

DISSERTATION TITLE:

LOCAL ECONOMIC DEVELOPMENT AS AN EMPLOYMENT STRATEGY IN
EMKHAZANE RURAL AREA (WARD 21), ULUNDI MUNICIPALITY.

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DECLARATION

With this statement, I Siphesihle Masikane confirm that the research work which this study is supported on, is my own and the entire research nor any part of thereof has been, is being or is to be submitted for another degree in this or any other institution

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28 January 2021

DEDICATION

This work is dedicated to my Mother, and my late Sister Nqobile Zulu.

I also dedicate this work to my entire Zulu Royal Family and relatives, the great children of Prince Danana Zulu the Son of Shingana kaMpande, Ndabezitha, Mageba, Sthuli sikaNdaba.

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ABSTRACT

This research study aims to evaluate the LED strategy as an employment strategy in eMkhazane rural area (Ward 21), Ulundi Municipality. In South Africa unemployment is a perpetual challenge, especially to those who reside in the former homelands. The escalation of poverty in South Africa is due to the legacy of apartheid and post-apartheid adoption of new liberal policies.

The study revealed that the weakness of LED strategy lies in the municipality budget, lack of local skills and knowledge. The strength of Local Economic Development Strategy towards employment; public-private partnerships has been identified as a bridge to fill the gap between the LED and unemployment. The LED can be improved by encouraging public-private partnerships by means of inviting local government and stakeholders to bring about Local Economic Development. Partnering with private sectors has been recognised as a potential drive because the private sector can be able to hold big projects that can hold a larger capacity of public participation in projects to achieve an inclusive and successful LED strategy.

ABBREVIATIONS AND ACRONYMS

ABCD	: Asset-Based Community Development
BBBEE	: Broad-Black based Economic Empowerment
CDS	: City Development Strategies
DARD	: Department of Agriculture and Rural Development
DV	: Development Vision
EPWP	: Expanded Public Works Programme
HOI	: Human Opportunity Index
HRDC	: Human Resource Development Strategy
IDP	: Integrated Development Plan
KZN	: KwaZulu-Natal
ILO	: International Labour Organization
LED	: Local Economic Development
NDP	: National Development Plan
PIU	: Poverty Trend Unemployment
RDP	: Reconstruction and Development Programme
SMME	: Small Medium and Micro Enterprises
WPLG	: White Paper on Local Government
ZDM	: Zululand District Municipality

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Chapter 1: Introduction and Background

1.1. Introduction

This chapter will focus on the background of the study which addresses the unemployment, inequality and poverty challenges from the global level, national level (SA), as well as the provincial level (KZN). Furthermore, the study will reveal the problem statement. The rationale was to address the motivation of the study, aim, objectives and research questions of the research study, the location of the study area as well as the report of the structure.

1.2. Background of the study

The interconnectedness of poverty, inequality and unemployment (PIU) is obvious in societies to even the casual observer (Chibba & Luiz, 2011). But there is also considerable empirical evidence to support such an observation. As Sen (2008: 48) has noted, “poverty has been identified not merely with inequality but also with unemployment. This has occurred recently in many studies across the globe”. Yet, nearly three decades later, we are today no closer to finding an acceptable and successful theory to guide reaction. Indeed, as recently lamented by Grusky and Kanber (2010:72), “academics have been discussing, debating, and documenting poverty and inequality endlessly” – thus they call for action rather than more debate. This means that on the policy front, PIU issues remain highly problematic – especially inequality, which has worsened over the last few decades in almost all developing countries, no less in post-apartheid South Africa. Moreover, the recent global financial and economic crisis – the dual crisis – has exacerbated this core developmental problem (Powell, 2014). This means that the research based on the global economic crisis revealed that the government has actually responded to the crisis by using the fiscal-policy to stimulate their economy specifically both the consumer and the business demand.

In South Africa poverty and unemployment are a perpetual challenge. This implies that the majority of black South Africans have personal experience of poverty and unemployment (Eloff, 2017). Statistically the majority of South Africans who suffer from poverty, unemployment and inequality are those residing in the former homeland. In townships, informal settlements (Johnson & Jacobs, 2012) including those who are in the periphery of urban areas rated at 57,10% (SA Statistics, 2019). The escalation of poverty, underemployment and inequality in the South African context is due to the legacy of apartheid and the post-apartheid adoption of new

liberal policies. In this regard note that the “increasing unemployment and economic inequality associated with neoliberal policies have pushed even more of South African population into the poverty trap” several studies have shown that through unemployment over recent years (Adato et al. 2012). The persistence of this social economic challenge re-enforces what Chamber have caused the privation trend (1983) the privation trap frames poverty within other attributes such as powerlessness, vulnerability, physical weaknesses and isolation mainly suffered by the rural poor people (Chamber; 1983; 112).

Inequality of opportunity, measured by the influence of race, parents’ education, parents’ occupation, place of birth, and gender influence opportunities, is high (Pradella, 2014:114). This means in a society where there is equality of opportunity, these factors should not be relevant to reaching one’s full potential: ideally, only a person’s effort, innate talent, and choices in life would be the influencing forces (World Bank, 2010). Analysis of the proportion of children with access to a basic service, adjusted by how equitably the service is distributed among groups and differentiated by circumstances (via Human Opportunity Index), shows that opportunities among children in South Africa vary widely depending on the types of service (World bank, 2010). An estimation of the inequality of opportunity index and its ratio to overall inequality found that inequality of opportunity in South Africa is high relative to its comparators. This is further compounded by low intergenerational mobility, which is an obstacle to inequality reduction. Intergenerational mobility in South Africa is low in comparison to other countries indicating an enduring link between life outcomes for a given generation versus those of the previous generation (Bhalla & Lapeyre, 2016).

Unemployment, inequality and poverty issues are recognised as the challenges in the KwaZulu-Natal province (Chiba & Micheal, 2011). KwaZulu-Natal is a large province both in terms of its population size and the land areas. It consists of large rural areas, large parts of which previously formed part of the fragmented KwaZulu-Natal homelands areas that were dotted across the province (Hall, 2010). The province also has a relatively large rural population, many of whom are, broadly speaking, involved in agricultural activities up to 40.6% of the provincial population (Stats’SA, 2019). However, for many of these household’s agriculture does not represent a significant income source, with only 15.3% (Stats SA, 2019) of the population living in strictly defined agricultural households.

The per capita income of the people of KwaZulu-Natal does not compare badly with that of the rest of South Africa, but this income appears to be less equally distributed among the people

(Chibba, 2011). Noted in particular, African and Coloured agricultural households are worse off than their non-agricultural counterparts (Mayosr & Beneta, 2014). Furthermore, average household incomes of White, and to a lesser extent Asian households, are much higher than those of African and Coloured households, the province has relatively high poverty rates, especially in the former homelands areas, this implies that Africans in rural areas, often living in agricultural households, are mostly affected (Department of Agriculture, 2008).

According McDonald (2016), much of the inequality in KwaZulu-Natal is driven by inequalities among non-agricultural households, unemployment is most prevalent among Africans living in former homelands areas or rural areas and the fact that the expanded rate for these population sub-groups is much higher than the strict unemployment rate is indicative of a long-term structural unemployment problem. Interestingly though, unemployment among agricultural households is lower, possibly because family members would rather participate in the household farming activities than be unemployed (Fedderke, 2009). This of course reduces the per capita returns of farming, which explains in part why poverty is higher among agricultural household members.

1.2.1 South African democratic policies

Reducing poverty and inequality is the overriding concern of South Africa's development policies and programs, from the onset of our democracy in 1994 in the Reconstruction and Development Programme (RDP) to the current National Development Plan: Vision 2030 (NDP) (Buys, 2018). The guiding principle, as captured in the NDP, is that no political democracy can survive and flourish if the mass of our people remains in poverty, without land, without tangible prospects for a better life (Fine, 2018). Addressing poverty and deprivation must be the priority of a democratic government; the NDP posits that to raise the living standards to the minimum required level will involve various mechanisms, such as increasing employment, incomes, productivity as well as through social protection and quality public services (Tomlinson, 2017). This implies that the measure of success of government's development policies will be when the lives and opportunities of poorest South African are transformed for the better (Skosana, 2019).

According to Sundbkler (2018) government is committed to eliminating poverty, and fiscal policy is one critical lever that expresses this commitment to provincial and local spheres of government that contain a poverty component as a redistributive measure. The 'social wage' has been used as a redistributive mechanism of the government budget deliberately aimed at

improving the lives of the poor and reducing their cost of living and this has been achieved through, among others, free primary health care; no-fee paying schools; old age to poor households (Aliber, 2010). Although these policies and interventions have resulted in notable gains in poverty reduction since 1994, the country continues to face the challenge of high poverty, high inequality and high unemployment (Chilenga, 2019). This implies that the persistence of these challenges calls for a rigorous assessment of the drivers, constraint sand opportunities for poverty and inequality reduction in South Africa. This shows that, overall, poverty levels are lower today compared to 1994, relatively high and consistent economic growth following the end of apartheid in 1994 up to around 2011 supported poverty reduction in South Africa, although economic growth prospects have been slowing in recent years (NDP, 2030). The economy is currently not generating sufficient jobs, and the unemployment rate was 27.7% in the third quarter of 2017. Youth and unskilled workers bear the brunt of the problem as employers seek skilled workers, and the youth unemployment rate was 38, 6%. As a result, poverty rates increased between 2011 and 2015 (Chiba & Micheal, 2011)

1.3. Problem Statement

Since 1994, there have been attempts by the democratic government to address issues pertain to poverty unemployment and inequality through the enactment of socio-economic policies (Mosala, 2017). These policies range from RDP (1994), new gross path 2010 and the current NDP 2011(The twenty-year review (1994-2014) (Patel, 2015). Among the national governments, poverty reduction programs such as HIV/AIDS, food security for children, youth development, economic empowerment of women, integrated sustainable rural development program, and urban renewal program (Mapadimeng & Khan, 2011). Statistics similar, unemployment. to another local municipality, observing at a local level, eMkhazane community experiences issues such as a youthful population with high unemployment, low levels of education, inadequate and poorly maintained infrastructure, high levels of poverty, crime, inadequate criminal justice capacity, poor transport systems environmental degradation and institutional capacity constraints (Zululand District Growth and Development Plan Vision, 2030).

The government is trying all means to address these issues through programmers that function at a national, provincial, and local, yet more than half population of South Africa (55, 5%) is living in poverty (Poverty Trend Report, 2015), moreover the National Development Plan (NDP) presents that the statistics of unemployment rate at 27%, the proportion of adults

working rate at 41%, the proportion of adults in rural areas working rate is 29 % (NDP, 2012). The National Development Plan at a provincial level (KZN) presents the official unemployment rate at 23, 3% in the year of 2017 (Stats' SA, 2017). However, it is proven that Ulundi local communities are still underdeveloped, drawn from stats the income is rated at 21% (Ulundi local municipality IDP, 2018/2019), employment is rated at 34% (Ulundi local municipality IDP, 2018/2019), education is rated at 33% (Ulundi local municipality IDP, 2018/2019), and crime is rated at 37% (Zululand District Growth & Development Plan Vision, 2030). Therefore the research study is to evaluate LED strategy as an Employment strategy in eMkhazane rural area (Ward 21), Ulundi Municipality.

1.4. Motivation of the study

I read about the stories of poverty, unemployment and inequality, in eMkhazane rural area, Ulundi Municipality. People have resources; land and rivers, but those resources do not contribute meaningfully to their economic development and immediately, I was interested in learning more about the situation. There after I became interested in studying Local Economic Development strategy as an Employment strategy in eMkhazane rural area (Ward 21) Ulundi Municipality.

1.5. Aim, objectives and questions

1.5. 1 Aim of the study

- Evaluate the Local Economic Development as an Employment strategy in eMkhazane rural area (Ward 21), Ulundi Municipality.

1.5.2. Research objectives

The above aim will be achieved by adhering to the following objectives;

1. To understand the concept of Local Economic Development strategy in eMkhazane rural area (Ward 21), Ulundi Municipality.
2. To determine how effective is Local Economic Development as an anti-poverty and unemployment.
3. To explore socio-economic opportunities through LED as a anti-poverty and unemployment strategy.
4. To explore challenges faced by Local Economic Development officials in using LED strategy.

5. To recommend how LED could be improved strategy as an anti-poverty and unemployment strategy.

1.5.3. Research questions

The study is guided by these following questions;

1. What do you understand by the concept of Local Economic Development?
2. What is the effective use of the LED as an anti-poverty and unemployment strategy?
3. What are socio-economic opportunities available through LED as an anti-poverty and unemployment strategy?
4. What are challenges faced by LED officials?
5. How will LED be improved as anti-poverty and unemployment strategy?

1.6. Location of the study area (eMkhazane area in Ulundi)

This study will be located at KZN, eMkhazane rural area under Ulundi Municipality (Zululand District). This is an underdeveloped rural community; it experiences youthful population with high unemployment, low levels of education, and high levels of poverty. However, it is drawn from Ulundi local municipality statistics that income is rated at 21%, employment is rated at 34%, education is rated at 33%, and crime is rated at 37% (Zululand District Growth and Development Plan, 2030).



Figure 1 Zululand District Municipality- Map

Profile of socio-economic of the area and the municipality

The mainly Zulu population and ethnicity/culture in rural and tribal areas play an important role in today's education levels and vocational distribution of women in particular (Dlamini, 2017). Although in the past it was not common practice for young girls to attend school, if they did it was only to achieve the most basic level of literacy and in numeracy, the legacies of such practices are still evident today (Nkwanyana, 2018). Ulundi consist out of a large rural population, and a signification number of households are headed by females, who are usually more disadvantaged in terms of resources and employment (Mugwisi, 2018), more than half the population is younger than 19 years of age, placing pressure on the need for social facilities, significant number of these children will be orphaned and die to the impact of HIV/AIDS and population growth is expected to decline over the next 20 years and a severe impact on the need for social and welfare services in the next 10 years. Education levels are very low and 29% (NDP, 2030) of the population has no formal education, there for this means that there is an enormous need for adult education facilities and programmes.

According to NDP (2030), Ulundi Local Municipality is located on the southern boundary of the ZDM in north-eastern KwaZulu-Natal, Ulundi Local Municipal area is approximately 4 185 km² and includes the towns and settlements of Ulundi, Nqulwane, Mahlabathini,

Babanango, Mpungamhlophe, Ceza the Traditional Authorities of Buthelezi, Hlatswayo, Jama, Lukhwazi. The largest concentration is, however, Ulundi town and its surrounding rural peripheral areas (Ulundi Municipality Integrated Development Plan, 2019). The Ulundi Local Municipality consists of 24 wards with 47 Councillors and the area is now roughly 100 times the size of the original area administered by the former Ulundi TLC, the largest part of which is rural and underdeveloped (National Development and Growth, 2030). Approximately half the Municipal area consists of commercial farms and the area supports a substantial agricultural community (Ulundi Municipality Integrated Development Plan, 2019). The town of Ulundi represents the only urban centre in the Ulundi Local Municipal area and accommodates approximately 40 000 people (17.5% of the population) (Ulundi Municipality Integrated Development Plan, 2019). The settlement pattern reveals a high population concentration in the town of Ulundi and densely populated peri-urban area (National Development and Growth, 2030).

1.7. Limitation of the study

Limitations are matters and occurrences that arise in a study which are out of the researchers control (Wiersma, 2009). This research did not use the words like “prove” and “disprove” with respect to the research findings, it is always possible that the future research may cast doubt on the validity and any hypothesis or conclusion from a study for example the study may only have access to certain people, documents, organization and data. Specifically, a limitation associated with of qualitative study is that it is much related to validity and reliability, because qualitative research occurs in a natural setting it is extremely difficult to replicate studies when you select certain methodologies and designs for example phenomenon studies may come with limitations over which the research may have little control. The researcher faced challenges during data collection such as inability of participation of answer questions and the scope of discussions was a challenge since the researcher does not have experience of conducting a research before.

1.8. Chapter Organisation

This report consists of five chapters:

Chapter one introduces the background of the study, presents the problem statement with aim, objectives aligned to research objectives. It also adds the significance of the study.

Chapter two reviews the relevant literature pertaining to local economic development (LED). It conceptualises LED and further narrate the concept, globally, in Africa and with particular focus on the emergence, role/benefits and challenges of LED in South Africa. The theoretical framework guiding the study is Asset –Based Community Development (ABCD).

Chapter three outlines the research methodology and design adopted to solicit the empirical data. This entails research approach, philosophy, data collection instruments, population and sampling techniques as well as relevant data analysis techniques.

Chapter four presents the data and its analysis and interpretation. It uses thematic data analysis where data is categorised data into key themes. Direct quotations from the participants are used for validating the finding and literature is also integrated.

Chapter five provides the final conclusions and recommendations of the study. The chapter is divided into the summaries derived from the literature and primary research as well as key recommendations.

Chapter 2: Literature Review and Theoretical Framework

2.1. Introduction

This chapter reviews literature on Local Economic Development, its role and functions as well as the challenges embedded in it. Furthermore, Local Economic Development in this chapter is perceived as a strategy employed mainly by governments to create jobs, poverty eradication and economic growth. Literature of Local Economic Development is thus traced from the international perspective, in Africa and in South Africa. This chapter argues that amidst the prevalent of poverty and unemployment, effective employment of Local Economic Development and its strategies could be an instrument to create job opportunities for local people. The chapter commences by defining the concept of local economic development as perceived by various scholars. Secondly, the chapter deliberates on LED discourses at international level. Thirdly, discourse on LED from an African viewpoint. Fourthly, the chapter discusses LED in the South African context with emphasis on LED as a strategy aimed at eradicating poverty and job creation. Lastly, LED opportunities and challenges faced by LED Unit at Ulundi Municipality District. The chapter also exploits the ABCD as theoretical framework to guide the study.

2.2. Defining Local Economic Development

Local Economic Development is an approach and a process for economic development at local level in both the developed and developing nations (Odhiambo, 2010). Through LED, local people are encouraged to work together to achieve sustainable local economic growth and development thereby bringing economic benefits and improved quality of life (Ngubane, 2011). Local Economic Development is an interdisciplinary field of study which encompasses physical planning, economics, and marketing. LED within the interdisciplinary context has a goal of building economic capacity of a local area to improve its economic future and the quality of life for all (Department of Provincial and Local Government Affairs, 2012, World Bank, 2010). Internationally, Local Economic Development has been prioritised as a socio-economic to address challenges of development, poverty, unemployment and remedy for market failures (Lillian and Mbabazi, 2015).

Among the LED key stakeholders are local government, private sector and civil society (Lwanda, 2011). Participation of stakeholders is considered in advancing Local Economic Development (Rogerson, 2016). Through Local Economic Development, economic capacity

in the locality is built and improved for the quality of life for all. It is a process by which public, business, and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation (Swinburn, Murpley and Goga, 2009). Blakely (2013) defines LED as the process with which local government or community-based organisations engage to stimulate or maintain business activity and/or employment. Local government plays a key role in advancing LED hence Schemers and Monchusi (2011) conceptualise LED as a process managed by municipalities in accordance with their constitutional mandate to promote social and economic development. According to the International Labour Organization (ILO, 2006), local economies need to find solutions and alternatives to improve and strengthen local competitiveness and comparative advantages to compete on a global scale. Thus, LED has the potential to boost local economies to compete with the global economies; however the challenge of LED is to find ways to maximize local resources and local knowledge to benefit all inhabitants within a specific geographical area. Troutdale (2015) defines LED is a participating process through which local people, from all sectors within a specific area, work together to activate and stimulate local economic activities, with the aim to ensure a resilient and sustainable local economy.

