

**THE IMPACT OF LOCAL ECONOMIC DEVELOPMENT ON LIVELIHOOD  
STRATEGIES IN COMMUNITIES OF BOTLOKWA VILLAGE, MOLEMOLE LOCAL  
MUNICIPALITY, LIMPOPO PROVINCE**

by

**Thapelo Brilliant Lebopa**



Submitted in Fulfilment of the Requirements for the Degree  
**Master of Development Studies**

in

**Planning and Management**

in the

**FACULTY OF MANAGEMENT AND LAW**  
**(School of Economics and Management)**

at the

**UNIVERSITY OF LIMPOPO**

**Supervisor: Dr M.N Khwela**

**2022**

## **DECLARATION**

I, Lebopa Thapelo Brilliant, hereby state that this work, entitled **THE IMPACT OF LOCAL ECONOMIC DEVELOPMENT ON LIVELIHOOD STRATEGIES IN COMMUNITIES OF BOTLOKWA VILLAGE, MOLEMOLE LOCAL MUNICIPALITY, LIMPOPO PROVINCE**, is original work of mine and that all sources used and/or quoted herein have been properly cited. The study report is presented to University of Limpopo in fulfilment of the Master of Development Planning and Management degree requirement. I have never submitted a research report for an examination at this or any other university.

Signature

Date:

---

---

## **ACKNOWLEDGEMENT**

The following individuals deserve my sincere gratitude and appreciation for their significant contributions towards the completion of this study.

- ❖ First , I want to express my gratefulness to The Lord of Tshenolo the Holy Church for giving me energies and insights during this study. I extol Him and give Him all the honour.
- ❖ My supervisor, Dr M.N. Khwela, for his expert advice, motivation, inspiration and understanding as well as for his tireless efforts to see that this project was successfully completed. Your intellectual prowess, your perceptions, concepts and recommendations have been crucial to this research.
- ❖ I would want to thank my late mother Suzan Morufane Lebopa for her powerful prayers for my achievement and for her sharp and sincere support. Thank you to my aunt Mapula Sebela and my brothers Shane Maropene Lebopa, Selae Lebopa, Khutso Lebopa and Tebogo Lebopa for inspiring me to conduct this study.
- ❖ My sincere gratefulness also extends to Madikge Sara Mehlape, my girlfriend, for her moral support throughout this research.
- ❖ I would especially like to thank my friends Samuel Tshepo Monhla and Charlotte Ntjeketli Phooko for helping me with this study endeavour.
- ❖ Finally, I would like to express my profound gratefulness to the Molemole Local Municipality staff for their insightful ideas and information that they contributed to this study. Without their help and collaboration, this research would not have been feasible.

## **DEDICATION**

These folks receive a special dedication from this dissertation:

- ❖ My Late Mother Suzan Morufane Lebopa
- ❖ My Aunt Mapula Sebela
- ❖ My Grandmother Selina Kiphi Sebela
- ❖ My Brothers Shane Lebopa, Selae Lebopa, Khutso Lebopa and Tebogo Lebopa
- ❖ Karabo Lebopa
- ❖ Madikge Sara Mehlaphe
- ❖ Charlotte Ntjeketli Phooko
- ❖ Tshepo Monhla
- ❖ Mphofe Jack Sebela
- ❖ Mphudi Sebela
- ❖ Mapelo Sebela

## **ACRONYMS**

LED	: Local Economic Development
ANC	: African National Congress
ASGISA	: Accelerated Shared Growth Initiative of South Africa
CFG	: Community Food Gardening
CoGTA	: Cooperative Governance and Traditional Affairs
CRDP	: Comprehensive Rural Development Programme
DPLG	: Department of Provincial and Local Government
EPWP	: The Extended Public Works Programme
GDP	: Gross Domestic Product
GEAR	: Growth, Employment and Redistribution
IDP	: Integrated Development Plan
IGR	: Inter-governmental Relations
IMF	: International Monetary Fund
INEF	: Integrated National Electrification Fund
LGDS	: Limpopo Growth and Development Strategy
MDG	: Millennium Development Goals
MFSG	: Municipal Finance Support Grant
MIG	: Municipal Infrastructure Grant
MLM	: Molemole Local Municipality
MSIG	: Municipal Support Infrastructure Grant
SMME	: Small, Micro and Medium Enterprise
NGO	: Non-Governmental Organisation

NSDP : National Spatial Development Perspective  
PGDS : Provincial Growth and Development Strategies  
RDP : Reconstruction and Development Programme  
REID : Rural Enterprise Industrial Development  
RSA : Republic of South Africa  
SDBIP : Services Delivery and Budget Implementation Plan  
SME : Small and Medium Enterprises  
SPSS : Statistical Package Social Sciences  
STATS SA : Statistics South Africa  
UN : United Nations  
UNDP : United Nations Development Programme  
WB : World Bank  
WHO : World Health Organisation

## **ABSTRACT**

Local economic development was instituted as a strategy by the new democratic government to boost employment, local economic growth and reduce poverty at local level. This research investigated the impact of LED towards livelihood strategies in the communities of Botlokwa , Molemole Local Municipality. A normative and correlation research design was used in this study. Utilizing surveys, interviews, observation and a literature study, data was gathered. Three key informants and 97 community members in total took part in the research.

The results showed that the LED has been used by Molemole Local Municipality. For the municipality, local economic development is crucial for several reasons, including tackling the local economic growth backlog, reducing unemployment and poverty, fostering community involvement in setting needs and goals, and enhancing integration and coordination. However, the execution of the LED ran into some difficulties, including, among others: a bad resource scarcity, unfinished projects, a poor level of community involvement and political interference.

Additional verdict demonstrates that local government has improved the quality of amenities provided to recipient households and community members, particularly the provision of electricity, but that additional amenities, such as the delivery of water, creation of jobs, better living conditions, sanitary conditions and refuse removal are still insufficient. However, the community members evolved various coping mechanisms because of high prevalence of poverty and unemployment cut-off. The majority of community members voiced their displeasure with the delivery of programs intended to improve their living conditions. Respondents emphasized that municipality organized ward council meetings, IDP forums and consultation sessions to include communities in service delivery. Communities are still unhappy with their level of participation, though. Notwithstanding that municipality's general successes in providing basic amenities, there is still a backlog in service delivery and LED initiatives because of corrupt practices, a lack of resources, a capacity issue and incorrect project targeting.



The results also demonstrate that the municipality's local economic growth has been greatly boosted by the adoption of the LED. All of the municipality's development planning and programs begin with the LED and IDP; as a result, municipality is able to develop and execute in agreement with planned requirements of the population. The municipality has been helped to offer essential services including water, electricity and sanitation thanks to the services and infrastructure projects that have been implemented. Additionally, the municipality has built roads and other infrastructure for the community's benefit. However, outstanding of inadequate execution of the LED, which was brought on by capability issues, limited public involvement and resource shortages, the municipality has not entirely completed the delivery of essential amenities. The report suggests that the municipality prioritize enhancing the supply of LED programs aimed at the community members' modes of subsistence as a cure. Additionally, it is advised that the municipality focus on enhancing community involvement, making effective usage of MIG and strengthening its ability for the development and execution of the LED.

**Key words:** Local Economic Development, Development, Local Municipality, LED Initiatives, Livelihood Strategies

## **TABLE OF CONTENTS**

<b>Contents</b>	<b>Pages</b>
<b>Declaration</b>	<b>ii</b>
<b>Acknowledgment</b>	<b>iii</b>
<b>Dedication</b>	<b>iv</b>
<b>Acronyms</b>	<b>v</b>
<b>Abstract</b>	<b>vii</b>
<b>List of tables</b>	<b>xv</b>
<b>List of figures</b>	<b>xvi</b>
<b>List of Appendices</b>	<b>xvii</b>

### **CHAPTER ONE: INTRODUCTION AND BACKGROUND OF THE STUDY**

<b>1.1. INTRODUCTION AND BACKGROUND</b>	<b>1</b>
<b>1.2. STATEMENT OF THE RESEARCH PROBLEM</b>	<b>2</b>
<b>1.3. AIM AND OBJECTIVES</b>	<b>3</b>
<b>1.4. RESEARCH QUESTIONS</b>	<b>4</b>
<b>1.5. DEFINITION OF CONCEPTS</b>	<b>4</b>
<b>1.6. METHODOLOGY</b>	<b>5</b>
<b>1.6.1. Research Design</b>	<b>6</b>
<b>1.6.2. Study Area</b>	<b>7</b>
<b>1.6.3. Kinds of Data Needed</b>	<b>8</b>
<b>1.6.4. Target Population</b>	<b>8</b>
<b>1.6.5. Sampling Procedures</b>	<b>9</b>
<b>1.6.6. Data Collection Methods</b>	<b>9</b>
<b>1.6.7. Data Analysis Techniques</b>	<b>10</b>
<b>1.6.8. Validity and Reliability</b>	<b>11</b>
<b>1.7. STRUCTURE OF THE DISSERTATION</b>	<b>12</b>
<b>1.8. SIGNIFICANCE OF THE STUDY</b>	<b>12</b>
<b>1.9. ETHICAL CONSIDERATIONS</b>	<b>13</b>

<b>1.10. CONCLUSION</b>	<b>14</b>
-------------------------	-----------

## **CHAPTER TWO: LITERATURE REVIEW**

<b>2.1. INTRODUCTION</b>	<b>15</b>
<b>2.2. THEORETICAL FRAMEWORK</b>	<b>15</b>
<b>2.3. EMPIRICAL LITERATURE</b>	<b>18</b>
<b>2.3.1. The Nature of Local Economic Development</b>	<b>18</b>
<b>2.3.2. Local Economic Development in South Africa</b>	<b>23</b>
<b>2.3.3. The Typologies and Characteristics of Livelihood Strategies</b>	<b>25</b>
2.3.3.1. Commercial Farming	25
2.3.3.2. Community Food Garden	27
2.3.3.3. Poultry and Livestock Farming	29
2.3.3.4. Traditional Brewed Beer	30
2.3.3.5. Micro and Small Enterprises	30
<b>2.3.4. The Impact of Local Economic Development on Livelihood Strategies in Communities</b>	<b>32</b>
2.3.4.1. Budgeting and Planning	35
2.3.4.2. Integration and Coordination	36
<b>2.4. CONCLUSION</b>	<b>38</b>

## **CHAPTER THREE: INSTITUTIONAL SUPPORT, POLICY AND LEGISLATIVE FRAMEWORKS FOR LOCAL ECONOMIC DEVELOPMENT AND LIVELIHOOD STRATEGIES IN SOUTH AFRICAN CONTEXT**

<b>3.1. INTRODUCTION</b>	<b>40</b>
<b>3.2. NATIONAL CONTEXT</b>	<b>41</b>
<b>3.2.1. Demographic Profile</b>	<b>41</b>
<b>3.3. DEVELOPMENT PLANNING IN PRIOR AND POST-APARTHEID ERA</b>	<b>42</b>
<b>3.3.1. Planning in South Africa Prior-1994</b>	<b>42</b>

<b>3.3.2. Planning in South Africa Post-1994</b>	<b>43</b>
<b>3.4. POVERTY, UNEMPLOYMENT AND BASIC SERVICE DELIVERY</b>	<b>44</b>
<b>3.4.1. The Basic Needs Perspective</b>	<b>45</b>
<b>3.4.2. The Social Exclusion Perspective</b>	<b>45</b>
<b>3.5. NATIONAL POLICIES AND LEGISLATIVE FRAMEWORK</b>	<b>46</b>
<b>3.5.1. The Reconstruction and Development Programme (RDP)</b>	<b>46</b>
<b>3.5.2. The Growth, Employment and Redistribution Strategy 1996 (GEAR)</b>	<b>47</b>
<b>3.5.3. The Accelerated Shared Growth Initiative in South Africa (ASGISA)</b>	<b>47</b>
<b>3.5.4. The National framework for Local Economic Development in South Africa (2006-2011)</b>	<b>48</b>
<b>3.6. PROVINCIAL CONTEXT</b>	<b>48</b>
<b>3.6.1. Demographic Profile</b>	<b>49</b>
<b>3.6.2. Rural Household Poverty and Basic Services</b>	<b>50</b>
<b>3.7. PROVINCIAL POLICY FRAMEWORKS AND STRATEGIES</b>	<b>52</b>
<b>3.7.1. Provincial Growth and Development Strategies (PGDS)</b>	<b>52</b>
<b>3.7.2. Rural Enterprise Industrial Development (REID)</b>	<b>53</b>
<b>3.7.3. Comprehensive Rural Development Programme (CRDP)</b>	<b>53</b>
<b>3.7.4. Limpopo Growth and Development Strategy (LGDS)</b>	<b>54</b>
<b>3.7.5. The Integrated Sustainable Rural Development of 2000</b>	<b>55</b>
<b>3.8. THE LOCAL CONTEXT</b>	<b>55</b>
<b>3.9. LOCAL ECONOMIC DEVELOPMENT EXPERIENCE IN SOUTH AFRICA 1994-1999</b>	<b>56</b>
<b>3.9.1. Local Government Initiatives</b>	<b>56</b>
<b>3.9.2. Community Based Initiatives</b>	<b>56</b>
<b>3.9.3. Section 21 Development Companies</b>	<b>57</b>
<b>3.10. LOCAL ECONOMIC DEVELOPMENT IN LIMPOPO</b>	<b>58</b>
<b>3.11. LOCAL POLICY FRAMEWORKS AND STRATEGIES</b>	<b>59</b>
<b>3.11.1. The Constitution of the Republic of South Africa (Act 108 of 1996)</b>	<b>59</b>
<b>3.11.2. The Local Government Transition Act of 1993 amended in 1996</b>	<b>60</b>
<b>3.11.3. The White Paper on Local Government (1998)</b>	<b>60</b>

<b>3.11.4. Municipal Structures Act of 1998</b>	<b>61</b>
<b>3.11.5. The Municipal Systems Act, 2000 (Act No 32 of 2000)</b>	<b>61</b>
<b>3.11.6. The Local Economic Development policy Paper (2001:38)</b>	<b>61</b>
<b>3.11.7. The Municipal Finance Management Act (Act No. 56 of 2003)</b>	<b>62</b>
<b>3.12. CONCLUSION</b>	<b>62</b>

## **CHAPTER FOUR: DATA ANALYSIS, INTERPRETATION AND PRESENTATION OF FINDINGS**

<b>4.1. INTRODUCTION</b>	<b>63</b>
<b>4.2. PRESENTATION OF FINDINGS FROM THE QUANTITATIVE HOUSEHOLD SURVEY</b>	<b>63</b>
<b>4.2.1. Biographic profile of respondents</b>	<b>64</b>
<b>4.2.2. The nature of Local Economic Development</b>	<b>69</b>
4.2.2.1. The role of local economic development	69
4.2.2.2. How often are you involved in local economic development initiatives	70
4.2.2.3. Type of local economic development projects in communities of Botlokwa Village	71
4.2.2.4. The reason for the implementation of the local economic development Initiatives	72
<b>4.2.3. Types and characteristics of livelihood strategies</b>	<b>72</b>
4.2.3.1. Types of livelihood strategies	73
4.2.3.2. How reliable are the livelihood strategies in terms of generating income	74
<b>4.2.4. The Impact of Local Economic Development on Livelihood Strategies In Communities</b>	<b>75</b>
4.2.4.1. Does local economic development play an important role in livelihood strategies practice	75
4.2.4.2. The impact that local economic development initiatives have on the communities	76
<b>4.3. PRESENTATION OF FINDINGS FROM QUALITATIVE INTERVIEW</b>	<b>77</b>

<b>4.3.1. The Local Economic Development Implementation</b>	<b>77</b>
4.3.1.1. The importance of local economic development for the municipality	71
4.3.1.2. Problems the municipality encounters in the preparation and implementation of the local economic development	78
4.3.1.3. Specific areas that needed improvement in the implementation of the local economic development	81
4.3.1.4. Causes of local economic development initiatives project backlogs in the Municipality	83
<b>4.3.2. Local Economic Development and Its Impact on Livelihood Strategies</b>	<b>85</b>
<b>4.3.3. The Implementation of the Local Economic Development Has Led to Improved Livelihood Strategies in The Communities</b>	<b>85</b>
<b>4.4. CONCLUSION</b>	<b>85</b>

## **CHAPETER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS**

<b>5.1. INTRODUCTION</b>	<b>87</b>
<b>5.2. SUMMARY OF THE STUDY</b>	<b>87</b>
<b>5.3. SUMMARY OF KEY FINDINGS</b>	<b>89</b>
5.3.1. The Importance of Local Economic Development For the Municipality	89
5.3.2. Problems the Municipality Encounters in the Planning and Implementation of The Local Economic Development	89
5.3.3. Specific Areas That Need Improvement in the Implementation of the Local Economic Development	89
5.3.4. The Livelihood Strategies Practiced by the Community Members	90
5.3.5. The Involvement of Communities in the Municipal Local Economic Development Service Issues	91
5.3.6. The Extent of the Municipal Achievement in Local Economic Development Project Provision Targets	91

<b>5.3.7. Causes of Local Economic Development Project Backlogs</b>	<b>92</b>
<b>5.3.8. Strategies for Addressing Local Economic Development Project Backlogs in the Municipality</b>	<b>92</b>
<b>5.3.9. The Implementation of the Local Economic Development Has Led to Improved Livelihood Strategies in The Communities</b>	<b>92</b>
<b>5.4. CONCLUSION</b>	<b>93</b>
<b>5.5. RECOMMENDATIONS</b>	<b>94</b>
<b>5.6. LIMITATIONS OF THE STUDY AND SUGGESTION FOR FURTHER STUDIES</b>	<b>95</b>
<b>REFERENCES</b>	<b>96</b>

## List of Tables

<b>Table</b>	<b>Pages</b>
Table: 1.1. South Africa's population distribution by provinces	<b>41</b>
Table 1.2. Population distribution among districts in Limpopo Province	<b>49</b>



## **List of Figures**

<b>Figures</b>	<b>Pages</b>
Figure 4.1: Gender of respondents	<b>64</b>
Figure 4.2: Age group of respondents	<b>65</b>
Figure 4.3: The educational levels of respondents	<b>66</b>
Figure 4.4: Employment status	<b>67</b>
Figure 4.5: Household monthly income	<b>68</b>
Figure 4.6: The role of local economic development	<b>69</b>
Figure 4.7: How often are you involved in local economic development initiatives	<b>70</b>
Figure 4.8: Types of local economic development projects in the communities	<b>71</b>
Figure 4.9: Reason for the implementation of the local economic development projects	<b>72</b>
Figure 4.10: Types of livelihood strategies	<b>73</b>
Figure 4.11: How reliable livelihood strategies in generating income	<b>74</b>
Figure 4.12: Does local economic development play an important role in livelihood strategies practice	<b>75</b>
Figure 4.13: The impact that local economic development initiatives have on the communities	<b>76</b>

## **List of Appendices**

<b>Appendix A: Consent Form</b>	<b>111</b>
<b>Appendix B: Questionnaire Survey</b>	<b>112</b>
<b>Appendix C: Interview Schedule</b>	<b>118</b>
<b>Appendix D: Ethics Clearance Certification (TREC)</b>	<b>120</b>
<b>Appendix E: Traditional Authority Letter for Permission</b>	<b>121</b>
<b>Appendix F: Editorial Letter</b>	<b>122</b>

## CHAPTER ONE: INTRODUCTION AND BACKGROUND OF THE STUDY

### 1.1. INTRODUCTION AND BACKGROUND

Local Economic Development (LED) is a state approach intended to lessen unemployment and poverty alleviation (Khambule, 2018). Among other duties, the municipality is liable to stimulate economic growth and guarantee LED (Wang, Yang & Zhang, 2015; Khambule, 2018). Therefore, the key authorities have decentralised local government in leading the LED initiatives in relations to section 153 of the Constitution of the Republic of South Africa 1996 and section 26 of the Municipal Systems Act No.32 of 2000, confirming the significance of the LED initiatives concerning sustainable development.

The use of LED in China and Canada has proven to be an effective approach towards combating poverty, reducing the unemployment rate and creating job opportunities for citizens through ensuring that resources are distributed well to the communities (Wang *et al*, 2015). This helps in the disruption of the malicious circle and integrate poverty mitigation and unemployment with the environmental restoration which is a significant matter in a rural sustainable development (Hofisi & Mbeba, 2013, Khambule, 2018). Furthermore, it is whispered that once the community participates in the developments and acquire alternate livelihood strategies (such as ecotourism, ecological services, rural commerce and new yields), local sustainable development can be accomplished, while preservation, unemployment and poverty lessening can be undertaken together in the same approach (Acemoglu & Robinson, 2013, Wang *et al*, 2015).

In South Africa, it is mandatory for the municipalities to take the responsibilities to guarantee to accomplish governmental constitutional development command of organising local economic initiatives notwithstanding encounters in respective areas (Wekwete, 2014, Cruces, Fields, Jaume & Viollaz, 2017). Thus, deficiency of resources, human investment and free enterprise are approximately encountering obstructive economic development in most local government in South Africa (Cruces *et al*, 2017).

Local people need to combine subsistence and income-generating activities in varied and, classically, shifting patterns to meet basic requirements (Ellis & Freeman, 2015).

The study focused more on the reduction of poverty, unemployment and creation of jobs as they serve as the approach determined by the South African government through local governments. The resources should be channelled near the provision of Small and Medium Enterprises (SMEs), consequently creating a sustainable livelihood strategy for persons and communities. Moreover, the direct involvement of residents in the mainstream of their local economies is vital in creating the approach to function efficiently.

## **1.2. STATEMENT OF THE RESEARCH PROBLEM**

There is a need for a rising intelligence of urgency for, and importance on, the formation of a modern independent development government that will address the encounters of poverty, unemployment and create more industries for job opportunities faced by mostly undeveloped countries (Machethe, 2014; Warren, 2016). Poverty and unemployment are often related with environmental degradation in the form of a malicious circle known as the 'poverty-environment trap' in which rural poverty and unemployment lead to environmental degradation and environmental degradation further fast-tracks poverty (Geremewe, 2018). Apart from deprived resource endowments and living in a fragile environment, many rural households lack other methods of investment such as human, financial and communal capital (Warren, 2016; Geremewe, 2018). Thus, the amalgamation of poor environment and economy fast-tracks the poverty-environment trap.

According to the World Health Organization Report (WHO) (2018), 50% of the people in Peru are living in poverty whereas 47, 5% of the population in Peru is unemployed due to a lack of good preparation of the LED at the local level. Hence, differences more clarity needed of basic amenities such as water and sanitation, housing, transport and security reduce possibility of opportunities that individuals can access through their generation, distressing their projections for some improved livelihood strategies for

themselves and their offspring, and eventually, upset the development and shared wealth potential of the nation (Shackleton, 2015). In other Latin American countries such as Chile, Colombia and Ecuador, more than 55,5% are living in poverty, 65% unemployed and lack of new job opportunities is still a nightmare to the countries due to corruption, lack of distribution of resources, lack of support from the government to advance their quality of life and poor LED approach towards the communities (Mehlwana, 2015). Most poor people practice livelihood strategies as a means of survival and to generate income to improve, move out of poverty and create little jobs for themselves.

Poverty and unemployment are still a nightmare in South Africa as about 76% of the population still live under chronic poverty and 85% of the population is still unemployed to the fact that there is a lack of innovation in terms of job opportunities and the economy is collapsing (Machethe, 2014). Poor people are engaged in livelihood strategies to survive and move out of poverty, hunger and starvation (Ellis *et al*, 2015). There is acknowledgment that Botlokwa Village is confronted with poverty and unemployment difficulties even though the agricultural industry and shopping business contribute 80% towards the local Gross Domestic Product (GDP) (Seduma, 2011; Wekwete, 2014). The potential trimming of the agricultural business, as demonstrated in the closure report of SASOL and Sathekge Agricultural Production existing a thoughtful risk of local economy.

### **1.3. AIM AND OBJECTIVES**

The study aimed to investigate the impact of local economic development towards livelihood strategies in the communities of Botlokwa Village. The following specific objectives were drawn from the aim:

- ❖ To the nature of local economic development.
- ❖ To examine the typologies and characteristics of livelihood strategies.
- ❖ To explore the impact of local economic development on the livelihood strategies in the community of Botlokwa Village.

- ❖ To establish measures that enhance the municipal LED initiatives on livelihood strategies in communities of Botlokwa Village.

#### **1.4. RESEARCH QUESTIONS**

General question: What is the impact of Local Economic Development on the livelihood strategies in communities of Botlokwa Village?

The specific research questions being formulated from the general research question were as follows:

- ❖ What is the nature of local economic development?
- ❖ What are the typologies and characteristics of livelihood strategies?

What is the impact of local economic development on the livelihood strategies of the Botlokwa Village communities?

#### **1.5. DEFINITIONS OF CONCEPTS**

The terms used in the study's adoption and use are defined in this section. As a result, a single phrase may have several meanings. As a result, specific definitions for important concepts such local economic development, livelihood, livelihood strategies and community will be chosen for the study in order to avoid any ambiguity of terms and to offer consistency throughout.

##### **Local Economic Development**

This is referred to a process of enhancing the worth of life in local communities by engaging in productive economic activities that utilize the resources that are readily available locally, focusing on historically marginalized groups of people, communities and regions as well as black economic enablement industries and SMMES to enable them to fully partake in the economic life of the nation (Tsheola, 2012). The study used the Tsheola definition because it collaborates with all the parts of the LED to be attained when developing and putting into practice the LED initiatives to the community to raise living standards and improve the livelihood plans of the community members. The

definition is therefore appropriate for the study because it concentrates more on enhancing rural residents' quality of life.

### **Livelihood Strategies**

“Livelihood strategies are described as a technique to make a living by doing particular activities and to access resources which will sustain the living standard of the people”, claim Ellis and Freeman (2015:111). Ellis and Freeman's definition was used in the study because it highlights activities aimed at raising people's living conditions and providing money for rural areas. Consequently, the definition is better because it emphasizes actions performed to raise rural residents' income.

### **Livelihood**

“Livelihood comprises the capabilities, assets which include both material and social resources and activities required for a means of subsistence”, states Amberntsson (2011:4). Since it focuses more on the skills and resources required for underdeveloped communities to have the means of survival and be able to escape the poverty trap, the study adopted Amberntsson's (2011) definition. Therefore, the concept is pertinent to the study since it emphasizes the abilities and resources of livelihood as a means of subsistence.

### **Community**

A community, according to Martin and Mcheimech (2016), is a collection of individuals who engage and help one another and are connected by a common experience or set of traits, a sense of belonging, and frequently by proximity to one another. The definition used in the study was that of Martin and Mcheimech (2016) since it is founded on community member engagement, support and other comparable characteristics. The term is more appropriate for the study because it concentrated on a shared livelihood plan that community members utilize to reduce poverty and unemployment by half.

## **1.6. METHODOLOGY**

Methodology is a framework of procedures and methods selected by a researcher to combine numerous mechanisms of research in a rationally consistent means that the research problem is competently handled (Van Wyk, 2015). It presents perceptions into how to conduct research by means of a specific methodology. Research design and methodology gives plans/steps that would be taken into account to collect data which will be sufficient to the study to answer the research questions, examination, investigation area, validity and reliability, ethical considerations and to address the aim and objectives of the research.

### **1.6.1. Research Design**

Research design is a study idea that stipulates the general data collection framework as well as comprehensive steps taken to guarantee the study's accomplishment (Van Wyk, 2015). The research design is therefore intended to help achieve research goals and answer the study's research questions. It also helps to collect and analyse data (Kothari, 2010). The research design is much additional to a work strategy, as the key determination is to help evade the state where the evidence does not address the study's initial research questions and goals (Kothari, 2010; Van Wyk, 2015). The study employed a normative research design since the target was not only to gather facts about the impact of the LED on Livelihood strategies but also to complete the statement and adopted the correlation study as a type of research form. The study used a cross-sectional study wherein the area should be visited to check the data required on whether the data was available or not for the purpose of answering the research questions.

