

**LOCAL ECONOMIC DEVELOPMENT (LED) CHALLENGES FACING THE LOCAL
GOVERNMENT IN THE LIMPOPO PROVINCE: THE CASE OF MOTUMO TRADING
POST IN THE MOLEMOLE LOCAL MUNICIPALITY OF THE CAPRICORN DISTRICT
MUNICIPALITY**

BY

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TABLE OF CONTENTS

	PAGE
1. Declaration	i
2. Acknowledgements	ii
3. Dedication	iii
4. List of figures and tables	iv
5. List of appendices	vii
6. List of abbreviations and acronyms	viii
7. Abstract	x

CHAPTER ONE: GENERAL ORIENTATION TO THE STUDY

1.1. Introduction	1
1.2. Statement of the problem	2
1.3. Aim of the study	2
1.4. Objectives of the study	2
1.5. Research questions	2
1.6. Definition of concepts	3
1.6.1. Local Economic Development (LED)	3
1.6.2. Local government	3
1.6.3. White elephant.	3
1.6.4. Development projects	4

1.6.5. Municipality	4
1.6.6. Community involvement	
1.6.7. Sustainability	4
1.7. Research design and methodology	5
1.7.1. Study area	5
1.7.2. Population	6
1.7.3. Sample size and selection method	6
1.7.4. Data collection methods	7
1.7.4.1. Documentation	7
1.7.4.2. Structured interview questionnaire	7
1.7.5. Data analysis methods	8
1.7.6. Ethical considerations	8
1.8. Significance of the study	8
1.9. Outline of the chapters	9
1.10. Conclusion	10

CHAPTER TWO: LITERATURE REVIEW

2.1. Introduction	11
2.2. History of community development projects	12
2.3. The future of development projects in Capricorn District	15

2.4. The concept of LED	16
2.4.1. Key principles underlying LED	17
2.4.2. Stakeholders in LED	19
2.4.3. Challenges in stimulating and developing sustainable local economies	21
2.4.3.1. Capacity contracts in human resources and skills	22
2.4.3.2. Existing LED strategies and plans that are not linked to the local reality	22
2.4.3.3. Lack of participation of important stakeholders in the design of LED strategies and plans	22
2.4.3.4. Reliance on consultants to design LED programmes	22
2.4.3.5 National and provincial government spheres parachuting into localities	22
2.5. Poverty alleviation initiatives	23
2.6. LED and community projects	24
2.6.1. Projects for community upliftment and empowerment	24
2.6.2. The need for management skills in community development projects	26
2.6.3. The failure and success of projects	27

2.7. The extent of community involvement in infrastructure	
development project initiatives	31
2.7.1. Community involvement/ participation in community	
projects	31
2.7.2. Community involvement defined	32
2.7.2.1. The Batho-Pele Principles and Development Projects	34
2.7.2.2. Consultation	35
2.7.2.3. Information	35
2.7.2.4. Value for Money	35
2.7.3. Community participation defined	36
2.8. The role of the government in community development	
projects	38
2.8.1. The role and duties of local government in LED	39
2.8.2. The role of the municipalities in local government	42
2.8.3. Rights and duties of members of the local community	43
2.8.4. The functions and powers of the executive committee	44
2.9. Conclusion	44

CHAPTER THREE: RESEARCH METHODOLOGY

3.1. Introduction	46
3.2. Research design	46
3.3. Study area	46
3.4. Population	49
3.5. Sample selection methods and sample size	50
3.6. Data collection methods	51
3.6.1. Documentation	51
3.6.2. Structured interview questionnaire	51
3.7. Data analysis method	52
3.8. Conclusion	53

CHAPTER FOUR: RESEARCH FINDINGS, ANALYSIS AND INTERPRETATION

4.1. Introduction	54
4.2. Presentation, analysis and interpretation of data	54
4.2.1. Data from community members	55
4.2.1.1. Biographical information of community members	55
4.2.1.1.1. Gender of community members	56

4.2.1.1.2. Age of community members	56
4.2.1.1.3. Employment status of community members	57
4.2.1.1.4. Academic qualifications of community members	58
4.2.1.1.5. Period residing in Matoks by community members	59
4.2.1.2. Benefits derived from Motumo Trading Post and contribution through involvement by community members	60
4.2.1.2.1. The extent to which the community is benefiting from the project at Motumo Trading Post	61
4.2.1.2.1.1. The use of Motumo Trading Post by the local community since its completion	61
4.2.1.2.1.2. The functionality of Motumo Trading Post in terms of creating jobs and alleviating poverty	62
4.2.1.2.1.3. Training and skills development programmes at Motumo Trading Post about economic activities that were to be catered for before and after its completion	63
4.2.1.2.1.4. Members of the community currently employed or doing own business at Motumo Trading Post	64
4.2.1.3. Contribution by the community in the form of involvement in the planning process of Motumo Trading Post	65

4.2.1.3.1. The period since the community members had known Motumo Trading Post	65
4.2.1.3.2. Information about the building of the projects and the developments taking place at Motumo Trading Post	66
4.2.1.3.3. Information about Motumo Trading Post before it was started or before it was built	67
4.2.1.3.4. Knowledge about and number of community members who were part of decision making in the planning and the development of the project	68
4.2.2. Data from councillors	69
4.2.2.1. Biographical information of the councillors	70
4.2.2.1.1. Gender of councillors	70
4.2.2.1.2. Age of councillors	71
4.2.2.1.3. Employment status of councillors	71
4.2.2.1.4. Academic qualifications of councillors	72
4.2.2.1.5. Period of stay in Matoks by councillors	73
4.2.2.2. Economic activities at Motumo Trading Post	74
4.2.2.2.1. Economic activities currently taking place at Motumo Trading Post	75
4.2.2.2.2. Achievement of planned economic goals/objective at the Motumo Trading Post	75

4.2.2.2.3. The study and needs analysis on the possible use of Motumo Trading Post	76
4.2.2.3. The extent to which the local community is benefiting from the project at Motumo Trading Post	77
4.2.2.3.1. The use of Motumo Trading Post by councillors since its completion	78
4.2.2.3.2. The functionality of Motumo Trading Post in terms of creating jobs and alleviating poverty	78
4.2.2.3.3. Training and skills development programs at Motumo Trading Post about the economic activities that were to be catered for before or after its completion	79
4.2.2.3.4. Members of the community currently employed or doing own business at Motumo Trading Post	80
4.2.2.4. Contribution by the councillors through involvement in the planning and development of Motumo Trading Post	81
4.2.2.4.1. The period since the councillors knew about Motumo Trading Post	82
4.2.2.4.2. Information about the building and development taking place at Motumo Trading Post	83
4.2.2.4.3. Information about Motumo Trading Post before it was built	83
4.2.2.4.4. Knowledge about members of the council and the number of	

members in the council who were part of the decision making in the planning and development of the project	84
4.2.2.5. Improvements in the effective utilization of Motumo Trading Post	85
4.2.2.5.1. Involvement of local business people in the planning and development of Motumo Trading Post as part of the PPP (Public Private Partnership)	85
4.2.3. Data from the municipal management	86
4.2.3.1. Economic activities at Motumo Trading Post	87
4.2.3.1.1. Achievements of Motumo Trading Post's intended economic activities to the local community as per the Molemole Municipality's IDP	87
4.2.3.1.2. Economic activities which were envisaged in the planning and development of Motumo Trading Post	88
4.2.3.1.3. The current expenditure on Motumo Trading Post by the government	88
4.2.3.2. Benefits derived from Motumo Trading Post by the local community	89
4.2.3.2.1. Villages benefiting from the Motumo Trading Post project	89
4.2.3.2.2. Benefits by the local community in terms of employment, skills development and training that the community members acquired since the completion of the project	89
4.2.3.2.3. Study on the identification of the actual needs of the community	

and the possible use of the project by the locals	90
4.2.3.3. Proper utilization of the Motumo Trading Post project	91
4.2.3.3.1. Monitoring and evaluation at Motumo Trading Post	91
4.2.3.3.2. Recommendations and reports from monitoring and evaluation by assigned officials	91
4.2.3.3.3. The presence of the project team to run the activities of the project	92
4.2.3.4. Contribution by the community members through involvement and participation	92
4.2.3.4.1. Stakeholders involved in the planning and development of Motumo Trading Post	93
4.2.3.4.2. Mechanism(s) used to involve local traditional leaders and the local community members in the planning and development of Motumo Trading Post	93
4.2.3.4.3. Responses by the stakeholders on the planning and the development of Motumo Trading Post	94
4.2.3.5. Plans to improve the effective use of Motumo Trading Post	94
4.2.3.5.1. Alternative plans in place in case Motumo Trading Post does not achieve its intended objectives	94
4.2.3.5.2. Envisaged sustainability of Motumo Trading Post	95
4.2.3.5.3. Capacity and competent personnel to manage the activities of the	

Project	95
4.2.3.5.4. Advertising of Motumo Trading Post	95
4.2.4. Traditional leadership	96
4.2.4.1. The extent to which the community is benefiting from Motumo Trading Post	96
4.2.4.1.1. The use of Motumo Trading Post by the traditional leaders	96
4.2.4.1.2. The functionality of Motumo Trading Post in terms of creating jobs and alleviating poverty	97
4.2.4.2. Contribution by the traditional leaders in the planning and development of Motumo Trading Post	97
4.2.4.2.1. The role played by traditional leaders in the planning and development of Motumo Trading Post	98
4.2.4.2.2. The role played by traditional leaders in involving community members from the planning stage of the project	98
4.2.4.2.3. Approval of the project by the community members	98
4.2.4.2.4. The period since the traditional leaders had known Motumo Trading Post	99
4.2.4.2.5. Information about the development taking place at Motumo Trading Post	99
4.2.4.3. Plans to utilize Motumo Trading Post effectively	99
4.2.4.3.1. Alternative plans in place for the effective use of Motumo Trading	

Post	100
4.2.5. Mayors	100
4.2.5.1. Economic activities at Motumo Trading Post	100
4.2.5.1.1. Achievements of Motumo Trading Post's intended economic activities to the local community as per the Molemole Local Municipality's IDP	101
4.2.5.1.2. Economic activities which were envisaged in the planning and development of Motumo Trading Post	101
4.2.5.1.3. Current expenditure on Motumo Trading Post by the government	101
4.2.5.2. Benefits derived from Motumo Trading Post by the local community	102
4.2.5.2.1. Villages benefiting from the Motumo Trading Post project	102
4.2.5.2.2. Benefits by the local community in terms of employment, skills development and training	102
4.2.5.2.3. Study on the identification of the actual needs of the Community and the possible use of the project by the locals	103
4.2.5.3. Proper-utilization of the Motumo Trading Post project	103
4.2.5.3.1. Monitoring and evaluation at Motumo Trading Post	103
4.2.5.3.2. Recommendations and reports from monitoring and evaluation by	

assigned officials	103
4.2.5.3.3. The presence of the project team to run the activities of the project	104
4.2.5.4. Contribution by the community members through involvement and participation in the planning and development of Motumo Trading Post	104
4.2.5.4.1. Stakeholders involved in the planning and development of Motumo Trading Post	104
4.2.5.4.2. Mechanism(s) used to involve local traditional leaders and the local community members in the planning and development of the Motumo Trading Post	105
4.2.5.4.3. Responses by the stakeholders on planning and the development of Motumo Trading Post	105
4.2.5.5. Plans to improve the effective use of Motumo Trading Post	106
4.2.5.5.1. Alternative plans in place in case Motumo Trading Post does not achieve its intended objectives	106
4.2.5.5.2. Envisaged sustainability of Motumo Trading Post	106
4.2.5.5.3. Capacity and competent personnel to manage the activities of the Project	107
4.2.5.5.4. Advertising of Motumo Trading Post	107
4.3. Conclusion	107

CHAPTER FIVE: SUMMARY, RECOMMENDATIONS AND CONCLUSION

5.1. Introduction	109
5.2. Summary of the research	109
5.2.1. The impact of Motumo Trading Post on the economic activities in Molemole Municipality	109
5.2.2. Benefits by the local community from Motumo Trading Post	110
5.2.3. Plans to utilise the Motumo Trading Post project effectively	111
5.2.4. Community participation in the planning of Motumo Trading Post	111
5.2.5. Probable solutions that could improve the economic contribution of Motumo Trading Post to the local community	113
5.3. Recommendations	113
5.3.1. Economic activities at Motumo Trading Post	114
5.3.2. Planning of Motumo Trading Post	114
5.3.3. Proper utilization of Motumo Trading Post	115
5.3.4. Community involvement and participation	115
5.3.5. Probable solutions that could improve the economic contribution of Motumo Trading Post to the local community	116
5.4. Conclusion	118
5.5. References	119
Appendices	127

DECLARATION

I declare that the Local Economic Development (LED) challenges facing the Local Government in Limpopo Province: The case of Motumo Trading Post in Molemole local municipality of Capricorn District municipality for the degree of Masters of Development has not previously been submitted by me for a degree at this or any other university; that it is my work in design and in execution, and that all material contained herein has been duly acknowledged.

MACHAKA E. S.
SURNAME, Initials (title)

11 SEPTEMBER 2012
DATE

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DEDICATION

This study is dedicated to my family, my parents and my relatives, all my friends as well as all my colleagues at work including those I worked with before.

LIST OF FIGURES AND TABLES

FIGURES

- Figure 1 : Interaction between government, community and business
- Figure 2 : Age of community members
- Figure 3 : Employment status of community members
- Figure 4 : Academic qualification of members of the community
- Figure 5 : Period of staying in Matoks by community members
- Figure 6 : Gender of community members
- Figure 7 : The use of Motumo Trading Post by members of the community since its completion (community members)
- Figure 8 : The functionality of Motumo Trading Post (community members)
- Figure 9 : Trading and skills development programme at Motumo Trading Post that were to be catered for before or after its completion (community members)
- Figure 10 : Members of the community currently employed or doing own business at Motumo Trading Post (community members)
- Figure 11 : The period since the community members have known Motumo Trading Post
- Figure 12 : Information about the building of the project or the development taking place at Motumo Trading Post (Community members)
- Figure 13 : Information about Motumo Trading Post before it was

started or before it was built (Community members)

Figure 14 : Knowledge about and number of community members who were part of the decision making in the planning and development of Motumo Trading Post (Community members)

TABLES

Table 1	: Age of councilors
Table 2	: Employment status of the councilors
Table 3	: Highest academic qualification of councilors
Table 4	: Period of staying in Matoks by the councilors
Table 5	: Gender of Councilors
Table 6	: Economic activities currently taking place at Motumo Trading Post (councilors)
Table 7	: Achievement of Economic goals/ objectives at Motumo Trading Post as planned (councilors)
Table 8	: The study and needs analysis on the possible use of Motumo Trading Post (Councilors)
Table 9	: The use of the Motumo Trading Post since its completion by Councillors
Table 10	: The functionality of Motumo Trading Post in terms of creating jobs and alleviating poverty
Table 11	: Training and skills development about economic activities that were to be catered for at Motumo Trading Post before and/or after its completion

Table 12	: Members of the community who are currently employed or doing their own businesses at Motumo Trading Post
Table 13	: The period since the councilors knew about Motumo Trading Post
Table 14	: Information about the building of the project or the developments taking place at Motumo Trading Post (Councilors)
Table 15	: Information about the Motumo Trading Post before it was started or before it as built (Councilors)
Table 16	: Knowledge of members of council who were part of decision making in the planning and development of Motumo Trading Post (Councilors)
Table 17	: Involvement of local business people in the planning and development of Motumo Trading Post as part of Public Private Partnership (PPP) (Councilors)

LIST OF APPENDICES

Appendices A to E: Questionnaires used for the collection of data from the following categories: community members of Matoks, the councilors of Molemole Municipality, the managers of both Molemole and Capricorn municipalities, the traditional leaders of the villages selected for study and both mayors of Molemole and Capricorn municipalities.

Appendix F: Letter to the traditional leaders of Matoks requesting to conduct the study in the area and the reply letter granting the researcher the permission to do so.

Appendix G: Letter requesting permission from the mayor of Molemole Local Municipality to conduct a study in the area, and the reply letter granting the researcher the permission to do so.

Appendix H: Letter to Capricorn District Municipality requesting permission to conduct a study in that municipality and a letter of permission from that municipality.

Appendix I: Photographs of Motumo Trading Post.

Appendix J: Photographs of the unused Polokwane Taxi Rank.

LIST OF ABBREVIATIONS

ANC	:	African National Congress
CBO	:	Community Based Organisation
CDM	:	Capricorn District Municipality
CDW	:	Community Development Worker Programme
DBSA	:	Development Bank of Southern Africa
DEAT	:	Department of Environmental Affairs and Tourism
DEAT	:	Department of Environmental Affairs and Tourism
DPLG	:	Department of Provincial Local Government
GEAR	:	Growth, Employment and Redistribution
GTZ	:	A German Agency for Technical Cooperation (Gesellschaft Technische Zusammenarbeit)
IDP	:	Integrated Development Programme
ILO	:	International Labour Organisation
LED	:	Local Economic Development
LRED	:	Local and Regional Economic Development
MDG	:	Millennium Development Goals
NGO	:	Non Governmental organisation
PPP	:	Public Private Partnership
PPT	:	Pro- Poor Tourism

RDP	:	Reconstruction and Development Programme
SADC	:	Southern Africa Development Community
SANCO	:	South African Civics Organization
SEIDET	:	Siyabuswa Educational Improvement and Development Trust
SMME	:	Small Medium and Micro Enterprises
SPSS	:	Statistical Package for Social Sciences
UNESCO	:	United Nations Educational, Scientific, and Cultural Organization
WHO	:	World Health Organisation

ABSTRACT

The study focused on the Local Economic Development (LED) challenges facing the local government in Limpopo Province. The specific study area was Motumo Trading Post located in Molemole Local Municipality. Molemole Local Municipality is one of the five municipalities in the Capricorn District Municipality. The study was qualitative in nature and included some elements of quantitative research in the form of numbers, graphs and tables and concentrated on the functionality of the Motumo Trading Post project. The respondents in this study were the community members of Matoks (known as Botlokwa in Sepedi), the Councillors of Molemole Municipality, managers of both Molemole local Municipality and Capricorn District Municipality, the traditional leaders and mayors of Molemole Local Municipality and Capricorn District Municipality.

The study indicates that the local government, through municipalities is faced with challenges of bringing about economic growth to the poor people, especially in rural areas, through local economic development projects. The findings in this study indicate that Motumo Trading Post, which is a government initiative to improve the standard of living of Matoks community, has had no impact since its completion. The community of Matoks did not benefit from the project and the plans by the municipalities were not realised. The study also shows that not enough was done to involve the stakeholders in the planning and development of the project.

CHAPTER 1: GENERAL ORIENTATION TO THE STUDY

1.1. INTRODUCTION/BACKGROUND

South Africa became a democracy in 1994, having been under apartheid which promoted separate socioeconomic development on racial grounds. The new government is trying to bring economic development to all areas, especially rural areas which were left out in the previous regime. The building of Motumo Trading Post is one of these efforts. In doing so, however, there are challenges and this study investigates some of these problems. Most of the infrastructures in South Africa were intentionally designed to contribute towards local economic growth and poverty alleviation. Chapter 7 of the Constitution of South Africa stipulates that the South African government has now put in place local municipalities in each province under district municipalities to ensure the provision of services to communities in a sustainable manner. Kemp (2004: vii) indicates, however that the problem with many projects is that they do not succeed. Some projects fail altogether, costing time and money and delivering very little. Kemp further states that other projects solve the wrong problems, delivering a lot less value than expected.

The question remains whether the local municipalities have in place the plans to revive some defunct infrastructure projects or to make sure that the newly constructed projects are used to the maximum benefit of the local communities. It is also the task of the local municipalities to make sure that projects are used to the benefit of communities in a sustainable way, as part of poverty alleviation through job creation and skills development.

The present study investigates whether local government resources are being utilised efficiently by the South African local government municipalities to bring socioeconomic development to the masses.

1.2. Statement of the problem

Municipalities play an important role in service delivery as stipulated in Chapter 7, Section 152(i) and Schedule 4 Part B of The Constitution of the Republic of South Africa of 1996. The problem in this research is the unused infrastructures in local municipalities such as the Motumo Trading which does not seem to be contributing to the Local Economic Development of the local communities.

1.3. Aim of the study

The study investigates the challenges brought about by unused infrastructure projects in Capricorn District Municipality of Limpopo Province, with specific reference to Motumo Trading Post which is located in Molemole Local Municipality.

1.4. Objectives of the study

The objectives of the study are:

- To investigate the impact of Motumo Trading Post on the economic activities in the Molemole Local Municipalities.
- To find out if local communities benefit from Motumo Trading Post.
- To find out if the local municipality plans to utilise Motumo Trading Post effectively.
- To investigate community participation in the planning of Motumo Trading Post project.
- To recommend possible solutions that will improve the economic contribution of Motumo Trading Post to the local communities.

1.5. Research questions

The study intends to explore Local Economic Development (LED) challenges facing local governments in Limpopo Province, specifically Motumo Trading Post in Molemole Local Municipality. The following questions will be addressed in this study:

- What are the economic activities taking place at Motumo Trading Post?
- To what extent is the local community benefiting from Motumo Trading Post's economic activities?
- What means are there in Molemole Local Municipality to ensure the proper utilisation of Motumo Trading Post?
- What contribution did the community make in the planning process of Motumo Trading Post project?
- What could be done to improve the effective utilisation of Motumo Trading Post?

1.6. Definition of concepts

1.6.1. Local Economic Development (LED)

According to the Department of Provincial and Local Government (DPLG) (1998; 2) Local Economic Development is an outcome based local initiative driven by local stakeholders. It involves identifying and using primarily local resources, ideas and skills to stimulate economic growth and development (South Africa, 1996).

1.6.2. Local government

According to the Constitution of the Republic of South Africa, (1996:84) Local government is the sphere of government which consists of municipalities which must be established for the whole of the territory of the Republic. The municipality has the right to govern, on its own initiative, the local government affairs of its community, subject to national and provincial legislations as provided for in the Constitution.

1.6.3. White Elephants

A white elephant is defined as something which is costly to maintain and difficult to get rid of. Typically, white elephants are also rare and very valuable, complicating the situation for their owners. One of the most classic examples of a white elephant is a

large country home. Such homes are typically extremely costly to maintain, but very difficult to sell (Wikipedia, 2009).

1.6.4. Development Project

Development projects are projects which are most commonly additions to the country's capital stock and may involve improvements in infrastructure, educational facilities, discovery or development of natural resources (<http://www-personal.unic.edu/~alandear/glossary/d.html>).

1.6.5. Municipality

The Constitution of the Republic of South Africa (South Africa, 1996:84) states that the local sphere of government consists of municipalities which must be established for the whole of the territory of the Republic of South Africa. A municipality has the right to govern, on its own initiative, the local government affairs of its community, subject to national and provincial legislations as provided for in the Constitution.

1.6.6. Community Involvement

Community involvement means the mobilisation of communities to participate or to be involved in the execution of top-down determined development plans and projects involvement revolves around making communities or groups to realise the benefit of becoming part of a development project or programme predetermined by an outside agency (De Beer, 1998: 22).

1.6.7. Sustainability

Sustainability in a broad sense is the capacity of maintaining a certain process or state. It is now most frequently used in connection with biological and human systems. It has become a complex term that can be applied to almost every facet of life on earth. In

1989, the Brundtland Commission articulated what has now become a widely accepted definition of sustainability which is to meet the needs of the present without compromising the ability of future generations to meet their own needs (Wikipedia, 2009).

1.7. Research Design and Methodology

In this study qualitative research design will be used since the researcher wants to get in-depth understanding of the unused infrastructure. Qualitative research design will be used because it often contains rich descriptions, colourful details which give the reader a feel for social setting instead of formal neutral tone with statistics (Neuman, 1994: 316). Neuman further asserts that qualitative research emphasises the importance of social context for understanding the social world, and the present study involves a community in a social setting. Data will mostly be in the form of words, sentences and paragraphs. Some elements of quantitative approach will also be used in the form of numbers, statistics and graphs. Structured interviews and literature documents will also be used to collect data.

1.7.1. Study Area

The study area of this research study is Molemole Local Municipality located in Capricorn District Municipality, Limpopo Province in South Africa. The municipality is situated between the city of Polokwane and the Vhembe town of Makhado. The infrastructure under study, Motumo Trading Post, is situated in Matoks which is about 51 km from Polokwane along the N1 road to Makhado. The area lies at the bottom of the beautiful Motumo Mountains near Matoks. Motumo Trading Post is situated near the following villages: Sekonye, Mphakane and Matseke.

1.7.2. Population

According to Welman, Kruger and Mitchell (2005:53) a population is defined as a full set of cases from which a sample is taken. It is the study object and consists of individuals, groups, organisations, human products and events or the conditions to which they are exposed. The targeted population in this envisaged research will be the following: communities in Matoks, especially the villages surrounding Motumo Trading Post, which are: Sekonye, Mphakane and Matseke. Capricorn District Municipality officials, traditional leaders and officials of Molemole Local Municipality as well as councillors will form part of the population.

1.7.3. Sample size and selection method

The researcher will use purposive sampling because according to de Vos (2005: 328) in purposive sampling a particular case is chosen because it illustrates some feature or process that is of interest for a particular study. It is further indicated that in purposive sampling the researcher searches for information-rich key informants, groups, places or events to study. The samples are chosen because they are likely to be knowledgeable and informative about the phenomena that the researcher is investigating (McMillan and Schumacher, 1993:378). The researcher believes that the targeted group, that is, the officials from Capricorn District Municipality, Molemole Local Municipality, councillors, traditional leaders and community members are likely to be knowledgeable about Motumo Trading Post and the activities taking place within the said trading post.

The researcher will use a sample size of fifty- five (55) since the researcher is working full time and studying part time and that the research involves travelling which means that it can be costly for the researcher. The sample will include officials from Capricorn District Municipality, that is, the Executive Mayor (1), some managers in Capricorn District Municipality (3) i.e. manager for assets, development manager for LED and manager for tourism. From Molemole Local Municipality: the mayor (1), municipal manager (1), LED manager (1), councilors (12) and stakeholders,(3)traditional leaders

and (33) community members from the three villages which are Mphakane, Sekonye and Matseke.

1.7.4. Data collection methods

To collect data on this research, the researcher intends to use documentations and interviews.

1.7.4.1. Documentations

Documentations form part of secondary sources. This means the study of documents, that is, the written material that contains information about the phenomenon that is being researched (De Vos, *et al.*, 2005:314). Documentations will be from the municipality and government files on Motumo Trading Post and its planned activities. The documents that will be used include articles, LED documents, books and government legislations.