According to Bartik (2014), LED is defined as the local economy capacity to create wealth for local residents. Thus, for Meyer-Stamer (2009), LED has the ability within a specific area or locality or even region to generate increasing income and improve local quality of life for its residents. Implementing LED helps to address market failures by removing barriers to enter markets for small business and availability of information (Lillian and Mbabazi, 2015). LED is also about creating positive conditions for business development (Meyer-Stamer, 2009). According to Swinburne et al (2010), LED is a process whereby public, business and non-governmental sectors work collectively as partners to create a better quality of life for local residents through economic development. LED has become a global concept that is generally utilized to address poverty and to create jobs in urban and rural localities (Nijaki and Worrel, 2012). The greatest potential for development support exists at the local government level, with a focus on attracting investments, creating jobs and boosting demand. In South Africa, since 1994, local government's role has expanded from providers of public goods and basic social services to include LED (Local Government Support Program in ARMM, 2009).

LED approach manifest itself either as direct, community-based, pro-poor interventions and/or as pro-market endeavours to participate in a neo-liberal, global market (Rogerson, 2012). Within this context, issues of local leadership, the emergence of local champions, social capital,

and the importance of partnership formation emerge as critical elements in the promotion of the “local” as an emerging arena for development action, leadership, and intervention (Hambleton, 2010, Bartick, 2017, Rogerson, 2018, Nel; 2018, Leigh & Blakely, 2018). For Hambleton and Bartick (2017) changes in the national and global economies have impacted on local economies in different ways. For example, a fluctuation in global gold prices may mean that a gold mine, which is the main employer in a small town, is closed down resulting in high unemployment (Cerisola, 2018).

Local Economic Development encourages using local resources in a way that enhances economic opportunities while improving social conditions in a sustainable way (Ayanibu and Houghton, 2017). Often LED initiatives are implemented to overcome economic crises and increase opportunities for communities who are disadvantaged (Schaffer, 2011). LED is based on localizing economics, and as a community-centred process blends social and economic development to foster the economic, social, ecological and cultural well-being of communities (Vale & Maseko, 2009). For example, neighbourhood business organizations target growth in specific commercial areas by lobbying government authorities for special tax rates and real estate developments (King, 2008). LED is an alternative to conventional economic development and for Veldwisch (2009) could be a panacea for solving problems facing communities such as unemployment, poverty, job loss, environmental degradation and loss of community control.

Accordingly, LED exists to build up the economic capacity of a local area to improve its economic future and the quality of life for all (Venot, 2017). Fine (2018) argues that the success of a community today depends upon its ability to adapt to the dynamic local, national, and international market economy. Strategically, LED is often used by communities to strengthen the local economic capacity of an area, improve the investment climate, and increase the productivity and competitiveness of local businesses, entrepreneurs and workers (Woodhouse, 2017). Thus, the ability of communities to improve the quality of life, create new economic opportunities and fight poverty depends on stakeholders’ understanding of the processes of LED. Such understanding enables LED stakeholders to be competitive in the market economy (Jones & Muller, 2016). For LED to be competitive it should draw from good practice that entails strategic planning and implementation as well as lessons and experiences gained from the cities and programmes across the globe (Brida & Pulina, 2016).

2.3. Local Economic Development (LED) from the International Perspective

Internationally, Local Economic Development has been identified and recognised as a key response to socio-economic forces that characterize the contemporary era (Rogerson, 2018). Local Economic Development has been seen as the strategy to the local communities at the municipal level of the government (Baker, 2019). More importantly, LED is anchored on increasing decentralization of power and decision-making to the local level (Ferguson, 2010). LED parallels the reduction in the role of the central state in the economy in a neo-liberal era; globalization forces, which in an era of the diminishing importance of the nation state compel a local-level response, to economic marginalization and/or opportunities which globalization, present (Phan et al, 2020). Varying from de-industrialization to Local Economic Development in the developing world local innovation which requires local leadership initiative, response and direction; and, the dubious results often achieved by macro-level planning and regional development interventions historically (Nel, 2013; Jessop, 2012; Helmsing, 2010). Overall, it is important to acknowledge that these trends are not unique to any part of the world, not least to the context of Africa situated on the global economic periphery (Helmsing, 2010). The pace of globalization accelerates; the rise of LED activity emerges as an integral part of a new wider emphasis upon local responsibility. (UNCDF, 2016 and Smoke, 2009).

In the South or developing world, it has been observed that poverty alleviation is a significantly more vital policy focus and research issue on LED agendas than in the context of Western Europe or North America (Rogerson, 2018). In the North, the focus for LED or broader City Development Strategies is on issues such as responses to globalization, entrepreneurial and human capital interventions, business support and property-led development (Clarke and Gaile, 2010; Vidler, 2015). While in the South, LED puts more emphasis on issues relating to community-based development, business development and locality development (Helmsing (2010).

Furthermore, international debates are based on planning, LED and a growing degree of “convergence” in policy prescriptions across both developed and developing countries (Lee and Gough, 2020). Although the context for LED policy in the South is viewed as different from that prevailing in the developed North (Helmsing, 2013, p.31), recent international research on LED planning points to “a considerable convergence of policy prescriptions among the developed nations and, increasingly among developing nations as well” (Glasmeier, 2015: 66), the mainstream convergence is upon a set of “neo-liberal” development prescriptions. The trend towards a convergence is based on the fact that LED planning worldwide requires the preparation of policy frameworks that recognize the major economic and social trends that

affect local economies. Such planning; includes globalization and the internationalization of trade and commerce, as well as shifting employment dynamics (Rogerson, 2018). Thus, the latest policy trends of LED in the South “cannot be exclusively local but must take into account the position and the positioning of territorial production systems within a local-global context” (Helsingr, 2013: 74).

In the case of Latin America, Helmsing (2010) argues that LED initiatives entered a third stage in the 1990s. Whereas the first stage in the 1950s and 1960s, LED was dominated by national governments seeking to balance the uneven character of economic development and attracting new firms to locations, the second generation spanning the 1970s and 1980s largely tended to reject the potential benefits which could be reaped from state-led industrial policies (Sharp, 2015). In the second stage, endogenous regional development alternatives emphasizing the role of local actors, resources and capacities in industrialization strategies were promoted. Since the early 1990s, Helmsing (2010) argues, a third-stage of LED policies has been instituted. Unlike previous initiatives, the new stage of LED was based on endogeneity as an important point of departure for policy initiatives. Helmsing further notes that meso-institutions, defined as institutions at the sectorial or regional level, have become key actors to third-generation LED efforts in Latin America. Indeed, newly created meso-institutions played a critical role in 9 of the 12 cases examined by Helmsing (2010). In contrast to earlier periods, small enterprise or new business development programs have tended to be the primary focus. In addition to the central role played by state and local governments, Helmsing (2010) maintains that NGOs and community development remain largely absent in most LED initiatives in Latin America.

There are stages of LED policies outlined by Helmsing (2010) and the four generations of regional policies presented by Maillat (2008). More recently, for example, the decentralisation process in Latin America has moved to the centre of decision-making to the local level and second-tier cities seem to be performing better than large central cities (Kalombo, 2015). The regional strategies targeted by national governments have generated agglomeration patterns concentrated in very large central cities in Latin America than in developed countries (Croese, 2019). Whereas Buenos Aires has one third of Argentina’s population, Santiago has around 40% of Chile’s population and São Paulo represents more than 10% of the citizens living in the largest country in the region, New York City only represents a little more than 5% of the US population (Pitcher, 2019: 114).

According to Scoff (2018), the emergence of second-tier cities and the goals of decentralization both provided opportunities for a new generation of LED policies in developing economies. Indeed, consensus is beginning to build that the challenges and experiences of different African countries share more than what is often realized with other developing regions contrary to those who have argued that the region's poor performance based on the continent being "different" (Nel, 2011:32).

In the cases of Latin America and South Africa, where the transition to democracy created democratically elected local structures and greater autonomy has been noted as contributing to the multiplication of LED initiatives underway (Llorens et al., 2012, Nel, 2013). Nevertheless, Nel (2013) stresses that although pressures for decentralization, globalization and economic restructuring have fomented a renewed emphasis on efforts aimed at igniting economic growth at the local level in recent decades. Indeed, a central preoccupation in the literature directed at examining LED policies in Africa has precisely focused on trying to identify which policies can be most effective in the context of constrained weak states (Hill et al., 2007).

2.4 Local Economic Development (LED) in the African context

The African continent is plagued by various challenges that the majority relate to the deteriorating social and economic as well as government structures (Binns, Dixon and Nel, 2012). Africa remains economically underdeveloped amidst an abundance of natural resources that have the ability to lift millions of people out of poverty (Platforma, 2015). "Within Africa, the persistence of these problems led to the debate on how LED could be used to exploit existing natural resources for local development" (Mlambo, Ndebele and Zubane, 2019: 697). In Africa, LED could play a key role in addressing increasing levels of poverty and inequality (Rodríguez-Pose and Tijmstra, 2005).

For example, in Malawi LED has become the main focus to tackle down poverty reduction, hunger and decreasing the percentage of HIV/AIDS (Purshottama and Wallis, 2012). The key stakeholders to overcome these constraints is the NGO through LED initiatives, the potential drive of LED in this case is to decentralise findings from the government and its stakeholders to propose projects that will tackle down poverty, hunger and health issues (Mataya, 2017). In Malawi the private sector does not participate in LED projects this means there are just few prospective partners involved. Public institutions are actively involved in the LED process however, limitations have been recognised such as lack of resources and unreliable human and physical capacity as well as lack of policies that align to interrogate the LED framework, the

conflicts of politics among existing institutions and government lacks this on generating funds they end up depending on the donors (Purshottama and Wallis, 2012).

In Tanzania there are policies used to advance LED strategy namely; Development Vision 2025, Decentralisation policy and Local Government Act, 1982, National Economic Empowerment Policy and National Economic Policy. These policies facilitate through programs and projects (Purshottama and Wallis, 2012). The establishment of LED in Tanzania through its policies is providing a conducive environment by means of decentralisation through planning, monitoring and reporting procedures as well as assisting local authorities with funding for capacity building and investments.

In Uganda, in as much as LED has not been entirely applied in Uganda but there has been strategies used through the LED initiatives taken to overcome crises in Uganda such as poverty namely; Public Private Partnerships, in this case of Uganda the PPPs are used dominantly than other strategies because they believe that PPPs have potential drive to operate at the local level, private sectors empower to mobilise and plan for potential economic activities to achieve local economic enhancement (Hadingham, 2008).

Local Economic Development in South Africa derives from the post-apartheid results of inequalities. The Constitution (1996) did provide the necessary basis for Local Economic Development to advance socio-economic development, by focusing on the Municipality level (Kauzya, 2010). The Municipality/local government is responsible to provide resources, planning and look out for the human basic needs of the community by applying Local Economic Development strategies and initiatives such as such as PPPs, SMMEs; In this case of South Africa the public participation is regarded as the key aspect to provide the inequality of opportunities toward socio-economic development (Patterson, 2008). The White Paper emphasizes the local municipalities to work committedly with local people through engagements and participation, to be able to align the Municipal budget with the community needs (South African Local Government Association, 2010).

In drawing from the above selected African countries, one can conclude that the LED initiatives that are applied are only seeking to achieve short-term goals rather than long-term goals and that result to opposing the aspect of sustainability and development. Another critical challenge is the focus on traditional leadership which is just overviewed, especially in rural areas where there are strong political tenses between the traditional leaders and the counsellors (Thornhill, 2010). The LED only encourages the implementation of projects, while the business skill

expansion can also be reached to give local people sustainable income that will accommodate them for a longer period of time. LED strategy in Africa is a multi-dimensional process, one cannot respond with one size initiatives from the global to the local also the constraints differ from the continent to the continent. LED should be more prioritized in the local governance to enhance socio-economic challenges like unemployment, inequality, poverty alleviation (United Nation Capital Development Fund, 2007). Thus, the adoption of LED in Africa was prompted by the African government quest to deal with micro-economic constraints (Moyo, 2007). LED fall within the strategies and initiatives developed to overcome and develop economic growth, poverty and unemployment (Sejkora and Snkot, 2017). These challenges include the imports and exports as macro challenges that contribute to the triple three constraints; poverty, unemployment and inequality (Carool, 2009).

According to European Union (2015), LED in Africa is more focused in tackling down the competition between the local industry and the imports and exports. This means that the importance of improving the local industry competitiveness is considered and simultaneously promoting infrastructure and development as well as proving survival jobs through the LED micro-economic strategies such as EPWP, SMMEs (Vardari, 2015). However, the imports and exports as much as they compete with the local industry but they also drive a very significant scope through creating unemployment and improving economic growth with an aim to decrease the number of the disadvantage that are experiencing poverty (Garidzi, Meyer and Muzindutsi, 2019).

Scholars such as Abugamea (2015); Ajmi et al., (2015); Baraki & Mabrouki, (2017) analysed the relationship among imports and exports with particular focus on economic growth using the correlation model. This model concluded that the exports and imports do not lead to economic growth due to political structures existing. The fact that there is no relationship between the exports and imports with the economic growth, Abugamea, Ajmi et al, Baraki and Mabrouki argued that politics are the major limitation and they make it difficult for the exports to contribute to the economic growth, the policies that are used are not relevant for the exports to contribute towards the economic growth as well as the local industry.

2.5. LED in South Africa

2.5.1 The Origin and emergence of LED in SA

According to Msemburi & Laubscher (2016) LED in the South African context, historical racially based inequalities, both socially and spatially serve as an additional motivation for locally appropriate interventions. The goals of LED tend to revolve around a set of common issues of job creation, the pursuit of economic growth, community development, the restoration of economic vitality and diversification in areas subject to recession, and also of establishing the “locality” as a vibrant, sustainable economic entity, often within a global context (World Bank, 2008). A key theme which is disclosed in comparative international research is that whilst the goals of LED strategies applied in different parts of the world might share certain similarities, different emphases occur, particularly between pro-business and pro-poor variants of LED (Webster, 2017).

In South Africa, Local Economic Development has been gradually increasing and emerging as a development strategy with anti-poverty dimension (Rogerson & Rogerson, 2012). LED is part of the municipality mechanism to address unemployment and poverty (Pieterse; 2012). Policies relating to LED were developed to provide sustainable growth, empowerment to the marginalized, economic growth, equity to the marginalized and the poor (DPLG, 2010; p.15).

Meyer, (2013) various pieces of legislation and policy form the foundation of LED in South Africa. The Constitution (no.108 of 1996) is the foundation and provides for a developmental model of local government. Local government is not only responsible for service delivery, but also for socio-economic development of its communities. In terms of Sections 152 and 153 it is stated that “municipalities must provide and manage their administration, budgeting and planning processes to give priority to the basic needs of communities” (Constitution, 1996). In terms of the Constitution, local government needs to fulfil the following functions (IIED, 2000; Constitution, 1996): Provide democratic and accountable government for all communities, ensure service provision in a sustainable way. Promote social and economic development. Promote a safe and healthy environment.

Furthermore, the constitutional mandate has been strengthened by the White Paper on Local Government (1998), which formally introduced the concept of developmental local government. This policy document defines developmental local government 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. Furthermore this document is quite clear that local government is not responsible for creating jobs, but instead it is responsible for creating an enabling environment for

development (Triegaardt, 2007). According to Rogerson (2009) this enablement has laid the foundation for the development of a customised model to drive LED at local government level and also takes accountability in encouraging community participation and involvement in matters of the area.

According to Van der Heijden (2008), it is important to realise that LED as an outcome is strongly interrelated and dependent upon the other four KPAs, namely, municipal transformation and organisational development, basic service delivery, municipal financial viability, management and good governance and public participation. Another important policy initiative is the 2005 “Policy Guidelines for Implementing Local Economic Development in South Africa”, which identifies economic growth and poverty eradication as the key overarching goals of LED (DPLG, 2010). Noteworthy is the LED framework Stimulating and Developing Sustainable Local Economies which was released by the Department of Provincial and Local Government in 2006 (DPLG, 2006). The Framework emphasises that municipalities have a key role in creating an environment conducive for investment through the provision of infrastructure and quality services, rather than by developing programmes and attempting to create jobs directly.

According to Sundbckler (2018) government is committed to eliminating poverty, and fiscal policy is one critical lever that expresses this commitment to provincial and local spheres of government contains a poverty component as a redistributive measure. The ‘social wage’ has been used as a redistributive mechanism of the government budget deliberately aimed at improving the lives of the poor and reducing their cost of living and this has been achieved through, among others, free primary health care; no-fee paying schools; old age and child support grants; housing; and free basic services (water, electricity and sanitation) to poor households (Aliber, 2010). Although these policies and interventions have resulted in notable gains in poverty reduction since 1994, the country continues to face the challenge of high poverty, high inequality and high unemployment (African National Congress, 2008).

This implies that the persistence of these challenges calls for a rigorous assessment of the drivers, constraint sand opportunities for poverty and inequality reduction in South Africa. This shows that, overall, poverty levels are lower today compared to 1994, relatively high and consistent economic growth following the end of apartheid in 1994 up to around 2011 supported poverty reduction in South Africa, although economic growth prospects have been slowing in recent years (NDP, 2030). The economy is currently not generating enough jobs,

and the unemployment rate was 27.7% in the third quarter of 2017. Youth and unskilled workers bear the brunt of the problem as employers seek skilled workers, and the youth unemployment rate was 38, 6 %. As a result, poverty rates increased between 2011 and 2015 (NDP, 2030).

2.5.2 Local Economic Development as a strategy

The alternative approach was initially developed by Friedman in his discussion of alternative development, given a wider economic context, LED approach is situated in a particularly difficult challenge, with a South African economy that is unable to drive the poverty, unemployment and inequality the is a realistic to expect that a local community sector with limited independent capital and few other resources that can be a motor vehicle for economic growth (Swack, Micheal & Mason, 2011). Swack, Micheal & Mason argued that in a local economic context even the programs within LED will never be adequate if they still function in an economy dominated by the private enterprise that is generated at a local level. This means that decentralisation is one of the factors that hinder the stabilisation of LED. Furthermore, one can draw other factors that hinder LED from Friedman discussions, for instance LED can be limited to economic growth programmes, job creation, and training. There are communities that have low income and those communities require a bold political voice that will highly emphasize and raise the demands to enforce both government and private sector decentralization and ownership for resources towards the local level.

According to Perry & Stewart (2013), LED to develop alternative effective practise for economic growth at a local level, a fundamental approach should directly anticipate opposition from those who are in ownership and controlling the economy and those who are controlling the state power. Perry and Stewart argued that a form of collective and inclusive ownership should be applied as a principle. From the argument one can also mention that you don't have to imply that individual businesses for private sector interest will oppose Local Economic Development projects but the dominant assumptions of the private sectors economies will be promoted through small individually owned profitable business. In addition the existing target market and labour market will be considered as an appropriate vehicle for both the parties at a local level.