The correlational investigation is defined as an investigation aimed at discovering the association among binary or extra variables to examine the impact of LED on Livelihood strategies (Islamia, 2016). The main benefit of correlation examination, it allows different relationships to be explored within the same study (Van Wyk, 2015). However, correlation research can observe interactions among variables that do not suggest one variable causing the other one (Van Wyk, 2015; Islamia, 2016). To achieve the study's goals, the study equally employed qualitative and quantitative research approaches.



Qualitative approach is an examination which information was collected in face-to-face circumstances by networking in their settings with chosen individuals to gain different perceptions and experiences about the impact of the LED on Livelihood strategies (Eyisi, 2016). The qualitative approach to the study helped to clarify questions on the nature of phenomena to define and understand the phenomena from point of view of the participants (Eyisi, 2016). The study used an interview to participants using a review questionnaire to discover and appreciate participants' attitudes, views, emotional state, and behaviours about the degree to which the LED had an impact on the livelihood strategies (Hughes, 2014). The benefit of the qualitative approach was that it produces results that are more valid and less artificial (Yilmaz, 2013; Eyisi, 2016).

The quantitative approach involves using mathematical measurement and numerical analysis to examine the phenomena being studied (Yilmaz, 2013; Eyisi, 2016). One of the constraints of quantitative approach is that it can damage human independence and thinking capability (Yilmaz, 2013). The quantitative approach aims to institute relationships among two or more variables using numerical methods to test the strong point and importance of variables connection (Eyisi, 2016). For various motives, the research used qualitative and quantitative approaches of research. Firstly, qualitative approach provided an opportunity for the participants to understand the phenomenon (Yilmaz, 2013; Eyisi, 2016). By examining the emotional state, principles, ideas and opinions of participants on the impact of the LED on Livelihood strategies where a meaningful understanding was acquired. Secondly, to obtain the required data, the study interacted with selected individuals in their normal location. Thirdly, the study must be replaced with another word for clear meaning the data collected through in-depth analysis (Eyisi, 2016). The quantitative method of research tried to recognize exact variables within the study context.

### **1.6.2. Study Area**

Botlokwa Village is suited within Molemole Local Municipality (MLM) (Molelome Municipality IDP, 2020), which the municipality falls under the category B. Molemole

Local Municipality is located within the Capricorn District Municipality, which is in Limpopo Province (MLM IDP, 2020). The municipality is situated 60km north of Polokwane. The headquarters of Molemole Local Municipality are in Mogwadi, formerly known as Dendron (MLM IDP, 2020). Botlokwa Village is well-known for its heritage site, agricultural projects, small enterprises and different practices of livelihoods that have been practiced and found in Botlokwa communities within Molemole Local Municipality, which contributes largely to the local economic growth and creation of job opportunities to the community members (MLM IDP, 2020). Thus, due to the high unemployment rate and poverty within the communities of Botlokwa Village, this led to the practices of livelihood strategies to survive poverty and create self-employment and little job opportunities for the community members. The MLM has 13 Wards and an overall population of 132 521 with 55 035 Males and 77 486 Females (MLM IDP, 2020). The population of Botlokwa Village is 68 117 with 38 763 households (MLM IDP, 2020). Most of the population in Botlokwa Village practice different livelihood strategies to survive and to move out of chronic poverty and reduce unemployment to have at least a small amount of income to purchase the goods and services in the market. The study focused on those livelihood strategies practiced and projects that the LED initiatives had instituted to increase job opportunities and halve unemployment in the area.

### **1.6.3. Kinds of Data Needed**

To accomplish objectives and the aim of the study, secondary and primary data were essential. The secondary data was gathered through books, journals, articles, and other Google search engines that form the base of argument to achieve the intended objectives. The primary data was collected through observation, opinions, and administrated questionnaires to provide a complete thoughtful of the factors of livelihoods strategies and the impact of LED on livelihoods practiced in the community to decrease the unemployment and poverty reduction in the communities.

### **1.6.4. Target Population**

Target population is demarcated as a set of elements to the study emphasizes upon and which outcomes are used to simplify and typically lure a conclusion (Bless, Higson-

Smith & Kagee, 2006; Alvi 2016). The community members who were engaged in the practice of livelihood strategies in Botlokwa Village were the target population for the study, LED initiatives coordinator and Municipal Officials. Those community members, Municipal Officers and Coordinators of LED provided their views, perceptions, experiences and beliefs on the impact of the LED on livelihood strategies in the communities in creating little job opportunities and reduce poverty among themselves.

#### **1.6.5. Sampling Procedures**

Sampling is one of utmost important basics of data collection foundation for any systematic study and act on a crucial role in safeguarding information is adequate to lure essential assumptions (Etikan & Bala, 2017). The key purpose of a sample is to accomplish representativeness, which means the sample would be accumulated to represent the entire population from which the sample is taken (Phrasisombath, 2009; Etikan & Bala, 2017). The sampling units for the study are community members and LED initiatives coordinator who are engaged in livelihood strategies. A sample of 100 people was drawn out of the 68 117 population in Botlokwa Village. Hence, the study was limited to sample comprising the community members, Municipal Officials and LED initiatives coordinator who were engaged in livelihood strategies to obtain the needed data.

The study employed the non-probability method to handpick participants to be questioned due to the nature of the study and the limitations that were foreseen. Judgmental sampling was considered as an ideal technique to be used in the study since it is suitable to hand-pick a sample based on population information and study determination. Grounded chief on knowledge of the study area and objectives, the goal was to select from the target population from the widest variety of participants to investigate the broad applicability of the study questions.

#### **1.6.6. Data Collection Methods**

The study considered primary and secondary information to accomplish research goals and respond to research questions. Secondary information was collected through data

sources including documents, archival materials, issued and unpublished articles, web sources and books on literature review such as the nature of local economic development and the typologies and characteristics of livelihoods strategies in a broad context, while primary information was gathered through structured questionnaires based on the practice of livelihood strategies that the community members engaged in to decrease the level of poverty and unemployment in the communities of Botlokwa Village. The questionnaires included range of tools which respondents replied to written questions to stimulate feedback, principles, attitudes, views, facts and experiences on the extent to which local economic development achieved livelihood strategies (Etikan & Bala, 2017). The questionnaire was administered to explore the perceptions of participants of a wide range of livelihood strategies.

The questionnaire included open-ended as well as closed-ended questions that were mounted, classified and patterned. Open-ended questions enabled participants to provide extra detailed information about the familiarities, feelings, principles, truths and attitudes on how the local economic development contributes to providing a sustainable livelihood strategy in the communities to reduce poverty and unemployment. While closed-ended questions permitted partakers to select the response to questions from the selections provided. There were two parts of the questionnaire.

The first section was structured to generate demographic data on sexual category, age, variety and level of education, home magnitude, and numeral of dependents, year of livelihood strategies engaged and the purpose of engaging in the livelihoods. Unit two contained locked - completed questions to measure the level of agreement among participants or disagreement with the report on the impact of local economic development in achieving livelihood strategies for rural communities. The section included questions on types of livelihoods strategies but this is covered in unit one. The questionnaires were disseminated to all sampled community members involved in livelihood strategies in the research area, and if necessary, participants were helped in completing the questionnaires.

### **1.6.7. Data Analysis Techniques**

Here are dual methods that were used in examining information gathered in the study, specifically qualitative and quantitative approaches to analysing information. Qualitative approach is “pigeonholed” to the fact that outcomes are expressive (Eyisi, 2016), which means the words were used to explain outcomes of data collected rather than numbers (Eyisi, 2016). The qualitative data was analysed by thematic analysis and interpreted through deep involvement in the questionnaires. To develop understanding written in the final statement, data was coded. This analysis enabled relevant themes and patterns to be organized into an understandable story. Through an inductive approach, these themes and patterns have been compared to other theories. The study was able to collect and explore data through an inductive approach to check the subjects to focus on.

The quantitative information was coded into a mathematical demonstration to allow a sequence of numerical analysis that would be carried out via the software set named the Statistical Package Social Sciences (SPSS) (Eyisi, 2016). The software set allowed the study to enter and store information, using recovery approaches and involve numerical analysis and descriptive figures such as diagrams, charts, tables, calculations, rates and averages (Eyisi, 2016). The software assisted the study in writing a report, describing clearly and information gathered on scale of the impact of local economic development and measurement of livelihood strategies. Tables and diagrams were used to demonstrate the sizes and value dissemination to visually match the connection between local economic development and livelihood strategies in communities.

### **1.6.8. Validity and Reliability**

The most crucial components that must be clearly and succinctly presented in the study technique are validity and reliability. Reliability relates to the steadiness of the verdicts, while validity indicates honesty of the verdicts (Haradhan, 2017). (Haradhan, 2017). Validity and reliability are necessary to guarantee the integrity and excellence of measurement devices used to collect data to fulfil the study's goals and objectives

(Haradhan, 2017). The study's validity and reliability were inferred from the methodologies used for both data collection and analysis. Through an examination of literature, interviews and questionnaires, data was gathered. Additionally, before using a full-scale survey for the study, a trial testing of the research was conducted at Molemole Local Municipality to gather participants' thoughts and knowledges.

## **1.7. STRUCTURE OF THE DISSERTATION**

The dissertation is divided into five chapters, each of which is made up of the following:

**Chapter One** gives an overview of the study's background. It also offers a summary of the motivation for the study's operation as well as its justifications and procedural approach. The importance of the study and ethical issues was considered.

**Chapter Two** provided influence of local economic development and livelihood strategies was reviewed in the literature. Discussions in local municipalities also included theoretical approaches to development, local economic development and livelihood strategies.

**Chapter Three** highlights the historical backdrop of LED's impact in promoting livelihood strategies, employment and poverty reduction methods in South Africa and beyond. The research area for the chapter's conclusion is Molemole Local Municipality, which is further cascaded down to the provincial level in Limpopo province.

**Chapter Four** deals with analyses and interprets actual information that was gathered from the research area. The chapter lures its analysis on respondents' opinions about the impact of the LEDs in improving livelihood strategies. Additionally, the visual data was collected in this chapter along with the observations made.

**Chapter Five** explains the findings and suggestions made after analysing the information gathered from the respondents. This chapter included suggestions for

potential actions that may be taken to increase the effectiveness of the LED in promoting livelihood strategies.

### **1.8. SIGNIFICANCE OF THE STUDY**

The study applauds previous investigations into the LED and livelihood strategies. The local government's ability to carry out its constitutional responsibility to provide local beneficiaries with sustainable local economic growth is hindered by long-standing patterns of livelihood strategies and previously unheard-of difficulties. This study theoretically offers a framework for reducing the backlog of livelihood strategies. The study adds to the ongoing discussions on how effectively LEDs may improve livelihood strategies and disseminate fresh information for academic purposes. In terms of application, this research acts as a benchmark for local government in which it helps numerous organisations, policymakers and decision-makers develop workable and specific applied methods that can be applied to enhance municipal planning. The results of this study were disseminated throughout the Capricorn District Municipality's with municipalities hope that to some extent, the tremendous difficulties faced by community members' livelihood strategies may be mitigated.

### **1.9. ETHICAL CONSIDERATIONS**

The ethical guidelines outlined in the University of Limpopo's code of ethics was followed in the compilation of this research endeavour. The researcher was completely aware of ethical obligations to uphold knowledgeable truthfulness and professional reliability in this regard. When approaching different respondents for information, the researcher was aware of their expectations. Respondents received assurances that the data gathered on them was private and that the study's objectives were solely academic. In that sense, the researcher was not going to share any information gathered from respondents with any other authority without their consent. The research complied with the University of Limpopo's plagiarism policy in that researcher gave praise or appropriately acknowledged work of others and quotation marks were used to denote exact quotes from other academics or researchers.

The respondents' anonymity was ensured, and the responses of participants cannot in any way be linked to their real names. Participants in the study gave their consent to participate and were given option to decline or retract from the study at any period. Before beginning fieldwork for project, numerous certificates were obtained, including a letter of ethical clearance from the TREC, a letter of authorisation from council and finally an agreement form that was utilised to properly seek participation of participants.

### **1.10. CONCLUSION**

The unheard-of and long-standing patterns of livelihood strategies, unemployment, and poverty reduction backlogs are sought to be resolved in practically all municipalities through the efficient and effective implementation of the LED. In this regard, the study sought to examine how the LED affected the improvement of livelihood strategies in rural regions and to suggest potential improvements that should be considered to make the LED a more cohesive strategy for employment and poverty reduction. The study used qualitative and quantitative research methods for information collection and analysis to collect and examine data from respondents in a qualitative and statistical manner. Purposive sampling was chosen as part of non-probability sampling method used in the investigation. The research was significant because it served as a benchmark for local governments, enabling numerous organisations, policymakers and decision-makers in developing realistic and doable applied solutions to enhance local municipal planning. The theoretical and conceptual analysis of LED and livelihood methods is presented in the ensuing chapters.



## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1. INTRODUCTION**

Numerous academics believe that the impact of local economic development (LED) on livelihood strategies is what has improved long-standing LED backlog patterns (Koma & Kuye, 2014). The practical application of the LED as a tool to improve employment and poverty reduction is still up for dispute. The alarming and unprecedented issue of unemployment and poverty reduction backlogs has not been completely tackled by the LED planning discourse, particularly at the municipal level (Mukwevho, 2012). The context and justification for the study, whose main objective was to ascertain how LEDs impacted rural livelihood strategies, were presented in the chapter that came before it. The chapter also included information on the procedures and strategy used to carry out the investigative process. The latter is enhanced using a variety of research designs and procedures that were regarded to be necessary for the success of the study. I think this part needs to be deleted in this chapter. The focus should be on his chapter and what it entails

To understand how effectively the LED may improve livelihood strategies at the local level, the following chapter present conceptual and theoretical examination of LED and livelihood strategies, highlighting connections between the impact of the LED and livelihood strategies. The chapter also focuses specifically on the following goals that were the focus of the literature review: first, the assessment of the extent of local LED implementation; second, the evaluation of the state of local livelihood strategies; and

third, the contribution of the municipal LED initiative to the promotion of local livelihood strategies.

## **2.2. THEORETICAL FRAMEWORK**

The project's development is supported by the theoretical framework. Its purpose was to theoretically, methodologically and systematically support the researchers' work (Eisenhart, 1991). The chosen theory was incorporated into the theoretical framework, which provides justification for how to comprehend and organize the research (Coetzee, 2001). Consequently, the theory of development that is used in this study is explained as follows: we do not need this phrase humanistic centred people. Nevertheless, there are more development theories, such as dependency theory.

Since modernisation theory was unable to discourse the underdevelopment of emerging nations, Dependency Theory was developed in Latin America in the 1960s. Additionally, it was discovered that the dependency paradigm continually causes stagnation in developing nations by sucking resources out of rural areas and into metropolitan ones (David, Theron & Maphunye, 2009). Inner-city areas are therefore developing in the expenditure of rural regions. These latter factors subsequently maintain underdevelopment of poor nations. As a result, the theory's failure inspired a micro-method to growth that put individuals and community first.

### **Humanistic People-Centred theory**

The Humanistic People-Centred paradigm, which individuals and communities are increasingly centre of development, serves as the methodological foundation for this study. People-centred processes help society's members reach their full potential by developing their skills and mobilizing local resources to raise their standard of life in line with their goals (David, Theron & Maphunye, 2009). People's interests and needs are prioritized in micro-level development, which is the primary rationale for the implementation of people-centred advance. Humanistic view of personality places an emphasis on human potential and traits that are only found in humans, like self-awareness and free will. Humanists hold that the desire to develop psychologically is

what drives humans. Since public members must be intelligent to define, prioritize, lead and achieve their own growth, this study postulates that livelihood strategies should be people centred. The latter is passionately opposed to South Africa's colonial heritage, dispersed technocratic system or top-down decision-making process. As the results of healthy growth, the humanistic perspective on personality emphasizes the individualised attributes of optimal wellbeing and the use of one's creative potential to help others, as well as the relational contexts that support those qualities. Therefore, people-centred development is supported by modern democratic administration. As a framework for socioeconomic policy, the Reconstruction and Development Programme (RDP) attests to the People-Centred Approach as a place to start when addressing historical injustices. The tenets of People-Centred Development continuously advance the following through its pillars: empowerment, social learning and sustainability (David, Theron & Maphunye, 2009). Consequently, amenity distribution ought to be integrated into tenets and guiding philosophies of people-centred development.

#### Dependency theory

One of the main defenders of the dependency theory claims that “ignorance of the history of the impoverished countries leads to suppose that their past and indeed their present reflect previous periods of history of the now affluent countries” (David, Theron & Maphunye, 2009:20). It is commonly accepted that economic progress happens in a series of capitalist stages, and that the poor nations of today are still in a historical phase that the developed nations of today long since passed. The basis for a more radical dependency theory was created by this critique of the modernization idea.

According to Makalela (2017), historical underdevelopment is mostly the result of previous and ongoing economic relations between the presently metropolitan countries and the impoverished satellite nations. Development in core countries and underdevelopment in periphery countries are two sides of the same coin, according to Machete (2014:15), Dependence theorists' key argument is that one country's benefit (core) is another country's detriment (periphery), i.e., one always implies the other. Three independent factors the absence of investment by multinational corporations, the

unfavourable balance of trade and the extraction of surplus resources can be used to explain this link.

Both industrialization and underdevelopment go hand in hand; the advanced capitalist nations gained their prosperity by stealing the economic surplus of the African nations they later colonized. African nations suffer from underdevelopment as a result of supporting the rise of the West. These multinational firms did nothing to train this labour, despite the fact that they benefited from cheap labour. The export of raw commodities is the focus of the economies of developing nations. The colonials were intended to be an extension of the core through the employment of their transportation networks, labour systems based on rural migration, governance systems based on indirect rule using traditional authority, educational systems and repression of political participation. They weren't intended to promote personal growth. The extreme leftist response of dependency theory to this unjust relationship between wealthy and poor countries cutting ties has drawn criticism. Such initiatives have failed to solve underdevelopment and have proven disastrous (Zimbabwe, Cuba and Venezuela). Additionally, the effects of globalization have increased interdependence among states. Dependency theorists have sometimes placed all the responsibility on Western countries while ignoring corrupt practices in poorer countries.

## **2.3. EMPIRICAL LITARATURE**

The determination of this subsection is to stipulate a thorough analysis of national and international literature on LED and livelihood strategies. This section outlines the nature of local economic development and how it has been implemented by promoting job opportunities and assuring local economic prosperity. The types and traits of livelihood strategies are also provided in this section. This part also emphasizes how local economic development affects rural livelihood strategies. The final section offers a summary of this chapter.

### **2.3.1. The Nature of Local Economic Development**

It is common to categorize LED as a locally protected strategy that enables local stakeholders to comprehend their economy at the most fundamental level (Lappi, Aaltonen & Kujala, 2019). Local stakeholders have utilized the LED as a tool to identify their requirements, organise resources both within and outside and work cooperatively to expand the local economy so that it can reach its full potential (Kumikova, 2019). Additionally, LED is considered a strategy of improvement with a geographical perspective. As a result, it makes the decision to encourage local economic growth, enhance community livelihood strategies and create jobs that will help lower poverty and the unemployment rate in the area (Kumikova, 2019; Lappi *et al*, 2019). However, as LED is underfunded, careful consideration of national policy, institutional frameworks and financial modalities are required for it to thrive.

Global policies and procedures that encompass multifaceted forces and progressions like globalisation, suburbanisation, movement, worldwide and state construction systems, including commerce, impact local economies at the international, national, provincial and municipal levels (Ringenson, Hojer, Kramers & Viggedal, 2018). These factors present opportunities and risks to communities, necessitating action through the formulation of plans and initiatives by both national and local governments in an effort to foster local and national development (Ringenson *et al*, 2018; Lappi *et al*, 2019). Planning efforts to address these opportunities and difficulties in a way that benefits local residents in their communities are hence strategies for local economic development (Kumikova, 2019). The need for local economic development results from the developmental challenge that economic development is unbalanced and inequitable across economic field, environment and social groups. This presents significant difficulties for meeting the requirements of residents in relations of employment prospects, capital creation and amenities, especially underprivileged and marginalized groups (Seduma, 2011; Kumikova, 2019). This serves as the theoretical and practical foundation for regional development. The fact that these issues have varying effects on various population groups and geographic regions, however, necessitates creative development approaches that apply LED tools and practices and recognise the characteristics of expansion is uneven and needs both government and private sector

intervention strategies to guarantee balanced circulation of benefits to residents (Frennert, 2019).

Therefore, LED plans should be conceptualised as procedure that addresses the advance issues which arise locally and enlists the cooperation of national and local municipality, businesses, public organisations and global development associates (Ritz, Wolf & McQuitty, 2019). The rising commonness of absolute and relative poverty, limited admission to infrastructure and amenities, increasing informalisation of inner-city economies and the failure and desertion of present businesses are just a few of the negative development trends that all those sectors collaborate to combat and reverse (Ritz *et al*, 2019). Additionally, it's about taking advantage of the comparative and competitive advantages that locales, industries, and regions now possess. In terms of specific outcomes, the LED strategies aim to strengthen local economies (raising GDP and living standards locally), boost employment locally and lower unemployment rates, draw in local and foreign investment, maintain and grow already-present businesses and link them to international worth chains (Ritz *et al*, 2019). The variety of potential for the LED deliverables has prompted academic researchers, international development organizations, states and local governments to define and interpret them in various ways (Kumikova, 2019; Lappi *et al*, 2019). Since the LED is a crucial component of the broader development agenda but focuses specifically on locality and territory, it differs from conventional development of urban/rural planning, as many policymakers and academics have asked (Ringenson *et al*, 2018).

Municipalities can use the LED to help them fulfil their development mandates. Additionally, it becomes the primary tool for local government functions, including planning for the areas of employment and poverty reduction (Van Niekerk, 2014). Furthermore, the LED is essential in helping local government resolve disputes amicably so that communities can advance (DPLG, 2014). Local economic development was considered to be function of local government administration part of integrated system of preparation and distribution, in contrast to role of planning played during the apartheid era. Department of Provincial and Local Government (DPLG, 2014) states

that groundwork for local economic development must include information on the subsequent, the construction that will oversee the preparation method, the community's ability to participate, the constructions that will ensure participation and planning process' agenda.

The World Bank advises integrating poverty lessening efforts through LED to give underprivileged areas access to the essential services they need, including water, electrical energy, education, well-being care, infrastructures and sewage. To achieve significant economic growth, the recipient communities must actively participate in the LED programs (Lappi *et al*, 2019). Furthermore, according to Kumikova (2019: 10), LED is a process that allows community, private and non-profit sectors to collaborate to improve the environment for economic development and job creation. These opinions are supported by Seduma (2011:40) and Gromova, Timokhin, and Popova (2020:5), who define the LED as a strategy used by municipal authorities to promote economic development and job creation. A survey of the literature finds that the worldwide mandate for the LED is noticeably explicit about what each international state is required to do. To reduce poverty and unemployment, locals should take actions to improve their quality of life and create sustainable economic growth. These efforts should provide financial benefits for everyone in the community (Gromova *et al*, 2020).

According to Gromova *et al* (2020), the LED has been promoted on a global scale through the creation of cooperatives that eventually evolved from five diverse traditions. These are consumer, labour, credit, agricultural and service cooperatives, whose origins have been attributed to the Rochdale pioneers in countries like France, Germany and many other regions of Europe, including Denmark. Local communities stop being the targets of development and start taking part in it. Community-driven projects are suggested as a means by which localities could show their wish to preserve their traditions and customs while also making a living (Okunlola, 2012). Old-fashioned understanding to LED as a method of taking developing initiatives geared toward local development had changed to emphasize self-adequacy, provincial, nationwide, continental and international procedures in development of local economies, as well as

the worth of backing LED from across the gauge of authority (Nothnagel, 2011; Okunlola, 2012). The European Union attends as illustration of function of the economic growth, with mechanisms grounded in nationwide and provincial governments to promote local development procedures (Blakely & Bradshaw, 2013; Mandisvika, 2015).

When Local Economic Development selected economic growth-driven methods to advance development in favour of LED-driven strategies in the 1990s, it underwent an international transformation (Blakely *et al*, 2013). Small-scale and public-founded initiatives that rely on resident talent and involvement from local population to maintain sustainability were chosen and advised. The LED efforts were described as the individuals taking proactive measures to enhance the social and economic situations in their areas (Mandisvika, 2015). According to Mandisvika (2015), a numeral of LED initiatives to discourse specific communal and economic encounters at local level put an emphasis on resource organisation, resource redistribution, local originality and modernisation advancement, investment in human capital, procedural backing and teaching for self-employment and commercial start-up, as well as backing for innovativeness formation. The majority of western nations view LED as a crucial weapon to combat poverty through public-grounded programs run by cooperatives that are targeted at (Nothnagel, 2011). The South African government employs the same strategy and one of its agencies, LIBSA in full first, has the responsibility to organize, incubate and train cooperatives in a variety of entrepreneurial activities and skills to engage local employment for infrastructure advance (Seduma, 2011; Mandisvika, 2015). The Extended Public Works Programme (EPWP) is just a tactics in the South African administration that has employed to raise the standard of living and food security for households through continued employment and job opportunities (Seduma, 2011). According to research conducted by United Nations Development Programme (UNDP) in 2016, poverty levels have increased since apartheid ended in 1994, which coincides with the provisions made for LED by the World Bank framework. To meet the economic requirements of communities and seek to lower levels of unemployment and poverty, the LED in Botlokwa Village must become firmly established. The study



focuses on the importance of LED initiatives for lowering poverty and joblessness rates in areas wherever LED plans partake been implemented.

The theoretical justification shown above makes it clear that there is no standard method for putting ideas from the same school of thinking into practice, and that the LED initiatives and execution have departed through numerous phases of execution in several locations (Okunlola, 2012). The preparation, capital and execution of LED plans and initiatives as a means of reducing poverty, joblessness and forming a significant number of jobs while also offering the recipients necessary training and skill development is clearly fraught with difficulties on a worldwide scale (Lappi et al, 2019).

According to World Bank, reducing poverty in emerging nations had become a priority for numerous global organisations, nationwide administrations and non-organisational worldwide (Malemela & Yingji, 2016). Communities in need of modernisation use the LED to create initiatives that are adopted as engines of economic expansion on a global scale (Malemela & Yingji, 2016). The study's goal is to determine whether efforts to reduce poverty in communities that were adopted as municipal IDPs acknowledged any support from other development organisations or national entities. Local Economic Development explained to accomplish sustainable economic development and growth for the assistance of all residents. Programme and policy define local economic development as a people-centred effort. It strives to indorse and advance all economic sectors and facets (Seduma, 2011; Malemela & Yingji, 2016). As new-fangled business advance and the change of the economy are guaranteed, it is anticipated that the preservation and extension of current economic activity in local region will attract considerable attention.

The local government prioritizes economic development and can create efficient tools to support this goal by utilising tools to create innovative official organisations and casual networks of partnership amongst residents and representatives as well as by taking advantage of new prospects for trade and money-making production (Malemela & Yingji, 2016). Mandisvika (2015:200) further notes that different locations have different

perspectives on how economic growth should be seen. Some people characterize economic development as having an underprivileged or pro-advance emphasis, although others combine the two (Gromova *et al*, 2020). The difference between the two is exemplified by pro-emphasis growths on fostering investment-friendly settings whereas pro-goal poor's is to reduce poverty through work formation. In certain cases, towns pursue a middle path to creating a region that is globally competitive and from which all communities can profit (Malemela & Yingji, 2016; Gromova *et al*, 2020).

