development that will benefit today's generation without compromising the future generations. The principle of sustainable development goals as per UN (2017) is that "a successful sustainable development agenda requires partnerships between governments, the private sector and civil society." In all arguments the need for effective partnership is very important.

An explicit focus of SDG 17 is “a revitalised global partnership for sustainable development”, which should be “complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries and in particular developing countries”, (Heywood et al 2018). The National Strategy for Sustainable Development and Action Plan: (2011–2014) gives an advanced roadmap plan for strategic sustainable development. The idea behind this is to give local governments and business and private organisations rules to guide their long-term forecasting, as the development of division strategies and action plans must be in line with the NSSD 1 (Heywood et al., 2018). In order to promote partnerships, the scheme calls for a linkage through all sectors or segments and actions on sustainability.

Evan and van der Heijden (2014) explain that, as far as the development aim is concerned there are new actors and partnerships that have become more and more popular and this more refers to the business and private sector, charitable organisations and organisations that promote science, technology and innovation for achievements of the sustainable development goals. Heywood et al. (2018) identified five key groupings of actors where strong multi-stakeholder partnerships need to be established in order to achieve so called objectives defined by Agenda, in the South African context, the five grouping are: -

- Global and multidimensional institutions, and the United Nations system and its subsidiaries and agencies
- National, provincial and local government
- The business sector
- Non-profit organisations; and
- The scientific and academic development institutions, which can encompass Universities and Research Institutes.

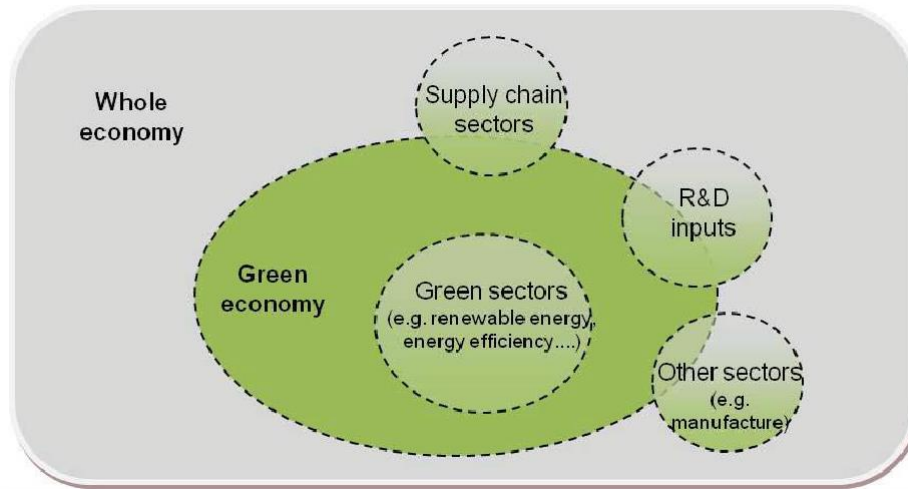
As per Binza (2013), the concept of sustainable development has been implemented by both the North and South that is both the developed North and developing countries, the countries are striving to make sure sustainable economic growth and development is attained without overusing and depleting the available resources or causing pollution or intentionally disturbing the natural ecosystem. Recycling projects can also help to create jobs and promote local economy; the local government can initiate this in partnership with the private sector. Recycling is very important in minimising the effects of climate change, it decreases pollution

caused by the manufacturing of products from virgin materials and preserves natural resources such as wood, water, and minerals and also it reduces the emissions of greenhouse gases (Fransman & Yu, 2018). The OECD report of 2012 highlights that local innovation that are environmentally friendly are best effective when they are designed to meet the local demands whilst addressing local barriers to take-up low-carbon technologies. The report further argues that though the economic as well as environmental benefits are becoming clearer there are still hindrances to speed transition and this includes financial barriers at local level. Creation of jobs through green economy and sustainable development will be looked at in the next section.

Municipalities must have a LED programme that do not only meet the needs of the current generation but take into consideration the needs of the future generation without harming the environment and that's a sustainable development approach. Binza (2013) explains that in most local governments in the world, LED is sustained by promoting the most sustainable development which is achieved through involving the community members, proper and effective planning of the LED programmes, designing regulations and introducing compliance incentive programmes that strive to promote investment to boost the local municipal economy. At the moment, no formal partnerships exist amongst the non-governmental sector, civil society and the government (Heywood et al., 2018). These authors further argue that even though the so called public-private partnerships are nothing new, the SDGs and specifically SDG17 advocates all nations to encourage and reinforce multi-stakeholder partnerships more actively.

Another important aspect is for local governments to encourage green economy. Green economy will ensure sustainability in all sectors. The Local Government sector can forge partnership with the Private Sector Organisations that are more involved in the recycling of products and waste management. The private sector has a crucial part to contribute in terms of the coordination and implementation of the sectors of the economy, sustainable development goals, especially putting into consideration that industry and business activities actually drive socio-economic development (Heywood et al., 2018). The partnership of the local government, the community and the private sector will ensure sustainable development in local municipalities. Figure 2.1 below shows the illustration of the advocated green economy.

Figure 2.1 Illustration of the Green Economy

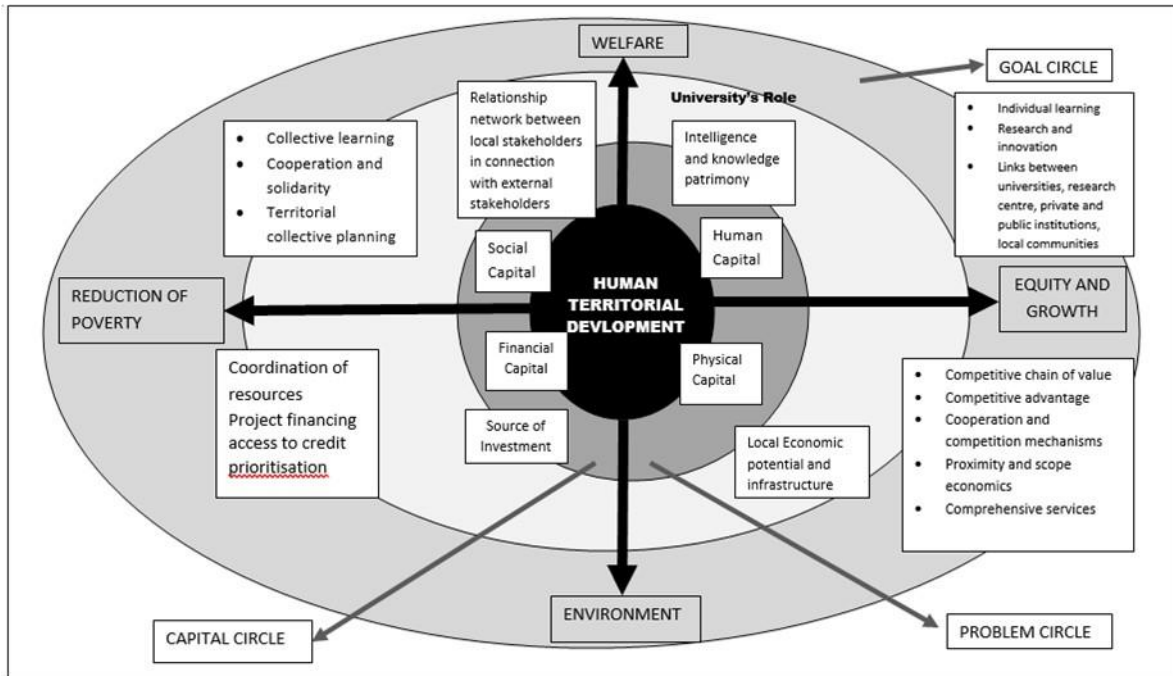


Source: Adapted from Miranda, G., et al. (2011a), “Climate Change, Employment and Local Development in Extremadura, Spain”, OECD Local Economic and Employment Development (LEED) Working Papers, No. 2011/04, OECD Publishing in OECD. The report by OECD (2012) on LED development programme.

Figure 2.1 illustrates and summarizes the concept of the green economy and the value chain that is involved in the whole process. The illustration also supports the discussion of the concept of the green economy in this section of the chapter. The green economy is part of the whole economy, it encompasses the green sectors that use renewable energy or practice effective energy efficiency, supply chain sectors, research and development inputs and all other sectors like manufacturing. The next section will discuss the local economic development model.

2.21 Local Economic Development model

2.2 Figure: LED MODEL



Sources: Canzanelli 2003:2; Blakely 1994: 83

Source: Canzanelli (2003:2); Blakely (1994:83) cited in Binza (2010)

The above diagram which is Figure 2.2 serves as a LED Model and can be useful if it can be adopted by various sectors in South Africa that plays a role directly and indirectly in promoting social and economic development in communities. This diagram illustrates LED model as a useful mechanism in stimulating sustainable LED. This diagram support is relevant in this study as it provides a solution in implementing sustainable LED through a local economic development model.

LED plays a fundamental role on the reduction of poverty especially in underdeveloped areas. In order to deal with the challenges of poverty as shown by the model organisations should deal with fundamentals of resources coordination and project financing, this therefore suggest that municipalities have the mandate of coordinating resources to ensure local based project can be financed in an effort to reduce the effects of poverty on local communities. Collective learning suggests that stakeholders should learn from each other and come up with collective ways of addressing poverty which results in collective planning and encourage solidarity and cooperation.

The model also highlights the various forms of capital namely social, human, financial, and physical capital. Social capital deals with the promotion of relations and networks among people in a society. The community has various stakeholders such as the tribal authority, local councillor, ward committees, and community-based organisations. Community stakeholders need to be taken into consideration in the issues of LED. Human capital talks to skills, both acquired knowledge, indigenous knowledge, and experience in an organisation.

Coordination of activities and stakeholders, driving and managing LED programmes requires expertise and excellent skills. The model further outlines important issues of individual learning, research, development and innovation, links between universities research centres, private and public institutions. This therefore implies that the local government institutions should form a close relationship between universities, research centres and higher learning institution as a way of capacitating communities, small medium enterprises, and community-based organisations that are doing LED projects.

It is through the learning institutions like universities, science councils and other research institutes that will help to equip the country with the needed knowledge and information, skills and the required innovation to attain viability in economies (Heywood et al., 2018).

Binza (2013) argues that countries of the developed North have comprehended that in order to ensure efficiency in LED universities through their skills development programmes should be involved. On the other hand, Snyman (2017) emphasises on the importance of the private sector which is responsible for the transference of skills to communities by engaging in in- house training and mentorships programmes in local communities, as well as the funding formal training courses.

Physical capital refers to buildings, equipment, and machinery. For the local economic development project to thrive, equipment, machinery, land, and building are of vital importance in this context. According to Binza (2013), physical capital refers to the infrastructure and natural resources required for the development of local economies. Local Economic Potential and Infrastructure is in line with physical assets whereby the infrastructure need to be accessible to the community-based organisations and local entrepreneurs in order to sell their goods and services where they can be easily be reached by the manufacturers, suppliers, and customers. The positioning of the market is very important aspect in business to allow competitive advantage and be closer to where economic activities are taking place. Financial capital refers to financing of entrepreneurs in a form of loans in order to start business ventures

in order to address poverty. Binza (2013) explains economic or financial capital as the accessibility of monetary resources which can be invested, used in production or saved and distributed in an acceptable manner that boost confidence and attract more financial investments from investors or sponsors.

The model further highlights the issue of relationships of networks between local stakeholders in connection with external resources this talks directly to social capital. Coordination of resources of project financing which is financial capital refers to where the local government can coordinate various institutions such as banks, small medium micro enterprises agencies, private companies and government sectors to assist local entrepreneurs and community-based LED organisations.

This model is in line with the stakeholder model which is proposed by Ndaguba and Hanyane (2018). The authors propose a stakeholder model in dealing with the challenges of Community Economic Development in their research titled “Stakeholder model for implementing Community Economic Development in Municipalities for alleviating poverty in South Africa.” The stakeholder model as asserted by Ndaguba and Hanyane (2018) complement and prepare mechanisms that are helpful for business reinvention in a community. As per the model there should be, “a tool that facilitates collaboration and exert commitment from the stewards, the stakeholders, and the general community”. A Community Economic Development strategy is later created for local economic freedom that will help enhance productivity and efficiency use of resources. It therefore becomes important for all stakeholders that include individuals, groups, organisations, institutions, private business, public sector, and institutions of higher learning to come together in providing solutions on how best the LED programmes can be implemented successfully in a sustainable manner. The stakeholder model talks directly to this research in the sense that it touches base is at the grassroots level. The next section will focus on monitoring and evaluation of LED drivers.

2.22 Monitoring and Evaluation of Local Economic Development Programmes

As a starting point assessing whether partnerships between institutions can create sustainable local economic development, it is crucial that monitoring and evaluation of these programmes must take place. In order to assess the relevance of a program in bringing a positive impact, it is very crucial to practice monitoring and evaluation (Luthuli & Naidoo, 2018). These authors argue that evaluation will help to analyse if the program has an impact to the challenge and at the same time identifies strengths and weaknesses of that particular program for future

reference and further program improvement. Munzhedzi and Makwembere (2019) emphasise that municipal programmes including LED, LED partnerships programmes often lack monitoring and evaluation systems. These authors describe monitoring and evaluation as a continuous assessment and inspection of performance to identify nonconformities, and ultimately propose correctional measures to deal with the discrepancies. The United Nation Developmental Program (2009) emphasizes that in order to enhance the value of any program, it is crucial to have a decent “planning, monitoring and evaluation”.