1.7.4.2. Structured Interview questionnaire

Data were collected through a structured interview questionnaire from respondents who are officials from Capricorn District Municipality, Molemole Local Municipality, Councillors, traditional leaders and community members. Welman *et al.* (2005:165) espouse that in a structured interview the interviewer puts a collection of questions from a previously compiled questionnaire, known as the interview schedule. The respondents will be given the questionnaire to complete and the respondents' responses will be recorded. The standardised schedule will have pre-coded answers. The questionnaire has both open ended and close ended questions.

1.7.5. Data analysis methods

Data were analysed by computer (CD-ROM databases). The responses to each question were be quantified into percentages and were summarised in tabular form, diagrams and charts (Frankfort, Nichmias and Nichmias, 1992:242). Municipal and governmental documents were also studied and analysed. Henning (2004:98) documents are able to reveal meaning and have content value. Documents are collected as entities of data and follow the same route through analysis and interpretation.

1.7.6. Ethical considerations

The researcher observed the following ethical considerations in the research process: a consent letter was obtained from Capricorn District Municipality, Molemole Local Municipality and from the traditional leaders mentioned in the sample (Henning, 2004:73). Informed consent was obtained from all participants before the study began. . The researcher observed the right to anonymity and confidentiality as the respondents were not required to write their names on the questionnaire. The respondents were not harmed in any manner during the research process (Mouton, 2001:238).

1.8. Significance of the study

The study is significant in the sense that since the attainment of democracy in South Africa in 1994, the government of national unity is making great efforts in trying to see to it that there is economic growth in the country, especially in areas where during the apartheid period were neglected. There is still a large percentage of the population, especially in rural areas who live in absolute poverty. The majority still remain unemployed even though the government has come up with initiatives in the form of local economic development projects.

This study seeks to investigate government economic development initiatives such as establishing projects in rural areas. The study looks at Motumo Trading Post which the

government established in order to assist the local people in their efforts to build their lives. Government projects play a role in alleviating poverty and creating employment. The study further seeks to find out the challenges that such initiatives bring.

1.9. Outline of the Research Report

The research report will be structured in the following manner:

Chapter 1: Introduction

Chapter one outlines the background of the study that forms the basis of the research process. A detailed account of the statement of the problem, aim of the study, significance of the study, objectives as well as the research questions are given. Concepts are defined, and the research design and methodology are outlined. They include, the study area, population, sample size and selection methods, data collection methods, data analysis methods and ethical considerations.

Chapter 2: Literature Review

This chapter focuses on the views of various authors on duties and responsibilities of the government, local government and local communities.

Chapter 3: Research Methodology

This chapter outlines the research design and methodology used to address the research problem in question. The study area, population, sample size and selection methods, data collection methods and ethical considerations are discussed in this chapter.

Chapter 4: Research Findings, Analysis and Interpretations

In this chapter, the research findings, analysis and interpretation of collected data are presented using qualitative approach with some elements of the quantitative approach.

Chapter 5: Conclusions and Recommendations

After interpreting the findings, the aims of the research are summarised and compared with the findings. Conclusions are drawn on how the objectives of the research are achieved. Recommendations are made in response to issues raised.

1.10. Conclusion

Municipalities are expected to deliver services and goods in an equitable way as provided in the constitution. It is therefore imperative that unimpeded service provision for rural communities must be maintained to the public to ensure that municipalities are accountable to the governed. People must be seen to be involved in decision making which will ensure participation and sustainability of the infrastructures. Municipal officials must make sure there is evaluation and monitoring of infrastructures to ensure their operation. Municipalities must be aware that they need to use tax payers' money to improve the lives of the poor, especially in rural communities. The next chapter reviews the literature.

CHAPTER 2: LITERATURE REVIEW

2.1. INTRODUCTION

The South African Local Government has still not gained direction to attain acceptable levels of economic viability and social stability even in the post-apartheid era. In this regard, the White Paper on Local Government (South Africa, 1998) has given the much-needed direction to the South African Local Government (De Beer and Swanepoel, 2000: 96). The Constitution of the Republic of South Africa (1996: 84) empowers and requires that municipalities take responsibility for socio-economic development in their areas, thereby contributing to more sources of income and employment opportunities. This means that the South African local authorities must become catalysts of growth and development (De Beer and Swanepoel, 2000: 97). It is further stated that the South African local authorities have to play a crucial role in the South African economy. The authorities must become the engine rooms for local economic development. De Beer and Swanepoel (2000:98) argue further that local government has to promote the growth of local economy, increase job opportunities within its jurisdictional area and utilise local resources wisely so as to improve the quality of life for all its inhabitants.

Most of the infrastructure projects in South Africa were intentionally designed to help the communities in which they were built, but they do not contribute towards local economic growth and poverty alleviation. Kemp (2004: vii) is of the opinion that the problem with many projects is that they do not succeed. Some projects fail altogether, costing time and money and delivering very little. He further indicates that other projects solve the wrong problems, delivering a lot less value than expected.

Chapter 7 of the Constitution of South Africa stipulates that the South African government has now put in place local municipalities in each province under district municipalities to ensure the provision of services to communities in a sustainable manner. The question remains whether the local municipalities have in place the plans to revive some defunct infrastructure projects (example, the case of Lebowakgomo

show grounds) or to make sure that the newly constructed projects for example, Motumo Trading Post are used to the maximum benefit of the local communities. It is also the task of the local municipalities to make sure that projects are used to the benefit of communities in a sustainable way. The local municipal management in such areas is aware of such projects, but the question is whether they have plans to make them economically viable so as to benefit the communities as a way of poverty alleviation through job creation and skills development. The question to be answered in this research study is whether local government resources are being utilised effectively and efficiently by the South African local government municipalities or not, and whether the beneficiaries (communities) are indeed benefiting.

This chapter will focus on the constitutional provisions about the role of local government and municipalities on Local Economic Development (LED). The chapter will highlight the history of community development projects and future development projects in Capricorn District Municipality. Poverty alleviation initiatives through LED, the concept LED and community projects (an example of an unused infrastructure projects under study), the extent of community involvement in community development projects and the role of government in community development projects will be discussed.

2.2. History of Community Development Projects

Development projects are defined as projects which are intended to increase developing countries' ability to produce in the future. Such projects are most commonly additions to the country's capital stock, but they may involve improvements in infrastructure, educational facilities, discovery or development of natural resources (<http://www-personal.umich.edu/~alandear/glossary/d.html>).

De Beer and Swanepoel (1998:1) hold the view that community development dates back to the history of early civilizations when mankind initiated actions from which groups or parts of groups benefited in some way or the other. Through the history of

community development, key themes stand out namely, participation, institutions, project management, community, coordination, funding and the influence of politics. Community development invariably takes place through projects which have two related characteristics, that is, they are either referred to as sets of technical and organisational measures or they are associated with some particular objective. It is further indicated that the project has become the accepted way in which development efforts can be brought to the ground level. It is also indicated that projects can be used to channel development resources to a specific group of beneficiaries and to particular locations (De Beer and Swanepoel, 1998: 49).

De Beer and Swanepoel (1998:50) stress that although there are advantages in community projects, there is also an inherent weakness of projects for community development purposes. Projects are often managed badly and therefore do not reach their goals. Projects have become extremely important channels through resources and, because projects are regarded by their sponsors as manageable sets of activities, they are likely to remain the primary means of translating development policies into programmes of action. Theron (2008:4) shows that development takes place through rigid and prescriptive projects. Development is introduced by development institutions and an input, meaning that development institutions are input-oriented. Projects are therefore mostly delivered by change agents from the outside, employing mechanistic approach and through highly technical projects. Theron (2008:4-5) supports De Beer and Swanepoel by indicating that these projects tend to be planned and administered in a top-down manner. The projects are one-dimensional and often lack participation from the intended project beneficiaries. Theron (2008:4-5) also indicates that state departments or ministries often plan in isolation. There is poor communication among departments or ministries which leads to uncoordinated planning and poor participation from the intended beneficiaries of development.

Kellerman (1991: 49) indicates that like the rest of the world, South Africa has finally entered the era in which the upliftment of and assistance to its disadvantaged

communities has become a multimillion rand business. There are well-formulated mandates, administrative and management procedures of which the objective is to address the plight of the poor through the implementation of sustainable development projects. It is further stated that every development project becomes a multidimensional exercise in the worldwide business of alleviating poverty and ending human misery. Development projects are highly supported in South Africa and this is evident in the Eastern Cape Province which alone had eight different development funding agencies operating between 1993 and 1995. During that time 3100 development projects were under review with an estimated value of R188, 5 million. The development Bank of Southern Africa (DBSA) also financed approximately 380 projects involving 420 individual communities and that affected the lives of some 630 000 rural people. During the two year implementation period of the DBSA funding programme to the amount of approximately R33,1 million, 2000 community members received accredited training and 44 000 jobs were created per month.

Mubangizi (2007: 5 to7) indicates that the birth of the New South Africa has accelerated the search for appropriate strategies to promote development, to combat poverty and ensure sustainable livelihoods. Mubangazi further notes that two macro policies have shaped the environment within which social development and anti-poverty programmes have operated. These are Reconstruction and Development Programme (RDP) and Growth, Employment and Redistribution (GEAR). RDP is an integrated socio-economic policy which gained prominence soon after the first democratic elections in South Africa in 1994. The policy framework was an attempt to combat poverty by various line departments. RDP is a people driven process as well as an integrated and sustainable programme. Implicit in the RDP is a concern for the establishment of an appropriate service delivery system. In June 1996, the government of South Africa released the Growth, Employment and Redistribution (GEAR) strategy. The strategy was aimed at creating macro-economic conditions that will persuade foreign and domestic investors to inject funding into the South African economy. The basis of GEAR is that poverty reduction is impossible without sustained economic growth and that the key to economic growth is private sector investment.

Theron (2008:142) indicates the types or other examples of projects under Community Development Worker Programme (CDWP) in South Africa. The range of possible community development projects includes the following categories of activities: improving water supplies, management and conservation, sanitation, food production, environmental protection, roads and bridges, recreation, public buildings, housing and cemeteries.

2.3. The future of Development Projects in the Capricorn District

The problem of unused infrastructures or development projects is not unique to Molemole Municipality. In Polokwane Municipality, for example, there is one important project which is not functional, the Polokwane Centre Taxi Rank. In this case it is important to question the planning part of the project and to inquire whether the targeted group (taxi operators and their clients) were involved in the whole planning process of the project. The problem is that this project might become another white elephant in the district, with tax payers' money used fruitlessly.

There is currently a debate, as reported in the Northern Review (Polokwane local newspaper) that most of the stadia in the country may become white elephants (Van Vuuren, 2010: 8 – 9). For the Limpopo Province (Capricorn District), it was reported that if a financial plan is not put in place to ensure that the Peter Mokaba Sports Complex in Polokwane does not become a white elephant after the 2010 Soccer World Cup, ratepayers will be required to provide R17 million a year to keep the running costs of the stadium. The need and urgency of finding a way to make the stadium pay for itself is compounded by the fact that the municipality is facing a possible financial meltdown. Mr. Charles Van Wyk, the Vice President of Blue Bulls Rugby Union said recently that if a plan to generate revenue from the stadium is not in place soon, the Peter Mokaba Stadium would become nothing but a “costly white elephant”. The complex may go the same way as many other world class event venues such as the costly structures built

for the 2004 Olympics in Greece, where many of the facilities built for the event have since fallen into despair and consequent disuse (Van Vuuren, 2010:8).

The researcher wants to make reference to yet another holiday resort known as “The Chuene” which could potentially benefit a large number of families around Ga-Chuene/Maja through job creation. But the infrastructure is lying there, not fully functional and no real economic activities are noticeable. Lebowakgomo showground is another infrastructure which was heavily funded in the past by the former Lebowa Government during the apartheid era. Lebowakgomo showground used to attract people from all over the former Lebowa Homeland and from other homelands, and business thrived. At the moment the infrastructure has collapsed and there are no economic activities taking place. Both the Chuene holiday resort and the Lebowakgomo showground are located in the same municipality, Lepelle-Nkumpi Municipality in Capricorn District.

2.4. The Concept LED

The concept Local Economic Development (LED) is defined by Sebola and Fourie (2007: 34) as the process that aims at redistributing resources and opening up opportunities to benefit local residents. The purpose of Local Economic Development (LED) is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation. It is further indicated that local economic development offers local government, the private and the not for profit sectors, and local communities the opportunity to work together to improve the local economy. It focuses on competitiveness, increasing sustainable growth and ensuring that growth is inclusive. LED encompasses a range of disciplines including physical planning, economics and marketing. It also incorporates many local government and private sector functions including environmental planning, business development, infrastructure provision, real estate development and finance (<http://go.worldbank.org/EA784ZB3FO>).

According to the toolbox on Local Economic Development (LED), LED is seen as one of the most important ways of alleviating poverty. It must aim to create jobs by making the local economy grow. As part of the IDP (Integrated Development Programme), key stakeholders in a municipality must come together to reach an agreement and take decisions to make the economy grow and create income opportunities for more people, especially the poor. National government makes policy and provides funds, research and other support for Local Economic Development. Municipalities then decide on LED strategies and the process of arriving at such LED strategies must be part of the Integrated Development Planning (IDP) process. The LED strategies should be based on the overall vision outlined in the IDP and should, therefore, take into account the results of the analysis that is done to identify the problems and to prioritise on development projects (<http://www.etu.org.za/toolbox/docs/government/led.html>).

2.4.1. Key Principles underlying LED

The Department of Provincial and Local Government (2006) has identified the following as key principles underlying LED:

- Poverty and unemployment are the main challenges facing South Africa. LED strategies must prioritise job creation and poverty alleviation.
- LED must target previously disadvantaged people, marginalised communities and geographical regions, black economic empowerment enterprises and SMMEs to allow them to participate fully in the economic life of the country.
- There is no single approach to LED. Each locality may develop an approach that is best suited to its local context.
- LED promotes local ownership, community involvement, local leadership and joint decision making.
- LED involves local, national and international partnerships between communities, businesses and government to solve problems, create joint business ventures and build local areas.

- LED uses local resources and skills and maximises opportunities for development.
- LED involves the integration of diverse economic initiatives in an all-inclusive approach to local development.
- LED relies on flexible approaches to respond to changing circumstances at local, national and international level.

Given the key principles underlying LED, the project in the research study has, for many years after completion, failed to address issues of poverty and unemployment. The disadvantaged people and the community seem to have not benefited economically from the project which was meant to benefit them. The project did not best suit the local context and there was no involvement by the local community is evident. The researcher therefore assumes that the key LED principles were not taken into consideration during the planning and development of Motumo Trading Post project.

Blair and Carrol (2009:134), state that communities with loose labour markets are characterised by high unemployment, low wages, discouraged workers and underemployment. Most economists regard job creation as the primary purpose of local economic development strategies. Job creation is closely associated with improvements in real incomes. Many municipalities encourage economic development in the expectation that new businesses will contribute more in tax revenues compared with the extra cost of municipal services.

Planning of LED projects plays a crucial role as De Beer and Swanepoel (2000:139) indicate, pointing out that the aim of every plan is to reach a goal or to achieve objectives. Planning aims at determining the future actions of an institution and individual, and to identify guidelines that are necessary to achieve objectives. One of the manifestations of planning involves forecasting or making predictions about what is

likely to happen in future or even predicting alternative outcomes. Planning must also schedule future activities (De Beer and Swanepoel, 2000: 141). As for Motumo Trading Post project it seems that predictions were not made nor were alternative outcomes predicted.

2.4.2. Stakeholders in LED

According to the Toolkit on Local Economic Development, the national government, in particular the Department of Provincial and Local government acknowledged the need for all actors at all levels of South African society to shape their environment and economic destiny (<http://www.thedplg.gov.za/subwebsites/led/docs/toolkit.pdf>). The nature of the challenges facing the country suggests that creativity and innovation are needed at all levels and from all groups in the country, which means that LED calls for cooperation.

The Toolkit further recommends that in adopting LED as a strategy, the South African government is encouraging people at all levels of society to participate in economic decision making, an act which will explore creativity and build entrepreneurship. Given the challenges that are faced by government in job creation and poverty eradication, LED builds a platform for bringing people together to work towards solutions. LED is therefore the result of joint planning by a municipality, its community and business sectors, that is, all economic forces in the local situation have to be brought on board to identify resources, understand needs and work out plans to find the best ways of making the local economy fully functional, investor friendly and competitively productive. LED is usually strategically planned by local government along with its public (other levels and agencies of government), private sector and the community.

Kharidzha (2003:18) is of the opinion that while it is true that the promotion of social and economic development and by implication LED, is a constitutional objective of local government, the latter alone may not be able to do everything on its own. The obligation

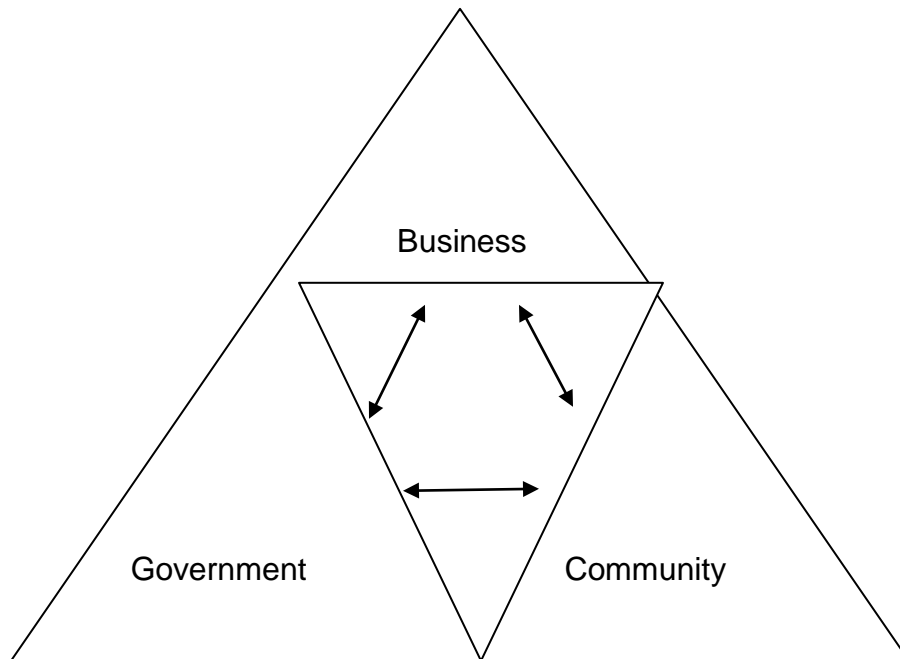
for local governments, especially in rural areas where an adequate tax base is lacking, is overwhelming and therefore the need for partnerships is necessary. The partnership is to be between the local governments, the local people and the business sector.

According to the RDP (1994: 22), local authorities can only perform their functions if they work with CBOs and NGOs to establish the minimum conditions of good governance and to implement effective development projects. The role of the South African National Civics Organisation (SANCO) cannot be wished away by local governments in their endeavours to promote local economic development in the rural communities. Traditional leaders are also important stakeholders in the promotion of local and economic development. The institution of traditional leaders has in the past been a form of local government in the tribal villages of the rural communities. The councillors and civic leaders should be involved in the planning of community development projects. That is likely to promote the notion of cooperative governance espoused in various government legislations in South Africa.

The Toolkit for LED also emphasises the need for inclusivity in LED processes. The document categorically states that it is often interpreted in such a way as to place the sole responsibility for LED for local government which could risk exclusion of some role-players, such as the business and civil society organisations. The document supports the notion that sustainable LED requires clear economic thinking and performance, based on economic dynamics and business principles. The local government is not well-equipped nor does it have the necessary capacity to solely drive it. The role of local government is to facilitate or integrate participation across civil society and the business sector. Local government is both a role-player and an integrating force in LED. Its role is to manage the creation of a favourable business climate on the one hand, and on the other to construct and maintain infrastructure towards business growth and healthy lifestyles for the communities in its area. A further role of the local government as a leader in LED processes is to form partnerships with business and civil society and to mobilise support and participation. By its nature, LED is a partnership between the

business sector, community interests and municipal government. Each partner in the LED process brings resources and has needs to be fulfilled. Figure 1 below represents such an interaction between the Government, the community and the business.

Figure 1: Interaction between government, community and business



Source: Toolkit on Local Economic Development:

<http://www.thedplg.gov.za/subwebsites/led/docs/toolkit.pdf> (Accessed 05- 10- 2010).

2.4.3. Challenges in stimulating and developing sustainable local economies

The draft on National Framework for Local Economic Development in South Africa (April: 2006) identifies certain challenges that stand in the way of stimulating and developing sustainable economies.

2.4.3.1. Capacity constraints in human resources and skills

Local governments and municipalities still experience shortage of person power in all levels and sections of different departments. There is also a problem of skilled employees at all levels including management level.

2.4.3.2. Existing LED strategies and plans that are not linked to the local reality

In most cases the strategies and plans do not consider the background of the communities in question as well as the poverty level, cultural and interests of the local people.

2.4.3.3. Lack of participation of important stakeholders in the design of LED strategies and plans

Participation by all stakeholders is crucial in the design of LED strategies and plans. Participation and involvement by the local community, the business sector and the government plays a pivotal role. This participation should involve community based organisations.

2.4.3.4. Reliance on consultants to design LED programmes

In most cases the consultants who design LED programmes are not local consultants and therefore, do not know the communities in which they work and do not fully understand and know the needs of the community.

2.4.3.5. National and provincial government spheres parachuting into localities

Local municipalities are much closer to the local communities than provincial and national governments. It is therefore the local municipality that must address and plan

issues with the local communities. Provincial and national governments should play a supporting role than taking the lead in the affairs of local community.

2.5. Poverty alleviation initiatives

The persistence of global poverty is both disturbing and humbling. Policy makers have long recognised the moral and practical importance of addressing the needs of millions of people who lack access to adequate nutrition, housing, education or opportunities. One of the Millennium Development Goals (MDG.) is poverty eradication and the target is to halve the fraction of those with an income below one United States dollar per day and to halve the number of people who suffer from hunger (Theron, 2008: 24). The question is whether collapsed or unused infrastructure projects like Motumo Trading Post and others as mentioned before can significantly contribute towards the set goals.

It is the objective of every nation to alleviate poverty. Poverty alleviation could be achieved through LED. The South African Government has introduced some LED projects as a strategy to achieve MDG objectives. The relevance of MDG to this study is the eradication of extreme poverty and hunger. MDG intends to halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day and to achieve full and productive employment and decent work for all, including women and young people, (<http://go.worldbank.org/9NL8YAYOEO>). Moyo (2007:220) espouses that LED has become one of the South African government's strategy for the creation of robust and sustainable local economies which can help combat unemployment and poverty in the country. The implementation of LED plans was met with mixed and multiple challenges by both the communities and local government officials. Moyo (2007:221) further indicates that LED was introduced in response to a number of challenges such as persistent poverty and unemployment.

Motumo Trading Post was also meant to attract tourists, which is a big industry in South Africa. Ashley and Roe (2002: 61-62) indicate that there are obvious reasons for linking

tourism with poverty reduction in South Africa. They further indicate that certain characteristics of tourism can make it more conducive to pro-poor growth than other service sectors or manufacturing. Tourism can be labour-intensive, it is inclusive of women and the informal sector; it is based on natural and cultural assets of the poor, making it suitable for poor rural areas. Though there are negative effects as a result of tourism, harnessing tourism for pro-poor growth means capitalising on the advantages, while reducing negative impacts on the poor. As a strategy, Pro- Poor Tourism (PPT) is tourism that generates net benefits for the poor. Since PPT is not a specific sector or product, benefits may be economic, social, environmental or cultural and may affect people's livelihoods in multiple indirect ways (Ashley and Roe, 2002: 62).

2.6. LED and community projects

One of the aims of LED is to try to solve the problem of poverty and unemployment in the communities especially the poor and the disadvantaged groups. As part of the LED strategy, community development projects were identified as means towards the upliftment, empowerment, capacity building and skills transfer for such communities. The main problem remains lack of management skills in planning and implementing such projects.

2.6.1. Projects for community upliftment and empowerment

It is essential that social upliftment takes place in both urban and rural areas. Various policy and other documents urge citizens, as well as the responsible authorities to take decisive action to uplift the people of South Africa. This, more often, means development or upliftment project (Van der Waldt & Knipe, 1998:106). Many African countries have been exposed over the past decade have obliged many of them to implement far-reaching socio-economic and administrative reforms, in an effort to correct internal imbalances and inequalities and re-establish growth. Social upliftment programmes and projects are helping some communities and individuals to withstand the belt-tightening that comes with structural adjustment and strategic change.

Communities in South Africa need to be uplifted socially and economically. At the moment, poverty is one of the major issues hampering development and development projects in various parts of the country. Poverty is also responsible for the emergence of informal settlements and the general pattern of urban settlement. These structures and living conditions are more often the result of the imbalances and inequalities and the desperate lack of effective social upliftment programmes in the country. Poverty in South Africa is linked to large-scale unemployment, hunger and malnutrition, an inability to pay for or no access to medical care and basic services, the break-up of families, homelessness and sheer helplessness. The burden of poverty also weighs much more heavily on women and children than on men (Van der Walldt *et al.*, 1998:107). The characteristics of the extent of poverty in South Africa involves among others, a relationship between poverty and race where 95% of poor people are black; between poverty and rural communities where 75% of South Africa's poor people live in rural areas; the fact that very few of the poor people who can work have jobs; forty-five percent of the poor people in South Africa are children below the age of 16 and finally poverty in South Africa can be linked to gender. In this case, households that are headed by women are generally much poorer than those headed by men.

The other aspect in this regard is empowerment, as Mentz, Kellerman & Kotze (1991: 53) argue that supporting development projects entails the strengthening of community or local capacity. In the past, the approaches to development tended to undermine the importance of appropriate local or community institutional structures and processes. Participation by the local organisations was not given much recognition. As a result, most development agencies now have institution building as one of their major objectives. The process includes institution building at the local level since, in the final stage, it is the local people who must make sustained development happen. Local organisations can supplement and make more effective individual efforts, making a local community organisation more effective which is a key development strategy.