However, Walker & Gillian (2012) argued that given this analysis, it also essential not only to focus on local economic based projects and organizations as the vehicle to the disempowered to have a vision of centralisation of resources but to also create equal democratic alternatives

both private ownership and Local Economic Development. Walker and Gillian argued drawing from the Friedman discussion that the state government will not provide basic and long-term support for a community-based economy that challenges the private sector or that functions as a strategy of empowering the local population to voice demands.

The state government is also expected to be responsible when funding the Local Economic Development projects, they must locate it equally between the private businesses empowerment as well as the unemployed integration within the labour market, if LED practitioners do not build their unique vision for their funders, their organizations will be now enforced to rely on the government (Ternowesty & Gordon, 2018). This means, for LED to become an effective tool for economics change, conditions must be respected. Firstly Local Economic Development projects need a dominant, clear, profound, political, social and economic organization. Local people should be empowered through direct participation rather than being always represented by certain parties and during this process an effective outreach of educational strategy is necessary.

In conclusion, drawing from Friedman discussions and arguments the alternative development approach discussed for LED by Friedman requires both the means of development alternatives and the political components; this means that the resources that are centralised in the hands of the capital and the state, the partnership of the two should be applied in a form of LED organizations. This partnership in a form of LED organization should be understood as the advocate of bringing social and economic justice to those who struggle to maintain political related power and those who are traditionally excluded from the private sector ownership.

2.5.3. Legislative Frameworks for LED

According to Gherghe (2013), South Africa after 1994 through the 1996 Constitution recognized the LED legislative framework. This makes LED a mandatory for all South African authorities because LED is seen as an intervention in the local economy by the local government. In this regard, LED has become a platform where locals working in collaboration with the private and not-for-profit sectors are afforded an opportunity to improve the local economy (Sekhampu, 2010). This means that the current National legislative framework of Local Economic Development is derived from the framework that was developed in 2011. The 2018-2028 LED frameworks consist of policies that reveal the important aspects that should be done to advance the LED strategy to a more successful strategy (Borquaye, 2020). There are legislations and policies that inform the development, implementation and functions of

LED and they include the supreme law of the land, which is the Constitution of the Republic of South Africa (1996), Municipal Systems Act (Act 32 of 2000) and National Framework for LED in South Africa (2006). For example, the National Framework for LED in South Africa, as stated in Nel and Rogerson (2005:121) seeks to build a shared understanding of good LED practice and motivate for more effective implementation.

There are six core policies that are developed to influence the influence of the implementation and strategies of LED (Nell, 2019). The aim of the LED policy framework is to be implemented in respect of principles that will guide the framework; the government has a crucial role to play in the economy, the consistency of applying the national programs and national goals in the national level and in the local level (Feeckings and Krag, 2019). The potential of investing through the private sector and creating firm partnerships between the private sector and the public sector, encourage equality through promoting the local inclusive economies and in all actions the government should be at the centre (Ulrich, 2019).

However, Hunter (2017) argued that the framework also acknowledges the limitations by considering the challenges that can limit the framework and the objectives of the framework can be unfulfilled, for such reasons; the economic status of most cities in South Africa is adequate and for that reason it is a challenge to overcome poverty, manufacturing takes a long-term period. This means that to tackle down these challenges the government develops the interventions to address challenges that have been mentioned through creating strategies that will be long-term oriented, develop strategies that will make cities inclusive in economy by creation good partnerships between cities.

2.5.4 The role of local government in LED

The Constitution of the Republic of South Africa (RSA) is encouraging decentralisation as a solution to unsustainability and inequality (Patterson, 2008). Decentralization is where the government splits into three groups namely; national, provincial and local, this is done to ensure that each level is interrogated with unique strategies and approaches that will align with their constraints (Byrne, 2016). To focus on the role of local governance in Local Economic Development, we look at the Integrated Development Plan (IDP) this is the approach used by the municipalities in particular to address a 5 year plan, objectives to create a conducive space and environment for job opportunities rather than creating jobs that may limit people in terms of lack of skills (Corwin and Johnson, 2019). The aim of IDP is to develop a local community, and to build an effective relationship between the local government and the local community

(Capuno, 2019). Phutiagae (2020: 150-152) has identifies five roles to be played by local government as a) facilitator, b) developer, c) co-ordinator, d) stimulator and e) enabler. As implementer of LED, local government provides a strategic facilitation role. Local government is also instrumental in co-ordinating various interventions and initiatives. In addition, this sphere of government plays a developing role especially when it comes to planning for development. Another key role is that of being a stimulator especially in identifying activities and target groups. The last role is that of being an enabler by creating an environment for communities and other stakeholders to play a decisive role in LED (Phutiagae, 2020: 150).

The focus on LED by the local government, in this case the National Framework of LED plays a crucial role in leading the local government on the LED policies (Mdee and Harrison, 2019). The Municipalities discovered that they should no longer aim to create jobs that somehow lead to exclusiveness but rather create a suitable environment to attract market and Local Economic Development opportunities (Veldwisch, Venot and Woodhouse, 2019). However, Crane and Swilley (2007) argued that the local government has somehow failed as advocates of the local people interests to maintain long-term sustainability in LED. The solution to this challenge of unsustainability is to encourage the consideration of the LED National Framework to interrogate the unequal distribution of resources and opportunities by developing an IDP that aligns well with the unique constraints that the community experiences with research background on what causes those challenges (Weekly, 2015). According to Review (2011) the IDP has been recognized as one of the important approaches, the IDP serves as a potential drive towards a successful LED strategy and it also serves as a bridge between the local government and the local community; the IDP gives clarity on where the local government should focus on in a period of 5 years.

2.5.5. Approaches and strategies to LED

There are various approaches designed to advance LED. Approaches to LED are a unique set of opportunities and challenges in the local context (Mvulatrust, 2006: 152). The traditional approaches seek to bring about investments in to the local economy (Kansimme & Harris, 2020). The rise of entrepreneurial state is one of the traditional approaches that was attempted and developed because of its potential to attract investment; this process breaks the indomine of the government in the private sector (WA Mala, 2020). The breakdown of the indomine of the government leads to the relationship between the public and private sector of public-private partnerships (Edward et al, 2013). This means that the transition has led an

increased shift from supply to demand state strategies this will help to shift the market to the local economy.

- Entrepreneurial approaches

Entrepreneurial competitive approaches that emphasize opportunities for local business through research, loans, grants and technical infrastructure, in entrepreneurial competitive approaches the approach is to introduce inclusive markets for Local Economic Development (Fiorentino, 2019). Literature reveals a relationship between LED and entrepreneurship, for example, Helmsing (2010) argues that in sub-Saharan Africa, three new generations of LED strategies are identifiable: community economy, enterprise and locality development. New enterprises contribute to economic development in a number of ways: as a channel for converting innovative ideas into economic opportunities, revival of social and productive networks' competitiveness, source of new employment, and productivity enhancement (Kantis, Ishida & Komori, 2014). Whereas various definitions exist for entrepreneurship, recently the concept of entrepreneurship appears popular: the entrepreneur as an innovator and source of disequilibrium (Fischer & Nijkamp, 2009). The Organization of Economic Cooperation and Development (OECD), positions entrepreneurship as a change agent in the market driven economies. By fuelling the drive for new economic and technological opportunities for efficient and effective use of resources, entrepreneurship promotes growth through the generation, dissemination and application of innovative ideas which link knowledge capital to economic growth – arguably the missing link in the endogenous growth models (Acs, et al., 2009). This broad conceptualization of entrepreneurship arguably is central in understanding the contribution of entrepreneurship for circular economy and Local Economic Development (Fischer & Nijkamp, 2009).

- Urban efficiency approaches

According to Malizia et al (2020) cities are facing urban challenges of unprecedented scale, and will continue to do so into the foreseeable future. As growing populations intensify pollution, resource scarcity, crime, traffic, emissions, and more, communities must preemptively respond and preserve the integrity, attractiveness, and competitiveness of their cities by becoming smarter (Rogerson, 2018). Setting a smart city vision and effectively moving towards it with a bottom-up, systems-based approach is critical to ensuring resource efficiency and security, as well as maintaining socially inclusive growth (Kim et al, 2014). This means sharing information across city departments, to break down silos; and involving global leaders,

with world-class capabilities, as well as local providers and stakeholders, who know their cities the best. Success will come from combining public governance, people ownership and business collaboration, driving communication between these groups by giving each of them a true stake in the smart city built out of their community (Caputo, Pasetti & Ferrari, 2019).

- **Human Resource development**

The Government's commitment to promoting active labour market policies and guaranteeing the quality of training and education provided is well demonstrated in the Skills Development Act (1998), for Human Resource Development (Leigh & Backely, 2016). The Human Resource Development aims to develop local skills through improving the foundations for human development. Improving the supply of high-quality skills (particularly scarce skills), which are more responsive to societal and economic need (Garavan & Mc Carthy, 2019). This Carrison means increasing employer participation in lifelong learning, supporting employment growth through industrial policies, innovations, research and development, ensuring that the four pillars of the Human Resource Development Strategy must work as a system and be linked together to work effectively.

- **Community-based strategies**

According to Carison & Johnson (2018) as the use of more local resources in an efficient way will be critical to improve outcomes and reduce regional disparities, many countries have transferred development responsibilities to local authorities. Bottom-up approaches are increasingly favoured in the neo-liberal economy. The public, private businesses and non-governmental sectors should work collectively to create better conditions for economic growth and employment generation (Ayandibu & Houghton, 2017). This means the local government should attempt to coordinate efforts, improve the operational environment, and take initiations within the framework of coherent local polices or strategies. The development activities are inspired, owned and managed by all actors in the locality through the identification and mobilization of local resources (Purwanto et al, 2018). One can say Local Economic Development is a solution for unemployment, poverty, and inequality, especially in developing countries recognize the following characteristics of Local Economic Development.

2.5.6 Local Economic Development as an anti-poverty and unemployment strategy.

The gap identified in the studies, is that there's gap from the main scholar studies which is clear and obvious that the attention to power relations for socio-economic was completely absent

regards to LED in relation to local resources studies in KwaZulu-Natal. Livelihood activities are not neutral, the gender processes of inclusion and exclusion is part of that, even though liberalism was dominant one cannot lump everything and everyone together under that label. The framework was regarded as contribution to this study and as an analytical structure for coming to grip with the complexity of livelihoods (Khambule & Mtapuri, 2018), understanding influences on poverty and identifying where interventions can best be made. The assumption is that people pursue a range of livelihood out-comes (health, income, reduced vulnerability, etc.) by drawing on a range of assets to pursue a variety of activities (Bennete, 2014, p.14). The activities they adopt and the way they reinvest in asset-building are driven in part by their own preferences and priorities. However, they are also influenced by the types of vulnerability, including shocks (such as drought), overall trends (in, for instance, resource stocks) and seasonal variations. Options are also determined by the structures (such as the roles of government or of the private sector) and processes (such as institutional, policy and cultural factors), which people face (Lewis, 2015: 222).

King (2008) argues that the gap (challenges) to LED is that the assets that are distributed as the livelihood strategies are overlooked only in one-dimension material perspective only, whereas Local Economic Development approach must value the individuals everyday experience, since the assets are also controlled by other external factors this means that a variety of dimensions must be viewed. For example, physical materials can be distributed but if the community lacks skills and knowledge those assets will be individually beneficial rather than the community benefiting (Msemburi, 2016). However, the key sheets committed to the provision of gender equality in all aspects of the work has stated that gender equality is essential for poverty elimination (Laubscher, 2016), this means International Development Targets can only be achieved by addressing the disproportionate burden of poverty, lack of access to education and health services and lack of productive opportunities borne by women (FDI, 2008).

2.5.6 Challenges (socio-economic) for implementing LED in SA

The escalation of poverty, underemployment and inequality in the South African context is due to the legacy of apartheid and the post-apartheid adoption of new liberal policies (Webster, 2017). In this regard note that the “increasing unemployment and economic inequality associated with neoliberal policies have pushed even more of South African population into the poverty trap” several studies have shown that the unemployment over recent years (Carter & May. 2016; Terrebleblance. 2016; Altman. 2009; Natrass. 2011). The persistence of this

social economic challenges re-enforces what Chamber have caused the deprivation trap (1983) the deprivation trap frames poverty within other attributes such as powerlessness, vulnerability, physical weaknesses and isolation mainly suffered by the rural poor (Chamber; 1983: 112).

Inequality of opportunity is usually measured by the influence of race, parents' education, parents' occupation, place of birth, and gender influence opportunities, is high (Pradella, 2014). This means in a society where there is equality of opportunity, these factors should not be relevant to reaching one's full potential: ideally, only a person's effort, innate talent, and choices in life would be the influencing forces. Analysis of the proportion of children with access to a basic service, adjusted by how equitably the service is distributed among groups differentiated by circumstances (via Human Opportunity Index), shows that opportunities among children in South Africa vary widely depending on the types of service (Sundkler, 2018). An estimation of the inequality of opportunity index and its ratio to overall inequality found that inequality of opportunity in South Africa is high relative to its comparators and this is further compounded by low intergenerational mobility, which is an obstacle to inequality reduction. Intergenerational mobility in South Africa is low in comparison to other countries indicating an enduring link between life outcomes for a given generation versus those of the previous generation (Bhalla & Lapeyre, 2016).

Unemployment, inequality and poverty are recognised as challenges in KwaZulu-Natal province, KwaZulu-Natal is a large province both in terms of its population size and the land areas (Chibba, 2011). It consists of large rural areas, large parts of which previously formed part of the fragmented KwaZulu-Natal homelands areas that were dotted across the province (Hall, 2010). The province also has a relatively large rural population, many of whom are, broadly speaking, involved in agricultural activities up to 37.6% of the provincial population (Stats SA, 2020). However, for many of these household's agriculture does not represent a significant income source, with only 15.3% (Stats SA, 2020) of the population living in strictly defined agricultural households.

The per capita income of the people of KwaZulu-Natal does not compare badly with that of the rest of South Africa, but this income appears to be less equally distributed among the people (Chibba, 2011). Noted in particular, African and Coloured agricultural households are worse off than their non-agricultural counterparts (Mayosr & Beneta, 2014). Furthermore, average household incomes of White, and to a lesser extent Asian household, are much higher than

those of African and Coloured households, the province has relatively high poverty rates, especially in the former homelands areas, this implies that Africans in rural areas, often living in agricultural households, are mostly affected (Department of Agriculture, 2008). Drawing from the Department of Agriculture, this implies an interesting observation of that inequality among agricultural households is lower than inequality among non-agricultural households. The greater degree of equality possibly relates to the fact that many of the African agricultural households have access to communal or tribal and as such the contribution of gross operating surplus (from land) to overall inequality among agricultural households is not as high as in some other parts of South Africa.

According to McDonald (2016), much of the inequality in KwaZulu-Natal is driven by inequalities among non-agricultural households, finally, unemployment is most prevalent among Africans living in former homelands areas or rural areas and the fact that the expanded rate for these population sub-groups is much higher than the strict unemployment rate is indicative of a long-term structural unemployment problem. Interestingly though, unemployment among agricultural households is lower, possibly because family members would rather participate in the household farming activities than be unemployed (Fedderke, 2009). This of course reduces the per capita returns of farming, which explains why poverty is higher among agricultural household members.

2.5.7. LED Implementation steps

The first step of LED strategy to function in the Municipality is organising, a local community initiates the Local Economic Development strategy planning process by pointing out local community members, public institutions, organisations that already exist in the community. Local businesses are also considered and other local economy-based groups that are only the supervision of the local combination with Human Capital, these skills and resources that come with the stakeholders they provide a good foundation for the success in organising (Nel & Humphrys, 2011). However in organizing stage, the limits possible could be the informal and formal structures, where one can function and the other is excluded in participating, there for in this stage one can conclude that both formal and informal structures should be put into one vision to be able to establish and support development and implementation of the strategy (Nosworthy, 2010).

The second stage is conducting the Local Economic Development assessment after the organising stage, in this stage the aim is to identify the local community constraints and the

economic opportunities basically the weakness and strengths as well as the availability of the human resource capital (World Bank, 2010). This assessment must be able to identify the Municipality support towards the local business activities, after the strengths and weaknesses have been identified they must also present the opportunities and the threats that exist in the local economy of the community, one can say that these four factors co-function and they must be overviewed because the actual vision of the assessment is to develop an economic profile that can relate to the national, regional competitors (Pickard, Cousin & Gousy, 2008). However drawing from World Bank, Pickard, Cousin and Gousy arguments, one can develop a criticism that during the conduction of Local Economic Development stage, it is important to note that each community has a unique set of local attributes that can be productive for the community and also that can hinder the development of the community, this includes the formal and informal structures and human resource capacity to carry out Local Economic Development as a successful strategy for the economic growth and the local municipality investment towards the development and economic activity.

The third stage is developing the Local Economic Development strategy after conducting the Local Economic Development assessment. In this stage, all stakeholders, formal and informal groups are encouraged to participate in a given opportunity which is to sit down identify and outline what has to be achieved. Methods to be used to achieve it and who will be in the forefront in being responsible to achieve that aspect that is associated with the implementation of Local Economic Development strategy (World Bank, 2010). The limitation to this ultimate goal could be that the action plans costs are exceeding the budget given (Okauru, 2012). Drawing from the World Bank and Okauru arguments, one can say that it is important that the strategy action plan stakeholders should be accountable to be incorporated in to the municipality budget and ultimate measures can also be taken by the stakeholders for example educational institution and business associates. This aim is to make sure that they overcome weaknesses through strengths and effective measures and also identify the opportunities that may emerge that will also hinder results to threats.

The implementing of the Local Economic Development strategy this is regarded as the important stage after developing the Local Economic Development, in this stage strategy implementation highly depends on the capacity and development of the Local Economic Development strategy and it is also highly driven by the action plans (World Bank, 2010). Long-term monitoring is necessary here it plays a crucial role though formal structures that are identified and created, this is where the evaluation of a project results in respect of whether the

strategy continuously leads to the achievement of the initiated Local Economic Development vision, goals and objectives (Gordon, Lenzafame & Meyer-Stemer, 2008). However drawing from the World Bank, Gordon, Lenzafame and Meyer-Stemer arguments, it is very important to note that when undertaking the strategy implementation it is essential to identify and use effective way to continuously process monitoring and evaluation according to the plans.

The last step is to review the Local Economic Development strategy after the implementation of the LED strategy in stage 4, in this stage the aim is to ensure that the strategy has been successfully implemented, ensuring that all the initiated goals, objectives, and plans were considered during the process (World Bank, 2010). Drawing from the World Bank, one can say it is also important that Local Economic Development remains relevant, which means that the LED should be reviewed at least annually. The conditions of the economy, environment and corruption capacity may have changed overtime and these are concluded to be uncontrollable factors (Schmid, 2014). However the solution towards such uncontrollable conditions such as the economy, environment and corruption is to continuously advise stakeholders, government, financial resources, human resources, formal and informal sectors to develop the Local Economic Development strategy at stage 3 to favourably respond to any competitive environment that may emerge during the course of the five steps of Local Economic Development (Peter, Chen & Cooper, 2014).

