Local economic development initiatives towards poverty mitigation within big 5 Hlabisa Local Municipality, South Africa

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ABSTRACT

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

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Introduction

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

Section 152 of the Constitution of the Republic of South Africa (1996) outlines the primary objectives of the LG (municipalities) as follows: Subsection (1) stipulates that; (a) municipalities have to provide a democratic and accountable government for local communities; (b) ensure providing services to local communities sustainably; (c) promote social and economic development; (d) promote a safe and healthy environment; (e) encourage the involvement of communities and community organisations in the matters of LG.
In understanding the context of this study, LED is defined as the process where public, business, and non-governmental sector partners collaborate to create improved circumstances for economic growth and employment generation. It declares that LED concerns local people collaborating to achieve economic growth, generating economic welfare, and life quality for community members (World Bank, 2006). Meyer and Venter (2013) define LED as an initiative comprising all stakeholders in an identified area, collaborating to establish sturdy economic development, and employing local resources to enhance the livelihoods of the local populace.

The paper's primary aim was an in-depth analysis of LED initiatives towards poverty mitigation within the Big 5 Hlabisa Local Municipality (B5HLM) in the northern part of KwaZulu-Natal. The primary function of the LG in LED is established by Monchusi and Scheepers (2002), characterising LED as a procedure directed by municipalities. This function is according to their protected command to advance the social and economic improvement of the local communities where the entity is. Dlamini and Reddy (2018) contend that LED programs ensure municipalities create a sustainable development base, enhancing revenue and employment creation for local people, with the potential to alleviate poverty.

**Literature Review**

Several scholars (Todaro and Smith, 2006) outline that economic development is a multidimensional process involving major changes in social structures, popular attitudes, and national institutions. From their view, economic development in localities must represent the whole concept of change. In understanding the term economic development, one is required to take note of the abovementioned statement conceiving development as a multi-faceted concept.

A study by Rogerson (2010), and Nel and Rogerson (2016) reveals that LED is a very important part of the development strategy of South Africa, especially at provincial and municipal levels. Also, their study notes that the success rate of many LED projects or strategies in South Africa has been poor and many have proved to be unsustainable in the long run.

White Paper on Local Government (1998:23) stipulates that Local Economic Development is about the local government's commitment to working with citizens and groups within the community to find sustainable ways to meet their social, economic, and material needs and improve the quality of their lives. The objective of LED has consequently been to take the responsibility of municipalities a step further by molding municipalities to develop and maintain effective Integrated Development Plans (IDPs) that seek private investments and improve municipal performance management.

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

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

**Local Economic Development: Limitations**

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

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

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

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

i. Lack of human capacity and financial resources in municipalities, often leading to a focus and dependence on public spending and grants.
ii. Lack of integration, support, integration, planning, and funding.
iii. Enhancing temporary and long-term municipal relationships with the private sector.
iv. Lack of market response to strategic planning, program development, and project development.

v. Lack of adequate, sustainable investment to support and facilitate economic growth and job creation programs, programs, and projects.

vi. Lack of marketing of projects and projects and establishment of product markets.

vii. Lack of established community development tools to address economic needs and challenges.

**Local economic development: Success**

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

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

The 2006 framework flags another strategy of economic development in planning for LED in South Africa. It allocates the base for a period of consolidation in LED activities and planning. In 2006 LED programs improved; they performed better than the previous years when they created satisfactory outcomes, and they were able to meet the objectives of the programs or projects (Rogerson, 2008).

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

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

**Local Economic Development: Solutions**

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

UCLG (2016) has suggested that in order for municipalities to fulfil their role in economic development effectively, they must develop mechanisms to work with all sectors of their society to promote consensus, commitment, and vision for the future. They need to build the technical capacity of their management systems in all local areas, especially in connecting key economic actors and economic growth. This requires a deep understanding of the social, cultural, and economic realities of their region, and an appreciation of its potential. In addition, municipalities also need to build capacity in large communities by developing businesses, increasing staff capacity, promoting public and environmental awareness, and identifying financial resources.

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

**Theoretical and Conceptual Background**

**Empowerment theory**

Calves (2009) and (Kahika, and Karyeija (2017) define empowerment as a process that improves the capacity of marginalized community members to exercise their rights, get access to resources, and participate in the process of constructing communities and decision-making. By shifting power and resources to them, the empowerment theory attempts to ensure that these marginalized and impoverished individuals of a community have the necessary skills, ability, tools, knowledge, and access to achieve sustainable incomes and livelihoods in order to better their lives (Fox and Romero 2017).
The empowerment theory according to Ledwith (2005) is an unsubstituted answer to the relocation of unfairly divided resources. The empowerment theory specifies the right of the community to government resources employed to reduce poverty and other socioeconomic crises. The empowerment theory is noted to be helpful for the community by involving the community in all the developmental initiatives and strategies. The municipality provides these initiatives to empower the lives of local citizens in achieving the goals of the developmental democratic government.