The transfer of skills is another important aspect in capacity building meant to empower local communities. During the implementation stage of projects, in particular, more attention should be directed towards the transfer of hard skills (technical training, management and supervision as examples) which will enable members of the community to perform specialised tasks. The main objective should be to equip people with capacities which could be utilised beyond the project's implementation stage. Training programmes during implementation usually focus on the transfer of accredited training, which will enable community members to officiate their acquired skills, thus enhancing opportunities for finding permanent employment.

2.6.2. The need for management skills in community development projects

Thornhill (2009: 411) asserts that the three spheres of government are faced with obstacles and the fact that the administrative structures have deteriorated to such an extent that those services cannot be delivered at an acceptable level. It is further indicated that corruption has increased and proof of officials guilty of unethical conduct and which centre on inefficiency appears to be rampant. The ideals of Batho Pele (People First) are simply flaunted by officials. It is also indicated that it is important for the government in all spheres to focus their attention on the administrative and managerial capacities of officials so that the desired results are produced. Much of service delivery could be blamed on lack of resources; however, about 70% of the success of any job depends on the incumbent of that position. Provision of services could improve if there could be an improvement in managerial quality of the senior officials of the political office. It could therefore be concluded that lack of service delivery can largely be attributed to lack of management or management skills. Luthuli (2009: 463) points out that public service manager need to be motivated towards being innovative and able to take risks if service delivery is to move beyond experimentation.

Mentz, Kellerman and Kotze (1991: 18) maintain that poor management and manpower shortages remained a widespread phenomenon due to the third world bureaucracies. Shortages of professionally trained and technical personnel to carry out the

development function have been especially acute. It is further noted, as in Thornhill, that corruption has become a problem of major proportion and that this corruption is encouraged by the concentration of power at higher levels and the lack of control and incentives for efficiency at lower levels. This becomes a stumbling block for donors, both foreign and domestic prospective investors and entrepreneurs. This problem contributes to many development failures. Mentz *et al.* (1991: 19) also maintain that the application of sound management principles becomes superfluous in a workplace where overcentralisation, elitism, pursuit of personal interest and sectional interest, corruption, nepotism, poor salaries and poor work conditions flourish. This results in management skills remaining underdeveloped. Cleverdon (2002: 16-17) is of the opinion that one of the biggest challenges for any destination seeking to develop its tourism sector, for example, is the provision of manpower with suitable skills and in sufficient volume. The shortage of suitably qualified and experienced personnel afflicts all aspects of the tourism sector. The SADC (Southern Africa Development Community) countries are no exception. The problem is well acknowledged in South Africa, and many initiatives to this end are already in place.

2.6.3. The Failure and Success of Projects

More often than not, projects fail to achieve their intended objectives, while others succeed to achieve the intended objectives. Kerzner (2006:7) defines project success to include among others the completion within the allocated time period, within the budgeted cost, at the proper performance or specification level and with acceptance by the customer or the user. Kerzner (2006:61) states that project failure is when the final results are not what we expected, and further defines failure as unmet expectation which is called a planning failure and is the difference between what was planned and what was in fact achieved. Knipe, Van der Waldt, Niekerk, Burger and Nell (2002:17) define projects, facilities and products as follows: projects are undertaken by organisations in order to deliver, construct, maintain or renew facilities. Projects are the vehicles consisting of a scope of work and project organisation required to deliver facilities.

Facilities are then required to produce the products. Facilities may be factories and equipment, product design, management process or organised group of people. A facility is the product that a project delivers; it is defined by the qualitative and quantitative objectives of the project. Products are what the organisation is in business to make, deliver or sell as stated in its mission. Products generate revenue and therefore deliver the purpose or benefit of the project. Rondinelli in Theron (2008:41) categorically states that one of the most obvious reasons behind project failure relates to poor management. Kirkpatrick (1991:4-5) writes about the case of the fall of the Madagascar Lake Alaotra Project which was funded by the World Bank. The main objectives of the project were to develop a high quality rice production and introduce crop diversification through double cropping of rice fields in an area in North-Eastern Madagascar which was producing one-third of all marketed rice in the country. Twelve years later, it was reported that the project had made no significant contribution to the economy of Madagascar following the evaluation of the project in 1980. Kirkpatrick (1991:4-5) further points out that projects fail due to wrong assumptions, unrealistic goals, poor design and execution, institutional weakness and inadequate supervision. Other unanticipated reasons may be socio-political problems such as poor response to the objectives of the project by the population expected to benefit from it, and worse is the government which has approved the project and then shows less commitment during its execution. The other reason is the realisation that the government lacked the managerial capacities to really achieve the project objectives, hence the failure of the project. Motumo Trading Post could as well be cited as an example since it was mentioned in this chapter that it is not clear whether Motumo Trading Post is managed or run by Capricorn District Municipality, the National Department of Tourism or Molemole Local Municipality.

Van Der Waldt and Knipe (2001:66-68) recommend that during the preparation phase of a project, the need for a project is determined and arrangements are made to implement the project. They also indicate that several methods can be used to identify needs in an institution or a community. The steps can be divided broadly into formal and informal methods. Formal methods will include questionnaires, scientific surveys and

opinion polls. Informal methods include debates, discussions and mere observations. Information must be based on corroborative facts and not merely on personal opinion. It should be established whether the project will be accepted and supported by the institution or community that will be affected by it.

Once the needs have been identified, the next step will be to choose the project team (Van Der Waladt and Knipe, 2001: 68-72). The project team represents the institution or community and, as such, must place the client's interests above personal interests. The project needs to be defined so that all members of the team know exactly what they are letting themselves in for so that they can clarify all uncertainties about the project. The definition of the project is particularly important if funds have to be raised. Developers want to know exactly what the project is all about and a clearly written document is needed which include amongst other things, destination of the project, that is, who will benefit from it, objectives and milestone, scope of the project, factual information and community approval as well as other responsible people.

Mantel, Meredith, Shafer and Sutton (2001:55) state that if the problem arises during the life of a project, the first hunch would be that the project was not properly planned. Inadequate planning is more the case than the exception. A number of studies conclude that careful planning is strongly associated with project success (Mantel *et al.*, 2001: 238). The final stage of any project, the project must be evaluated. Evaluating the project means setting the value or appraising the project. A project evaluation appraises the progress and performance relative to the project's initial or revised plan. Evaluation also appraises the project against the goals and objectives set for it during the selection process. Sometimes evaluations are made relative to other similar projects.

Cleveland and King (1988:903) under the topic "what constitutes success for a project," give an indication that project success cannot be considered simply as a matter of completing the project on schedule, or staying within the budget constraints and

meeting the technical performance criteria. Research supports the following definition of success, that if the project meets the technical performance specifications or mission to be performed, and if there is a high level of satisfaction concerning the project outcome among key people in the parent organisation, key people on the project team, and key user clientele of the project effort, the project is considered an overall success.

Siyabuswa Educational Improvement and Development Trust (SEIDET) is a project in Siyabuswa which the local community initiated and was all about the need to establish a community-based educational improvement project to provide supplement tuition to Grade 10 – 12 learners. It focused mainly on English, Science, Mathematics and commercial subjects. The main reason for such a decision was the fact that virtually all senior secondary schools in Siyabuswa were not teaching Science and Mathematics, and thus all the children from the community were deprived of any possible career in the Sciences (Phahlamohlaka, 2008:3). It was categorically stated by the author that the project was a result of collective community effort. Some members of the community who had small businesses also showed a lot of interest and some promised financial support for the project. The following were also included in the planning of the project: the private sector, some universities, people from commerce and management, teaching and general humanities (Phahlamohlaka, 2008:5). His Majesty King Mayisha III, the king of the Ndzundza Ndebele people was also involved in the project. It therefore shows that it takes a lot of strength and courage to establish a community project like SEIDET. Much negotiation with the community members and prospective stakeholders has to be done as well (Phahlamohlaka, 2008:11).

Roode in Phahlamohlaka (2008:19) was impressed about SEIDET given the fact that it was wholly driven by the community and the desire of people to do something themselves which made SEIDET different from other community projects he has known. Roode also indicated that people should do things that the community itself wants and not to impose programmes that are of an interest to them. Phahlamohlaka (2008: 77)

concludes that there is no doubt that the project has indeed become very successful in the first ten years of its existence.

2.7. The Extent of community involvement in infrastructure development project initiatives

From the above discussion it appears that there is a general problem of non-involvement and non-participation by the various stakeholders in community development projects initiatives. In South Africa and the rest of the world, most projects are planned, designed and developed without involving the local communities, the local business people and other community based structures or organisations.

2.7.1. Community involvement in community projects

Coetzee and Graaff (1996:312) state that there have been a number of attempts around the world to encourage more active participation by a broad spectrum of the population in local level governance as one of the ingredients necessary to promote sustained development. They indicate that they are concerned with the way in which certain groups and individuals monopolise power and development resources at the local level and in the process exclude or prevent other groups and individuals from participation. A paradigm which is known as people-centered development stresses the participation of the majority of the population, especially the previously excluded components such as women, youth and the illiterate in the process of development (Coetzee and Graaff, 1996:317). This involvement of the majority of the population is considered the bottom-line for the successful implementation of any project or programme. In the new South Africa, the Reconstruction and Development Programme (RDP) that was put forward by the government of national unity has as one of its cornerstones the grass roots involvement of people in its implementation (Coetzee and Graaff, 1996:323). The African National Congress's RDP accords a major role to civil society in the developmental process. It specifies the necessity of mass participation in the elaboration and implementation of the RDP and specifically mentions the important

roles that trade unions, Community Based Organisations (CBOs) and Non-Governmental Organisations (NGOs) can play, alongside a democratic state, in the development process (Coetzee and Graaff, 1996:345).

Theron (2008:7) also argues that development acts as a vehicle for transformation towards a better life for people. The belief is that people will thus have the potential and ability to improve their lives. The goal to reach is humanness, which means striving towards social justice, participation in decision making, alleviation of suffering and sustainable development, which are the principles adhered to by ILO, World Bank, WHO, UNESCO. Theron (2008:41) also indicates that the most frustrating aspect about development and planning in general seems to be that people still forget that the beneficiaries of development should take centre stage in planning. The importance of the participation of project beneficiaries in project planning, implementation, monitoring and evaluation are also emphasised in this regard.

The concerned communities (beneficiaries) must be informed about the projects as Theron (2008:113) states that some of the strategies to inform the public about the project, would be the use of magazines, news articles and press releases, background information materials, public/community meetings, open day and open house, briefings and public hearings.

2.7.2. Community involvement defined

Kotze and Kellerman (1991: 37-38) define involvement as implying a feeling of belonging and that people become involved on the basis of this feeling. A feeling of belonging follows when people can identify with the development efforts. People therefore feel that they belong to various projects and programmes. To be involved means that people are able to influence the organisations and structures whereby development takes place. De Beer (1998: 22) defines Community involvement as the mobilisation of communities to participate or be involved in the execution of top-down

determined development plans and projects. Involvement revolves around making communities or groups to realise the benefit of becoming part of a development project or programme predetermined by an outside agency. This means mobilisation of people to support an action which they have initiated. The emphasis is on institutional initiatives, that is, government and aid agencies identify the needs of the community, plan the action, manage the projects and mobilise the communities or groups. This approach fails to acknowledge fully and accommodate the latent initiative and ability of the communities to take control of their own development. Looking at the infrastructure projects at Motumo Trading Post it is doubtful as to whether the community was involved in the planning process of the project or was simply being given information on what was supposed to happen, that is, the top-down approach.

Rucker and Trah (2007:16) maintain that the most important strategy to reduce poverty is economic growth. Evidence of the close correlation of economic growth and poverty is overwhelming. However, the extent of the benefits of economic growth for the poor depends on the degree of involvement of the poor in the economy and the prevailing income gap. Economic growth contributes to significant poverty reduction only when an increasing number of the poor is actively involved in the economy and that the purchasing power is generated. Local and Regional Economic Development (LRED) is a diverse and pluralistic process that requires spontaneity and the active participation of local stakeholders and therefore cannot be controlled by one dimensional hierarchical planning (Rucker and Trah, 2007: 18). Depending on the school of thought, varying importance is laid on participatory, action-oriented initiatives that are driven by concrete opportunities identified by local stakeholders and which can be exploited with the skills and resources at hand, the bottom – up approach.

Korten in De Beer (1998:24) maintains that decision making must truly be returned to the people who have both capacity and the right to inject into the process the richness of their values and needs. If communities are involved in decision making on how to revive or to make use of the white elephants mentioned earlier in the study, they would

come up with initiatives that are compatible with the needs of the communities. Cernea (1991: 465) argues that if people's participation is financially induced, development programmes are to be more than a trendy slogan. Managers must face the task of organising participation in that they (managers) must identify and mobilise specific social actors whose participation is sought and open the practical ways in which social actors could participate in project design, execution, monitoring and evaluation. Cernea (1991: 465) defines ways of ensuring beneficiaries' participation in project design and implementation, as follows:

- That the degree of participation be made clear from the outset and in a way acceptable to all concerned parties.
- That there should be realistic objectives for participation and allowance must be made for the fact that some stages of planning such as design consultation will be relatively protracted, while other phases such as the transfer of assets for utilisation will be shorter and
- That there must be plans to share responsibilities in all the stages of the project cycle.

2.7.2.1. The Batho Pele Principles and Development Projects

Wikipedia, the free encyclopedia, explains Batho- Pele (People first) as a South African political initiative. The initiative was first introduced by the Mandela Administration on October 1, 1997 to stand for better delivery of goods and services to the public (<http://en.wikipedia.org/wiki/Batho-Pele>). It is now used to imply the dissolution of government organisations deemed corrupt or obsolete. The initiative aims to enhance the quality and accessibility of government services by improving efficiency and accountability to the recipients of public goods and services. Batho- Pele basically requires eight principles, but for the purposes of this study only three will be dealt with namely: consultation, information and value for money. These three were chosen because they impact directly on issues of involvement and participation in the development projects.

2.7.2.2. Consultation

“People must tell the government what they want.” According to the Batho Pele Principles, people will be asked for their views on existing public services and may also tell the government what new basic services they would like. All levels of the society will be consulted and people’s feelings will be conveyed to ministers, members of the executive committee and legislators. People should be consulted about the level and quality of the public services they receive and, where possible, should be given a choice about the services that they are offered (Government of South Africa’s Document on Batho-Pele principles). Consultation is crucial, especially during the project identification phase of the project cycle. Through interactive consultation communities are assisted to assess their developmental needs.

2.7.2.3. Information

“Society is entitled to full particulars/ provides more and better information about services”. According to Batho Pele Principles society will get full, accurate and up-to-date facts about services it is entitled to. Information should be provided at service points and in local media and languages. Contact numbers and names should appear in all departmental communications system. For the community and other stakeholders to participate fully and to be involved in any development project, full information about the project must be provided so that they will be able to transmit their views, wishes and interests.

2.7.2.4. Value for Money

“Peoples’ money should be employed wisely [give the best possible value for money]”. According to the South African government document on Batho-Pele principles it is acknowledged that people pay income tax, VAT and other taxes to finance the administration of the country. People have, therefore, the right to insist that their money should be used properly. Departments owe people proof that efficiency savings and improved service delivery are on the agenda. It is important that managers do not waste the country’s scarce resources and that they must deliver services that are as cost-effective and efficient as possible. The three principles discussed above clearly indicate

that people or communities should not be left out in any community programmes or community development projects which directly affect them as beneficiaries.

2.7.3. Community Participation Defined

Kellerman (1991: 52) defines community participation as a complex and an ongoing process through which people are enabled to exercise varying degrees of influence over development activities that affect their lives. Merely taking part passively in externally designed and managed activities, or using facilities provided through a development project does not in itself represent participation. Being hired to work on a labour-intensive project without having any say over project activities, is also not participation. Participation must be assessed in terms of the measure of influence people exercise over development activities affecting them. Participation takes a variety of forms. People may participate in development activities by providing information about the community, taking part in identifying the needs, problems and priorities, taking part in deciding about development goals, policies and strategies, or by assuming responsibility and accountability for development actions.

Act No 32, 2000 on Local Government: Municipal System Act, November 2000 states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance and must, for this purpose, encourage and create conditions for the local community to participate in the affairs of the municipality, including the preparation, implementation and review of its integrated development plan as well as the establishment, implementation and review of its performance management systems.

A municipality must, through appropriate mechanism process and procedures, involve the local community in the development, implementation and review of its performance, management system and it must allow the community to participate in the setting of appropriate key performance indicators and performance targets for the municipality.

The RDP places great emphasis on community participation. It envisages a cooperative framework between the state and civil society when it comes to formulating policy. There is a need to consult as widely as possible. It is also acknowledged that the process of consulting communities will generally be lengthy, time consuming and frustrating to bureaucrats who wish to provide projects in a speedy fashion. However, if properly carried out, a consultative process can, in the long-term, ensure far greater success of projects than a non-negotiated process, which could well be relented by the community (Cameron and Stone, 1995:100 – 101).

According to the Constitutional Principles and Values of the Public Service Commission (South Africa, 2006:13), principle number 5 is relevant to community participation. Principle number 5 of the report is on participatory responsiveness in meeting the needs of the people and it requires the public service to have the capacity to sustain public participation in its activities to serve the people. The principle states that without the capacity to create and sustain appropriate platforms and channels of engaging with the public, the public service cannot be fully certain that it addresses the real needs of communities.

The report on the Transitional National Development Trust's approach to funding (1998:1) states that there is an increasing amount of evidence that suggests that community participation and capacity building are two of the most crucial factors influencing sustainability. Involvement by the community initiation, planning, implementation, operation and maintenance of development projects tends to lead to more sustainable results. Funding agencies need to specifically be structured towards participation by the community, and need to be organised around the principle of improving the capacity of organisations at community level to participate in the planning and implementation of projects. This often involves profound changes to the structure and ethos of funding agencies themselves.

The report also indicates that former President Nelson Mandela referred to “people-centered development” at the opening of parliament in 1994, and the concept has become a widely accepted development principle. People-centered development is “a process by which members of a society increase their personal and institutional capacities to mobilise and manage resources to produce sustainable and justly distributed improvements in the quality of life consistent with their aspirations.”

People-centered development is important not only because it builds capacity, but because it has the greatest chance of succeeding since communities know the realities of their lives, communities will avoid unsustainable efforts and will conserve resources more effectively than any professional group taking similar decisions. In a recent paper which reviewed international literature on the implementation of public works programmes, for example, it was clear that community participation in most developing countries went no further than liaising with CBOs or NGOs if they existed.

2.8. The Role of Government in Community Development Projects

Coetzee, Graaf, Hendricks and Wood (2001: 553) espouse that local government has to play a developmental role and that municipalities are given developmental duties which are defined as the basic needs of the community, and to promote the social and economic development of the community. Developmental Local Governments are defined by Coetzee *et al.* (2001: 553) 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. They further state that the Department of Public Works envisages a greater role for local government in the community based public works programme. With all these intentions, it is clear that many local authorities lack the capacity to initiate or implement developmental programmes. Municipalities are experiencing financial stress and in some instances crises which result in service backlogs, collapsed or deteriorating infrastructure, deteriorating creditworthiness and borrowing capacity. However, the analysis suggests that the weakness of local authorities is deeper than financial management. Many

councillors are totally inexperienced in local government, party-political conflict is much more pronounced in local government and other municipalities have become administratively bloated or key administrative staff has vacated their posts. This shows that the performance of Local Government needs to be improved, monitored and evaluated. Coetzee *et al.* (2001: 555) maintain that the importance of performance management is an approach to management which emphasises output, results, delivery, training and productivity of both individual officials as well as the institution as a whole. It is further mentioned that projects have to be evaluated in terms of their ability to make a meaningful and lasting contribution to peoples' lives.

2.8.1. The Role and Duties of Local Government in LED

According to the White Paper on Local Government Section B, citizens and communities are concerned about access to services and economic opportunities, mobility, safety, absence of pollution and congestion, proximity to social and recreational facilities. The local government can impact on all these facets of the lives of citizens and communities. Local government can play an important role in promoting job creation and boosting the local economy as per the White Paper on local government, Section B. The key starting point is investing in the basics by providing good cost-effective services and by making the local area a pleasant place to live in and work. The White Paper further indicates that local government is responsible for promoting the social and economic development of communities. This provides municipalities with a mandate to provide special economic services or to assist other agencies with the provision of such services, where appropriate.

The role of the local government at the district level concerning local economic development entails amongst others:

Facilitation:

The local government, through the district municipalities must facilitate and, where relevant, lead the implementation of local economic development through ensuring that appropriate institutional capacity is created on the district level.

Guiding or enabling:

It is the responsibility of the local government to provide guidance in terms of the direction that local economic development should take.

Linking and coordinating:

The local government must ensure that the activities within the various local municipalities and the activities of the external stakeholders are linked and coordinated.

Intelligence:

It is the responsibility of the local government, through the district municipalities to provide intelligence i.e. appropriate information in support of local economic development initiatives.

Promoting:

The local government must continue to promote local economic development as a core strategy of the district and local municipalities.

Marketing:

It is the duty of the local government, through district municipalities to develop and implement competent marketing or public relations programmes for the districts.

Supporting:

The local government has the responsibility to provide support to local municipalities in the implementation of local economic development.

Funding:

It is also the responsibility of the local government to provide funding for strategic infrastructure projects which will open up opportunities for local economic development.

Monitoring:

The local government establishes and maintains a system for monitoring the successful implementation of local economic development (<http://www.zululand.org.za/community-development/local-economicdevelopment>).

The aim of Act No 32 on Local Government: Municipal Systems Act 2000 is that the local government must provide for the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities. It further provides for the manner in which municipal powers and functions are exercised and performed to provide for community participation and to provide basic services to all our people and specifically the poor and the disadvantaged. These roles and duties are further enshrined in the constitutional principles and values of The Public Service Commission (South Africa: 2006:13). Nine constitutional principles and values were given, and one of the principles calls for efficiency, economy and effectiveness in the use of resources. This principle requires the public service to have the capacity for sound financial management. Furthermore, departments need to have the ability to understand the policies and programmes of government and to have the ability to determine success and failures in the course of implementing these. The inability to do all these very often costs service delivery dearly. Essential for achieving this is the capacity to manage performance in the public service and to monitor and evaluate it.

Another principle of the state of the Public Service Report (2006: 13) is on developmental orientation and requires government departments to have the ability to

design and implement effective poverty reduction interventions to create a better life for its primary stakeholders, the citizenry. The capacity to do this must also include the ability to integrate development needs and poverty reduction into all the work of the public service.

2.8.2. The role of the Municipalities in Local Government

Molemole Municipality's IDP (2009/2010:5-12) identifies the following roles of the municipalities in local government, amongst others:

- Local government, in the form of municipalities, is a key role player in the development process of the country.
- Integrated Development Planning is a core function of municipalities, which will culminate in decisions on issues such as poverty eradication, municipal budgets, land management, local economic development, job creation and the promotion of reconstruction and development in a strategic manner.
- To ensure the provision of services to communities in a sustainable manner as well as to encourage the involvement of communities and community organisations in matters of local government.
- To ensure the provision of services to communities in a sustained manner, in order to promote social and economic development.

Accordingly Act No 32 of 2000 on local government: Municipal Systems Act 2000 specifies the duties of municipalities to include, among others:

- To exercise the municipality's executive and legislative authority and use resources of the municipality in the best interest of the local community.
- To provide without favour or prejudice, democratic and accountable government.
- To encourage the involvement of the local community.

- To strive to ensure that municipal services are provided to the local community in a financially and environmentally sustainable manner.
- To consult the local community about the level, quality, range and impact of municipal services.
- To give members of the local community equitable access to the municipal services to which they are entitled.
- To take measures to prevent corruption.

Cloete and Thornhill (2005:132) indicate that chapter 2 Section 153 of the Constitution of South Africa, (1996) provides that municipality must structure and manage its administration, budgeting and planning processes to give priority to the basic needs of the community and to promote the social and economic development of the community. Section 195 (1) provides that public administration in all the spheres of government must promote efficient, economic and effective use of resources and be accountable. Cloete and Thornhill further state that an accounting officer is guilty if he/she fails to take reasonable steps to prevent fruitless and wasteful expenditure as set out in the Municipal Finance Management Act 2003 (Act 56 of 2003).

2.8.3. Rights and Duties of the Members of the Local Community

Right and duties of members of the local community according to Act 32, 2000 on local government: Municipal Systems Act 2000 include, amongst others:

- The right to contribute to the decision making processes of the municipality.
- To submit written or oral recommendations, representations and complains to municipal council or to another political structure.
- To be informed of decisions of the municipal council, or another structure or any political office bearer of the municipality, affecting their rights, prosperity and reasonable expectations.
- To the use and enjoyment of public facilities.

2.8.4. The Functions and Powers of the Executive Committee

Act No 117 of 1998: Local Government: Municipal Structure Act 198 Chapter 4 specifies the functions and power of the executive committees as, amongst others.

- To recommend or determine the best methods, including partnership and other approaches to deliver the strategies, programmes and services to the maximum benefit of the community.
- To evaluate progress against the key performance indicators.
- To review the performance of the municipality in order to improve the economy efficiently and the effectiveness of the municipality.
- To oversee the provision of services to communities in the municipality in a sustainable manner.
- To ensure that regard is given to public views and report on the effect of consultation on the decision of the council.

The Act also states that a district municipality must seek to achieve the integrated, sustainable and equitable social and economic development in its area as a whole. The Act further states that one of the functions and powers of the municipality is the promotion of local tourism.

2.9. Conclusion

From the discussion in this chapter, it is clear that it is the duty of the local government to promote the growth of the local economy; increase job opportunities within its jurisdictional area and utilise local resources wisely so as to improve the quality of life for all its inhabitants. In other words, municipalities must take responsibility for socio-economic development in their areas. South African government's strategies to combat

unemployment and alleviate poverty, the importance of community involvement and participation in community development projects which are evident from the discussion. Specific duties of the government in community development projects were discussed in this chapter. The next chapter will discuss the research methodology and design employed in the present study.

CHAPTER 3: RESEARCH METHODOLOGY

3.1. INTRODUCTION

Chapter 3 provides the research design and methodology used in the study to address the research problem. The chapter gives a detailed report of the study area, the targeted population, the sample size and the selection method. It also outlines the data collection methods and information on how the data were analysed as well as ethical considerations.

