Encouraging wealth creation in children from poor families: a novel life skills approach

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ABSTRACT

The article aims to promote financial literacy among youngsters from low-income backgrounds, encouraging them to engage in cost-effective investments that will enable them to accumulate wealth in the future. The article outlines a novel approach in life skills that entails shifting away from relying on uncertain grants and supports. Instead, it proposes utilizing a straightforward and practical mathematical model to generate money starting from a young age. The authors demonstrate that by utilizing a highly efficient investing option, young children have the ability to generate substantial wealth. To exemplify, we demonstrate the suggested methodology utilizing sequences and summations. Our method proposal facilitates the enhancement of boundless wealth generation by enabling those who can invest more than the minimum requirement to accumulate greater wealth. The efficacy assessment of the new method is validated through the computation of the smallest investment, which is merely symbolic, yet yields boundless financial outcomes. The study findings, which have the potential to enhance governmental decision making, can also be utilized for personal betterment. This work is innovative as it presents an alternative approach that imparts discipline, consistency, and honesty. It allows individuals to easily adopt the model with appropriate adjustments, hence facilitating the creation of wealth.

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Introduction

The promise of the democratic government of ‘better life for all’ has not produced a quality life for the majority of South Africans. Such a promise was made by the African National Congress (ANC), before they were voted into government in 1994. Currently, they still continue with the slogan, despite signs that it has no meaning for poor South Africans (Kroth et al., 2016). Neither has this government demonstrated any interest in effecting eradication of poverty among the poor. However, there is a silent government acknowledgement that they lack any intention to create jobs or to uplift the various communities in the country, by means of issuing government grants of many forms, so as to encourage continuous supportive voting to keep them in government, with the majority of grant recipients remaining unaware of any possible alternatives that could empower them financially. Instead, some feel that their self-sustainability and earnings have shrunk. Busia (2023) conjectures that, although there are increasing and plentiful government initiatives aimed at uplifting the general society, poverty seems to be becoming more widespread at a much faster rate than any poverty alleviation (PA) effort made.

PA, or poverty eradication, entails efforts that are initiated to improve the quality of life for those currently living in poverty (Forje, 2011). The PA concept refers to a set of economic and humanitarian measures that are envisioned to lift the poor permanently out of poverty. Some such measures implement, or are planned to implement, ways of enabling the poor to create wealth for themselves, as a channel through which poverty can be permanently ended. According to Muellbauer (2023), one economics-related method is to introduce the land value tax, so as to enhance access to the natural world for all.
Poverty, which is an historically accepted phenomenon in some parts of the world, is considered to be inescapable, as non-industrialised economies have extremely low productivity, while their population sizes grow exponentially, impoverishing them (Blocker et al., 2023). Parker (2001) tells of Antwerp in Belgium and Lyon in France, which are two large cities in Western Europe, where, by the year 1600, about 75% of their total populations were so poor that they could not afford to pay taxes, and required relief during times of crisis. The Covid era required the USA to introduce relief grants (Abakah et al., 2023), with South Africa also introducing relief grants during the Covid crisis-ridden era. In addition, many other nations that could afford to do so also introduced the provision of relief funds during the crisis.

Lack of economic freedom and non-existent economic liberalisation (EL) are serious constraints to economic development (Moreira, 2005). Other constraints are inefficient institutions, corruption and political instability, as they can discourage investment in both the local and national economies. Growth and PA are possible through the supply of aid and government support in terms of education, health and infrastructure, which are possible when human and physical capital are increased (Kim, 2018).

The present paper was based on an idea for a business that focused on educating children to make small sacrifices, so as to empower themselves financially over a sustained period, by means of them incorporating attributes that are required in progressive leaders, who would render developing countries truly developing. Such a small and medium-sized enterprise (SME) would attempt to encourage learners to invest, and to look after their investment in a sustainable, yet realistic, manner. The initiative would also encourage families jointly to pursue a collective effort in terms of ridding them of poverty, through their future breadwinners, and through the gradual removal of the present child and social grants. Apart from financial accumulation, the paper proposes the need for a financial education, as well as for the inclusion of desirable attributes for future leaders, who would not have to depend on the government, and who would, rather, contribute to making the government progressive, by means of helping them to make the country truly developing, as many so-called ‘developing’ countries are developing only in name. The sustainability of such an SME is based on the fact that, while it could start with the provision of a financially empowering service and education, it could, at a later stage, relinquish the financial empowerment service to education departments, with it becoming, instead, a financial advisor. However, before relinquishing the service, the SME concerned might be required to roll out the idea throughout the country, as a policy is formulated for the scheme to become sustainable through the government, by way of the various education departments concerned.