### **2.3.2. Local Economic Development in South Africa**

According to Nel and Rogerson (2005), LED is currently getting a lot of consideration in South Africa, but the idea is still relatively new. Extreme disparities in income, wealth and access to essential social services were some of the socioeconomic and developmental issues that South Africa faced after 1994. Reitzes (2004:3) approves that the majority of South African families and households are impoverished, uneducated, struggling to make ends meet, living in unsanitary conditions and experiencing persistent unemployment. Wealth disparities between the wealthy and poor, who are entrapped in extreme poverty, continue to grow. Nevertheless, there's not much investigation on LED in South African modest townships (Human, Marais & Botes, 2008: 57). As portion of government's approach to reduce poverty, Local Economic Development was recognised to stipulate financial backing to local establishments on a project-by-project foundation. This strategy aims to create both short-term jobs through construction schemes and long-term jobs through the formation of commercial prospects, the development of commercial infrastructure and the stimulation of businesses (Marias & Botes, 2006:9). Although LED is seen as a municipal initiative, Malefane (2009: 156) attests that most South African municipalities are not effectively implementing it. Apartheid's distorted spatial development plans consciously cut off the people from the main engines of economic activity. Most African communities were torn from their native family structures and economic means of subsistence by apartheid segregation practices and present growing of rich-poor economic disparity must be recognised as an encounter to South African government. The extremely skewed capital circulation, disparity in incomes, small revenue growing, ecological deprivation

and HIV/AIDS were among the many causes that contributed to the deteriorating of South Africa's socioeconomic state (deficiency and disparity levels). Theron (2005: 120) describes a people-centred approach as a movement of involvements concerning the public and away from substances, distribution and production. Davids (2005: 18) contends that South African government embraced this strategy to rectify the injustices of previous development attempts.

The strategy, according to Theron (2005:120), strives to improve the community's assistances and ability by promoting engagement in development methods. According to Woolard and Leibbrandt (1993:3), deficiency or standard of living are assessed at domestic level rather than individual level and can be understood in relations of control over possessions that capitals provide individuals access to in order to generate income and engage in consuming. A poverty line is needed to measure poverty since it establishes a benchmark to evaluate financial conditions of various families (Booyesen, 2003: 10).

### **2.3.3. The Typologies and Characteristics of Livelihood Strategies**

Most developing nations have places with a lot of economic activity and resources, which determines the access to having a stable living standard within the community. These areas are characterized by livelihood strategies, which are used by rural people to maintain their living standards (Foster, Greer & Thorbecke, 2014). Warren (2016) defines livelihood strategies as a process whereby households build several methods and social support capacities for their survival and to enhance their living standards, with the ultimate goal being to assemble revenue. Different households employ a variety of livelihood strategies. Commercial farming, traditionally produced beer, family food gardening, poultry farming and other activities are examples of economic activities that are tied to agriculture and others that are not. Ellis and Freeman (2015) claim that people spend their money on properties and amenities to meet the requirements of their neighbours.

Different viewpoints can be used to describe livelihood strategies and it relies on the country's economic circumstances (Freier, Bruggemann, Scheffran, Finckn & Schneider 2012). According to Foster *et al* (2014), household productivity, companies and ownership can all be used to establish livelihood strategies. Most rural residents' primary source of income particularly in developing nations is thought to be livelihood strategies. This is due to the fact that most people depend on livelihood strategies to survive. Most rural communities employ a variety of livelihood practices, including as commercial farming, raising poultry and making traditional beer.

#### 2.3.3.1. Commercial Farming

Many rural communities engage in agricultural activities to generate revenue, according to Mucavele (2015:75). Because majority of households in Zambia completely depend on farming to provide for financial needs, agriculture is recognized as the most developed sector in the country (Diao & Kennedy, 2016). The majority of commercial farmers are concentrating on cash crops to make a living. However, some residences contain gardens that some families employ to carry out agricultural practices. These households cultivate the crops that they then harvest and sell to the neighbourhood residents and small businesses.

The farmers' ability to maintain their quality of living depends on the money they will make from selling the harvest commodities. To save money, they also consume the leftover fruits and vegetables that were grown. Agriculture employs 85% of those in the labour force, according to Machethe (2014), highlighting that it is the primary source of income for the rural people, particularly women. It is well known that agricultural productivity and income have increased during the previous few years. However, livelihood methods have good impacts, such as easing financing restrictions and lowering the risk of innovation, while negative effects are related to the substitution of farm labour for other inputs (Machethe, 2014). The industry itself is a cornerstone of the whole national economy. South Africa has made significant strides toward regaining its independence in the production of this important crop (Mudau, Nesengani & Netshandama, 2016). Government loans, grants and extension services have been

essential to the nation's ability to produce its own maize (Ngema, Sibanda & Musemwa, 2018). Although the majority of South Africa's black population lives in the once underdeveloped rural regions known as homelands, their primary source of income is agriculture (Mashamaite, 2014; Ngema *et al*, 2018). Additionally, it is anticipated that agriculture would keep acting a crucial role in eradicating poverty and generating employment (Mashamaite, 2014).

For several reasons, the majority of people in KwaZulu-Natal work in smallholder and commercial agriculture and the majority of them live in both rural and urban areas (Laurie, Faber & Maduna, 2017). They engage in agriculture since South Africa has a persistent poverty and unemployment problem and they also work as inexpensive labourers to enhance their standard of living (Ngema *et al*, 2018). They do, however, frequently rely on a variety of survival techniques. These include low-cost labour, social grants and agricultural projects. Additionally, both project participants and non-participants have experienced numerous difficulties and limitations with regard to agricultural production, which frequently had negative impact on poverty lessening and unemployment (Laurie *et al*, 2017). These difficulties that project participants and non-participants face include a lack of information, absence of skills, absence of finance, absence of infrastructure and lack of a market (Koppmair, Kassie & Qaim, 2016). As a result of the sluggish state of agricultural development, the Amajuba district's efforts to reduce poverty and unemployment are less successful (Laurie *et al*, 2017).

The South African government advocated enhancing the agriculture industry by offering communities sufficient extensions and subsidies (Mashamaite, 2014; Laurie *et al*, 2017). Agriculture is the key factor alleviating impoverished livelihoods in rural areas. Crops are grown and cattle are raised by rural residents. Milk, wool, furs, fertiliser, meat and other non-commercial products like compensation for lobola and the use of donkeys and bulls for transportation of goods are all produced by livestock (Dillemath, 2017). Given that most of poor people reside in rural zones where agriculture provides primary source of income, agriculture has emerged as the sector in numerous emerging republics in the area with the uppermost possible for development, employment and the

reduction of poverty over the short and medium terms (Mashamaite, 2014; Dillemath, 2017). South Africa as one of nations that approved Agenda 21 at the Rio Summit in 1992 and a signatory to international agreements on the implementation of sustainable development. Agenda 21 as a political platform for sustainable development and tool for creating long-term sustainability accomplishment plans. Communities with a passion for farming were demotivated to change their way of life due to a lack of resources for agricultural output.

#### 2.3.3.2. Community Food Garden

Rural communities have food gardens that are practiced for growing fruits and vegetables (Dillemath, 2017). Based on the traditional belief, it is the responsibility of women to practice those activities. Most women depend on home gardens to generate income and they know which fruits and vegetables they should plant according to their seasons (Dzanku, 2019). Rural households sell the fruits and vegetables such as spinach, cabbage, sweet potatoes and sugarcane to generate income which will improve their living conditions. Household food gardens are effective income sources because through the process of harvesting and production, most families can sell and generate income. Community food gardening (CFG) is one of the most important elements to enhance direct access to nutritious foods by ensuring safe food in rural households (Marsh, 2015). Community food garden adds to domestic food security and income by offering direct entree to nutrition that can be reaped, organised and served daily to household members and sold to the markets (Galhena, Russell, & Karim, 2013; Marsh, 2015). Food gardens can be complete with almost no monetary resources. In using local planting materials, green manure, animal shelter in vegetable, perennial home garden, and indigenous pest control methods (Marsh, 2015). Consequently, at some level, community food gardening is a manufacture scheme in which the poor can simply enter to generate income and create little employment in the community (Galhena et al, 2013).

It provides a variety of garden-fresh nutrition that enhances the family's nutrient quality and quantity (Galhena et al, 2013). Typically, communities with a small proportion of

land get over 50% of their vegetables and fruits (including such inferior staples as plantains, cassava, tomato and sweet potato), medical plants and herbs (Marsh, 2015). Houses with garden systems that include poultry and livestock production also get their primary and often only animal protein source (Marsh, 2015). A noteworthy proportion of the suggested nutritional allowance for protein (10 to 20%), iron (20%), calcium (20%), and vitamin A (80%) can be provided by very small mixed vegetable gardens (Galhena et al, 2013; Marsh, 2015).

Community food gardens are made up of several components and species representing different societies' communal and traditional characteristics (Galhena et al, 2013). This rich base native culture and community information are articulated through food gardening through the collection of plants and animal species as well as local CFG practice (Scharf et al, 2010; Galhena et al, 2013; Marsh, 2015). Also, community-grown food serves as a valued source for protecting, transferring indigenous harvests and animal types, understanding of production and the abilities from one generation to generation (Scharf et al, 2010; Marsh, 2015).

#### 2.3.3.3. Poultry and Livestock Farming

According to Sharpley, Herron & Daniel (2007:111) and Sansoucy (2016), "poultry and livestock sector provides a major contribution to a country's economy". The poultry seemed to have a progressive growth in India. However, some sectors of poultry farming remain the same (Bettencourt et al, 2015). According to Bettencourt et al (2015), some poultry farmers such as the natural chicken varieties have implemented the free-range backyard settings for times which contributed to round 11% of total egg manufacturing in India (Sansoucy, 2016). Due to their low productivity, their input to the total egg production was virtually static for the last few periods. Thus, the ingesting of eggs in rural zones is far below the national average egg ingesting. Swelling the genetic potential of the local native chicken varieties greatly helps in increasing the availability of poultry meat and eggs in rural areas (Sharpley *et al*, 2007; Peterson Farm, 2014).

Both national and international poultry and livestock have enormous potential to improve food security, generating income and rural poverty (Sansoucy, 2016). It increases the amount of quality dietary protein that is an essential component of good nutrition, especially in critical growth for poor households and children (Peterson Farm, 2014). For many reasons, including food, milk, clothing, and labour, people use animals in all rural areas (Peterson Farm, 2014). The purposes and methods of poultry and livestock farming are as different as those that keep them (Peterson Farm, 2014). Cattle, sheep, and goats, as well as chickens, are the most common livestock in rural farming (Peterson Farm, 2014; Sansoucy, 2016). These household livestock and poultry produce meat, dairy and eggs that contain essential nutrients such as protein, calcium, potassium, B vitamins, vitamin E, iron, zinc and magnesium, which are daily dietary needs in human health (Sansoucy, 2016). Men typically own household livestock in most rural areas; however, they are raised and cared for by women (Peterson Farm, 2014; Sansoucy, 2016). This empowered women to be more productive in this sector, with powerful implications for their income and nutritional status in the household (Sansoucy, 2016). The production of livestock is intricately linked to the production of crops (Bettencourt, Tilman, Narciso, & Cavalho, 2015). In crop production, the use of animals and their sub-product 'manure' is important to regenerate the soil to be more fertile (Bettencourt et al, 2015). Household livestock and poultry is an energy source that provides animals draught while manure improves soil structure and fertility as well as water retention (Bettencourt et al, 2015; Sansoucy, 2016). Livestock and poultry production are an important means of rural household exchange and contribute to boosting and strengthening the rural market when sold (Bettencourt et al, 2015).

#### 2.3.3.4. Traditional Brewed Beer

The traditional brewing techniques are passed down from generation to generation, claim Odhav and Naicker (2014:56). To make beer, households still employ outdated techniques that their grandparents and parents used. Most rural areas create traditionally brewed beer to earn money, which includes the production of Umqombothi (the name for traditionally brewed beer), which they make using grains and fruits they have harvested. The majority of rural residents favour traditional alcohol and rural areas



typically brew their own traditional beer and sell it on the market, according to McCall (1996). For many ages, traditional beer has been commonly consumed. Additionally, rural areas produce marula beer using the marula fruit as the primary ingredient. “Marula beer has long constituted an intrinsic part of local culture and drinking marula beer is both a social and cultural activity”, claims Shackleton (2015:653). Marula beer is seasonal, though, because the marula fruit is only seldom available (Shackleton, 2015). Mehlwana (2015) found that the majority of rural communities rely on selling traditional beer to raise funds and raise their standard of living. Selling beer to neighbours helps rural people make more money (Shackleton, Campbell, Lotz-Sisitka, & Shackleton, 2016). Because rural residents, especially men, frequently visit the nearby home where beer is sold and spend most of their cash there, the business of selling traditionally produced beer is supported by most community members. Many women who create traditional beer are unemployed and rely on various forms of subsistence farming, including brewing (Dorward, Anderson, Bernal, Vera, Rushton, Pattison & Paz, 2015).

#### 2.3.3.5. Micro and Small Enterprises

The most significant alternative sector for promoting socioeconomic advancements and eradicating poverty in both developed and emerging nations is micro and small business enterprises (MSEs). Its primary sector to accomplish the aim through raising living standards, increasing wealth and saving and providing employment. The MSEs are particularly significant because poverty and unemployment rates are far greater in these nations than in developed ones (Siyum, 2015). Additionally, MSEs can help the poor by giving them access to the resources they need to create their income for socioeconomic benefits like schooling, healthier well-being, decent housing and nourishment (Ephrem, 2010). According to a study by FDRE (2013), micro and small businesses, which account for more than 50% of GDP and 60% of employment in industrialised economies while making less than 30% of employment and 17% of GDP in developing nations, are significant contributors to both economic growth and employment. MSEs are Ethiopia's second-largest source of employment after farming (Habtamu *et al*, 2013).

The MSEs have been acknowledged as a crucial tool for a nation's economy to grow faster and diversify its sources of income (Munira, 2012). Additionally, they can aid in achieving a more reasonable circulation of the advantages of economic growth and aid in resolving some of issues related to unequal revenue circulation, employment creation, business progress, rural expansion, poverty mitigation, work creation, the identification and exploitation of marketplace prospects and exportation development to serve as the foundation for medium and large-scale businesses (Zemenu & Mohamed, 2014). According to the Addis Ababa (2016) study, a growing number of job hunters are resorting to micro and small businesses due to public sector's limited ability for employment creation and the agriculture sector's deteriorating absorptive capacity. The primary reason the Ethiopian government is emphasizing micro and small businesses is for the reason of their role in reducing unemployment and poverty as they outperform other industries (Zemenu *et al*, 2014). Micro and small businesses are prioritized above medium-sized and large businesses. The government has provided MSEs with considerable support through a variety of initiatives, including financial assistance, marketing links, free production and operating space, free exhibition spaces and promotion (Amare & Raghurama, 2017).

#### **2.3.4. The Impact of Local Economic Development on Livelihood Strategies in Communities**

Local government established a development ideal that emphasizes addressing the basic requirements of the community and is more people-oriented, using integrated planning and encouraging sustainable development (Malemela *et al*, 2016). Municipalities and local government will be used interchangeably throughout the study. Additionally, local governments across the world are taking the lead in their regions' economic development and job creation (Seduma, 2011). Local government is the most ideal institution to bring together all local economy's participants since it is the institution nearby the people and has a direct understanding of resources, deficiencies and problems of communities: the chamber of business, trade and labour unions, the primary fabricators, the educational and training organisations, the representatives of divisions and departments of other levels of government, non-governmental

organisations and local global development associates, as well as the councils of those who are jobless or marginalized because of their youth, gender, ethnicity or disability (Mandisvika, 2015). The best-positioned inventors, catalysts and drivers of procedures that involve various participants in creating future visions, formulating plans and carrying out economic development efforts are local governments (Ringenson *et al*, 2018).

The overall effort required to generate jobs and promote wellbeing includes more than local economic development. Large-scale infrastructure projects like electricity grids, roadways, trains and communication networks call for national development plans and regulations (Gromova *et al*, 2020). International trade agreements must be negotiated and fiscal and monetary policies must be managed by national and supranational governments (Okunlola, 2012). These national and supranational plans are complemented by local government, which engages local stakeholders to create action from the bottom up. Here, at the local level, there is the potential to encourage involvement from all facets of society and to start economic development programs that are all-inclusive, sustainable and life-improving (Gromova *et al*, 2020).

Local economic development is a crucial instrument which people work to improve their well-being; it is not the objective in itself (Khambule, 2018). Although local economic growth may be one of the effects of the LED, this is not the only effect it has. It must be inclusive, offer assistance and opportunity to those traditionally marginalised, including females, youth, native people, cultural minorities and those with incapacities in order to be developing (Wang *et al*, 2015). A sustainable environment is created by LEDs, ensuring that future generations will be able to enjoy the same possibilities and capabilities as those alive today (Walker *et al*, 2015). It must be influenced by cultural policies that improve people's ability to give involvement in social and economic life of their community a meaning and a purpose (Walker *et al*, 2015). As a result, the LED is interactive. To promote local business activity, it is founded on corporations between local authorities, the private sector, other public sector agents and civil society (Wang *et al*, 2015). This can come in a variety of shapes, such as social economy businesses that cater for the needs of underserved communities and Micro, Small and Medium

Sized Businesses (Siyum, 2015). Community-driven and locally owned by LED initiatives.

The long-term gains from the project's dependents are generated from the good effects of the LED creativities on livelihood strategies in the societies and those associated in the schemes (Geremewe, 2018). To network investment into public schemes as portion of local economic development efforts with possible to provide real economic outcomes, the government should have a proper mechanism in place (Shackleton, 2015). Furthermore, in order to generate fresh works, boost economic action and development in a particular economic sector, community-based organizations and governments must accomplish their present possessions in collaboration with private sector (Seduma, 2011; Shackleton, 2015). Therefore, ongoing investigate is required to evaluate the impact of LED initiatives on beneficiaries' livelihood strategies using predetermined indicators, including higher living standards, higher incomes, better skill acquisition and the ability to meet basic family needs. These indicators are used to assess the efficiency of initiatives launched to different government or private sector (Shackleton, 2015). According to Geremewe (2018), the LED can be used to combat unemployment and poverty. Shackleton (2015) acknowledges that there isn't a single definition of the LED, therefore different people and organisations will approach the implementation of the LED initiatives in different ways. Malemela & Yingi (2016) go on to explain that in contrast to the North, where economic focus is more often directed toward concerns of investment, big company backing and huge project development, LED operations on South African environment depend heavily on small scale and public-grounded initiatives. Geremewe (2018) adds that the LED functions at familiar level rather than an official one, as the case in North and strives to secure existence rather than participating in international economy in the South African environment.

There is no uniform policy for executing the strategies from the identical institute of thinking and the LED initiatives and execution have departed over diverse phases of operation (Diao & Kennedy, 2016). The preparation, financing and execution of LED plans and initiatives as a means of reducing poverty and unemployment, making a

significant number of jobs and simultaneously delivering applicable training and skill advance to the beneficiaries are fraught with a number of challenges, as is evident from a global perspective. According to World Bank, reducing poverty in emerging nations has developed a priority for numerous global organisations, state administrations and non-governmental organisations worldwide (Diao & Kennedy, 2016). Communities in need of modernisation use the LED from a global perspective to create initiatives that are adopted as engines of economic development (Seduma, 2011; Malemela & Yingji, 2016).

It purposes to indorse, mature all areas and proportions of the economy. LED is a people-centred effort designed for individuals employed collectively to create sustainable economic development and expansion assistance of all individuals in local region (Gromova *et al*, 2020). As fresh business development and modification of the economy are ensured, it anticipated that the maintenance and extension of current economic activity in a local region will attract considerable attention. The local government prioritizes economic development and can create efficient tools to support this goal by utilizing tools to create innovative official organisations and casual systems of partnership amongst residents and representatives as well as by taking advantage of new breaks for trade and money-making production (Habtamu *et al*, 2013).

As portion of government's approach to reduce poverty, Local Economic Development was recognised to afford fiscal funding to local authorities on a project-by-project foundation. This strategy aims to create both short-term employment through building schemes and long-term employment through the creation of commercial prospects, the development of commercial infrastructure and the stimulation of businesses (Mandisvika, 2015). According to Geremewe (2018), the LED is not being implemented effectively in the majority of South African municipalities, despite the fact that is seen as a municipal initiative. Apartheid's distorted spatial development planning consciously distanced population from the main economic drivers. Most African communities were torn from their native family structures and economic means of subsistence by apartheid segregation practices and present growing of rich-poor economic disparity must be recognised as an encounter to South African direction (Malemela & Yingji, 2016). The

extremely skewed prosperity spreading, disparity in incomes, sluggish revenue growth, ecological deprivation and HIV/AIDS are some of the reasons that contributed to deterioration in South Africa's socioeconomic condition (poor and inequality levels) according to UNDP Human Development report (2015). According to Ringenson *et al* (2018), South African government implemented a people-centred approach, which is defined by Malemela & Yingi (2016) as an everchanging of intercessions toward the civic and away from substances, distribution and making to discourse inequalities of previous development efforts. The strategy, according to Lappi *et al* (2019), attempts to improve the community's skills and capability through promoting engagement in advance procedures. Therefore, budget needs to be integrated with planning procedures for optimal LED initiative projects implementation.

#### 2.3.4.1. Budgeting and Planning

According to academics, a municipality's capability to assign funds to variety of development projects and programs in the interior of LED is a key factor in how effectively it plans and implements LED efforts (Valeta & Walton, 2016). According to the Republic of South Africa's Constitution, municipality is the level of government that organises and controls its budgetary actions in order to give priority to community requirements and ensure local economic growth. Municipalities must therefore employ the Service Delivery and Budget Implementation Plan (SDBIP) to incorporate budget into municipal planning because it meritoriously helps to the successful execution of LED initiatives (Valeta & Walton, 2016). The SDBIP is a yearly accepted document which includes forecasts of the money the municipality expects to bring in as well as the operational and capital costs it expects to incur. Some researchers showed that the capacity of the municipality to effectively design and assign community resources in progressive and sustainable way is primarily dependent on their ability to properly implement the LED efforts to fulfil their mandates (Phago, 2014). According to Fourie and Opperman (2017), the budget is the key instrument that carries out the municipal service strategies.

#### 2.3.4.2. Integration and Coordination

To be implemented effectively inside municipalities, LED as a strategic document needs to relate to other government initiatives (RSA, 2000). Municipality, along other levels of government, implements the LED. However, it struggles to demonstrate a clear connection with other government programs to some extent (Lakshmanan, 2011). These difficulties are ascribed to a few things, including the absence of standards to help municipalities incorporate different industry plans and programs in their LED initiatives and IDPs (DPLG, 2014). In turn, it gave rise to idea that local municipality cannot carry out its duties without a formal alliance of the regional and federal governments. According to Lakshmanan (2011), effective intergovernmental ties must be established and maintained in order for local governments to implement the LED projects successfully.

Anecdotal evidence suggests that municipalities must first set themselves up to fully integrate and coordinate sector-specific plans in the LED efforts before moving forward with the rest of the LED implementation process (Beyers, 2015). Mashamaite (2014), however, demonstrates that sector strategies are characteristically designed as separate, stand-alone strategies, which leads to disjointed projects and programs that do not totally support the municipality's vision. According to some academics, such as Asha (2014), the quick rise in amenity distribution complaints and disputes is pragmatic indication of LED's bad implementation. The vehement provision delivery complaints are blatant and obvious sign that local governments have failed to fulfil developmental orders (Koma, 2010; Asha, 2013; Mashamaite, 2014). In research published in 2014, Asha observed that it is still glaring that local government struggles to develop effective LED projects. This is related to problems with grassroots implementation capacity. As a result, the planning trajectory finally changed as a result of the unheard-of and disjointed IDP planning and implementation that predominated in practically all towns. For instance, the project consolidation initiative was started in South African municipalities to improve service delivery in response to local governments' subpar performance.

In a municipal setting, the LED is frequently seen as a planning and management tool with the aim of ensuring that services are provided to all neighbourhoods. According to Makalela (2017), the LED is a tool for renovation inside which objective of transformation can be understood and accomplished. This means towns must use the LED in an appropriate and efficient manner to provide products and services in accordance with their legal obligations. The research conducted by Mautjana and Mtapuri (2014) shows that LED has a significant impact on livelihood strategies and contributes to such changes. According to the study, municipal LED is positively influencing livelihood strategies in numerous local governments because is pragmatically thought to guarantee the understanding of a bottom-up approach to growth while making certain requirements of communities ostensibly met through LED projects and programs. According to academics, one of the benefits of LED is that it serves as a baseline for setting and pursuing goals as well as for monitoring and evaluating anti-poverty initiatives (Makalela, 2017).

On the other hand, the development literature showed that the LED offers a formidable means of pursuing sustainable development. Nevertheless, other researchers hypothesized that notwithstanding the impact of LED to facelift livelihood strategies, there are variety of factors that distress the impact of LED in improving livelihood strategies and basic services. These factors include among others, satisfactory local government capability, international associations, resource capability, capacity of local government to integrate and organise sector strategies in IDPs to provide outcome to amenity distribution, honest and reliable involvement (Madzhivandila & Asha, 2012; Beyers, 2015).

Additionally, research showed that the LED helps many communities enhance their livelihood strategies and local economic growth by efficiently utilizing the resources that are available to meet the priorities and needs of those communities (Beyers, 2015). The effectiveness of LED as a method for better local economic growth, according to Madzhivandila and Asha (2012), depends in large part on capacity to effectively and competently assign funds to meet the prioritised requirements of publics. The LED helps



municipalities improve their local economic growth and livelihood strategies by recognising important progressive aims that interpreted into initiatives and programs to lessen the root origins and symptoms of poverty, unemployment backlogs, job creation and delays (Sinxadi & Campbell, 2015). Over multi-sectoral programs that cover range of developmental activities, containing provision of amenities like water, sanitation, power and housing, the LED as a policy framework lowers poverty and unemployment (Sinxadi & Campbell, 2015). However, numerous criticisms have been levelled about the LED's incapacity to improve livelihood initiatives (Tsheola & Mokgokong, 2012).

## **2.4. CONCLUSION**

The impact of LED on livelihood strategies was examined in this chapter. It used the LED method comprising its different stages, the LED appraisal procedure and public involvement as a point of departure while examining its advantages and legal requirements. Additionally, several means of support were offered. Moreover, LED is viewed as a tactical instrument that communities can deploy in their effort to reduce unemployment and poverty. The literature study makes clear that, despite the fact that measures to combat poverty were prioritized, few towns set poverty reduction goals, which means that LED has a negligible effect in comparison to much more significant changes in the macroeconomy. However, it is determined that several LED initiatives designed to discourse specific communal and economic encounters at the municipal, focusing on the organisation of local possessions, resource relocation, advancement of local inspiration and invention, investment in human capital, the provision of practical assistance and training for self-employment and commercial start-up and sustainability, could validate the impact of LED on the livelihood of individuals and communities. The next chapter covers South Africa's practical experience with LED and livelihood measures.

## **CHAPTER THREE: INSTITUTIONAL SUPPORT, POLICY AND LEGISLATIVE FRAMEWORKS FOR LOCAL ECONOMIC DEVELOPMENT AND LIVELIHOOD STRATEGIES IN SOUTH AFRICAN CONTEXT**

### **3.1. INTRODUCTION**

Over the past ten years, a variety of academics and development literature have openly stated that it has become clear that development interventions are ineffective for addressing the complexity and breadth of developing countries' difficulties (Mashamba, 2008; Phago, 2014; Beyers, 2015). It remains obvious for South African municipalities to function and be operative, they must effectively carry out the local government's development mandate as spelled out in the preamble of the South African Constitution. The LED has remained presented as a cogent method for guaranteeing and improving local economies, job creation, poverty reduction and improving livelihoods in order to fulfil this developmental responsibility (Nkuna, 2011; Tsheola & Sebola, 2012; Makalela, 2016). To combat unprecedented planning injustices of the apartheid era, the LED, which was put into place in 1996, emerged as a strategy that supports integrated

government (Makalela, 2016). Many academics have emphasized and argued that South African method to development is focussed on cohesive authority and needs, to some degree play significant role to fast-tracking livelihood and poverty reduction in formerly underprivileged areas, notwithstanding its flaws.

