



**The Role of Ugu South Coast Development Agency in
Supporting the Local Communities**

**Submitted in fulfillment of the requirements for the Masters of
Management Science Degree in the Faculty of Management
Sciences at the Durban University of Technology**

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DECLARATION

I, Siyabonga Steven Israel Khwela, declare that:

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Date: 19/03/2021

DEDICATION

I give glory to God Almighty for the success of this research project and for protecting me throughout my studies. Special thanks to my supervisor, Dr Sakhile Isaac Zondi, for his indisputable supervisory expertise in guiding this research project until the end. Without him, this study would never have been a success. I will forever be grateful to him. *INkosi ikubusise Nondaba!*

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ABSTRACT

The concept of Local Economic Development (LED) is one of the least understood concepts, despite it having been used and referred to frequently in literature. South African municipalities are mandated by Section 152 of the Constitution to promote socio-economic development through LED in order to benefit indigent communities. The aim of the study was to determine the contribution of the Ugu Local Economic Development Agency (LEDA) in supporting local communities with employment, entrepreneurship and various community empowerment programs. The research objectives were to evaluate the general contributions of the LEDAs to stimulate economic growth in local government, with specific reference to Ugu District Municipality; to determine the challenges faced by LEDAs in promoting the local economy in Ugu District Municipality; to examine the extent to which LEDAs comply with local government policies that promote socio-economic development for local communities; and to submit proposals and recommendations that may enhance the role of LEDAs for efficient and effective socio-economic opportunities at the community level. The research design was descriptive in nature, in the form of a survey. Mixed research methods were employed to collect quantitative and qualitative data using documentary research, focus groups and in-depth interviews. Documentary research collected secondary data from municipality posts on the internet, books and other publications such as newspapers. The non-probability sampling method was used to obtain a desired sample of 60 community members and 5 managers. The data was captured and analysed to determine the findings of the study. The results showed that a majority of the respondents were in disagreement that Ugu district contributes much to improving the municipality's economic growth. The final contribution of the research was to provide strategic insights for improving the level of economic activities in the local economy in order to improve the economic welfare of the people. Recommendations for the study were to start projects to assist in economic growth and to educate the community so that they can have an understanding of LED.

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ABBREVIATIONS

Abbreviation	Description
A-G	Auditor General
ANC	African National Congress
ASGISA	Accelerated and Shared Growth Initiative for South Africa
CWP	Community Work Programme
COGTA	Co-operative Governance and Traditional Affairs
DGDS	District Growth and Development Strategy
DTI	Department of Trade and Industry
DUT	Durban University of Technology
DORA	Division of Revenue Act
EDP	Economic Development Programme
EDTEA	Department of Economic Development, Tourism and Environmental Affairs
EPWP	Expanded Public Works Programme
GDP	Gross Domestic Product
GEAR	Growth, Employment and Redistribution
IDP	Integrated Development Plan
ILO	International Labour Organisation
JIPSA	Joint Initiative for Priority Skills Acquisition
JSE	Johannesburg Stock Exchange
KZN	KwaZulu-Natal
KMO	Kaiser-Meyer-Olkin
LED	Local Economic Development
LEDAS	Local Economic Development Agencies
LOREDA	Lower-Orange Economic Development Agency
MFMA	Municipal Financial Management Act
MTSF	Medium-Term Strategic Framework
MTEF	Medium-Term Budget and Expenditure Framework
NDP	National Development Plan
NGP	New Growth Path

NKEDU	Nkomazi Economic Development Unit
NPC	National Planning Commission
NPO	Non-Profit Organisation
OECD	Organisation for Economic Co-operation and Development
ORTEDA	O. R Tambo Economic Development Agency
PGDS	Provincial Growth Development Strategy
PSC	Project Steering Committee
RDP	Reconstruction and Development Programme
RSA	Republic of South Africa
RET	Radical Economic Transformation
RASET	Radical Agrarian Socio-Economic Transformation Programme
SALGA	South African Local Government Association
SDGs	Sustainable Development Goals
SCM	Supply Chain Management
SMMES	Small, Medium and Micro Enterprises
SPSS	Statistical Package for the Social Sciences
SACP	South African Communist Party
USCDA	Ugu South Coast Development Agency
USA	United States of America
VAT	Value-Added Tax
VHEDA	Vhembe Economic Development Agency
WWII	Second World War

CHAPTER ONE: INTRODUCTION AND OVERVIEW OF THE STUDY

1.1 Introduction

Local Economic Development (LED) has been regarded as one of the least understood concepts, despite it having been used locally, nationally, regionally as well as in global contexts. LED has led to the formulation of structures that seek to implement economic development. These are known as Local Economic Development Agencies (LEDAs). This study aims at determining the role of Ugu South Coast Development Agency in the Province of Kwa Zulu-Natal (KZN) in supporting local communities with socio-economic opportunities in order to lessen the scourge of poverty, inequalities and unemployment. Chapter One outlines the background as well as the problem statement of the study. The chapter further outlines the study's objectives and key questions that guided the study. It also provides a preliminary literature review and theoretical framework of the study. The chapter ends with a short explanation of the research methodology, ethical considerations and overview of chapters constituting this study.