The South African government has been unable to rescue the poor from poverty, with the poor also having been unable to find a way to help themselves to escape poverty. The extent of unemployment in the country has risen, with a way of acknowledging such failures including the provision of social grants (Nnaeme, 2019; Wakefield et al., 2022). The programmes introduced by governments are their sole responsibility, with them not being controlled by the poor, who are presently not being rescued from poverty. The governments involved have been unsuccessful and fraught with corrupt officialdom. It is high time that appropriate methods are found which can, firstly, be effective in addressing poverty; secondly, be in the control (or at least influenced to some extent) by the poor who are being rescued from poverty; and, thirdly, be sustainable.

The main focus of the present exploration was to determine a plausible approach by means of which the problem of poverty and the lack of financial self-sufficiency could be addressed in the South African context. As it is clear that the continuous provision of social grants has not led to economic growth for the country and to the reduction of poverty among the poor, innovative methods are needed to address the problems concerned, with the little funding that is available. In particular, the aim of the present paper was to develop a realistic, sustainable wealth-creating model, using the limited funding available from the social grants involved.

**Literature Review**

**Economic liberalisation**

EL requires that property rights, especially the right to own land, be extended to the poor (Griffin et al., 2002). Lipton (2009) counsels that extending property rights protection to the deprived is a vital PA strategy that nations should implement. The land, which is an essential asset, is the largest asset that is available to almost all societies. On the basis of such an argument, Furubotn and Pejovich (1972) point out that securing property rights to land for the poor is vital to their economic freedom. The World Bank (2001), which also supports extending property rights to the poor, emphasises that an increase in their land rights is a passage to reducing their poverty. According to the World Bank (2001), low costs and a flat management structure are appropriate prerequisites to the effective use of EL. The above is suitable counsel, because evidence exists that the bureaucracy and relatively high costs have, in many instances, discouraged potential investors from opposing corruption and inadequate institutions. Also, excessive bureaucracy can be a burden, even to the rule of law. Countries that are on EL also tend to consider a fast turnaround strategy, as in the case of Bolivia, which charges excessively for an overblown bureaucracy. Another example of the above is Taiwan, which has huge expenses, and a long process of 20 procedures over a period of about four weeks. One example of EL is trade liberalisation (TL), which was initiated to boost the economies of nations. TL refers to removing, or reducing, the constraints or obstructions on the free exchange of goods between nations, including tariffs (such as duties and surcharges) and nontariff barriers (such as licensing rules and quotas) (Kohn et al., 2023). TL was launched to assist with increasing the overall reserves of trading nations. Vogel (1991) explains that TL, through foreign investment and export industries, assisted in fuelling the economic development of Asian countries that grew fast, like China and the Koreas. Despite some notable successes of EL, TL was not fully successful, as the trade rules involved proved quite often to be unfair, as they blocked access to the markets of the comparatively rich nations, while the relatively poor nations were then banned
from supporting their industries (Griffin et al., 2002). For instance, processed products exported from poorer nations had immensely higher tariffs levied on them than did raw materials, when entering ports in the richer nations. Such a system discouraged the poorer nations from exporting finished products, while encouraging the increased exports of raw materials. African nations, in particular, exported many more raw materials and imported many more finished products as well, with many local markets becoming redundant in the long run (Botta et al., 2023).

**Possession of capital**

Possession of capital, which entails factors that help to increase productivity, enables the attainment of long-run economic growth, per individual. According to Shahbaz et al. (2023), human and physical capitals are both vital for an economy. For instance, improving the health of the general populace, which is a form of human capital, is necessary for economic growth, with physical health also being important. Bates and Singh (2018) explain that supporting hand washing is a cost-effective health intervention measure that can significantly prevent some deaths from certain major childhood and adult diseases. Another human capital form is education, which is viewed as an even more important determinant of economic growth than is physical capital, in terms of empowering people. Education can empower people to find innovative ways of creating their own wealth. Ngomane (2023) cite good infrastructure, such as information networks and roads, as physical capital that can help market reform to become effective.

**Employment and ensuing productivity**

Increasing employment usually increases the prevailing levels of productivity, which can lead to economic growth, which offers an indirect prospect for alleviating poverty (Canning & Schultz, 2012). Where people are poorly paid, leaving a high proportion of even the employed still poor, earning wages below the poverty line, there is a major problem. Cases also exist where increased employment does not lead to the expected heightening of productivity, as occurs in corruption-infested working environments. Such instances, which cause an increase in the number of poor workers, or of the working poor, lead to advocating for the creating of ‘quality’ instead of ‘quantity’ in terms of labour market policies. Hence, increases in productivity might not lead to increased earnings (Ghosh et al., 2023).