2.6 LED at Ulundi Local Municipality

Local government is charged with the responsible for growing the local economic within its constituencies hence its closet to the people (Huber, 2013). The purpose of the government is to operate from the local, to bring about development through engaging with stakeholders to deliver human interests, the objectives set before the local government mandate according to the South African Constitution, is to provide democratic and accountable government, to promote safe health environment, promote social and economic development, encourage community participation in projects and engagements and provide services in a sustainable manner (Constitution, 1996).

According to the IDP (2019-2020), a number of issues were identified with the implementation of LED in Ulundi Municipality, this means the economic and socio-economic environment of the Municipality has experienced many changes over the past 6 years since the LED plan and the turnaround strategy were developed, thus the current context of the municipality makes the projects viable. The following issues were picked up from the analysis. Lack of staff, capacity,

budget and many other factors contribute towards undermining Ulundi LED Unit to implement its LED strategy (IDP, 2019-2020). There was a lack of capacity to mobilise resource for the LED programmes and projects. In addition to the above, the municipality has further indicated that the LED plan has not been fully realised due to; lack of funding, the types of projects indicated in the project require large sums of money to be initiated (IDP, 2019-2020). The Municipality has a limited budget and cannot implement projects without additional funding from other resources. This situation is further exacerbated by the fact that the Municipality does not have a large base which impedes their ability to such projects. The financial situation and challenges experienced by the Municipality made the projects no longer viable (IDP, 2019-2020).

However the most important intervention and effective Local Economic Development activity that Ulundi Municipality can undertake is to improve the regulatory processes and procedure to which business are subjected by the Municipality itself (IDP, 2019-2020). A survey of the Ulundi Municipality would reveal a number of complexes, poorly managed expensive and unnecessary business registration system, by reducing these, Ulundi can quickly improve its Local Economic Development. Communities and businesses increasingly recognise that as successful local economy requires a social as well as economic, environmental and physical renewal or investment. In Ulundi Municipality (Ward 21) a number of families work within the informal economy, activities are often low-growth as a result lack to access to proper infrastructure and service (electricity, water and roads) (IDP, 2019-2020). The development of LED strategy should recognise and accommodate the constraints and opportunities of informal economy so as to broaden the impact of the strategy, therefore the purpose of the LED strategy is to provide an updated LED plan that consider the changes that have occurred over the past 5 years whilst identifies new LED opportunities and development initiatives (IDP 2019-2020).

2.7 Theoretical framework: Asset Based Community Development (ABCD)

The ABCD is a valuable approach for CD practitioners in a variety of contexts. According to Chinyrwu & Sirayi (2017), given its unique conceptual and methodological dimensions, this approach has much to offer the newly emerging fields of community-based practice. It is for this reason that the authors have critically engaged with ABCD to investigate its potential for application in a mining context (Skinner, 2019). While we are fundamentally supportive of ABCD in this space, one must also acknowledge its inherent “community” orientation, and the limitations this orientation has for corporate community development (Fradley, 2017). The

response has been to recommend the incorporation of a derived assets-approach based principally on the conceptual and methodological opportunities contained in an expansive idea of “assets.” A derived “assets-based approach” combines the core values of the ABCD framework with an appreciative understanding of the challenges faced by community development practitioners working in the mining context (Paniagua et al, 2016). Focusing on “assets” is one way to ensure that strengths are recognized, prioritized, valued to assert “community” strengths as being something worth safeguarding, this same point is often lost when it comes to acknowledging the internal strengths of CD practice in the mining sphere (Taylor, 2016). This seemingly soft assertion is a significant one because acknowledging and valuing the work that is done within and alongside communities has major implications for the achievement of development outcomes and poverty alleviation and, in effect, the perceived legitimacy of a mining operation (Brown, 2017).

Moreover, and beyond the issue of “corporate reputation,” how a mining operation identifies and expresses its strengths and vulnerabilities outside the organizational domain has direct consequences for the quality of its local relationships (Nel, 2015). This means that outward expression of strengths and vulnerabilities is a critical step insofar as inward reflection will only bear fruit for the development process if it is followed by outward engagement. According to a derived ABCD, success of company-community engagement is contingent upon genuine internal dialogue and connection within the organizational domain (Kulb & Kenik, 2016). There for it is claimed that “assets” are not merely useful in the analysis of internal strengths, but more importantly, provide a framework for more open, equitable, and locally driven company-community engagement and dialogue (Culligan, 2016). This condition will require a significant shift in the power relations between company and community, such that both parties reveal not only their strengths but also their vulnerabilities to understand the implications on local-level development (Misewer, 2016).

According to Schulenkorf (2016) ABCD involves a change from people seeing themselves as lacking and needy, to seeing themselves as already having skills, strengths and abilities that can be mobilised. This means people shift from seeing them as economically inactive and lacking, to seeing the diverse economic activities they already participate in. The techniques we have used include participatory action research with residents where people document this economic diversity, and follow it up with conversations, discussions and workshops with other community members (Cameron & Gibson, 2009).

Internationally, there is an increased emphasis on access and equity and in parallel recognition of an aid-based model without community involvement is unlikely to leverage structural change (Taylor and Taylor 2016). Asset-Based Community Development (ABCD) has been used by the community development movement to address socio-economic disadvantage (Baker 2014). Lin (2018) argued this has been a philosophical response to the deficit model of providing services, wherein institutionalized help is provided in the form of external resources to address an externally identified problem. However, such an approach promotes passivity, disempowerment, stereotypes, low expectations and fails to fuel aspirations, promote engagement and leverage existing strengths that can build success rather than resolving the problem, external resources can sometimes foster a crippling dependency and have unintended consequences (Kretzmann and McKnight 1996). ABCD advocates the use of assets that already exist within communities to develop solutions (Lightfoot et al 2014).

ABCD has taught us how important it is that policy makers, program workers and others shift their understanding, instead of seeing marginalised areas as deficient and needing expert solutions (Misener & Schulekorf, 2016). This means that policy makers, program workers and so on, take a more backseat role and lend their support to projects that are initiated from within communities and build on existing assets. Building economic diversity needs to involve not just those who are marginalised, but a wider audience.

The principles of ABCD

ABCD is an approach to working with communities that brings to the fore their assets and resources, rather than their needs and deficits by making often undervalued assets more visible, it helps to encourage people to combine their strengths and resources, however few, as the starting point for development (Taylor,2016), this means that the ABCD approach can serve as an antidote for more conventional approaches that start with a community's needs and problems and tend to produce a self-perception of inadequacy and a dependence on outside institutions and 'experts' for solutions, ABCD shifts the focus to the 'glass half full' and people's capacity to take action.

According to Mechanick (2016), ABCD requires governments, NGOs and donors to rethink their own role; if citizens are to be agents of their own development. This context, external institutions are required to work with communities, sometimes in partnership or sometimes acting in response to citizen led initiative. This means having to rethink the focus on predetermined deliverables and upward accountability mechanisms. The ABCD acronym was

coined by Kretzmann and McKnight (1993) to capture the ways that communities in the United States had successfully organized themselves in the past, mobilizing local skills and capacities through informal and formal associations.

The adoption of ABCD approach was motivated by its focus on recognising the assets, and while recognising the assets it also draws assets and strengths, skills, opportunities as well as experience of the community members to the centre of activities required as necessities of living. To consider that it is the approach that aims for the recognition of the strengths of ABCD has contributed to a shift towards an asset-informed approach in public health, focussing on the ability of individuals and communities to develop the economy outcomes rather than the traditional focus on deficits and external support (Morgan & Ziglio, 2008). The recognition of strengths is also contributing in the public economic where it recognises financial capital and capabilities as well as assets.

2.8 Conclusion

This Chapter has reviewed the definition of LED, the LED context from the International perspective African perspective and the South African perspective. In the South African perspective the literature reviewed the origin and emergence of the LED strategy in South Africa, the importance of the National Legislative Framework of LED, the role of local governance in LED, the approaches used and strategies used to perform LED strategy responsibilities. The Literature explored the successful use of LED strategy, however, the socio-economic challenges that hinder successful implementation of LED strategy were considered, as well as the role played by LED in the Municipal level. Lastly the literature explained the theoretical framework of the study (ABCD).

Chapter 3: Research methodology

3.1 Introduction

This chapter is based on the qualitative research methodology design, the philosophy paradigm, follows the research instruments that will include the document analysis and justification, furthermore the sample and sample technique including the population and sample size, data analysis and lastly the data analysis including the thematic analysis and justification.

3.2 Research approach

3.2.1 Types of research designs; Qualitative and Quantitative research

In qualitative study “research design” should be a reflective process operating through every stage of a project (Hamersley & Atkinson, 2008 p.24). The activities of collecting and analysing data, developing and modifying theory, elaborating or refocusing the research questions and identifying, addressing validity threats are usually on going on more or less

simultaneously each influencing all of the others. I consider this process is not adequate represented by a choice from a prior menu or by a linear model, even one allows multiple cycles in qualitative research there isn't unvarying order in which the different tasks or components must be arranged (Maxwell, 2013).

In addition, qualitative research is a type of social science research that collects and works with non-numerical data and that seeks to interpret meaning from these data that help us understand social life through the study of targeted populations or places (Lewis, 2015). People often frame it in opposition to quantitative research, which uses numerical data to identify large-scale trends and employs statistical operations to determine causal and correlative relationships between variable (Crossman, 2018). The purpose of qualitative research is designed to reveal the meaning that informs the action or outcomes that are typically measured by quantitative research. So, qualitative researchers investigate meanings, interpretations, symbols, processes and relations of social life. What this type of research produces is descriptive data that the researcher must then interpret using rigorous and systematic methods of transcribing, coding, and analysis of trends and themes (Sturges & Han Harahan, 2008).

According to Babbie and Earl (2010) the quantitative research; quantitative methods emphasize objective measurements and the statistical, mathematical, or numerical analysis of data collected through polls, questionnaires, and surveys, or by manipulating pre-existing statistical data using computational techniques. Quantitative research focuses mainly on gathering numerical data and generalizing it across groups of people or to explain a particular phenomenon. Before designing a quantitative research study, you must decide whether it will be descriptive or experimental because this will dictate how you gather, analyse, and interpret the results. This means that a descriptive study is governed by the following rules: subjects are generally measured once; the intention is to only establish associations between variables; and, the study may include a sample population of hundreds or thousands of subjects to ensure that a valid estimate of a generalized relationship between variables has been obtained. An experimental design includes subjects measured before and after a particular treatment, the sample population may be very small and purposefully chosen, and it is intended to establish causality between variables (Leonard et al, 2011).

The study adopted the qualitative research methodology, reason; the qualitative method in relation to the aim of the study which is to evaluate the importance of the Local Economic Development as an employment strategy, it was relevant because qualitative method focused

on a specific phenomenon which was LED approach in this case, the LED phenomenon with its holism and broadness it had a potential to reveal complexity for example the origin of LED, LED from the international to the local perspective, LED in Africa, LED strategies, LED opportunities and challenges, this provides thick descriptions regard to LED as an employment strategy.

3.3 Research design

3.3.1 Target population

According Wangen et al (2020) targeted population is to be defined as a group, objects, individual or elements that the researcher aims to investigate information about, in most cases a sampling frame is created and developed in the targeted group. This is a technique that saves a long period of time of collecting data and leads the correct information from a reliable source (Fraumetal et al, 2020).

The targeted population in this study was the community members who live at eMkhazane rural area (Ward 21), Ulundi Municipality. The researcher targeted the population that is both employed and unemployed, ranging from the age of age 18-60. The population was selected randomly in terms of Gender.

3.3.2 Sample size

According to Boddy (2016) sample size used in qualitative research refers to methods that are often smaller than that used in quantitative research methods. In-depth interview work is not as concerned with generalizing to a larger population of interest and does not tend to rely on hypothesis testing but rather is more inductive and emergent in its process (Trotter, 2012). This means that qualitative research sample size does not emphasise a calculation of statistical number (Omare, 2020).

The study sample size selected represented a small portion of the people in Ward 21, the sample did not present the entire population of eMkhazane rural area Ward 21. The study consisted of 16 participants from Ward 21 including the Ulundi Municipality LED official. The sample consisted (15) participants from the community (Ward 21). The sample also consisted of one participant (LED official) from the Ulundi Municipality. The criteria included both the employed and unemployed population and LED official from Ulundi Municipality.

3.4. Qualitative Sampling strategies

3.4.1 Convenience non-random sampling

In every type of research, it would be superlative to use the whole population, but in most cases, it is not possible to include every subject because the population is almost finite. This is the rationale behind using sampling techniques like convenience sampling by most researchers. Convenience sampling (also known as Haphazard Sampling or Accidental Sampling) is a type of non-probability or non-random sampling where members of the target population that meet certain practical criteria, such as easy accessibility, geographical proximity, availability at a given time, or the willingness to participate are included for the purpose of the study. It is also referred to the researching subjects of the population that are easily accessible to the researcher.

3.4.2 Purposive non-random sampling

The purposive sampling technique, also called judgment sampling, is the deliberate choice of a participant due to the qualities the participant possesses (Sharma, 2017). It is a non-random technique that does not need underlying theories or a set number of participants. Simply, the researcher decides what needs to be known and sets out to find people who can and are willing to provide the information by virtue of knowledge or experience (Eshaken and Bala, 2018). It is typically used in qualitative research to identify and select the information-rich cases for the most proper utilization of available resources (Yunita and purba, 2020). The objective of the purposive sample is to focus on characteristics of sites to make comparisons between them (Acharya, 2013).

The study chose the purposive non-random sampling technique as the first technique because one believes that the starting point of the literature synthesis would influence the further analysis, so it was important to choose rich examples of the phenomenon of interest, but not highly unusual cases. Typical example in relation to my research study, the study purposely selected the unemployed and employed population of Ward 21, eMkhazane rural area as well as the Ulundi Municipality LED official.

3.5 Research paradigm

Research paradigm and philosophy is an important part of research methodology in order to collect data in effective and appropriate manner. According to Johnson and Christensen (2010), research paradigm is a perspective that is based on the set of shared assumptions, values, concepts and practices. This means in other world, paradigm can be defined as a function of how researcher thinks about the development of knowledge. Research paradigm is a

combination of two ideas that are related to the nature of world and the function of researcher, it helps researcher to conduct the study in an effective manner (Creswell & Clark, 2017). According to Roberson (2015), research paradigm and philosophy research paradigm includes the research methods and research philosophies, this combination in research helps researcher to develop the understanding and knowledge about the topic of research. In research paradigm, there are various factors that affect the research to implement a method in an effective way such as time constraints, budget constraints, etc. Use of appropriate research paradigm and philosophies helps a researcher to eliminate these factors from the research. Research paradigm has three different terminologies such as positivism, interpretivism and realism research philosophies (McNabb, 2014).

The types of research philosophies are as follows:

3.5.1 Realism Philosophy

According to McCartan (2016) realism philosophy is also an important philosophy that is based on the interdependency of human values and beliefs; this research philosophy focuses on the beliefs that really exist in the environment. This means that a research philosophy believes in the existence of external and objective reality that influences people's social interpretations and behaviour. It also believes that the human are not the objects for the study in the style of natural science. This research philosophy also defines how individual react towards a real-world situation (Johnson and Christensen 2010). Drawing from Johnson, Christensen and McCartan realism is often associated and based on the management of the pursuit, possession, and application of power. However, is an older prescriptive guideline limited to policy-making (like foreign policy), while realism is a particular paradigm, or wider theoretical and methodological framework, aimed at describing, explaining and, eventually, predicting events in the international relations domain.

3.5.2 Positivism philosophy

The positivism philosophy: positivism philosophy is based upon the highly structured methodology to enable generalization, quantifiable observations (Aliyn, 2014). Positivism philosophy is commonly used in natural science and it is a critical and objective base method.

Likewise, it is an approach that includes the various philosophy of natural science such as philosophy of unchanging, universal law and the view of everything that occurs in the nature (Sundars, 2015).

3.5.3 Interpretive philosophy

The interpretive philosophy, there are many truths and meaning of a simple fact and these are suitable for every situation and for every research problem (Johnson and Christensen 2010). According to Willis (2015) interpretivists are anti-foundation lists, who believe there is no single correct route or method. Waltham (2010) argues that in the interpretive tradition there are no ‘correct’ or ‘incorrect’ theories. Instead, they should be judged according to how ‘interesting’ they are to the researcher as well as those involved in the same areas. They attempt to derive their constructs from the field by an in-depth examination of the phenomenon of interest (Gephardt, 2014). One has noted from Willis (2015), Gephardt (2014) that the “interpretivist” paradigm stresses the need to put analysis in context. The interpretive paradigm is concerned with understanding the world as it is from subjective experiences of individuals and they use meaning (versus measurement) oriented methodologies, such as interviewing or participant observation, that rely on a subjective relationship between the researcher and subjects (Waltham, 2010).

This study adopted the interpretive paradigm, the in-depth interview allows the research to be subjective and the interpretive research philosophy played an important role to produce the in-depth of the phenomenon (LED). In this research philosophy, the researcher did not only interact with participants but went on to seek to make sense of it through their interpretation of events and the meaning that they draw from these. In this research philosophy, there are several factors such as individual have different living standards, difference in social and cultural environment, personality and family groups etc. affects the nature of individual and all these external forces have contributed meaningfully in interpreting the study.

3.6 Research instruments

Types of research instruments

3.6.1 Documents analysis research instrument

Documentary analysis (document analysis) is a type of qualitative research in which documents are reviewed by the analyst to assess an appraisal theme, dissecting documents involves coding

content into subjects like how focus group or interview transcripts are investigated (Baxter, 2016). A rubric can likewise be utilized to review or score a document. Document analysis includes gathering information used in a formal description of the electronic text, studying the content and structure of documents: identifying and naming the components of some class of documents, specifying their interrelationships and naming their properties (Morimoto, 2016). The three essential sorts of documents are: Public Records, such as understudy transcripts, statements of purpose, yearly reports, strategy manuals, understudy handbooks and vital arrangements Personal Documents, such as date-books, messages, scrapbooks, online journals, Facebook posts, obligation logs, occurrence reports, reflections/diaries and daily papers Physical Evidence, such as flyers, publications, plans, handbooks and training materials (Owen, 2014).

3.6.2 Structured Interviews research instrument

Interviews as a tool which refers to that an interview in qualitative research is a conversation where questions are asked to elicit information, the interviewer is usually a professional or paid researcher, sometimes trained, and who poses questions to the interviewee, in an alternating series of usually brief questions and answers (Glaser & Strauss, 2011). This means that they can be contrasted with focus groups in which an interviewer questions a group of people and observes the resulting conversation between interviewees, or surveys which usually result to be anonymous and limit respondents to a range of predetermined answer choices are. In phenomenological or ethnographic research, interviews are used to uncover the meanings of central themes in the life world of the subjects from their own point of view (Jamshed, 2014).

3.6.3 Unstructured interviews

According to Sorsal (2015) an unstructured interview or non-directive interview is an interview in which questions are not prearranged. These non-directive interviews are the opposite of a structured interview which offers a set amount of standardized questions. This means that the form of the unstructured interview varies widely, with some questions being prepared in advance in relation to a topic that the researcher or interviewer wishes to cover. They tend to be more informal and free flowing than a structured interview, much like an everyday conversation. Probing is seen to be the part of the research process that differentiates the in-depth, unstructured interview from an everyday conversation. This nature of conversation allows for spontaneity and for questions to develop during the course of the interview, which are based on the interviewees' responses (Amir, 2016).