In this context, LED plays an important role in building an environment favorable to skill development and allowing local stakeholders to participate in discovering and implementing creative and sustainable solutions to their local economic requirements (United Cities and Local Government (UCLG, 2014). The provision of possibilities for communities to participate in their own development thus resonates with both LED. Through engagement in socio-economic development initiatives, communities are given chances and platforms to be empowered both individually and collectively (Dias and Partidário 2019) and (Sgaard Jrgensen 2020). Such empowerment happens when the communities, via the LED process, have the capacity to act on goals that are important to them through skills and mastery, knowledge sharing, and learning, which is also consistent with development (Pel et al. 2020).

The empowerment theory is pertinent to LED because it encourages individuals and communities to participate in their own development through inclusive development procedures. As a result, the theory emphasizes capacity development, transparency, participation, and democracy, which are not just important elements of LED but also consistent with the use of socio-economic development strategies in development processes (Kahika and Karyeija 2017). In practice, however, due to top-down approaches to LED in some South African municipalities, this inclusive LED process is still absent. The application of LED might thus aid in improving the inclusive development process recommended by this theory. The empowerment process is strongly tied to LED in this respect since the latter attempts to enhance economic development by allowing and encouraging communities to engage in their own development in order to obtain long-term economic advantages and a higher quality of life.

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

Research and Methodology

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

Qualitative approach

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

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

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

Gary (2009) remarks that interpretivism concerns how people construct and attach meaning to the world. It involves how people interrelate to objects and how they develop ideas about the world where they live. This study employed the interpretivism approach to analyse LED initiatives towards poverty mitigation in BSHLM because the interpretivism paradigm pays more attention to and values what people say, do, and feel, and how they make meaning of the phenomena that are being researched. This section is vital to describe the research methods used in this paper.

Sampling procedures

Purposive sampling was employed to select research participants forming part of the youth of the community and ward committees with the two targeted respective local areas. Etikan et al. (2016) note that purposive sampling carefully selects participants based on their abilities. The researcher decides on what needs to be known and identifies people who can and will provide information by data availability. The researcher purposefully selected participants likely to help in understanding the research problem. The researcher chose this method to find participants more likely to assist with responses to the research problem.
The sample comprised 26 participants; 20 youth community members; four ward committee members from both local areas; and two officials of the LED department. Primary data were employed, collected from the aforementioned categories. Table 1 reflects the sample population:

<table>
<thead>
<tr>
<th>Population: 27 073 (25.3%)</th>
<th>Community A</th>
<th>Community B</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category</td>
<td>Mpembeni</td>
<td>Bazaneni</td>
<td></td>
</tr>
<tr>
<td>Community members (youth)</td>
<td>10</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>Ward committee members</td>
<td>02</td>
<td>02</td>
<td>04</td>
</tr>
<tr>
<td>LED personnel/officials</td>
<td>--</td>
<td>--</td>
<td>02</td>
</tr>
<tr>
<td>Total number of participants</td>
<td>12</td>
<td>12</td>
<td>26</td>
</tr>
</tbody>
</table>

Source: Author.

As aforementioned, the study targeted 26 participants. All respondents participated as targeted (100% participation) with no challenges.

Findings and Discussions

This section analyses data collected from community members through questionnaires and interviews with the municipal officials and the ward committee members of the B5HLM. Integration of the study results and various literature material used in this section provides a comprehensive analysis.

Existing LED initiatives within B5HLM

The municipality implemented several initiatives to alleviate poverty within the local areas where B5HLM is located. LED is a bottom-up socioeconomic instrument within a broader IDP and PGDS to create conducive business environments to improve their competitiveness. LED in this context is community-driven through individuals and sectors. The sectors referred to are LG, business, and civil sectors. The three sectors aim to influence individual communities within the municipal jurisdiction. Table 2 below indicates the initiatives expressed by the youth community members targeted for the study:

<table>
<thead>
<tr>
<th>Table 2: Initiatives expressed</th>
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<tbody>
<tr>
<td></td>
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<tr>
<td>Skills Development Plans (SDPs)</td>
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<tr>
<td>Community gardens</td>
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<tr>
<td>Driver’s license program</td>
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<tr>
<td>One Home One Garden</td>
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<tr>
<td>Business forum</td>
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</tbody>
</table>

Source: Author.

Skills Development Plans (SDPs)

As outlined in Table 2 above, 100% of the respondents noted the municipality facilitates skills development programs to equip young people in local communities. The municipality is based on skills and knowledge to better their lives and present to a job market. It is facilitated to implement employment potential and mitigate the poverty level within the municipality and nationally since poverty and unemployment are national and global challenges. The respondents identified various programs as part of skills development:

**Plumbing**

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

According to a respondent:

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

**Computer skills training**

Unemployed youth are invited to select any computer skills training academy of choice where they will be trained and presented with computer skills certificates. The municipality is responsible for costs for each person.