**The provision of aid**

Three broad forms of aid are welfare, development aid and debt relief. According to Lagakos et al. (2023), welfare entails a constitutional or legal procedure, or social effort, that has been designed to stimulate the basic physical and material wellbeing of the needy. Welfare usually refers to the aid that is provided in a simple form of basic income grant, which is viewed as a social security that periodically (e.g. monthly) provides citizens with money. To be considered a real welfare state, a country should have a welfare system in place that influences PA. Low social grants that cannot satisfy the needs of the poor for the set period for which they are intended are ineffective, and cannot help to alleviate poverty. Development aid, in contrast, is a type of aid that governments and other agencies offer for supporting the development of other countries towards economic, environmental, political and social advancement (Seth et al., 2023). South Africa has agencies in place that were established to assist with the country’s development. For instance, the Department of Social Development deals with social grants, and agencies, like the Small Enterprise Development Agency (SEDA) and the Development Bank of Southern Africa (DBSA), deal with economic development (Hatch, 2023). Rahnama et al. (2017) explain the foreign aid possibilities that are offered to developing nations, with the intention of boosting their economic growth. Debt relief entails measures that are designed to reduce, or to refinance, debt, with the purpose of easing the situation whereby the borrower can repay it (Guthrie, 2023). Alternative options for debt relief include removing a portion of the debt, reducing the interest rate involved, extending repayments over a lengthier period, or combining several debts into one debt, with the associated lowering of interest.

**Role played by education**

Worldwide, public education plays a basic role in preparing youth for the learning of elementary academic skills, and perhaps numerous trade skills as well. The acquisition of a good education assists with securing a job, and, if it is entrepreneurial education, it leads to job creation. Internships are direct education efforts offered to new graduates in the workplace, with the intention of building needed trade skills (Agodzo, 2010). Life skills, which is a part of education, is a field that focuses on ways of managing and manipulating activities that occur regularly, even daily, in life. Education can help people to limit family size to what is manageable. A drawback occurs in the case of education in countries where graduates are unemployed in large numbers (Agodzo, 2010). In contrast, the youth may be demotivated to pursue further studies, when they find educated masses ahead of them being unable to find jobs. This paper points out that education is the outcome of a programme that could lead to the sustainable development of groups and individuals, in such a way that it impacts in a positive way on the government concerned. As true education, in addition to being practicable, should help governments to develop, it should embrace progressive, innovative initiatives.

**Microloans and financing**

A microloan (ML) refers to a particular small loan amount that an individual borrows from a microfinance institution (Chan, 2018). The ML is a popular technical tool that was originally designed and intended for economic development and poverty reduction. MLs proved successful when the Grameen Bank of Bangladesh, in 1976, loaned small amounts of money to farmers and villagers, for them to acquire the necessary tools and other assets to intensify their economic rewards (Dhaoui, 2015). Thailand also used MLs to
assist farmers to buy seeds and equipment (Bray, 2023). The national South African agricultural financier, the Land Bank, once funded people living on golf estates, who were not even contemplating embarking on farming (Akinwumi & Mushunje, 2019). In addition, a Vrede dairy project in the Free State was offered finances to support a foreign-owned company owned by the Gupta ‘brothers’, with no agriculture expertise, which did not develop anything, and which did not even provide the appropriate shares to locals, who were the designated beneficiaries concerned (Bishop, 2023).

Female empowerment

For many years, women were excluded from participating in empowerment opportunities (Shiffrin, 2023). The dual purpose of the current section of the present paper was to deal with the issue of gender inequality, and to acknowledge that one-headed families were, at the time of the current research, plentiful and commonly headed by women. Women have been known to experience poverty differently from men, with them, as a result, tending to have different poverty reduction priorities to those of men. Also, development interventions and PA strategies seem to affect them differently (Bannô et al., 2023). The World Bank (2001) points at the feminisation of poverty, which is a socialised phenomenon consisting of policies that are aimed at reducing poverty, by means of addressing the needs of poor women separately to those of men. Narayan and Stern (2002) encourage women to participate more in the economy and politics than before, so as to be able to increase their financial independence from, and social investment in, the government, both of which are critical to pulling society out of poverty, but which seldom do.