3.6.4 Observation research instrument

According to Finell (2014) participant observation; the researcher participates in what they are observing to get a finer appreciation of the phenomena observational research, the researchers do not identify themselves, either they mix in with the subjects undetected, or they observe from a distance. The advantages of this approach are it is not necessary to get the subjects' cooperation, and the subjects' behaviour will not be contaminated by the presence of the researcher (Muijus et al, 2018). Some researchers have ethical misgivings with the deceit involved in this approach. Overt observational research; the researchers identify themselves as researchers and explain the purpose of their observations (Shen et al, 2018), this means that they portray their "ideal self" rather than their true self in what is called the Hawthorne Effect.

3.6.5 Focus group research instrument

According to Krueger (2014) a focus group is a small, but demographically diverse group of people and whose reactions are studied especially in market research or political analysis in guided or open discussions about a new product or something else to determine the reactions that can be expected from a larger population. This means it is a form of qualitative research consisting of interviews in which a group of people are asked about their perceptions, opinions, beliefs, and attitudes towards a product, service, concept, advertisement, idea, or packaging. Questions are asked in an interactive group setting where participants are free to talk with other group members, during this process, the researcher either takes notes or records the vital points he or she is getting from the group (Carey & Asbury, 2016). This means that group discussion produces data and insights that would be less accessible without interaction found in a group setting—listening to others' verbalized experiences stimulates memories, ideas, and experiences in participants. This is also known as the group effect where group members engage in "a kind of 'chaining' or 'cascading' effect; talk links to, or tumbles out of, the topics and expressions preceding it (Lindlof & Taylor, 2002, p. 182)

The study adopted both the document analysis and the unstructured interviews research instruments;

This research study adopted the document analysis as the research tool, that features the public records: The public records such as the public speech on KwaZulu-Natal Local Economic Development initiatives, the newspaper and government publications online, the data from the administrative units such as the Ulundi municipality NDP under Zululand District and lastly

the published work on literature reviews based on the Local Economic Development as a strategy.

This study adopted unstructured interviews as the research tool, in particular the unstructured interviews. For this reason, the study used the unstructured interview questions on the grounds that the study required in-depth information, and the experiences that people have towards unemployment including accessing local resources for Local Economic Development.

The interview semi-structured questions were as follows:

- What do you understand by the concept of LED? (main question)
- Explain LED according to your own perspective?
- According to your LED perspective, are the local skills used effectively as a strategy to reduce poverty and unemployment?
- What is the effective use of LED to the reduction of poverty and unemployment? (main question)
- Is there an effective existence of local government in your community? If there is, how is it effective?
- Do you get opportunities to participate LED programs?
- Do LED programs in ward 21 support both employed and unemployed community members?
- What are the opportunities available through using LED as an anti-poverty and unemployment strategy? (main question)
- Are there any LED programs existing in this community (ward 21)?
- Do you benefit from the LED programs existing in your community (ward 21)?
- Is there any effective relationship between the local government and the community members (ward 21)?

Ulundi local municipality LED officials semi-structured interview questions;

- What are the challenges faced by LED? (main question)
- Are there challenges you experience during service delivery? If yes, what are those challenges? If no, what has been done by the LED successfully?
- How will LED be improved as an anti-poverty and unemployment strategy?
- What are the strengths of LED?

- What is the weakness of LED? If there are, how can they be improved?
- What are the policies that have been implemented for future purposes?

This study adopted focus group research method as an instrument to collect data, on the grounds that focus groups enable the capture of a form of "native language" or "vernacular speech" to understand the situation, focus groups also provide an opportunity for disclosure among similar others in a setting where participants are validated. The researcher gathered a group of community members of eMkhazane rural area (Ward 21), to a multi-purpose hall at Ulundi town and that is where the researcher conducted data collection through unstructured interviews.

3.7. Population and sample

The research study is based on the employment of LED approach towards the alleviation of poverty and unemployment in relation to the research study, targeted specifically unemployed and employed population from the whole in relation to these areas of agro-ecological zones, institutions, organisations, geographic characteristics, severity of impact, and for secondary data the target was based on administrative units (Municipality).

3.7.1 Sampling technique non-probability

For qualitative method is based on non- probability sampling, particular this study has used purposive sampling technique which is also called judgement sampling technique which refers to the deliberate choice of the informant due to the qualities the informant possesses (Shepard et al, 2009).

The sampling method in each selection was selected for a purpose, the study was determined on what needs to be known and set out to find participants who can and who are willing to provide information by knowledge and experience on Local Economic Development approach. This method did give results on how individual was affected but it gave result to how that population was affected rather than individual results. The objective of the purposive sample is used to focus on characteristics of sites to make comparisons between them.

This study chose this sampling technique as the first technique because one believes that the starting point of the literature synthesis would influence the further analysis, so it was important to choose rich examples of the phenomenon of interest, but not highly unusual cases, in relation to this research study, the study selected participants randomly both the unemployed population

and the employed from the whole in relation to these areas and for secondary data the study targeted the administrative units (Municipality) regards to the NDPs documents.

3.8 Data analysis

Data Analysis is the process of systematically applying statistical and/or logical techniques to describe and illustrate, condense and recap, and evaluate data. Resnik (2010) argues that various analytic procedures provide a way of drawing inductive inferences from data and distinguishing the signal (the phenomenon of interest) from the noise (statistical fluctuations) present in the data. While data analysis in qualitative research can include statistical procedures, many times analysis becomes an on-going iterative process where data is continuously collected and analyses almost simultaneously. Indeed, researchers generally analyses for patterns in observations through the entire data collection phase (Save Nye, Robinson, 2011).

Researchers conducting qualitative analysis should select the most appropriate method to the research question, the method of analysis should be driven by both theoretical assumptions and the research questions (Smith, 2015). Thematic analysis provides a flexible method of data analysis and allows for researchers with various methodological backgrounds to engage in this type of analysis (Glesne, 2015). This means that reliability with this method is a concern because of the wide variety of interpretations that arise from the themes, as well as applying themes to large amounts of text. Increasing reliability may occur if multiple researchers are coding simultaneously, which is possible with this form of analysis and to increase reliability with these method researchers should plan for monitoring themes and codes tables throughout the process (Namely, 2016). This method of analysis contains several advantages and disadvantages; it is up to the researchers to decide if this method of analysis best explains their results.

This study adopted thematic analysis as a method to analyse data because of the most common form of analyses in qualitative research; it emphasizes pinpointing and examines the recording patterns for themes. This research analysed data through the method of thematic analysis, it was well suited to large data sets, allows researcher to expand range of study past individual experiences concerning the access to the resources, opportunities and challenges. The effective use of the approach from the research objectives, this study has interpretation of themes supported by data, applicable to research questions that go beyond an individual's experience, also allowed for categories to emerge from data. This means the interpretation of themes

supported by data, in applicable to research questions that go beyond an individual's experience and it's also as an advantage that allows for categories to emerge from data so as a result it is much easier, and it saves time to analyse data in respective to their categories or themes.

The themes were developed from objectives of the research study, namely;

- The concept of LED
- The effectiveness of LED as an employment strategy
- Opportunities through LED
- Challenges faced by LED officials
- Recommendations on LED

3.9 Method for addressing reliability/trustworthiness

Trustworthiness refers to the generalization of the study findings to other situations and contexts (Shenton, 2009). Transferability is not considered a viable naturalistic research objective context in which qualitative data collection method occurs defines the data and contributes to the interpretation of the data (Greg, 2015). This means for these reasons, generalization in qualitative research is limited. Purposive sampling can be used to address the issue of transferability since specific information is maximized in relation to the context in which the data collection occurs.

The study adopted the credibility method to address trustworthiness, because it refers to the truth of data and researcher's interpretation. The data was valid and true, collected from the participant through purposive sampling which enabled one to be able to interpret data that will be collected from the participant and since the research study (LED as an employment strategy) is interpretive (subjective), from observations and interviews, the researcher had interpreted and analysed the knowledge and data collected using credibility method in chapter

3.8 According to the Ethics guidelines, the participants were informed and consulted as well as approved before each method was employed and participant were informed that their identities will not be revealed when findings are revealed (Berrol, 2018). They were informed about the right they have as research subjects for example you have a right to withdraw at any time. Subsequently, the research methods are designed to be used alternately (Waller, 2018). Nevertheless, the interviews were chosen purposefully to reduce the burden on the participants because some of them may have had physical difficulties in writing their own answers or

completing the questionnaires, some of them may in fact have had no arms or finger (Albon, 2018). The environment was in a manner of a public space where there are people around that place, for the participant to be safe; the choice of location can be decided and agreed on by the researcher conducting the study and the participant where they will both feel comfortable in (Wilson, 2018).

3.9.1 Informed consent form

According to Hugman and Bartolomel (2010) the Informed consent form is a process of communication between the participant and the researcher, a consent form is very compulsory when proposing research, with human participant you must be able to provide an informed decision that the participant will understand. According to South African Law, everyone has a right to be given full accurate information.

The participants in Ward 21, eMkhazane were given consent forms that were translated into isiZulu for them to understand and be informed about the agreement between the researcher and the participant so that they can decide whether they are willing to participate. The consent form that was presented to the participants had a description of all the procedures of data collection that should be followed.

3.9.2 Ensuring no harm to participants

Ensuring no harm to the participant, the researcher ensured to get a safe space where the interviews took place, the researcher had booked the Multi-purpose hall which is 5km away from eMkhazane rural area (Ward 21). The participants were convinced that they were safe and protected from any harm. The interviews took place during mid-day, this ensures the participants are convinced that they are safe rather than interviewing the participants late which can be very suspicious.

3.9.3 Confidentiality and anonymity

Anonymity means that at no time will the researcher or anyone associated with the project know the identity of the participants. In anonymous research, the information collected does not contain any identifiable information, and the risk of being able to attribute data to particular individuals are low (p. 59). Confidential Research means that proper safeguards are in place to protect the privacy of participants and their information from unauthorized access, use, disclosure, modification, loss, and theft.

The researcher ensured that confidentiality and anonymity was maintained for the participants of Ward 21. Anonymised Information was irrevocably stripped of all direct identifiers e.g., name, work place, residence, social insurance number, health number and where both the risk of identification from remaining indirect identifiers is low, and where no codes exist that could allow for future re-linkage.

3.10 Limitations of the study

Limitations are matters and occurrences that arise in a study which are out of the researcher's control (Wiersma, 2009). Specifically, a limitation associated with of qualitative study is that it is much related to validity and reliability, because qualitative research occurs in a natural setting it is extremely difficult to replicate studies when you select certain methodologies and designs for example phenomenon studies may come with limitations over which the research may have little control (Torres and Hammarstrom, 2017).

Collecting data was the major challenge of this research study, we can think of the interviews, field observations, and other types of data gathering as the qualitative analogy of a quantitative dataset. However, sharing qualitative data in a way that increases research transparency can be at least as complicated and time-consuming as doing the same for numeric data. Consider, for instance, a research project on the duration human capital that entails interviewing people from communities about sensitive issues such as how their personal challenges relate to the access to human and natural resources. Other challenges include; inability to answer questions due to the lack of understanding of the questions. The researcher faced challenges during data collection such as inability of participation of answer questions and the scope of discussions was a challenge since the researcher does not have experience of conducting a research before. Since the participation was voluntary some participants did reveal that they were not interested when answering the question.

3.11 Conclusion

This thesis has addressed firstly the type of research study of which was a qualitative research study and on how the study went on particularly collecting the information through the observations, interviews, documentary analyses as well as the focus groups. The thesis also highlighted the benefits of the methodologies and the limitations of each methodology. Furthermore, the thesis addressed on how the information that was collected from the field was

analysed through thematic analyses and it also ensured that data was valid through the credibility method.

Chapter 4;

Local Economic Development (LED) as an Employment Strategy in eMkhazane rural area (Ward 21) Ulundi Local Municipality.

- 1. To understand the concept of Local Economic Development.**
- 2. To determine how effective is LED as an anti-poverty and unemployment strategy.**
- 3. To explore opportunities available through LED strategy.**
- 4. To explore challenges faced by LED officials in using LED strategy.**
- 5. To recommend how LED can be improved as an anti-poverty and unemployment strategy.**

PRESENTATIONS AND INTERPRETATION OF FINDINGS

4.1. Introduction

The previous chapter has provided research design and methodology adopted to gather empirical data. This chapter presents the findings of the empirical data of the study. Qualitative approach with individual interviews used as the main data collection instrument. Thematic data framework was used to analyse data and themes were developed from the objectives of the study. Relevant literature was used to refute and corroborate the empirical findings. The chapter begins by providing the demographic profile of the participants in terms of age, gender, education and work position. Findings organised into themes such as; participants perceptions of LED, effectiveness of LED as anti-poverty and unemployment strategy, opportunities

through LED, challenges faced by LED, the policies recommended in their near future as well as the summary of findings and conclusion.

4.2. Demographic data

This section presents the demographic data of the participants interviewed for the study at Ulundi Municipality, eMkhazane rural area (Ward 21). The demographic data below presents the age, gender, education, and work position of the respondents. The Graph and the pie charts were used to show the profile of the participants in Figure A, B, C and D.

4.2.1 Age participant age profile

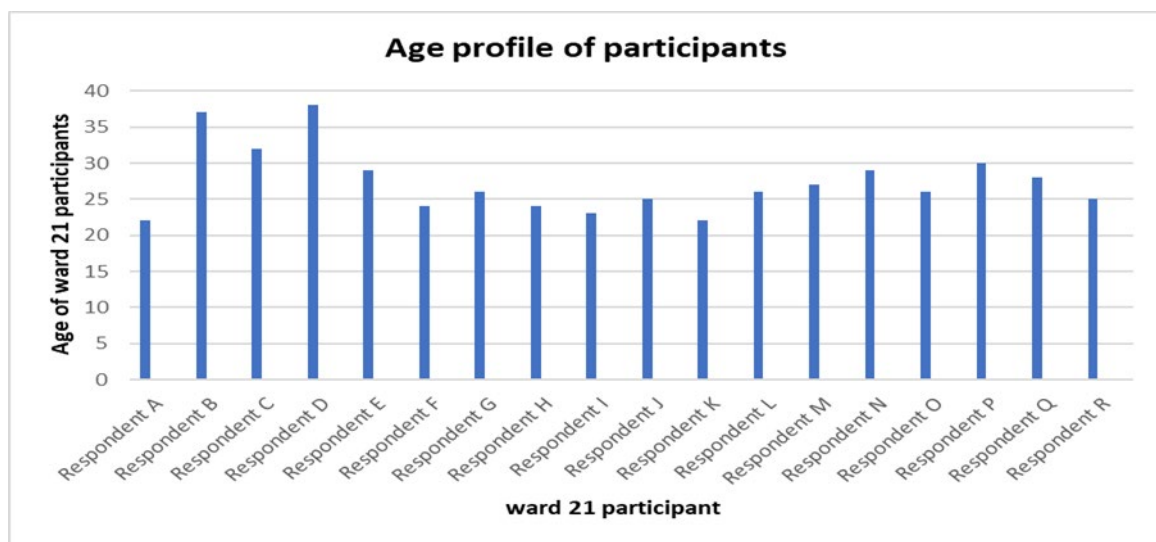


Figure 2 presents Age Participant profile graph

Figure 2 above presents the participants age profiles including the LED officials. Three participants fall under the age of 18-25 (20%), five participants were categorised under 25-30 (33%) , four participants fall under the age group of 35-40 (27%) and three participants fall under the age of 40-45 (20%). Drawing from the participants by age percentages, the study revealed that the majority of participants were young people who likely to experience poverty and unemployment related challenges.

4.2.2 Participants gender profile

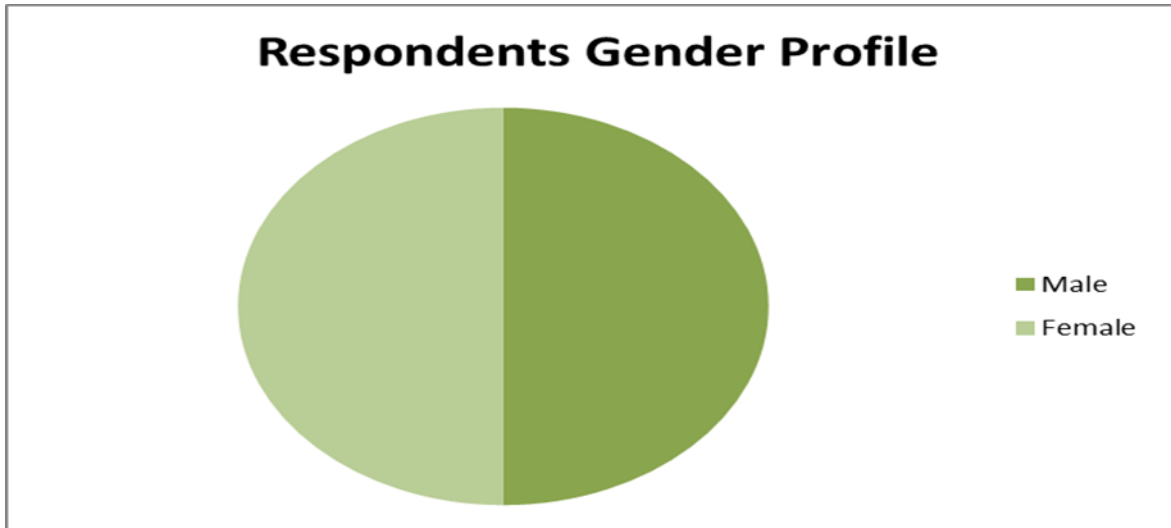


Figure 3 Presents participant’s gender profile

Figure 3 presents the participants gender profile. The study was representative of all gender with male participants accounting for eleven (60%) while the females were seven (40%). Gender differentiation was taken into consideration to avoid biasness of information recorded that may arise when one gender extremely dominates another. Tannenbaum et al., (2016) contended that social nature has the effect on gender and other identity factors, either alone or in combination, can serve as barriers or enablers to the outcome of study samples hence it is important to control or balance gender.

4.2.3 Participant’s education profile

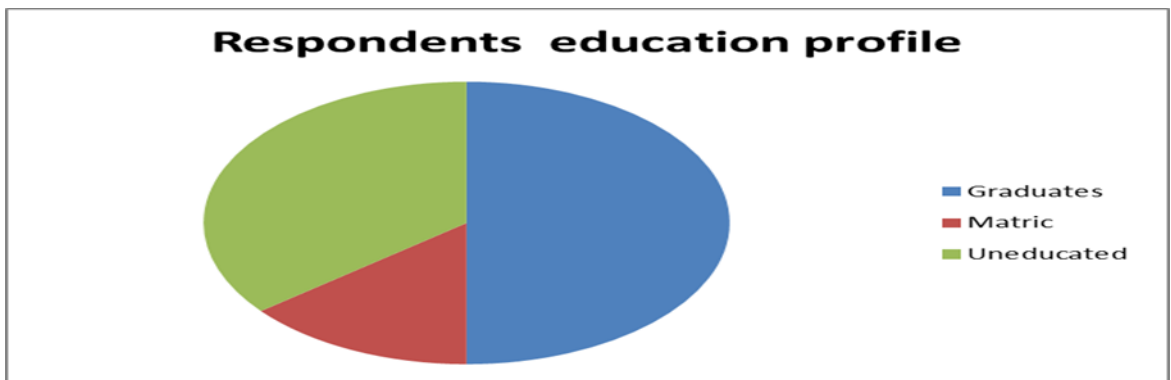


Figure 4 presents participants education profile

Figure 4 presents the education profile of the participants in Ward 21. There were three categories namely; graduates, matric and uneducated. Although, in Ward 21, 50% of the participants are educated, this figure demonstrates a sizable number of participants being

uneducated and unemployed. Strangely, with shortage of jobs and slow growing economy, even those with degrees and diplomas are part of the unemployed cohort within the ward.