Otieno (2016) views evaluation as, “a process which determines as objectively as possible the relevance, effectiveness, efficiency, sustainability and impact of activities in the light of a program performance focusing on the analysis of the progress made towards the achievement of the stated objectives”. It is therefore necessary to monitor local economic development programmes during the implementation process and to evaluate the programmes at the end. Without constant checking and assessment of LED programmes, which is the case in most municipalities in South Africa, irregularities are not identified for proper corrections to be timeously implemented.

LED failure causes include inadequate monitoring and evaluation, lack of financial and human resources capacity, corruption, weak leadership from municipalities and lack of proper coordination (Lawson, 2012). In addition more often than not, LED units do not account directly to municipal managers’ key result areas, and this makes them vulnerable to receiving less support and cooperation with other units within the municipality (Khumalo & Thakhathi, 2012). Regular monitoring and evaluation will assist in ensuring that local economic developments projects/programmes partnerships remain sustainable. The next section will focus on the legislative and Policy Framework of LED.

2.23 Legislative and Policy Framework of LED

The South African Government in its adopted policies and strategies has considerably embraced LED (Mago & Hofisi, 2013). The South African Government has formulated the number of policy documents that speaks directly to local economic development in a bid to address the challenges associated with it. In compiling the document for the National Conference on Local Economic Development Kamara (2017) summarises the following policy documents that has a significant impact in LED which are as follows: -

- LED is rooted in the Reconstruction and Development Programme (RDP) introduced by the government and the market-driven economic policies of the Growth Employment and Redistribution policy.
- Reconstruction and Development Programme were introduced after 1994 as a social intervention policy and strategy that was meant to redress injustices created by the apartheid government.
- Growth Employment and Redistribution (GEAR) was also introduced to address economic growth and poverty reduction after the apartheid era.
- In 2005 there was The Accelerated Shared Growth Initiative of South Africa to deal with the scarcities of skill and finances, frauds, corruptions and mismanagement of public funds.
- In 2010, the government of South Africa implemented a neo-liberal macro-economic strategy known as the New Growth Path (NGP).
- The current development plan was introduced in 2013 and is known as the National Development Plan (NDP).

According to economic analysts, GEAR and ASGISA policies has helped to ease criticism just as its predecessor neo-liberal economic policies, neither of which made a noteworthy impact on economic development in South Africa (Kamara, 2017). However, Mokoena (2017) contend that in South Africa, no legislation is dedicated to LED but is contained in some legislative documents and policies. Mokoena (2017) further argues even though the Constitution encourages local governments to endorse the socioeconomic improvement of their communities, it does not exactly pinpoint LED as the steering instrument to economic growth. The national and provincial government has taken numerous steps to address and support local governments by providing them with policies and guidance in the implementation of the policies. As per the Constitution, it is the municipality's responsibility to plan and implement development interventions for its communities (Asha, 2014).

The Department of Provincial and Local Government which was called then DPLG (2005) provides that there exists a straight insinuation that LED is not an unfunded obligation, basing on the Constitution local governments have the responsibility in their communities, they have a vital responsibility in creating a favourable environment that attracts investment, this is done by providing the needed and up to standard infrastructure and improved excellent services, instead of developing programmes and attempting to create employment. In relation The White

Paper (1998) points out that on the need of a sound vision by municipalities and the need for partnership with other stakeholders to boost the local economy. The White paper (1998) defines Developmental Local Government as the commitment by municipalities to encourage community participation and the working together with other developmental groups in finding solutions to sustainable development and improvement in standards of living. The White paper (1998) outlines two other types of initiative that are important: -

- Policies and procedures reviewing to promote LED-this is meant to make sure the local government procedures have an impact on the local economy.
- An obligation by municipalities to deliver special economic services whenever appropriate.

Developmental local government was introduced as a vehicle to drive development, and LED is an fundamental part of socio-economic development (Reddy 2016). Hardman (2011) adds that developmental government is a policy with a purpose to inform government intervention in the economy to promote economic and social transformation in order to bring into being the ideals of the Constitution. This includes acts such as: -

- Assertively remodelling the country's infrastructure (both hard and soft) for the inclusion of those previously marginalised
- Requiring business and industry to develop policy in the form of charters responding to Broad Based Black Economic Empowerment (BBBEE).

The National Policy Framework on LED (2006-2011) underscores principles and an objective for LED, the following will be cited which is relevant to the study;

- Generating an environment whereby the socio-economic conditions of the locality promotes the establishment and promotion of work opportunities and this is the responsibility of local government.
- LED as an outcome of actions and interventions resulting from the promotion of good local governance by municipalities, constant improvement and integration of national priorities and programmes by the relevant authorities.
- Stimulating vigorous and inclusive local economies obliges all spheres and sectors of governments to be well coordinated based on the application and localisation of the principles adopted in the National Spatial Development Perspective (NSDP).

- Businesses, including NGOs and cooperatives, are very important and can as well be regarded as the heart of the economy through their collaboration with society role players; this will boost local economies.
- The most important resource in development is the people; by increasing their skills it will result in more opportunities to further improve the economy.

Rogerson (2010) argues that the 2006 National Framework on LED represents an implied rejection of the community economic development approach in many respects, and it represents an unsatisfactory compromise that offers local government elements of both the competitive and the welfare approaches to LED. Rogerson (2010) further assert that after all has been said and done the response from national government has been to reconsider and adjust the national framework guidelines for LED. Ingle (2014) is of the view that there is no doubt that a competent municipality, supported by sound government policies, can serve as a valuable support for vibrant economic development.

Innovation for LED (ILED) is Department of Science and Technology’s scheme that put into consideration the possible impact of Science, Technology, and Innovation (STI) in LED and it was introduced in 2015. The main purpose of ILED is to reveal value in local economies by using STI interventions, also to promote local value chains and local sectors, and enhance the capacity of the innovation system to generate knowledge and innovations that can translate into socio-economic solutions required in a local economy (Rogerson, 2010). In 2017 the revised National Framework for LED was launched with a mandate to give hand in the work of local governments towards accomplishment of “innovative, competitive, sustainable, inclusive local economies that maximize local opportunities, address local needs, and contribute to national economic development” (Walaza, 2017). In support Ndabeni et al. (2016) explains that, Innovation for LED is a framework dealing with organising local economies in line with the available local innovation systems, emphasising on adopting local solutions that will promote sustainable and inclusive economic and social development.

Table 2.1: Overview of 1994 key local government legislation

LEGISLATION	LEGISLATION’S SIGNIFICANCE TO MATTERS DISCUSSED
Local Government Municipal Demarcation Act (Number 27 of 1998)	Demarcations of local towns and municipalities to consider new features associated with de-racializing margins and encouraging comprehensive socioeconomic development, including:

	<ul style="list-style-type: none"> • delivery of services in a fair and viable way to reduce inequality • Having a tax base that includes all who use municipality services. • promoting socioeconomic development • establishment of cohesive and integrated areas
Local Government Municipal Structures Act (Number 117 of 1998)	Finalising a new structural administration in democratic South Africa local government, including: <ul style="list-style-type: none"> • three classes of municipalities/local governments (A, B and C) • creation and provision for the voting of new committees • internal structure and functions thereof • encouraging participation by creation of ward committees for example
Local Government Municipal Systems Act (Number 32 of 2000)	This focussed on performance management, the processes and tools that were supposed to be followed by local governments in order to adhere to the new policies on socioeconomic development. <ul style="list-style-type: none"> • income creation of local governments • Adoption of Integrated Development Planning (IDP) • Process covering performance management
<i>Local Government: Municipal Financial Management Act</i> (Number 56 of 2003)	Designing to bring municipal government to adhere to the principles of the 1999 Public Financial Management Act. This also outlines the expected processes and requirements leading the preparation, creation and approval of municipal budgets; steps to be taken in case of unauthorized, unnecessary, irregular and wasteful expenditure. It outlines as well the fiduciary responsibilities of public managers; financial reporting standards together with supply chain management.

Source: Compiled by researcher

The above table 2.1 cited by Ndletyana et al (2008) in Asha (2014) illustrates relevant pieces of legislation that are applicable in the local government sector which goes hand in hand with this section of the chapter which discusses the legislative framework. The table summarize applicable pieces of legislation in the local government sector and briefly explains what they entail. In a nutshell the given legislations are there to give guidance in the planning, implementation and monitoring processes of municipal Integrated Development Plan (IDPs) giving local governments all the necessary and required policy guidelines that facilitates the ability of local authorities to efficiently and successfully plan and implement as expected, identifying and meeting the basic needs of the marginalised and disadvantaged (Asha, 2014).

2.24 Conclusion

It is the duty and responsibility of local governments to ensure harmony, safety and security in communities that it serve, social stability is of paramount importance in communities, the duty of local government is not only to render services but stretches even further to also include creating an environment that is conducive to promote local investment. This chapter looked at the legislative framework, integrated development planning, sustainable development, LEDAs, and community economic development as way of providing scientific research analysis on the subject.

Local Economic Development encompasses the sum of all economic activities by all relevant participants in a given area, collaborating in partnership to stimulate economic and social development and ultimately lead to better living standards for all members of that particular community (Meyer, 2014). The literature review does provide the framework in which how partnership and collaboration between local government, communities and the non-government sector contribute toward sustainable local economic development. However the literature does not provide a similar research on how partnership between community-based organisations and the private sector were previously facilitated as to what were the successes and failures so that one can use a similar study as a benchmark. The study will contribute to the body of knowledge of how Public Private Partnership can enable community-based LED programmes to be sustainable in line with the theory adopted by the study which is Community Led Rural Development theory. The findings of this study will be used as a benchmark on the on how partnership between local government and the private business sector can create sustainable local economic development in supporting community-based organisation.

CHAPTER 3

Research Methodology

3.1 Introduction

Research methodology serves as a road map on the way the research will be done and thereby outlining all necessary instruments to be used in collecting data. This chapter will outline essential research features that the researcher will follow and research instruments to be used in collecting data. This section will look into the research design, data collection methods, interviews, focus group interviews, qualitative studies, unit of analysis, as well as the validity, reliability, and data analysis.

3.2 Research Design

Kumar (2011) define research design as, “a plan, structure and strategy of investigation so conceived as to obtain answers to research questions or problems”. This author in addition argues that the plan or design is the whole outline or programme of the research. The research design is a technical plan following procedures and is agreed and implemented by the investigator or researcher to give objective and accurate answers to the research. Babbie (2015) contend that a research design can be described as an outline or blueprint of how you mean to steer the research. Creswell (2014) also explains that the research blueprints or designs are kinds of examination that consist of qualitative, quantitative and mixed methods approaches; these approaches give detailed direction for techniques in the research study.

A research design has two essential components, the first one is observed and put down dissimilarities in the different types of variables involved in the research, the researcher can observe one or more groups and can do so on numerous times. The other element of research plan or design is the examination of the connections amongst the variables. In qualitative research, the analysis is carried by giving a comparison of the information and additionally select other partakers or participants to help explain the relationship between variables (Bless et al., 2013).

Kumar (2011) argue that research design comprises of two chief purposes: one being the identification or development of techniques and logistical preparations that are needed in undertaking the research and the second function emphasises the importance of good quality in the techniques, good quality will guarantee their validity, objectivity, and accuracy.

3.2.1. Unit of Analysis

Gray (2018) defines the unit of analysis as the set of substances, individuals, organisations, or proceedings where the research will be focussed on. The unit of analysis in relation to this research will be the Manager of Public Affairs and Stakeholder Relations at Tronox Sands Mining, Stakeholder Relations Officer at Tronox, Economic Development Head from UMhlatuze Municipality, Senior LED for Small Medium Micro Enterprises, LED for Agricultural Support, LED Officer, LED for Urban Development all from the City of UMhlatuze. Other unit of analysis were individuals in a form of focus group from Quick and Change Block Making Project, individuals from Alpha and Omega Poultry farming Project, and Individuals from Somopho Engineering Project. These are units of analysis because the researcher will collect data from these individuals to answer the research question.

Babbie (2015) argues that in any social study or investigation there are no boundaries to the objects being studied; the most common units of analysis are individual people. The author further explains elements of analysis as the items under examination that are used to derive summary descriptions of all such unit and to give an analysis of the differences amongst the units. This author stresses the fact that the unit of analysis must be clear so that one can be able to determine what it is and be able to make observations about who or what is being studied. Unit of analysis can also be done at group level and this include elements like friendship circles, married couples, survey blocks, towns or geographic areas (Babbie 2015). Formal social organisations for example large corporations, church worshippers, universities or colleges, military divisions, academic sections and shops can also be classified as unit of analysis. In a nutshell this author points out that components of analysis in social inquiry can be individual groups and at times even non-human objects.

The unit of inquiry can be described as the object or individual from whom data is collected by the social researcher. It can be argued that the qualitative research is flexible to the extent that the unit might change during the research process. According to Bless et al. (2013) there are several possible units of analysis which fall into broad categories: -

- Individuals are the most common unit of analysis, individuals can be selected because of their association with certain social or educational groups for example a group of women, policemen or accountants.
- Group of people are sometimes studied as unit of analysis for example siblings, twins, matrimonial relationships, household functioning and small-set functioning.
- Organisations with official arrangements can also be referred to as a unit of analysis in a social research. In this case of formal organisations, the interesting areas can relate to sizes of employees from different background or social groups, organisational structure, earnings, and lines of communication.