3.2. Research design

A research design, broadly conceived, involves a clear focus on the research question and the purpose of study. It looks into what information most appropriately will answer specific research questions, and which strategies are effective for obtaining it (Denzin and Lincoln. 2000: 21). Qualitative research design was utilised since in this study the researcher wanted to get an in-depth understanding of the unused infrastructure project at Motumo Trading Post at Matoks. Qualitative research design was used because it often contains rich descriptions, colourful details which give the reader a feel for social setting instead of formal neutral tone with statistics (Neuman, 1994: 316). Neuman goes on to assert that qualitative research emphasises the importance of social context for understanding the social world. Data are mostly in the form of words, sentences and paragraphs. The study, however, included some elements of the quantitative research approach in the form of numbers, statistics, graphs and tables. Structured interview questionnaires and literature were used to collect data for the study.

3.3. Study Area

The study was conducted in South Africa's Limpopo Province, at a place called Matoks, located in Molemole Municipality, Capricorn District, which is one of the five districts in Limpopo Province. The other four districts are: Sekhukhune, Mopani, Vhembe and

Waterberg. Molemole Municipality is one of the five local municipalities within Capricorn District. The other four local municipalities are: Polokwane, Aganang, Blouberg and Lepelle – Nkumpi. The project in this study is situated in Molemole Municipality and is located between the city of Polokwane and the town Makhado in Vhembe district. The demographic information is based on the Molemole Municipality Integrated Development Plan (2009/2010:4). The municipality consists of 13 wards. According to Census Information (2001) of Statistics South Africa, Molemole Municipality had a total population of 109 423 people in 2001. The majority of 52, 7% of the population in the municipality comprises children under the age of 20.

The infrastructure project under study, which is Motumo Trading Post, is situated about 51 km from the city of Polokwane (the capital city of Limpopo Province) along the N1 road to Makhado. It lies on the bottom of the beautiful Motumo Mountains near Matoks, and situated near the following villages: Sekonye, Mphakane and Matseke. Ramokgopa and Makgato are other villages not very far from the project under study. The biggest mall in Matoks is also situated about 4KM from the project. The game reserve is also situated near Motumo Trading Post.

The male/female ratio according to the 2001 census was 1:36 which indicates a high male absenteeism. This suggests that most people work in other provinces such as Gauteng. It is also indicated that about 69% of the economically active population is unemployed. According to the Molemole Municipality survey (2007), 46% of the households in the area receive less than R1100 income per month. This means that almost half of the total households in the municipality qualify for municipal Indigent services discounts, that is, free basic services. The IDP shows that Molemole Municipality has a high potential in economic development, especially through agricultural development, game farming, forestry, mineral development and tourism.

Makana (2009:8) reporting in City Press, Sunday newspaper reports that part of a R22 million government facility caught fire on the 3rd September 2009 after gathering dust for more than three years since its completion in 2006. Motumo Trading Post, was meant to stimulate the local economy and create hundreds of jobs for rural people. The massive building was officially opened on 13th July 2006 by the then Deputy Tourism Minister Rejoice Mabudafhasi. It is reported that the intention of Motumo Trading Post was that stores and other facilities would allow locals to sell crafts and cater for tourists. The centre has chalets, conference facilities and restaurants, but very little has come of the project.

Makana (2009:8) also reports that locals occupied the premises on an irregular basis until October 2008 when they abandoned their stalls because they received little support from the National Tourism Department and Capricorn Municipality entities which initiated the project. About 12 people used the facility twice per week for catering and beading. Arts students brought on site by the district municipality had to discontinue with the art work after the municipality stopped paying their stipends. Motalane Monakedi, former Capricorn District Mayor, indicated that it became difficult for the Department of Tourism department to run the project from a distance. The department's spokesperson, Albie Modise, stated that Molemole Municipality was responsible for the project and that the Department of Tourism had merely funded some of the project as part of its social responsibility programme (Makana, 2009:8).

From the City Press report it seems no government entity wants to take responsibility of the project. The question is whether the project must be run by Capricorn District, the National Department of Tourism or Molemole Municipality. Molemole Municipality's Integrated Development Programme (IDP) (2009/2010:5) points out that some of the objectives of the municipality is to strive for good financial management, revenue collection, increase infrastructure tax base and improve the local economic development. The following are key performance areas the IDP outline:

- Basic service delivery amongst which community facilities are monitored.
- Local Economic Development amongst which poverty eradication, tourism and Small, Medium and Micro Enterprises (SMME) development are mentioned.
- Good governance and public participation in which public participation is included.

The Molemole Municipality's IDP (2009/2010:48) categorically states that the municipality has a tourism facility at Motumo Trading Post, along the Machaka corridor which offers the following services: conference facilities, golf course, chalets and game farm. As far as the game farm is concerned, there is not an animal in sight. The researcher personally visited the game farm and confirmed about the absence of animals. A golf course or golf as a sport is regarded as one of the most expensive sports in the world. It is ranked as number five most expensive sport after yacht racing, race cars, Polo and aerobic planes. Golf is also expensive in terms of infrastructure and maintenance which means that the erection of such a facility might deplete the scarce budget of the local government and further add to the frustrations already experienced in terms of the trading post which the researcher believes to be non-functional. The demographic information given earlier in this chapter indicates that the majority of the villagers around Motumo Trading Post live in poverty, and therefore they may not afford to use the facility at all. This would amount to another unnecessary white elephant (<http://www.sportcentralonline.com/what-are-the-top-5-most-expensive-sports-in-the-world.html>, Accessed 28.08.2010). The Molemole Municipality's IDP (2009/2010:38) also indicates that a total of about five hundred middle to high income stand is being planned for at Motumo Trading Post which will be linked to the game reserve.

3.4. Population

According to Welman, Kruger and Mitchell (2005:53) a population is defined as a full set of cases from which a sample is taken. It is the study object and consists of individuals, groups, organisations, human products and events or the conditions to which they are exposed. The targeted population in this research study consists of the following groups: communities in Matoks, especially the villages near to Motumo Trading Post, that is, Sekonye, Mphakane and Matseke. Local municipality officials, Capricorn district officials, councillors and traditional leaders in Molemole Municipality were included in the present study.

3.5. Sample selection method and sample size

De Vos *et al.* (2005: 194) define a sample as comprising elements of the population considered for actual inclusion in the study. Samples are drawn because researchers want to understand the population from which they are drawn and to explain the facets of the population. The researcher used purposive sampling because according to De Vos (2005: 328) in purposive sampling a particular case is chosen because it illustrates some feature or process that is of interest for a particular study. It is further indicated that in purposive sampling the researcher searches for information-rich key informants, groups, places or events to study. The samples were chosen because they were likely to be knowledgeable and informative about the phenomena that the researcher is investigating (McMillan & Schumacher, 1993:378). The researcher believes that the targeted group, that is, the officials from Capricorn District Municipality, Molemole Municipality officials, Councillors, traditional leaders and community members are likely to be knowledgeable about Motumo Trading Post and the activities taking place within the said trading post.

In this study, the researcher used a sample size of fifty-five (55) individuals. The researcher opted to use this number since the researcher is working full time and studying part time. The research involves travelling, which means that it could be more

costly and time consuming for the researcher if a bigger sample was chosen. This is the breakdown of the sample: Capricorn District Municipality, one (1) Executive Mayor (who unfortunately did not complete and return the questionnaire even after efforts were made to request him to complete the questionnaire); three (3) managers from Capricorn District Municipality; officials from the Molemole Municipality; one (1) mayor, one (1) municipal manager, one (1) LED manager, three (3) traditional leaders, twelve (12) councillors and thirty- three (33) community members from the three villages namely Mphakane, Sekonye and Matseke.

3.6. Data collection methods

In this research study, the following data collection methods were utilised, namely, documentations and structured interview questionnaire.

3.6.1. Documentations

Documentations form part of secondary sources. This means the study of documents that is, the written material that contains information about the phenomenon that is being researched (De Vos *et al.*, 2005:314). Documentations were obtained from the municipality e.g. IDP of Molemole Municipality and IDP of Polokwane Municipality. The Molemole Municipality's IDP provided information about the population in the municipality and Motumo Trading Post. Polokwane IDP provided information about the unused taxi rank. Information was also obtained from documents from the Department of Provincial and Local Government in the form of toolkits on LED. Articles, LED documents, books and government legislations were used.

3.6.2. Structured interview questionnaire

Data were collected from the respondents through a structured interview questionnaire. Welman *et al.* (2005:165) espouse that in a structured interview the interviewer puts a collection of questions from a previously compiled questionnaire, known as the interview

schedule. A scheduled, structured interview could be conducted by using a questionnaire. The respondents were requested to complete the structured questionnaires and the respondents' responses were recorded. The structured questionnaire contained a combination of both open and closed ended type of questions.

3.7. Data analysis methods

The researcher used structured interview questionnaires and the responses for data analysis were recorded. According to De Vos *et al.* (1998:80) questionnaires are the most widely used data collecting technique. A structured interview questionnaire was used in this research. A questionnaire is considered a suitable technique for data collection since it allows participants to secure lucid, accurate and full accounts based on the personal experience of participants. The structured interview questionnaire consisted of a set of questions that were used during data collection from the participants. Both open and closed ended types of questions were used in this research study and sometimes with the option to respond either "yes" or "no", and other questions allowed the respondents to choose from the given alternatives. The questionnaire was divided into sections in order to facilitate the eventual processing of data. Section A of the questionnaire was intended for biographical information and Section B concentrated on the main questions for the research questions and objectives. Data were then analysed by computer. Statistical Package for Social Sciences (SPSS) programme was used for data analysis in the study. The responses to each question were quantified into percentages and were summarised in tabular form, diagrams and charts (Frankfort, Nichmias and Nichmias, 1992:242). Municipal and governmental documents were also studied and analysed.

3.8. Conclusion

The chapter presented empirical information which justified the significance of the study, the type of study or research design, study area and the population, sample selection methods and size, data collection methods and data analysis. .

The next chapter will focus on the research findings, analysis and interpretation of collected data. The responses from the said community, officials, councillors and traditional leaders will be presented, analysed and interpreted using both qualitative approach and some elements of quantitative approach.

CHAPTER 4: RESEARCH FINDINGS, ANALYSIS AND INTERPRETATION OF DATA

4.1. INTRODUCTION

The purpose of this chapter is to present the research findings, analysis and interpretation of results. The purpose of the research study was to investigate the local economic development challenges facing the local government in Limpopo Province: the case of Motumo Trading Post located in Molemole Local Municipality. The findings were based on questions such as the economic activities at Motumo Trading Post, the benefits the community is deriving from the project, proper utilisation, and present and future plans to use the project effectively to the benefit of the many poor people in the said communities. Information about Motumo Trading Post was obtained from Molemole Local Municipality's IDP. Information was also collected from the respondents: selected officials from both Molemole Local Municipality and Capricorn District Municipality, the traditional leaders living in Matoks, the councillors from Molemole Municipality, especially those running the wards in the vicinity of Motumo Trading Post and selected members of the community from the above mentioned villages of Matoks.

4.2. PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

The researcher used fifty- five (55) structured interview questionnaires which were directed to different categories of respondents, namely the mayors of the two municipalities, the different managers in the two municipalities, traditional leaders in Matoks, councillors in Molemole Municipality and community of Matoks whose villages are situated next to the project. Some questions were the same for all categories of respondents and some differed according to the individuals' responsibility and the role played in the community or government. The study was conducted in the Limpopo Province, Capricorn District Municipality and in the Molemole Local Municipality especially in a village known as Matoks (Botlokwa). The challenges in conducting this research study is that permission was not granted on time (the first set of request letters were issued on 21st of October 2010 and the last permission granted on 7th of February

2011) by Capricorn District Municipality, Molemole Local Municipality and the office of traditional leaders of the Batlokwa Tribe). Questionnaires were distributed immediately after 7th of February 2011 and the last response was obtained on 15th of March 2011. The findings are based on fifty- four (54) respondents as opposed to the targeted sample of fifty- five (55) respondents. No response was obtained from Capricorn District Municipality's mayoral office.

The structured interview questionnaire contained the following aspects as a way to gather information: biographical information, economic activities taking place at Motumo Trading Post, the extent to which the community is benefiting from the project, the means in place for the proper utilisation of Motumo Trading Post, community involvement/ participation in the planning process of Motumo Trading Post and the plans in place to improve the effective utilisation of Motumo Trading Post. Data in this study were presented in five categories of respondents, namely: data from community members of Matoks, data from councillors in the Molemole municipality, data from managers of Molemole and Capricorn municipalities, data from traditional leaders of Matoks and data from the mayors of both Molemole and Capricorn municipalities.

4.2.1. DATA FROM COMMUNITY MEMBERS

Data from the community members of Matoks on Motumo Trading Post is presented as follows using both the biographical information and the research questions:

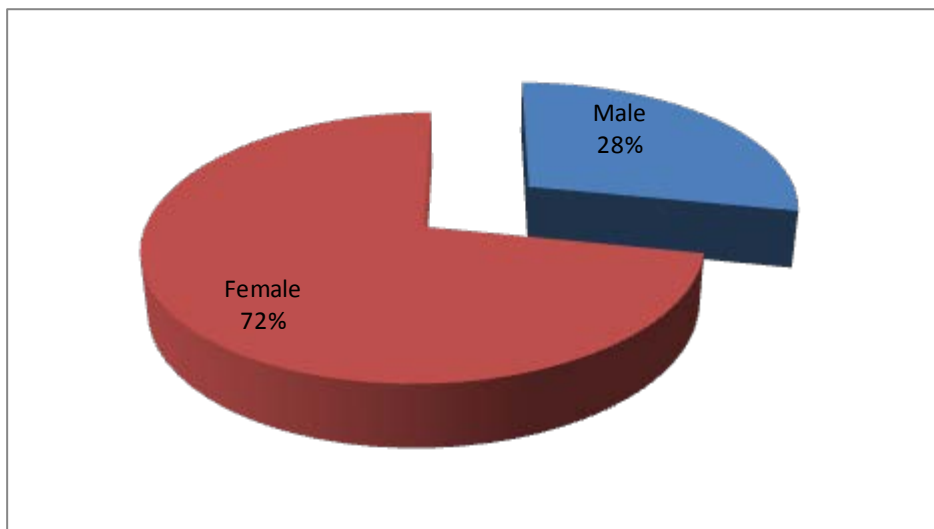
4.2.1.1. Biographical Information of community members

Under biographical information, gender, age, employment status, level of education and the number of years the respondents lived in Matoks are presented and analysed. The presentation follows below.

4.2.1.1.1. Gender of community members

The aim of asking a question on gender was to determine whether more males or females responded about the project and whether they were involved in the envisaged activities of the project. Figure 2 below presents the findings on gender of the community members.

Figure 2: Gender of community members.



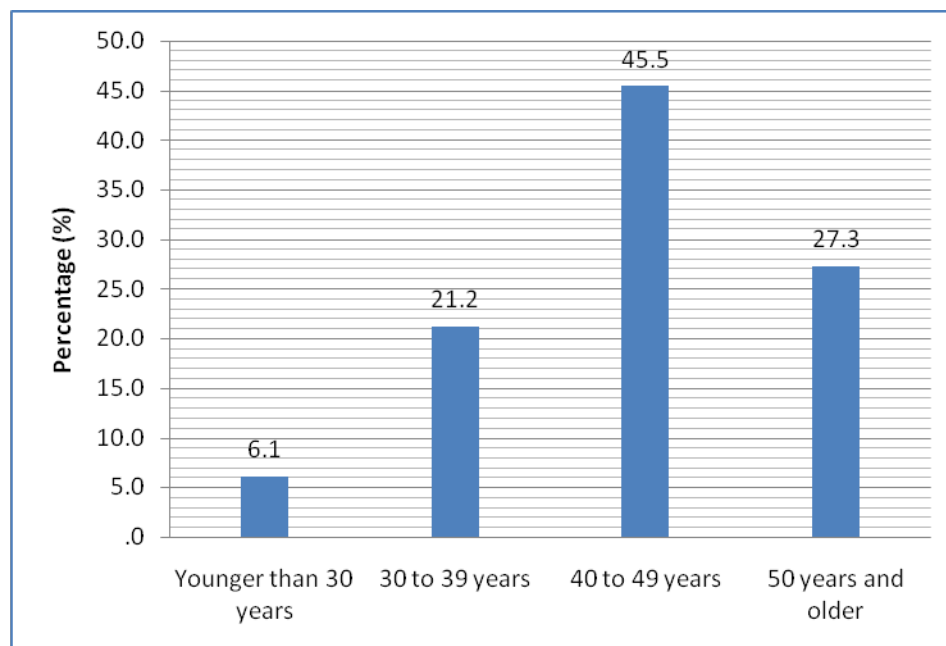
From figure 2 above, the research findings indicate that 72% of the respondents were females and only 28% were males. Only one respondent, that is, 3% of the community members did not indicate their gender. This indicates the probability of more females than males in the community as the IDP document in the literature review indicated, that most males are currently working in Gauteng Province and elsewhere.

4.2.1.1.2. Age of community members

The rationale for checking the age of the respondents from the members of the community was to find out which age group in the study was more likely to have

information about Motumo Trading Post. The findings in this regard are indicated as follows:

Figure3: Age of community members.

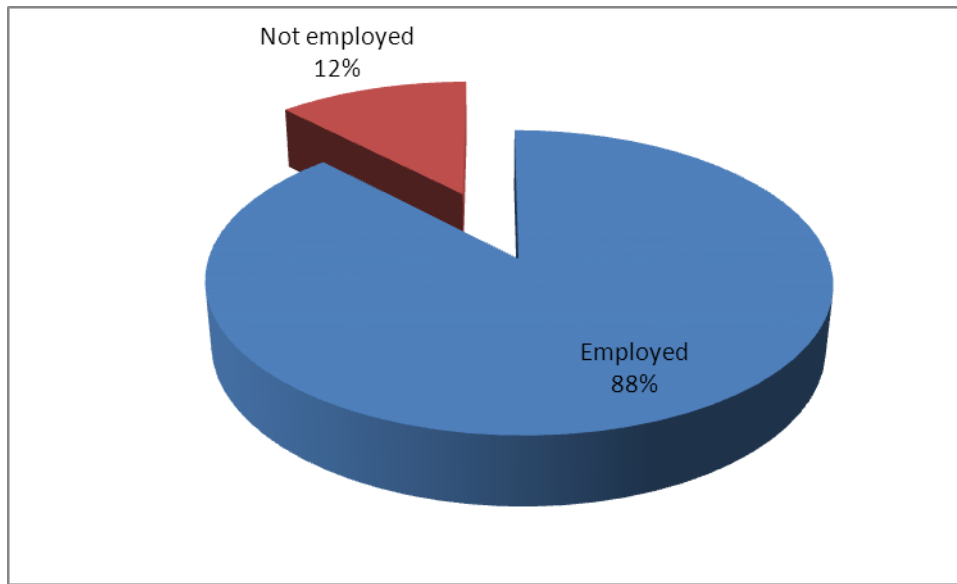


The research findings in figure 3 indicate that of the 33 members of the community who responded, a large proportion, that is, 45% falls between the age group of 40-49. Only 6, 1% of the respondents is younger than 30 years. This shows that a large number of community members who participated in this study were likely to have information about Motumo Trading Post.

4.2.1.1.3. Employment Status of community members

The aim of wanting to know the employment status of the respondents from community members was to find out the number of respondents who were currently employed. Those employed were likely to use the facility to buy or to buy and sell and for those who are not employed, it might be an opportunity for employment at Motumo Trading Post. The research findings are as follows:

Figure 4: Employment status of community members.

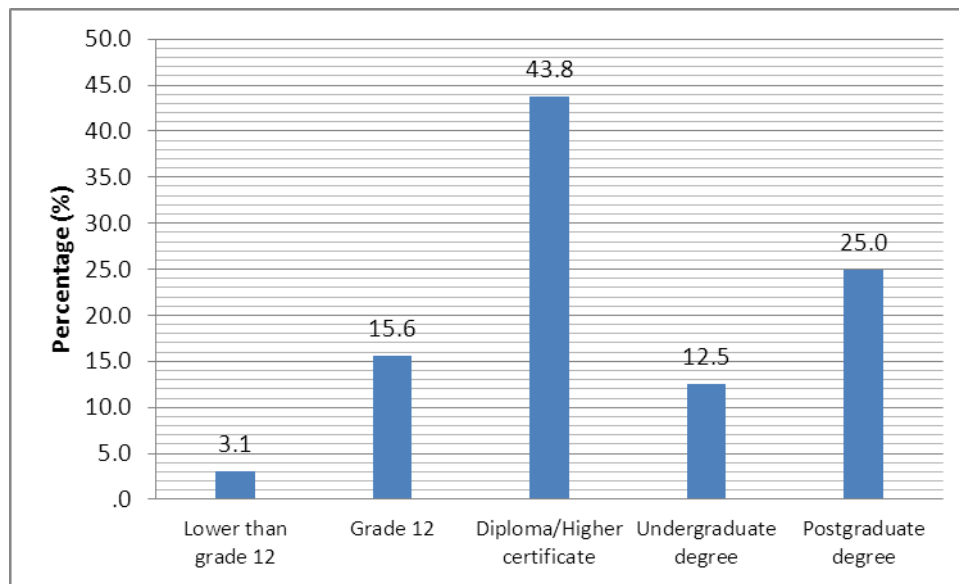


The research findings as in figure 4 above indicate that out of a total of 33 community members who took part in the study, 29 of them were employed, which constitutes 88% and 4 were unemployed, that is, 12%. Eighty-eight percent of the employed community members were likely to use the facility either to buy or to open their own businesses. The remaining 12% could get employment or could somehow try to make a living by taking advantage of the facility.

4.2.1.1.4. Academic Qualifications of community members

The reason for probing the educational level of the respondents was to check whether community members were able to read information given on the media about the project and whether they were capable of participating in debates concerning the project. The findings are represented below in figure 5.

Figure 5: Academic qualifications of community members.

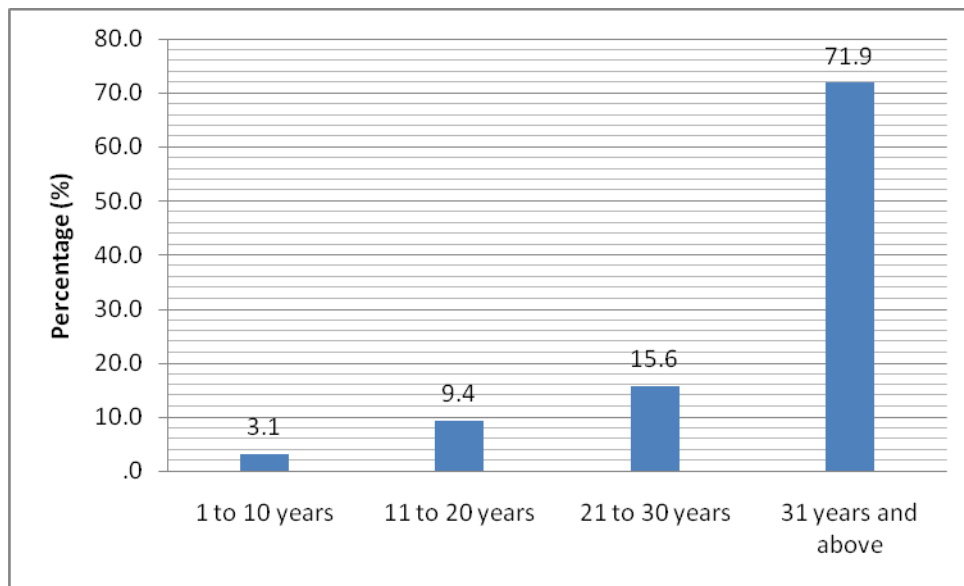


According to figure 5 above, a large proportion of the community members at 43, 8% have diploma or higher certificate and the lowest percentage, that is, 3, 1% constitutes respondents with qualification lower than Grade 12. This indicates that the majorities of the respondents were able to read and could make sense of any information that was given about the project. One respondent did not answer the question and this constitutes 3% of the 33 members of the community who responded to the questionnaire.

4.2.1.1.5. Period residing in Matoks by community members

The aim of asking the respondents about the period they had been living in Matoks is that the longer the period of stay there, the more the likelihood that they knew the project sufficiently well.

Figure 6: Period residing in Matoks by community members.



The research findings as per Figure 6 above indicate that a larger percentage of the respondents at 71, 9% have stayed in Matoks or were residents of Matoks for 31 years and above. This means that a large number of community members were likely to know about the project. Motumo Trading Post is visible along the N1 road to the capital city of Polokwane. Only one community member that is 3% of the total of 33 community members did not respond to the question. Community members were likely to have seen the project several times. A larger percentage of the community members indicated that they are employed and did their shopping in Polokwane, passing next to the project on several occasions.

4.2.1.2. Benefits derived from Motumo Trading Post and the contribution through involvement by community members

The aim of asking about the benefit derived from Motumo Trading Post was to determine the extent to which the community was benefiting from the trading post and the involvement/ participation in the planning and development process of the project.

4.2.1.2.1. The extent to which the community is benefiting from the project at Motumo Trading Post

The aim was to survey the extent to which the Matoks community was benefiting from the project. The questions under this topic are based on the use of the facility by the local community and the purpose for which they used or visited the project; the functionality of the project in terms of creating jobs; Training and skills development programmes that took place at Motumo Trading Post, and knowledge of people who employed or doing business on the premises.

4.2.1.2.1.1. The use of Motumo Trading Post by the local community since its completion

The reason for asking about the use of Motumo Trading Post was to determine whether the respondents ever used or visited the facility and for what purpose. This would indicate the benefit the community was gaining from the project, economically and socially. The responses are presented in figure 7 below:

Figure 7: The use of Motumo Trading Post by the local community since its completion.