Millennium and Sustainable Development Goals

A notable Millennium Development Goal (MDG), which was to eliminate extreme poverty by year 2015 (Easterly, 2009), was not met. The Sustainable Development Goals (SDGs) followed, with the intention of effecting quick wins to compensate for the backlog and failures of the MDGs. The SDGs’ first goal, which was to end global poverty by 2030, provides some hypothetical scenarios that project possibilities for, and that assume efficiencies in, the governments of developing countries. However, the projected improvements have not yet occurred and were, at the time of the current paper, proving, in some cases, to be impossible.

The targeting of poverty

Poverty reduction requires governments to identify and to extend aid to their extremely poor citizens, helping them to escape poverty sustainably. The United Nations (UN) SDGs commit member states to eradicate all forms of poverty all over the world. In order to accomplish this pledge, governments need to innovate and react vigorously to some daunting challenges (Ringvold et al., 2023). They need to identify the vulnerable poor and communities that are at risk of not being identified, and then to stretch out to them, and to revitalise them, sustainably, so as to enable them to escape entrapment by poverty. In the above context, poverty targeting may pose a credible solution for PA. However, the actual experiences with various methods of PA have been quite mixed, but mostly unsuccessful, especially in the developing countries (Singh & Chudasama, 2020). Selecting a suitable system requires vigilant reflection on the potential costs and benefits involved.

Reflection

The intentions of the aforementioned programmes were acceptable, because, if the programmes involved had been successful, the prevailing levels of poverty would have been reduced. However, as the problem statement of the current paper has already indicated, the initiatives discussed did not serve to lift the poor out of their poverty. Many of those who headed the programmes for developing the South African poor diverted the investments and revenues concerned to their own accounts and benefit, such as in the case of the Venda Business Society Mutual Bank (known commonly as the VBS) (Geldenhuys, 2020; Lekubu & Sibanda, 2021).

Research and Methodology

Purposive sampling was used to find out from two female-headed ‘extremely’ poor families, which depended wholly on social grants from the government. The first head of household was a female breadwinner in a destitute family, who cared for 11 children in Snakepark Township in Soweto, South Africa. This participant confirmed that the children involved generated enough funds to allow for each child to be able to afford to contribute a minimal disposable amount, on a monthly basis, for personal savings towards an investment. Another self-proclaimed poor young mother in Dobsonville, also in Soweto, who cared for seven children, was also sampled. She also confirmed that the children involved generated more than enough for a possible minimum that the children could afford, or that the family could afford, in favour of the children’s monthly investment. The findings of the current study depended on the understanding that it seemed that most of the ‘poorest of the poor’ can afford a tiny contribution (such as R10 ≅ USD0.52) per month to an investment for their children during their schooling, from the time that they started schooling, until they completed their studies at matriculation level. Some poor families who, because of the child grant and the other funds that they received, could make a monthly contribution of from R25 to even R30 (USD1.31 to USD1.57), for each of their children.

The present study does not assume that every destitute family can afford to pay the minimum amount, but that a large proportion of them can manage to pay some amount. A few might not be able to afford making such a contribution on a regular basis, but could manage to pay R60 (USD3.14) every six months for each of their children.

The current study acknowledges that a child should learn critical life aspects and financial management principles, in terms of which a minimal amount of money can be used to lead to the accessing of financial platforms that can reduce and, ultimately, eliminate...
their extent of poverty. Such means can be used to create wealth for the citizens of the country and help to avoid the need for governments to pay out grants that cripple the state’s financial strength.

Findings and Discussion

PA transpires largely as an outcome of overall economic growth, which is demonstrated when people, at individual level, can, in large part, escape poverty. When individuals remain in, or lapse into, poverty in large proportions, there is no PA. The scheme that rescues the poor from their poverty should be controlled by the people, since, when schemes where the poor were subject to decision-making by others, like government agencies, in the case of South Africa, they were robbed and defrauded, with no one to assist them.

South African PA institutions that have been controlled by politicians, in particular, have been unable to rescue people from poverty. In the case of South Africa, social grants have been ineffective in terms of alleviating poverty. In addition, when the poor are in charge of their own wealth creation, they could be fully and consistently disciplined throughout their wealth creation. The envisaged scheme is, therefore, targeted at children and the youth, as the method is geared towards young children, when they start schooling, at the age of seven years old.