3.2.2 Qualitative Studies

This section focuses on the qualitative studies, it will provide brief information on why a qualitative study was selected and thereafter it will provide a brief theoretical and scientific description on what is a qualitative study. This study will adopt a qualitative approach because by its nature it uses methods and approaches that are applicable to a qualitative study, since it will use interviews that need research participants to provide a broader explanation in answering research questions. It should be noted that in application qualitative approach make

use of an abductive approach to theory development where it explains or even change the theoretical concept during or after the research. The qualitative study was chosen because of the research is exploring the level of partnership in promoting sustainable local economic development in community-based organisations between the City of uMhlathuze and Tronox Sands Mining. Some of these community-based organisations need to provide a broader explanation when providing answers on how their projects operate, also some of the project beneficiaries from these institutions have challenges associated with reading and writing. LED is very important in communities as it seeks to tackle the main challenges being faced by communities namely low employment levels, inequality, and high poverty.

The Republic of South Africa Government made LED issues as the key performance areas in the local government sector. This study therefore encourages research participants to provide as much information on how these projects are supported and what they seek to accomplish. The participants provide their inputs as well as their suggestions or recommendations on how their projects sustainability can be enhanced. Those inputs will assist in the further study on what can be done to make LED projects to be sustainable. In the next paragraph theoretical and scientific information on the description of qualitative research will be provided.

Curry and Lillis (2010) argue that through qualitative research results are produced or attainment without using any form of statistical processes or any type of quantification. Using available data collection methods the qualitative research approach studies the selected participants and analyse the relationships amongst the variables to develop a conceptual framework and hypothetical contribution (Saunders et al., 2016). These authors argue that data collection under the qualitative approach is non-standardised for flexibility; questions and procedures may change and emerge during the process that is both naturalistic and interactive. Furthermore Saunders et al. (2016) explains that, a qualitative research design can make use of one data collection method like semi-structured interviews, and conforming qualitative analytical process termed as a mono method qualitative study. There is a number of research strategies that can be used in conjunction with qualitative research and these include the following, action research, case study research, ethnography, grounded theory and narrative research.

It is important that in qualitative research, the researcher has to clarify their hypothetical or theoretical standing together with any form of changes in the design that could have occurred during the course of the given study, give facts of the data collection background like culture,

geographical location and provide details on participants characteristics. That portrayed, qualitative research is also subjective to the research paradigm used by the researcher (Gray, 2018). Barbour (2014) further argues that, “qualitative research asks different sorts of questions – not those relating to outcomes or strengths of association but questions about processes, understanding and beliefs”. This author further argues that qualitative research involves iterative process, there is no distinct planned process, research design tools, and research questions at times can grow or change as the projects occurs, this therefore gives room to the testing of developing hypotheses. In addition, Creswell (2003) argues that, the historic origin for qualitative research is based on the development of anthropology- the study of human beings, sociology- the study of society, the humanities and assessment.

In qualitative research, the researcher pursues to find the significance of a sensation or phenomena based on the understanding and views of the participants; this can be illustrated by identifying a group of people sharing the same culture and therefore studying how it develops shared patterns of behaviour as time goes by. The important component of collecting data is to observe participants actions and behaviours during their engagement in activities (Creswell, 2003). An example will be of researcher examining the issue of oppression of individuals. In the case of qualitative research the researcher need to interview the participants at length in order to determine how they individually experienced oppression. Qualitative methods are flexible and the researcher has freedom to choose structure and processes (Kumar, 2019).

Qualitative field studies can be used successful in the analysis of groups, small societies and institutes. Qualitative research approaches are categorised as follows ethnographic methods, case study research, participant observation, degree of participation. Ethnography can be defined as a vital descriptive design which uses investigations between individuals or clusters in a society, group or organisation. In case studies we are focussed towards understanding the distinctiveness and idiosyncrasy of each particular case in all its complexity (Welman, 2007). Participation observation requires the researcher to extensively check and report on the daily experiences of group members, participants or the community members.

3.2.3 Validity and reliability

Creswell (2003) suggests that reliability focuses on determining if scores to items on the research instrument are dependable and consistent, that is, determining if the items reactions are consistent across concepts and are they relatively stable over time, they should be consistent in both test administration and scoring. Babbie (2016) suggest that reliability as a matter of fact

checks if a method or technique is applied several times on the same item still produces the same expected result. In qualitative research reliability of the study can be reinforced by the use of numerous examples and cases and verifying the analysis using other available researchers (Gray, 2019).

The validity strategies in a qualitative research are the procedures that the researchers impose to prove the accurateness of their results and convince readers of this accuracy and this includes the checking and triangulating data sources (Creswell, 2003). This author further asserts that notions such as credibility, reliability, genuineness, honesty and openness are also very vital in qualitative research. Babbie (2016) suggests that validity refers to the extent to which an empirical measure sufficiently gives the actual meaning of the concept under study. In the context of this research reliability and validity of this study can be confirmed with the research respondents as well the research sites that were visited by the researcher whilst collecting data. The next section will focus on the focus group findings.

3.2.4 Data Collection Methods

The section will pay attention on the nature of data gathering methods together with how data collection will be used in this study. It has been pointed out that this is a qualitative study the data collection methods that will be used are individual personal interviews and focus group interviews. Data gathering methods help in answering the research question and testing the research hypothesis as well as addressing the research problem. For one to come with a sound conclusion from a research study one need to ensure the availability of reliable and useful data to analyse and interpret (Durrheim, 2006). Data consists of measurements collected as a result of scientific observation. The majority of the methods used on data collection are applicable to both qualitative and quantitative research. The two main methods to gathering information regarding any situation, a person or individual, a problem, challenge or phenomenon are namely primary data and secondary data (Bless et al., 2013). Primary sources refers to a first-hand information such as the perception of a community towards health service delivery, determining the educational needs of a community, or analysing the job satisfaction of workers in an organisation (Kumar, 2019).

On the other hand secondary sources are advanced sources that don't make use of first-hand information and this include information from census, use of hospital records to determine death rates, use of company or any other previously collected information to determine shopping trends for example, information from journals and articles, magazines and books. In

a nutshell primary sources offer undiluted first-hand material and secondary sources offer second-hand historic information. There are also three focal methods of data gathering in qualitative research which are unstructured interviews, participant observation and the use of secondary sources.

3.2.5 Population and sampling technique

It is important to take into consideration when one is doing a sample to consider the population. Salkind and Rainwater (2006) define a population in a research context as a collection of possible participants from whom the researcher will get the outcomes of the study. Bertram and Christiansen (2014) state that sampling involves choosing and deciding the participants, situations, settings, proceedings or behaviours that you need to include in the research. The author in addition refers to the sample as a subset or subsection of the whole population. According to Goddard and Melville (2004) samples must be representative of the characteristics of the population under study. As highlighted in Chapter 1 the sample size for this research is 8 namely 4 officials from uMhlathuze Municipality were interviewed, 2 officials from Tronox were also interviewed as part of the study or research and three focus group namely Quick and Change block making & Sand Project, Poultry Project and Somopho Engineering Project.

The study population consist of 31 participants, as sample size is broken down into 2 categories which is 3 focus groups representing community-based organisations and 7 respondents from the two institutions from UMhlathuze Municipality and Tronox Sands Mining. The sample was chosen purposefully as the two organisations are playing a major role in local economic development in the community; the officials that were selected are custodian of the LED programme. The three-focus group have projects which carry a high level of self-reliance or sustainability and can create employment in the community. The researcher adopted purposeful sampling technique as opposed to other sampling techniques; this is so because the researcher believes strongly that they will assist in answering the research questions correctly and understanding the research problem for this study. Bertram and Christiansen (2014) note purposive sampling as the selection of participants for a particular purpose.

The idea of applying qualitative research is mainly to effectively and purposefully choose the participants, suitable locations, documents or visual material that will best help the researcher to comprehend the research problem and the research question (Creswell, 2003). Purposive sampling is the best option when one is dealing with small samples such as in the example of

a case study research (Saunders et al., 2016). In a nutshell the research participants were selected purposeful because uMhlathuze Municipality is a developing municipality with a great potential in local economic development and has full-fledged LED Unit, while Tronox Sands Mining is a private institution highly involved in supporting community-based projects.

3.2.6 Interviews

This section will deal with the research tool that will be used in the gathering of data which is the interview method. The researcher will interview the Manager responsible for LED at Tronox Sands Mining as well as the Officer responsible for local economic development at Tronox Sands Mining. In addition, the researcher will interview the manager responsible for LED in the City of uMhlathuze as well as the Local Economic Development responsible for Small Medium Micro Enterprise (SMME). Mostly the interviews will be an unstructured form as to solicit different views about the research in question. This interview will assist in gathering the necessary information on sustainable LED.

These research participants are selected because they are managing local economic development in their institutions and some of them are hands on a daily basis. In a municipal context, the Manager responsible for economic development is a custodian of LED and report to the Deputy Municipal Manager who reports to the City Manager. Whist in some Municipalities the Manager of Local Economic Development reports directly to the Municipal Manager, on many occasions when information on local economic development is required is obtained from the Economic Developments Manager.

The views or information obtained from the Local Economic Development Manager from both institutions will represent the entire views of the organisations about the subject in question because all the officers and researchers report directly to him or her. In addition, Local Economic Development is at the core face where all local economic development activities and operations take place. Other research respondents will be explained throughly in a section that deals with focus group interviewing. The next paragraph will basically touch on the theoretical aspects of the interviews in a scientific research context.

Kumar (2019) suggests that one of the most common way or method of gathering information from people is interviewing, information is collected by interacting with people. Furthermore, Gray (2019) explains the interview is a way of getting information by the interviewer through verbal discussion or dialogue between the interviewer and the interviewee. In addition Kumar (2019) defines interview as a verbal interchange that is usually done on personal level and often

face to face, this can also be done via the telephone where the interviewer will be trying to tap information from the interviewee. It is up to the interviewer to choose and select the format and content of the interview questions, the wording of the questions and how to address the questions (Kumar, 2011). According to Gray (2019) interviews are usually productive when people are being asked about their work, families, communities, feelings or relationships, rather than mere filling of questionnaires. This researcher goes on to say that an interview will most probably give the interviewees a chance to reflect on events without necessarily require them to write, by writing respondents feel less secure with their confidential information. Verbal interview approach is most favourable to the illiterate respondents or those who are only fluent in their native language (Gray, 2019).

According to Bless et al. (2013) there are quite a number of ways of collecting information straight from participants if such other methods like observation cannot be used and the first method will be interview. These authors argue that an interview comprises of direct individual contact with the respondent who is asked to answer questions relating to the research problem. By asking respondents to comment in an unscheduled interview, the interviewer will be giving them a platform to express their own views. Upon choice and need the interviewer can as well ask for clarification but not necessarily lead the responses. Basically, interviews are divided into two categories namely structured interviews and unstructured interviews.

3.2.7.1 Unstructured interviews

Kumar (2011) is of the view that unstructured interviews are advantageous because they provide freedom in terms of content and structure. In an unstructured interview the researcher is flexible in terms of the wording to use and how he or she can explain questions subject to the context of the discussion or subject to the objectives of the study. An unstructured interview schedule is there to only give the interviewer a summary of the themes or variables that need to be covered in an interview (Taylor et al., 2006). Unstructured interviews can be used in both types, the quantitative and qualitative research methods. In qualitative research process the responses are used as descriptors, often in verbatim form, and can be integrated together with your arguments, flow of writing and sequence of logic (Kumar, 2011).

Qualitative research mostly makes use of unstructured interviews. In an unstructured interview the interviewer has a chance to probe questions beyond the predetermined extend and thus obtain in-depth material in certain areas of interest (Taylor et al. 2006). These authors further contend that in an unstructured interview, interviewer has the liberty to ask extra necessary

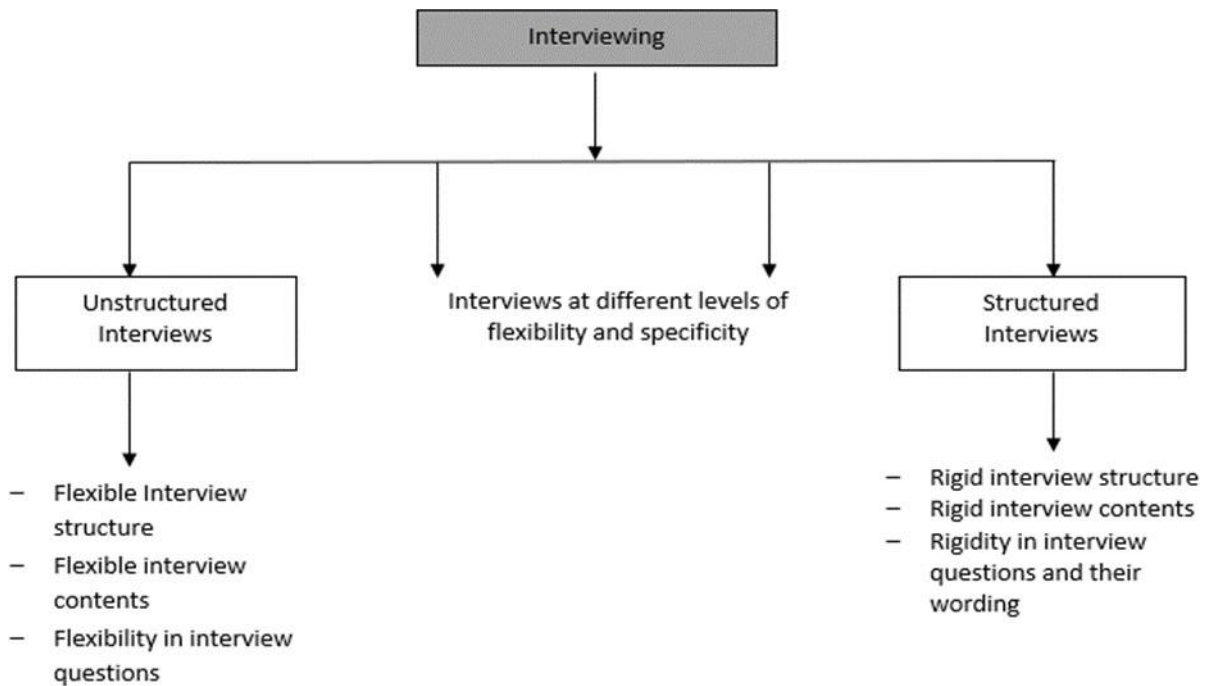
questions or ignore unnecessary questions, depending on the situation. In a nutshell in unstructured interviews there is no order of sequence in which interview questions need to be asked. Interview questions used in this research falls under the category of unstructured interviews towards collecting data from the research respondents.