Certain persistent and prominent long-standing outlines of unemployment and poverty reduction backlogs, as well as the dramatic incidents of job creation protest resulting from inadequate LED planning and dissatisfaction, literature on LED and livelihood strategies in South Africa has grown in popularity and develop ubiquity (Mashamaite, 2014). This chapter gives background information and a review of how LEDs and livelihood solutions have fared in the South African environment. The chapter also examines how much LED planning and implementation there has been in the South African setting. This chapter will also include the following subsections: South Africa's demographic profile, the beginning and development of LED planning and implementation, and the use of poverty as a predictor of effective LED planning and implementation. This chapter culminates with the study area and cascades to the provincial level.

## **3.2. NATIONAL CONTEXT**

South Africa saw an unusual rise in protests over the previous few years, however they were frequently flawed by violence and public upheaval (Mbele, 2010). Utmost of nation's protests were consistently characterized by issues with access to water, shoddy infrastructure, housing and joblessness.

### **3.2.1. Demographic Profile**

According to projections, there would be 59 million people living in South Africa, spread out throughout its nine provinces (Table 1.1) (SA Stats, 2022) South Africa as a unitary government with national, provincial and local governments being the three different and interconnected levels of government (RSA, 1996). The following trio categories of municipalities exist: Metropolitan municipalities are included in category A, followed by Local municipalities category B and District municipalities in category C. In situations

where the responsibilities of the categories overlap, the allocation of powers and functions may vary. As a result, it is necessary to take capacity, revenue and other local factors into account. The nation is additionally distributed into 8 metropolitan areas, 44 districts and 226 local municipalities as a result (Stats SA, 2022).

Table: 1.1. South Africa's population distribution by provinces

Province	Population estimates	%Of total population
Eastern cape	6 734 011	11.3
Free state	2 928 903	4.9
Gauteng	15 488 137	26.0
Mpumalanga	4 679 786	7,8
North west	4 108 816	6,9
KwaZulu-Natal	11 531 628	19,3
Western cape	7 055 741	11,8
Limpopo	5 852 533	9.8
Northern cape	1 292 786	2,2
<b>South Africa</b>	<b>59 672 341</b>	<b>100</b>

Source: Stats SA (2022)

The population breakdown of South Africa by province is shown in the table 1.1 above. Molemole Local Municipality is one of local government in Limpopo Province as a result. According to the aforementioned table, the province of Limpopo is the fifth most populous in the nation. It is in last place, trailing Gauteng (15,4 million), KwaZulu Natal (11,5 million), Eastern Cape (6.7 million), and Western Cape (7,0 million).

### 3.3. DEVELOPMENT PLANNING IN PRIOR AND POST-APARTHEID ERA

The first national planning law passed following the first democratic elections in 1994 was the Development Facilitation Act No. 67 of 1995 (DFA). DFA was adopted to start transformation of development to accommodate demands of the new democratic system. As a result, this section describes planning before and after in South Africa.

#### 3.3.1. Planning in South Africa Prior-1994

Circumstantial evidence suggests local planning in the 1930s was done in top-down apartheid superstructures and on a racially segregated basis. Planning typically focused more on the deemed requirements of the privileged section of society (Mojapelo, 2007). Due to planning's pervasiveness, it paid very little consideration to subjects of ecological sustainability, economic feasibility, poverty lessening and social well-being and welfare and alternative concentrated on public sector's regulator over sectorally organised infrastructure distribution programs (Department of Provincial and Local Government (DPLG), 2014). Contrastingly, the province administration oversaw regulating local government development over the enactment of several urban planning regulations, although having no distinct powers related to provincial and local planning. Municipalities were therefore in a subordinate position to the provinces and any plans or suggestions for land development had to be approved by the provincial administration.

The expansion literature on history of LED in South Africa consistently shows the country's unique histories of colonial invasion, which were marked by various upheavals due to service delivery fragmentation, had a lasting impression on the country (Nnadozie, 2013). Black South Africans were oppressed and denied access to basic necessities including good housing, water, power and other services throughout that time (Hemson & Owusu-Ampomah, 2005). Henrard (2002) asserts that although the symptoms of apartheid were already apparent in the nation, the system is thought to have begun following the National Party (NP) in 1948. Several South Africans were deprived access to fundamental human rights under the apartheid system and as a result, racial segregation and subjection also affected local governance (Mabokela & Mawila, 2004). Additionally, the white minority was mostly favoured in the provision of services (Nnadozie, 2013). The key strategy "divide and rule", which was designed to ensure white domination by splitting along racial and ethnic lines, was another aspect of the apartheid system (Henrard, 2002).

### **3.3.2. Planning in South Africa Post-1994**

The African National Congress (ANC) paper a strategy principle on an independent South Africa, which specifically stipulates that municipal development should cultivate

and secure the fullest participation of all groups and stakeholders, provided new planning approaches in 1992. It should focus on providing an abundance of amenities to the resident recipients and directed at those who are most in need to ensure integrated and sustainable development, break down apartheid privilege, geography and institutional frameworks (DPLG, 2014). As a result, the aforementioned recommended the development and use of the LED for usage at the local level. Thus, a turning point in South Africa's socioeconomic and political environment was marked by the termination of apartheid and the country's primary all-race votes in 1994. The majority of government policies were shaped by the ANC, which was committed to redressing historical wrongs and inequalities (Henrard, 2002; Zulu & Parumasur, 2009).

According to Sihlogonyane (2015), top-down authoritarian modernist schemes served as obstacles to operative amenity provision to rural households during the attitude of renovation, particularly in relations of amenity preparation and execution in the previous development determination of apartheid planning practices. In the end, the post-1994 administration established the post-apartheid democratic system from the ground up. It became clear that the post-apartheid era's government delegated the provision of a large number of amenities to the local government (Madzhivandila & Asha, 2012). According to Madzhivandila and Asha (2012), the 1996 Constitution, which mandates that local governments provide services to overcome deal backlogs that have built up over years of distinct growth, served as legal guidance for the local government in delivering these services (RSA, 1996).

### **3.4. POVERTY, UNEMPLOYMENT AND BASIC SERVICE DELIVERY**

Many developmental issues, including poverty, underdevelopment, unemployment, inequality and a lack of competent governance, are present in South Africa (Muller, 2006). In addition to these, despite government efforts to address them, poverty remains a grave problem (Luyt, 2008). Many international development organizations, including the United Nations (UN), World Bank (WB) and International Monetary Fund (IMF), have capitalised significant capitals to help African countries decrease it. The lessening and confronting of unemployment have converted into importance in South

Africa's development agenda (Fehnel, 1995). According to Qizilbash (2000), poverty and unemployment are pervasive, trans-contextual, hazy and complex phenomena that are viewed differently by different authors. As a result, it is crucial to fully comprehend poverty and unemployment from a variety of angles given their multidimensional character. As a result, the study finds the following perspectives on poverty to be fundamental:

The income perspective of poverty, according to Davids, Theron, and Maphunye (2009), classifies individuals as deprived if their revenue is underneath a predetermined threshold. The viewpoint considers and takes into account the poverty line. The poverty line is the idea at which families have enough money to buy a certain amount of food to feed their families (Luyt, 2008). For instance, various research studies on poverty in South Africa define poverty in terms of income. Davids, Theron, and Maphunye (2009) present issues with the revenue perception and suggest that a sizable portion of the extremely poor frequently rely on non-revenue sources of funding. This are outcome of having to gather assistance from other members of the extended household, such as remittance. It's significant to stress that using money as the only indicator of poverty should be avoided since it only depends on the oversimplified notion that full employment is an answer to poverty. It may also result in a dependence condition when the poor become solely dependent on communal aid.

#### **3.4.1. The Basic Needs Perspective**

The extreme unemployment percentage in South Africa and other emerging nations creates a condition where it is difficult and elusive to afford the vast array of fundamental human requirements. Despite the ANC government's efforts to provide amenities to underprivileged, predominantly in areas of housing, water and sanitation, electrification, health and education, the benefits of improved pro-deprived social spending by the government have fallen short in relations of eradicating poverty and meeting the ongoing basic and socioeconomic requirements of underprivileged (Luyt, 2008). According to the basic needs perspective, poverty is defined as situation in which families struggle to encounter their needs (Malefane, 2004).

### **3.4.2. The Social Exclusion Perspective**

The denial or absence of social interaction is the essential difference between social exclusion and poverty. Poverty and citizenship-related concerns are linked via social isolation. Exclusion of social activities, decision-making, social amenities, nationality rights and household and community backing are all examples of social exclusion (Adato, Carter & May, 2006). Social exclusion, conferring to Frye and Magasela (2005), is a self-motivated method that results in a stagnant state of poverty. The design of society, laws and processes results in social exclusion. The social aspect of exclusion prevents low-income people from taking part in mainstream economic activities. These include populations that experience a variety of disadvantages, such as poverty and its consequences, such as poor health, weak social networks and restricted or no admission to essential amenities, such as housing and education (Rispel, Molomo & Dumela, 2008).

The South African government has assigned the eradication of poverty and unemployment as well as providing of basic municipal amenities to the underprivileged a high priority. The government has recognised several laws and programs in an effort to alleviate inequality, poverty and unemployment. The Reconstruction and Development Programme (RDP) 1994 and 1996, the White Paper on Local Government 1994, the Municipal Structures Act 1998, the Municipal Demarcation Act 1998, the Municipal Systems Act 2000 and more recently, the Accelerated Shared Growth Initiative of South Africa (ASGISA) 2006, which replaced the heavily criticized Growth, Employment and Redistribution, are the most notable among these laws and policies. The Republic of South Africa's 1996 Constitution stipulates that local government must be developmental in nature. The local government's development goals call for services to be provided in a sustainable and consultative manner (Ababio, 2004). Municipal Systems Act of 2000 needs local government to come up with improved strategies that would help them combat unemployment and poverty. This is done by community members coming together to collectively recognise the range of amenities that best



meet their requirements and goals throughout the development and implementation of LED and IDP.

### **3.5. NATIONAL POLICIES AND LEGISLATIVE FRAMEWORK**

The South African government is clearly sanctioned by law and policy to participate in LED. The South African government has established institutional mandates and several legal requirements to design and execute LED. This contains laws like the Constitution of the Republic of South Africa 1996 (Act 108 of 1996), which states in Section 154 that the federal and regional administrations must back up and reinforce the ability of local establishments to accomplish their own matters and advance social growth and democratic system at the local government (Kroukamp, 2006: 23).

#### **3.5.1. The Reconstruction and Development Programme (RDP)**

The Reconstruction and Development Programme of 1994 called for a developing and pro-deprived administration with combined socio-economic growth to support the majority of government advance plans intended at reducing poverty and restoring injustices and inequalities existed under apartheid (RDP, 1994: 84). According to Reconstruction and Development Programme, improving, restoring and maintaining infrastructure and basic services will demonstrate how much LED initiatives contribute to the local communities' ability to support themselves when it comes to the delivery of municipal strategies. Socioeconomic activities should address signs of degradation to enhance community life, provide basic services to the poor and create jobs with a focus on the local government's crucial role.

According to Aliber (2002: 13), the RDP's top priorities include ensuring admission to social amenities like water, employment, land, education and health as well as providing prospects for South Africans to realise their full potential. It also aims to increase household income by creating jobs and create a communal security organisation to guard the deprived. Lack of appropriate interdepartmental coordination, priority setting and local government ability led to the termination of the Reconstruction and

Development Programme. For implementation, approximately of the amenities were shifted to other government departments (Chikulo, 2003: 3).

### **3.5.2. The Growth, Employment and Redistribution Strategy of 1996 (GEAR)**

To substitute the RDP, the Growth, Employment and Redistribution Strategy (GEAR) was created. Its plan was designed to emphasize private sector growth and achieve rapid rates of economic progress. It calls for restructuring of both public and private divisions to build constant, long-term economies and welcoming surroundings that will draw in and support private venture (Aliber, 2002: 15). Nevertheless, GEAR placed restrictions on reducing poverty, causing a continuous loss of recognised sector employment quantified at over 1,3 million planned occupations that didn't materialize.

### **3.5.3. The Accelerated Shared Growth Initiative in South Africa (ASGISA)**

By 2014, the key goal of South Africa's Accelerated Shared Growth Initiative (ASGISA) was to cut unemployment and poverty in half. To improve economic growth and job creation, the macroeconomic framework Growth, Employment and Redistribution first published in 1996 projected employment market changes, denationalisation, trade liberalisation and smaller budget shortfall. The Expanded Public Works Programme (EPWP), which was tied to the IDP and called for LED interventions to be integrated with the EPWP programs, was intended to create jobs, improve infrastructure and provide services, as well as to develop training and skills (Development Bank of Southern Africa (DBSA), 2005:30).

Using Inter-governmental Relations (IGR) philosophies of national to perform cogently to achieve integrated results in various municipalities, the state and its agencies hope to become further absorbed on fast-tracking development leading to large-scale communal change and influence on the great marginalised towns and rural regions through ASGISA (DPLG, 2014: 11). This will help to promote economic growth and fight poverty (Friedman, 2006: 20; Mafela, 2006:12).

### 3.5.4. The National Framework for Local Economic Development in South Africa (2006-2011)

The philosophy claims that shift to developmental local government and the progression of LED strategy in South Africa after 1994 are strongly related. The framework aims to encourage a comprehensive approach to local economic development and a move away from limited municipal interests that solely consider government contributions to ad hoc schemes. Nevertheless, according to DPLG, LED cannot be explicitly mentioned in the list of local government duties, which could be seen to be “unfunded demand for municipalities” (DPLG, 2014:3-9). According to Nel (2001:15), public-based establishments are created by non-organisational to serve the primary managers of LED projects by offering required knowledge and connections for donor support on local LED.

### 3.6. PROVINCIAL CONTEXT

The northernmost province, Limpopo, has shared borders with Zimbabwe, Mozambique, and Botswana. 25 Local Municipalities and 5 District Municipalities make up the province. Limpopo serves as a bridge between South Africa and farther-flung Sub-Saharan African nations. It shares boundaries with the South African provinces of Mpumalanga, Gauteng, and North West along the southern edge, running east to west. Its border with Gauteng covers the Johannesburg-Pretoria axis of that province. With 14% of households lacking any sort of income in Limpopo, one of poorest in the nation, as opposed to 15% nationally, it is one of the poorest provinces (MLM IDP, 2020).

#### 3.6.1. Demographic Profile

According to demographic data, the province of Limpopo is home to roughly 5 million people who live in its 5 districts, which are as follows: Districts of Capricorn, Greater Sekhukhune, Mopani, Waterberg and Vhembe.

Table 1.2. Population distribution among districts in Limpopo Province.

District	Population estimates	% Of total population
Capricorn	1 361 241	23
Waterberg	696 236	13
Vhembe	1 698 402	24

Mopani	1 092 414	20
Greater Sekhukhune	1 004 240	20
<b>Limpopo</b>	<b>5 582 533</b>	<b>100</b>

Source: Stats SA (2022)

The distribution of populace by district is shown in the table above. Capricorn district municipality includes Molemole local government. The district municipality with the biggest percentage of the province's population is Vhembe, with a total of (1.6 million), followed by Mopani (1 million), Greater Sekhukhune (1 million), Capricorn District Municipality being the second largest by (1.3 million) and Waterberg by (696 thousand). Numerous ethnic groups that are distinct from one another by culture, language and race make up the population. The population as a whole is made up of 93.3% black people, 2.4% white people, 0.2% coloured people, and 0.1% Indian/Asians. The jurisdiction has the second-lowest proportion of white South Africans overall in the nation. Out of all the provinces, it also has the greatest Black population percentage.

The Limpopo economy is supported by three main industries: agriculture, mining and tourism. The province hosted 5% of all international visitor bed nights in South Africa, with figures that are increasing significantly each year. 11% of Limpopo's overall budget, or R93 million, is allocated to tourism for the 2010–2011 fiscal year. In order to promote the province as a top ecotourism destination, the Limpopo Department of Economic Development, Environment and Tourism has set certain goals for it. To achieve sustainable economic growth, its setting and leisure industry program integrates tourism, safe zones and public setting growth. Despite being one of the poorest regions, Limpopo has an advantage over others in luring tourists thanks to its abundance of animals. It's crucial to understand in cooperation of public and commercial sectors investing in the growth of leisure industry.

The province is endowed with a wealth of mineral resources, such as gold reserves as well as deposits of the platinum cluster metal, iron ore, chromium, diamond and copper. Over a quarter of the province's economy is derived on mining. The province is well-known for its production of sunflower, cotton, maize and peanuts. These latter are

mainly grown in Bela-Bela and Modimolle regions. The table grapes grown in Modimolle are also well-known. The Tzaneen and Louis Trichardt regions are where tropical fruits are grown, including bananas, litchis, pineapples and mangoes. Additionally, Tzaneen is home to sizable coffee, tea and citrus plantations as well as a significant forestry sector. The province is a typical emerging region that imports manufactured goods and services while also exporting primary items. It is also one of the poorest, with a wide disparity between inhabitants who are wealthy and those who are destitute, particularly in rural areas. The economy and quality of life of Limpopo have significantly improved, nevertheless.

### **3.6.2. Rural Household Poverty and Basic Services**

It has been noted that development policies need to be updated to perform crucial part in reducing amount of poverty in local societies (Borole, 2013). The administration, on the other hand, afterwards came up with intrinsic and simple tactics to bring about the shift (Van der Walt, Venter, Van der Walt, Phutiagae, Khalo, Van Niekerk & Nealer, 2007). The government also unveiled the RDP as a result of the ANC's apparent desire for transformation, which forms the framework for developing policies for improving communities. The following concepts, which are ingrained in the RDP, were designed to help the impoverished socially uplift themselves: integrating sustainability, people-driven development and addressing the fundamental requirements for infrastructure construction (RSA, 1994). The national government must take action in the form of specific directives that oblige local municipalities and districts to create their own integrated development plans, also known as strategic development plans. In particular, the Local Municipality: Municipal Systems Act, 32 of 2000 requires municipalities to create and execute integrated development planning and local economic development to help them address the treble encounters, which contain eradicating poverty amongst others (RSA, 2000; Muller, 2006).

The means of achieving developmental and participatory local government are integrated development planning and local economic development, which call for various departments to collaboratively connexion their strategies, aims, funds, resource

inspecting, performance supervising and public discussion in a process of supportive governance (Koma, 2010). IDPs must direct all possessions toward growth goals, incorporate local actions and prioritise goals to reduce poverty at the source (Borole, 2013). IDPs should prioritise local development, community involvement and efficient and inexpensive service delivery (McEwan, 2003). Some academics contend that efficient IDP approach is only one that can recognise people's true requirements and separate them into sectoral concerns like water, health, electrification and housing allowing for the observation of a sharp drop in poverty (Mashamba, 2008; Beyers, 2015).

Community involvement has been given top priority by the LED and IDP, which will help bring people together and allow them to choose a form of expansion that is in line with their developmental goals and significances (Madzhivandila & Asha, 2012). To safeguard provision of amenities to societies in a sustainable means and foster social and economic development, developmental local municipal, for instance, should provide for a self-governing and responsible government for publics in accordance with section 15(1) of the Constitution (RSA, 1996). The Constitution also emphasizes that municipalities must organize and oversee their administrative procedures to take into account the fundamental requirements of their constituents. It is obvious that the government has implemented numerous measures to combat poverty. For instance, the RDP is a socioeconomic framework built on tenets of combination, sustainability, people-centeredness, harmony and safety and basic requirements fulfilment.

### **3.7. PROVINCIAL POLICY FRAMEWORKS AND STRATEGIES**

It was unmistakably evident that South African government's numerous policy frameworks and directives have supported the role of local municipality in fostering economic development, creation of employment and the reduction of poverty (Koma, 2012). As an outcome, local municipal is now clearly and strategically positioned to be developmental in both form and content. The White Paper on Local Government of 1998 is significant aspect of local municipal development. The 1996 Constitution's developmental local government provisions were upheld by the White Paper on Local

Government, which was released in 1998. Developmental local municipal is described as local government devoted in collaborating with residents and groups in the community to identify long-term resolutions to address their social, economic and material requirements and enhance the quality of their lives (RSA, 1998). De Visser (2009) claims that the four landscapes of integration, coordination, democratization of development, leadership and learning are what define developmental local government. These landscapes aim to maximise social and economic development.

### **3.7.1. Provincial Growth and Development Strategies (PGDS)**

Notwithstanding the intrinsic advantages of developmental local governance, the Provincial Growth and Development Strategies must also be taken into account (PGDS). Department of Provincial and Local Government (DPLG) (2014) states that provinces have a significant part to play in contextualising state requirements, instructionis tis word written properly? them in the truths and particularities of each province and assisting municipalities in the creation and execution of many municipal developments and programs through LED and IDP to endure their development. According to the development literature, PGDS is a vital instrument for directing and coordinating the allocation of federal, state, local and private sector investments to accomplish the goals of sustainable development (Mojapelo, 2007). The long-term sight of province's improvement road atlas serves as the foundation for PGDS. The PGDS offer a clear foundation for the entire province's growth. Understanding provincial endowments and assets, as well as provincial development areas and limits and determining how they are evolving over time, is one of the key pillars of an efficient PGDS (DPLG, 2014). Recognising some of resources and capacities required may be found at national and local levels may help in identifying the institutional arrangements and resource requirements needed to fulfil the problems. The many decisions regarding resource allocation, utilization and trade-offs should be informed by PGDS. The PGDS and the Service Delivery and Budgetary Implementation Plan (SDBIP) are important instruments that should be used in municipal planning. This makes it possible for local municipal to operate in the interior bounds of province's improvement goals and to maintain intergovernmental ties among the three domains of government (DPLG, 2014).

### **3.7.2. Rural Enterprise Industrial Development (REID)**

The concept of Rural Enterprise Industrial Development (REID), which fosters a sense of ownership for rural development initiatives and programs, was first developed as a technique for building an enabling rural community (Boucher, Flynn, & Lowe, 2017). By supporting the start of various projects that provide job chances for majority of community people, REID seeks to solve the issues of poverty and unemployment afflicting rural areas. The program's primary goal, according to Abor and Quartey (2010:115), was to enhance rural development by establishing incentives that will draw investment to the regions. By making basic infrastructure and services, such as healthcare, education and public transportation more accessible. The fundamental goal is to create a community that is dynamic, equitable and sustainable. Community members will have the opportunity to pursue some sort of education that will improve their chances of finding employment as a result of their educational accomplishments. The program places a strong emphasis on encouraging economic activity among community members, which implies that the majority of them will be able to earn money to maintain their standard of living (George, Barben, Chivaka, van Vuuren, Knott, Lehmann, Mulder, Nel, Nieuwenhuizen, Saunders & Swart, 2016).

### **3.7.3. Comprehensive Rural Development Programme (CRDP)**

Through its branch of rural development and land reform, South African government launched the Comprehensive Rural Development Programme (CRDP) (Ruhiga, 2013). The program, according to Kariuki (2010:115), sought to give people access to productive rural areas by boosting income and eradicating poverty through the exploitation and management of natural resources. The program's goals centre on enhancing agricultural output, enhancing community members' value of life and encouraging intelligent use of natural resources. It also emphasizes rural development, which tries to boost local economies and infrastructure (Mathebula, 2014). The initiative was launched as a tactic to combat income poverty. About 45.9% of the population is suffering, living in poverty and unemployed per Stats SA (2022). However, to lessen the effects of income poverty in rural areas, the government developed this particular



initiative (Kariuki, 2010). Five provinces, including Limpopo, KwaZulu-Natal, Western Cape, Free-State and Mpumalanga saw program's effects in 2009. When there is a shortage of income due to a higher unemployment rate, it leads to lower purchasing power, inadequate education and poor nutrition (Kariuki, 2010). The program was designed by the department of rural development and rural land reform to address concerns of income problems faced by the majority of community members. In South Africa, resolving rural poverty and unemployment is crucial for improving living circumstances for residents.

#### **3.7.4. Limpopo Growth and Development Strategy (LGDS)**

On the other hand, the Limpopo Growth and Development Strategy (LGDS) also offers an idea for development that imitates the significances for development in relations of social requirements and the competitive economic growth potential of the province, which is also reliable with national essentials (LGDS, 2004). The National Spatial Development Perspective (NSDP), which unites the LEDs and IDPs with province growth and development policies, offers a framework for development planning. According to the constitution, the LGDS must take into account the difficulties that arise within the provinces' purview (LGDS, 2004). The LGDS combines top-down (a broader provincial perspective cascades over districts) and bottom-up (LED projects and programs) planning initiatives (LGDS, 2004). The local economic development of districts and local municipalities should involve the federal and provincial agencies. To generate a shared understanding of development policies, strategies, trajectories, provincial and municipal planning assignation in development planning is crucial (Koma, 2012). The exchanges will advance the district and local governments' function as implementers of provincial and national development goals. During the cycle of planning, the district and local government can inform the PGDS using a platform provided by the LGDS.

#### **3.7.5. The Integrated Sustainable Rural Development Strategy of 2000**

Through reduction of poverty and creation of sustainable livelihoods, the Integrated Sustainable Rural Development Strategy of 2000 sought to advance the quality of life

for rural populations in South Africa. The strategy identified important policy challenges on expanding communal security networks to rural residents, developing rural infrastructure, rural residents' admission to possessions, boosting local economic progress, developing capability and bolstering rural organisations (Lewis, 2001:3).

### **3.8. THE LOCAL CONTEXT**

According to Nel and Rogerson (2005: 277), LED is currently gaining a lot of consideration in South Africa, but the idea is relatively innovative. Extreme disparities in income, wealth and access to essential social services were some of the socioeconomic and developmental issues that South Africa faced after 1994. Reitzes (2004:3) agrees that many South African relatives and households are impoverished, uneducated, struggling to make ends meet, living in unsanitary conditions and experiencing high unemployment rates. Wealth disparities between the wealthy and poor, who are entrapped in extreme poverty, continue to grow. However, there hasn't been much research on LED in South African small townships (Human, Marais & Botes, 2008: 57).

As part of government's plan to reduce poverty, Local Economic Development was recognised to stipulate monetary provision to local establishments on a project-by-project foundation. This strategy aims to create both short-term employment through creation of developments and long-term employment through formation of commercial opportunities, the development of commercial infrastructure and incentive of industries (Marias & Botes, 2006:9). Even though LED is seen as a municipal initiative, Malefane (2009: 156) attests that most South African municipalities are not implementing it effectively. Apartheid's distorted spatial development planning consciously distanced populace from main economic drivers.

### **3.9. LOCAL ECONOMIC DEVELOPMENT EXPERIENCES IN SOUTH AFRICA 1994-1999**

Most community initiatives, including those in area of economic development, were suppressed in South Africa for decades under apartheid, which was founded on official racial discrimination. Such activity didn't really start to take off until the end of apartheid

and the beginning of the reform era in 1990. It is significant to note that LED in South Africa was driven by both widely accepted international goals of job progress and wealth formation in reply to aspects like industrial development and international rivalry, as well as the country's terrible levels of poverty, underutilisation of social potential and the requirement to discourse the country's apartheid bequest. In this setting, especially in light of the history of the nation, attaining racial and community healing is frequently a must before LED can be pursued. Consequently, this part presents South African LED experience.

### **3.9.1. Local Government Initiatives**

They are quatern main metropolitan areas in South Africa review the statement. Johannesburg, Durban, Pretoria and Cape Town partake largely pursued LED using broad-based, all-encompassing LED policies that are supported by adequately worked and resourced LED and economic elements (Nel, 2001: 8). The inclusive double chase of international competitiveness and poverty reduction is a central topic in strategies enacted in the larger cities. A significant accomplishment in this regard was the staging of the 1999 All Africa Sports and 2010 FIFA Soccer World Cup in cities like Durban and Cape Town. The legacy of the extensive application of LED programs and methods to support economic growth, job creation and poverty alleviation can be seen in Polokwane, Johannesburg, Pretoria (Tshwane), Port Elizabeth, Mafikeng, Nelspruit and Bloemfontein.