Solution construction

Mathematical illustration

The solution begins with each seven-year-old learner starting school. The Grade 1 learner should contribute a small initial amount, \(a_1\), in the first month (i.e. January) of their first year of schooling. Assuming that they may want to vary the amounts involved, the subsequent monthly amounts for the first year would then be \(a_1, a_2, a_3, \ldots a_{12}\). At the end of the first year, each child should, then, have invested the sum, \(S_1 = \sum_{i=1}^{12} a_i\). The possible interest rate earned during the first year would be \(I_1\). By the end of the first year, the learner should then have a total of \(T_1 = S_1 + I_1\). In their twelve years of schooling, each learner should have been able to accumulate \(T = \sum_{i=1}^{12} T_i\). The money accrued in this form will, most likely, be inadequate to have created wealth for the child, but the sum accrued should, at least, be realistically affordable. Therefore, a more innovative approach is required to make the investment more worthwhile.

For notation’s sake, and upon intending to extend the investments to the subsequent years for each child’s entire schooling, let \(a_{ij}\) denote the amount invested in year \(i\) of months \(j\). The above means that, during the first year of schooling, the investment made in April (month four) would be \(a_{14}\), which means that the proper notation for the original investment, \(a_1 = a_{11}\), and for the first-year sum invested, is \(S_1 = \sum_{j=1}^{12} a_{1j}\). The sum involved is the amount that is saved in the first year, before interest, by a seven-year-old learner. The learner concerned would then continue investing during the following year, when eight years old, before adding the amount of interest earned, and additional accumulation. The process would then repeat itself, until the learner involved reaches the end of their matriculation year (Grade 12).

South African schooling starts with Grade 1 and ends with Grade 12. This means that all learners who pass every class would have invested at least \(S_1, S_2, \ldots S_{12}\), by the time that they complete their final school grade, where:

\[
S_i = \sum_{j=1}^{12} a_{ij}, \quad i = 1, 2, \ldots 12 \quad \text{grades} \quad (1)
\]

Any learner who fails a class would have additional sums, due to having to repeat some years. If a learner invested R10 consistently for all these years, then their own contributions would be \(S_i = 120\) for each of the 12 years concerned. Any learner who then completes matric, having not failed a class, would have contributed R1440.00 by the end of their studies.

The learners’ parents and guardians should be warned against withdrawing any of the money before the learners reach matric.
Investment solution

**Figure 1**: Enrichment programme throughout school day; *Source*: Authors

**Analysis of Findings**

Figure 1 states that, from Grade 1, which is the first year in school, each registered learner contributes R10 per month to a personal account from January of their first year, up to their last month of Grade 12, which is the last month of their school education. After every learner’s first contribution has been made, individual investment bank accounts are opened, into which the individual learner’s contribution is deposited.

The proposal is to invest the learner contributions in the form of shares. Consequently, the accrued amount for all learners should be used for share investment, involving the buying of shares on stock exchange-listed companies. Examples known in the South African case include Tax-free Satrix 40, RSA Retail Savings Bonds, MTN and Vodacom, which usually sell shares to both groups and individuals. The account invested would then increase exponentially, due to the development of a very large accumulated sum. Due to the dividends accrued from the pool of investment, the individual bank accounts would increase in value.

As continual training and empowerment is vital, the learners should be provided with financial and investment knowledge on a continual basis. The sponsors of the R10s (the learners’ parents and guardians) should meet regularly, in order to become updated on the developments of the investments involved. Moreover, regular meetings should be held for both parents and learners to receive updates regarding, and to be notified in case of any changes made in, the investments. Continuous evaluation of investment performance should also occur.

Update meetings should be held for both the parents and the guardians involved, as the children, as minors, are neither expected nor allowed to make own decisions on official matters. However, they will be informed and trained to be disciplined on money matters, such as usage, budgeting, financial management and economics. As the money involved accrues, periodic updates should be provided to the parents/guardians and the learners concerned. As part of the Life Skills subject taken at school, the learners can be taught about investments and the earning of interest. They should be encouraged to be in charge of monitoring the growth of their own investments periodically.

Checking of the continuous performance of the investments needs to be done, so that, where necessary, appropriate changes can be made, to ensure that, at each stage of the existence of the investments, best investment portfolios are used to maximise the return on investments.

The shares can grow at an exponential rate, in such a way that, before the learners concerned reach matric, many will be ready to be financially self-sufficient and to spend the money on family and friends. The money invested should not be withdrawn until the learners reach matric, except where a learner who has invested money dies or relocates from the age after which they would normally have completed their matriculation.