3.2.7.2 Structured Interviews

In a structured interview setup, the interviewer asks a predetermined and prearranged group of questions, using the same phrasing and order of questions as per the given schedule (Kumar 2011). A structured interview uses an interview schedule with a set of predetermined questions in a sequence (Taylor et al., 2006). The schedule can be described as a written list of questions that can be open, ended or closed, that are specifically prepared for use by an interviewer in a personal interaction, which can be face to face, use of telephone or by other electronic media. In a nutshell an interview schedule is a research tool/instrument that is used to gather data and on the other side interviewing is a method of data collection (Kumar, 2019). Structured interviews are mostly used to conclude the occurrence of various answers to find relationships between answers to different questions (Bless et al., 2013).

According to Gray (2019) data for quantitative analysis is mostly collected using pre-prepared questionnaires and identical questions, and all respondents are asked the same questions. Structured interviews are the favoured style for analytic research and such an interview schedule is equally applicable to gathering data by face to face or telephonic interviews (Taylor et al., 2006). Like Gary (2019), Taylor et al (2006) argues that questions of a structured interview are standardised making it easier to collect, interpret and summarise the data. Structured interviews have advantages as well, by using standardised questions respondents give same uniform which is easier to summarise, interpret and compare (Kumar, 2011). No special interviewing skills are required for structured interviewing as compared to the unstructured one. The diagram below illustrates and summarizes the interview process and everything that has been dealt.

Figure 3.1 Interviewing Model



Source: Kumar (2011)

This figure 3.1 illustrates the interviewing model which has been adopted by this study. This figure further illustrates different types of interview methods as it relates to this study. The study used interviews as a research instrument of collecting data to answer the research question and acquire better understanding of the research problem. The study used interviews as a research instrument of collecting data to give solutions the research question and acquire better understanding of the research problem.

3.2.8 Focus Group Interviews

This research will use focus group interview method in collecting data to the community-based organisations which are supported by the institutions under research to answer the research questions. Three focus group interviews will be conducted namely Somopho Engineering Project, Blocks and Sands Project and Poultry Project. Somopho Engineering Project is new project responsible for the construction of the industrial park in Somopho area where all local business will be accommodated in the park; it has 7 members however 6 members will be interviewed due to non-availability of another member. Blocks and Sands Project will have about 8 members however it has six members that are active.

The Poultry project, about 6 members will be interviewed as part of collecting data. In addition, these projects were selected because they have the potential of creating sustainable local economic development and are supported by the institutions under the study. Although the other project is new it has the great potential of addressing the challenges associated with sustainable local economic development. The reason of selecting a focus group is because these are not a one-man project; they are a joint project which means these projects involve more than one person. The next paragraph will deal with the theoretical perspective of a scientific research,

The purpose of conducting a focus group interview is to acquire and solicit different kinds of opinions about the subject matter that is being researched. It assists the interviewee to gain various perspectives and ideas the subject matter under study. In a focus group there is a likelihood of gaining honest opinions which can assist the interviewer in collecting data. Gray (2019) assert that focus group allow researchers to explore the emotional state, principles, prejudices, reactions and experiences of a subject under discussion, by using observations, interviews and surveys it will not be easy to capture the beliefs and feelings.

By using focus groups the researcher is able to get clarification of responses, facial expressions, gestures and their meanings can also be captured. Focus groups are not group interviews rather they aim to achieve a cascade effect where utterances of one participant trigger idea in others. Recruiting participants to a focus group takes more organising than most of other forms of data gathering method partly because a group of people must be identified and invited (Gray, 2019).

A type of interview that is being used more and more commonly is the focus group. The authors reveal that focus groups consist of between six and ten respondents who are interviewed at the same time. Focus group participant must be carefully selected according to explicit criteria. It is important that the focus group is directed in an unstructured, informal or semi structured way. A researcher becomes a facilitator or leader during the focus group interviews sessions usually he or she discusses topics or themes to allow the group members to engage in a topic. It is important that the researcher has a good understanding of the topic before drawing up the list of questions or themes so as to be able to probe the participants (Bless et al., 2013).

3.2.9. Advantages of the Focus Groups Interview

Focus groups give an advantage that research partakers can deliberate the issues under discussion and the end of the day offsetting and agreeing on certain idea. When members debate the researcher is able to get a deeper insight of the issues than he would have in the case of

interviewing the participants individually. Focus groups as well give the research partakers a chance to learn from each other and resolve issues (Bless et al. 2013). A focus group is a learning venture for both the researcher and the participants in that several topics and themes are discussed. They can provide checks and balances for each other, which is very useful when dealing with incorrect information, extreme attitudes or factual errors. Group facilitation is put in place in an effort to make sure that a safe and conducive environment for unrestricted communication is created. Bless et al. (2013) allude that many African cultures make constant use of small groups to discuss and deal with challenges in communities. It is important for the researcher to prudently contemplate on the aims of using the focus group as a research method and devotion should be given to the structure and facilitation groups.

Unlike in-depth interviews focus group interview is done in small and manageable sets whereas the in-depth is undertaken at an individual personal level. In focus group interview, the researcher is able to discover the opinions, views, experiences and understandings of a group of people who have some experience in common regarding a situation or event. In a focus group interviews, broad discussion themes or subjects are developed earlier by the interviewer who is normally the researcher or by the group (Kumar, 2019).

3.2.10 Variables

Variables refer to characteristics of an individual or an organisation that is quantifiable or observable; variables are different amongst people or organisation under study (Creswell, 2013). In addition this author suggests that a variable characteristically will differ in two or more categories or on continuum of scores, and it can be measured. Creswell (2003) state that variables are frequently measured in studies including gender, age, socio-economic status (SES); and behaviours such as racial discrimination, social control, political influence or governance. There are four kinds of variables namely the independent variable, the dependent variables, the intervening or mediating variables and the moderating variables. For the purpose of this study two different types of variables will be discussed, that is the independent and dependent variables. Independent and dependent variables are the most important types of variables, the two types of variables are knotted to each other; the dependant variable depends on the independent variable, it is a function, a consequence or a variation of the independent variable (Bless et al., 2013). This study has three variables which is local economic development, sustainable and partnership because these three aspects are influencing the entire

study. In a nutshell a variable can be referred to as those factors that are influencing the study. Variables are usually guided by the research aims, and objectives of the study.

Independent variables have an effect on outcome, cause or influence of the dependant variable; the independent variables are also called antecedent or predictor variables. The dependent variables tend to be subject to the independent variables; the dependant variables are actually the consequences or results of the effect of the independent variables (Creswell, 2003). For the researcher to have good and acceptable result he must measure the independent and dependant variables separately, different concepts should be used when measuring the two as well.

Independent variables are defined as that factor which is chosen, measured, influenced by the researcher to define its relationship, interrelationship or connection to an observed phenomenon that institutes dependent variable. It must be noted that the dependent variable actually depends on the independent variable, it is that element which is analysed and measured to define the effects of the independent variable on it, the dependant variable varies, it appears, vanishes, contracts or enlarges. In the context of this study an independent variable is local economic development while dependent variable is sustainable and partnership. An image, opinion, concept or idea that can be measured or is able to take different values is called variable (Kumar, 2019). Examples of variables are sexual category, attitude, age, revenue, weight, height or belief.

3.2.11 Data Analysis

According to Gray (2019) the concentration of qualitative analysis is to be able to determine how and why people act the way they do. Approaches to this type of data and information analysis include content analysis and grounded theory (Gray, 2019). This author argues that content analysis includes finding classes or groups within data, such sets of data are developed from theoretical models. In analysing data this research will use thematic analysis which is normally used in qualitative research which will be explained in greater details in Chapter 4. Barbour (2014) argues that thematic analysis underpins most qualitative research analysis, whether it is explicitly stated. The author argues further that thematic analysis draws on the organisation of data into relevant themes, although these vary in accordance with the disciplinary focus of the research. This research will use thematic analysis in analysing data obtained from both research participants and research respondents. In addition the study will use software analysis called NVIVO. This will be explained in greater detail in Chapter 4.

3.2.12 Conclusion

Chapter 3 focused on the research design together with research methodology that will be used in obtaining data and its analysis. This chapter outlined the research tools that this study will use to answer and address the research question and problem. Research tools to obtain data were explained in greater detail by interviews and the focus group interviews. Advantages and the rationale of the focus group were also outlined. The chapter also looked at the sampling size for this study as well the purposive sampling used in selecting research respondents and participants. The next chapter will analyse data the data collected.

CHAPTER 4

Data Analysis

4.1 Introduction

This section presents the analysis of data gathered by the researcher using focus group interviews which were explained in-depth in the previous chapter. This chapter will begin by giving a theoretical description of data analysis, Qualitative data analysis, thematic analysis, reliability and validity. Data collected from the research responded will be presented in a table form using thematic analysis. The core objective of this research is to measure the level of partnership between the City of uMhlathuze and Tronox Sands Mining in promoting sustainable local economic development to the community-based organisations.

4.1.1 Data Analysis

Whilst grounded theory uses a process of open, axial and selective coding to develop categories and theories inductively from the data collected, Gray (2019) uncover that due to the absence of non-probability selection methods qualitative analysis is sometimes categorised as void. Gray (2019) adds that claims for qualitative analysis to be strengthened and be classified as valid, research respondents can be provoked and stimulated during the interview. Qualitative data can have a quality of un-deniability because they are rooted in the natural context of field settings (Gray, 2019). Creswell (2003) explain that qualitative analysis should enable researchers to successfully deduce complete meaning of the information to be generalised to the whole population. This author further adds that qualitative data must be able to provide the researcher with logic to read the concepts produced by the respondents.

The strategy to effective qualitative research is being systematic, efficient and proactive to the challenges one can face during the analysis and examination stage. In qualitative research, the impact of this process is to aggregate data into a small number of themes, something like five to seven themes (Creswell, 2003). Qualitative analysis is non-numerical examination, and interpretation of observation, the examination does not include numerals. It is suggested that in analysing qualitative data one seeks to determine patterns such as changes over time or possible casual links between variables. There are three key tools for preparing data for analysis which are coding, memoing and concept mapping (Babbie, 2015). In analysing data, the researcher will use memoing. Memoing is suitable at several stages of data processing and is also used to capture code meanings, theoretical ideas, preliminary conclusions, and other thoughts that will be useful during the analysis process. Babbie (2015) reveal that these memos are written throughout the data-collection and analysis process in that thoughts demanding memos will come to you as you read notes or transcripts, code chunks of text or discuss the project with others. The next section will focus on thematic analysis.

4.1.2 Thematic Analysis

Thematic analysis is a process whereby the researcher is involved in coding her or his qualitative data to identify the important ideas, themes or patterns to be used in further analysis in line with the research question (Saunders et al., 2016). Large and small data categories can be analysed using the approach of thematic analysis resulting in rich explanation and theorising according to the authors.

It is very advantageous to use the thematic approach in analysing the data, thematic approach is not rigid but flexible enough to accommodate necessary changes, it can be used both objectively and subjectively, flexibility of thematic analysis mean that it is straight forward to use in comparison to some of the techniques used to analyse data (Saunders et al., 2016). With this in mind it is advisable for the researcher to make use of thematic approach for best results.

In addition Saunders et al. (2016) outline essential elements which thematic analysis can be used for which are as follows: -

- Understand and put together large and dissimilar amounts of qualitative data
- Assimilate connected data drawn from different records and notes
- Recognise main subjects or patterns from a data set for further examinations
- Create a thematic description of these data; and or

- Develop and examine explanations and philosophies based on thematic patterns or relationships
- Come up with conclusions and verify them.

The next section will deal with the focus group findings

4.1.3. Focus groups findings

As it has been mentioned in Chapter 3, the researcher collected data to the three focus groups namely Quick-Change Concrete project which is a block making project, Alpha and Omega Chicken farming project which is an egg laying project, and Somopho Engineering Project which is a new project where all local small medium enterprises will be accommodated in one building. The projects were beneficiaries of the LED projects from the two institutions under study. The findings of the focus group have been classified into two groups namely positive and negative to make the analysis easy and understandable. All groups were given a time frame of about an hour to deliberate on the given questions: -

- Do you understand the concept of LED?
- What is the main aim of this Project??
- In your own opinion is this Project sustainable?
- What are the challenges of the Project?
- Do you receive any form of support from Tronox Sands Mining and the City of uMhlathuze in ensuring that the project is sustainable?
- In your own opinion what improvement can the City of uMhlathuze and Tronox Sands Mining do to assist the project to grow and be sustainable?

The responses from the focus groups sessions are reflected in Table 4.1 below. The results are summarised as “Positive” and “Negative”, where the positive stands for knowledge of the subject and negative stands for the need of improvement. An analysis of the information given in the table is also done.