4.2.4 Participants employment profile

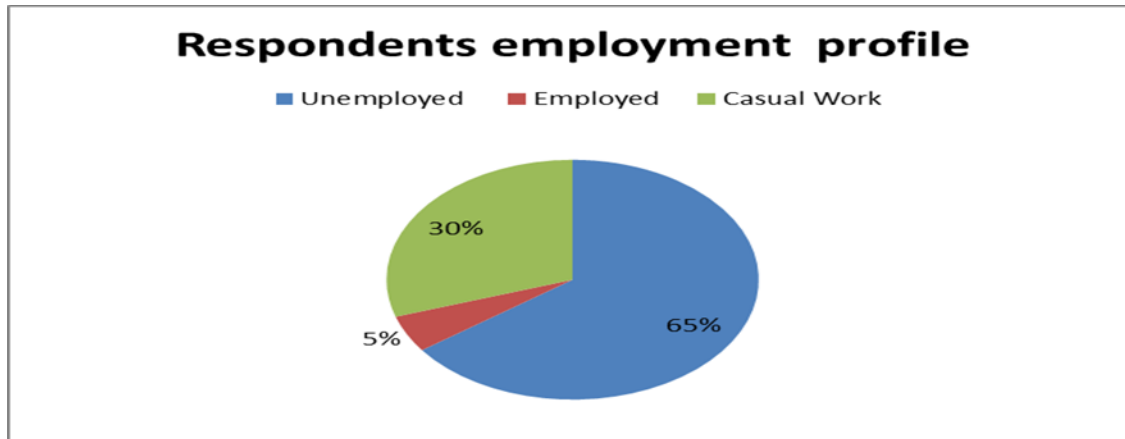


Figure 5 presents participant employment profile

Figure 5 presents the participants employment status. Looking at the participant's profile, the majority of the sampled population in Ward 21 are unemployed with 65%. The minority are found doing casual work, meaning that 30% of participants derived their livelihoods from temporary work at Ulundi Municipality and the surrounding suburbs. This reaffirms deprivation trap by Chamber (1983) which depicts that rural people are disadvantaged due to their social, economic and political deprived hence their vulnerability. The high employment rate in the area is reflective of the limited employment opportunities for rural people at Ulundi Municipality in general and eMkhazane in particular.

4.3. Analysis of Key Themes

This section presents the findings and analysis of the study based on the themes derived from the research objectives. The main themes are participant's perceptions of LED, effectiveness of LED as anti-poverty and unemployment strategy, opportunities through LED, challenges faced by LED Unit at Ulundi Local Municipality in implementing LED strategies as well as recommendations on how LED can be improved.

4.3.1 Theme 1- Participants perceptions on Local Economic Development (LED)

Participants were asked to share their understanding of Local Economic Development. The concept Local Economic Development (LED) is well-defined by Sebola and Fourie (2007: 34) as the process intending to redistribution of resources and opening up opportunities in all

spheres to benefit host communities. The aim of LED is to build up the socio-economic capacity of a local area in order to improve its economic future and the living standards for all through involving public, local businesses and non-governmental sector partners to work effectively & collectively for economic growth and employment generation. Meyer (2014) defined LED as having multiple roles and advantages over traditional economic policies namely, and these advantages are that: LED empowers and ensures local involvement, includes local people to be active in planning for development, ensures that local businesses and NGO's are involved in the process and further ensures that local development is focused on local comparative advantages which allows for more resilient local economies that could create local jobs, thereby improving the social life. Therefore, LED focuses on effective competitiveness, improving sustainable growth and ensuring that growth is all-inclusive.

Participant A mentioned that: *“In my own understanding, Local Economic Development is about applying methods integrating that are usually initiated by Ulundi Local Municipality with an intention to develop and make a change in the community and to actually see the differences after those initiatives have been applied”* (Interview, 22 January 2020).

Ndaba (2014) on Ulundi IDP confirms that, LED becomes more effective when local stakeholders (municipality, host community, and local businesses) form collective workings with national planning agencies and private donors, jointly planning and implementing initiatives aimed at improving the local economy. Furthermore, if the LED is all encompassing, there is a need for adoption of bottom-up approaches than top-down approaches of local development by carefully mobilizing local capital to implement LED initiatives with an aim of reducing dependence on central governance. The LED strategies should therefore be focused on the overall vision outlined in the IDP and must take into consideration the results of the analysis that is done to find the community problems and prioritise them for development initiatives. The initiatives should follow certain policies or strategies so that it can easily follow the already designed path to development. Blair and Carrol (2009:134), state that most of the rural communities have loose labour markets and are characterised by high unemployment and underemployment.

According to **Participant B**: *“Local Economic Development is an approach or a strategy that is implemented by our local government to better the lives of local people*

by creating business opportunities, however the initiatives have not arrived at the core of the community needs as they were expected” (Interview, 13 January 2020).

The above findings are corroborated by Meyer-Stamer (2008) who indicated that LED is the ability of a specific area or municipality to generate income and improve local social condition for its residents. Drawing from the above principles, LED should attempt to be remedy for municipal economic failures such as to removing barriers to enter particularly those that need most support (Sekhampu, 2010). In the South African context, LED in municipalities should strive for creating robust and inclusive local economic markets for small business and create fertile conditions for business development. The challenge of LED in Ulundi is that the municipality does not have adequate economic development strategies that are practical and therefore are unable to address poverty and unemployment. In order for LED to be successful there should be a clear planning process that involves all stakeholders within the local area to address local needs and contribute to community development objectives such as economic growth and poverty alleviation.

In effort to understand the concept of LED, the study found that the respondents under this objective rated 100% regards the understanding of the concept of Local Economic Development even though they defined Local Economic Development in different ways. The majority of various participants understood LED as a strategy that is developed and adopted by the local municipality towards the alleviation of poverty and unemployment, to an extent of mentioning the LED micro-economic strategies such as SMMMEs, EPWPs as well as projects and programs. It could be asserted that, LED in South Africa is concerned with creating inclusive local economies that address local needs and contribute to natural development objectives such as economic growth and poverty eradication (Meyer, 2014). Thus, it can be pointed out that LED is perceived as the strategy that should create a market space for people to expand their small businesses. However, the majority of the respondents understood the LED concept as local municipality responsibility rather than an inclusive strategy that accommodates both the stakeholders and the community members.

Participant C mentioned that: *“Local Economic Development of the community is applying methods that are usually initiated by Ulundi Local Municipality with an intention to develop and make a change in the community” (Interview, 22 January 2020).*

Based on these conceptions, Local Economic Development is more equated to an approach often employed by local government/municipality with an intention to encourage economic development at the community level. For LED to be implemented effectively, participants stressed the importance of using local skills and resources to bring about community development. In that regard, the LED approach also provides employment for the unemployed and the disadvantaged citizens, meaning the local government allows/enables the community to exercise the access to resources with an intention to advance the economic growth and poverty alleviation.

Participant D: stated that, *“Local Economic Development Is a development strategy that creates space for the mobilisation of local resources with an aim to create job opportunity for the local unemployed citizens. It also helps in developing the skills for people to employ themselves.”* (Interview, 12 January 2020).

The overall view of the respondent’s perspective on LED is common because, the respondents were based on the understanding that, Ulundi local municipality initiate strategies and methods for the purpose of local economic growth by creating a flexible space for people to start their own businesses. The participants also highlighted that the municipality is aware that it should provide training, funding, as well as access to resources for community upliftment. The respondents also viewed the Local Economic Development as a strategy that encourages local people to use local resources and local skills to bring about development, hence the strategy is not only about the local development but, it also provides job opportunities and training for less disadvantaged. The findings confirm and reassures the literature that explain Local Economic Development as a strategy that encompasses a range of action areas that includes planning, resources, and marketing with a goal of building economic capacity of a local area to improve its economic future and the quality of life (Department of Provincial and Local Government Affairs, 2012 and World Bank, 2010).

In effort to understand the local skills being used effectively to reduce poverty and unemployment, the respondents agreed that local skills are enabled effectively, and they are benefiting the locals. Meyer (2013) ascertain that LED should give an overall support and co-ordination to all community members as required by the District Municipality policies regarding the local municipalities responsibilities in the region. The development of skills is another important aspect of capacity building directed to empower local communities. During the planning and implementation stage of development projects, most of the attention should

be given towards the transfer of useful skills such as technical, management, and supervision skills which will enable the community to perform specialised tasks and be employable. The main objective of skills development should be to train people with capacities that will be utilised beyond the project's needs, but also for their own necessities such as opening their businesses and possibly enhancing their opportunities for finding permanent employment.

Participant E stated that: *“Local skills are effectively equipped, when there is a project that is implemented in the community, people are involved and trained for productive work.”* The participant further stated that *‘there are young people who are trained on agriculture and they are participating in the Inqaba yokunzenzela community project, meaning that skills were effectively utilised’* (Interview, 14 January 2020).

Therefore, local skills were used effectively because projects like Inqaba yokunzenzela have somehow opened job opportunities and exposed youth to skill development and training. The local government is also providing opportunities for people to start their own businesses, where they develop their skills to more advance skills capacity. Therefore, the municipality does invite local citizens to develop their skills and to use their skills towards the eradication of poverty and unemployment, and this is part of empowerment benefit that comes with effective implementation of LED. Most of the South African areas and municipalities have been exposed over the past decade to marginalization, thus municipalities are obligated to implement far-reaching socio-economic reforms, in an effort to correct internal imbalances and inequalities and re-build all-inclusive economic opportunities. Socio-economic upliftment programs and projects are helping poor communities and individuals to withstand the harsh conditions that they faced over the years.

Participant F noted that: *“Local skills of the community have been used effectively to reduce poverty and unemployment. Local skills are used in projects, businesses, in creative arts and for those who are interested in starting their own businesses, thus we see LED as empowerment strategy”* (Interview, 12 January 2020).

In the above responses, the respondents perceptions on Local Economic Development is that it is a process where the local municipality helps to shape and sharpen the future of their territory by investing more on local people. Rodríguez-Pose & Tijmstra (2005) also supports participant's statements by defining LED as a participatory process that encourages and facilitates partnership between the local stakeholders, enabling skills development & training and implementation of strategies for locals by using the local resources, with the final aim of

creating decent jobs and sustainable economic activities. Therefore, LED is the municipal strategic process by which public, local businesses and non-governmental sector partners work collectively to create better conditions for economic development and employment generation to improve the quality of life for all. In character, LED process in itself help to create a more socially sustainable system, where it encourages the inclusion of previously disadvantaged groups in the policy-making process and ensure that government is more transparent and accountable to community development.

The concept of LED is defined by Sebola and Fourie (2007: 34) as the process that aims at allocating resources and creating opportunities to benefit local residents, especially the rural communities who were previously disadvantaged. The main aim of local economic development is to build up the economic streams of a local area, improve its economic future and improve the standard of life for all. According to recorded interviews, LED is seen as one of the most important strategies that should be used by the Municipality to alleviate poverty, create jobs and make the local economy grow. Machaka (2012) state that, as part of the Integrated Development Programme (IDP), the key stakeholders in a Municipality should take informed decisions to make the economy grow and create means for income opportunities for people, especially the poor. Therefore, Ulundi community believes that, the Municipality together with the locals should decide on LED strategies that should form part of the IDP process. The LED strategies should be based on the economic development vision, identify the problems and prioritise on development projects.

4.3.2 Theme 2 -The effectiveness of Local Economic Development as an employment strategy

In determining the effectiveness of the Local Economic Development and how effective it is, the majority of participants' responded that there is an effective existence of LED in Ward 21 because there are micro-economic strategies that were initiated by the local government or locals. Meyer (2014) have stipulated that, academics, development practitioners and stakeholders recognise the effectiveness of Local Economic Development as a means to create jobs, alleviate poverty, and improve in quality of local's life. In order to achieve dynamic local development, LED supports the understanding that all aspects of local communities such as the socio-economic welfare, environmental and political issues need to be holistically addressed in an integrated manner in order to achieve developmental success (Rogerson, 2009). Therefore, it can be argued that the effectiveness of LED should be to financially support local

people/businesses on a project basis as part of poverty alleviation strategy targeting to shorten the jobs' opportunity gaps through construction projects and creation of business opportunities. Malefane (2009) attests that, as LED is perceived as a municipal intervention, it should be efficiently implemented in order to eliminate skewed apartheid spatial development planning from the central means of economic activity. In that regard, the activeness of LED is felt when and if the concerned stakeholders (people) see and benefit from the projects designed and planned economic development sector.

Participant G mentioned that: *“There is an effective existence of local government, and there are strategies used by the local government to enhance economic development”* (Interview, 10 January 2020).

The effectiveness of the local government is recognised when they produce desired results by using the local resources for economic development and for the benefit of the local people. In observing the Local Economic Development initiatives and strategies, the Municipality is trying by all means to advocate and materialise the interest of the local community via planning and building of infrastructure in order to strengthen community success. It is therefore clear that effective LED strategy should include on its mandate at least the creation of jobs, attraction of new business; achieve local economic stability by involving the locals. The findings on the interviews also showed that LED would be effective if it determines the means to directly fight the plight of the poor and the unemployed, while on the other side it indirectly benefits the human development at a local level. In adopting LED as a strategy, the municipality is encouraging people at all levels to participate in strategic economic decision making which explores creativity that builds entrepreneurship for survival of the society. Despite the challenges that the rural communities are facing in creating job opportunities and poverty eradication, LED is a potential platform for bringing all stakeholders in working towards sustainable long-term solutions.

Participant H reported that: *“Local Economic Development existence is very effective, because we have seen a couple of times where the Municipality implements projects which are based on agriculture to supply markets and supermarkets. In that instance challenges such as poverty and unemployment are being tackled because we are a part of development process”* (Interview, 15 January 2020).

Akudugu and Lauber (2013) argue that, LED becomes more effective when local stakeholders and authorities work collectively with municipal, provincial and national planning agencies

jointly branding and implementing initiatives aimed at improving the economy of the locals through listening to the views of the people on the ground. Furthermore, for LED to achieve its effectiveness, there is a need for change from top-down approaches to more inclusive bottom-up approaches of local development, and this is possible through mobilizing local resources with an aim of encouraging self-dependence. Therefore, for the LED to be effective in Ulundi municipality, strategic and all-inclusive programme planning should be a considered process of businesses, the government, and the poor (mostly communities). Rogerson (2013) noted that if strategic planning is well developed and implemented, it provides a way to identify cooperative opportunities that will generate strategies to better achieve local objectives such as employment and poverty reduction. Rogerson (2011) further emphasise that, effective LED involves the public, business, and non-governmental sector to work collectively to create better grounds for economic growth and employment generation.

Participant I indicated that: *“The local government is effective because there are supported existing micro-economic businesses that are meant to be all inclusive and results to poverty alleviation. The municipality is trying by all means to bring about effective LED programmes such as EPW and agricultural initiatives to help communities fight vulnerability”* (Interview, 14 January 2020).

The Ulundi Municipality is effective because, programmes that are implemented to develop the local economic growth such as small businesses and community projects yield the outcomes that benefit the people. The local government has played a good role by implementing agricultural projects that aims to allow locals to make their own production to sell and consume. This confirms literature that the Democratic Government of the Republic of South Africa has put in place many development programs to address the urgent need to eradicate poverty through development of enterprises that create employment, increase household incomes, and improve the welfare of the people (Masuku, et al., 2016). The programmes that have been witnessed by participants include, but are not limited to, small, medium, and micro-enterprises (SMMEs), Expanded Public Works Programme (EPWP) and cooperatives. However, there are still constraints that the government has not tackled down, and these constraints have existed in this local community for a very long time, this makes the local Municipal projects to be partially effective because projects that are mostly implemented hold a small capacity of participation this means the projects do not accommodate the majority.

Participant J said that: *“Yes, there is a relationship between the local government and community members, but the relationship is not that strong because at some point we do not access certain resources and some community members are shy to raise their voice out”* (Interview, 10 January 2020).

Although the implemented projects are sometimes less effective and capacitated, it does not threaten relationship effectiveness to thrive between the Municipal government and the local community members. The Municipal LED projects that are rendered to communities to eradicate poverty such as those that were introduced by the Municipal mayor prove that there is a strong relationship between the two stakeholders. Participants depicted that some of these projects are meant to promote local activities that serves as a source of these projects are meant to promote local activities that serves as a source of generating income and creating multiple access to food security. The Ulundi Municipality also has LED unit which organizes, encourages, and mobilizes local communities to form groups in order to start associations and small businesses for their own benefits. This indicates that, in as much as there is a lot to be done, municipality still have capacity and competency in the field of development of activities (Sienkiewicz, 2014). The response rate of the relationship from the respondents ensures that there is a good relationship between Ulundi Municipality and the local community members of Ward 21.

Participant K mentioned that: *“There is a strong relationship between the government and the community, local meetings platforms play a good role to strengthen the relationship because that’s where the local people get to engage with the local government* (Interview, 10 January 2020).

Drawing from the responses received, it is clear that there is a relationship between the local community and the local government because; the local meetings are still seen as potential drive towards strengthening the relationship. In local meetings, local participants get opportunities to participate in decision-making, and the local government engages with the community so that they can be aware of the challenges faced by locals and be able to advocate and act on behalf of the community interests. However other participants commented with a different view, saying that the relationship between the locals and the local government is not that effective because semi-formal settlements receive immediate responses whenever they are raising their issues. In general, Municipality does assist communities to start small businesses including, agriculture and other potential businesses. They also provide with training based on

different sectors like financial life skills and marketing strategies so that people would be able to sell their business. Koma (2014) indicated that LED is a form of poverty reduction, same as other projects planned and implemented at Municipal level such as provision of free basic services.

4.3.3 Theme 3- Opportunities through LED as an employment strategy

The majority of the respondents were positive about the opportunities created through L LED initiative, stating that they have got opportunities to participate in LED programs and they help them to have means for survival. In as much as the response rate was good, some of the participants stated that they have never got opportunities to participate in LED programs. In general, LED initiatives are the tool for job creation and means of income generation through establishment of local entrepreneurship and co-operations. This is supported by Sienkiewicz (2014) who postulated that the LED program determine the importance of the public sector in making enabling environments for economic development, mainly the development of entrepreneurship where communities are encouraged to formulate socio-economic projects based on the use of local resources to meet their basic needs. Hence, Koma (2010) sees LED as the strategy to kindle local employment opportunities in segments that improve the community by utilizing local existing skills and resources. LED is therefore a process by which a municipality aims to improve the socio-economic, and the wellbeing of its people. The success of a community largely depends upon its ability to adapt to the Municipal development plans. The Ulundi community has a unique set of local conditions that either enhance or reduce the possibility of Local Economic Development, and it is the same conditions that would determine their relative advantage of an area in its ability to participate and attain desired development.