### **3.9.2. Community Based Initiatives**

According to Nel (2001:9), public-founded organisations and non-organisational government work on much wider scale as representatives and primary advocates of LED-kind events, with a comparative requirement for creation of partnerships to safeguard the achievement of initiatives and representation and involvement of main stakeholders. The NGO activities in Khayelitsha (Cape Town), the Mineworkers Union's backing of minor commercial efforts in Mhlala, Kei Road, Seymour, and Hertzog, and other initiatives are highlighted by the South African experience.

### **3.9.3. Section 21 Development Companies**

According to Nel (2001: 10), some local Section 21 companies are in charge of overseeing LED projects because they have a very strong business orientation and actively support small businesses on behalf of local governments that are thought to be insufficiently strong and resourced to launch LED projects. Stutterheim and Welkom, which prioritized business support and skill development, are two good examples.

In South Africa, the implementation of LED projects includes the creation of cooperatives as the key drivers of development activities (TGSL Report, 2003:1). According to Van Niekerk (1982:45, 46), co-operative of organisation established on behalf of its associates to supply raw resources, finished goods and amenities. Due to bulk of co-operatives being controlled by elderly individuals, there are significant hurdles to co-operative management in South Africa. Due to a variety of factors, including absence of own resources, contributor dependence, political meddling, absence of trust, assurance and accountability, non-existence of leadership, promotion and production skills and production infrastructure, the youth face persistent unemployment and are less interested in joining cooperatives (Kanyane, 2009: 1132).

According to a literature assessment, relatively few small-scale and public-based programs have produced economically sustainable ones that contribute to job creation after a certain funding time (Nel, 2001:114; Kheira Management, 2002: 8; Marais, Botes & Mosothoane, 2002: 42). Lemon (2002: 28) cites a non-existence of markets, intrinsic constraints of local initiatives, poor skill levels within local government and non-existence of leadership as the primary problems faced by SMMEs.

### **3.10. LOCAL ECONOMIC DEVELOPMENT IN LIMPOPO**

Limpopo Province views LED as a bottom-up socioeconomic tool inside a larger Provincial Growth and Development Strategy to foster commercial setting that will improve attractiveness through a multi-dimensional and multi-sectoral method that combines abilities, capitals and philosophies of local sponsors to boost local economies (Limpopo Growth and Development Strategy, 2004).

As stated over, many international institutions, national governments and non-governmental groups are focused on efforts to reduce poverty in developing nations, including Limpopo (World Bank, 1998:32).

According to Wilson, Kanjie, and Braathen (2001:15), thru 1960s and 1970s, global community witnessed modernisation of development methods as a catalyst for economic development. PGDS (2009: 14) has recognised the succeeding five key aims resulting from national medium-term tactical framework, which are supported by practical examination and suggested for PGDS 2009:

- ❖ Generate competitive business group preferment, infrastructure building and several national development plans to create decent work and sustainable livelihoods.
- ❖ Enhance the quality of life for residents by providing them with efficient education (including the development of skills), dependable well-being care, vigilant regulating, cosy housing, social grants and hobby with a focus on their own involvement in these procedures.
- ❖ Encourage rural development, food safety and land reform to extend positive effects of economic expansion outside of city regions.
- ❖ Improve the efficiency and effectiveness of developing national through effective organisational arranging, employing, guidance that is targeted and development of civilisation of amenity and accountability, integrated development management and collaboration amongst all organisations involved in the development procedure.
- ❖ Pay attention to great-priority issues of provincial cooperation, sustainable development and addressing microclimate change, Black Economic Empowerment and casual economy and devote enough resources to addressing these issues.

### **3.11. LOCAL POLICY FRAMEWORKS AND STRATEGIES**

The Constitution (1996), White Paper on Local Government (1998), Local Government: Municipal Systems Act (2000), A policy paper on Integrated Development Planning (2000) and IDP Pack, Discussion document on LED Policy (2002), and Policy Guidelines for Implementing LED in South Africa (2005), are among main strategies and governmental framework that contribute to the sympathetic of what LED in South Africa is.

### **3.11.1. The Constitution of the Republic of South Africa (Act 108 of 1996)**

The Constitution of Republic of South Africa, which is country's highest law, mandates and places heavy burden on local government to facilitate LED.

In addition, Bill of Rights-based Constitution mandates that government action be taken to combat rural development, unemployment and poverty. The Constitution mandates the creation of a government that is pro-poor and developmental and it gives local governments control over economic growth. The Constitution's Section 152 empowers local governments to encourage communal and commercial development. Local governments are required to provide amenities to societies in an environmentally friendly way, to foster social and economic advancement and promote participation of societies and public organisations in local governance.

The establishment of "socio-economic rights" for every citizen is mandated by Chapter 2 of the Constitution. These rights include right to a healthy environment, admission to satisfactory housing, social security for those powerless to back up themselves and their dependent relative, suitable social support, a right to basic revenue and admission to a minimum level of economic funds and right to non-discrimination in the distribution of goods and services.

The Constitution (1996) also establishes guidelines for fostering intergovernmental relations across all branches of government on matters pertaining to the growth of the economy. The idea that service providers and role actors must align within all domains of government is supported by Cameron and Stone (1995: 25). Abrahams (2003: 69)

concur that towns are encouraged by the local municipal's developmental command to participate in various economic growth programs in order to eliminate poverty, unemployment and to provide basic services.

### **3.11.2. The Local Government Transition Act of 1993 amended in 1996.**

Local Government Transitional Act of 1993, revised in 1996, provides for adoption of sustainable practices by local governments in South Africa following the end of apartheid (Abrahams, 2003: 189). The Act promotes public empowerment initiatives, resource relocation, human resource growth, poverty lessening and local inventiveness and modernisation on resource mobilisation, according to the author. To make this effort successful and sustainable, private sector participation is essential.

### **3.11.3. The White Paper on Local Government (1998)**

The term "Developmental local government" was first used in the White Paper on Local Government (1998:30), which was introduced and demarcated 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". The statement that "Local Government is not Directly Responsible for Job Creation" is made in the document. Instead, it is in charge of actively ensuring that the locality's general economic and social conditions are favourable to establishment of work possibilities.

The White Paper gave local government the authority to use local economic development, performance supervision and integrated development planning as tactical methods to democratise growth while also fostering an environment where individuals and communities could meet their needs.

### **3.11.4. Municipal Structure Act of 1998**

The Municipal Structures Act of 1998 presented local development and democratic participation. Chapter 4 of the Municipal Structures Act of 1998 emphasizes public

consultation as a means of fostering and advancing partaking democratic system in context of local governance.

#### **3.11.5. The Municipal Systems Act, 2000 (Act No 32 of 2000)**

The Municipal System Act stipulates that municipal Integrated Development Plans must include LED projects. The legal framework for LED is made up of several different elements, including zoning and land use, public-private partnerships, commercial enterprise back up and economic ties.

The laws, regulations and frameworks relating to socioeconomic development and poverty alleviation serve as the foundation for South Africa's law-making and strategy framework on local economic development.

The framework provides enabling government support of local economic development and local requirements, as well as for formulation and implementation of programs for job creation and public development (Mokate, 1999: 186).

#### **3.11.6. The Local Economic Development Policy Paper (2001:38)**

Conferring to the Local Economic Development Policy Paper from 2001, each local region has its own chances and obstacles to overcome, hence there is no one universal method to LED that can be used in every local area. To implement pro-poor LED initiatives, specialized programs must be created to meet requirements based on the local setting and accessible resources.

#### **3.11.7. The Municipal Finance Management Act (Act No. 56 of 2003)**

To establish a favourable local setting for commercial, trade and investment, the State Treasury is entrusted with supporting local government in enhancing infrastructure investment and international collaboration grounded on effective local municipal.

### **3.12. CONCLUSION**



Different academics continue to disagree on the impact of LED on global and South African livelihood choices. As a result, it is difficult to say with certainty that LED would help alleviate the persistent patterns of poverty and unemployment that plague virtually all South African municipalities. On the other hand, notwithstanding the exertions and amenity distribution initiatives applauded by the South African government, unemployment and poverty remain a grave concern in many rural communities. Practically, the addition of LED to the local government trajectory in South Africa was primarily viewed to be a technique by which it tries to create joined plans and address problems that societies face. But due to the difficulty of putting such a strategy into action effectively, it is viewed as marginal in the South African environment.

On the other hand, the province of Limpopo also has numerous strategy frameworks in place that have an impact on development and execution of numerous programs in the province. Such regulations, however, are still elusive. Additionally, it is clear that a number of communities continue to struggle with the ability to make reliable LEDs, which contributes to the persistence of unemployment and poverty. The following chapter offer analysis and interpretation of information gathered in the research area.

## **CHAPTER FOUR: DATA ANALYSIS, INTERPRETATION AND PRESENTATION OF FINDINGS**

### **4.1. INTRODUCTION**

Because it was difficult to make sense of large amount of information, information analysis is one of most important and essential components of every study project. As a result, data analysis is a critical component of research and must be done concurrently

with attention to the research subject (Williams, 2011). According to Creswell (2015), a true information examination in any study project must give researcher the comfort to create groupings and make contrasts and dissimilarities to explore new potentials. This chapter repeatedly shows how to analyse and understand study outcomes. It aims to analyse information in relative to study's aims and objectives, which depend on a thorough comprehension of local economic development relation to improvement of livelihood strategies.

This research used mixed research methodology and normative research design. Ninety-three (N=93) community members in Botlokwa Village, Molemole Local Municipality, provided quantitative data. The LED manager and two representatives were among the two (n=3) key informants who participated in the qualitative interviews (LED Coordinators). Additionally, their participation was merely a result of their thru? participation in LED formation and execution procedure, which was done to authenticate and enhance information gathered through the surveys. Through graphs, charts and other data analysis tools of a similar nature, the survey's results are presented.

## **4.2. PRESENTATION OF FINDINGS FROM THE QUANTITATIVE HOUSEHOLD SURVEY**

The presentation of the quantitative data gathered from community members is shown below. Questionnaires were used to obtain the data. Only the components of livelihood strategies were covered by the data gathered through the surveys. Because they are aware of the village's livelihood practices, the researcher frequently targeted individuals of the community.

### **4.2.1. Biographic Profile of Respondents**

In research, biographical information is endless. It is crucial since it clarifies the goals of comprehending and extrapolating research findings. In this study, the biographic data was collected to learn more about the respondents' gender, age, degree of education, work position and household income.

#### **Gender**

The majority of gender roles-related long-held views in South Africa and other developing nations are predicated on idea that womankind is lesser significant or deserving of authority than males. This was supported by the undeniable reality that many traditional social organisations in Africa are dominated and centred on men. On the other side, the gender inequities were passed down to the apartheid regime. The latter puts women in a less advantageous position in society. The figure below shows the respondents' genders:

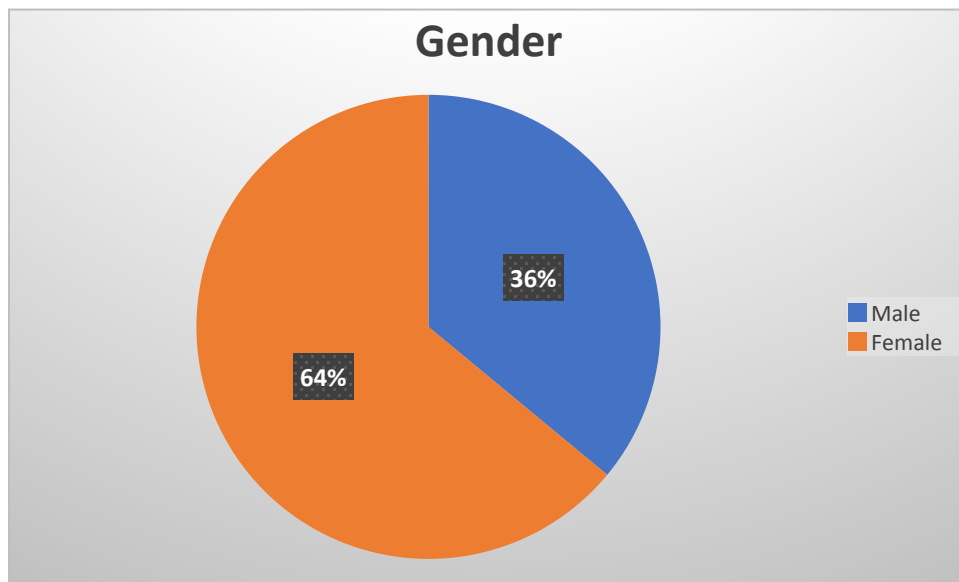


Figure 4.1: Gender of respondents

According to the graph over, 64% of responders were female, while 36% were their male counterparts. Male study participants are less numerous than female participants. This is crucial in understanding that South African government issued several laws and directives to zealously promote the interests of women and fight against the gender imbalances and fragmentation left over from the apartheid era. But the goal has not yet been accomplished (Mathebula, 2014). This suggests that women are becoming more involved and taking a stand on issues that are relevant to them. As a result, it was discovered during the survey that the majority of women were available and keen to participate. This is explained by the statistic that most womenfolk in the region are required to accomplish their domestic responsibilities and raise their children at home, while their male counterparts are gone looking for job.

## Age

Similar to any empirical research project, respondents' age group is crucial since it affects study's rationality depending on types of information needed from the chosen or designated age group. It might not necessarily be as crucial in a study that aims to evaluate the impact of the LED in relation to improving livelihood strategies. The figure below shows the respondents' age range:

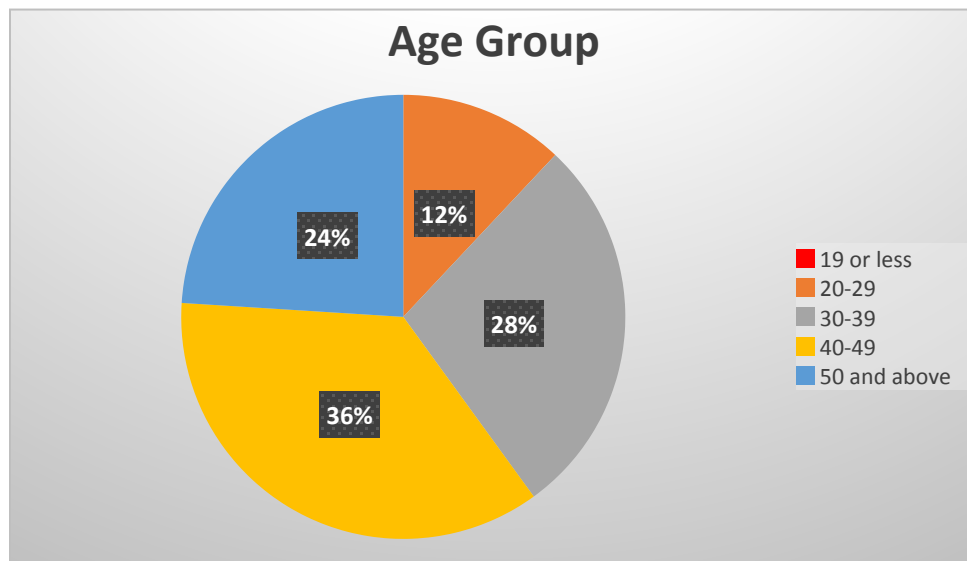


Figure 4.2: Age group respondent

According to figure 4.2, the majority of respondents 36% were between the ages of 40 and 49, while 28% were between the ages of 30-39, 24% were between the ages of 50 and above, 12% were between the ages of 20 and 29 and 0% were under the age of 19 years. Therefore, it can be inferred from the data that the neighbourhood has a high concentration of elderly and older individuals. This means that the extreme joblessness rate in the area among those who have finished either secondary or tertiary school and are looking for work is to blame for the lower figure of young residents and their inability to partake in the research.

## Level of education

Anecdotal evidence suggests that many rural communities in developing countries have issues related to illiteracy, which is brought on by insufficient schooling. Thus, the latter indisputably contributes to a high frequency of poor people and households. The respondents' educational backgrounds play a small but significant role in this study. This is merely due to the chance that certain local residents and government representatives only have a basic understanding of the LED about its planning and execution. The table below shows the respondents' degrees of education:

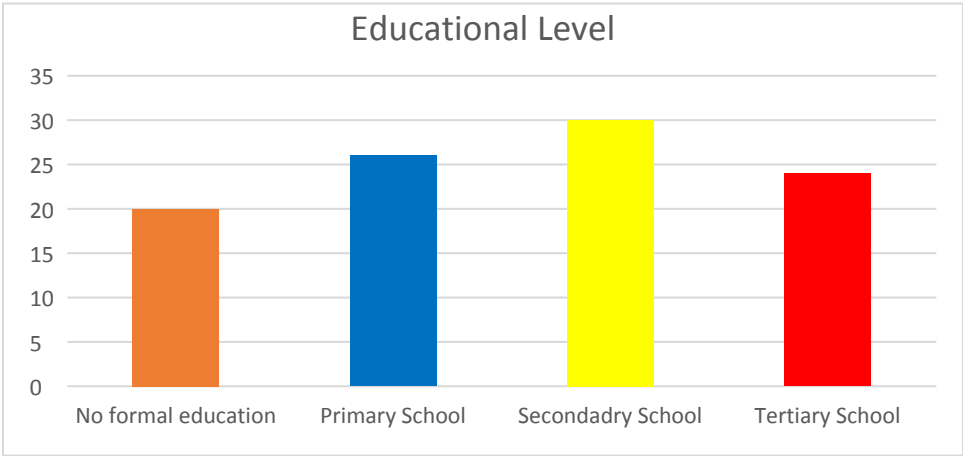


Figure 4.3: The educational levels of respondents

According to figure 4.3 above, 24% of respondents have a tertiary degree, whereas 30% of respondents only have a secondary degree. 20% of respondents do not have any formal education and 26% of respondents only have a primary degree. The aforementioned analysis is supported by the table above, which shows that many of the respondents (30%) who have a secondary education are among the younger residents of the area who are dealing with high unemployment rates. Additionally, 24% of the respondents had received tertiary education, which by itself may enhance their ability to make decisions regarding municipal issues disturbing their region.

**Employment status**

The respondents' job status was one of the most significant aspects that had to be taken into account in the surveys for empirical study. Reliant on the nature of study topic and the types of data point required from participants. Employment status can be important. The table below shows the respondents' employment status:

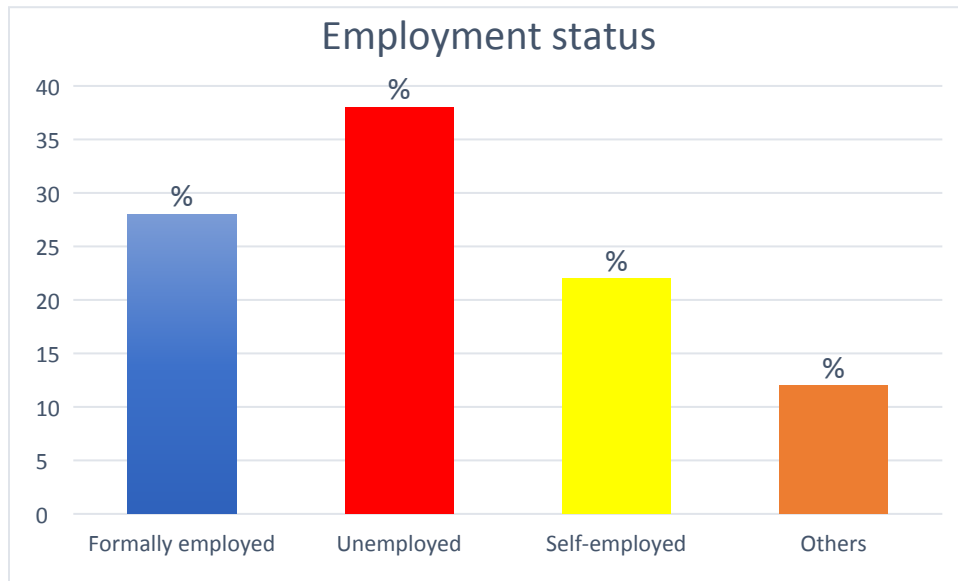


Figure 4.4: Employment status

Figure 4.4 above shows that most respondents 38% selected “unemployed” and that 12% which includes people who are either working part-time or temporary jobs or receiving government social grants selected those other typologies of employment. Only 22% of respondents said they were self-employed and 28% said they were employed in a formal capacity. This suggests that unemployment is the main issue in the hamlet, which also affects the younger population who have completed secondary or higher school.

### **Household monthly income**

This study judged it to be extremely important to ascertain the household’s monthly income. This factor is crucial since it determines the degree of accessibility to an inclusive choice of goods and amenities. As a result, survey’s findings showed that the average household size was inclusive of how people met their fundamental necessities with their income. This factor plays critical part in determining the obtainability and accessibility of goods and amenities to community members.

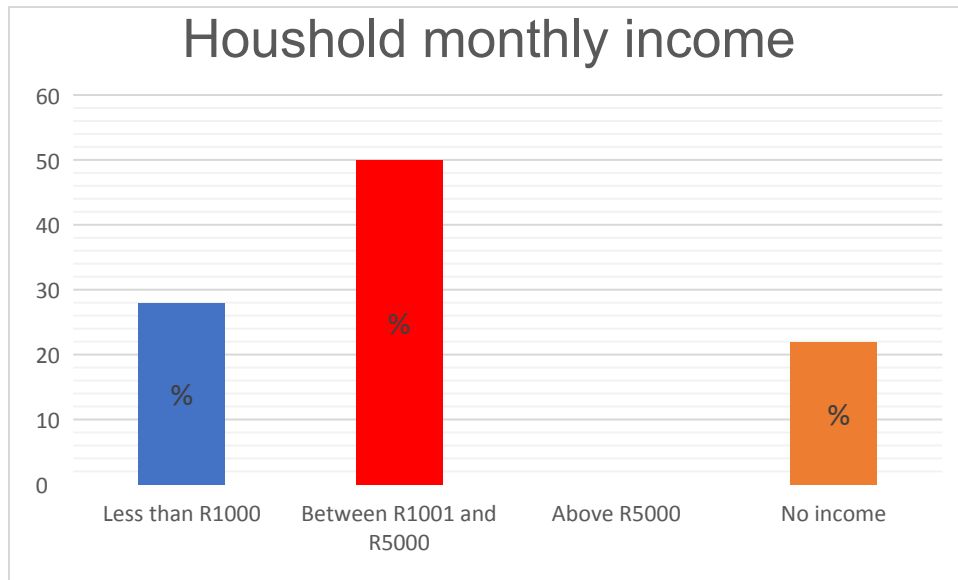


Figure 4.5: Household monthly income

Although respondents to this survey were requested to state their level of income, it is very difficult to collect precise household incomes. People who stated they were unemployed were asked to estimate how much money they made each month, whether it came from social grants, temporary employment or other unofficial sources. The survey separated monthly income into three categories: those making less than R1000, between R1001 and 5000, more than 5000 and those making no money at all. About 50% of the respondents, mostly from formal employment and old-age social grants, earn between R1001 and R5000 each month. More than 28% of the respondents said they made less than R1000 per month, mostly from child grants and part-time work, while 22% said they made no money at all.

Considering the aforementioned, it is clear that monthly income in the research region is extremely low, which may be a factor in community members' inability to achieve their nutritional needs. Additionally, home members and community members with incomes have the ability to purchase more food than those with low or no incomes. As a result, community members are turning to livelihood initiatives as a realistic and simple way to generate revenue and provide access to food for the poor in order to lower the degree of poverty.

### 4.2.2. The Nature of Local Economic Development

One of the main methods of reducing poverty was local economic development. LED must work to lift local economy to create jobs. This suggests that extra industrial and initiatives must be established in local community. To reinforce economy and enlarge employment possibilities for more individuals, especially the underprivileged, important stakeholders in a municipality must come together as part of the IDP. The national government develops policies and offers resources, funding and other forms of assistance for regional economic growth. Municipalities choose their LED plans and the Integrated Development Planning (IDP) process must include the steps used to develop an LED strategy.

#### 4.2.2.1. The role of local economic development

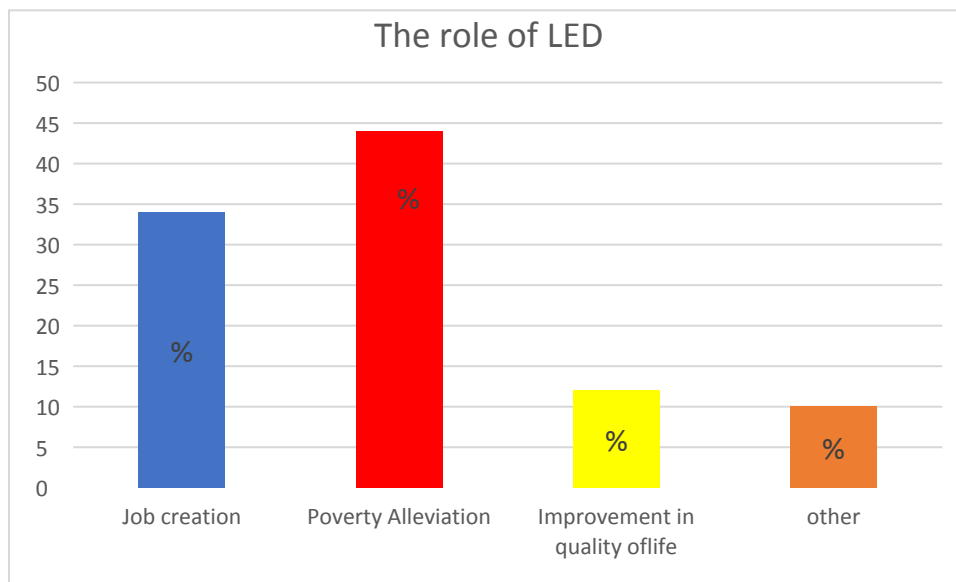


Figure 4.6: The role of LED

According to the data in the graph above, 44% of respondents said that the purpose of LED as an IDP strategy in the municipal setting is to lower unemployment rates, alleviate poverty and enhance local economic growth, while 34% said that its purpose is to ensure economic growth that will result in job creation. 10% of respondents said that LED's role is to ensure that locals are equipped with knowledges and services from their respective developments by holding official positions like C.E.O., financial officer and secretary, while 12% of respondents said that LED's role as a strategy of growing local



economy is to improve the quality of life of its Jurisdiction. Leadership, management, organizing, bookkeeping and project management are a few of the abilities acquired.