Table 4 “Positive” and “Negative of the LED partnership project under the study

Dimensions/Factors/ Variables	Positives	Negatives
What are the projects aims	The project aims to create local employment and develop local	These projects run a risk of being unsustainable primarily because research participants have no

	entrepreneurship as a way of addressing poverty	experience of either running the business and the project
Level of Partnership between the City of uMhlatuze and Tronox Sands Mining	Working relationship seems to exist thus making little impact on sustainable local economic development	No formal partnership in a form of memorandum of understanding instead a working relationship does exist
Challenges of the projects	The projects have good intentions of addressing local economic development and developing local entrepreneurship	Lack of training skills on how to manage or run the projects is the main barrier in growing and expanding the project
Support of the Projects by the UMhlatuze and Tronox Sands Mining	These projects are only supported by Tronox in terms of funding	Lack of projects monitoring from the Institution that supported the project is a main barrier
Sustainability of the LED projects	The project has a huge potential of sustaining itself in the future	Lack of formal partnership between the two institutions hinders the sustainability of the project
Understanding of the Concept of Sustainable Local economic development	The research participants are practising local economic development their projects have great potential to be sustainable	The research participants have limited idea of the concept of LED and do not understand that local government institutions can assist them

Source: Compiled by researcher

Table 4.1 summarizes data collected from the research respondents in Tronox and uMhlatuze Municipality and made a distinction between negatives and positives as factors that are affecting local economic development in these two institutions.

4.1.4. Outcomes of focus group sessions'

Table 4 reflects that the research participants have the passion to work and grow their projects however their projects needs a lot of nurturing and monitoring by the institutions that are supporting them. All research participants showed little knowledge of the concept of local economic development and relevant institutions that can support them in order to sustain their

projects. Local government institutions have dedicated personnel and fully-fledged unit whose sole responsibility is to promote local economic development; however, research participants had no knowledge of the fact that the municipality can assist through its economic development department.

Figure 4.1: Somopho Industrial Park Project



Source: Researcher

An image in Figure 4.1 and 4.2 was taken by the researcher when he visited research participants of Somopho Industrial Park Project as evidence of the activities taking place at in partnership with Tronox and uMhlathuze Municipality.

Figure 4.2: Somopho Industrial Park Project



Source: Researcher

Figure 4.3: Inside Somopho park project



An image in figure 4.4 was taken by the researcher as a road sign created by Tronox sands mining to enable the community members to know where to find blocks and bricks sold by the research participants for Quick Change and Concrete Project. This project started as early as 2015 in the rural community of Port Dunford with the aim of making blocks and bricks and, its target market was the community, local businesses, and government agencies. This project was formed by 6 people and they were able to create job opportunities for about 8 people who were members of the community. This project was regarded as a source of income for both owners of the project and the community workers.

The research findings for the Somopho Engineering project are as follows: -

- The research participants are very confident about the project and strongly feel that it will assist the community which is living in dire poverty.
- The low level of employment and high levels of poverty in the area might hinder the prospects of growing local enterprises due to low buying power.
- The research participants are not certain about the partnership between the Tronox and the City of uMhlathuze as some from government sectors believe that this building meant for local entrepreneurs can rather be used as a cold room to store the vegetables.
- There are no challenges yet because the research participants meet regularly with Tronox Sands Mining and according to the participants they have not met with the City of uMhlathuze but heard that they will be assisted by it.
- The Project enjoys support from the local traditional authority known as Somopho Traditional Authority.

Figure 4.4 Alpha and Omega Chicken Farming Project



Source: Researcher

This project was started back in 2016 and is a Tronox funded project. This is a poultry project which aimed at selling eggs to the local community. This project was started by 8 people and now it has 6 people. Research participants regard this project as their primary source of income. This project is at the edge of collapsing because it does not achieve its intended objectives due to the following aspects: -

- Research participants lack farming skills to run a poultry project which produces eggs.
- In a nutshell research participant lamented that they have never received any training to run a project including poultry farming.
- Research participants further divulge that their projects did not generate profit instead they ran the business at a loss because of the lack of farming and business management skills.
- There is a lack of monitoring and evaluation from the institution that supports, monitoring and evaluation will enable the institution to familiarise itself with the challenges and obstacles faced by its beneficiaries in running the project. The project

participants reckon that had a consistent monitoring and evaluation of the project been done, maybe some of its challenges will be addressed.

- Research participants sometimes do not have enough money to buy food to feed the chickens and other necessary equipment's to run the project in order to make it sustainable.

The participants pointed out that Tronox Sands Mining funded the project from its inception with the buildings of the chicken cages in order to keep the chickens in a conducive environment for them to grow. Tronox Sands Mining also bought the research participants the egg laying equipment's or egg handling equipment's as a form of support towards the project to enable it to run successfully. This project was meant to be a poultry commercial project which was profit driven because of its location and its ability to attract rural customers.

The main challenge has been the ability of the research participants to maintain the project and keeping it vibrant by generating profit to enable it to be sustainable. Lack of business management and poultry management skills has contributed immensely to the decline of the project and thereby making the project unsustainable. The challenges that were faced by the research participants as time goes was the fact the project ran at a huge loss so much that they had to use money from their own pockets.

Figure 4.5 Quick Change Concrete Project



Source: Researcher

This project started as early as 2015 in the rural community of Port Dunford with the aim of making blocks and bricks and, its target market was the community, local businesses, and government agencies. This project was formed by 6 people and there were able to create job opportunities to about 8 people who were the members of the community. This project was regarded as a source of income to both owners of the project and the community workers.

In addition, the project had a vision of making the roof tiles, paving bricks and retaining wall blocks as it grows and sell it to the same target market. This project was fully funded by Tronox Sands Mining from its inception. Tronox bought concretes block making machines, and the container to enable quick change concrete project to start rolling out this project. When the project started it had great prospects of growing and be able to sustain itself with less dependence to the funders. The prospects of growth and sustainability of the project was hindered by the following things: -

- Lack of experience from the project beneficiaries in blocks and bricks making.
- Lack of business management skills to grow and sustain the projects.
- Transportation to deliver the blocks and bricks to the customers was the major problem due to lack of financial resources to procure the truck to deliver bricks and blocks. They had to hire the truck from local people, and this ended up costing the project a lot of money.
- Theft of stock and the materials since the site where the operations for Quick and Change were carried out was not fenced.
- Lack of training of how to manage the projects with assets was the barrier.
- Lack of monitoring and evaluation of the project by Tronox became a serious challenge.
- Community infighting about the land where the projects operations were carried out became the major problem.
- Lack of support from the local traditional authority became the main barrier towards sustaining this project.

The research participants cited the above challenges as the main hindrances towards the sustainability of their project. The concept of the project is very progressive and has a great potential of turning around the local economy of the area and create jobs for local people. The research participants showed a lack of understanding about the role and work of local government and its LED units in providing support in terms of advice, training development and funding of the project. In addition, the research participants showed lack of understanding

about other agencies rather than municipalities which can be of assistance in growing and nurturing their project.

According to the research participants the project is still operating but Tronox is no longer visiting and there is no communication from them. One of the focus group members pointed out that the theft of materials and other things might have led Tronox to give up on this project. This project is about to collapse and some of the members are losing interest because the project cannot operate the way it was operating and those who were employed by the project are no longer employed because the project has no financial muscles to pay its employees. The project is now left with the project owners and some of them are considering starting a new venture that will bring income to look after their families. The next section will focus on the interview findings.

4.1.5 Interview findings

As it was pointed out in the previous chapters that interviews were conducted with 7 officials 2 representing Tronox Sands Mining and four from uMhlathuze Municipality Officials. The research respondents will be referred as Respondents A to G. These incumbents are responsible for promoting local economic development in their institutions. In addition, these incumbents at local government level are responsible for translating local economic development policies into practical actions to achieve its intended objectives as it underscored by constitution of the Republic of South Africa. In a nutshell these incumbents are responsible for promoting and implementing local economic development in their local state.

As the aim of the study was pointed out in the previous chapters which mainly was to assess the level of partnership between Tronox Sands Mining and the City of uMhlathuze. It was therefore necessary that Tronox Mining officials responsible for promoting local economic development be interviewed. The main aim of conducting interviews with the above-mentioned incumbents was to solicit relevant information as they are instrumental in implementing local economic developments in their institutions. Their inputs and opinion are necessary towards the process of data collection as well as data analysis. The interviews were scheduled for about 30 minutes however due to time constraints it ended up lasting for about 20 minutes. The interviews focused on the following questions: -

- How do you comprehend the notion of sustainable LED in local communities?
- Is there any form of partnership that exists between Tronox Sands Mining and uMhlathuze Municipality on issues that pertains LED?

- What kind of local economic development programmes that is supported by uMhlathuze Municipality and Tronox Sands Mining?
- In your own opinion do you think supporting community-based local economic development programmes can be sustainable?
- How can Tronox Sands Mining and uMhlathuze Municipality create sustainable local economic development in supporting community-based programmes?
- What are the general challenges encountered by Tronox when forming partnership with other agencies such as uMhlathuze Municipality in creating sustainable local economic development?
- What are the future working plans for creating sustainable local economic development between Tronox Sands Mining and UMhlathuze Municipality?

4.1.6 How do you understand the concept of sustainable local economic development in communities?

- **Respondent A** answered explaining that the concept of LED is two- prong, and sustainability means being a responsible organisation that ensures rehabilitation of areas under mining for the benefit of generations to come.
- **Respondent B's** answer was of the view that, this means involvement through creation of income generating projects as well as infrastructure development projects that are funded by the mining company on behalf of the host communities and qualifying employees.
- **Respondents C's** understanding is that, the approach on sustainable local economic development is that of coordinating and facilitation of partnership with different stakeholders to address challenges of youth unemployment, small business development, urban, as well as agricultural and rural development.

4.1.7 Is there any form of partnership that exists between Tronox Sands Mining and uMhlathuze Municipality on issues that pertains local economic development?

- **Respondent A** answered highlighting that Tronox work with more than just uMhlathuze municipality, the company works with various government agencies including King Cetshwayo District Municipality.

- **Respondent B** explained that Tronox has memoranda of understanding with different departments. It build classrooms, administration blocks, libraries and laboratories in different schools, it also work closely with the Department of Agriculture for some of the projects. One of this is a building at Somopho which is built to assist local businesses with space to do their work (workshops), which is a future plan.
- **Responded D** highlighted that the Municipality have recently launched a small medium one stop shops in partnership with Absa Business Support Unit, National Development Agency, and National Youth Development Agency in Business.
- **Responded E** answered explaining that one issue of partnership with Tronox where one cannot safely say there is a formal existing partnership in a form of the memorandum of understanding or any formalised agreement.
- **Respondents F** answered that there are stakeholders meetings where Tronox will come and present projects that they will support in a form of funding for a particular year, which are situated within the jurisdiction of the municipality.

4.18 What kind of local economic development programmes that is supported by uMhlathuze Municipality and Tronox Sands Mining?

- **Respondents G** answered that at the present moment there are no projects the municipality jointly supporting with Tronox, but there will be future partnership with Tronox on other projects. Currently the municipality recently concluded the agreement of working together with Absa Business Development, NYDA, NDA, RBM and Foskor.
- **Respondents E's** response was that probable future projects will be considered in a joint support form.
- **Respondents C** added that the support of the private industries is informed by their Corporate Social Responsibility Investment.

4.1.9 In your own opinion do you think supporting community-based local economic development programmes can be sustainable?

- **Respondent A:** Yes something can be done but we cannot speak on behalf of uMhlathuze Municipality because it is an institution which governed by its policies and specific pieces of legislation.

- **Respondents C:** Yes, there will have to be an agreement on how much should be set aside from our budget and Tronox in order to ensure that these projects are sustainable.
- **Respondents B:** Yes, these programmes are sustainable however they may be unforeseen circumstances which can hinder their sustainability
- **Respondent D:** Supporting of the local economic development projects can be sustainable considering the location of uMhlathuze Municipality which is located adjacent with big Business Industries such as RBM, RIO TINTO, South Point 32, Mondi, Foskor. Bell Equipment, and the fact that our municipality has been declared as Special Economic Zone.

4.1.10 How can Tronox Sands Mining and uMhlathuze Municipality create sustainable local economic development in supporting community-based programmes

- **Respondents C, D, E:** we can create sustainable local economic development with Tronox if we were to enter a memorandum of understanding and set aside budget for every financial year to support local economic development projects. The mutual agreements will outline the terms and conditions of how partnership will be conducted on community projects.
- **Respondents A:** we have no problem in creating projects which are sustainable in nature. We strive to create sustainable projects in our approach, as pointed out we have supported a number of projects.

4.1.11 What are the general challenges encountered by Tronox Sands Mining when forming partnership with other agencies such as uMhlathuze Municipality in creating sustainable local economic development?

Respondents A: Often, we understand sustainable local economic development differently; our mandate is guided by the Department of Minerals and Energy. The municipality draws its mandate from the Constitution of the Republic of South Africa, Department of Local Government and traditional Affairs as well South African Local Government Association This can sometimes cause problems because we are not familiar with their policies, rules and regulations that govern them.

Respondents B: The fact that we come from different backgrounds of operations whereas local government may sometimes be politically it does create challenges in the way we do things. Decisions are not easily taken when it comes to certain issues of operations in the municipality, most of their projects are guided by IDP.

Respondents C & G: The main challenges between uMhlathuze Municipality and Tronox Sands Mining is the fact that as the sphere of government we are rendering the services to the community, whilst Tronox is profit driven and probably their support will be informed by their corporate social responsibility plan

4.1.12. What are the future working plans for creating sustainable local economic development between Tronox Sands Mining and UMhlathuze Municipality?