According to **Participant L**: *“I got an opportunity to participate in Local Economic Development program, the one project called Inqaba yokunzenzela community project that was implemented in 2016, and it accommodated lot of people in our Ward and the community as a whole. The project was mainly based on agriculture, but it was extended to accommodate other projects which attracted various skills and in that way different skills were used”* (Interview, 12 January 2020)

The local municipality’s overarching role in development and growth is to provide an enabling condition for all its residents and businesses to thrive either by having skills to start their own business or by received relevant skills for employment. For Municipal government to increase

employment opportunities for people, government needs to have a LED strategic plan which has a balanced approach between developing the poor to targeted growth according to plan. LED strategies need to intervene in the creation of jobs, poverty alleviation and the general improvement of quality of life. Meyer (2014) postulates that, LED should be used by local municipalities to communities as a strategic process which promotes good governance, co-operation and creating conducive environment for employment. All in all, LED is “everybody’s business”, including Municipality, the local communities and private supporters, thus it should be nurtured in a manner that accommodates everyone’s socio-economic needs. In an effort to create job opportunities, strong Municipal leadership is critical and essential for LED success because they are required to take the lead role in management and facilitation of enabling conditions for employment.

Participant M stated that: *“LED programs do exist in Ward 21, and under this program there are government strategies such as SMMEs, EPWPs, Small business enterprises that exist for the purpose of creating job opportunities”* (Interview, 14 January 2020).

In order for government strategies to work effectively, local leaders must work together as partners to maximize local resources and its utilization for opportunities implementation. Local leaders are in charge of ensuring the local economy is driven accordingly and with momentum as well as forming good partnership with other stakeholders such as private sector for the benefits of local communities. Local communities should be afforded an opportunity to lead developmental projects because if they are driven by local communities, they have more chance to succeed than projects attempted by government alone. In order to extend such opportunities, local government should be responsible to planning budget because implementation of small projects through LED demands funding. However, there are LED projects that lack capabilities to execute LED initiatives. In Municipal programs, there are instances whereby Municipality have limited budget and that hinders them from implementing some projects that can develop communities socio-economically. There are cases whereby community members bring ideas to the Municipality to start different projects, but they find out that there is no funding for those suggested projects because of limited resources. Sienkiewicz (2014) indicated that inadequate resources are crippling the implementation process of LED and encourages local authorities to properly use public management tools to promote economic development for the people.

Participant N: stated that, *“Local Economic Development programs existence in the community has never included me to participate in those programs, so if one has never participated in the program it is also obvious and clear that I have never benefited from the LED programs. I can therefore say there are little, or no opportunities crated through LED, but I might be wrong.”* (Interview, 12 January 2020)

According to the study findings, it is very important for the local government to firstly tackle down the unequal distribution of access to opportunities, enable communities to participate in LED programs that will benefit them both socially and economically. The latter depicts that LED programs should go beyond identifying strategies and weaknesses, but also be accountable in applying and using policy action that prioritize local participation through equal given opportunities, economic-based entrepreneurship, capacity-building, economic development plans and sustainability (Rodriguez-pose and Corona, 2013). It is therefore a recommendation that there should be standard policies and framework of operation to follow for Municipalities to transform goals into meaningful interventions. The establishment of LED units or frameworks at all local Municipalities in terms of capacity, skills and position in the Municipal structure is priority for all stakeholders who are at the forefront of development so that they can understand all job opportunities dynamics. Therefore, for Municipal structures to understand the needs of the people, LED skills training for all councilors and program facilitators to create improved access are proposed. The ward committees including community development workers need to be fully operational and need to be trained in the basic concepts of community development and LED. The units such as the spatial development framework need to be part of implementation in order to ensure focused development corridors.

It is not a surprise that LED should create opportunities because one of their functions is to create an enabling environment for economic development and for the small businesses of the less skilled to prosper. According to Meyer (2014), in order for LED to create an enabling local development environment, there are factors that should be followed which includes: Public-private partnership development; clear and realistic developmental policies; building of strong leadership; poverty eradication and socio-economic development initiatives; development of infrastructure; human capacity development; entrepreneurship skills development; and a safe and secure environment. Hence, the central theme of LED is job creation, and the plan for job creation could include aspects such as data base for central employment agency, mentorship programs, through technical and business skills training, creation of incubators and job centres, youth development programs and policy formulation with incentives for job creation. In

support to the latter, Department of Provincial and Local Government, (2006:10) proclaims that “Local Economic Development is about creating a platform and environment to engage stakeholders in implementing strategies and programs”. The enabling environments materialises when a joint attempt by local people are formed and unified in order to improve socio-economic conditions within an area.

4.3.4 Theme 4- Challenges faced by Ulundi Officials

The LED official’s response rate was positive, since they were able to respond specifically on the challenges that they encounter as developing Municipality, such as lack of awareness and poor budgeting for community development programmes. The latter is supported by Binza (2010) in that Municipal leadership is somehow unknowledgeable about local government issues, particularly LED matters. The study also found that LED as a program does not or have limited budget; they rely on the budget of corporative services department although LED is regarded as a strategic plan to address poverty, unemployment and inequalities that is facing the majority of Ulundi Local Municipality. Binza (2010) also argue that, there is lack of funding for LED projects which hinders the planned development goals, and this is a default for Municipal representatives who fail to respond effectively when communities need assistance in LED projects due to lack of resources, mostly the transport facilities.

In a broader perspective, Koma (2014) argue that South African local Municipalities are not only in crisis of funding or economic resources, but also in the shortages of skilled labourer’s which is identified as one of the obstacles mitigating Local Economic Development. These assertions indicate that local Municipalities face numerous challenges that contribute to poor implementation of LED initiatives, and Ulundi Municipality is not an exception. It is clear that skills required driving growth and development, administrative capacity and effective implementation of development policy frameworks is still a shortage, and that greatly affects development.

Participant O: stated that *“There are many challenges; first of all, I would like to take South Africa as a whole, the economy has slowed down so the economic downturn is affecting many things in the municipalities such our budget which is currently in deficiency. As the result, funding allocated for local municipality is too small for implementing some of the LED projects”* (Interview. 14 January 2020).

According to the responses from Municipal workers, their challenges are not limited to budget, but they are also experiencing issues with regard to service delivery; which is an effect that results from other challenges which are yet to be solved. The unsolved challenges lead to increased poverty, unemployment, and inequality due to that the economy has slowed down. It can be asserted that challenges faced by the Municipality with regard to service delivery are caused by lack of National government funding, and that has resulted to other challenges and failure for some projects which were meant to bring about development. Kerzner (2017) states that project failure occurs when the final expected outcomes are not met due to planning failure which is sometimes influenced by lack of resources to orchestrate projects. Successful projects are realized if projects are well undertaken by stakeholders in order to deliver, construct, or manage facilities. Projects are meant to deliver services; hence they require all necessities to be in order and properly planned to avoid failure.

Facilities are then required to produce the products. Facilities may be factories and equipment, product design, management process or organized group of people who need to be revamped and effectively used for development. Proos (2019) argue that the Municipality should continue to develop Ward Committees to participate in planning and development processes effectively and efficiently, and to ensure that they retain skilled professionals within the Municipality such as primary initiatives; agriculture, general business, and tourism. Effective outcome is the product that a project delivers; what the organisation is in business to make, deliver or sell as stated in its mission by strategically using all available resources to its advantage. The LED initiatives are meant to generate revenue and therefore deliver the purpose or benefit of the project however, if there is poor management or inability to use the resources effectively and efficiently, benefits and objectives that the project is supposed to deliver will not be materialised. Rondinelli in Theron (2008:41) categorically states that one of the most obvious reasons behind project failure relates to poor management. In the research findings, it was found that most of Ulundi projects fail due to wrong expectations, idealistic goals, poor design and execution, institutional weakness and inadequate supervision. The failure may be resulting from socio-political problems such as poor response to the needs of the project by the population expected to benefit from it, and poor municipal engagement after approval of the project and further shows less commitment during its execution. The other challenge that has affected the projects is that the Municipal government sometimes lacks the managerial capacities to control and achieve the project objectives, resulting to the failure of the project.

Participant P: stated that, *“The officials are faced with multiple challenges which includes infrastructure backlogs, local political conflict makes the operation of the municipality difficult especially with a lack of strong local leadership. The LED section also lacks capacity, skills and sufficient budget to implement action plans.”* (Interview, 18 January 2020).

In the terms of the LED as a turn-around strategy, the research found the official’s challenges in the municipal area as the most hindrance for development. The challenges that were mostly dominant are ageing infrastructure and lack of funding for maintenance, lack of strategic and skilled officials, poor engagement of public community, no Performance Management System (PMS), poor relationships between political leaders and people, ineffective financial management systems, and lack of LED co-ordination. It is therefore of high importance that, challenges such as poor maintenance of facilities/infrastructure, no services master plans, poor management system for CDW’s and ward committees in the area, poor financial management, and lack of planning of an LED unit with development strategies are fixed so that the officials will be able to execute LED programs.

Participant Q: mentioned other challenges that are encountered by the Municipal officials which are; *“The less enthusiast community to engage on meetings for development because they blame councillors for being incompetent”* (Interview, 18 January 2020).

The focus group further showed that, Ulundi community lack enthusiasm to partake in LED projects because some public leaders politicize LED projects, and this consequently leads to poor service delivery and biasness. Some of the respondents stated that they were aware of LED projects and its possible benefits, but the major challenge was having access to them in order participate and reap their benefits such as employment. The findings from the respondents further indicated that, in most of the cases, LED projects were documented in Integrated Development Plan, but the unfortunate part was lack of solid implementation strategies and enough resources to execute the plans. According to the findings, it can be asserted that ward counsellors were incompetent in coordinating community members to work collectively towards tackling poverty for poverty eradication. Municipal officials also indicated that, community members do not attend local Municipal functions and programs due to negative view that Municipalities are political institutions who are not closed to meeting their

needs. As the result, it becomes more difficult for Municipalities to introduce and implement projects that will benefit all communities with an aim of stimulating local economy.

In addition to the above mentioned, some of the challenges were observed concerning current Ulundi Municipality LED strategy is highlighted below:

- The LED is not yet well fused in Municipal practice due to limited funds allocated, the absence of goal-oriented poverty reduction objectives, and lack of detailed intervention impact. For most of the Ulundi programs, it is still early days for effective policy making and concrete results appear to be limited. In addition, the lack of program supervision and evaluation is a cause for concern;
- LED is sometimes considered as marginal to the mainstream basic services delivery mandate because of no clear roles to play or facilitate. This is because, the local authorities are not clear whether they should be driving economic development programs and job creation, or whether they should rather be facilitating it.
- LED programs are haphazardly operationalized across the South African rural Municipalities, and that yields negative results. There are major divides that exist between the Municipality and the community in terms of policy development, implementation of LED and applied practice. This issue has led to delays in the fulfilment of projects and sometimes waste of resources during the power hunger struggles.

4.3.5 Theme 5- Strategies to improve LED as an anti-poverty and unemployment strategy

In effort to understand how LED can be improved as a strategy. The Local Economic Development of Ulundi Municipality responses recommends that strategies such as business expansion, business retention, and the capacitation of the community counsellors should be considered to improve the Local Economic Development strategy towards the alleviation of poverty and unemployment. Sienkiewicz (2014) noted that, empowerment should be used as the strategy to stimulate Local Economic Development activities and the shaping of development by local authorities in co-operation with individual enterprises or economic institutions. The local Municipality should therefore be strategic, developmental and dedicated to work with citizens and civil society organizations as well as private sectors to find sustainable and sustainable ways to promote socio-economic development as well as to improve quality of life through poverty alleviation and opened job opportunities. Rogerson

(2013) noted that if strategic planning is in place, it is likely that it will provide with a way to clarify competitive advantage, build cooperative opportunities and generate strategies that will better achieve local objectives and needs. This indicates that strategic planning should be an all-inclusive process of businesses, the government, laborers and the poor. The results indicate that to mobilize the community to work together that could be a tool to achieve LED initiatives towards poverty alleviation. The idea behind working together is to strengthen a well conducive environment that will allow the entire local community to participate in economic development initiatives to achieve LED. Furthermore, findings from the results of this study emphasis that LED is the process by which the public, and other stakeholders work collectively to create better conditions for economic growth and employment generation for Ulundi community.

Participant R: stated that *“LED is all about connecting different stakeholders for the local economy so that it can be grow for gaining profit. Working with different sectors allows donors to sponsor certain project that will be able to stimulate the economic growth for high impact project so that it can employ people.”* (Interview, 18 January 2020)

The study also found that the LED strategy can be improved by encouraging private-public partnerships by means of inviting local government and stakeholders to work with private sectors. One of the Municipal officials mentioned a successful public-private partnership they had achieve with the private company Zululand Anthracite Colliery (ZAC) was able to have sponsored a big project that employed and accommodated a large number of community members. According to the World Bank (2010:1) “LED is the process by which public, business and non-governmental sector partners for effective socio-economic development of the livelihood with an aim to improve the quality of life for all”. The Municipality should also move for a Private Public Community Partnership (PPCP) that will build the educational status of the community and bring up means that will match the status of the communities in terms of economic development. In order to achieve all these partnerships, the Municipality should find a way to create a specific budget for LED by applying for funding from the government departments, and also by marketing the Municipality to attract external donor to invest in LED projects.

It is also recommended that, the Municipality should promote skills development and reduction of illiteracy on Municipal leadership so that it will be easy to understand and execute development projects. Masuku et al., (2016) writes that, skills development could be done by

making a close partnership with universities, schools, research centers, and skills and training development institutions to fast track the pace of reducing illiteracy and skills shortage both on officials and community. Skills development will help the communities to understand their economic development projects and be in a position to add value in the LED process, as well as help officials to better understand and achieve their responsibilities meant for development.

4.3.5.1 Proper utilisation of LED initiatives

The research findings indicate that some of the LED initiatives are less functional in terms of creating employment and alleviating poverty which is the target they should be working on. It is therefore a recommendation that action for effective development must always be taken based on the findings after every monitoring and evaluation conducted so that actions taken would be beneficial. Another issue that needs to be rectified is the issue of ownership which is problematic because some of the projects are done on properties not owned by the Municipality, meaning the locals will want to own like the Municipality does. The research findings indicate that the community of eMkhazane (Ward 21) needs the facility to be handed over to them and Municipality also want the facility to be given to the council to run it. Therefore, the Municipality must make sure that the projects are managed properly to avoid weakness of projects for community development since projects that are often managed badly do not reach their goals.

4.3.6.2 Community involvement and participation

The effectiveness of LED approach depends on enabling communities specific to a place and context of development. The LED initiatives should start the process of development by carefully identifying and recruiting local community to set shared visions of development. Theron (2008:4-5) indicates that Municipal departments or intervention strategies often plan projects in isolation and administered them in a top-down manner. It is therefore recommended that communities must be involved in LED projects in which they are meant to benefit them. LED project could follow people-centered development approach with an aim of involving the majority of the population, especially the previously disadvantaged e.g. women, youth and the unemployed. The latter depicts that, involvement of the community in the initiation, planning, implementation, operation and maintenance stages of development projects tend to lead to more sustainable results and cohesive development. Furthermore, the initiatives in a top-down manner fail to affect strengths and development from the local communities that in turn lead to failure to address the problems facing the communities.

4.3.6.3 Proper planning

The local municipalities must be at all times involved in economic development activities, and that forms a part of proper or effective planning. It is therefore recommended that, proper planning of Local Economic Development activities be undertaken by involving public participation thoroughly and ensure that lines of operation for all stakeholders are clearly defined to avoid contradictions. Municipality plan should be drafted in a manner that must avoid projects which ultimately cost time and resources yet delivering little or nothing. In the original plan, the Ulundi Municipality need to make predictions based on previous findings about what is likely to happen in future or even predicting alternative outcomes so that they can avoid possible challenges. The latter recommendations indicate that if the problem arises during the development phase of a project, the first thought would be that the project was not properly planned, hence adequate planning is more the case than the exception. For LED to be successful, coherent planning process is compulsory whereby the municipality is involving all stakeholders within the local area to participate on the programs. Although the process maybe lengthy but involving all sectors of the community and covering all matters that affect quality of life for locals, particularly those that need most support is very crucial. Therefore, it is advised that planning process should include; proper organisation, assessment of local economy, revising the strategy, implementation, maintenance, and the review process.

4.4 CONCLUSION

In conclusion, there are lots of dynamics that exist regarding the LED process from policy planning to implementation at the local government sphere for the communities. These include policies that do not effectively lead to implementation, improved skills, staff and funding shortages, poor community involvement in the planning and implementation of LED projects. According to the findings, the Ulundi Municipality does not have adequate economic strategies in place to address the issues of poverty, unemployment and inequality however, the LED is still considered as a current priority and the most available form for community development. The research findings also depicted the concept; role and functions; community perspective on LED; and recommendations regarding LED as the potential development process that should combat most of Ulundi challenges. The findings also showed that LED is not yet well embedded in municipal structures, which is shown by the community perspectives that the Municipality have limited funds and in some instances no funds allocated to LED. Therefore, it can be articulated that, LED should have its effective goals to create local jobs, ensure

economy that is viable and diversified, build on comparative advantages, alleviate poverty, and ultimately strive to improve the social, economic, and cultural life for all local communities.

Chapter 5: Conclusion and Recommendations

5.1 Introduction

This chapter presents the summary of the study on Local Economic Development as an Employment Strategy in eMkhazane (Ward 21), Ulundi Municipality. Summary of the study will include the findings from the literature and findings from the primary research. Finally the chapter will provide the conclusion and the recommendations.

5.2 Summary of key findings

5.2.1 Findings from the literature review

The study discussed and revealed the following in chapter 2;

The literature reviewed the definition of LED, the LED context from the International perspective, African perspective and the South African perspective; the study revealed that the success of a community today depends upon its ability to adapt and grasp to the dynamic local, national, and international market economy to improve its economic growth and to build an effective relationship between the community. In the South African perspective the literature reviewed the origin and emergence of the LED strategy in South Africa. The study focused on looking at South Africa as whole, the triple three constraints facing South Africa namely; poverty, inequality and unemployment, South Africa statistics revealed that the majority of black people in residing former homelands suffer from poverty and unemployment. The study also focused on Kwazulu-Natal province constraints, much of the inequality in KwaZulu-Natal is driven by inequalities among non-agricultural households, and unemployment is most prevalent among Africans living in former homelands areas or rural areas. Reducing poverty and inequality is the overriding concern of South Africa's development policies and programs, from the onset of our democracy in 1994 in the Reconstruction and Development Programme (RDP) to the current National Development Plan: Vision 2030 (NDP) (Buys, 2018). This revealed that the measure of success of government's development policies will be

implemented and South African poorest citizens will be transformed for the better (Skosana, 2019). The LED strategy in South Africa, literature reviewed the importance of the National Legislative Framework of LED that guide the implementation of the LED strategy, the role of local governance in LED, this revealed that the local government role through LED is not to create jobs but rather to create a conducive environment for jobs, the approaches used and strategies to perform the LED strategy responsibilities; micro-economic strategies that play a crucial role in an informal economy, the LED micro-economic strategies that are based on informal economy to eradicate poverty namely; SMMEs, EPWPs, BBBEE and Cooperation. The literature explored the successful use of LED strategy, however the socio-economic challenges that hinder successful implementations of LED strategy were considered. LED in the Municipal level; the study revealed that in order to tackle down unemployment, poverty and inequality good governance should be considered at all levels, this can be advantageous in that it can stimulate the involvement of local interests, enhance interaction among different stakeholders, empower local civic groups and the population in general.