#### 4.2.2.2. How often are you involved in local economic development initiatives

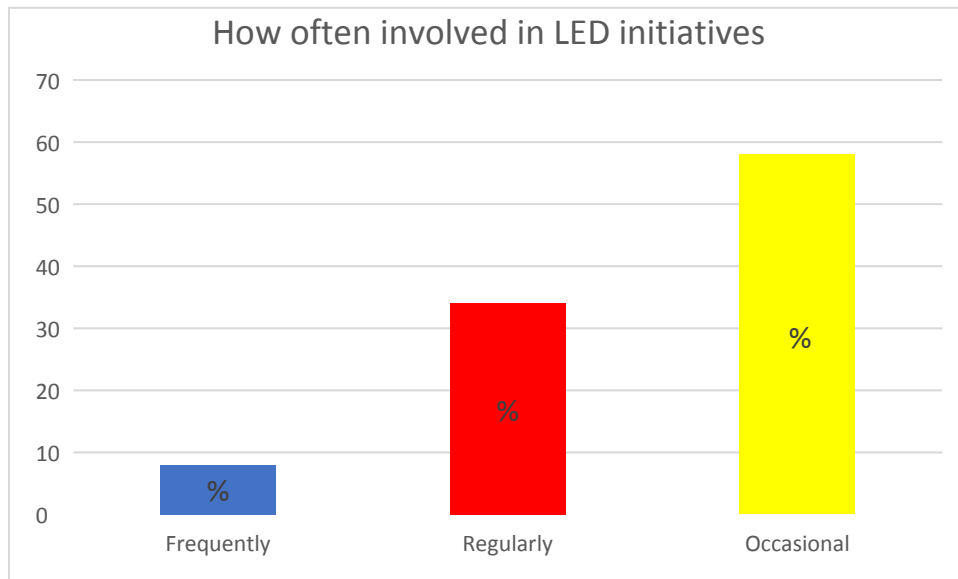


Figure 4.7: How often involved in LED initiatives

Most participants revealed that they were intricate in preparation and implementation of LED efforts for variety of reasons. 58% of respondents said they occasionally participate in LED projects. As a result of the Covid-19, which put many livelihood strategies in jeopardy and had a significant impact on the unemployment rate in the nation, the respondents' level of involvement in LED projects has periodically decreased because they lack financial resources. Only 8% of respondents said they participate in LED projects frequently, compared to about 34% who said they do so regularly. According to the community members' responses, the respondents had not played a significant role in the LED initiatives because they lacked access to information from their government officials about local economic development, IDP and community forums. As a result, many of the community members' livelihood strategies failed to meet their objectives. The responses' explanations for why they do not participate in LED activities frequently support the claim made by Machehe (2014) and others in related research that community people are not at the forefront of IDP.

#### 4.2.2.3. Type of local economic development projects in communities of Botlokwa Village

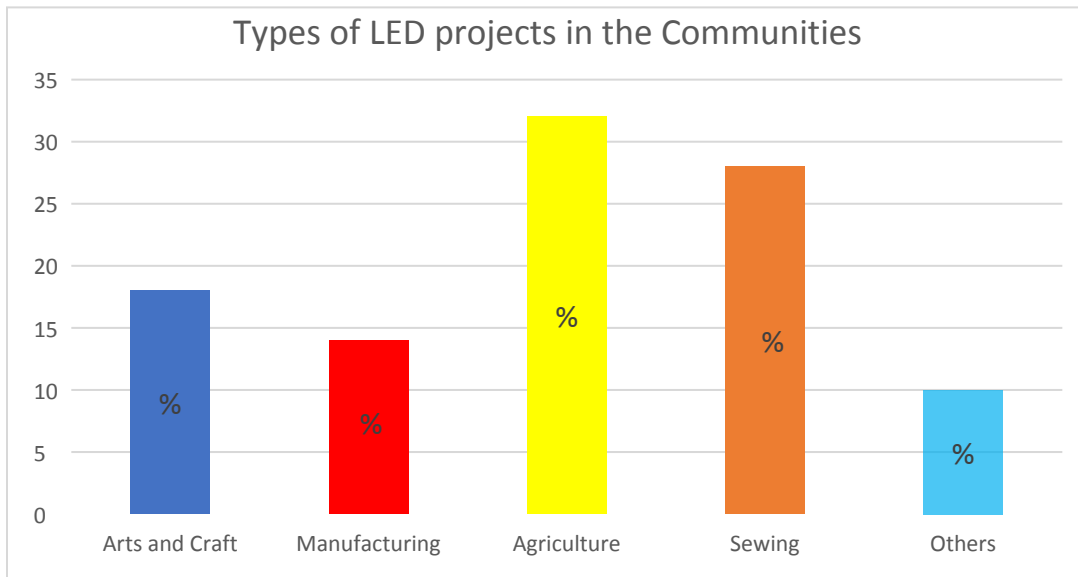


Figure 4.8: Types of LED projects in the communities

Agriculture is the largest category in the research area, according to the above graph. The results also demonstrate that sewing is favoured in the study area for LED projects that are present in the local populations. According to Figure 4.8 above, 32% of respondents are working on LED projects related to agriculture, 28% are working on LED projects related to sewing, over 18% are working on LED projects related to arts and crafts, 14% are working on LED projects related to manufacturing and 10% are working on other LED projects like SMEs. The majority of LED projects in the research area depend on agriculture, which could have a negative economic impact on the region's socioeconomic outlook in the event that project revenues decline. A migratory labour system that has presented a number of difficulties for communities has been brought about by the nature of the skills requirements for agricultural operations.

#### 4.2.2.4. The reason for the implementation of the local economic development Initiatives

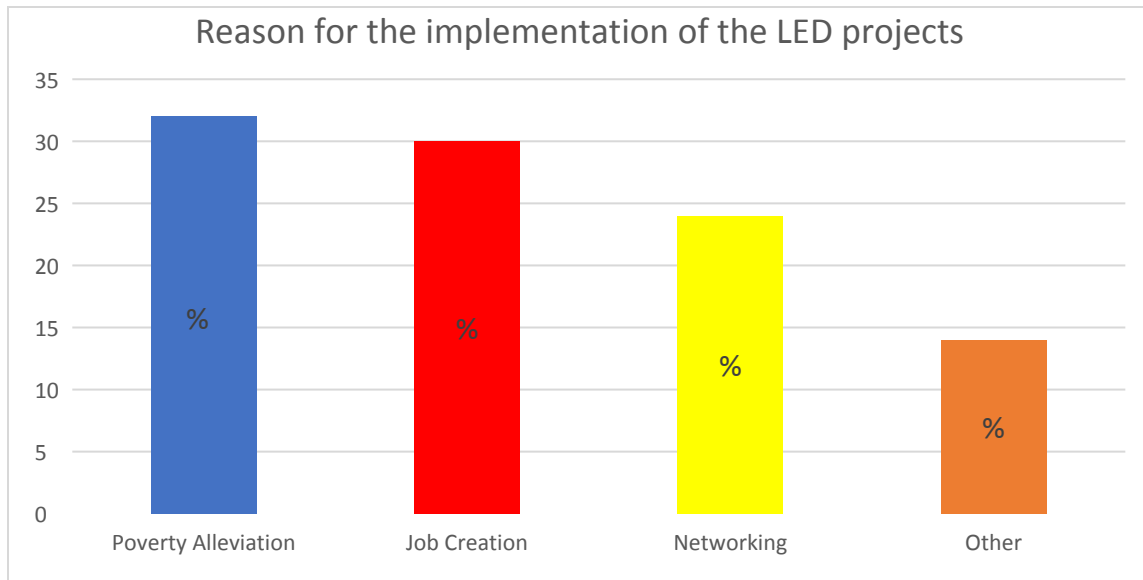


Figure 4.9: Reason for the implementation of the LED projects

Most respondents cited a variety of justifications for adoption of LED programs. According to 32% of respondents, implementing the programs in their communities will help reduce poverty overall. Another justification for implementing LED projects was the requirement for an additional source of income. The implementation of LED projects in the communities was meant to ensure economic growth of the study area in terms of creating the future of the next generation, according to about 30% of respondents, while 24% of respondents said that is meant for networking to expand their business and create more job opportunities for community members. About 14% of respondents chose other reasons. The area's LED projects are still being produced on a very small scale, with a focus mostly on reducing poverty. Most of the time, LED was viewed as a supplementary source that was crucial for preventing immediate food and money shortages.

#### 4.2.3. Types and Characteristics of Livelihood Strategies

The amount to which community members can use livelihood strategies as a means of survival depends on the people' capacity to labour in an area that is available for them. To provide an insightful interpretation and analysis of the findings, this unit presents the data on types and characteristics of livelihood strategies used in the research area.

#### 4.2.3.1. Types of livelihood strategies

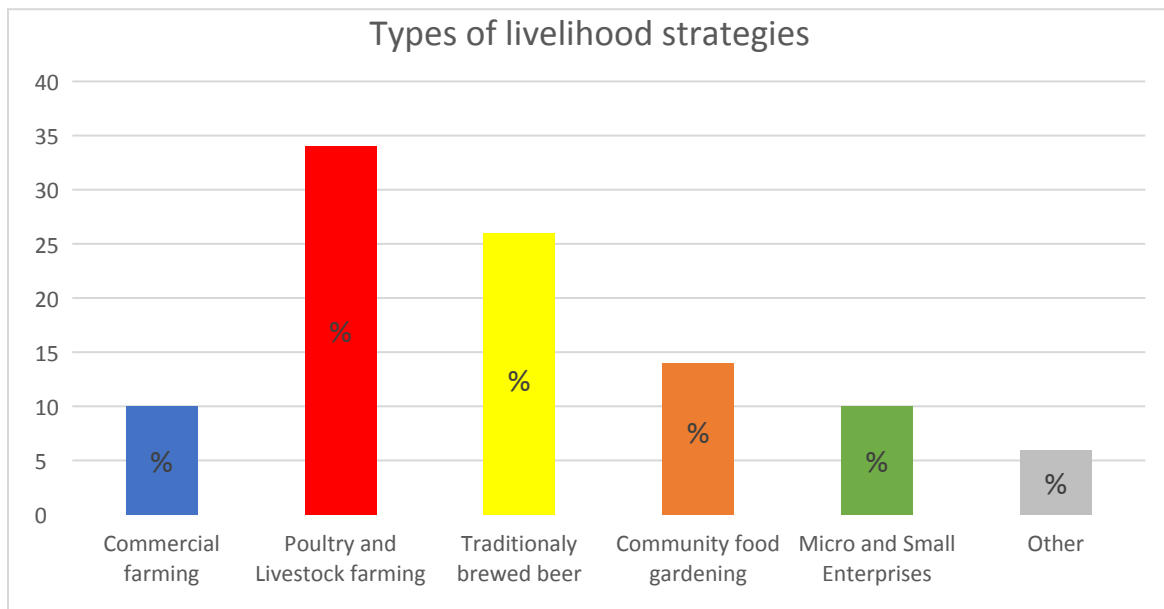


Figure 4.10: Types of livelihood strategies

The majority of the locals appear to favour poultry and livestock raising above alternative economic choices. According to the results, 34% of respondents favoured raising poultry and animals, while 10% chose growing vegetables and fruits for commercial purposes in recent years. About 26% of the respondents said they kept a variety of traditionally brewed beer and 14% said they actively participated in community food gardening. Therefore, the majority of respondents stressed that these sorts of livelihood choices were chosen as a result of the favourable weather, including the seasons, rainfall and temperatures. To create money and “reduce the level of poverty in the households”, about 10% of the respondents are involved in micro and small businesses, while 6% of the respondents are involved in alternative livelihood strategies including day jobs. The threat posed by COVID-19 to the nation’s economy forced numerous livelihood strategies into the breakdown, which intensified the socioeconomic difficulties communities faced and raised the level of poverty, according to respondents.

#### 4.2.3.2. How reliable are the livelihood strategies in terms of generating income

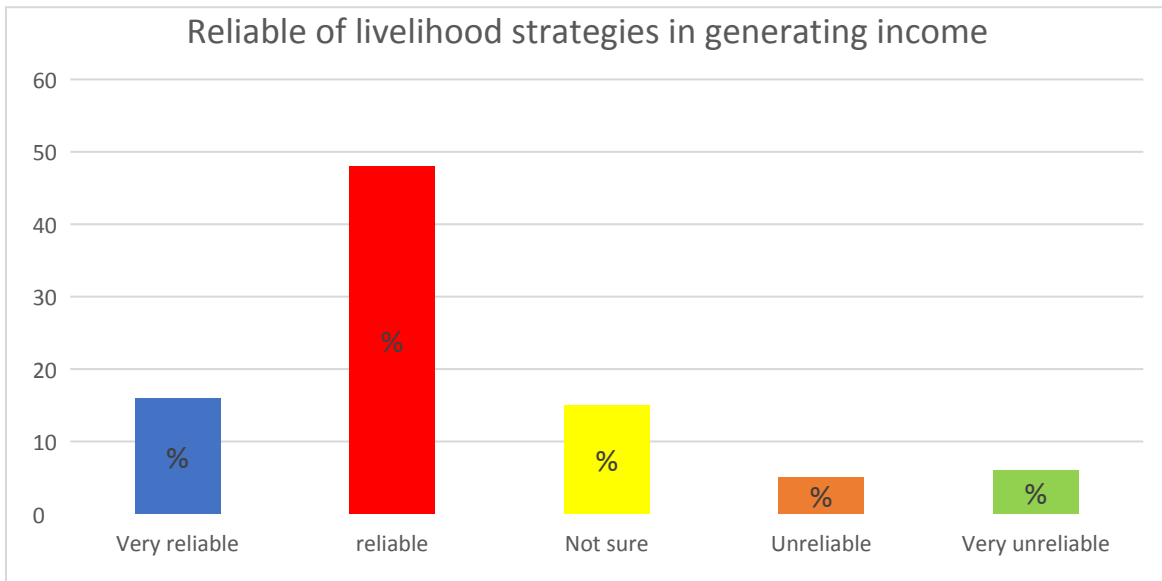


Figure 4.11: Reliable of livelihood strategies in generating income

The majority of community members employ subsistence techniques with little thought to sale or commerce. 48% of respondents said they use livelihood strategies because they are very reliable at producing an income that can help the household pay for goods and services, while 16% of respondents said that because they have used livelihood strategies for so long, they are very reliable at producing income. Because they depend more on customers buying the products, only 15% of respondents said they are unsure whether their methods of subsistence are generating revenue. Less than 6% of respondents said that because most of their products are for household use, they did not make money from using livelihood strategies and 5% said that livelihood strategies did not make money because of excessive market inflation and the influence that Covid-19 had on the economy. The research suggests that some community members employ livelihood strategies to sell a portion of their output to create cash for other home expenses, such as food to augment the supply of household food. It is clear that livelihood initiatives increase employment in the studied region, which benefits the local economy as a whole.

#### 4.2.4. The Impact of Local Economic Development on Livelihood Strategies in Communities

Increased revenue enhanced and better livelihood strategies (of individuals affiliated to the schemes after being part of the LED efforts) and enhanced skills were used to measure the influence of LED on livelihood of communities and project participants. The examination and interpretation of the impact of LED on community livelihood strategies can be seen below.

##### 4.2.4.1. Does local economic development play an important role in livelihood strategies practice

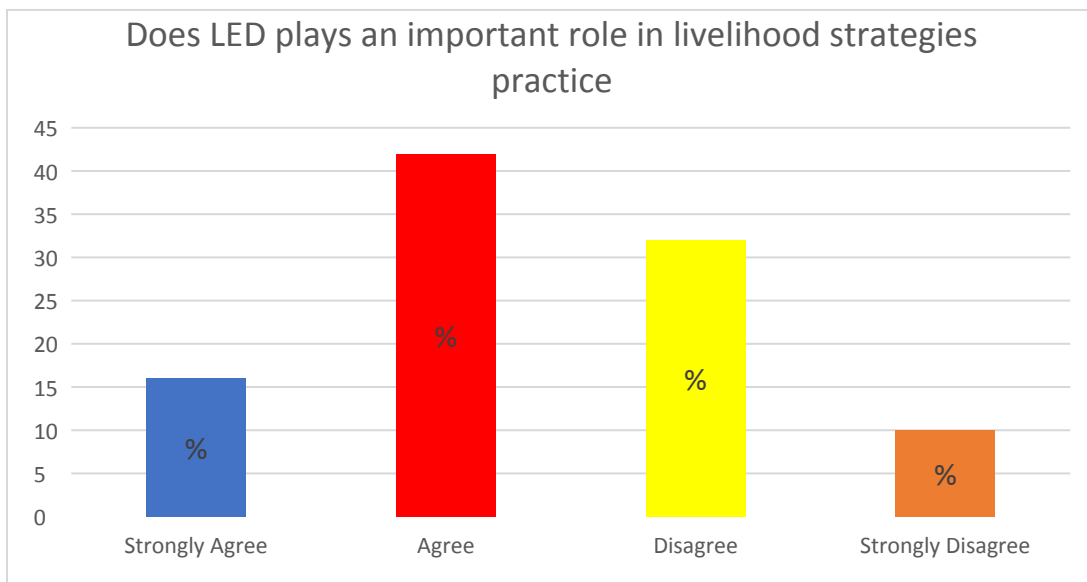


Figure 4.12: Does LED play an important role in livelihood strategies practice

According to the graph above, the majority of respondents, 42% assessed the importance of LED in the projects and activities undertaken by municipality as good or agreeable, while 16% strongly agreed, 32% disagreed and 10% extremely disagreed. This suggests that the municipality appeared to be performing well when it came to sponsoring LED projects in the research sector to raise the standard of living for the locals. The research, however, suggested that the issue appeared to be widespread in all other municipal regions. For instance, according to the Lepelle-Nkumpi Local Municipality IDP (2017/2018), the municipality is normally dealing with a 9-project backlog for LED projects. The Millennium Development Goals (MDGs) for sanitation,

reducing poverty, reducing unemployment and reducing inequality were not going to be achieved by the year 2014.

#### 4.2.4.2. The impact that local economic development initiatives have on the communities

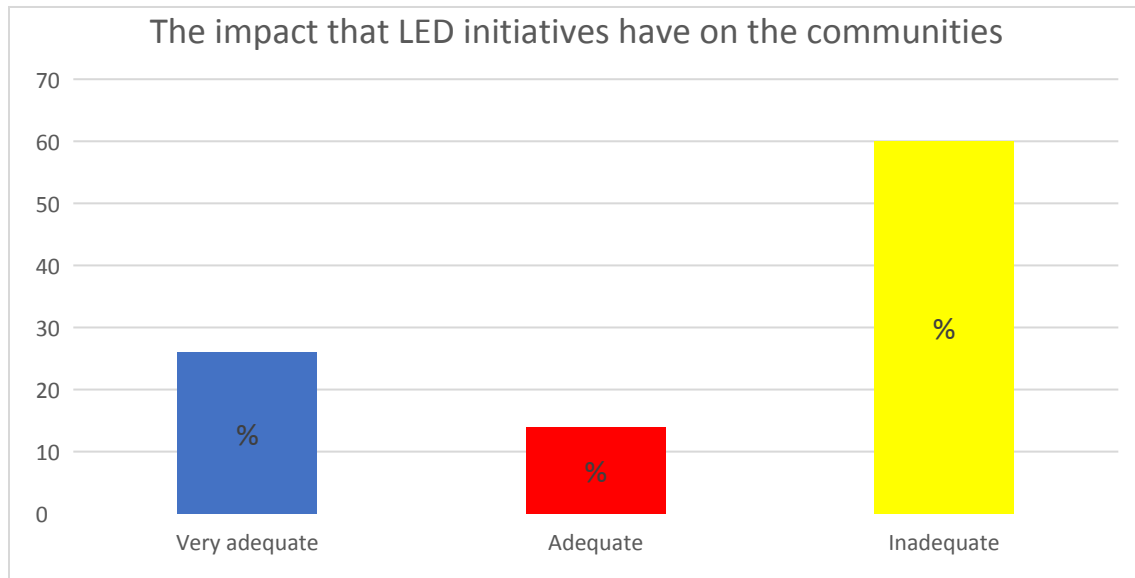


Figure 4.13: The impact that LED initiatives have on the communities

The aforementioned statistic shows that 60% of those surveyed believed that the impact of LED initiatives did not have any positive effects outstanding to the extreme levels of poverty, rising unemployment and persistent inequality in provision of services by the municipality to the communities, while 26% thought it was very good/adequate and 14% thought it was adequate. This suggests that the municipality appeared to be having difficulties or performing poorly in terms of offering a high standard of living, fully funding projects, generating employment possibilities and having subpar planning and implementation facilities in the research area. The research, however, suggested that the issue appeared to be widespread in all other municipal regions. For instance, the Molemole Local Municipality IDP (2015/2016) revealed that typically the municipality faces a significant service provision backlog of 30 827 households in the municipality, including project funding, sanitation, water, poverty alleviation, etc. As a result, municipality made it plain that the Millennium Development Goals (MDGs) for

infrastructure, water, cleanliness, job creation and poverty reduction would not be achieved by the year 2014.

### **4.3. PRESENTATION OF FINDINGS FROM QUALITATIVE INTERVIEW**

The information gathered from the key informants was included in the presentation of the qualitative interview. The information covered all facets of LEDs. There was a face-to-face interview with municipal representatives. They made this choice because they have knowledge of how the LED and IDP are planned and implemented.

#### **4.3.1. The Local Economic Development Implementation**

##### **4.3.1.1. The importance of local economic development for the municipality**

To learn more about how different municipal officials view the significance of local economic development, a questionnaire was administered to them. The various responses from Molemole Local Municipality officials are listed below.

Respondent 1: The following was noted by the LED Officer:

“Because it establishes a direction for municipal planning, local economic development is crucial for the municipality because it acts as a tool for eradicating poverty, unemployment and economic growth backlogs”. The LED officer added, “LED and IDP meets the intended needs of the communities and does so through community-based planning, whereby we travel to every ward in the municipality and ask the community members to identify and prioritize the development needs”.

Respondent 1: The following was noted by the LED Officer:

“Prioritizing community needs in relation to the budget or available resources is made possible by LED and IDP”. Additionally, the LED officer stated that “the LED acts as a framework within which the performance of the municipality may be monitored in terms of economic growth, unemployment rate and poverty reduction. IDP is also a project management tool because it makes it possible to identify a variety of projects according to their implementation schedule”.

Respondent 2: The IDP Officer expressed the following thoughts:



“LED and IDP are highly significant planning tools for the municipality to use” and “They further serve as an integrative document that covers all of the municipality’s development plans, anticipating encompassing both public and private sector development initiatives”.

The IDP officer concurred with LED officer’s observations and stated that....

“Because it considers spatial development planning in the municipal region, LED functions as an integrated document”. “The LED and IDP strive to maintain and conserve the natural environment; it brings about development and tackles the geographical inequities of development” the IDP officer continued.

The Ward Councillor was asked a question to see how well-versed he was in the LED and its operation. The Ward Council member replied as follows:

“The LED and IDP initiatives, which steer the municipality based on community needs, feature community participation in their procedures through meetings with the locals”.

“We consult residents, asking them to identify and prioritize community needs. Following the consultation, we conduct an EXCO Lekgotla to gather the needs, which we then present to the council for approval or to consider resolutions”.

In practically all South African towns, local economic development is regarded as fundamentally contributing to speeding up of economic growth and decrease of poverty, according to consensus and empirical data (Mathebula, Nkuna & Sebola, 2016). According to development literature, the relationship between local economic development and integrated development planning has evolved into an instrument that local governments can utilize to offer all those who have a stake in the local area’s development with vision, leadership and direction (De La Harpe, 2012). On the other side, according to Mathebula *et al* (2016), local economic growth entails various actors and sectors cooperating on a shared agenda and realigning individual efforts to produce a common good and determined goals.

4.3.1.2. Problems the municipality encounters in the preparation and implementation of the Local Economic Development

According to the comments provided by the municipal officials, issues that the municipality faces throughout the formation and execution of the LED include:

❖ Inadequate public participation

Insufficient public involvement in the design and execution of local IDP is determined to be a problematic upsetting roughly all South African municipalities in LED planning, according to the development literature (De La Harpe, 2012). The LED officer, who was the first respondent, gave the following opinions:

“The municipality's development and implementation of the IDP and LED are seriously hampered by inadequate public participation”. “Violence and civil disturbance frequently occur at ward consultation meetings for identifying and prioritizing community needs”.

The latter could also be explained by the fact that locals are unhappy with quality of the facilities provided by the municipality.

❖ Limited resources

Respondent 2: The IDP Officer listed the following as some of reasons why the IDP was poorly implemented:

“The municipality lacks the cash necessary to meet the extreme demands of the communities, which is primarily due to the communities’ failure to pay for various municipal services (revenue collection), such as garbage collection, property taxes and water. The municipality’s predominately rural nature, as opposed to urban municipalities where people are able and ready to pay for services, is the main cause of the non-payment of such services”.

The IDP manager noted that additional reason for the execution of the IDP is the lack of sufficient resources from national government in agreement with the Division of Revenue Act from the finance minister (This falls under Dora allocation, which is an equitable share that includes, among other things, Municipal Infrastructure Grant (MIG), Municipal Support Infrastructure Grant (MSIG), Municipal Finance Support Grant

(MFSG) and Integrated National Electrification Fund (INEF)). Respondent 3: The public participation officer concurred, stating a problem with the budget raised.

❖ Abandoning of the projects

Respondent 1: The municipality's LED officer stated that contractors abandoning projects in the local communities is one of the main issues preventing the implementation of the LED. This is what the LED officer indicated:

“Fraud and a lack of funding to complete the projects are the main causes of the municipality's abandonment of numerous projects. And as a result, the municipality has several projects that will end up becoming white elephants or useless in neighbourhoods”.

❖ Political meddling

Respondent 1: The LED officer suggested that it is necessary to keep politics and municipal management separate. LED officer stated:

“When council members intervene and order the municipality to carry out a project in their separate wards, it can become problematic, for instance, if the municipality is supposed to carry out a specific project in one of the wards of the municipality”.

As a result of services being provided where they should not be, the delivery of LED initiatives is delayed. Beyers (2016) reports that even though it is a legal duty and not a privilege, public engagement in municipal planning and programs still poses a significant problem. Additionally, Beyers (2016) research found that there is a need to separate the roles of politicians and administrative authorities. As a result, it can be inferred that to address the formation and implementation issues, municipalities should review and sincerely create trustworthy LEDs and IDPs that take into account the real concerns of the people while clearly separating them from various office holders of the municipality.

#### 4.3.1.3. Specific areas that needed improvement in the implementation of the local economic development

##### ❖ Public participation

Respondent 1: The issue of public engagement and non-attendance at community consultation meetings in IDP is the main area that requires improvement in the implementation of the LED, according to the municipality's LED officer. This is what the LED officer indicated:

“Communities must be fully in command of their own development”.

Respondent 2: The LED officer and the IDP officer for the municipality both made similar remarks. The IDP officer made the following declarations:

“Processes for public engagement need to be updated. This is due to the fact that one of the mechanisms used by local government to achieve democratic governance and accountability is public participation. As a result, the municipality must have a planned strategy for interacting with its citizens”.

##### ❖ Efficient use of MIG grant

Respondent 1: The municipality's LED officer revealed the following:

“It is obvious that the municipality needs to use the MIG funding effectively to support a variety of its projects and programs. Unless the municipality can persuade the government as to why they did not use the money for infrastructural initiatives in the municipality, the government would take back the money for that current financial year if such funds are not used”.

##### ❖ Clear collaboration between local and provincial department LED priorities

Respondent 1: The LED officer indicated that the municipality can expressly get help from the province to fulfil its developmental mandates if there is evident collaboration

between local and provincial authorities. The LED officer expressed the following thoughts in addition:

“In order to effectively implement the LED priorities, municipal, state, and provincial departments must work together. As opposed to the nearby school, which has classrooms in disrepair, there are times when the provincial department builds extra classrooms in the same school, even if it is in immaculate condition. However, because there is no cooperation, money is spent where it should not be”.

❖ Consultation process

Respondent 1: When asked, the LED officer said...

“The methods for consultation need to be updated, especially with regard to the stakeholders, who include the public, private, civil society organizations, non-governmental organizations and communities” ...

This was said by the LED officer:

“The municipality has set up a schedule for the IDP consolidation consultation procedures. However, it becomes a problem for LED planning initiatives if stakeholders don't show up. For instance, the Department of Agriculture wants to develop a specific project that will be combined in the municipal LED and IDP, therefore the process must be in cooperation with the different stakeholders”.

❖ Reporting and feedback platforms on IDP programs

Respondent 1: When asked, the LED officer said...

“Any problem affecting the communities in the LED initiatives needs to be reported... Additionally, the municipality needs to have or develop forums for feedback from each community within the municipality regarding the LED projects and programs”. The latter could possibly make it possible for residents to be interested in whatever the municipality is doing or, more precisely, aiming to undertake. Even though it is a legal

duty and not a luxury, research of Beyers (2016) shows that community engagement in municipal preparation remains significantly difficult.