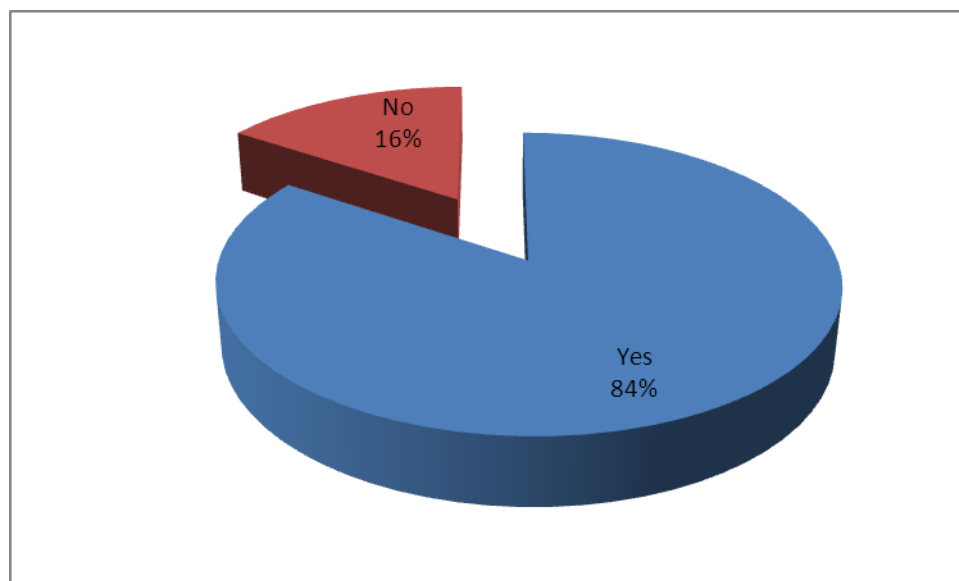


Figure 7 above indicates that of the 33 respondents from the community members, 84% have either used or visited Motumo Trading Post. Sixteen percent of the community members who responded never used or visited the facility. This indicates that there were still members who did not know what Motumo Trading Post could offer even though they were community members. The respondents further indicated that they used the facility for wedding ceremonies (38,5%), to gain knowledge (3,8%), celebration of youth day (3,8%) and for ceremonies/National Women's Day (Jazz festival) and the number totaled 38, 5%. Most of the activities mentioned indicate that they were one or two days' events and were more social events than the intended economic activities as envisaged in the original plan.

4.2.1.2.1.2. The functionality of Motumo Trading Post in terms of creating jobs and alleviating poverty

The respondents were required to give their own judgement as to whether the facility had benefited the community in terms of job creation and poverty alleviation or not. The responses are represented below in figure 8 as follows:

Figure 8: the functionality of Motumo Trading Post in terms of creating jobs and alleviating poverty (community members).

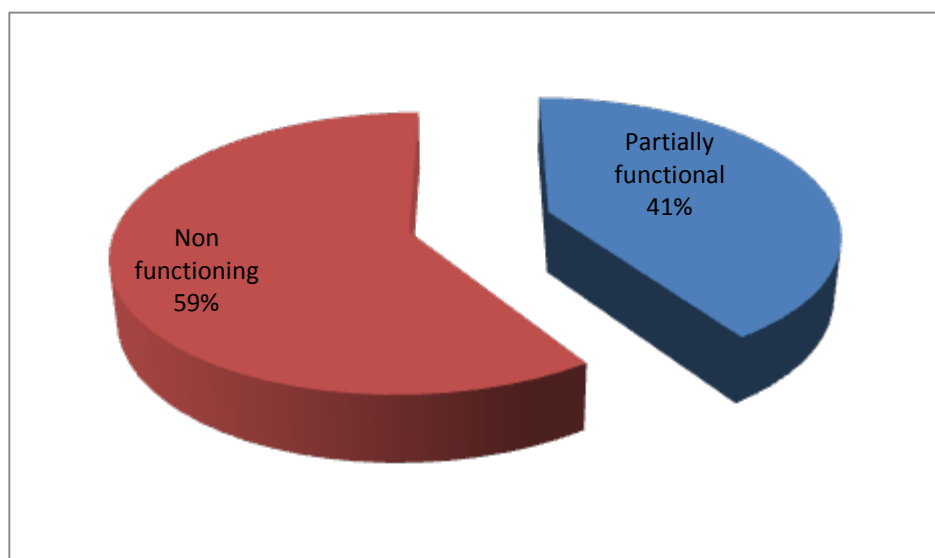


Figure 8 on the previous page indicates that the majority of community members (59%) indicated that the project was non-functioning in terms of creating jobs and alleviating poverty. Only 41% of the respondents indicated that the facility was partially functional. It can therefore be concluded that Motumo Trading Post is not functional in terms of creating jobs and alleviating poverty.

4.2.1.2.1.3. Training and skills development programmes at Motumo Trading Post about the economic activities that were to be catered for before or after its completion

The following were the responses from the community members as beneficiaries of the project when asked whether they received any training and skills based on the economic activities which were envisaged at Motumo Trading Post. The responses are represented below.

Figure 9: Training and skills development programmes at Motumo Trading Post that were to be catered for before or after its completion (community members).

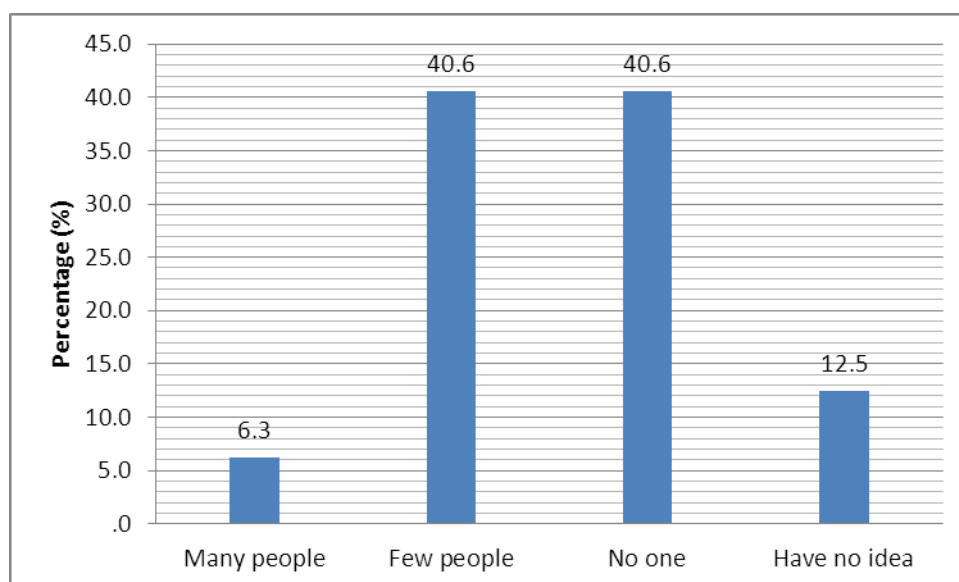


Figure 9 above shows that an equal number of respondents who are in the majority i.e. 40,6% indicate that they knew of few people and an equal percentage of respondents (40,6%) indicated that they knew of no one who received skills or trained for economic activities envisaged at Motumo Trading Post. Only 12% of the respondents indicated that they had no idea, and a very small percentage of the respondents claimed that many people were skilled and trained. This indicates that the majority of the targeted community did not benefit in terms of skills development and training as indicated by the 40.6% of the respondents and the 12.5% which indicated that they had no idea.

4.2.1.2.1.4. Members of the community currently employed or doing own businesses at Motumo Trading Post

The purpose of including this item was to determine whether there were people who were employed at the facility in terms of numbers, either on temporary or permanent basis, or business people engaged in doing business in the facility. The responses are as follows:

Figure 10: Members of the community currently employed or doing own businesses at Motumo Trading Post (community members).

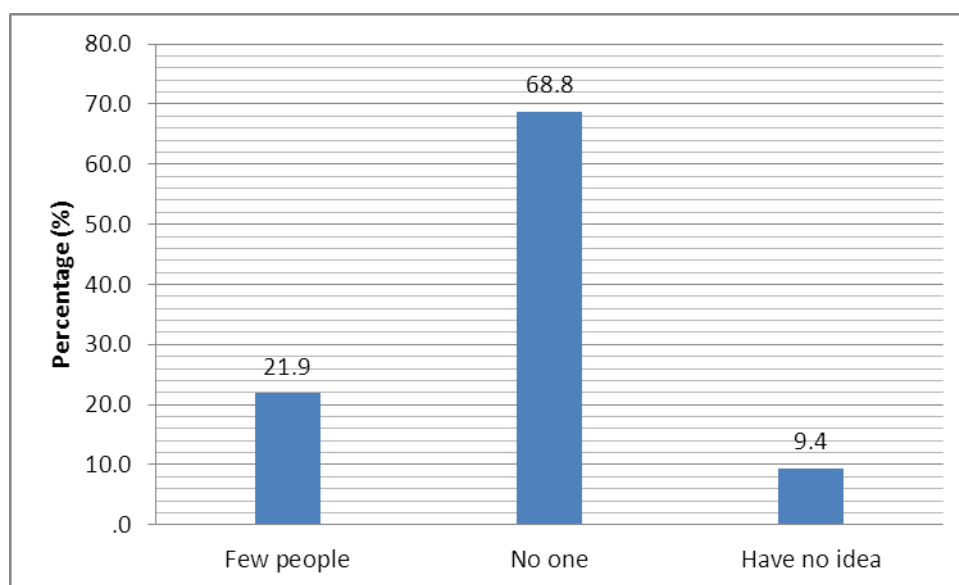


Figure 10 above indicates that 68, 8% of the community members did not know of any member of the community employed or doing business at Motumo Trading Post. Just below ten percent of the respondents (9, 4%) indicated that they had no idea and only 21, 9% said that few people were employed at the facility. The indication was that the project is not delivering its intended services.

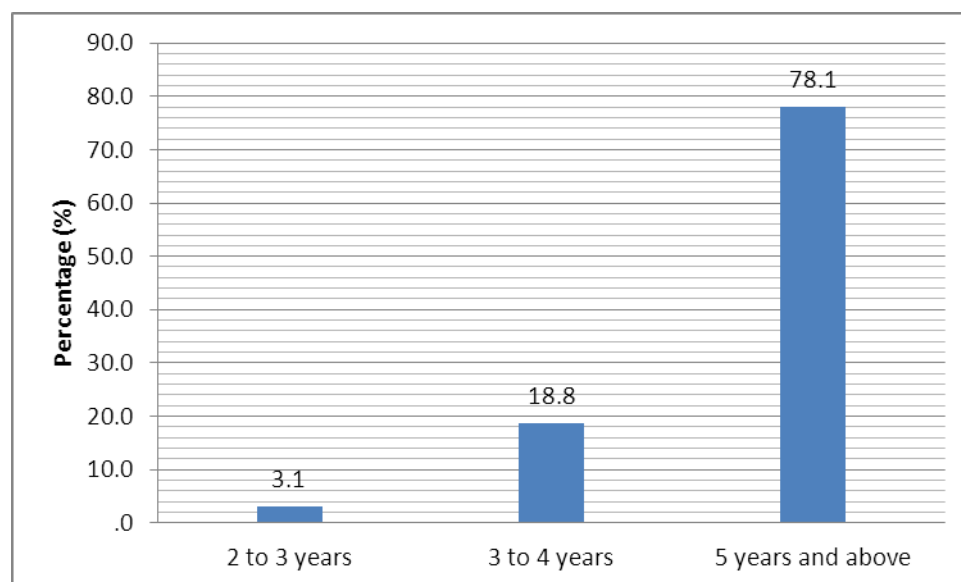
4.2.1.3. Contribution by the community in the form of involvement in the planning process of Motumo Trading Post

On the aspect of contribution in the form of involvement by the local community, questions were based on the following: the period since the community members had known Motumo Trading Post, information about the building and developments at Motumo Trading Post, information about Motumo Trading Post before it was built and knowledge about and number of community members who were part of decision making in the planning and development of the project.

4.2.1.3.1. The period since the community members had known Motumo Trading Post

The aim of including the above aspect was to determine the period since community members had known the project, believing that the more the members of the community knew about Motumo Trading Post, the more they were likely to have information about the project and that community members were likely to have been involved at some stage. The responses for community members concerning the period since the community members had known Motumo Trading Post in Matoks are represented in figure 11 below:

Figure 11: The period since the community members had known Motumo Trading Post (community members).



The research findings in figure 11 indicate that 78% of the community members had known the project for 5 years and above and 19% of them had known it for 3 to 4 years. Only a small percent, 3% indicated that they had known the project for 2 to 3 years. According to the biographical information given earlier in this chapter, 71, 9% of the community members have stayed in Matoks for 31years and above. The indication is that the majority of the community members know Motumo Trading Post and that the information they give is reliable.

4.2.1.3.2. Information about the building of the project and the developments taking place at Motumo Trading Post

This aspect seeks to determine whether the community members were informed about the developments that were happening during the process (that is, constantly informing or reminding the community about the progress and the envisaged activities). The responses are reflected in figure 12.

Figure 12: Information about the building of the project and the developments taking place at Motumo Trading Post (community members).

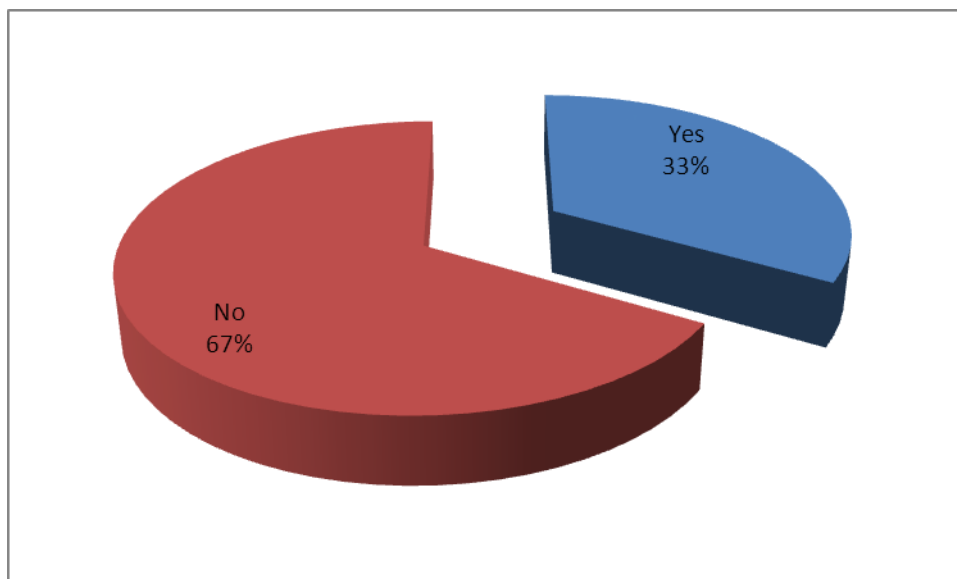
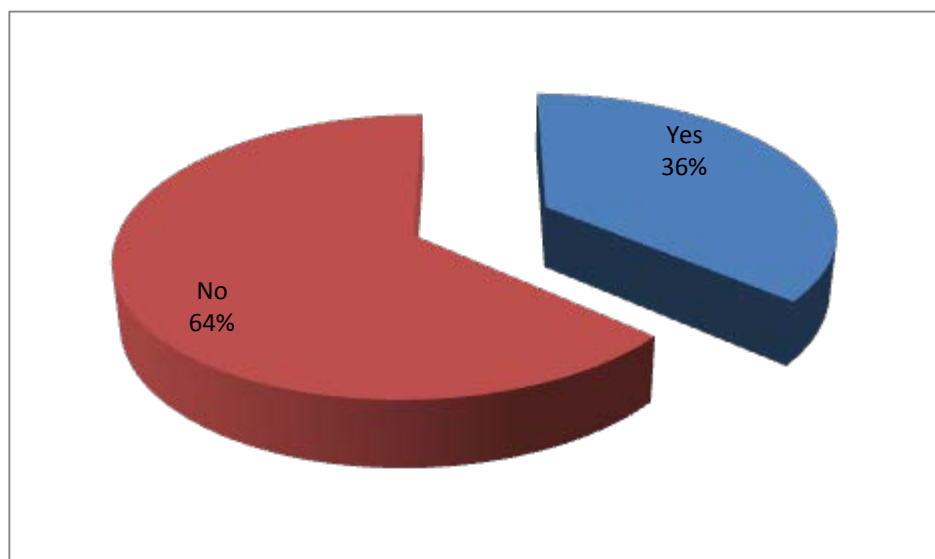


Figure 12 above indicates that 67% of the community members were not informed about the building or the developments taking place at Motumo Trading Post. Only 33% of the members of the community indicated that they were informed. The respondents who indicated that they were informed stated that the information was through meetings and radio/TV and other methods including non-official methods. The indication is that the community was not fully involved about the progress at Motumo Trading Post.

4.2.1.3.3. Information about Motumo Trading Post before it was built.

To determine if respondents had information before, a question was asked if community members knew beforehand that such a project would be built in their area or whether the decision was just imposed on them. Figure 13 below is a representation of the responses by community members of Matoks.

Figure 13: Information about Motumo Trading Post before it was built (community members).



From figure 13 above it is clear that 64% of the community members did not know about the project before it was built and only 36% indicated that they knew about Motumo Trading Post before it was built. The respondents who indicated that they knew about the project before it was built indicated that they got information through meetings, Radio/TV, from other members of the community and from questionnaires. The indication is that the majority did not know about the project, which shows the possibility of the project having been imposed by some outside agents in collaboration with a small number of the community members.

4.2.1.3.4. Knowledge about and number of community members who were part of decision making in the planning and development of the project

The objective for including this aspect was to determine if the community members and councillors knew about the people who were part of decision making and planning of the facility. This would enable them to get information if they wanted to use the facility or even get further information concerning the activities in the facility. The responses are provided in figure 14 below:

Figure 14: Knowledge about and number of community members who were part of decision making in the planning and development of the project (community members).

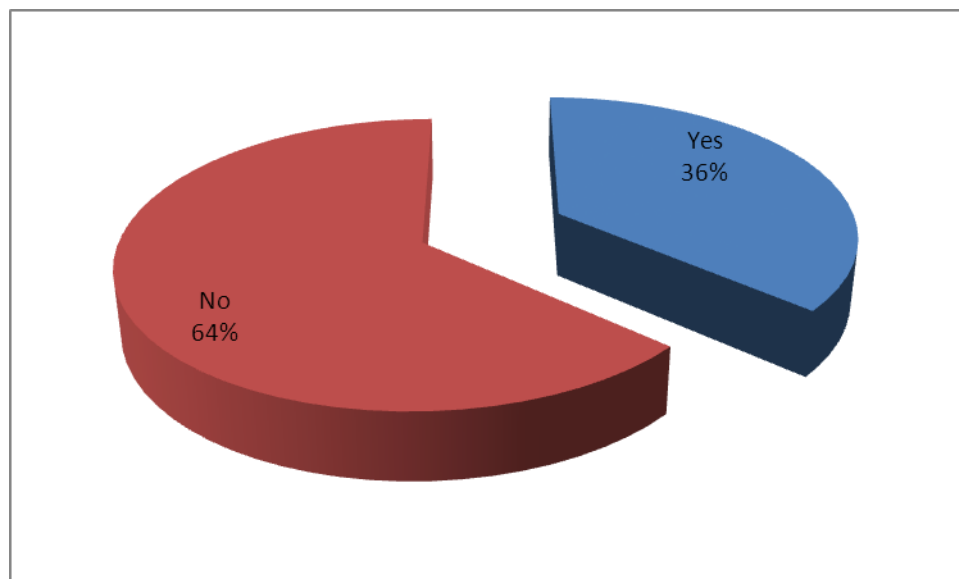


Figure 14 above shows that 64% of the community members did not know of any member of the community who was part of the decision making in the planning and development of Motumo Trading Post. Thirty-six percent indicated that some community members were part of decision making. Respondents who indicated that they knew members of the community who were part of decision making in the planning and development of the project indicated that they knew of very few people who were involved. The indication is that very few members of the community might have been involved in the initial planning and development of the project.

4.2.2. DATA FROM THE COUNCILLORS OF MOLEMOLE MUNICIPALITY.

Data from the councillors of Matoks on Motumo Trading Post is presented below using both the biographical information and the research questions:

4.2.2.1. BIOGRAPHICAL INFORMATION OF THE COUNCILLORS

Under biographical information of councillors, gender, age, employment status, level of education and the number of years the respondents lived in Matoks are presented and analysed. The presentation follows below.

4.2.2.1.1. Gender of councillors

The aim of probing the gender of councillors was to determine whether more males or females responded about the project, and whether they were involved in the envisaged activities of the project. Most females seem to have interest in community projects than males. Table 1 below presents the findings on gender of the councillors.

Table 1: Gender of councillors.

	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid Male	7	58.3	58.3	58.3
Female	5	41.7	41.7	100.0
Total	12	100.0	100.0	

Table 1 above shows the gender of councillors who responded in the research study. The research findings indicate that of the twelve councillors, seven, that is, 58% are males and five (41, 7%) are females. This indicates that more male councillors responded as opposed to female councillors. Since there are normally more women in community development projects, the percentage above may mean that women were not well represented since their number was small as compared to that of the males.

4.2.2.1.2. Age of councillors

The rationale for checking the age of the respondents from the councillors of Matoks was to find out which age group was more dominant in the study as age is more likely to reflect the amount of information the respondents have gathered, and the experience about Motumo Trading Post. The findings in this regard are indicated as follows:

Table 2: Age of councillors.

	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid 40 to 49 years	10	83.3	83.3	83.3
50 years and older	2	16.7	16.7	100.0
Total	12	100.0	100.0	

The research findings in table 2 indicate that 83% of the councillors are in the age group of 40 to 49 and only 16.7% are 50 years and older. Since the councillors are also community members, they are likely to have more information about Motumo Trading Post project.

4.2.2.1.3. Employment Status of the councillors

The aim of checking the employment status of the respondents who are councillors of Molemole Local Municipality was to find out the number of respondents who are currently employed or not employed. Those employed are likely to buy or sell to those who are not employed thus creating opportunity for employment. The research findings are as follows in table 3 below:

Table 3: Employment status of councillors.

	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid Employed	9	75.0	75.0	75.0
Not employed	3	25.0	25.0	100.0
Total	12	100.0	100.0	

The findings indicate that 75% of the councillors are employed and 25% are unemployed. The unemployed councillors are also likely to benefit from the project as they could get full time employment or through self-employment on the project.

4.2.2.1.4. Academic Qualifications of councillors

The reason for probing the educational level of the respondents who are councillors of Molemole Municipality is to find out whether councillors are able to read and write which is an indication that they should be able to understand what is meant by development projects and be able to participate in the deliberations thereof during their meetings. The responses are indicated in table 4 below:

Table 4: Highest academic qualification of councillors.

	Frequency	Percentage	Valid Percentage	Cumulative Percent
Valid Lower than grade 12	4	33.3	33.3	33.3
Grade 12	2	16.7	16.7	50.0
Diploma/Higher certificate	4	33.3	33.3	83.3
Undergraduate degree	1	8.3	8.3	91.7
Postgraduate degree	1	8.3	8.3	100.0
Total	12	100.0	100.0	

Table 4 above shows that the majority of the councillors at 33,3% have a qualification lower than Grade 12, which is equal to 33,3% of councillors having a qualification of either diploma or higher certificate. This indicates that competency and insight on development projects for councillors who have a qualification lower than Grade 12 are questionable. They may not likely take part in debates concerning the projects.

4.2.2.1.5. Period of stay in Matoks by the councillors

The aim of asking the respondents who are councillors of Molemole municipality about the period they lived in Matoks is that the longer the period of stay there, the more the likelihood that they know the project very well, have information about the project and have observed the project over a longer period. The responses are given in table 5 below:

Table 5: Period of stay in Matoks by councillors.

	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid 11 to 20 years	2	16.7	20.0	20.0
31 years and above	8	66.7	80.0	100.0
Total	10	83.3	100.0	
Missing System	2	16.7		
Total	12	100.0		

Table 5 indicates that 66,7% of the councillors stayed for 31 years and above, 26,7% stayed for a period 11 to 20 years which suggests that they have stayed enough and are likely to have information about the project both as councillors and as community members. Two councillors, who constitute 16, 7% of the targeted number did not respond to this question

4.2.2.2. Economic activities at Motumo Trading Post

To find out about the economic activities at Motumo Trading Post the study look at the following aspects: economic activities currently taking place at Motumo Trading Post, the achievement of planned economic goals at Motumo Trading Post and and needs analysis. The responses on these aspects were obtained from the councillors of Molemole Municipality.

4.2.2.2.1. Economic activities currently taking place at Motumo Trading Post

Councillors were required to give their opinion as to whether there were known economic activities taking place at Motumo Trading Post. The researcher believed that the councillors dealt with issues of communities on daily basis and that they were in a better position to know about the economic activities in the area than community members. The responses are presented in table 6 below:

Table 6: economic activities currently taking place at Motumo Trading Post (Councillors).

	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	1	8.3	8.3	8.3
Yes	11	91.7	91.7	100
No	12	100	100	
Total				

Table 6 above indicates that 91, 7% of the councillors chose “No” as the answer, which means that in their opinion, there were no economic activities then taking place at Motumo Trading Post. Only 8, 3% of the respondents indicated that there were economic activities taking place at Motumo Trading Post, but failed to name those economic activities as requested. It can therefore be concluded that according to the councillors no economic activities were taking place at Motumo Trading Post.

4.2.2.2.2. Achievement of planned economic goals at Motumo Trading Post

Regarding the achievement of planned economic goals at Motumo Trading Post the aim was to determine whether in the respondents’ opinions, Motumo Trading Post had

achieved the economic goals as envisaged during the planning stage of the project. The responses are given in table 7 below:

Table 7: Achievement of economic goals at Motumo Trading Post as planned (Councillors).

	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	12	100.0	100.0	100.0

From table 7 above, 100% of the councillors indicated that in their opinion, Motumo Trading Post had not achieved the intended goals, especially the economic goals as it was planned for. It therefore means that the economic activities that were planned for never materialised, which shows poor planning during the initial stage.

4.2.2.2.3. The study and needs analysis on the possible use of Motumo Trading Post

When the councillors were asked about the study and needs analysis as to whether a feasibility study was conducted to find out if there were skilled or capable members in the community to undertake the envisaged economic activities. The councillors responded as indicated in table 8 below, that there was a need for such a project in the community for the benefit of all.

Table 8: The study and needs analysis on the possible use of Motumo Trading Post (Councillors).

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	Yes	3	25.0	30.0	30.0
	No	7	58.3	70.0	100.0
	Total	10	83.3	100.0	
Missing	System	2	16.7		
Total		12	100.0		

From table 8 above, it is evident that 58, 3% of the councillors indicated that no study was conducted on the needs of the local community on the possible use of Motumo Trading Post. Only 25% indicated that the study or need analysis was done. The few who indicated that the study was done said that it was carried out through Machaka Tribal Authority, Department of Economic Affairs, and through meetings. The indication is that not enough effort was taken to identify members of the community with the much needed skills to use the facility.

4.2.2.3. The extent to which the local community is benefiting from the project at Motumo Trading Post

To determine the extent to which the local community is benefiting from Motumo Trading Post the following questions were asked and were directed to the councillors of Molemole Municipality: the use of Motumo Trading Post by the councillors, the functionality of Motumo Trading Post in terms of creating jobs and alleviating poverty, Training and skills development programmes at Motumo Trading Post and about members of the community currently employed or doing business at the trading post.