- **Respondent A:** There is future proposed project like the bakery project to be completed at Mkhwanazi Traditional Authority in this 5-year in (Service level partnership).
- **Respondent C:** There are prospects of working together between Tronox Sands Mining and UMhlathuze Municipality.
- **Responded D, E, F, G:** pointed out they cannot take such decisions as they are implementers of the LED programmes it up to Senior Management and Top leadership

4.1.13 Barriers and Gaps identified from Tronox Sands Mining and uMhlathuze Municipality

- The absence of the memorandum of understanding between Tronox and uMhlathuze Municipality may hinder partnership in promoting sustainable local economic development.
- Even though the two institutions work together however their relationship has not been formalised in a form of an agreement.
- The issue of budget priorities comes to play in supporting issues of LED; the budget of the Municipality is informed by its Integrated Development Plan.
- The point raised by the Manager Stakeholders Relations that Tronox takes has a mandate from the Department of Minerals and Energy whilst the uMhlathuze Municipality's mandate derives from the Department of Cooperative and traditional Affairs may hinder the facilitation of local economic development. These institutions can interpret and implement the issue of sustainable local economic development from the different perspectives.
- There is currently a working relationship between the City of uMhlathuze and Tronox Sands Mining however their relationship has not been formalised in terms of agreements where these institutions will be in a position of holding each other accountable in terms of the deliverables for the community-based local economic development.

- The two institutions currently have not jointly committed in terms of funding from their budgets votes for supporting and nurturing the community-based local economic development projects to be sustainable.
- The City of uMhlatuze and Tronox Sands Mining have different priorities in terms of delivering services to the community, although it is not the core business for Tronox Mining to deliver services to the Community.
- The fact that these two Institutions comes from different backgrounds in terms of the general mandate does create a gap. Tronox has a mandate from the Department of Mineral and Energy, whilst the city of uMhlatuze has a constitutional mandate and report to the following institutions the Department of Cooperative Government and Traditional Affairs as well as the South African of Local Government Association.

The next section will look at the Research findings and theoretical findings

4.2. Research and theoretical findings

This section seeks to strike a balance between the theoretical frameworks which is the literature and the research findings of this study which is clearly illustrated in the previous chapter. This section will provide some of the theoretical context on LED as a way of trying to provide a link between the research findings and the theoretical arguments. This study will portray its findings which will be supported by the theoretical findings of the previous studies on local economic development and partnerships. This chapter will look generally to the challenges and shortcomings associated with local economic development *vis-a-vis* the findings of the study.

LED can be viewed as a necessary vehicle of driving local economic transformation and addressing the plight of socio-economic challenges faced by the poor. The plight of LED in South African cannot be left in the hands of the public sector but can be extended to the Private Business Agencies through formation of partnerships in order to ensure that it is sustainable. Ndaguba and Hanyane (2018) outline that the recent statistics from Statistics South Africa shows that above 55.5% of the people live under the poverty datum line, in comparison of 53.2% in 2011. According to the South Africa Statistics (2019), the unemployment rate is at 29, 1 % and people living along the poverty lines is 56, 8 %. This therefore requires serious interventions at various levels to address poverty and unemployment related challenges. Local Economic Development then becomes a fundamental tool to be used in tackling poverty and unemployment.

In a study conducted by Ndaguba & Hanyane (2018) they found that Raymond Mhlaba Local Municipality is advantageously located at the centre of a university, but unfortunately the local government and the its people are failing to utilise the benefits of the market economy of the university and other private businesses within the community to generate a viable and sustainable local economic restoration. This case is like the study conducted by the Researcher when it comes to partnership between the City of uMhlatuze and Tronox Sands Mining. This is a significant reason why community economic development is vital, community economic development promotes local consumption and local investment in communities.

The poor levels of economic empowerment reflect the absence of regular budget allocation, the government departments and agencies responsible for driving enterprise development at the national, provincial and local government levels also lack reporting, in Estimates of National Expenditure (ENE) (Department of Trade and Industry, 2013) cited in (Leshilo and Lethoko, 2017). Local Government Institution need to develop a funding model which will make it possible for LED programmes to be sustainable. Some of the LED initiatives are seriously affected by the lack of funding. Government Departments responsible for local economic development need to have a dedicated conditional grant for the promotion of sustainable LED.

(Fogel et al. 2006) cited in (Leshilo and Lethoko, 2017) promotes the need to promote youth entrepreneurship education as this will help the youth to become responsible and innovative individuals who go on to become entrepreneurs therefore contributing towards economic growth and the growth of sustainable communities. There is a need to establish entrepreneurship support services which largely contribute to the victory of many youth entrepreneurs. These support services gives the youth the opportunity to effectively and efficiently manage their businesses and therefore the good management skills will result in profitable businesses.

In the findings of this study what was clear is that beneficiaries of the project lacked entrepreneurship skills to take their projects to a greater height. The local economic development model that was cited in Chapter 2 proposes a range of stakeholder partnerships in local economic development, it cites the incorporation of higher learning institutions such as Universities support in terms of capacity building. In the case of this study there are nearest institutions of higher learning which are situated within the jurisdiction of uMhlatuze Municipality such as University of Zululand, Owen Sithole Agricultural College, UMfolozi

College and many private colleges. In a research conducted by Leshilo and Lethoko (2017), the findings revealed that a lack of finance, entrepreneurship education and training and skills development, unavailability of market opportunities and an unawareness of the initiatives offered by government are hindrances to successful young entrepreneurs, in addition these young entrepreneurs are constrained by the strict and cumbersome government policies, rules and regulations. This finding is in line with the findings of this study that lack of entrepreneurship education and training has led to the collapse of these projects that were understudy. One of the main barriers that came out of this study was the lack of capacity of project beneficiaries to drive and be able to sustain the projects that were funded by Tronox Sands Mining. According to Mago and Hofisi (2013) the main challenges faced by local economic development initiatives is a lack of funding and support from the local governments and as a result the participants will end up withdrawing from the LED programmes.

In a study conducted by Mago and Hofisi (2013) they discovered that, due to the fact that research participants were discouraged in the Vegetable Market projects so much that, participants abandoned the market due to lack of funds, Nkonkobe Local and Amathole District Municipalities did not pay them. These authors further argue that the withdrawal of the participants will increase unemployment and poverty in the said districts. Mago and Hofisi (2013) further discovered that the local economic development plan does not seem to be a reliable tool for addressing unemployment or poverty in Nkokobe Municipality. According to the interviews conducted by the researcher, it emanated that the City of uMhlatuze has a future plan of working together with Tronox Sands Mining in issues that affect local economic development. At the moment when the study was conducted there was no formal agreement and partnership in working together in addressing community economic development.

Although in this study, funding of these projects came only from Tronox Sands Mining, if there was a joint venture in terms of funding where the local government institution came on board these projects would not have collapsed. This further supported by Mago and Hofisi (2013) in pointing out that the absence of funds makes people lose confidence in the local development initiatives, this as well limits the initiatives and their credibility at the local level. It emanated from the focus group interviews that some of their members left the project due to discouragement as the projects were not moving forward. Government encourage community economic development initiatives as it addresses poverty and unemployment. The funding of these projects is not just hand-outs but a great investment for their sustainability and poverty alleviation.

In addition, awareness of government initiatives that seeks to promote local economic development in communities must be promoted to the community-based organisations. Institutions can thus play the roles of identifying and assessing the characteristics and constraints of a local economy, facilitating stakeholder engagement and fostering partnerships, needs prioritisation and strategic planning for interventions, facilitating the availability of resources, supporting implementation and providing monitoring and evaluation. This argument by Houghton (2016) supports the argument of the study that strong partnerships need to be created between various sectors in promoting sustainable local economic development in supporting community-based organisations.

Franklin et al. (2002) support that what is needed for successful partnership formation, and for stakeholder engagements across the sectors involved in economic development, are soft skills and multidisciplinary systemic approaches to grappling with much that is unknown, where complexity is a given and the solutions are multifaceted. Scholars such as Mago and Hofisi (2013) are of an idea of partnerships with the private sector as it is likely to offer the critical financial resources needed for local economic development programmes.

As cited by Ndabeni et al. (2016), one of the shortcomings of LED is the lack of emphasis of the importance of private sector partnership in issues affecting local economic development in local government sector. As per the information gathered from the interviews it was clear that there is a lack of formalised partnership between the City of uMhlatuze and Tronox Sands Mining. The formalised partnership will come in a form of a memorandum of understanding as well as any form of formalised agreements to enable community economic development partnership to be sustainable. If there was a formalised partnership between the stakeholders, City of uMhlatuze and Tronox Sands Mining instead of the projects collapsing they will rather be prospering and sustainable economically. LED is actually a partnership among the private business sector, public interest groups, the community, municipal governments. Community based organisations and nongovernmental organizations (Mago & Hofis, 2013).

Cranko and Khan (1999) refer to the following challenges as barriers towards establishing community partnerships: -

- Municipalities do not have the required capacities to put into place the appropriate regulations, improved service standards and contracts in place and to monitor the outcomes of Municipal Community Partnerships. Municipalities need support in building required capacities.

- Rural areas and most small towns are the most affected, there is poor service organisation capacity and at other instances there are no service providers at all, on top of that the community organisations are practically powerless, they lack financial and management capacity to engage sound partnerships.
- Notwithstanding the movement of service providers towards service delivery, many are unable to make the paradigm shift to becoming local government service delivery agents.
- In most cases service providers have a tendency of relying on strong and outstanding individuals this in the long run jeopardise the sustainability of the partnerships in case the strong individuals are no longer in the picture.
- Political divisions also pose as a hindrance to strong partnerships in communities, the political divisions in other instances result in conflicts that are not easy to resolve therefore making it very difficult to form strong partnerships.
- The community leaders, many officials and councillors lack the enthusiasm and the required knowledge and skills about the transformation agenda and alternative service delivery methods and strategies. They also lack interest in the transformation processes.

Community involvement in strategic planning is generally the best practice which is globally accepted. One of the failures articulated above which is in line with the findings of the study, amongst the contributory factors which led to the unsustainability of the Quick and Change Block making project were conflicts within communities. There were conflicts regarding the land between the project beneficiaries and traditional leadership. This conflict between the project beneficiaries and traditional leadership hindered the growth and development of the project. In a nutshell partnership in local economic development cannot be successful and sustainable where there is prevalence of community conflicts. Community-based local economic organisations in rural areas are often not supported and funded; as a result their survival and sustainability become a huge struggle and end up collapsing. These Community-based organisations projects that were under study would not have collapsed if there was a strong emphasis on Community Economic Development. Over the last nearly 20 years, with varying degrees of success and commitment, most local governments have attempted to pursue the strategy and while South Africa is regarded as somewhat of world leader in terms of the development of LED policy and strategy, it would be difficult to argue that on the ground results have made a significant difference in all local communities (Ndabeni et al., 2016).

4.2.1 Local Economic Development Shortcomings identified

Ndabeni et al. (2016) cite the following shortcomings of Local Economic Development in the period 2006-2011 that DCOGTA (2012) recognised were the following: -

- Private sector had been not be recognised as much as they should, its role and importance had been understated.
- The role of DCOGTA had been ill-defined in the 2006 Framework with the consequence that the Department was reluctant “to make a sustained investment in supporting LED” (DCOGTA, 2012: 7).
- Inadequate guidance was presented on how LED should be implemented in communities and particularly it was felt that the roles of various players within Government around the concept of LED were ill-defined and how they might be better coordinated.
- It “provided only a limited perception of evidence-based planning”, there are no proposals for monitoring and evaluation systems on assessing what did/did not work in LED.
- It offered no guidance on capacity building for LED or support for LED management issues especially for local municipalities.
- The Framework failed to place LED in its rightful place within broader service delivery for recognition among a host of municipal priorities.
- There is limited focus upon linking LED with national job creation imperatives thus restricting its political appeal.
- The responsible authorities are failing to communicate via media the importance of LED so that everyone becomes aware.
- The scaling of LED within municipal boundaries rather than within appropriate value chains or market outreach of local economies.

These shortcomings provide a clearer picture of the shortcoming of LED practice in South Africa. The shortcomings are directly affecting the extent in which Local Economic Development is practised in municipalities. The role and part of the business sector in issues of LED has been understated, so much that many municipalities have neither clear guidelines nor plans of involving the private sector on issues of Local Economic Development. In this study it was clearly manifested that the working relationship between the City of uMhlathuze

and Tronox Sands Mining has not been formalised, it's something which could be considered for the future.

According to the data obtained from the focus group it was clear that the unsustainability of the projects is due to the lack of monitoring and evaluation of the projects, poor project management skills as well as the lack of specialised business expertise to manage poultry, and blocks sand making project. Capacity building and forming of partnerships with the relevant government sectors such as the Department of Agriculture in issues that are affecting agriculture can help to address local economic development projects from collapsing. The potential of the poultry project is such that it can sustain itself however if there is no capacity building and bringing on board the relevant sectors to help these projects will not be sustainable.

Rogerson (2018) outline that regardless of 20 years of preparation for LED planning in South Africa, only a few big cities have embraced and applied the principles of LED, but in general local economic development practice has been underperforming in the country. LED programme has been introduced for a long time but its results are yet to be seen. The assertion by this author paints a picture of how long local economic development has been underperforming or unsustainable in South Africa. This is due to several reasons that have been cited in this chapter and some are in line with the findings of this study. Several suggestions made by local economic development scholars and academics which ranges from private sector partnership, stakeholder partnership, proper monitoring and evaluation as well as the top down approach in planning for local economic development.