Furthermore, the literature review explores the opportunities and challenges of Local Economic Development from the global level, national level, provincial level and the local level; this revealed that the challenges that affect the global economy simultaneously affect the local economy. The study then explored new strategies available to local government to achieve the goal of job creation, poverty eradication and economic growth. This exploration is done by discussing the socio-economic situation in SA as well as the attempts to address the socio-economic issues through SA democratic policies namely; RDP and NDP. The literature discussed the five steps of LED; the study revealed that there are five necessary steps to be followed in order to develop the LED strategy to a successful strategy, these five steps identifies the weaknesses and strengths of LED as a strategy that can hinder or develop LED functioning. Literature also discussed the LED as strength in South Africa; the strength of LED in South Africa lies in decentralisation which produces layers of government, this is advantageous because the government does not have to deal with complex issues from the global to the local. Furthermore the literature discussed the LED legislative framework that guides the LED strategy. The study used the Asset-based Community Development approach (ABCD) theoretical framework; the motive behind in choosing the ABCD approach is that it focuses on recognising the assets, and while recognising the assets it also draws assets and strengths, skills, opportunities as well as experience of the community members to the centre of activities required as necessities of living.

5.2.2 Findings from the Primary Research

5.2.2.1 Understanding the concept of LED

The first objective explores the participant perceptions on LED and the effectiveness of local skills according to one perspective of LED. The study found that the participants understand the concept of LED as a strategy that tackles down the challenges in the community such as poverty and unemployment through the local government implementing strategies that will accommodate the community members to benefit and overcome poverty. In most cases the Local Economic Development does not actually accumulate wealth but rather it is known as a strategy that focuses on survival means for the people this means that the LED strategy was developed to enhance victims of poverty and the unemployed, for this reason; it is an inclusive strategy that includes people who are not educated, unskilled and unemployed. The LED strategy operates in forms of micro-economic strategies and programs; the strategy also provides training for the unskilled to participate in the projects implemented by the Ulundi Municipality. These were the different perceptions of participants on LED; drawing from the participants perceptions of LED the study reveals that the local community understands the purpose and the concept of LED strategy. The study found that in overall drawing from the participant's majority perspective of LED, the local skills of Ward 21 community members are used effectively to overcome poverty and unemployment, however the challenges still exist namely; interpersonal relationships and inequality of opportunities. The findings identified that in as much as the local skills are used effectively but this does not apply to everyone else, there are limitations that lead to local skills not used effectively.

5.2.2.2 Determining how effective is LED as an anti-poverty and unemployment strategy

The second objective was developed to determine the effectiveness existence of local government and how effective it is and to determine the relationship between the local government and the community members. The study found that the local government existence is effective because the government micro-economic strategies applied succeeded to overcome poverty and unemployment this means that people can survive through these strategies,

however there are challenges faced by the community that have not been tackled down, as a result the other participants mentioned that the local government is partially effective. The study discovered that as the participants mentioned the agricultural projects, the government played a good role by implementing agricultural based projects because agriculture is recognised as one of the great potential drive towards overcoming poverty and unemployment. Ulundi is an agricultural-zone area this means the projects based on agriculture will have a huge impact on the local economy. However the study found that with agricultural projects being implemented they usually hold a small capacity of participation of the local people this means only few actually benefit from the project, one can conclude that these limitations are caused by Municipal budget that limits to small projects. In effort to determine the relationship between the local government and the local community members they study discovered that there is a strong relationship between the locals and the local government, the study found that the local meetings are the key drivers to a strong relationship because that is where the local community members get an opportunity to exercise their voices through participation and decision-making. However the local participants still fail to mention the challenges like interpersonal relationships that may be caused by the local government and there for that indicates that there is a lack of voice freedom to be able to be firm and show that some of the community members are not considered equal to others because of personal relationships that exist between the local government and the community members.

5.2.2.3 Exploring opportunities available through using LED as an anti-poverty and unemployment strategy

The study discovered that the majority has participated in LED programs in Ward 21, this means that the local government is playing a good role to ensure that the locals participate in LED programs, participation is one of the important aspects of Local Economic Development strategy. However the study found that it is not everyone who has got an opportunity to participate in the LED programs, this means that in as much as the majority gets a random opportunity to participate but there are local community members who have never participated for reasons such as lack of skills. The study found that there is an existence of LED programs in Ward 21, the existence of the LED programs is confirmed from the identifiable projects that have existed in the community. The study discovered that the benefits of LED, are derived from the participation of local community members in LED programs, the income received from the projects allows the community members to start small businesses for survival means. The study found that the LED strategy supports the unemployed rather than the employed; the

LED strategy is an inclusive strategy that aims to help poor people through informal economy and micro-economic strategies such as SMMEs, BBEEs, EPWPs and cooperatives. These micro-economic strategies were mainly designed for the poor that reside in former homelands. In conclusion one can say the LED strategy provides opportunities that are effective to overcome unemployment and poverty, however there are still limitations such as lack of skills, unequal distribution of resources, opportunities and municipal budget limitations.

5.2.2.4 Exploring challenges faced by LED officials using LED strategy

The study found that according to the Municipal Local Economic Development Manager, they have challenges that they experience with regard to service delivery; the Municipal LED Manager mentioned that one sequence lead to another for example South Africa as a whole is experiencing triple three constraints; poverty, unemployment and inequality due to that the economy has slowed down. This does not affect the Nation only but also the local municipalities, taking into consideration the budget of LED per say has dropped and this means that local government can't implement a number of big projects that will accommodate a huge number of people. The study discovered that the state cannot experience budget challenges or lack of funding and expect the national, provincial and the local to do better the effects will run down from the global to the local. This reveals that when tackling issues the national government must be aware that the same sharp strategies applied on the national should also be applied on the local constraints. Another challenge discovered, the study found that two weakness of LED have been identified; the budget is limited in most cases and the lack of knowledge from community counsellors which leads to implementing small projects that lack funding to an extent that small projects accommodate only a small number of people. One can conclude from these finding that the local government should capacitate the local counsellors as well as the community to raise awareness and understanding of Local Economic Development. However, in effort to evaluate the strength of LED, the study found that the strength of LED is that LED has been recognized as a bottom-up strategy, because LED is inclusive rather than exclusive and LED is also based on local economic potential, for example building capacity, decision-making, mobilisation of local-resource, public-participation and establishment of skills, LED is inclusive by involving local, municipal or provincial authorities, public agents as well as local stakeholders to participate and bring about local economic development.

5.2.2.5 Recommending how LED could be improved as an anti-poverty and unemployment strategy

The study found that according to the LED Manager, the policies that have been implemented for future purpose are identified are; business retention and the business expansion. The study discovered that in order to accumulate the economy means the municipality will be responsible to maintain businesses that will attract investors and since Ulundi is an agricultural-zone area, the municipality is planning to focus more on livestock and crop production in the future. Ulundi is a rural area and it has been identified that the majority of people that reside in rural area hold knowledge of basic agriculture and skills, these skills can be used for their own good as well as the economic growth. The study found that in effort to improve the LED strategy for future purposes, the LED can be improved by encouraging private-public partnerships by means of inviting local government and stakeholders to work with private sectors. The LED Manager went on to mention one of the successful public-private partnerships they had achieved, the private company (ZAC) was able to have sponsored a big project that employed and accommodated a large number of community members.

5.3 Conclusion

The study findings have proved that, drawing from different definitions, LED is an approach towards economic development which allows and encourages local people to work together by bringing economic benefits. LED as a programme in Ulundi Municipality has tended to maximise economic potential for all municipal localities, through stressing the importance of community participation, ensuring the economic growth is inclusive, build relationships between the local government and the private sector e.g. ZAC mining company as mentioned by the Ulundi LED official, that had a great influence in Inqaba Yokuzenzela Community Project. The effectiveness use of local skills of Ward 21 community to achieve LED, Inqaba yokuzenzela community project was a successful project and that is a good example to refer to which exposed people to skill development at Ulundi practise centre, one can conclude that LED strategy was able to promote economic growth through enhancing community empowerment opportunities such as skill development for long-term sustainability. The opportunities through LED, since LED programmes focus on empowering local communities and encourage the exchange of local ideas in a transparent and in an accountable manner. Expanding other ideas through identifying seizing business opportunities where the Ward 21 community was given a business idea “one home one garden” this was a good idea for Ward

21 community members to explore opportunities. The challenges Ulundi LED officials are facing reflected on the lack of sufficient financial resources, limited budget affects the functioning of the LED strategy as well as lack of good management. In conclusion, drawing from the data collected and key findings the study recommended that LED strategy should be improved and encourage public-private partnerships, training programs as well as business retention and expansion. Improving the LED strategy means to be able to foster and support the productive relationships and effective partnerships, in an environment of limited time and resources, the LED strength is to be able to tap into professional and community networks for resources, advice and exchange of partnerships this will lead to a successful LED strategy.

5.4 Recommendations

- Recommendations on LED definition, the Ulundi Municipality LED knowledge should be exercised from global level to local level, since it is the answer to all economic activities taking place in Ulundi, including all stakeholders working with Ulundi Municipality north-eastern region, working together with private partnership like Ulundi ZAC mine company to create economic development.
- Recommendations on effective use of LED strategy, the goal of every project implemented by the Ulundi Municipality LED should be long-term sustainable projects that also hold a large capacity of people, training programs should be considered in every project to achieve a successful/effective LED projects. This can be achieved by enough financial resources, good project management, monitoring and evaluation.
- Recommendation on opportunities through LED, the study revealed that the strength of LED as a strategy to create long-term opportunities depends in public-private partnerships; it is highly recommended that the Ulundi Municipality local government is encouraged to work with the private sector with respect to implementing projects in Ward 21 because partnering with private sectors is recognised as a potential drive towards implementing projects that hold a larger capacity of participation of community members.
- Recommendations on the challenges faced by the LED officials through the LED strategy, the study revealed that National budget affects the Municipal budget there for it is recommended Municipalities should be given funding that reflects the proposed Ulundi Municipality Integrated Development Plan of the year.
- Recommendation on the future use of LED strategy; the business retention and business expansion is recommended and recognised as a potential drive strategy for the

economic development of Ulundi as a whole since these strategies attract investors and simultaneously create employment for the community members.

5.5 Conclusion

This chapter has revealed the findings from the research study entitled LED as an Employment Strategy, in eMkhazane rural area (Ward 21), Ulundi Municipality. In conclusion this study has revealed that indeed, Local Economic Development strategy is a strategy that has been recognised as a successful strategy that has replaced the top-down approach. The study revealed that Local Economic Development strategy aligns with the bottom-up approach because it is an inclusive strategy through providing informal economy. Local Economic Development as a strategy that focuses on advocating for people interest at the local level with a purpose of economic development through implementing projects and programs in the community as strategies to overcome poverty. It was highly recommended to expand businesses and emphasize business retention, for this reason; the businesses have a potential to contribute to the local economy and create employment in Ulundi Municipality as a whole since they attract investors. One can conclude that the private sector also plays a good role in the local economy and the eradication of poverty through partnering with the public sector.

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APPENDIX A: INFORMED CONSENT FORM

UKZN HUMANITIES AND SOCIAL SCIENCES RESEARCH ETHICS COMMITTEE
(HSSREC)

APPLICATION FOR ETHICS APPROVAL

For research with human participants

INFORMED CONSENT RESOURCE TEMPLATE

Note to researchers: Notwithstanding the need for scientific and legal accuracy, every effort should be made to produce a consent document that is as linguistically clear and simple as possible, without omitting important details as outlined below. Certified translated versions will be required once the original version is approved.

There are specific circumstances where witnessed verbal consent might be acceptable, and circumstances where individual informed consent may be waived by HSSREC.

Information Sheet and Consent to Participate in Research

Date: 21 June 2019

Greeting: Greetings to all participants

My name is Siphesihle Masikane from the University of KwaZulu-Natal Howard College, School of Built Environment and Development. Currently doing master's degree in Community and Development Studies. My contact number is 0631672514 and email address is 215005216@stu.ukzn.ac.za/siphoka97@gmail.com

You are being invited to consider participating in a study that involves research in LED as an Employment strategy in eMkhazane rural area (Ward 21) at Ulundi Local Municipality. The aim and purpose of this research is to assess the employment of Local Economic Development as an anti-poverty and unemployment strategy in eMkhazane rural area (Ward 21) at Ulundi Municipality. The study is expected to enroll (7 participants in total based at eMkhazane rural area (ward 21) including the LED officer of Ulundi Local Municipality). It will involve the following procedures; purposive sampling method, semi-structured interviews, thematic analysis and triangulation methodology to ensure validity). The duration of your participation if you choose to enroll and remain in the study is expected to be 1-2 hours.

The study may involve the following risks and/or discomforts where the researcher can't be trusted, communication barrier and time constraints between the researcher and the participants. The study will provide no direct benefits to participants. The researcher must disclose in full any appropriate alternative procedures and treatment etc. that may serve as possible alternate options to study participation.

If the research could potentially involve risk, explain in full if compensation exists for this risk, what medical and/or psychosocial interventions are available as treatment, and where additional information can be obtained.

This study has been ethically reviewed and approved by the UKZN Humanities and Social Sciences Research Ethics Committee (approval number_____).

In the event of any problems or concerns/questions you may contact the researcher at 0631672514 or the UKZN Humanities & Social Sciences Research Ethics Committee, contact details as follows:

HUMANITIES & SOCIAL SCIENCES RESEARCH ETHICS ADMINISTRATION

Research Office, Westville Campus

Govan Mbeki Building

Private Bag X 54001

Durban

4000

KwaZulu-Natal, SOUTH AFRICA

Tel: 27 31 2604557- Fax: 27 31 2604609

Email: HSSREC@ukzn.ac.za

The participation in this research is voluntary and that participants may withdraw participation at any point, and that in the event of refusal/withdrawal of participation the participants will not incur penalty or loss of treatment or other benefit to which they are normally entitled. The potential consequences to the participant for withdrawal from the study and the procedure/s required from the participants for orderly withdrawal. Under what circumstances will the researcher terminate the participant from the study?

The researcher can terminate the participant, in circumstances where there is risk and discomfort not limited to physical, psychological, economic and social harm. The researcher can terminate the study if during the process there are injuries involved.

There are no costs that might be incurred by participant, except for potential societal benefits such as that after the interview the participants will get refreshments from the researcher.

The steps that will be taken to protect confidentiality of personal/clinical information, and the limits of confidentiality will be applicable. The participant name will be anonymous during the recording of interview, the original names will not be considered during data collection. The findings will be between the researcher and the supervisor. No pictures will be taken, to ensure participants are comfortable. The participants must be informed and consulted as well as approved before each method was employed and participant will be informed that their identities will not be revealed when findings are revealed. The participant will be informed about the right they have as they will be research subjects they have a right to withdraw at any time. Subsequently, the research methods are designed to be used alternately. Nevertheless, the interviews were chosen purposefully to reduce the burden on the participants because some of them may have had physical difficulties in writing their own answers or completing the questionnaires, some of them may in fact have had no arms or fingers.

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CONSENT (Edit as required)

I (Name) have been informed about the study entitled (provide details) by (provide name of researcher/fieldworker).

I understand the purpose and procedures of the study (add these again if appropriate).

I have been given an opportunity to answer questions about the study and have had answers to my satisfaction.

I declare that my participation in this study is entirely voluntary and that I may withdraw at any time without affecting any of the benefits that I usually am entitled to.

I have been informed about any available compensation or medical treatment if injury occurs to me as a result of study-related procedures.

If I have any further questions/concerns or queries related to the study I understand that I may contact the researcher at (provide details).

If I have any questions or concerns about my rights as a study participant, or if I am concerned about an aspect of the study or the researchers then I may contact:

HUMANITIES & SOCIAL SCIENCES RESEARCH ETHICS ADMINISTRATION

Research Office, Westville Campus

Govan Mbeki Building

Private Bag X 54001

Durban

4000

KwaZulu-Natal, SOUTH AFRICA

Tel: 27 31 2604557 - Fax: 27 31 2604609

Email: HSSREC@ukzn.ac.za

Additional consent, where applicable

I hereby provide consent to:

Audio-record my interview / focus group discussion YES / NO

Video-record my interview / focus group discussion YES / NO

Use of my photographs for research purposes YES / NO

Signature of Participant

Date

Signature of Witness
(Where applicable)

Date

Signature of Translator
(Where applicable)

Date

APPENDIX B: RESEARCH INTERVIEW SCHEDULE

In-depth one on one Interview Schedule

Participants' Personal Information

Gender (male/female).....

Date of Birth/ Age.....

Place of residence.....

Literacy level.....

Employment.....

Signature...

Thank for your agreeing to have this interview

I am Siphesihle Masikane, who is completing master's degree in community and development at the University of KwaZulu-Natal, Howard College. The aim of this study is to evaluate the LED strategy as an employment strategy in eMkhazane rural area (ward 21) at Ulundi municipality. Please feel free to talk openly, if you feel uncomfortable talking about something or would rather not answer a question, please tell me. You do not have to answer questions if you do not want to.

Do you mind if I record this interview? It's only for research purposes. That way I don't have to write down lots of notes while we talk. I will be the only one to listen to the recording. Please speak clearly so that I can hear what was said on the tape.

The interview will take up to an hour and half.... If you are tired or need to stop and do something else, please tell me and we can take a break. Everything said in this interview will be treated as confidential as possible by the researcher. When I report on the finding, I will make sure that everybody remains anonymous to respect their perspectives.

Interview guide

Employed and unemployed population [eMkhazane rural area (Ward 21)} semi-structured interview questions

What do you understand by the concept of LED? (main question)

- Explain LED according to your own perspective?

- According to your LED perspective, are the local skills used effectively as a strategy to reduce poverty and unemployment?
- What is the effective use of LED to the reduction of poverty and unemployment? (main question)
- Is there an effective existence of local government in your community? If there is, how is it effective?
- Do you get opportunities to participate LED programs?
- Do LED programs in ward 21 support both employed and unemployed community members?

What are the opportunities available through using LED as an anti-poverty and unemployment strategy? (main question)

- Are there any LED programs existing in this community (ward 21)?
- Do you benefit from the LED programs existing in your community (ward 21)?
- Is there any effective relationship between the local government and the community members (ward 21)?

Ulundi local municipality LED officer semi-structured interview questions

- What are the challenges faced by LED? (main question)
- Are there challenges you experience during service delivery? If yes, what are those challenges? If no, what has been done by the LED successfully?
- How will LED be improved as an anti-poverty and unemployment strategy?
- What are the strengths of LED?
- What is the weakness of LED? If there are, how can they be improved?
- What are the policies that have been implemented for future purposes?