4.2.2.3.1. The use of Motumo Trading Post by councillors since its completion

When the councillors of Molemole Municipality were asked whether they ever used or visited Motumo Trading Post and for what purpose, they responded as indicated in table 9 below:

Table 9: The use of Motumo Trading Post since its completion by councillors.

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	Yes	10	83.3	83.3	83.3
	No	2	16.7	16.7	100.0
	Total	12	100.0	100.0	

Table 9 above shows that 83, 3% of the councillors indicated that they either visited or used Motumo Trading Post and only 16, 7% indicated that they never visited or used Motumo Trading Post. This means that the majority of the councillors have visited the facility, using the facility for workshops, meetings and entertainment events. The indication is that the visits or the use of Motumo Trading Post had nothing to do with economic activities like buying or selling. It also means that the facility was used for purposes other than those planned in the initial stage.

4.2.2.3.2. The functionality of Motumo Trading Post in terms of creating jobs and alleviating poverty

The respondents were asked to give their opinion as to whether Motumo Trading Post was functional in terms of job creation and poverty alleviation and as to whether the facility could be regarded as functional or non-functional. The responses are presented below:

Table 10: The functionality of Motumo Trading Post in terms of creating jobs and alleviating poverty.

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	Non functioning	12	100.0	100.0	100.0

Table 10 above indicates that all the councillors of Molemole Municipality (100%) are of the opinion that Motumo Trading Post is non-functional in terms of creating jobs and alleviating poverty to the local community. This is a clear indication that the project has failed to deliver and achieve its main aim.

4.2.2.3.3. Training and skills development programmes at Motumo Trading Post about the economic activities that were to be catered for before or after its completion

The respondents who are councillors of Molemole Municipality, were asked if they ever received or knew of members in the community who received training and skills based on the economic activities which were envisaged at Motumo Trading Post. The responses are represented below:

Table 11: Training and skills development at Motumo Trading Post about the economic activities that were to be catered for at Motumo Trading Post before or after its completion.

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	Many people	1	8.3	8.3	8.3
	Few people	3	25.0	25.0	33.3
	No one	5	41.7	41.7	75.0
	Have no idea	3	25.0	25.0	100.0
	Total	12	100.0	100.0	

From table 11 above, the majority of the councillors i.e. 41, 7% indicated that they did not know of any person who received training or skills from Motumo Trading Post about the economic activities that were to be catered for at the facility before or after its completion. Twenty-five percent of the councillors did not even have an idea on the number of community members who were trained or skilled. This indicates that the majority of the community members were left out if training ever took place at Motumo Trading Post. In other words, the community did not benefit much from training and the development of skills. The skills acquired could have been used for employment purposes elsewhere.

4.2.2.3.4. Members of the community currently employed or doing own business at Motumo Trading Post

To determine current employment at Motumo Trading Post, the councillors were asked a question on whether there were people or members of the community known to the councillors who were employed at the facility in terms of numbers, either on a temporary

or permanent basis, or business people engaged in doing business in the facility. The responses are reflected in table 12 below:

Table 12: Members of the community who are currently employed or doing own businesses at Motumo Trading Post (councillors).

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	Few people	2	16.7	16.7	16.7
	No one	9	75.0	75.0	91.7
	Have no idea	1	8.3	8.3	100.0
	Total	12	100.0	100.0	

As indicated in table 12 above, the majority of the councillors, that is 75%, indicated that they did not know of members of the community who were currently employed or doing business at the facility. A further 8.3% of the councillors had no idea at all. Only 16.7% indicated that they knew of very few people employed in the project. Councillors are in a better position to know if there are people employed in the project during their meetings.

4.2.2.4. Contribution by the councillors through involvement in the planning and development of Motumo Trading Post

To determine the contribution through involvement by the councillors of Molemole Municipality in the planning and development of Motumo Trading Post the respondents were asked questions based on the following aspects: the period since the councillors had known Motumo Trading Post, information about the building and the developments taking place at Motumo Trading Post, information about Motumo Trading Post before it was started and the knowledge councillors had about members and the number of

members in the council who were part of decision making body in the planning and development of the project.

4.2.2.4.1. The period since the councillors knew about Motumo Trading Post

The respondents were asked a question which was aimed at determining the period since they had known the project believing that the period they knew about Motumo Trading Post, they were more likely to have asked questions in their meetings about the non-functioning of the project and were also likely to have been involved at some stage. The responses are reflected below in table 13.

Table 13: The period since the councillors knew about Motumo Trading Post.

	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid 5 years and above	12	100.0	100.0	100.0

Table 13 above indicates that all the councillors of Molemole Municipality knew about the existence of Motumo Trading Post for five years and above, which indicates that they had information about the project and were more likely to have discussed Motumo Trading Post in their meetings. The problem is why the project is still non-functioning. Councillors should have raised pertinent questions on several occasions. The possibility is that they were not fully involved in issues relating to the project.

4.2.2.4.2. Information about the building and developments taking place at Motumo Trading Post

To determine whether the councillors of Molemole Municipality were informed about the developments that were happening during the process (that is, constantly informing or

reminding the councillors about the progress and the envisaged activities at Motumo Trading Post), a question on such information was asked and their responses were recorded in table 14 below:

Table 14: information about the building of the project or the developments taking place at Motumo Trading Post (councillors).

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	Yes	5	41.7	45.5	45.5
	No	6	50.0	54.5	100.0
	Total	11	91.7	100.0	
Missing	System	1	8.3		
Total		12	100.0		

The responses by the councillors as reflected in table 14 above indicates that 50% of them were not informed about the building and the developments that were taking place at Motumo Trading Post. One councillor did not respond to the question. The 41.7% of the respondents who indicated that they were informed mentioned that it was through meetings. The indication is that there was always an information gap and only few members of the community received information about the trading post.

4.2.2.4.3. Information about Motumo Trading Post before it was built

Regarding the information of Motumo Trading Post before it was built, the councillors of Molemole Municipality were asked if they knew beforehand that such a project would be built in their area or whether the decision was just imposed on them. Table 15 below presents the responses by the councillors:

Table 15: Information about Motumo Trading Post before it was built (councillors)

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	Yes	5	41.7	41.7	41.7
	No	7	58.3	58.3	100.0
	Total	12	100.0	100.0	

The majority of the respondents indicated that they did not know about Motumo Trading Post before it was built. The indication is that the project was likely to have been imposed on the community. People more often tend to undermine the efforts in which decisions are imposed on them or where a top-down approach is used, resulting in people becoming less interested and the project failing.

4.2.2.4.4. Knowledge about members of the council and the number of members in the council who were part of decision making in the planning and development of the project

The respondents were asked a question to determine whether they knew about the people who were part of the decision making body and planning of the facility in the community or in their council. Knowledge of such members should enable community members to get information if they wanted to use the facility or even get further information concerning the activities in the facility. The responses are provided in table 16:

Table 16: Knowledge of members of the council who were part of decision making in the planning and development of the project (councillors).

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	Yes	3	25.0	25.0	25.0
	No	9	75.0	75.0	100.0
	Total	12	100.0	100.0	

Table 16 above indicates that the majority of the councillors of Molemole Municipality (about 75%) indicated that they did not know of any member of their council who was part of the decision making body in the planning and development of Motumo Trading Post. Only few councillors indicated that they knew some members who are or were involved. The indication in this case is that the majorities of the councillors were not involved and did not participate in the planning and development of Motumo Trading Post.

4.2.2.5. Improvements in the effective utilisation of Motumo Trading Post

The question was to find out if there are plans to utilise the project effectively and the question was based on the involvement of the local business people as part of the Public Private Partnership (PPP).

4.2.2.5.1. Involvement of local business people in the planning and development of Motumo Trading Post as part of the Public Private Partnership (PPP)

To gather evidence of the existence of any known partnership in the running of the project as private business people usually possess the know-how about running businesses or projects, a question was posed to the councillors indicating if they knew

of business people who were involved in the planning and development of the project. The responses of the councillors were as follows:

Table 17 below indicates that 16, 7% of the councillors are of the feeling that business people were never involved, 25% of the respondents indicated that the business people were never consulted and 50% of the respondents had no idea. Added together this totals 91, 7% of the respondents who are agreeing that the business people were neither involved nor consulted. It was indicated earlier in the literature review that LED and LED projects can function well if there is an interaction between the community, the government and the business or private sector.

Table17: Involvement of local business people in the planning and development of Motumo Trading Post as part of Public Private Partnership (PPP).

	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid Were never involved	2	16.7	16.7	16.7
involved Were fully	1	8.3	8.3	25.0
involved Were not consulted	3	25.0	25.0	50.0
Have no idea	6	50.0	50.0	100.0
Total	12	100.0	100.0	

4.2.3. DATA FROM THE MUNICIPAL MANAGEMENT

Data were collected from the managers of Molemole Local Municipality and the Capricorn District Municipality. The research findings in this category of respondents is

in a descriptive manner and no tables and figures will be used since the study dealt with only five managers, namely LED managers, municipal managers and manager for assets and development. The information required from the municipal management, both managers in Molemole and Capricorn municipalities focused on the following: economic activities at Motumo Trading Post, benefits derived from Motumo Trading Post, proper utilisation of the Motumo Trading Post project, contribution by the community members through involvement and participation and plans to improve the effective use of Motumo Trading Post.

4.2.3.1. Economic activities at Motumo Trading Post

Under economic activities at Motumo Trading Post in which the respondents are the managers of Molemole Local Municipality and Capricorn District Municipality the following aspects will be addressed: achievements of Motumo Trading Post's intended economic objectives to the local community as per Molemole Municipality's IDP, economic activities which were envisaged in the planning and development Motumo Trading Post and Current expenditure by the government on Motumo Trading Post.

4.2.3.1.1. Achievements of Motumo Trading Post's intended economic objectives to the local community as per the Molemole Municipality's IDP

The respondents who are managers of Molemole and Capricorn municipalities required to give their own judgment or opinion as to whether Motumo Trading Post has rendered its intended economic objectives to the local community. The respondents in this category are likely to know about the objectives because they are top officials in the said municipalities and hopefully they get reports from officials tasked with such responsibilities.

The research findings on the above aspect indicated that all managers of Molemole and Capricorn municipalities are of the opinion that Motumo Trading Post has not rendered its intended economic objectives to the local community. These concurs 100% with the responses by the councillors on a similar question. A further question was asked why

Motumo Trading Post did not meet its intended economic objectives to the local community and the responses by the managers were the following: land claims and illegal occupation of the accommodation facility at Motumo Trading Post; political and tribal issues regarding ownership; some mentioned technical problems and problem of ownership and management of the project. Other respondents indicated that the project was never handed over to management of Molemole Local Municipality who was supposed to partner with beneficiaries for five years or more to provide the capital and transfer of skills. The indication from the responses by managers is that Motumo Trading Post has failed to render its intended economic objectives to the needy community of Matoks due to problems as mentioned above.

4.2.3.1.2. Economic activities which were envisaged in the planning and development of Motumo Trading Post

A question was directed to the managers of the above mentioned municipalities to mention the economic activities which were envisaged during the planning process since it is presumed that they should be aware of what is happening and the fact that they possibly were part of the planning process of the project. The aim was to find out the economic activities at Motumo Trading Post as per the initial planning process. The responses given indicated the following: economic activities included lodging, painting, conferences, carpentry, beading, tennis, golf course, a multipurpose centre for business facilities, conferencing and accommodation, commercial activities such as restaurants, artifacts, security activities, recreational activities, tourism, welding and batik.

4.2.3.1.3. Current expenditure on Motumo Trading Post by the government

The respondents were asked a question as to whether the municipality was incurring costs in the form of fixed costs on the project even if there were no economic activities at Motumo Trading Post. The response of the managers from Molemole and Capricorn municipalities indicates that current expenditure on the project is on security, water and electricity, salaries of employees (possibly security personnel) and maintenance. In

economics it is usually a norm that if the company is not making any profit, it closes down. The indication is that Motumo Trading Post is not generating any revenue but the government continues to pay the fixed costs in the form of electricity, water, security personnel and the general maintenance as well as the salaries of municipality officials. Since tax payers' money is being compromised, action must be taken immediately.

4.2.3.2. Benefits derived from Motumo Trading Post by the local community

To determine the extent to which the local community around Motumo Trading Post is benefiting from the project, managers were asked questions based on the following aspects: villages benefiting from the project, benefits by the local community in terms of employment, skills development and training.

4.2.3.2.1. Villages benefiting from the Motumo Trading Post project

The following were the responses of the managers to the question on the names of villages benefiting from Motumo Trading Post as per the initial planning and development of the project: the responses of the managers were that the beneficiaries were noted in the business plan (the researcher did not have such a business plan in his possession or was never provided). Nevertheless managers mentioned Machaka (which consists of the villages such as Mphakane, Sekonye and Matseke amongst others. Ramokgopa and Makgato were also mentioned as the villages benefiting from the project. The indication is that the project intended to benefit even more villages than the sampled villages in the study but has failed to benefit even a single village.

4.2.3.2.2. Benefits by the local community in terms of employment, skills development and training

The respondents who are the managers of both Molemole and Capricorn Municipality were asked as to whether there was any employment, skills development and training that the community members acquired since the completion of the project. The

responses given by managers were that employment opportunities were created during the construction phase (not since the completion as the question requested), and it was further indicated by one manager that the project was a white elephant. Other responses indicated that locals were employed for security services, cleaning and maintenance even though at a minimal rate. Respondents indicated that no employment in other activities took place, example, beadwork, restaurant, painting, carpentry, pottery, market stalls, information centre and welding. It was also indicated that approximately 25 people were trained on consumer care, financial management and human resource management. The beneficiaries were also trained on carpentry, welding, painting and hospitality. Jobs were created in that regard but those jobs could not be sustained because of lack of effective financial management and conflict of interests. The indication, as stated in this chapter before is that very few members of the community knew about what was happening at Motumo Trading Post and the findings above also indicated that the majority of community members as well as the majority of councillors knew of no one who was trained and skilled in the economic activities envisaged at Motumo Trading Post. The possibility is that very few members of the community benefited from the project in this regard.

4.2.3.2.3. Study on the identification of the actual needs of the community and the possible use of the project by the locals

In response to the question as to whether a study was conducted to identify the actual needs of the local community and the possible use of the project, the respondents who are managers in the two municipalities indicated that needs analysis was undertaken by the Department of Environmental Affairs and Tourism (the original owners of the project) and that they found it necessary to develop such a project to provide job opportunities, especially that the project was to be developed near the N1 road to Makhado and Zimbabwe. The indication in this case is that there was a shift of responsibility in terms of the conducted feasibility study as well as too much reliance on DEAT. A feasibility study is always a prerequisite for any project. In most cases, as indicated in the literature review, projects do not address the needs of the community.

4.2.3.3. Proper utilisation of the Motumo Trading Post project

To determine the future proper utilisation of Motumo Trading Post including the plans in place to achieve that objective, questions were directed to the managers and those questions were based on the following aspects: monitoring and evaluation at Motumo Trading Post, recommendations and reports from the monitoring and evaluation team of officials and the presence of the project team to run the activities of the project.

4.2.3.3.1. Monitoring and evaluation at Motumo Trading Post

Regarding the question on constant monitoring and evaluation at Motumo Trading Post and to determine as to whether the municipality was still aware and concerned about the project which they erected and was spending money on it, the managers indicated that monitoring and evaluation was done on the project. The managers further indicated that monitoring and evaluation were done on a monthly basis. Other managers indicated that monitoring and evaluation were done on a quarterly basis. The indication is that the municipality is still aware that some projects still exist, but nothing is being done about such projects becoming functional. Monitoring and evaluation is very expensive in terms of paying officials without taking action from the recommendation or the reports.

4.2.3.3.2. Recommendations and reports from monitoring and evaluation by assigned officials

When managers were asked whether there were recommendations and reports received from monitoring and evaluation by the assigned officials, the respondents indicated that the recommendations or reports were received and recommendations included revamping of the facility, that the project should be operational, legal issues must be resolved swiftly and addressing the ownership issue. Managers also mentioned that the project required a management partner who has the necessary capital and skills like Col John, Holiday Inn and the Protea Hotels Group. On the other hand, there was a response which indicated that there was no proper reporting on the project from

the monitoring and evaluation team. The indication is that even if reports were submitted, there was never action taken for those many years.

4.2.3.3.3. The presence of the project team to run the activities of the project

To determine if there was a group of officials (team) who were employed to specifically look after the projects in Capricorn and Molemole Municipalities in which Motumo Trading Post project is located, a question was asked to the managers to indicate the presence of such a team and the number of members constituting such a team. The responses indicate that the managers did not agree since the majority of them indicated that there was no project team or that they did not know of any project team which was specifically tasked to run the day- to- day activities of Motumo Trading Post. The only respondent, who agreed that there was such a team indicated that the team comprised ten (10) members. The indication is that the managers were not even sure of what was happening and that it was likely that managers did not have interest in the project at all, although they kept on funding the project. The indication is also that the project did not have people to run the project and its related activities on a daily basis.

4.2.3.4. Contribution by the community members through involvement and participation

The responses on the contribution by the community members through involvement and participation were collected from the managers and the questions were based on the following aspects: stakeholders involved in the planning and development of Motumo Trading Post, mechanism(s) used to involve traditional leaders and the local community members as well as the responses by the stakeholders on the idea of Motumo Trading Post.

4.2.3.4.1. Stakeholders involved in the planning and development of Motumo Trading Post

To establish as to whether stakeholders were involved in the planning and development of Motumo Trading Post a question was posed to the managers as to who were the stakeholders in the whole process. The researcher believes that a community project cannot be a one man show. From the literature review in chapter two it is indicated that LED projects are an interaction of the community, the government and business people. The responses from the managers indicated that local community members, the business people and traditional leaders were involved as the stakeholders in the planning and development of the project. Other stakeholders as per the responses included faith-based bodies and taxi associations and it is alleged that the process was funded by DEAT. The indication is that some groups, probably in the minority knew about Motumo Trading Post, but the majority of the community members did not know what happened in the process of the development of the project as indicated earlier in this chapter by other respondents. The inference is that the majorities of the beneficiaries were not fully informed and did not participate in the whole process.

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4.2.3.4.2. Mechanism(s) used to involve local traditional leaders and the local community members in the planning and development of Motumo Trading Post

The responses from managers on the mechanism(s) used to involve local traditional leaders and the local community members in the planning and development of Motumo Trading Post indicated that the traditional leaders and the local community members were consulted through consultative interactions, one-to-one meetings, through service providers, community members, business and traditional leaders. It was also done through public participation on land and employment perspectives. Several meetings were called by DEAT, CDM, Molemole Municipality and the community. The indication as per the responses earlier was that the method used to invite the stakeholders/ the beneficiaries did not filter through. That is supported by the earlier findings in which the majority of members of the community did not know about the economic activities envisaged at Motumo Trading Post.

4.2.3.4.3. Responses by the stakeholders on planning and the development of Motumo Trading Post

When managers were asked as to what was the response of the stakeholders on the idea of Motumo Trading Post, its planning and development, the managers indicated that the local community members appreciated the development of the project and that they were positive. The local communities recommended that the project be established believing that it had the potential to create job opportunities. It was further indicated that all the members of the community supported the establishment of the project. The indication is that the briefings about the project, the way it was accepted as mentioned differs from what was happening at Motumo Trading Post. The responses clearly indicate that that hope was gone.

4.2.3.5. Plans to improve the effective use of Motumo Trading Post

To find out as to what plans were there in the municipality to improve the effective use of Motumo Trading Post, questions were asked based on the following aspects: alternative plans in place in case Motumo Trading Post did not achieve its intended objectives, capacity and competent personnel to manage the activities of the project.

4.2.3.5.1. Alternative plans in place in case Motumo Trading Post does not achieve its intended objectives

In terms of the alternative plans in case Motumo Trading Post did not achieve its intended objectives since the initial plan seems to have failed. The managers of both municipalities indicated that the facility could only become operational if there was a partner to inject capital and skills development and that the strategic partner would have to operate the facility. This is an indication that the municipality acknowledges that it does not (on its own) have the capacity to make Motumo Trading Post operational.

4.2.3.5.2. Envisaged sustainability of Motumo Trading Post

The respondents were asked to indicate as to how they intended to sustain the project, whether through private sponsorship, government taxes, revenue creation or through any other means. Regarding this question, the responses from the managers indicated that the project was to be sustained through revenue creation whilst other responses indicated private sponsorship as an alternative method to sustain the project. The indication was that the municipality could only sustain the facility through injection of government funds since no revenue was generated from the project and there was no strategic partner to rescue the situation.

4.2.3.5.3. Capacity and competent personnel to manage the activities of the project

Regarding the capacity and competency of personnel to manage the activities of Motumo Trading Post, managers from both municipalities indicated that the municipalities did not have the capacity and competent personnel to run Motumo Trading Post effectively and efficiently. According to the literature, every project needs specialised people in that field (project management) and in most cases government does not employ specialists as it is the case with private companies. Governments employ general managers instead. This is an indication that the project lacks the managerial expertise. This is likely to apply to other non-functional projects in the district.

4.2.3.5.4. Advertising of Motumo Trading Post

The respondents were asked as to whether Motumo Trading Post was advertised and the reason for asking this question was to determine whether local communities (provincially), other people from other provinces (nationally), people from neighboring states (SADC) and internationally knew about the project. Advertisement has the power to attract potential tourists and even business people who may want to invest in the facility. Regarding the question above managers indicated that the project was

advertised. Some respondents indicated that they had no idea as to whether Motumo Trading Post was ever advertised. On the question as to how it was done, the respondents reflected that advertisement was done through internet, TV/radio, information centres and local newspapers. The indication is that the advertisement is likely to have been ineffective and maybe even short-lived.

4.2.4. TRADITIONAL LEADERSHIP

Data were collected from the three traditional leaders from Matoks who are in charge of the three villages sampled for the purpose of the research study. The villages are Mphakane, Sekonye and Matseke/ Sekhokho. Data from the traditional leaders required the following information: the extent to which the community was benefiting from Motumo Trading Post, contribution by the traditional leaders through involvement and participation in the planning and development of Motumo Trading Post and plans to utilise Motumo Trading Post effectively.

4.2.4.1. The extent to which the community is benefiting at Motumo Trading Post

To determine the extent to which the community is benefiting from Motumo Trading Post, the respondents who are the traditional leaders of Matoks responded to questions based on the following aspects: the use of Motumo Trading Post by the traditional leaders and the functionality of Motumo Trading Post in terms of job creation and the alleviation of poverty.

4.2.4.1.1. The use of Motumo Trading Post by traditional leaders

The responses from the three traditional leaders on the use of the project indicated that all the traditional leaders either used or visited Motumo Trading Post. When asked the purpose for using or visiting the facility, the traditional leaders indicated that they used or visited the facility because they wanted to renew and have the construction completed. They also used it for sightseeing and for meetings. The indication is that it

seems traditional leaders were fully aware of what was happening at Motumo Trading Post. The responses of traditional leaders throughout chapter four of this study indicated that they were informed fully about issues pertaining to the project. The responses indicate that traditional leaders had all the information about Motumo Trading Post without adequately sharing the information with members of the community and councillors.

4.2.4.1.2. The functionality of Motumo Trading Post in terms of creating jobs and alleviating poverty

According to the responses by traditional leaders there is an indication that they are of the opinion that Motumo Trading Post is non-functional in terms of creating jobs and reducing the level of poverty in Matoks. The non-functionality of Motumo Trading Post is supported by the previous respondents that are community members, councillors and managers of Molemole Local and Capricorn District municipalities. It can therefore be concluded with certainty that Motumo Trading Post is non-functional in terms of creating jobs and alleviating poverty.

4.2.4.2. Contribution by the traditional leaders in the planning and development of Motumo Trading Post

To determine the contribution made by the traditional leaders in terms of involvement and participation, the traditional leaders responded to the questions based on the following aspects: the role played by traditional leaders in the planning and development of Motumo Trading Post, the role played by traditional leaders in involving the community members from the planning stage of the project, approval of the project by the community members, the period since the traditional leaders have known Motumo Trading Post and information about the building or the developments taking place at Motumo Trading Post.

4.2.4.2.1. The role played by traditional leaders in the planning and development of Motumo Trading Post

On the question about the role played by the traditional leaders in the planning and development of Motumo Trading Post, the respondents indicated that they were involved as project advisory committee (to advise) on all processes and on issues pertaining to the transfer of the project to the Machaka Development Trust as the owning agent of the project. Traditional leaders also indicated that they were involved as the steering committee and they always sent a member or members of the council to meetings. The indication as stated above is that it seems the traditional council is well conversant with issues relating to Motumo Trading Post than either community members or the councillors. The traditional leaders also want the project to be managed by the Machaka Development Trust as opposed to Molemole and Capricorn district Municipalities. It shows that there is a crisis in terms of ownership of Motumo Trading Post.

4.2.4.2.2. Role played by traditional leaders in involving community members from the planning stage of the project

When traditional leaders were asked about the role they played in involving the community members, they indicated that community members delegated the Machaka Traditional Council in the whole issue through meetings. The researcher was unable to find correlation between the answers provided, especially on Section 21 Company and the objective of the question asked. The indication is that the traditional leaders had all the information with them and were always planning around the project since its planning stage. It is also likely that community members including councillors did not possess that valuable information as was reflected above in their responses.

4.2.4.2.3. Approval of the project by the community members

According to the responses by traditional leaders on whether the community members gave approval of the project, it was indicated that in their opinion the project received

approval from the local community members from the beginning or from the planning stage. The indication is that the traditional leaders might have been dealing with a small group of community members as it is evident from earlier responses where the majority of community members and councillors indicated that they were never involved in the planning and development of Motumo Trading Post.

4.2.4.2.4. The period since the traditional leaders had known Motumo Trading Post

With regard to the question on the period since traditional leaders knew Motumo Trading Post, the indication is that the respondents who are traditional leaders had known the project for five years and above. This means that they knew of the existence of the project for far too long to have questioned the non-functionality of the project which is in their jurisdiction.

4.2.4.2.5. Information about the developments taking place at Motumo Trading Post

The traditional leaders indicated that they were informed about the building and the developments taking place at Motumo Trading Post. The respondents further indicated that they were informed through meetings. The indication is that the traditional leaders might have kept the information to themselves and not giving it to the beneficiaries who are the community members.

4.2.4.3. Plans to utilise Motumo Trading Post effectively

This item was aimed at finding out the plans in place to utilise Motumo Trading Post effectively and efficiently. To achieve this, a question concerning the alternative plans in place for the effective use of Motumo Trading Post was asked.