Certain parameters are always necessary if local economic development initiatives and programmes are to be successful in any given scenario or environment. In many cases this may include: -

- Equitable and active stakeholder participation and ownership.
- Identification of the needed economic sustainable income generating opportunities that will directly benefit the local community, particularly for the poor so as to eradicate poverty.
- Municipalities lack funds to steer development and there are no constant budgets for LED, there is great need for the provision of financial and technical resources in local communities.

- It is particularly important for local governments to concentrate on performance development; there should be development and implementation of monitoring indicators to measure progress.

The establishment and implementation of monitoring and evaluation indicators to measure the development on LED progress is very important in order to ensure that the projects that communities engage in are sustainable. One of the major obstacles learned from the research participants was the lack of monitoring indicators for their projects by the funding and sponsoring institutions. Development indicators serve as a performance management tool which traces the progress that has been made in as far as the implementation of local economic development. If development indicators were to be implemented by the local government institutions, private sector and other agencies local economic development programmes can be sustainable in all communities. LED in communities is failing to fulfil its mandate, this so because it has fallen short of bringing about social development and transformation in communities and appears to be deriving only a few benefits (Mago & Hofisi, 2013).

4.2.2 Innovation as a way of dealing with local economic development Challenges

Rogerson (2010) suggest that an effective Science, Technology and Innovation (STI) approach is essential for wellbeing as a key driver to the development and sustainable growth. The best way to address economic development challenges that communities face is to effectively integrate science, technology and innovation into the basic economic development strategies of local governments. Science, technology and innovation should be integrated wholly. Academic scholars have however cited few barriers in implementing science technology innovation activities, the barriers include the limited availability of public financial support for Science, Technology and Innovation activities in local communities, the systemic failures within innovation systems, the absence of long-term planning, strategies and continuous implementation of STI policies especially when governments are changed, lack of effective performance management, the lack of capacity for monitoring and evaluating public policies, failure of education systems to generate sufficient human resources of the required quantity and quality, lack of the required skills, and weak coordination and lack of sound partnership among public organisations and all stakeholders (Cunningham & Waltring, 2015).

Ndabeni et al. (2016) stress that Local Economic Development is an identified mandate in the country's Constitution, all local governments are expected to pursue and improve the economic

and social well-being of communities by employment creation and eradication of poverty through the implementation of LED policies. In a country where the plight of poverty stands at 56, 8% local government has a mandate to promote social and economic development of its citizens as prescribed by the Constitution of the Republic of South Africa of 1996. This responsibility of promoting social and economic development that has been given to local government can be done more effectively and efficiently with meaningful partnership with various involved stakeholders such as the private business sector, training institutions, educational institutions and other sectorial departments. Creativity and innovation should be at the centre of LED which can be aligned with the concept of Innovation for local economic development which has been introduced by the Department of Science and Technology. The concept of community economic development is necessary in ensuring that community-based local economic development projects are sustainable and meaningful.

4.2.3 Conclusion

This chapter presented a theoretical perspective and a scholarly argument on the following data analysis, qualitative analysis, thematic analysis, validity and reliability. The three focus group interviews were presented and analysed and what became clear was the lack of formal partnership between the uMhlathuze Municipality and Tronox Sands Mining as well as the lack of project monitoring and evaluation by the funders. In addition, interviews findings were presented from both Officials of Tronox Sands Mining and uMhlathuze Municipality. The chapter further pointed out the gaps and barriers from the response given by the research participants. The next chapter will deal with the conclusion and recommendations of the study.

The increased in popularity of local economic development approaches is recognised by Palavicini Corona (2012) to “fundamentally as a result of what has been perceived as a failure of top-down strategies” to deal with local needs and challenges as well as to tackle local economic problems and challenges. The top down approach in issues of planning for local economic development programmes has become a serious challenge. For LED programmes to be meaningful and sustainable there must be participation from all sides the LED beneficiaries must play an active part in planning for their programmes, until the implementation of the programmes. In addition, the funding institutions have a tendency of adopting a top down approach on issues that affect development; this contributes negatively towards the sustainability of local economic development because beneficiaries do not have a sense of ownership of the project. By involving the beneficiaries in the planning it will give them a

sense of ownership and if the LED beneficiaries have a sense of ownership of the project they will wholly support it and its idea, in the end it becomes easy for the project to be sustainable.

This chapter identified the following as the key findings of the study the: -

- Lack of formalised partnership between the City of uMhlathuze and Tronox Sands Mining.
- Lack of knowledge by the project beneficiaries and communities at large about the responsibility of the municipality or local governments in promoting local economic development.
- Lack of performance evaluation, there is lack of monitoring and evaluation of the projects.
- There is lack of entrepreneurial education by project beneficiaries.
- Non-involvement of other stakeholders such as the Department of Agriculture and local tertiary institutions.
- Public Private Partnership is being underemphasized in the issues of local economic development.
- Local economic development projects were funded by Tronox but not the City of uMhlathuze.
- Local economic development projects studied were at the edge of collapsing and this makes them to be unsustainable.

CHAPTER 5

Conclusions and Recommendations

5.1 Introduction

Chapter 5 concludes this study which was focusing on “Towards the promotion of sustainable local economic development partnership between the City of uMhlathuze and Tronox Sands Mining”. The chapter discusses the implication of this research, looks at the limitation of this study and thereafter makes recommendations of solving the research problem. The recommendations for this study are in line with both the research findings and the literature review which were shared in the previous chapters. This chapter further makes recommendations for future studies in case other researchers may want to pursue this study further. There is a difference between the theoretical framework and the general practice of LED when it comes to partnership between the uMhlathuze Municipality and Tronox Sands

Mining. Something can still be done in closing the gap between the theoretical framework and the general practice of local economic development.

5.2 The Nature of the Study

This study followed a qualitative study approach as it has been pointed out in the previous chapters, with a strong focus on the promotion of sustainable LED partnership between the City of uMhlathuze and Tronox Sands Mining. The research questions for the study were as follows: -

- Is there any form of partnership between Tronox Sands Mining and uMhlathuze Municipality in issues that pertains local economic development?
- How can uMhlathuze Municipality and Tronox Sands Mining create sustainable local economic development in supporting community-based programmes?
- What kind of LED programmes that is supported by the City of uMhlathuze and Tronox Sands Mining?

5.3 Limitation of the Study

The study is limited to these three community-based organisations with these local economic development initiatives that were supported by Tronox Sands Mining. Purposive sampling was used in selecting the sample for the research of which one cannot suggest that it represent the entire state affairs of the LED in the City of uMhlathuze. One can suggest that these community-based were selected on the basis that they were funded by Tronox and had a great potential to sustainable. It was indeed mentioned during the interview with the respondents from the City of uMhlathuze that there were other local economic developments projects which were funded by the City and other companies such as Foskor and RBM. The City of uMhlathuze has massive opportunities in terms of LED in terms of its financial muscle probable other local economic development projects funded by the City of uMhlathuze has less challenges than these projects that formed part of the study.

5.4 Recommendations for the Study

In reference to the research finding the following can be recommendations of the study

5.4.1 Formalised Partnership between the City of uMhlathuze and Tronox Sands

Mining

- There is need to formalise partnership between the City of uMhlathuze and Tronox Sands Mining in a form of a memorandum of understanding in supporting community-based local economic development.
- Tronox Sands Mining does support many community-based organisations in a form of Corporate Social Investment, but it does out of its own willingness.
- The Community-based organisations that were supported by Tronox would have been sustainable, if there was a formalised partnership between the City of uMhlathuze and Tronox Sands Mining.
- Tronox Sands Mining supported these community-based organisations without the formal involvement of the City of uMhlathuze.
- The memorandum of understanding would clearly outline what projects are to be supported jointly between these institutions when and how so to ensure that there is sustainable local economic development.

5.4.2. Project Monitoring and Evaluation

- There should be a continuous checking and assessment of the community-based projects that are supported by Tronox Sands Mining.
- The continuous project monitoring and evaluation becomes a necessary tool that ensures that projects can sustain themselves.
- In addition, through monitoring and evaluation it will be easy for the institution that support in a form of funding to identify challenges that are faced by the community-based organisation.
- The collapse of these projects would have been prevented if there was continuous monitoring and evaluation of these projects.
- The implementation of Monitoring Indicators as suggested in the literature can contribute significantly to sustainable LED.

5.4.3. Entrepreneurial Education to the Community-based Organisation

- There should be an entrepreneurial education that is offered on an on-going basis to the project beneficiaries.
- It was clear from the interviews that were conducted particularly to the research participants that they lack basic business acumen skills to run the projects.

- The collapse of the Alpha and Omega Poultry Project was due to poor farming and general business management skills.
- The City of uMhlathuze through its small medium micro enterprise would have assisted by offering on-going training and development to these beneficiaries if formalised partnership existed.

5.4.4. Local Economic Development stakeholder partnership Model

- As it emanated from the literature review that municipalities should adopt a stakeholder model in dealing with the issues of local economic development, this model incorporates all sectors, private institutions, higher learning institutions, traditional leadership, government departments with interest in local economic development.
- In terms of the Stakeholder model all agencies that have a direct interest in uplifting socio-economic conditions of the people must be brought together in ensuring that there is sustainable LED.
- In the case of City of uMhlathuze if the following stakeholders can be brought together there will be a sustainable LED in the City such as, University of Zululand, Owen Sithole Agricultural College, uMfolozi College, Department of Agriculture and rural development, Department of Economic Development and tourism, Department of Small business Development, Private institutions around the City Southpoint 32, Foskor, RBM, Tronox, Bell Equipment, Richards Bay Industrial Development Zones Mondi Groups, etc.
- This will be in line with what is proposed in the stakeholder model in promoting sustainable local economic development.
- There should be equitable active stakeholder partnership on matters of local economic development.

In Quick and Change Concrete project the misunderstanding between the project initiators as well as the traditional leadership contributed to a decline of the project which had a great potential to grow. The stakeholder partnership model encourages strong partnership between different stakeholders as way of avoiding misunderstanding in project implementation.

5.4.5. A need to educate Project Beneficiaries about Local Economic Development

- Project beneficiaries need to be educated about what local economic development is and how it works.

- It was clear from the focus group interviews that the project beneficiaries are not clear about what is local economic development and how the municipality can assist with their projects.

5.4.6. A need to Train Project beneficiaries about Basic Project Management Skills

- Project beneficiaries need to be given training on basic Project Management as a way of sustaining their project.
- In the case of the City of uMhlathuze, the following institutions can be used for project management skills, University of Zululand, Owen Sithole Agricultural College, uMfolozi College, National Youth Development Agency (NYDA), Bank Institutions and LED unit in the City of uMhlathuze.

5.4.7. Clear guidelines on Public Private Partnerships

- The City of uMhlathuze should develop clear guidelines on the implementation of Public Private Sector Partnerships in LED. As per the literature review it was pointed out that many municipalities are not clear on how private partnership can be driven in issues of local economic development.
- The issue of Public Private Partnership should be emphasised across all the industries that are situated in the City of uMhlathuze to deal properly with issues of sustainable local economic development.

5.4.8. Community Economic Development

- The City of uMhlathuze together with Tronox Sands Mining should develop an approach of promoting Community Economic Development.
- As pointed out in the literature that Community Economic Development imparts some values of localness to realise local economic development implementation, namely, community drive, business inclined models, and the non-governmental organisation integrated approach that is centrally stirred by the government or a steward to achieve Community Economic Development (Ndaguba and Hanyane, 2018).
- As Community Economic Development puts a strong emphasis on sustainability, partnerships, self-reliance.
- This need to be implemented as an approach towards promoting sustainable local economic development to ensure that community-based organisations are fully empowered.

5.4.9. Job Creation through Green Economy

- As the world move towards sustainable development and promotion of green economy practices to create green jobs, the City of uMhlathuze and Tronox Sands Mining should develop green practices as way of creating green jobs and promoting sustainable development.
- The City of uMhlathuze is well positioned with big private industries adjacent to it; partnership can be forged in promoting green economy and creation of green jobs.
- This will need proper coordination and alignment of green economy practices in order to create sustainable ledlopment.

5.4.10. Clear Understanding of the Mandates of the Institutions Forming Partnerships

- Institutions need to understand one another as far as their functional mandate are concerned in implementing community-based economic development programmes.
- It emerged as a gap that Tronox Sands Mining has its mandates from the Department of Minerals and Energy whilst the City of uMhlathuze is empowered by Constitution of the Republic of South Africa to promote social and economic development.
- There is a need for both institutions to learn from each other on the best business practices towards the elevation of sustainable LED.

5.5 Recommendations for Future or Further Studies

This has been a relatively small study which looked at the sustainability of the community-based local economic development initiatives. A study involving both qualitative and quantitative approaches can be recommended for future purpose to look at the entire situation for LED in the City of uMhlathuze and partnerships with other industries that are surrounding the City. The Richards Bay Industrial Development Zone which is now referred to as a special economic zone can be looked closely in its role and the extend in which it promotes sustainable LED in corporation with the City of uMhlathuze in supporting community-based LED and other LED projects in general. The further study could possibly look at the following areas: -

- The role of the City of uMhlathuze and Richards Bay Industrial Development Zone in addressing the plight of unemployment, poverty and inequality
- The level of partnerships between the City of uMhlathuze and other agencies in creating sustainable local economic development.
- All Public Private Partnerships in the City of uMhlathuze whether there are bearing good results or not?

- How the City of uMhlathuze utilizes its opportunity of having a harbour assist in the promotion of LED?
- There is also a need to explore how the City of uMhlathuze's commitment in creating sustainable local economic development such as embarking on the green economy as well as creating the Green Jobs.
- In addition, how industries that are situated within the City of uMhlathuze are committed in sustainability promoting green economy as well as creating green jobs in order deal with unemployment poverty and inequality.