**Bricklaying**

Unemployed youth is presented with training in bricklaying, facilitating skills to develop and standardise their lives. Certificates are issued, supporting job opportunities.
The respondents (youth) identified the aforementioned programs the municipality presents to them as part of economic development in combating poverty.

**Community gardens**

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

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

**Driver’s license program**

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

**One Home One Garden Programme**

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

“Councillors bring us seeds at home to plant veggies and encourage us to start our home garden…Said the community member.”

**Business forums**

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

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

**Describing if are the initiatives provided achieving their primary goal**

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

In brief, LED is a bottom-up socioeconomic instrument within a broader IDP and PGDS to create conducive business environments to improve their competitiveness. LED in this context is community-driven through individuals and sectors. The sectors referred to are LG, business, and civil sectors. The three sectors aim to influence individual communities within the municipal jurisdiction.

Participants were asked about the relevance of the initiatives that are provided by the B5HLM, and if they are achieving their primary goal to alleviate the high level of poverty and unemployment. Data represented from the respondents as evaluation, checking if the initiatives achieve the planned goals; all respondents responded that the initiatives hold a dynamic function in developing the lives of local people. According to the findings of the study, it was noted that 100% of respondents noted that “LED initiatives provided by the municipality facilitate a very dynamic role in the development of the local community of B5HLM”.

Study findings make it clear that systematic approaches that are implemented towards carrying out the initiatives are well planned towards achieving the primary goal of LED amidst the challenges of development within South Africa and the whole continent of Africa. This posits the success of the B5HLM since it is responsible for active steps to ensure the economic and social conditions of the locality are conducive to creating employment opportunities and poverty mitigation. It is the responsibility of the national government to provide support to enable municipalities to use the options and devices suggested in the White Paper to make themselves more developmental.

The pieces of legislation are formulated to advance, develop, and transform the citizens’ lives (Kamusoko, 2019). According to Dlamini (2019), the failures of the apartheid development policies to account for rural areas shaped the government policy intervention in rural development. This resulted in the South African government directing significant national budgets and policies to focus on rural development. More findings indicated that the LED initiative help change the standard of the community, as the community receives assistance from the programs.
Challenges encountered by the local economic development initiatives

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

When the B5HLM community members were asked about the challenges they encounter in the IDP formulation process, they revealed that there is a perceived level of “corruption, poor budgeting strategy and maladministration”. Community members further note that… “Projects are discontinuing due to so called ‘insufficient budget’ but it is actually money corrupted using the name of the projects implemented to standardise the community”, and no feed-back is given to the community in the case of implementing proper mechanisms towards dealing with challenges encountered while facilitating the LED programmes.

This was confirmed by JICA Research Institute (2019) that when communities are not involved in establishing, supporting, and overseeing developing the local economy, the LG has no potential to achieve LED. This is attributable to a lack of community involvement and support for economic development. By increasing the voice and participation of local citizens, LED can be effective because it will be parallel, relevant to the basic needs and concerns of the local people, not neglecting the Central Government Oversight (JICA Research Institute, 2019).

Since leaders are the key determinants of whether the rising aspirations of the state and global expectations are met through service delivery and provision of operational interventions to conduct development or growth. However, all municipal officials in South Africa must respect the principles of public administration as enshrined in Section 195 of the Constitution. These principles encourage transparency and accountability in local governance.

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

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

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

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

Innovative ideas to conduct effective initiatives

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

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

Understanding the strategic position of the LED budgetary towards the actualisation and effective implementation of grassroots LED projects, which help alleviate poverty in the local community, findings show a superior level of insufficient budget and poor budgetary strategies. In response to enquiring about understanding if the LED measures can achieve their primary objective of mitigating poverty, the respondents indicated that:

The community is experiencing positive changes in the area as they participate in the LED projects.

Some innovative ideas put in place by the LED project to mitigate poverty include:

Advancing public participation tools, community meetings are mostly attended by old people. Requesting enough budget to the province and national level.

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

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

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

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

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

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

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

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

i. Poverty mitigation

ii. Employment opportunities

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

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

**Conclusions**

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

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

**Acknowledgments**

The corresponding author Mr Mzwandile Xaba, I would like to acknowledge Prof Nokukhanya Jili for being a pillar to this work serving as a guiding pillar, and contributing greatly to it. I would like also to acknowledge the University of Zululand for fully supporting me across this work and for playing a pivotal role in funding this work.

**Author Contributions:** Conceptualization, Methodology, Data Collection, Formal Analysis, Writing—Original Draft Preparation, Writing—Review And Editing by authors with equal participation. All authors have read and agreed to the published the final version of the manuscript.

**Institutional Review Board Statement:** Ethical review and approval were obtained for this study.

**Informed Consent Statement:** Informed consent was obtained from all subjects involved in the study.
**Data Availability Statement:** The data presented in this study are available on request from the corresponding author. The data are not publicly available due to restrictions.

**Conflicts of Interest:** The authors declare no conflict of interest.

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