4.2.4.3.1. Alternative plans in place for the effective use of Motumo Trading Post

The traditional leaders of the selected villages in Matoks indicated that they had plans in place to make Motumo Trading Post render the services it was intended for to the local community. It was also indicated that the traditional council was busy negotiating with Capricorn District Municipality in order to be given the project to manage it. The indication in this case is that the traditional council wants the ownership of the facility first before they can make it functional.

4.2.5. MAYORS

Data were collected from the mayor of Molemole Local Municipality. The study was intended to obtain data from the mayor of Molemole Local Municipality and the mayor of Capricorn District Municipality. The mayor of Capricorn District Municipality was not available to respond. Data from the mayors required the following information about Motumo Trading Post: economic activities at Motumo Trading Post, benefits derived from Motumo Trading Post by the local community, proper utilisation of the project, contribution by community members through involvement and participation and plans to improve the effective use of Motumo Trading Post.

4.2.5.1. Economic activities at Motumo Trading Post

Under economic activities at Motumo Trading Post the questions of which the respondent was the mayor of Molemole municipality were based on the following aspects: achievements of Motumo Trading Post's intended economic objectives to the local community as per the Molemole municipality's IDP, economic activities which were envisaged in the planning and development of Motumo Trading Post and Current expenditure by the government on Motumo Trading Post.

4.2.5.1.1. Achievements of Motumo Trading Post's intended economic objectives to the local community as per the Molemole Local Municipality's IDP

The respondent, the mayor of Molemole municipality indicated that Motumo Trading Post had not rendered its intended economic objectives to the local community. This concurs 100% with the responses by the councillors on a similar question. A further question was asked why Motumo Trading Post did not meet its intended economic objectives to the local community and the response by the mayor was that the project was never handed over to the Molemole Local Municipality (the issue of ownership again). The indication from the response by the mayor is that Motumo Trading Post needs to be handed over to the Molemole Local Municipality for it to function optimally. Traditional leaders also indicated earlier that the project must be handed to the traditional council.

4.2.5.1.2. Economic activities which were envisaged in the planning and development of Motumo Trading Post

The respondent was asked about the economic activities which were envisaged in the planning and development of Motumo Trading Post and the response indicated the following economic activities: hospitality, painting, beading and pottery, market stalls and information centre. It is noted in this regard that the mayor did not mention all the activities as mentioned in the category of managers above. This indicates that there were many activities that were planned or envisaged for the project but none of them materialised.

4.2.5.1.3. Current expenditure on Motumo Trading Post by the government

The respondent agrees with the managers that indeed there was expenditure that the government was incurring at Motumo Trading Post. The indication from the response is that Current expenditure on the project was on water and electricity. This means that the government keeps on providing money into the non-functional facility in the form of

fixed costs. Tax payers' money is being compromised as the project is not generating any revenue. Therefore, action needs to be taken immediately.

4.2.5.2. Benefits derived from Motumo Trading Post by the local community

To determine the extent to which the community is deriving benefit from Motumo Trading Post the mayors of both Molemole and Capricorn were asked questions based on the following aspects: villages benefiting from the project – Motumo Trading Post, benefits by the local community in terms of employment, skills development and training.

4.2.5.2.1. Villages benefiting from the Motumo Trading Post project

The respondent indicated that the villages which were to benefit from the project if it was functional were Machaka, Ramokgopa and Makgato. Machaka is a village comprising Mphakane, Sekonye and Matseke. Ramokgopa and Makgato are other villages not chosen for the purpose of this study. The indication is that the project intended to benefit even more villages than the sampled villages in the study but has failed to benefit even a single village but that never happened.

4.2.5.2.2. Benefits by the local community in terms of employment, skills development and training

Regarding the benefits in terms of employment, skills development and training, the respondent indicated all beneficiaries were trained in various activities and about 16 were employed. The indication, as stated in this chapter before is that very few members of the community knew about what was happening at Motumo Trading Post and the findings above also indicated that the majority of community members as well as the majority of councillors knew of no one who was trained and skilled in the economic activities envisaged at Motumo Trading Post. The possibility is that very few members of the community benefited from the project in this regard.

4.2.5.2.3. Study on the identification of the actual needs of the community and the possible use of the project by the locals

The respondent disagrees with the managers on the issue of needs analysis. The respondent indicated that needs analysis was never undertaken. The indication is that the mayor was not aware of any study that was carried out to identify members of the community who had the capability. However, managers indicated that the study was done by DEAT.

4.2.5.3. Proper utilisation of the Motumo Trading Post project

To determine the future proper utilisation of Motumo Trading Post including the plans in place to achieve this objective the mayor was asked questions based on the following aspects: monitoring and evaluation at Motumo Trading Post, recommendations and reports from the monitoring and evaluation team of officials and the presence of the project team to run the activities of the said project.

4.2.5.3.1. Monitoring and evaluation at Motumo Trading Post

The respondent in this category indicated that monitoring and evaluation is constantly done on the project on a quarterly basis. The indication is that the municipality is still aware that the project still exists but nothing is being done about such a project to become functional. Monitoring and evaluation is very expensive in terms of paying officials without taking action from the recommendation or the reports.

4.2.5.3.2. Recommendations and reports from monitoring and evaluation by assigned officials

Regarding recommendations and reports on monitoring and evaluation, the respondent indicated that the reports and recommendations were about getting a management partner to run the project for a period of 5 –10 years in order to transfer skills and capital to the beneficiaries of the project. The indication by the mayor is that the project is likely

not to become functional unless they get a management strategic partner. This is an indication of lack of capacity and managerial skills on the part of the municipality.

4.2.5.3.3. The presence of the project team to run the activities of the project

The respondent was asked as to whether there was a project team in place to run the activities of Motumo Trading Post and the response of the mayor of Molemole Local Municipality like the majority of the managers, indicated that there was no project team or that the mayor did not know of any project team which was specifically tasked to run the day- to- day activities of Motumo Trading Post. The absence of personnel or teams to run the day- to- day activities of projects in the Capricorn District Municipality poses a threat to the success of community developments projects.

4.2.5.4. Contribution by the community members through involvement and participation in the planning and development of Motumo Trading Post

To determine contribution made by the community members through involvement and participation in the planning and development of Motumo Trading Post. The mayor of Molemole Local Municipality was asked questions based on the following aspects: stakeholders involved in the planning and development of Motumo Trading Post, mechanism(s) used to involve traditional leaders and the local community members as well as the responses by the stakeholders, especially community members on the idea of Motumo Trading Post.

4.2.5.4.1. Stakeholders involved in the planning and development of Motumo Trading Post

The respondent in this regard argued that stakeholders were involved in the process. The respondent indicated that the traditional leaders were stakeholders in the planning and development of the project. It was also indicated that there was a steering committee elected during the inception until the completion of the project. The indication

is that the majority of the community members did not know what happened in the process of the development of the project. The inference is that people were not fully informed and did not participate in the whole agenda. Only few individuals had that opportunity.

4.2.5.4.2. Mechanism(s) used to involve local traditional leaders and local community members in the planning and development of Motumo Trading Post

In terms of mechanism(s) used to involve the local traditional leaders and members of the community about the planning and development of Motumo Trading Post, the respondent indicated that there was a steering committee which was established in the planning and development of Motumo Trading Post presumably to convey the message to the community. The indication as per the responses earlier is that the method used to invite the stakeholders/ the beneficiaries did not filter through and this is supported by the earlier findings in which the majority of members of the community did not know about the economic activities envisaged at Motumo Trading Post.

4.2.5.4.3. Responses by the stakeholders on the planning and the development of Motumo Trading Post

The respondent was asked a question as to how the stakeholders, especially community members reacted to the whole idea of Motumo Trading Post, that is, their feelings and aspirations and hopes from the project. Responding to this question, it was indicated that the local communities appreciated the development of the project since it was established. The indication is that local communities appreciated the move that the project be established believing that it had the potential to create job opportunities, but what happened was the opposite.

4.2.5.5. Plans to improve the effective use of Motumo Trading Post

To determine as to whether there are plans in the municipality to improve the effective use of Motumo Trading Post, questions were asked based on the following aspects: alternative plans in place in case Motumo Trading Post does not achieve its intended objectives, capacity and competent personnel to manage the activities of the project and advertisement of Motumo Trading Post.

4.2.5.5.1. Alternative plans in place in case Motumo Trading Post does not achieve its intended objectives

According to the respondent in this regard, alternative plans were in place to make the facility to become functional and to achieve its intended objectives provided that the facility was handed over to the Molemole Local Municipality. The indication is that there exists a serious problem of ownership. The Molemole Local Municipality wants the project to be handed over to the municipality. On the other hand, the traditional council also wants to manage the project.

4.2.5.5.2. Envisaged sustainability of Motumo Trading Post

The respondent in this regard were asked as to whether the municipality intended to sustain the project through private sponsorship, government taxes, revenue creation or through any other means during the initial planning of the project. Regarding this question, the response from the mayor was that the project was to be sustained through revenue creation. The indication is that the municipality cannot sustain the facility at present since no revenue is generated from the project and there is no strategic partner to rescue the situation.

4.2.5.5.3. Capacity and competent personnel to manage the activities of the project

The respondent was asked as to whether the municipality had the capacity and competent personnel to manage the activities of the Motumo Trading Post project. This question was asked because every project needs specialised people in that field (project management) and in most cases government does not employ specialists as is the case in private companies. Government normally employs general managers instead. The respondent indicated that the municipality did not have the capacity and competent personnel to run Motumo Trading Post effectively and efficiently. This is an indication that the project lacks the managerial expertise and competency by the officials who are tasked to perform the duty. The situation is likely to apply to other non-functional projects in the district.

4.2.5.5.4. Advertising of Motumo Trading Post

Mayor was asked a question as to whether the project was well advertised, within as well as outside the country. Advertisement has the power to attract potential tourists and even business people who may want to invest in the business. The respondents regarding this question indicated that Motumo Trading Post was advertised through the internet. Few managers as shown in this chapter indicated that they had no idea as to whether Motumo Trading Post was ever advertised. The indication is that the advertisement is likely to have been ineffective and maybe even short-lived. Advertisement is a powerful tool to make people aware of what the project or the facility can offer.

4.3. CONCLUSION

In this chapter an analysis of the research findings was done according to the following category of respondents: community members, councillors of Molemole Municipality,

managers of Molemole and Capricorn District Municipality, traditional leaders of Matoks and both mayors of Molemole and Capricorn municipalities, and the collected data were analysed and interpreted. Data was collected from: one (1) mayor of Molemole Local Municipality, five (5) managers of both municipalities, namely Molemole Local Municipality and Capricorn District Municipality, twelve (12) councillors from Molemole Local Municipality three (3) traditional leaders and thirty-three (33) community members.

The next chapter, chapter five, will draw conclusions from the research findings (together with literature review outlined in chapter two). Chapter five will also make recommendations.

CHAPTER FIVE: SUMMARY, RECOMMENDATIONS AND CONCLUSION

5.1. INTRODUCTION

Chapter five draws conclusions based on the research findings and literature review on the local economic development challenges facing local government in Limpopo Province, specifically Molemole Local Municipality. It draws conclusions based on the research findings concerning the economic activities at Motumo Trading Post, how the community is benefiting from the project, the plans to utilise the project effectively, the extent of community participation and the envisaged future developments by the municipality. Recommendations will also be made in this chapter.

5.2. Summary of the research

The research was meant to look into local economic development challenges facing local government in terms of infrastructure projects which remain unused over a long period, resulting in such structures turning into white elephants. The research was meant to look into such projects' economic activities, benefits to the communities or participation, and to find out if there are alternative plans to use such projects. The study was conducted in Molemole Local Municipality which falls under Capricorn District Municipality, Limpopo Province. The project under investigation, Motumo Trading Post is situated in a village called Matoks. The research findings are summarised below and recommendations given.

5.2.1. The impact of Motumo Trading Post on the economic activities in Molemole Local Municipality

According to the analysis and interpretations in chapter 4, it is evident that no economic activities are presently taking place at Motumo Trading Post. Presently Motumo Trading Post has no economic value to the community of Matoks. The research findings support the statements above. The research findings also indicate that Motumo Trading Post

has failed to achieve the goals as planned. Councillors, managers and mayors agree that Motumo Trading Post has also failed to render its intended economic objectives to the local community as stated in the IDP. The respondents further indicated a number of constraints behind the failure of the project as reflected in the responses in chapter 4. Motumo Trading Post was envisaged to carry out various economic activities during the planning and the development stage, but the research findings indicate that none of those activities mentioned are taking place. Much as there are no economic activities or revenue generating activities at Motumo Trading Post, the research findings indicate that the government is incurring costs in the form of fixed costs, such as security, water, electricity and maintenance. The conclusion, therefore, is that Motumo Trading Post has had no positive impact on the economic activities in Molemole Local Municipality and the local community as planned.

5.2.2. Benefit to the local community from Motumo Trading Post

The findings indicate that an overwhelming majority of the community members, councillors and traditional leaders have used or visited Motumo Trading Post. From the findings the use or visits were more of a social nature than for economic gains. Community members used the facility for weddings, Youth Day and National Women's Day celebrations as well as other functions (once-off events). In addition, the councillors and traditional leaders only visited Motumo Trading Post for meetings.

Although community members and councillors visited or used the project for social events, the majority of them indicated that Motumo Trading Post was non-functioning in terms of creating jobs and alleviating poverty. This means that the local people never benefited in terms of employment from the project. The research findings also indicate that the majority of the respondents do not know of people in the community who benefited from the project in terms of skills development and training. The majority of community members and councillors also indicated that they did not know of members in the community who were employed at Motumo Trading Post. The managers and mayor supported the responses by the community members and councillors, pointing

out that the project used to employ locals for cleaning, maintenance and security, but still it was a white elephant. The research findings also state that a feasibility study was not done (the majority of respondents were the councillors and mayor). The managers indicated that the study was done not by the municipality, but by DEAT (the original owners of the project) and the indication is that the municipality on its own never tried to identify locals with skills in the community. From the responses obtained in chapter 4 it seems as if DEAT was more concerned about N1 to Makhado and Zimbabwe and forgetting about the local people. It can therefore be concluded that Motumo Trading Post had no impact in terms of benefiting the local community in terms of job creation, poverty alleviation, skills transfer and training.

5.2.3. Plans to utilise the Motumo Trading Post project effectively

The managers and mayor of Capricorn and Molemole municipalities indicate that to ensure proper utilisation of the facility, there has to be constant monitoring and evaluation of the project on a monthly and quarterly basis. The recommendations were made in the reports but other respondents indicated that there were no proper reporting systems on the project. This indicates that the municipality was not responding to reports and recommendations timeously. The majority of the managers and the mayor also indicated that there is no known team of officials which was specifically allocated to run the project's activities. The only positive plan for the proper utilisation of Motumo Trading Post as per the responses was by resolving the problem of ownership and the acquisition of a management partner who has the necessary capital and skills. The plans on the utilisation of the facility have not as yet been implemented and there are issues of ownership to be addressed. The longer it takes the more the project will be dilapidated and will remain of little use.

5.2.4. Community participation in the planning of Motumo Trading Post

The research findings indicate that community members, councillors and traditional leaders have known Motumo Trading Post for more than five years, but the majority of

community members and councillors indicated that they were not informed about the building of the project or the development thereof. Again, the majority of the community members and councillors indicated that they never knew about Motumo Trading Post before it was built. The same respondents did not know of members in their community who took part in decision making in the planning and development of Motumo Trading Post. The traditional leaders argued that they were involved as advisory committee and on issues of transfer of the project to the Machaka Development Trust, pointing out that they also involved community members since the community members delegated the Machaka Development Trust to handle the issue of the project. Traditional leaders also claim to have had meetings with the members of the community, indicating further that the project received approval from the local community members from the very beginning.

Managers indicate that the following stakeholders were involved in the planning and development of the project: local community members, business people and traditional leaders. Faith-based bodies and taxi associations were mentioned but only known by DEAT (DEAT claims to have consulted those bodies). The mayor indicated that only the steering committee was involved. It is indicated that information was given through consultative interaction, one- to- one meeting, through service providers, meetings by DEAT and public participation. The responses by the traditional leaders indicate that the local community members were positive and appreciated the development of the project.

The conclusion is that much as the managers and traditional leaders claim to have involved people, it is likely that there was no full participation and involvement by the community members on the ground. It is likely that it was a top- down- approach kind of a situation and the responses by community members and some councillors bear testimony that they were never involved in the planning and development of the project. The likelihood is that the message did not reach all the people who are beneficiaries, but a small group of people such as traditional leaders.

5.2.5. Probable solutions that could improve the economic contribution of Motumo Trading Post to the local community

On the issue of PPP, the majority of the councillors indicated that they were not aware of the involvement of any business sector. Some indicated that the business sector was never involved or consulted. The majority of the respondents did not even have an idea.

The traditional leaders indicated that they were still communicating with the CDM about plans to make Motumo Trading Post render the services to the local community. According to the research findings, the managers and mayors believe that in order to improve the economic contribution of Motumo Trading Post to the local community, a strategic partner is needed to operate the facility. The Molemole Municipality respondents indicated that the facility can only improve if it is handed over to Molemole Local Municipality. About sustainability, the responses were that the project was to be sustained through revenue creation as planned, but some respondents indicated private sponsorship to be an alternative. The two municipalities also acknowledge the fact that they do not have the capacity and competent personnel to run Motumo Trading Post effectively and efficiently. The majority of managers indicated that Motumo Trading Post was advertised but the question was whether it received enough coverage, because if it did it could have attracted people locally, provincially, nationally, and as far as the SADC region, people or organisations with special skills to use the facility.

5.3. Recommendations

The recommendations in this research study are based on the findings of the study in chapter four and the body of literature reviewed and presented in chapter two. The recommendations are made to Capricorn District Municipality and to Molemole Local Municipality, as the two municipalities are directly involved in the economic development of communities like the community of Matoks through community development projects.

5.3.1. Economic activities at Motumo Trading Post

From the research findings it is evident that there are no economic activities presently taking place at Motumo Trading Post. Constitution of the Republic of South Africa (South Africa, 1996: 84) empowers and requires that municipalities take responsibility for socio-economic development in their areas, thereby contributing to more sources of income and employment opportunities. Capricorn District Municipality is too wide to manage all the projects in the five local municipalities. It is therefore recommended that Capricorn District Municipality devolve some powers and responsibilities to its local municipalities for efficient, effective and economic provision of services. In addition, needs in the form of feasibility studies need to be conducted to establish the sustainability or not of starting certain projects.

5.3.2. Planning of Motumo Trading Post

The processes and procedures used by DEAT and Capricorn Municipality in their plan to develop and sustain Motumo Trading Post to a large extent overlooked Chapter Three of the Constitution of the Republic of South Africa which indicates clearly that the local municipalities must be involved in economic development activities. It is therefore recommended that in future, proper planning of local economic activities be undertaken and public participation be thoroughly done and lines of operation for all stakeholders be clearly defined. Municipalities must avoid projects which ultimately cost time and money and delivering little or nothing. In their future plans, municipalities need to make predictions about what is likely to happen in future or even predicting alternative outcomes (De Beer et al., 2000: 141). The erection of the golf course at the Motumo Trading Post facility may have been a poor planning decision as golf is the most expensive sport (ranked number five in the world) and the community was not likely to use the facility. Mentel et al. (2001: 55) indicate that if the problem arises during the life of a project, the first thought would be that the project was not properly planned. Inadequate planning is more the case than the exception.

5.3.3. Proper utilisation of Motumo Trading Post

The research findings indicate that Motumo Trading Post is non- functional in terms of creating employment and alleviating poverty. It is therefore recommended that action must always be taken based on the reports after every monitoring and evaluation were conducted. The issue of ownership is a problematic issue that must be resolved immediately. The research findings indicate that Molemole Local Municipality needs the facility to be handed over to them and traditional leaders also want the facility to be given to the traditional council to run it. There is also the issue of an individual who is currently occupying the lodge though it is not clear who that person is. The acquisition of a strategic partner may also solve the problem as indicated by the managers. The municipality must make sure that the project is managed properly. De Beer *et al.* (1998: 50) indicate that there is an inherent weakness of projects for community development since projects are often managed badly and as a result do not reach their goals. Van der Walddt *et al.* (1998: 133) state that the familiar process in any local authority in South Africa is that the local government's way of running projects is through committees and that local governments today find it increasingly natural to involve the community directly at a variety of points in project management, especially where it concerns the community. Kirkpatrick (1991: 4-5) points out that projects fail due to wrong assumptions, unrealistic goals, poor design and execution, institutional weaknesses and inadequate supervision. Other reasons may be socio- political problems such as poor response to the objectives of the project by the population expected to benefit from it.

5.3.4. Community involvement and participation

Theron (2008:4-5) indicates that state departments or ministries often plan in isolation, projects planned and administered in a top-down manner. It is therefore recommended that communities must be involved in development projects in which they are beneficiaries. Municipalities could follow people-centered development approach which involves the majority of the population, especially the previously excluded components e.g. women, youth and the illiterate (Coetzee *et al.*, 1996: 317). Involvement by the community in the initiation, planning, implementation, operation and maintenance of

development projects tend to lead to more sustainable results. The municipalities are further referred to the success story of SEIDET in which the community was involved, local business people, the private sector, some universities, people from commerce and management, teaching and general humanities as well as His Majesty King Mayisha III were all involved (Phahlamohlaka, 2008:3- 11).

5.3.5. Probable solutions that could improve the economic contribution of Motumo Trading Post to the local community

It is recommended that the following could be probable solutions to improve the economic contribution of Motumo Trading Post to the local community:

- The powers of the municipality be structured in such a way as to accommodate government, business and community partnership.
- Municipality to ensure proper management of the projects in the district and where possible managers of projects be taken through workshops and the issue of ownership be resolved as a matter of urgency.
- Municipalities to ensure maximum participation by all stakeholders.
- Municipalities not to lose focus of the objectives and goals for which the projects were intended to achieve.

Other recommendations are:

- that municipalities should avoid coming up with projects that will ultimately become white elephants in their areas, white elephants are very expensive to maintain and tax payers' money is used
- people need to know as to what Motumo Trading Post can offer through advertisements, community meetings and the internet

- That Capricorn District Municipality revisit the other existing projects which are becoming obsolete e.g. the Polokwane Centre Taxi Rank and the project at Mafefe so that these become functional and beneficial to the general population.

Finally, the chapters in this research study were outlined as follows:

Chapter one: The chapter indicated the background of the study that forms the basis of the present research process. A detailed account of the statement of the problem, aims and objectives of the study, the research questions, definition of concepts, the significance of the study and the research design was given in this chapter.

Chapter two: In this chapter the literature review formed the theoretical framework for the research study. This chapter focused on the views of various authors on duties and responsibilities of the government, local governments and the local municipalities on issues concerning projects to benefit the community. The literature also reviewed stories of successes and failures of some projects in other parts of the country and the world. This chapter highlighted the history of development projects, the future of development projects in Capricorn District Municipality and the concept of LED. The chapter further dealt with poverty alleviation initiatives and the extent of community involvement in development projects initiatives.

CHAPTER THREE: The chapter dealt with the research methodology, giving explicit analysis of the research design used, the area under the research study, the population of the study, sample selection method and sample size as well as data collection and data analysis methods. The study was qualitative in nature. The study targeted the officials from the Capricorn District Municipality, the Molemole Local Municipality, traditional leaders, councillors and community members. The study utilised purposive sampling for the officials in Capricorn and Molemole Local Municipality (since they were likely to have more information about the project which they were funding), traditional leaders, councillors and the community members of Matoks who are residing next to

Motumo Trading Post. All the respondents agreed to take part in the research study except one respondent.

CHAPTER FOUR: The chapter dealt with the presentation, analysis and interpretation of data. The responses gathered through a structured interview questionnaire were sorted, coded, organised and indexed. The responses were then analysed and interpreted. The sample size consisted of a target of fifty-five (55) of which one(1) was a mayor and three (3) managers from the Capricorn District Municipality, one(1) mayor and two (2) managers from Molemole Local Municipality, three (3) traditional leaders, twelve (12) councillors and thirty-three (33) community members. The focus of the study was to find out whether Motumo Trading Post was functional or not, or whether or not it was achieving the intended goals.

CHAPTER FIVE: The chapter presented the conclusion drawn from the research based on the literature review and the findings of the research study. Recommendations were also made in this chapter.

5.4. CONCLUSION

Finally, local governments in the Republic of South Africa, through the municipalities must, play their role in ensuring that they are able to face the challenges brought about by local economic development dynamics and avoid erecting non-functional structures. Community development projects must be properly planned and must serve the purpose for which they were intended to achieve. Stakeholders must be involved at all times. Finally, all the efforts on development projects for communities must aim at creating job opportunities and alleviating poverty.

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APPENDIX A

RESEARCH QUESTIONNAIRE

Questionnaire distributed to community members of Matoks

Dear Participant,

This questionnaire is aimed at investigating economic challenges facing the local government in Limpopo Province. The focus is on Motumo Trading Post in Molemole Local Municipality.

By responding to this questionnaire you are assured that your identity will remain anonymous. None of the questions is aimed at identifying you as a person and in addition, all information supplied by you will be treated as confidential at all times. The information provided by you will be reported in summary format only. Your participation in this regard is of utmost importance to this study. Please answer the questions honestly.

In completing this questionnaire, some of the questions will require you to put a cross(X) in the appropriate box to indicate the answer of your choice. Some questions will require you to answer in full sentences in the space provided.

ANSWER BOTH SECTIONS A AND B.

SECTION A

BIOGRAPHICAL INFORMATION

The questions in this section will be used for comparative purposes only, namely to compare groups of respondents in terms of their answers.

1. What is your gender?

Male	1
Female	2

2. To which age group do you belong?

Younger than 30 years	1
30 to 39 years	2
40 to 49 years	3
50 years and older	4

3. Are you currently employed?

Employed	1
Not employed	2
Retired	3
Retrenched/ resigned	4

4. What is your highest academic qualification?

Lower than grade 12	1
Grade 12	2
Diploma/ Higher certificate	3
Undergraduate degree	4
Post graduate degree	5

5. How many years have you been residing in Matoks?

Less than 1 year or never	1
1 to 10 years	2
11 to 20 years	3
21 to 30 years	4
31 years and above	5

SECTION B

This section is meant to determine how much information and knowledge you have about Motumo Trading Post project.