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APPENDIX 1a: INFORMED CONSENT LETTER



5 Mank 11 Street - Civic Centre
Kempson Dist. Ct.
Pietermaritzburg
Richards Bay 3900
E: info@umhlathuze.gov.za
T: 035 907 5000
F: 035 907 5454/5557
Toll Free No: 0900 222 021

www.umhlathuze.gov.za

Your ref:		Our file ref:	10/2/8
Contact:	DMM: CORPORATE SERVICES Ms. SS MASONDO	In response to DMS No:	Original
		Date:	15 August 2017

ATTENTION: Mr Lindelani Dhlodhlo
Student Number: (2015003863)
University of KwaZulu Natal

Sir,

REQUEST FOR PERMISSION TO CONDUCT RESEARCH:

Your letter dated 14 August 2017 that was submitted to the Municipality requesting permission to conduct your research refers.

You are hereby granted permission to conduct your research within the City Of Umhlathuze. If you require any further information, please feel free to contact Mr V. Singh, Chief Human Resource Officer Training and Development on (035 907 5196) who shall assist you further.

You are nevertheless wished every success with your research study.

Yours Faithfully

MS SS MASONDO
DEPUTY MUNICIPAL MANAGER: CORPORATE SERVICES
112261803



ALL CORRESPONDENCE MUST BE ADDRESSED TO THE MUNICIPAL MANAGER

APPENDIX 1b: INFORMED CONSENT LETTER



Dr R Sibanda
Graduate School of Business and Leadership
University Of KwaZulu-Natal
Westville Campus
Durban
3630

14 August 2017

Dear Dr S Sibanda

RE: PERMISSION TO CONDUCT RESEARCH

This letter serves to confirm that I, Zama Hlela, Stakeholder Relations Practitioner hereby acknowledge and approve the research of Lindelani Dhlodhlo student no 201500383 within Tronox Sands for the completion of her MBA degree.

Sincerely,



Zama Hlela
Stakeholder Relations, Practitioner
035-9027389

APPENDIX 2: LANGUAGE EDITING LETTER

PROOF READING AND EDITING OF THESIS

STUDENT NAME : LINDELANI M. DHLODLO
INSTITUTION : UNIVERSITY OF KWAZULU NATAL
DATE DOCUMENT RECEIVED FOR EDITING : 14/08/20
DATE FINAL CORRECTION DONE : 26/08/20

RESEARCH TOPIC

**Sustainable Economic Development, Partnership for Community based
Organisations: The Case of Tronox Sands Mining and Umhlathuze Municipality.**

This letter serves to confirm that the above thesis was proof read and edited. It was edited with the emphasis being on grammatical correctness and general flow of language.

Kind regards



.....
Ropafadzo Ngwenya
MBA, Postgraduate Diploma in Project Management, BComm in Economics
+ [REDACTED] ropangwenya@gmail.com

APPENDIX 3: GATEKEEPER'S LETTER



Dr R Sibanda
Graduate School of Business and Leadership
University Of KwaZulu-Natal
Westville Campus
Durban
3630

14 August 2017

Dear Dr S Sibanda

RE: PERMISSION TO CONDUCT RESEARCH

This letter serves to confirm that I, Zama Hlela, Stakeholder Relations Practitioner hereby acknowledge and approve the research of Lindelani Dhlodhlo student no 201500383 within Tronox Sands for the completion of her MBA degree.

Sincerely,



Zama Hlela
Stakeholder Relations, Practitioner
035-9027389

APPENDIX 4: TURNITIN REPORT

Turnitin Originality Report

- Processed on: 13-Dec-2020 9:17 PM CAT
- ID: 1375028828
- Word Count: 32106
- Submitted: 7

Sustainable Economic Development, Partnership for Community Based Organisations: The Case of Tronox Sands Mining and Umhlathuze Municipality. By Senzeni Princess Mkhize

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<https://www.umhlathuze.gov.za/images/x36560-1.pdf>

< 1% match (Internet from 23-Aug-2019)

<https://www.tandfonline.com/doi/full/10.1080/0376835X.2018.1461611>

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<https://journals.ukzn.ac.za/index.php/skillsatwork/article/download/751/1151/>

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<https://silo.pub/the-basics-of-social-research.html>

< 1% match (Internet from 11-Apr-2018)

<http://uir.unisa.ac.za/bitstream/handle/10500/6457/binzaadminipublic1842010.pdf?is=&sequence=1>

< 1% match (Internet from 21-Sep-2018)

ANNEXURE 1

Interview Questions for Local Economic Development Unit

Instructions for filling in the questionnaire

- d) Tick the applicable answer (s)
- e) Use spaces provided to write your answers to the questions. Please Print.
- f) Please, do not leave blank spaces. If the question does not apply please indicate.

1. What is your position in the Municipality?
2. How many people in your LED Unit
3. Does the Municipality regard Local Economic Development as one of its Key performance Areas Yes [] No [] Please explain
4. How do you understand the concept of sustainable local economic development in communities?
5. Does the Municipality encourage community participation particularly in Local Economic Development issues? If Yes How? And If No Why?
6. Does the Municipality encourage public private partnership in issues that relates to local economic development? If yes How? If No Why?
7. Is there any form of partnership between Tronox Sands Mining and Umhlathuze Municipality in issues that pertains local economic development? If yes How? If No Why?
8. How can Umhlathuze Municipality and Tronox Sands Mining create sustainable local economic development in supporting community based programmes?
9. How do you understand the concept of sustainable local economic development in communities?
10. What kind of local economic development programmes are supported by Umhlathuze Municipality and Tronox Sands Mining?
11. How can Umhlathuze Municipality and Tronox Sands Mining create sustainable local economic development in supporting community based programmes?
12. Does the Municipality have any sustainable local economic development programmes that support community based organisations? Please explain.
13. What are the generally challenges encountered by the Municipality when forming partnership with other agencies in creating sustainable local economic development? Please explain.

14. What are the future working plans for creating sustainable local economic development between Tronox Sands Mining and UMhlathuze Municipality?

15. In your opinion what do you think can be done by the Municipality and Tronox Sands Mining in ensuring sustainable local economic development in supporting community based organizations? Please explain.

- .

ANNEXURE 2

My Name is Lindelani Mkhumbuzi Dhlodhlo part time Masters Student in Business Administration at the University of KwaZulu Natal. My research topic is titled “**Towards the Promotion of Sustainable local economic development through partnership between Umhlathuze Municipality and Tronox Sands Mining in supporting community-based programmes**” Please take your time in answering the questions below, your participation in this study will be highly appreciated.

Interviews Questions Tronox Sands Mining

16. What is your position in Tronox Sands Mining?

17. How many people in your Unit?

18. Does Tronox regard supporting Community Based Programmes in Local Economic Development as a Key priority?

19. How do you understand the concept of sustainable local economic development in communities?

20. Does your Organisation encourage community participation particularly in Local Economic Development issues? If Yes How? And If No Why?

21. Do you encourage public private partnership in issues that relates to local economic development? If yes How? If No Why?

22. Is there any form of partnership between Tronox Sands Mining and Umhlathuze Municipality in issues that pertains local economic development? If yes How? If No Why?

23. How can Tronox Sands Mining and Umhlathuze Municipality create sustainable local economic development in supporting community-based programmes?
24. Please name 1 or 2 community based local economic development programmes that have been supported by Tronox Sands Mining??
25. Do you work hand in hand with Umhlathuze Municipality in issues that support community local economic development?
26. What kind of local economic development programmes that are supported by Umhlathuze Municipality and Tronox Sands Mining?
27. How can Umhlathuze Municipality and Tronox Sands Mining create sustainable local economic development in supporting community based programmes?
28. In your own opinion do you think supporting community based local economic development programmes can be sustainable?
29. What are the generally challenges encountered Tronox when forming partnership with other agencies such as Umhlathuze Municipality in creating sustainable local economic development? Please explain.
30. In your opinion what do you think can be done by Tronox Sands Mining and Umhlathuze Municipality in ensuring sustainable local economic development in supporting community-based organizations? Please explain?
31. What are the future plans for Tronox Sands Mining in ensuring that support of community local economic development is sustainable?

ANNEXURE 3

Focus Group Interviews

Interview Questions for the Community Based Organisation Quick and Change Block Making Project

1. What is the name of the project?
2. When is the Project started and how it started?
3. How many are you in the Project?
4. Who are the Project funders?
5. What motivated you to start this project?
6. What is the main aim of the project?
7. What does your project actually do?
8. What are your daily duties in this project?
9. Are you all fulltime in this project?
10. Do you regard this project as a primary source of your income?
11. What drives this project?
12. Has this project received any form of support previously from public and private agencies in its operations?

13. Do you receive any form of support in particular from Tronox Sands Mining and the City of Umhlathuze in ensuring that your project is sustainable?
14. Do you understand the concept of local economic development? Yes { } No { X }
15. How do you define local economic development?
16. Do you understand how these institutions that are funding the project operate?
17. In your own opinion is this project sustainable?
18. Does this project make any difference in your life?
19. What do you think the City of Umhlathuze and Tronox can do to create or build sustainable local economic development for this project?
20. Do you think the level of partnership between the City of Umhlathuze and Tronox Sands Mining can enable this project to grow and sustain itself?
21. In your own opinion what improvement can the City of Umhlathuze and Tronox Sands Mining in assisting the project to grow and be sustainable?

ANNEXURE 4

Focus Group Interviews

Interview Questions for the Community Based Organisation Somopho Engineering

22. What is the name of the project?
23. When is the Project started and how it started?
24. How many are you in the Project?
25. Who are the Project funders?
26. What motivated you to start this project?
27. What is the main aim of the project?
28. What does your project actually do?
29. What are your daily duties in this project?
30. Are you all fulltime in this project?
31. Do you regard this project as a primary source of your income?
32. What drives this project?
33. Has this project received any form of support previously from public and private agencies in its operations?
34. Do you receive any form of support in particular from Tronox Sands Mining and the City of Umhlathuze in ensuring that your project is sustainable?

35. Do you understand the concept of local economic development? Yes { } No { X }
36. How do you define local economic development?
37. Do you understand how these institutions that are funding the project operates?
38. In your own opinion is this project sustainable?
39. Does this project make any difference in your life?
40. What do you think the City of Umhlathuze and Tronox can do to create or build sustainable local economic development for this project?
41. Do you think the level of partnership between the City of Umhlathuze and Tronox Sands Mining can enable this project to grow and sustain itself?
42. In your own opinion what improvement can the City of Umhlathuze and Tronox Sands Mining in assisting the project to grow and be sustainable?

ANNEXURE 5

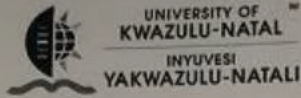
Focus Group Interviews

Interview Questions for the Community Based Organisation Somopho Engineering Project

43. What is the name of the project?
44. When is the Project started and how it started?
45. How many are you in the Project?
46. Who are the Project funders?
47. What motivated you to start this project?
48. What is the main aim of the project?
49. What does your project actually do?
50. What are your daily duties in this project?
51. Are you all fulltime in this project?
52. Do you regard this project as a primary source of your income?
53. What drives this project?
54. Has this project received any form of support previously from public and private agencies in its operations?
55. Do you receive any form of support in particular from Tronox Sands Mining and the City of Umhlathuze in ensuring that your project is sustainable?

56. Do you understand the concept of local economic development? Yes { } No { X }
57. How do you define local economic development?
58. Do you understand how these institutions that are funding the project operates?
59. In your own opinion is this project sustainable?
60. Does this project make any difference in your life?
61. What do you think the City of Umhlathuze and Tronox can do to create or build sustainable local economic development for this project?
62. Do you think the level of partnership between the City of Umhlathuze and Tronox Sands Mining can enable this project to grow and sustain itself?
63. In your own opinion what improvement can the City of Umhlathuze and Tronox Sands Mining in assisting the project to grow and be sustainable?

ANNEXURE 6: ETHICAL LETTER



07 October 2021

Lindelani Mkhumbuzi Dhlohdlo 201500383
Graduate school of Business and Leadership
Westville Campus

Dear LM Dhlohdlo

Protocol reference number: HSS/2142/017M

Project Title: Towards promotion of Sustainable Local Economic Development (LED) through partnership between Umhlathuze Municipality and Tronox Sands Mining in supporting community based programmes

Amended title: Sustainable economic development partnerships for community based organisations: A case of Tronox Sands Mining and Umhlathuze Municipality

Approval Notification – Amendment Application

This letter serves to notify you that your application and request for an amendment received on 07 October 2021 has now been approved as follows:

- Change in title

Any alterations to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form; Title of the Project, Location of the Study must be reviewed and approved through an amendment /modification prior to its implementation. In case you have further queries, please quote the above reference number.

PLEASE NOTE: Research data should be securely stored in the discipline/department for a period of 5 years.

All research conducted during the COVID-19 period must adhere to the national and UKZN guidelines.

Best wishes for the successful completion of your research protocol.

Yours faithfully

A black rectangular box redacting the signature of Professor Dipane Hialele.

.....
Professor Dipane Hialele (Chair)

/dd

Humanities & Social Sciences Research Ethics Committee
UKZN Research Ethics Office Westville Campus, Govan Mbeki Building
Postal Address: Private Bag X54001, Durban 4000
Tel: +27 31 260 8350 / 4557 / 3587
Website: <http://research.ukzn.ac.za/Research-Ethics/>

Founding Campuses: ■ Edgewood ■ Howard College ■ Medical School ■ Pietermaritzburg ■ Westville

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