4.3.1.4. Causes of local economic development initiatives project backlogs in the municipality

❖ Corruption

Respondent 3: The municipality's public participation officer provided the following information:

“Some municipal employees’ act of corruption hinders the municipality from providing services”.

Additionally, the public participation officer stated....

“Because they are political appointees, the municipality's top administration is particularly corrupt”.

IDP officer stated that....

“Politicians are active in local administration, which is problematic for the municipality as it causes some municipal functions to be delayed”.

Conferring to literature, municipalities must establish an anti-corruption and fraud prevention strategy of obedience, bookkeeping and commentary for enhanced favourable audit view (Molemole IDP, 2020).

❖ Limited resources allocation

Respondent 2: As some of the primary causes of local government's service delivery backlogs, the IDP officer listed the following:

“A key contributing factor to project backlogs is discovered to be a limited budget, which prevents service delivery in some sections of the municipality. Nevertheless, there are times when the money is adequate to finance the planned development projects, but due to political interference, it is instead used for other purposes that do not directly benefit or serve the local population”.

The development literature, however, also claimed that the lack of a budget was caused by the fact that most municipalities get all their funding from the National Treasury since they are unable to create their own revenue. This simply suggests that revenue collection within their areas of control is a critical performance measure that is failing in the majority of municipalities 2016 (Beyers).

❖ Capacity issues on municipal personnel

Respondent 1: The municipality's LED officer stated the following:

“A difficulty that prevents the municipality from achieving its targeted service delivery and clearing backlogs is the question of municipal officials' capacity. The majority of local politicians lack competence”.

The development literature confirms that a significant barrier is some municipal employees' limited capacity. According to Beyers' (2016) study, many municipal workers lack the capacity to carry out their assigned responsibilities. The analysis discovered that there were several instances of erroneous and improper appointments of employees with inadequate abilities in one of the local governments in the Sekhukhune district (Beyers, 2016).

The public participation officer echoed similar sentiments and indicated that....

“The problems with cadre deployment are what cause practically all municipalities to move slowly when it comes to service delivery”.

### **4.3.2. Local Economic Development and Its Impact on Livelihood Strategies**

Respondent 1: Additionally, the LED Officer mentioned the following:

“The rural communities have received services from the municipality. But the service provided depends on the resources allotted”.

Respondent 3: In contrast to the LED official, the Public Participation officer had a different viewpoint. The officer said that....

“There are numerous LED projects in communities that are not in operation, as well as numerous municipal tractors that are broken despite the funds being available for upkeep”.

### **4.3.3. The Implementation of the Local Economic Development Has Led to Improved Livelihood Strategies in the Communities**

Respondent 1: The municipality's LED Officer stated that....

"Although not all of the municipality's plans and projects have been carried out, on the whole, LED initiatives have been delivered satisfactorily... However, some respite has been provided by the projects carried out under the LED, such as the programs for developing roads, water, power, and other infrastructure".

Studies also show that many municipalities continue to struggle to offer free basic services to the populations under their purview, and further highlight issue of non-existence of infrastructure in rural regions (CoGTA, 2009; Beyers, 2016).

## **4.4. CONCLUSION**

This chapter's objective was to show how results of survey and interview were presented before further analysing them. A biographical overview of the respondents was presented to begin this chapter. The outcomes of the theme analysis and correlations between various study variables, percentages and frequencies was further



described in the chapter. To determine how LED has impacted the research area's livelihood strategies, perceptions were elicited through surveys and interviews. This covers the opinions and perceptions of the members of the executive ward committee and local government authorities. According to this report, the municipality continues to lag behind in terms of its ability to develop in a way that will suit the demands of the communities. Other regulated or required services in the municipality are still not being provided in a satisfactory manner.

As a result, the study concluded that obstructions to the accomplishment of intended growth goals included corruption, political intervention and the restricted capability of municipal staff and the income base. Additionally, the results showed that the municipality is obviously doing well in service areas like sanitation and electricity, as opposed to areas like water, economic expansion and job development, among others. This chapter's study and interpretation of the data made it abundantly evident and concluded that by properly organising and implementing the LED, livelihood strategies could be enhanced. The conclusion drawn from this chapter is that Molemole Local Municipality continues to struggle with persistent trends in LED projects and amenity delivery backlogs that are extremely persistent in areas of service like water, unemployment, poverty, refuse removal and sanitation facilities, amongst others. A summary of important findings, recommendations, and conclusions drawn in light of the key findings will be presented in the following chapter.

## **CHAPETER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS**

### **5.1. INTRODUCTION**

The analysis and interpretation of data gathered from survey and interviews with community members were routinely provided in the previous chapter. Only the aspects of livelihood strategies were included by maybe replaced by 'in' the survey data. Data on the features of LED were also collected using the interview schedule. Based on the study factors findings, this chapter provides affords consider summary, conclusion and recommendation for further research. An analysis and explanation of the study findings were presented in the chapter before. The synopsis of chapters in section 5.2 opens this chapter. These essential components of the research are included. The overview of the major findings in regard to the study's goals is presented in section 5.3 after that. The deduction, grounded on literature evaluation and study outcomes, is found in Section 5.4. The study's conclusions include recommendations for Molemole Local Municipality and possibly other South African municipalities on how to improve the livelihood strategies and adjust their planning. This chapter will present suggestions for additional investigation as well as the study's limitations.

### **5.2. SUMMARY OF THE STUDY**

An overview of the study's context was given in chapter 1. It also contains an explanation of the motivation for the study, supporting evidence and the procedural approach that was used to operationalize the study. The importance of research and ethical issues was taken into consideration in this chapter. The chapter comprised a literature review, a discussion of ideas in more detail and a description of the theoretical framework used in the study.

Chapter 2's focus was on describing and delving into the effects of local economic development on livelihood strategies. The theoretical framework and an explanation of how the LED is conceptualised are presented in the first chapter to highlight the backdrop for this study and its implications for livelihood choices. The chapter also explained the justification for LED planning and its essential procedures, which include

public involvement. The chapter also unapologetically on the monitoring and assessment of the IDP process during planning and implementation. Additionally, the justification for livelihood strategies as a guiding metric for efficient planning and implementation of the LED efforts has been explained.

Chapter 3's goal was to provide an overview of Local Economic Development (LED) as it relates to livelihood initiatives. The purpose was to use literature to ascertain how the LED should or ought to be used as a planning tool to clearly improve livelihood plans and address significant LED project backlogs in South African municipalities. The chapter offered the national backdrop of LED and livelihood strategies, rural dwellers poverty and basic amenity through dialogues with literature. As a result, the chapter continues to cascade to the provincial governments through the literature review before concluding with the study area.

Analysis and interpretation of empirical information that was gathered in research area were covered in chapter 4 of this work. This chapter bases its analysis on the respondents' perceptions of how LEDs affect improving livelihood strategies. Additionally, the visual information as well as the observations were documented in this chapter. This chapter showed that little progress had been made in the LED despite the fact that it is thought to be the vehicle for accelerating economic growth and employment creation. Regarding LED projects, there are still numerous instances of discomfort and unhappiness in many communities.

The aim of this study was to determine how Molemole Local Municipality and possibly other South African municipalities could improve their planning and livelihood strategies. Furthermore, the objectives of the study are the following:

- ❖ To study the nature of local economic development.
- ❖ To examine the typologies and characteristics of livelihood strategies.
- ❖ To explore the impact of local economic development on the livelihood strategies in the community of Botlokwa Village.

- ❖ To establish measures that enhance the municipal LED initiatives on livelihood strategies in communities of Botlokwa Village.

### **5.3. SUMMARY OF KEY FINDINGS**

**OBJECTIVES # 1:** To study the nature of local economic development.

#### **5.3.1. The Importance of Local Economic Development for the Municipality**

- ❖ According to interviewees, the interview's findings showed that LED is significant to the neighbourhood municipality in the following ways: Backlogs in local economic growth are addressed, community representatives are encouraged to participate or consult, community needs and priorities are identified, and municipal activities are better integrated and coordinated.

#### **5.3.2. Problems the Municipality Encounters in the Planning and Implementation of The Local Economic Development**

- ❖ The interview's findings revealed the following issues that municipality has while organising and putting LED into practice. These consist of insufficient public involvement, scarce resources, project abandonment, and political interference. The main obstacle to the planning and execution of the LED is determined to be a lack of public participation.

#### **5.3.3. Specific Areas That Need Improvement in the Implementation of the Local Economic Development**

The interview's findings suggested that public involvement procedures needed to be reviewed. The following were certain areas that require improvement:

- ❖ Public involvement is necessary since communities must assume full responsibility for their own development;
- ❖ Effective application of MIG to support ongoing service and infrastructure projects;

- ❖ To facilitate the effective use of resources, there is a need for clear collaboration between municipal and provincial departments;
- ❖ Consultations with a variety of groups, including the civil society and NGOs; and
- ❖ Platforms for reporting and feedback to improve community and local government cooperation.

**OBJECTIVES # 2:** To examine the typologies and characteristics of livelihood strategies.

#### **5.3.4. The Livelihood Strategies Practiced by the Community Members**

- ❖ The community members and rural households must rely on income-generating livelihood methods to meet their daily food needs. Sometimes the amount and quality of this meal is insufficient to satisfy their nutritional demands. For the majority of low-income households in Botlokwa Village, using livelihood strategies is an easy way to supplement their income and diversify their sources of livelihood in the face of ongoing economic instability and risks like unemployment and diminishing purchasing power. Strategies for increasing one's household income have frequently been seen as appropriate in response to improving one's access to food. To promote the sector as a potential remedy for poverty, food instabilities, low incomes, and unemployment that are pervasive in the study region, it is essential that all community members working in the sector understand the characteristics and dynamics of livelihood strategies. Understanding the nature of the livelihood strategies sector can help make it more well-known to community members who aren't already involved, which can be important for the sector's expansion and success.
- ❖ Due to the scarcity of employment options in the research area, the majority (48%) of respondents regarded livelihood strategies as a reliable means of obtaining income. The money made from the usage of livelihood methods has aided in the purchase of home necessities for the most basic needs. The majority of residents believe that the municipality's LED project provision is not very good.

Residents proposed that the town concentrate on enhancing the LED efforts project for low-income families.

- ❖ The results of the interview showed that the different communities in the municipality have received LED initiatives services on average; nevertheless, there is definitely opportunity for enhancement, particularly in project facility areas like commercial farming, micro and small enterprises, and sewing, amongst others.

### **5.3.5. The Involvement of Communities in the Municipal Local Economic Development Service Issues**

- ❖ The results showed one of the most efficient methods for incorporating communities in LED service issues is ward-based planning. Additionally, every year, ward-based planning meetings are organized to coordinate needs for the LED and IDP.
- ❖ According to the interview's findings, communities are involved through public involvement procedures like IDP and LED forums. The findings showed that the mayor and the IDP and LED manager engage with the neighbourhoods to identify, prioritize, and develop implementation strategies.

❖

However, community participation initiatives frequently fail because residents have to read one word given up on the municipality's ability to run effectively.

### **5.3.6. The Extent of the Municipal Achievement in Local Economic Development Project Provision Targets**

- ❖ The results from respondents showed that target accomplishments are relative since LED project provision backlogs are still present. Since there are still high rate of unemployment, persistent poverty and hunger in every village in every ward, the goal for LED programs has not been met. The municipality continues to

work to increase its successes in relations to employment creation, better livelihood measures, and poverty level lessening.

### **5.3.7. Causes of Local Economic Development Project Backlogs**



The main issues with LED project backlogs include corruption, a lack of resources, the development of municipal staff capacity and shifting goals or new extensions.

### **5.3.8. Strategies for Addressing Local Economic Development Project Backlogs in the Municipality**



As part of strategies to address the municipality's project backlogs for LED initiatives, the results from the respondents' surveys exposed that: there is a necessity for strategic placement meetings amid LED, IDP and Service Delivery and Budgetary Implementation Plan (SDBIP); institutional restructuring for sector departments; setting explicit and measurable plans in LED; need for annual review of LED projects and institutional restructuring for other municipalities in the province

**Objective # 3:** To explore the impact of local economic development on the livelihood strategies in the communities.

### **5.3.9. The Implementation of the Local Economic Development Has Led to Improved Livelihood Strategies in the Communities**



Because municipality begins all its development planning and programs with the IDP, it is impossible to plan for and fulfill the intended demands of the population, so the implementation of the ISDP has not improved livelihood strategies.



The results showed that, despite the dependability being a key worry, the LED project has not resulted in improved livelihood strategies since many communities in the municipality have not increased access to better job development and poverty alleviation.

- ❖ Because not all projects and programs have been completed, the interview replies suggested that the upgraded LED initiative project is also relative in some places. However, it is still true that many members of the community have experienced some measure of alleviation as a result of the services provided. Thus, it can be concluded that the adoption of the LED and IDP has helped the municipality to plan and execute in accordance with the demands of the communities to some extent. However, the survey revealed the main obstacles or problems that must be overcome for the municipal LEDs to be implemented successfully. Issues with municipal staff capacity, a lack of resources, insufficient community involvement in municipal operations etc.

#### **5.4. CONCLUSION**

The results suggest that many municipalities have not performed their duties in improving the livelihood strategies in rural regions. Despite the execution of the LED, poverty, unemployment, and hunger remain worrying problems and distresses in practically all South African municipalities. Consequently, the following inferences are made in light of the results:

The results showed that Molemole Local Municipality was using the LED. The local economic growth is crucial for the municipality in several ways, including tackling the backlog in job creation, reducing poverty and encouraging community involvement in setting requirements and priorities as well as enhancing integration and management. However, the execution of the LED ran into a few problems, including a bad resource deficit, unfinished projects, a poor level of community involvement, and political interference, among others. Also supporting the latter was the abundance of



development literature. According to research of Mathebula, Nkuna, and Sebola (2016), the success project defined and milestone met as planned and integrated into the LED is what determines the efficacy of the LED implementation.

Another conclusion consistently demonstrates that government has improved the level of amenities provided to recipient households, particularly the distribution of tractors for farming and fertiliser, while the provision of jobs and efforts to combat poverty remain insufficient. However, community members have created various coping mechanisms in response to unemployment and poverty. The majority of community members expressed unhappiness with the methods offered for coping with poverty and earning money. Respondents emphasized that government held discussion sessions, IDP and LED forums, and ward councillor meetings in relation to the participation of communities in service provision. Communities are still unhappy with their participation, though. Despite the municipality's overall successes in providing basic services, there are still delays in service delivery and LED project implementation due to severe corruption, a lack of resources, a capacity issue, and incorrect targeting. According to development literature, numerous local governments struggle with funding crises, organizational and structural issues, and insufficient assistance (Mathebula, Nkuna & Sebola, 2016).

The research also demonstrates how the LED's deployment considerably improved the municipality's livelihood strategy. It is obvious that all the municipality's development planning and programs begin with the IDP before moving on to LED; as a result, the municipality is able to plan and execute in accordance with the intended demands of the population. The municipality now has access to essential amenities like water, power, and sanitation thanks to the services and infrastructure projects that have been executed. In addition, the municipality has built roads and other infrastructure for the benefit of the neighborhood.

However, due to inadequate execution of the LED, which was brought on by capacity issues, poor community involvement, and resource shortages, the municipality has not fully fulfilled the provision of LED project. There are also a ton of studies that have been do

ne about improving livelihood strategies and LED. This research suggested that the LED should be used as a tool for strategic planning rather than as a document to satisfy a legal requirement. The LED should be created to address the issues of local economic development, unemployment, job creation, and poverty alleviation that municipalities still face as a result of the apartheid administration (Mathebila, Nkuna & Sebola, 2016). Consequently, it is claimed that the LED helped the municipality to plan and deliver in some ways in line with community requirements.

## **5.5. RECOMMENDATIONS**

The following suggestions are put forth by this research based on the literature and field survey:



It is advised that the municipality enhance the provision of livelihood strategies by offering more LED projects, responding right away to defects in inadequate livelihood strategies, and conducting routine monitoring and maintenance.



Through wardbased planning and LED implementation, the municipality is advised to increase community involvement in local economic development and IDP.

- ❖ Agricultural development support, particularly financial and farm inputs that would improve and raise the output of smallholder subsistence farmers in the community, is required. This is crucial because the majority of local farmers in rural regions still use conventional methods, if not any at all, which can occasionally lower production. High levels of productivity would bring these farmers additional incomes, increasing their ability to buy food in the long run.



It is advised that the tasks and responsibilities of political office holders and municipal administration be clearly defined.

- ❖ To strengthen the execution of the LED, it is advised that local government expand its capability to effectively handle MIG and procurement procedures.

## **5.6. LIMITATIONS OF THE STUDY AND SUGGESTION FOR FURTHER STUDIES**

During data collecting on the field, the researcher ran into a number of difficulties. The first obstacle was the unwillingness of some municipal officials, especially the members of the LED steering group. They genuinely had no interest in taking part in the research. The researcher's restricted time and financial resources during the data gathering process presented another obstacle, which resulted in a small geographic sample size for the study. As a result, the researcher advises that comparable and complementing studies be carried out in other South African municipalities. Regarding the study's components, the researcher further advises that research be done to determine how LED affects community empowerment and how LED affects individual behavior on the interactions between governments.

## **REFERENCES**

- Ababio, E.P. (2004). Enhancing community participation in developmental local government for improved service delivery. *Journal of Public Administration*, 39 (2), 272-289.
- Abor, J. and Quartey, P. (2010). Issues in SME development in Ghana and South Africa, *International research journal of finance and economics*, 39(6): 215-228.
- Abrahams, D. (2003). Local Economic Development in South Africa: A useful Tool for Sustainable Development, *Urban Forum*, 14(2):189-190.
- Acemoglu, D., & Robinson, J.A. (2013). *Why Nations Fail. The Origins of Power, Prosperity and Poverty*. London: Profile Books.
- Adato, M., Carter, M. & May, J. (2006). Exploring Poverty Traps Social Exclusion in South Africa using Qualitative and Quantitative Data, *Journal of Development Studies*, 42 (2), 226-247.

African National Congress (ANC) (2017). Employment creation, economic growth and structural change: Strengthening the programme of radical economic transformation. In: Fifth National Policy Conference. Johannesburg: ANC.

Aliber, M. (2002). Poverty Eradication and Sustainable Development. Cape Town: HSRC Publishers.

Alvi, M. (2016). A Manual for Selecting Sampling Techniques in Research, University of Karachi, Munich Personal RePEc Archives, 12-42.

Amare, A., & Prof. Raghurama, A. (2017). Micro, Small and Medium Enterprises (MSMEs) Development Strategies in Ethiopia: IRACST, *International Journal of Commerce, Business and Management (IJCBM)*, 6(1): 2319–2828.

Amberntsson, P. (2011). The Past of Present Livelihoods, Historical perspectives on modernisation, rural policy regimes and smallholder poverty: A case from Eastern Zambia, University of Gothenburg, Department of Geography, 118: 1-225.

Asha, A. (2014). Capacity challenges for local government efficacy for development planning and implementation. *Journal of Public Administration*, 49(3), 803-812.

Bettencourt, E.M.V., Tilman, M., Narciso, V. & De Saliva Cavalho, M.L. (2015). The Livestock Roles in the Wellbeing of Rural Communities of Timor-Leste, *Journal of Economic and Social*, 53(1).

Beyers, L. J. E. (2015). Service delivery challenges within municipalities in the Capricorn District of Limpopo Province, *Journal of Human Ecology*, 50 (2): 121-127.

Beyers, L. J. E. (2016). Service delivery challenges facing municipalities: A case study of Fetakgomo Local Municipality in Sekhukhune District Municipality, Limpopo Province. *Bangladesh e-Journal of Sociology*, 13(2), 167.

Blakely, E. J., & Bradshaw, T. K. (2013). Planning local economic development: theory and practice. Newbury Park: Sage publications.

Bless C., Higson-Smith, C. & Kagee, A. (2006). Fundamentals of social research methods: An African perspective. Cape Town: Juta.

Booyesen, F. (2003). HIV/AIDS and poverty and dynamics. Department of Economics Working Paper 1/03. Bloemfontein: University of the Free State.

Borole, T. (2013). Poverty alleviation by means of Integrated Development Planning: the case of Dr Kenneth Kaunda District Municipality (Dr KKDM). Master's Dissertation, North-West University (Unpublished).

Boucher, S., Flynn, A. and Lowe, P. (2017). The politics of rural enterprise: a British case study. In *Rural Enterprise*:120-140. Routledge.

Cameron, R.G. & Stone, A.B. (1995). *Serving the Public*. Cape Town: J.L. Van Schaik.

Chikulo, B.C. (2003). Development Policy in South Africa: A Review. DPMN Bulletin.

Coetzee, J.K. (2001). *Development: Theory, policy and practice*. Oxford University Press Southern Africa.

Creswell, J.W. (2015). *Research design: Qualitative, quantitative and mixed-methods approaches*. Sage Publications.

Cruces, G., Fields, G.S., Jaume, D., & Viollaz, M. (2017). Growth, Employment, and Poverty in Latin America, UNU-WIDER Studies in Development Economics, Oxford University Press, 3- 520.

Dauids, I. (2005). Development theories: Past to present. In I. Dauids; F. Theron & K.J. Maphunye (eds.), *Participatory Development in South Africa: A development management perspective*, Pretoria: Van Schaik Publishers.

Dauids, I., Theron, F. & Maphunye, K. (2009). *Participatory development management in South Africa: A development management perspective*, (2nd ed.). Pretoria: Van Schaik Publishers.

Dauids, I., Theron, F. & Maphunye, K. (2009). *Participatory development management in South Africa: A development management perspective*, (2nd ed.). Pretoria: Van Schaik Publishers.

De La Harpe, J. (2012). *Integrated Development Planning at Local Government Level: A Briefing Note Based on South African Experience*. *The Hague: International Water and Sanitation Centre*.

De Visser, J. (2009). Developmental local government in South Africa: Institutional fault lines, *Commonwealth Journal of Local Governance*, 2: 7-25.

Department of Co-operative Governance and Traditional Affairs (CoGTA). (2016). *Local government turnaround strategy*. Available online at: <http://www.government/documents.localgovernment/turnaroundstrategy/html> (Accessed on 13 May 2022).

Department of Provincial and Local Government (DPLG). (2014). *Provincial Growth and Development Strategy Guidelines. Guidelines for the preparation of a Provincial Growth and Development Strategy*. Pretoria: Government Printers.

Department of Provincial and Local Government. (2005). *Robust and inclusive municipal economies: Policy guidelines for implementing LED in South Africa*, March.

Development Bank of Southern Africa (DBSA). (2005). *Framework for Local Economic Development Strategy*. Prepared by: The Economic Community of Practice. Midrand: DBSA.

Diao, X., & Kennedy, A. (2016). Economy wide impact of maize export bans on agricultural growth and household welfare in Tanzania: A Dynamic Computable General Equilibrium Model Analysis. *Development Policy Review*, 34(1): 101-134.

Dillemoth, A. (2017). *Community Food Production: The Role of Local Government in Increasing Community Food Production for Local Markets*, In Kimberley Hodgson and Samina, Raja (Series Editors), *Planning and Policy Briefs, Growing Food Connections*, 12.

Dorward, A., Anderson S., Bernal Y.N., Vera E.S., Rushton J., Pattison J., & Paz R. (2015). Hanging in, stepping up and stepping out: livelihood aspirations and strategies of the poor, *Development in Practice*, 19(2): 240-247.

DPLG. (2000). *A Policy Paper on Integrated Development Planning*. Pretoria: Department of Provincial and Local Government.

Dzanku, F.M. (2019). Food security in rural sub-Saharan Africa: Exploring the nexus between gender, geography and off-farm employment, *World Development*, 113: 26- 40.

Eisenhart, M. (1991). *Conceptual frameworks for research circa 1991: Ideas from a cultural anthropologist; implications for mathematics education researchers*. Paper presented at the Proceedings of the Thirteenth Annual Meeting North American Paper

of the International Group for the Psychology of Mathematics Education, Blacksburg, Virginia, USA.

Ellis, F., & Freeman, H.A. (2015). Rural livelihoods and poverty reduction strategies in four African countries, *Journal of development studies*, 40(4), 1-30.

Ephrem, S. (2010). The Role of Micro and Small Enterprises in Poverty Alleviation in Gulele Sub City, Addis Ababa Ethiopia. MA thesis in public admiration, Addis Ababa University.

Etikan, I., & Bala, K. (2017). Sampling and Sampling methods, *Biometrics and Biostatistics International Journal*, 5(6):1-3.

Eyisi, D. (2016). The Usefulness of Qualitative and Quantitative Approaches and Methods in Researching Problem- Solving Ability in Science Education Curriculum, *Journal of Education and Practice*, 7(15):91-98.

Fehnel, D. (1995). "Donors and Development." In Fitzgerald et al. (ed.) *Managing Sustainable Development in South Africa*. Cape Town: Oxford University Press.

Foster, J., Greer, J., & Thorbecke, E. (2014). A class of decomposable poverty measures. *Econometrical, journal of the econometric society*, 761-766.

Fourie, L.M. & Opperman, L. (2017). *Municipal Finance and Accounting*. 1st edition. Pretoria: Van Schaik Publishers.

Freier, K.P., Bruggemann, R., Scheffran, J., Finckh, M., & Schneider, U.A. (2012). Assessing the predictability of future livelihood strategies of pastoralists in semi-arid Morocco under climate change, *Technological Forecasting and Social Change*, 79(2): 371-382.

Frennert, S. (2019). "Lost in digitalization? Municipality employment of welfare technologies" in *Disability and Rehabilitation: Assistive Technology*, 14(6): 635 – 642.

Friedman, S. (2006). The President's plan won't work without the people's participation. *Sunday Times*, February 5.

Frye, I. & Magasela, W. (2005). Constructing and Adopting an Official Poverty Line for South Africa. Some Issues for Consideration. A discussion Document. NALEDI.

Galhena, D.H., Russell, F. & Karim, M.M. (2013). Home gardens: A promising approach to enhance household food security and wellbeing, *Journal of Agriculture and Food Security*, 2(8):1-13.

George, R., Barben, T., Chivaka, R., van Vuuren, M.J., Knott, B., Lehmann, S., Mulder, M., Nel, J., Nieuwenhuizen, C., Saunders, C. and Swart, K. (2016). *Managing tourism in South Africa* (No. Ed. 2). Oxford University Press.

Geremewe, Y.T. (2018). The Role of Micro and Small Enterprises for Poverty Alleviation, *International Journal of Research Studies in Agricultural Sciences*, 4(12):1-10.

Gromova, E., Timokhin, D., & Popova, G. (2020). The role of digitalization in the economy development of small innovative enterprises, *Journal of Computer Science*, 169:461-467.

Habtamu, T., Aregawi, G., & Nigus, A. (2013). Growth Determinants of Micro and Small Enterprises: Evidence from Northern Ethiopia, *Journal of Economics and Sustainable Development*, 4(9).

Haradhan, M. (2017). Two Criteria for Good Measurement in Research: Validity and Reliability, *Annals of Spiru Haret University*, 17(3):58-82.

Hemson, D. & Owusu-Ampomah, K. (2005). A better life for all? Service delivery and poverty alleviation. Available at <http://www.hrscpress.ac.za> [Accessed 10th January 2021].

Henrard, K. (2002). Post-apartheid South Africa's democratic transformation process: redress of the past, reconciliation and 'unity in diversity', *The Global Review of Ethnopolitics*, 1 (3):8-38.

Hofisi, C., & Mbeba, R. (2013). Scoring local economic development goals in South Africa: Why local government is failing to score, *Mediterranean Journal of Social Sciences*, 4(13): 591–595.

Hughes, C. (2014). Qualitative and Quantitative Approaches, *Journal of Social Research*, Department of Sociology, 1-12.

Human, F., Marais, L. & Botes, L. (2008). Making plans against all odds: LED in small towns of the Free State Province, South Africa. *Africa Insight*, 38 (1): 57. In Amajuba district municipality (KZN), University of Fort Hare, 1-143.