**Results and Discussion**

Ordinary bank accounts do not grow to enrich anyone, while the proposed method of buying shares leaves the investment shares to grow undisturbed (Gilson & Milhaupt, 2017). However, there is still flexibility, in the case of dire need, to withdraw the funds.
involved, in order to enable them to continue investing, using banks for minor transactions. By allowing the initiatives to develop, however, according to Bound and Turner (2007), the combined sum of each learner cohort at any school would make a sum large enough to generate a high interest rate, when invested in a properly selected investment account that cuts any broker fees that would otherwise be concerned. It was the intention of this paper to take advantage of this option. Buying shares is an even more major option than is an ordinary investment account in a bank or financial institution (Ciociola et al., 2008).

Although each learner would have invested only about R1440 (about USD75) over the entire 12-year period, there is a chance to benefit from the mass sum and to share the profitability of the venture (Ciociola et al., 2008). The return on each learner’s investment may exceed half a million rands, or about USD25 146 (Brugender, 2022) by the time that they complete matric after 12 years of schooling. This means that a learner who started as a poor child receiving a social grant would no longer qualify to receive such a grant, because of being rich after investing only USD75.

The wait for maturity date, given as the last month of Grade 12, would have instilled some discipline in every learner who waited successfully without withdrawing any money during their investment. According to Chen et al. (2023), learning and being encouraged to have discipline from an early age is usually carried over to a later stage. Apart from the above, learning would have taken place regarding financial management issues, including budgeting, investments, the buying of shares and the exposure to responsibilities. These attributes are the skill set that is presently lacking at many levels of responsibility in the developing countries (Fullan, 2023).

The feat to invest consistently over a 12-year period, by the month, without missing a single month, and also ultimately to be successful requires dedication, discipline, focus, commitment, patience and sacrifice, from the collective effort of all involved. Such discipline, according to Moore and Schmitz (2008), is required to make developing countries realistically developing, with a rule of law that is working. In addition, such a process epitomises the Afrikaans phrase ‘Bietjie bietjie maak meer’ (Little little makes more), which encourages people to be patient in accumulating wealth or in exerting effort, by means of saving manageable little bits that they can manage (Donovan, 2023). The little amounts concerned are proposed for the learners to invest from when they start schooling, until they leave high school after matriculating.

Conclusions

The proposal to require a first-time learner entering school at age seven realistically considers the parent or guardian concerned responsible, since not many children know how to pay in different amounts, with them, effectively, having no money of their own. Hence, it commits the parent/guardian concerned to dedicate their attention to such a calling for a number of years, after which the responsibility for investing would be transferred to the child, for whom the R10s (USD0.52) have previously been invested by the caregiver concerned. Accordingly, learning to be responsible can occur from an early age, when the child first starts to understand the concept of money and simple arithmetic.

The above-mentioned proposal is based on the investment of a nominal amount to make it realistic for most of the learners concerned, who mainly come from the ‘poorest of the poor’ families, to undertake such a process. Possibilities may also exist of other areas, using the same model, which can require higher investment. Also, there can be variations in the amounts that each learner can contribute per month. Another possibility is when a learner, who started investing the minimal amount, has the opportunity to increase their monthly payment, so as to increase the envisaged outcome. Many more options can be provided in terms of the basic proposal, such as in cases where investors can be allowed to contribute what they can afford, in order to open up the opportunity for all concerned. Some learners who might have been unable to start investing in Grade 1 might have been delayed in their investing, and be allowed to join the scheme when they are ready to afford the minimum premium prescribed.

However, all such possibilities require a sense of commitment and dedication, with them all instilling a high level of discipline, which is a quality that is imparted in the learners and their parents by the scheme. As these learners would have accumulated the attributes of financial management, budgeting, discipline, dedication, focus, commitment, patience and sacrifice, among other qualities, developing countries can have many different cohorts of school leavers from many areas (which is possible for all nine provinces in South Africa), imbued with desirable qualities of honest leadership and management, as well as being financially educated. Such a scheme could serve to reduce the high number of poor families who are presently on social grants. It can also serve to reduce the number of people in leadership positions who lack discipline and who are not dedicated to their jobs, ending up stealing from the government, which is a problem not only in South Africa, but also in most of the rest of Africa.

A dedicated scheme, such as that which is proposed in the present study, is recommended, so as to open up the future for long-term PA. It is also recommended that the scheme be conducted through the various departments of education, so as to enable social services departments to be able to enforce the policy through social grants where they are applicable. What should be kept in mind is that some parents have been suspected of abusing child grants in the past, instead of them benefiting the children in whose names they have been granted.
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