1. The extent to which the local community benefits from Motumo Trading Post project.

1.1. Have you had the opportunity to visit Motumo Trading Post since its completion?

Yes	1
No	2

If Yes, for what purpose? -----

1.2. In your opinion or from your observation, can you say that Motumo Trading Post project is functional in terms of creating jobs and alleviating poverty?

Fully functional	1
Partially functional	2
Non functioning	3

1.3. How many people in your community went through training and skills development programmes at Motumo Trading Post before or after its completion?

Many people	1.
Few people	2
No one	3
Have no idea	4

1.4. Do you know of members in your community who are currently employed or doing their own businesses at Motumo Trading Post?

Many people	1
Few people	2
No one	3
No idea	4

2. Contribution by the community in the form of involvement in the planning process of Motumo Trading Post.

2.1. For how long have you, as a community member, known about Motumo Trading Post?

Less than 1 year	1
1 to 2 years	2
2 to 3 years	3
3 to 4 years	4
5 years and above	5

2.2. As a member of the community were you informed about the building of the project or the developments taking place at Motumo Trading Post?

Yes	1
No	2

If yes, how were you informed about Motumo Trading Post and the developments?

Meetings	1
Local newspaper	2
Radio/ TV	3
Questionnaires	4
Advertisements	5

Any other method? (Please specify) _____

2.3. As a community member did you know about Motumo Trading Post before it was started or before it was built?

Yes	1
No	2

If yes, how did you get the information about the project?

Meetings	1
Local newspaper	2
Radio/TV	3
From other community members	4

2.4. Do you know of any member of your community who was part of the decision making in the planning and development of Motumo Trading Post?

Yes	1
No	2

If yes, how many members in your community or village did you know to be in the team?

Many people	1
Very few people	2
No one	3
No idea	4

THANK YOU FOR YOUR PARTICIPATION.

APPENDIX B

RESEARCH QUESTIONNAIRE

Questionnaire distributed to councillors of Molemole Local Municipality

Dear Participant,

This questionnaire is aimed at investigating economic challenges facing the local government in Limpopo Province. The focus is on Motumo Trading Post in Molemole Local Municipality.

By responding to this questionnaire you are assured that your identity will remain anonymous. None of the questions is aimed at identifying you as a person and in addition, all information supplied by you will be treated as confidential at all times. The information provided by you will be reported in summary format only. Your participation in this regard is of utmost importance to this study. Please answer the questions honestly.

In completing this questionnaire, some of the questions will require you to put a cross(X) in the appropriate box to indicate the answer of your choice. Some questions will require you to answer in full sentences in the space provided.

ANSWER BOTH SECTIONS A AND B.

SECTION A

BIOGRAPHICAL INFORMATION

The questions in this section will be used for comparative purposes only, namely to compare groups of respondents in terms of their answers.

1. What is your gender?

Male	1
Female	2

2. To which age group do you belong?

Younger than 30 years	1
30 to 39 years	2
40 to 49 years	3
50 years and older	4

3. Are you currently employed?

Employed	1
Not employed	2
Retired	3
Retrenched/ resigned	4

4. What is your highest academic qualification?

Lower than grade 12	1
Grade 12	2
Diploma/ Higher certificate	3
Undergraduate degree	4
Post graduate degree	5

5. How many years have you being staying or residing in Matoks (Botlokwa)?

Less than 1 year or never	1
1 to 10 years	2
11 to 20 years	3
21 to 30 years	4
31 years and above	5

SECTION B

1. Economic activities at Motumo Trading Post.

1.1. In your opinion or from your observation, do you think there are economic activities presently taking place at Motumo Trading Post?

Yes	1
No	2

If yes, name those economic activities -----

1.2. In your opinion, do you think Motumo Trading Post has achieved the goal that it was planned for?

Yes	1
No	2

If yes, please explain -----

1.3. Was a study concerning the needs of the local community about the project done before the implementation of the project?

Yes	1
No	2

If yes, how was the study conducted?-----

2. The extent to which the local community benefits from Motumo Trading Post project.

2.1. Have you had the opportunity to visit Motumo Trading Post since its completion?

Yes	1
No	2

If yes, for what purpose? -----

2.2. In your opinion or from your observation, can you say that Motumo Trading Post is functional in terms of creating jobs and alleviating poverty?

Fully functional	1
Partially functional	2
Non functional	3

2.3. How many people in your community went through training and skills development programmes at Motumo Trading Post before or after its completion?

Many people	1.
Few people	2
No one	3
Have no idea	4

2.4. Do you know of members in your community who are currently employed or doing their own businesses at Motumo Trading Post?

Many people	1
Few people	2
No one	3
No idea	4

3. Contribution by the councillors through involvement and participation in the planning and development of Motumo Trading Post.

3.1. As a councillor, for how long have you known Motumo Trading Post?

Less than 1 year	1
1 to 2 years	2
2 to 3 years	3
3 to 4 years	4
5 years and above	5

3.2. Were you, as the councillor, informed about the building of the project or the developments taking place at Motumo Trading Post?

Yes	1
No	2

If yes, how were you informed?

Meetings	1
Local newspaper	2
Radio/ TV	3
Questionnaires	4
Advertisements	5

Any other method (Please specify) _____

3.3. Did you, as a councillor, know about Motumo Trading Post before it was started or before it was built?

Yes	1
No	2

If yes, how did you get the information about the project?

Meetings	1
Local newspaper	2
Radio/TV	3
From other community members	4

3.4. Do you know of any member of your council who was part of the decision making in the planning and development of Motumo Trading Post project?

Yes	1
No	2

If yes, how many members in your council did you know to have been in the team?

Many people	1
Very few people	2
No one	3
No idea	4

4. Improvements in the effective utilisation of Motumo Trading Post.

4.1 How were local business people involved in the planning and development of Motumo Trading Post as part of Public Private Partnership (PPP)?

Were never involved	1
Were fully involved	2
Were not consulted	3
Have no idea	4

THANK YOU FOR YOUR PARTICIPATION.

APPENDIX C

Research Questionnaire

Questionnaire distributed to municipal management – Capricorn District and Molemole Local Municipality

Dear Participant,

This questionnaire is aimed at investigating economic challenges facing the local government in Limpopo Province. The focus is on Motumo Trading Post in Molemole Local Municipality.

By responding to this questionnaire you are assured that your identity will remain anonymous. None of the questions is aimed at identifying you as a person and in addition, all information supplied by you will be treated as confidential at all times. The information provided by you will be reported in summary format only. Your participation in this regard is of utmost importance to this study. Please answer the questions honestly.

In completing this questionnaire, some of the questions will require you to put a cross(X) in the appropriate box to indicate the answer of your choice. Some questions will require you to answer in full sentences in the space provided. The questions are given below:

1. Economic activities at Motumo Trading Post.

1.1. As per the Molemole municipality's IDP, do you think Motumo Trading Post has rendered its intended economic objectives to the local community?

Yes	1
No	2

If yes, in which way? -----

If no, what were the constraints? -----

1.2. Which economic activities were envisaged in the planning and development of Motumo Trading Post? -----

1.3. In your opinion, Current expenditure on the project is on -----

Security	1
Water and electricity	2
Salaries of employees	3
Maintenance	4

Any other? (Please specify) -----

2. Benefits derived from Motumo Trading Post by the local community.

2.1. In your view, which villages in the Matoks area are benefitting from the project – Motumo Trading Post?

.....

2.2. Since its completion, how has it benefitted the local community in terms of the following: employment, skills development and training?

.....

.....

.....

2.3. Was there a study which was carried out to identify the actual needs and the possible use of the facility by the local community?

Yes	1
No	2

If yes, how was it done?

.....

.....

3. Proper utilisation of Motumo Trading Post project.

3.1. Is the Molemole municipality constantly doing monitoring and evaluation on the Motumo Trading Post project?

Yes	1
No	2

If yes, indicate how often?

Monthly	1
Quarterly	2
Half – yearly	3
Yearly	4
None	5

3.2. In case monitoring and evaluation were done what were the recommendations or reports by the officials tasked with that duty? -----

3.3. In your view, do you think that there is a project team or do you know of the project team which is specifically allocated to run the day to day activities of the said project?

Yes	1
No	2

If yes, how many members constitute the team? -----

4. Contribution by the Community members through involvement and participation.

4.1. Which of the following stakeholders were involved in the planning and development of Motumo Trading Post project? Indicate your answer with a cross.

Local community	1
Community Based Organisations	2
Non Governmental Organisations	3
Business	4
Traditional leaders	5

Others (Please specify) -----

4.2. Which mechanism(s) were used to involve the local traditional leaders, the local community, etc.? In case there is one or more crosses in question (4.1.) -----

4.3. What were the responses of the local communities towards the planning and development of the project Motumo Trading Post(if ever they were consulted)?-----

5. Plans to improve the effective use of Motumo Trading Post.

5.1. Does Molemole Municipality have plan B in case the project does not achieve its intended purpose?

Yes	1
No	2

If yes, which are the plans in place? -----

5.2. How did the municipality envisage the sustainability of the project?

Private sponsorship	1
Government funding	2
Revenue creation	3

5.3. In your opinion, do you think that Molemole Municipality on its own has the capacity and competent personnel to can run the project effectively and efficiently?

Yes	1
No	2

5.4. Was Motumo Trading Post ever publicised since its completion? If it was publicised, how was it done?

Never advertised	1
Through Internet	2
Through TV/Radio	3
Information centres	4
Local news papers	5

THANK YOU FOR PARTICIPATING IN THE STUDY.

APPENDIX D

RESEARCH QUESTIONNAIRE

Questionnaire distributed to the traditional leadership of Matoks

Dear Participant,

This questionnaire is aimed at investigating economic challenges facing the local government in Limpopo Province. The focus is on Motumo Trading Post in Molemole Local Municipality.

By responding to this questionnaire you are assured that your identity will remain anonymous. None of the questions is aimed at identifying you as a person and in addition, all information supplied by you will be treated as confidential at all times. The information provided by you will be reported in summary format only. Your participation in this regard is of utmost importance to this study. Please answer the questions honestly.

In completing this questionnaire, some of the questions will require you to put a cross(X) in the appropriate box to indicate the answer of your choice. Some questions will require you to answer in full sentences in the space provided. The questions are given below:

1. The extent to which the community is benefiting from –Motumo Trading Post.

1.1. Have you had the opportunity to visit Motumo Trading Post since its completion?

Yes	1
No	2

If Yes, for what purpose? -----

1.2. In your opinion or from your observation, can you say that Motumo Trading Post is functional in terms of creating jobs and alleviating poverty?

Fully functional	1
Partially functional	2
Non functional	3

2. Contribution by the traditional leaders through involvement and participation in the planning and development of Motumo Trading Post.

2.1 What role did you, as a traditional leader, play in the planning and the development of Motumo Trading Post? _____

2.2 How did you, as a traditional leader, involve the local community concerning the planning and the development of Motumo Trading Post? _____

2.3. Did Motumo Trading Post project receive approval from the local community members from the planning stage?

Many of the community members	1
Few of the community members	2
None of the community members	3
Community members never consulted	4

2.4 For how long have you, as a community member and traditional leader, known Motumo Trading Post?

Less than 1 year	1
1 to 2 years	2
2 to 3 years	3
3 to 4 years	4
5 years and above	5

2.5. Were you, as a member of the community and traditional leader, informed about the building of the project or the developments taking place at Motumo Trading Post?

Yes	1
No	2

If yes, how were you informed?

Meetings	1
Local newspaper	2
Radio/ TV	3
Questionnaires	4
Advertisements	5

Any other method (Please specify) _____

3. Plans to utilise Motumo Trading Post effectively

3.1. As a traditional leader, do you think that there are plans in place to make Motumo Trading Post render the services it was intended for to the local communities?

Yes	1
No	2
No idea	3

If yes, what are the plans in place? _____

THANK YOU FOR YOUR PARTICIPATION.

APPENDIX E

RESEARCH QUESTIONNAIRE

Questionnaire distributed to Capricorn District Municipality Mayor and Molemole Local Municipality Mayor

Dear Participant,

This questionnaire is aimed at investigating economic challenges facing the local government in Limpopo Province. The focus is on Motumo Trading Post in Molemole Local Municipality.

By responding to this questionnaire you are assured that your identity will remain anonymous. None of the questions is aimed at identifying you as a person and in addition, all information supplied by you will be treated as confidential at all times. The information provided by you will be reported in summary format only. Your participation in this regard is of utmost importance to this study. Please answer the questions honestly.

In completing this questionnaire, some of the questions will require you to put a cross(X) in the appropriate box to indicate the answer of your choice. Some questions will require you to answer in full sentences in the space provided. Answer the questions provided below:

1. Economic activities at Motumo Trading Post.

1.1. As per the Molemole municipality's IDP, do you think Motumo Trading Post has rendered its intended economic objectives to the local community?

Yes	1
No	2

If yes, in what way? -----

If no, what were the constraints? -----

1.2. What economic activities were envisaged in the planning and development of Motumo Trading Post? -----

1.3. In your opinion, Current expenditure on the project is on -----

Security	1
Water and electricity	2
Salaries of employees	3
Maintenance	4

Any other? (Please specify) -----

2. Benefits derived from Motumo Trading Post by the local community.

2.1. In your view, which villages in the area are benefitting from Motumo Trading Post project? -----

2.2. Since its completion, how has Motumo Trading Post benefitted the local community in terms of the following: employment, skills development and training?

2.3. Was there a study which was carried out to identify the actual needs and the possible use of the facility by the local community?

Yes	1
No	2

If yes, how was it done? -----

3. Proper utilisation of Motumo Trading Post.

3.1. Is the Molemole Municipality constantly monitoring and evaluating the project?

Yes	1
No	2

If yes, how often?

Monthly	1
Quarterly	2
Half – yearly	3
Yearly	4
None	5

3.2. In case monitoring and evaluation were done what were the recommendations or reports by the officials tasked with that duty? -----

3.3. Do you know of any project team which is specifically allocated to run the day to day activities of the project?

Yes	1
No	2

If yes, how many members are in the team? -----

4. Contribution by the community members through involvement and participation in the planning and development of Motumo Trading Post.

4.1. Which of the following stakeholders were involved in the planning and development of Motumo Trading Post project? Indicate your answer with a cross.

Local community	1
Community based organisations	2
Non-governmental organisations	3
Business	4
Traditional leaders	5

Others? (Please specify) -----

4.2. Which mechanism(s) were used to involve the local traditional leaders, the local community, etc.? In case there is one or more crosses in question (4.1.) -----

4.3. What were the responses of the local communities towards the planning and development of the project Motumo Trading Post(if ever they were consulted)?-----

5. Plans to improve the effective use of Motumo Trading Post.

5.1. Does the Molemole Municipality have plan B in case the project does not achieve its intended purpose?

Yes	1
No	2

If yes, which are the plans in place? -----

5.2. How did the municipality envisage the sustainability of the project?

Private sponsorship	1
Government funding	2
Revenue creation	3

5.3. In your opinion, do you think that Molemole Municipality on its own has the capacity and competent personnel to run the project effectively and efficiently?

Yes	1
No	2

5.4. Was Motumo Trading Post ever publicised since its completion? If it was publicised, how was it done?

Never advertised	1
Through Internet	2
Through TV/Radio	3
Information centres	4
Local news papers	5

THANK YOU FOR PARTICIPATING IN THE STUDY.

APPENDIX F

P.O. Box 15102

Flora Park

Polokwane

0699

21 October 2010

The Chief of the Batlokwa Tribe

Honorable Chief Machaka

Botlokwa

Dwarsrivier

Dear Sir

RE: REQUEST TO CONDUCT A RESEARCH STUDY IN MPHAKANE, SEKONYE AND MATSEKE.

I hereby make a request to conduct a research in the area under your jurisdiction(Botlokwa).The research is in partial fulfillment of the requirements for a Masters Degree in Development, at the Turfloop School of Leadership, University of Limpopo.

The topic of the research is: **LOCAL ECONOMIC DEVELOPMENT(LED) CHALLENGES FACING LOCAL GOVERNMENT IN LIMPOPO PROVINCE: THE CASE OF MOTUMO TRADING POST IN MOLEMOLE LOCAL MUNICIPALITY.**

The aim of the research study is to investigate the challenges faced by unused community infrastructure projects in Capricorn District Municipality, with specific reference to Motumo Trading Post in the Molemole Local Municipality.

The objectives of the study are as follows:

- To investigate the impact of Motumo Trading Post on the economic activities in the Molemole Local Municipality.
- To survey the local communities of their benefit from Motumo Trading Post.
- To survey the Local municipality of their plans to utilise Motumo Trading Post effectively.
- To investigate community participation and involvement in the planning and development of Motumo Trading Post.
- To recommend possible solutions that will improve the economic contribution of Motumo Trading Post to the local communities.

The targeted population consists of a sample size of fifty- five(55) in which the officials from the Tribal Office (the Chief of the Batlokwa tribe (1) and two (2) Headsmen from Sekonye and Matseke villages will be included in the study. Please note that the research will also involve thirty - three (33) community members from the above mentioned three (3) villages. I therefore request that the two (2) Headsmen (traditional leaders) under your jurisdiction be informed about the study. Precautionary measures will be taken to ensure that service delivery is not negatively affected during the study.

Your co-operation in this matter will be highly appreciated.

Yours faithfully

Machaka E. S.(Mr.)

Contact no. 076 313 1723

APPENDIX G

P.O. Box 15102

Flora Park

Polokwane

0699

21 October 2010

The Honourable Mayor: Molemole Municipality
Molemole Municipality Office
Dendron

Dear Madam,

RE: REQUEST TO CONDUCT A RESEARCH STUDY IN MOLEMOLE LOCAL MUNICIPALITY.

I hereby make a request to conduct a research in the area under your jurisdiction(Molemole Local Municipality).The research is in partial fulfillment of the requirements for a Masters Degree in Development, at the Turfloop School of Leadership, University of Limpopo.

The topic of the research is: **LOCAL ECONOMIC DEVELOPMENT(LED) CHALLENGES FACING LOCAL GOVERNMENT IN LIMPOPO PROVINCE: THE CASE OF MOTUMO TRADING POST IN MOLEMOLE LOCAL MUNICIPALITY.**

The aim of the research study is to investigate the challenges faced by unused community infrastructure projects in Capricorn District Municipality, with specific reference to Motumo Trading Post in the Molemole Local Municipality.

The objectives of the study are as follows:

- To investigate the impact of Motumo Trading Post on the economic activities in Molemole Local Municipality.

- To survey the local communities of their benefit from Motumo Trading Post.
- To survey the local municipality of their plans to utilise Motumo Trading Post effectively.
- To investigate community participation and involvement in the planning and development of Motumo Trading Post.
- To recommend possible solutions that will improve the economic contribution of Motumo Trading Post to the local communities.

The targeted population consists of a sample size of fifty- five (55) in which the officials from the Molemole Local Municipality are included and that is: the Mayor of Molemole Local Municipality, one (1) Municipal Manager, one (1) Communications Manager or LED manager and Twelve (12) Councillors who are responsible for the wards in the following villages: Mphakane, Sekonye and Matseke (proportionally). Precautionary measures will be taken to ensure that service delivery is not negatively affected during the research study.

Your co-operation in this matter will be highly appreciated.

Yours faithfully

Machaka E. S. (Mr.)

Contact no. 076 313 1723

APPENDIX H

**P.O. Box 15102
Flora Park
Polokwane
0699
21 October 2010**

**The Executive Mayor
Capricorn District Municipality
Polokwane
0700**

Dear Sir

**RE: REQUEST TO CONDUCT A RESEARCH STUDY IN THE CAPRICORN
DISTRICT MUNICIPALITY**

I hereby make a request to conduct a research in the area under your jurisdiction(Capricorn District Municipality).The research is in partial fulfillment of the requirements for a Masters Degree in Development, at the Turfloop School of Leadership, University of Limpopo.

The topic of the research is: **LOCAL ECONOMIC DEVELOPMENT (LED)
CHALLENGES FACING LOCAL GOVERNMENT IN LIMPOPO PROVINCE: THE
CASE OF MOTUMO TRADING POST IN MOLEMOLÉ LOCAL MUNICIPALITY.**

The aim of the research study is to investigate the challenges faced by unused community infrastructure projects in Capricorn District Municipality, with specific reference to Motumo Trading Post in the Molemole Local Municipality.

The objectives of the study are as follows:

- To investigate the impact of Motumo Trading Post on the economic activities in Molemole Local Municipality.

- To survey the local communities of their benefit from Motumo Trading Post.
- To survey the local municipality of their plans to utilise Motumo Trading Post effectively.
- To investigate community participation and involvement in the planning and development of Motumo Trading Post.
- To recommend possible solutions that will improve the economic contribution of Motumo Trading Post to the local communities.

The targeted population consists of a sample size of fifty- five (55) in which the officials from the Capricorn District Municipality are included and that is: the Executive Mayor of the Capricorn District, one (1) manager of Capricorn District Municipality and two (2) Assets and Development Managers for Local Economic Development (LED).Precautionary measures will be taken to ensure that service delivery is not negatively affected during the research study.

Your co-operation in this matter will be highly appreciated.

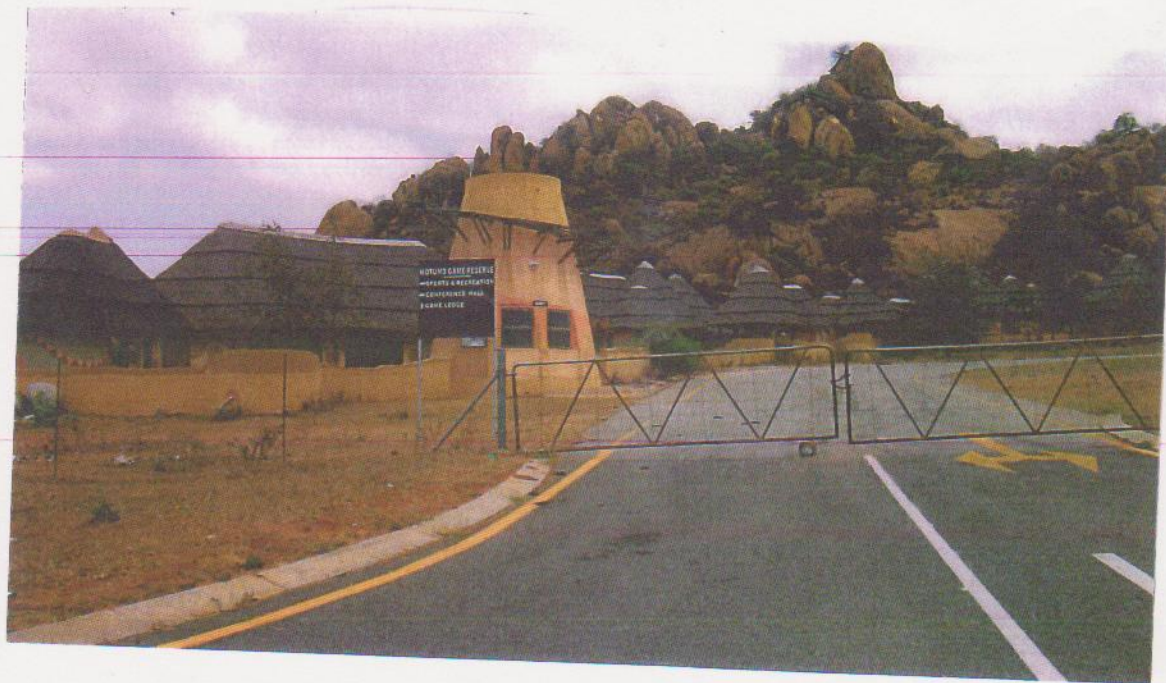
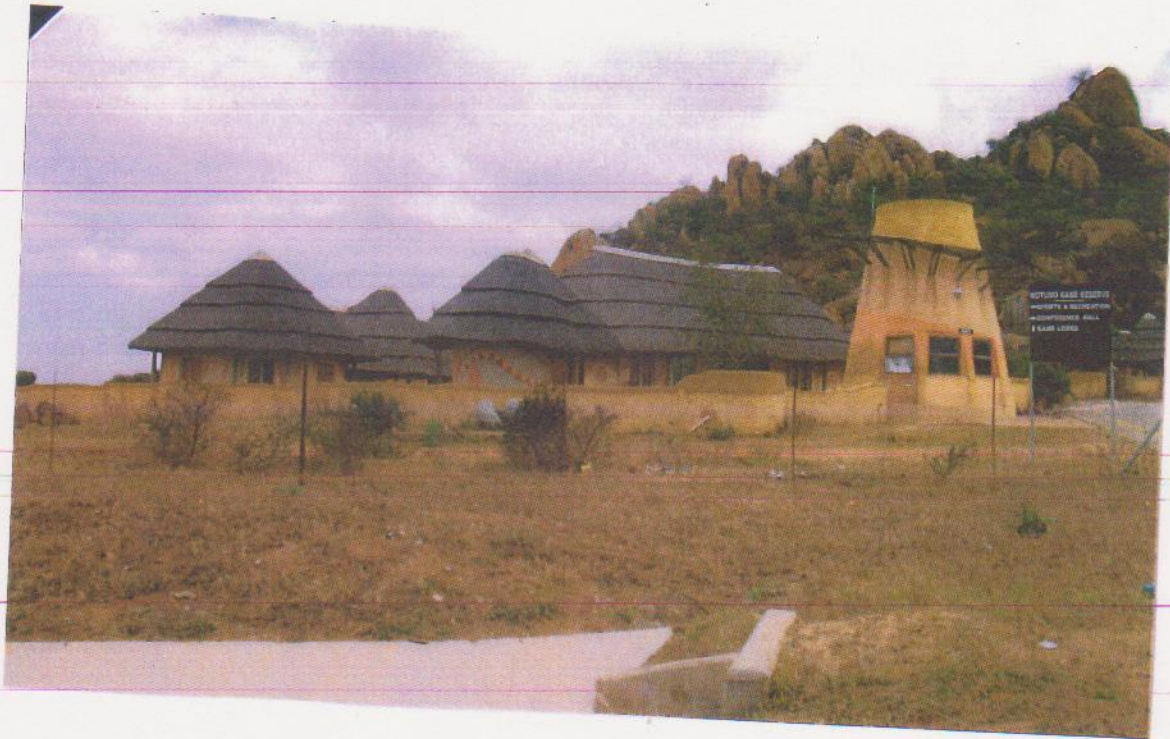
Yours faithfully

Machaka E. S. (Mr.)

Contact no. 076 313 1723

APPENDIX I

Photographs of the Motumo Trading Post



APPENDIX J

Photographs of the Polokwane taxi rank