Islamia, J.M. (2016). Research Design, Research in social sciences: interdisciplinary perspective, Department of Political Science, New Delhi: New age international publishers, 20-50.



Kanyane, M.H. (2009). Co-operatives as part of social security mainstream for poverty alleviation in selected municipalities, *Journal of Public Administration*, 44 (4): 51.

Kariuki, S. (2010). The Comprehensive Rural Development Programme (CRDP): A beacon of growth for rural South Africa?'. Daniel, J, Naidoo, P, Pillay, D and R Southall (Eds). The New South African Review.

Khambule, I. (2018). The role of Local Economic Development Agencies in South Africa's developmental state ambitions, *Human Sciences Research Council*, 33(3): 287-306.

Kheira Management. (2002). Northern Cape Local Economic Development Project Evaluation Report, Kheira Management, Kimberly.

Koma, S. B. & Kuye, J. O. 2014. The synchronization of the integrated development plan and local economic development policy in South African municipalities: *a sine qua non for growth and development*. Pretoria: Van Schaik Publishers

Koma, S. B. (2012). The evolution of developmental local government in South Africa: issues, trends and options, *Journal of US-China Public Administration*, 9(1), 53-67.

Koma, S.B. (2010). The state of local government in South Africa: issues, trends and options. *Journal of Public Administration*, 45 (1), 111-120.

Koppmair, S., Kassie, M., & Qaim, M. (2016). Farm production, market access and dietary diversity in Malawi. *Public Health Nutrition*. 1–11.

Kothari, C.R. (2010). *Research methodology: Methods and technique*, New Delhi: New age international publishers.

Kraukamp, H. (2006). *Local Economic Development: Contributor Towards Poverty Alleviation?*

Kurnikova, M.V. (2019). The Model of Municipal Strategic Planning In the Context of Digital Economy in Global Challenges and Prospects of the Modern Economic Development, 10-154.

Lakshmanan, T.R. (2011). The broader economic consequences of transport infrastructure investments. *Journal of Transport Geography*, 19:1-12.

Lappi, T., Aaltonen, K., & Kujala, J. (2019). Project governance and portfolio management in government digitalization in *Transforming Government: People, Process and Policy*, 13(2): 159 – 196.

Laurie, S.M., Faber, M., & Maduna, M.M. (2017). Assessment of food gardens as nutrition tool in primary schools in South Africa, *Journal of Clinical Nutrition*, 30(4):80-86.

Lemon, A. (2002). The role of local government in Parnell, S., Pieterse, E., Swilling, M. and Wooldridge, D. (eds), *Democratising local government: The South African experiment*, University of Cape Town Press, Lansdowne.

Lepelle-Nkumpi Local Municipality (IDP). (2017/2018). Integrated development plan. Lepelle-Nkumpi Municipality. <http://www.Lepelle-Nkumpi.gov.za> Accessed on 23rd June 2022.

Lewis, G. (2001). *The RDP Development Monitor*. 7(12). Craighall: GC Publication.

Limpopo Province. (2004). *Limpopo Growth and Development Strategy (LGDS)*. 2004 Polokwane: Limpopo Growth and Development Strategy, 2004. South Africa.

Luyt, D. (2008). *Governance, Accountability and Poverty Alleviation in South Africa*. A Paper Presented at the United Nations Social Forum. Geneva, Switzerland. 02 September 2008.

Mabaso, S.M. (2014). *Impact of Agricultural development projects on poverty alleviation*.

Mabokela, R.O. & Mawila, K.F.N. (2004). The impact of race, gender, and culture in South African higher education, *Comparative Education Review*, 48 (4):396-416.

Machethe, C.L. (2014). *Agriculture and poverty in South Africa: Can agriculture reduce poverty*. Paper presented at the Overcoming Underdevelopment Conference held in Pretoria, 28-29 October 2004.

Madzhivandila, T. S. & Asha, A. A. (2012). Integrated development planning process and service delivery challenges for South Africa's local municipalities. *Journal of Public Administration: Special Issue 1 (47)*, 369-378.

Mafela, N. (2006). SA divided on service delivery. *Sunday Times*, February 5.

Makalela, K.I. (2017). Integrated Development Planning as a Strategy for Poverty Alleviation: The Dilemma Within the Ambit of South Africa. In Sebola, M.P. & Tsheola, J.P. (eds.), *Independence of African States in the Age of Globalization. International Conference on Public Administration and Development Alternatives*, 9-15.

Malefane, S. R. (2004). Poverty alleviation by local municipalities in South Africa's North West Province with reference to Potchefstroom (Doctoral dissertation, North-West University). (Unpublished report).

Malefane, S.R. (2009). Structuring South African Municipalities for effective Local Economic Development (LED) implementation, *Journal of Public Administration*, 44(1):1

Malemela, R.N., & Yingi, L. (2016). The Role of Local Economic Development in Developing Small Medium Enterprises: A Case of Solomondale Community in the Limpopo Province, *SAAPAM Limpopo Chapter 5th Annual Conference Proceedings 2016*, 132-140.

Mandisvika, G. (2015). The Role and Importance of Local Economic Development in Urban Development: A case of Harare, *Journal of Advocacy, Research and Education*, 4(3): 198- 209.

Marais, L. & Botes, L. (2006). Income-generation, local economic development and community development: Paying the price for lacking business skills. Unpublished paper, Centre for Development Support, University of the Free State, Bloemfontein.

Marais, L., Botes, L. & Mosothoane, S. (2006). An evaluation of LED projects in the Free State. Research report for the Department of Local Government and Housing, Centre for Development Support, University of the Free State, Bloemfontein.

Marsh, R. (2015). Building on traditional gardening to improve household food security, *Rural Institution and Participation services*, 1-70.

Martin, L., & Mcheimech, R. (2016). Understanding Community, *Canadian Journal of Disability Studies*, Published by the Canadian Disability Studies Association, University of Waterloo.

Mashamaite, K. (2014). Public service delivery protests in a democratic South Africa: A dilemma for local municipalities. *Mediterranean Journal of Social Sciences*, 5(25): 231.

Mashamaite, K.A. (2014). The Contribution of Smallholder Subsistence Agriculture towards Rural Households Food Security in Maroteng Village, Limpopo Province, University of Limpopo, 15-129.

Mashamba, N. S. (2008). The state of IDP in the Limpopo Province, *Journal of Public Administration: Special Issue*, 3(43): 421-435.

Mathebula, N. (2014). Service delivery in local government through socio-economic programmes: successes and failures of the Comprehensive Rural Development Programme (CRDP), *Mediterranean Journal of Social Sciences*, 5(20):132- 140.

Mathebula, N. E., Nkuna, N. W. & Sebola, M. P. (2016). Integrated Development Plan for improved service delivery: A comparative study of municipalities within the Mopani District Municipality, Limpopo Province. *International Journal of Business and Management Studies*, 8(1), 70-85.

Mautjana, H. M. & Mtapuri, O. (2014). Integrated development plans without development indicators: Results from Capricorn District Municipalities in South Africa. *Mediterranean Journal of Social Sciences*, 5(8), 474.

Mbele, N. (2010). Turnaround strategy - implications for municipalities, *Management Today*, 28(1):52-54.

McEwan, C. (2003). 'Bringing government to the people': women, local governance and community participation in South Africa, *Geoforum*, 34(4), 469-481.

Mehlwana, M. (2015). The economics of energy for the poor: fuel and appliance purchase in low-income urban households.

Mojapelo, M. A. (2007). The effectiveness of the integrated development planning (IDP) as a tool to accelerated service delivery: a case study of Aganang Local Municipality in Limpopo Province (Doctoral dissertation, North-West University). (Unpublished report).

Mokate, R. (1999). Local government as a catalyst for poverty alleviation: A policy analysis approach, *Journal of Public Administration*, 34(3): 7.

Molemole Municipality IDP 2020. South African Statistic Survey.

Mucavele, F.G. (2015). True contribution of agriculture to economic growth and poverty reduction: Malawi, Mozambique and Zambia synthesis report.

Mudau, M.J., Nesengani, T.J., & Netshandama, V.O. (2016). Contribution of food security projects on poverty alleviation to the communities of Limpopo Province, South Africa, *Journal of Agriculture*, 44(1):1-50.

Mukwevho, H. C. (2012). An evaluation of the effectiveness of the Integrated Development Plan on service delivery with reference to the Emfuleni Local Municipality in Gauteng (Doctoral dissertation, University of Limpopo). (Unpublished report).

Muller, A. (2006). Sustainability and Sustainable Development as the Making of Connections: Lessons for Integrated Development Planning in South Africa.

Munira, S. (2012). Performance of Micro and Small Enterprises and their Role in Enhancing Local Economic Development: A Case Study in Gullele Sub City of Addis Ababa.

Nel, E. (2001). Local Economic Development: A Review and Assessment of its Current Status in South Africa, *Urban Studies*, 35(4): 100-120.

Nel, E.L. & Rogerson, C.M. (2005). Pro-Poor Local Economic Development in South Africa's Cities: Policy and Practice, 35(4): 10-300.

Ngema, P.Z., Sibanda, M., & Musemwa, L. (2018). Household Food Security Status and Its Determinants in Maphumulo Local Municipality, South Africa, *Journal of Sustainability*, 10: 1- 43.

Nkuna, N. (2011). Realising developmental local government in a developmental state, *Journal of public Administration*, 46 (1):622-641.

Nnadozie, R.C. (2013). Access to basic services in the post-apartheid South Africa: what has changed? Measuring on relative basis, *The African Statistical Journal*, 16(1):81-103.

Nothnagel, E. (2011). Local economic development-the evolution of LED in southern Africa. Gauteng: Urban Dynamics.

Odhav, B., & Naicker, V. (2014). Mycotoxins in South African traditionally brewed beers. *Food Additives & Contaminants*, 19(1):55-61

Okunlola, A.S. (2012). Local Economic Development, Agriculture and Livelihoods: A case study of the effect of the blue crane development agency upon livelihoods of farm workers in Somerset East, Eastern Cape, 1-123.

Phago, K. (2014). Integrated Development Plan (IDP) in South African local government: the case of the City of Tshwane Metropolitan Municipality. *Journal of Public Administration*, 44(3), 483-491.

Phrasisombath, K. (2009). Sample Size and Sampling Methods, Training course in reproductive Health Research, University of Health Sciences, 1-34.

Plummer, P., & Taylor, M. (2001). Theories of local economic growth (part 1): Concepts, models and measurement, *Environment and Planning*, 33: 219-236.

Qizilbash, M. (2000). Vagueness and the Measurement of Poverty, *The Economics Research Centre Discussion Paper No. 20003*. University of East Anglia.

Republic of South Africa (RSA). (1994). Reconstruction and Development Programme. Pretoria: Government Printers.

Republic of South Africa (RSA). (1996). Constitution of the Republic of South Africa, Government (Act 108 of 1996). Government Gazette No. 17678. Pretoria: Government Printers.

Republic of South Africa (RSA). (1996). Constitution of the Republic of South Africa, Government (Act 108 of 1996). Government Gazette No. 17678. Pretoria: Government Printers.

Republic of South Africa (RSA). (1998). White Paper on Local Government. Pretoria: Government Printers.

Republic of South Africa (RSA). (2000). Local Government: Municipal Systems Act, 2000 (Act 32 of 2000). Pretoria: Government Printers.

Republic of South Africa (RSA). (2000). *Local Government: Municipal Systems Act*, 2000 (Act 32 of 2000). Pretoria: Government Printers.

Ringenson, T., Höjer, M., Kramers, A., & Viggedal, A. (2018). "Digitalization and Environmental Aims in Municipalities in Sustainability, 10-1278.

Rispel, L., Molomo, B. & Dumela, S. (2008). South Africa: A Case Study on Social Exclusion. Pretoria: HSRC Press.

Ritz, W., Wolf M., & McQuitty S. (2019). Digital marketing adoption and success for small businesses, *Journal of Research in Interactive Marketing*, 13(2): 179 – 203.

RSA. (2006). National Framework on LED in South Africa (2006-2011).

RSA. 1994. Reconstruction and Development Programme.

- RSA. 1996. Constitution of the Republic of South Africa. Act 108 of 1996. Pretoria: Government Printer.
- RSA. 1996. Growth, Employment and Redistribution Strategy. RSA. Pretoria.
- RSA. 1996. Local Government Transition Act of 1993 as amended in 1996.
- RSA. 1998. Municipal Structures Act of 1998.
- RSA. 1998. White Paper on Local Government. Pretoria: Government Printer.
- RSA. 2000. Municipal Systems Act, Act No. 32 of 2000.
- RSA. 2001. Local Economic Development Policy Paper.
- RSA. 2001. White Paper on Spatial Planning and Land Use Management.
- RSA. 2003. Municipal Finance Management Act, (Act No. 56 of 2003).
- RSA. 2003. The Local Economic Development Policy and Strategy.
- RSA. 2004. Expanded Public Works Programme.
- RSA. 2004. Expanded Public Works Programme.
- RSA. 2006. National Framework on LED in South Africa (2006-2011).
- RSA. The Accelerated and Shared Growth-South Africa.
- Ruhiiga, T.M. (2013). Reverse empowerment in South Africa's comprehensive rural development programme, *Journal of Human Ecology*, 41(2): 165-174.
- Sansoucy, R. (2016). Livestock- a driving force for food security and sustainable development, *Journal of Animal Production and Health*, 15-30
- Scharf, K., Levkoe, C. & Saul, N. (2010). The Role of the Community Food Centre in Building a Local, Sustainable, and just Food System, Metcalf Food Solutions, 1-54.
- Seduma, M.P. (2011). The impact of Local Economic Development on the Livelihood on Communities in Ba-Phalaborwa Municipality, Mopani, Limpopo Province, South Africa, 1-111.
- Shackleton, S., Campbell, B., Lotz-Sisitka, H., & Shackleton, C. (2016). Links between the local trade in natural products, livelihoods and poverty alleviation in a semi-arid region of South Africa, *World Development*, 36(3): 505-526.
- Shackleton, S.E. (2015). The informal marula beer traders of Bushbuckridge, Limpopo Province, South Africa. DIFID Report. Grahamstown: Department of Environmental Sciences, Rhodes University.

Sharpley, A.N., Herron, S., & Daniel, T. (2007). Overcoming the challenges of phosphorus-based management in poultry farming. *Journal of Soil and Water Conservation*, 62(6): 375-389.

Sihlogonyane, M. F. (2015). Empty signifiers of transformation in participatory planning and the marginalization of black people in South Africa, *Planning Practice and Research*, 30(1):83-100.

Sinxadi, L. & Campbell, M. (2015). Creating sustainable environments through community participation: the case of Naledi Local Municipality, South Africa. *Journal of Public Administration*, 50(2), 370-378.

Siyum, M. (2015). The role of micro and Small-Scale Business Enterprises in Urban Poverty Alleviation: A Case Study on Cobble Stone Paving Sector in Addis Ababa City.

Statistics South Africa. (2022). General Household Survey 2022 First Quarter. South Africa General Household Survey.

TGSL Report. (2003). Report on the Scoping Study of Agricultural and Trading Cooperatives: Capricorn and Bohlabela Districts of Limpopo Province. Scoping Study Report.

The Peterson Farm Brothers. (2014). Introduction: why do we raise animals for food and Products?

The United Nations Development Programme (UNDP). 2015. South African Human Development Report 2003: The Challenges of Sustainable Development in South Africa, Unlocking People's Creativity. Cape Town: Oxford University Press

Theron, F. (2005). Integrated development planning as a micro-level development strategy. In I. Davids; F. Theron & K.J. Maphunyane (eds.) *Participatory Development in South Africa: A development management perspective*. Pretoria: Van Schaik Publishers.

Tsheola, J. P. & Mokgokong, M. J. (2012). Public service delivery and local economic development in South Africa's impoverished communities. *Journal of Public Administration*, 47(1), 379-393.



Tsheola, J.P. & Sebola, M.P. (2012). Post-apartheid public service delivery and the dilemmas of state capitalism, 1996-2009, *Journal of Public Administration*, 47 (1): 228- 250.

Valeta, L. & Walton, G. K. (2016). Integrated development planning and budgeting at local government. *Journal of Public Administration*, 43 (3), 373-374.

Van der Walt, G., Venter, A., Phutiagae, K., Khalo, T., Van Niekerk. D. & Nealer, E. (2007). *Municipal Management Serving the People*. Cape Town: Juta.

Van Niekerk, M. (2014). Advocating community participation and integrated tourism development planning in local destinations: The case of South Africa, *Journal of Destination Marketing and Management*, 3(2), 82-84.

Van Wyk, B. (2015). *Research design and methods part 1*, University of the Western Cape, 1-16.

Walke, J., Bruce, M, & W1isner, S. (2015). Livelihood strategy approach to community-based planning and assessment: a case study of Molas, Indonesia, *Impact Assessment and Project Appraisal*, 19(4): 297-309.

Walliams N. (2011). *Your Research Project: Designing and Planning Your Work*. London: Sage Publications.

Wang, C., Yang, Y., & Zhang, Y. (2015). Economic Development, Rural Livelihoods, and Ecological restoration: Evidence from China, *Journal of the Human Environment*, 40:78-87.

Warren, P. (2016) *Livelihood Diversification and Enterprise Development: An initial Exploration of Concepts and issues*, Livelihood support programme.

Wekwete, K. (2014). *Local Government and Local Economic Development in Southern Africa*, Draft for discussion at the Southern African Regional Conference, 'Creating opportunity for developmental local government through regional engagement on Local Economic Development', Lilongwe, Malawi, Midlands State University, 1-46.

Wilson, F., Kanjie, N. & Braathen, E. (2001). *Poverty Reduction. What Role for the State in Today's Globalized Economy?* Claremont: New Africa Education Publishing.

Woolard, I. & Leibbrandt, M. (1993). Measuring poverty in South Africa. Development Policy Research Unit (DPRU) Working Paper No.99/33. Cape Town: University of Cape Town.

Yilmaz, K. (2013). Comparison of Quantitative and Qualitative Research Traditions: Epistemological, Theoretical, and Methodological differences, *Journal of Education*, 48(2):1-16.

Zemenu, A., & Mohammed, N. (2014). Determinants of Growth of Micro and Small Enterprises in Ethiopia: A Case of MSEs in Mekelle City, Tigray, *International Journal of Advance Research in Computer Science and Management Studies*, 2 (6):149-157.

Zulu, P.S. & Parumasur, S.B. (2009). Employee perceptions of the management of cultural diversity and workplace transformation, *South African Journal of Industrial Psychology*, 35 (1):49-57.

### **Appendix A: Consent Form**

Dear participants,

This research forms part of my master's degree in Development Planning and Management at the University of Limpopo. The purpose of the research is to investigate

the impact of local economic development on livelihood strategies in communities of Botlokwa Village, Molemole Local Municipality. This questionnaire is intended to collect data for the aforementioned purpose. The results of this project will be used exclusively for academic purpose. anonymity of the respondents is guaranteed, participants responses cannot in any way be identified by anyone else. Participation in the project will be voluntarily and respondents have the rights to withdraw from the project at any time. Your participation in this research project is highly appreciated.

Sincerely

Mr Lebopa, Thapelo Brilliant

---

Participants 'consent.

I hereby give my consent to participate in this research on conditions that I will remain anonymous and my name will not be linked to the information that I will have provided to this research. I retain the privilege to withdraw should I feel uncomfortable with the involved research project.

Signed

Date

---

## **Appendix B: Questionnaire Surveys**



**The Impact of Local Economic Development on Livelihood Strategies  
in Communities of Botlokwa Village, Molemole Local Municipality,  
Limpopo Province.**

Questionnaire Survey in Fulfillment of the Requirements of the Master of Development  
(Planning & Management) Research Degree at the Department of Development  
Planning & Management, School of Economics & Management, University of Limpopo.

The study questionnaire survey will be used for academic purposes to be able to  
answer the research question for the study and your participation will be kept  
confidential. Hence, the information provided will not be used for other benefits rather  
than for academic purposes only within the University of Limpopo.

**Thank You!**

## SECTION A: Demographic Profile

### 1. Gender

1.Male		2.Female	
--------	--	----------	--

### 2. Age (years)

1.	19 or Less	
2.	20-29	
3.	30-39	
4.	40-49	
5.	50 and Above	

### 3. Level of education

1.	No formal education	
2.	Primary education	
3.	Secondary education	
4.	Tertiary education	

### 4. Employment status

1.	Formally employed	
2.	Unemployed	
3.	Self-employed	
4.	Other, Specify: .....	

### 5. Household income

1.	Less than R1000	
2.	Between R1001 and R5000	

3.	Over R5000	
4.	No income	

**Section B: The nature of local economic development**

6. What is the role of LED in the communities of Botlokwa Village?

1.	Job creation	
2.	Poverty alleviation	
3.	Improvement in quality of life	
4.	Other Specify: .....	

7. How often are you involved in LED initiatives?

1.	Frequently	
2.	Regularly	
3.	Occasional	

8. Types of LED Projects in communities of Botlokwa Village?

1.	Arts and Crafts	
2.	Manufacturing	
3.	Sewing	
4.	Agriculture	
5.	Other Specify: .....	

9. Reason for the implementation of the LED projects?

1.	Poverty alleviation	
2.	Job creation	
3.	Networking	
4.	Other	

	Specify:.....	
--	---------------	--

**10.** Do you feel confident about the Molemole Local Municipality approach to LED?

**Yes or No!**.....

Specify:

.....

.....

**Section C: Types and characteristics of livelihood strategies**

**11.** Type of livelihood strategies

1.	Commercial farming	
2.	Poultry and Livestock farming	
3.	Traditionally brewed beer	
4.	Community food gardening	
5.	Micro and Small Enterprises	
6.	Other Specify: .....	

**12.** What made you choose to practice the type of livelihood strategy?

Explain:

.....

.....

**13.** How reliable are the livelihood strategies in terms of generating income?

Very reliable	Reliable	Not sure	Unreliable	Very unreliable

**14.** Does livelihood practice contribute to poverty reduction/unemployment in communities of Botlokwa Village?

**Yes or No!**

Specify:

.....  
.....

**Section D: The impact of local economic development on livelihood strategies in communities**

**15.**What is the importance of LED towards the livelihood strategies in the communities?

.....  
.....

**16.**Do you agree that LED plays an important role in livelihood strategies practice?

1.	Strongly agree	
2.	Agree	
3.	Neutral	
4.	Disagree	
5.	Strongly disagree	

**17.**Does the LED initiative provide opportunities for local and community ownership?

**Yes or No?.....**

Explain:

.....  
.....  
.....

**18.**What impact will the LED initiative have on the community?

1.	Very adequate	
2.	Adequate	



3.	Average	
4.	Inadequate	
5.	Very inadequate	

**19.** In your opinion, how effectively is the local government approaching LED in their area?

.....  
 .....

**20.** Do you have any suggestions to improve LED planning and implementation and LED Initiatives by the municipality?

.....  
 .....  
 .....

## Appendix C: Interview Schedule



### **The Impact of Local Economic Development on Livelihood strategies in Communities of Botlokwa Village, Molemole Local Municipality, Limpopo Province.**

Interview Schedule in Fulfillment of the Requirements of the Master Development Studies (Planning & Management) Research Degree at the Department of Development Planning & Management, School of Economics & Management, University of Limpopo.

The study interview schedule will be used for academic purposes to be able to answer the research question for the study and your participation will be kept confidential. Hence, the information provided will not be used for other benefits rather than for academic's purposes only within the University of Limpopo.

## **Thank You!**

### **Interview Schedule Questions:**

- 1.** What factors contributed to the Municipality adopting an LED strategy?
- 2.** Who initiated the current LED strategies?
- 3.** What are the goals and aims of the current LED strategy?
- 4.** How will / has the LED strategy diversified economic opportunities?
- 5.** Where and how does the LED strategy provide employment opportunities?
- 6.** What type of employment opportunities is being created?
- 7.** Is there any specific focus on previously disadvantaged or excluded groups?
- 8.** Does the LED strategy provide opportunities for local and community ownership?
- 9.** Does the LED strategy provide opportunities for a redistribution of wealth and opportunities in favour of the poor?
- 10.** In your opinion, what form of leadership has the municipality taken in terms of promoting community participation in the LED schemes?



**University of Limpopo**  
Department of Research Administration and Development  
Private Bag X1106, Sovenga, 0727, South Africa  
Tel: (015) 268 3935, Fax: (015) 268 2306, Email: anastasia.ngobe@ul.ac.za

**TURFLOOP RESEARCH ETHICS COMMITTEE**  
**ETHICS CLEARANCE CERTIFICATE**

**MEETING:** 17 March 2022

**PROJECT NUMBER:** TREC/37/2022: PG

**PROJECT:**

**Title:** The Impact of Local Economic Development on Livelihood Strategies in Communities of Botlokwa Village, Molemole Local Municipality, Limpopo Province.  
**Researcher:** TB Lebopa  
**Supervisor:** Dr M.N. Khwela  
**Co-Supervisor/s:** N/A  
**School:** Economics and Management  
**Degree:** Master of Development Studies

**PROF P MASOKO**  
**CHAIRPERSON: TURFLOOP RESEARCH ETHICS COMMITTEE**

The Turfloop Research Ethics Committee (TREC) is registered with the National Health Research Ethics Council, Registration Number: **REC-0310111-031**

**Note:**

- i) This Ethics Clearance Certificate will be valid for one (1) year, as from the abovementioned date. Application for annual renewal (or annual review) need to be received by TREC one month before lapse of this period.
- ii) Should any departure be contemplated from the research procedure as approved, the researcher(s) must re-submit the protocol to the committee, together with the Application for Amendment form.
- iii) PLEASE QUOTE THE PROTOCOL NUMBER IN ALL ENQUIRIES.

Appendix E: Traditional Authority Letter for Permission

RAMOKGOPA TRADITIONAL AUTHORITY



Enq: RAMOKGOPA M : 072 396 2386  
Email : molatelo333@gmail.com

Box 413  
RAMOKGOPA

0811  
07.1.2022

I THAPAO LEBOPA, 20160962. PM from the university of Limpopo doing the Research titled: The Impact of local Economic development on Livelihood Strategies in Communities of Betsibema villages. I am a citizen member of the Community of Betsibema under tSga Ramokgopa within the Jurisdiction of tSosi - Ramokgopa. I have by request and granted a permission to collect data for Academic purposes by the Chief of the village and has allowed to be welcomed in your households.

Thank you!!!  
  
2 M.A. envelopes

DEPARTMENT OF CO-OPERATIVE GOVERNANCE  
HUMAN SETTLEMENTS & TRADITIONAL AFFAIRS  
RAMOKGOPA  
TRADITIONAL COUNCIL  
07-03-2022  
P.O. BOX 385  
RAMOKGOPA, 0811  
CAPRICORN DISTRICT SUPPORT CENTRE

"Dinkwe weeee"

**Appendix F: Editorial Letter**

**UNIVERSITY OF LIMPOPO**  
**TURFLOOP CAMPUS**

**Faculty: Humanities**  
**School: Languages and Communication Studies**  
**Department: Languages**



Private Bag X1106

Sovenga

0727

Tel: +27 15 268 3564

Cell: 073 597 4602/076 4983 344/0605484820

E-Mail: [moffat.sebola@ul.ac.za](mailto:moffat.sebola@ul.ac.za)

04 September 2022

**TO WHOM IT MAY CONCERN**

This letter serves to certify that I have edited a Research Proposal entitled: **THE IMPACT OF LOCAL ECONOMIC DEVELOPMENT ON LIVELIHOOD STRATEGIES IN COMMUNITIES OF BOTLOKWA VILLAGE, MOLEMOLE LOCAL MUNICIPALITY, LIMPOPO PROVINCE** by T.B. Lebopa.

I trust you will find the editing quality in order.

Best regards

*Sebola, M*

**MOFFAT SEBOLA (LANGUAGE EDITOR)**