1.2 Brief Background and Information

Ateljevic, O'Rourke and Polijasevic (2013:282) claim that the concept of LED is one of the least understood concepts, despite it having been used and referred to frequently in the literature. South African municipalities are mandated by Section 152 of the 1996 Constitution of the Republic of South Africa (RSA) to promote socio-economic growth through LED in order to benefit the indigent communities. Apart from providing basic services which include water and sanitation as well as electricity, municipalities have a mandate to engage in economic development activities. LED serves to reduce levels of unemployment in societies and goes a long way to alleviating poverty. Therefore, municipalities have to provide an atmosphere which promotes the growth of local economies, thereby supporting LED initiatives (Matlala 2014:10).

The 1996 Constitution of South Africa clearly stipulates the devolution of power to local governments since they are strategically located closer to communities. Thus, local government has to ensure that the residents' standards of living are improved by

providing a platform for robust and sustainable economic development. It is against this background that Ugu District Municipality works tirelessly to improve municipal economic sectors, including manufacturing, tourism and agricultural industries in the area, as these are the huge contributors to employment as well as investment (Integrated Development Plan (IDP), Ugu District Municipality 2018:1). However, the rise in global competition, as well as the unstable economic status of the country at large poses a threat to the well-being of the economic development of Ugu District.

Ugu District has put in place various strategies in the area in order to boost and improve its LED capacity. The District Growth and Development Strategy (DGDS) intends to make Ugu District a leader in the tourism, manufacturing and agricultural sectors by 2030. Furthermore, the municipality seeks to increase job creation and benefit its local communities with socio-economic opportunities as well as services. The municipality also strives to work hand-in-hand with the District Development Agency and the South Coast Development Agency in LED initiatives. According to the Ugu South Coast Development Agency Draft Annual Report (2018:3), there has been numerous property developments in the Amakhosi area, thus bringing urbanisation to the district. In addition, the municipality had an increase in the percentage of business applications that were approved, which led to more economic activity. In 2018, the municipality also led a powerful marketing drive which improved inward investments.

1.3 Problem Statement

Pretorius and Balaaauw (2010:181) state that there is a history of lost trust of communities when existing LEDAs could not deliver on the original promise and financial expectations. The trajectory for LEDAs in South Africa has been filled with various challenges which threatened their successful operation. For example, Ateljevic, O'Rourke and Polijasevic (2013:281) opine that LEDAs are still active in South Africa, but their existence is characterised by unfulfilled expectations and potential. Another challenge faced by LEDAs in South Africa is their co-existence and cooperation with regional development authorities operating in the same regions. The LEDA's approach allows resident societies to be involved actively in the development of their communities instead of just being subjects of development (Ateljevic, O'Rourke and Polijasevic 2013:281). The bottom-up approach is one of several perspectives of

regional/local development, including the one associated with innovation and entrepreneurship and the institutional dynamics of all local population groups and their empowerment. However, many authors declare that the views of local economic development agencies as well as other parties in local economic development have often been under-represented in national and international forums. As a result of this, the recommendations and need for improvement of these LEDAs have not been understood. Ateljevic *et al.* (2013:282) claim that the concept of LED is one of the least understood concepts, despite it having been used and referred to frequently within the existing literature. The study therefore seeks to broaden the perceptions of people towards the operations of LEDAs and their role and contributions to the local community of Ugu District.

1.4 Aim and Objectives

The general aim of the research study was to establish the contribution of Ugu LEDA in supporting local communities with socio-economic opportunities, including employment and entrepreneurship. The study's objectives were designed as follows:

- To evaluate the general contributions of LEDAs to stimulate economic growth in local government, with specific reference to uGu District Municipality;
- To determine the challenges encountered by LEDAs in promoting the local economy in UGu District Municipality;
- To examine the degree to which LEDAs comply with policies of the local government that support socio-economic development for local communities; and
- To provide proposals and recommendations that will enhance the role of LEDAs for efficient and effective socio-economic opportunities at the community level.

1.5 Research questions

With reference to the above-mentioned objectives, the study responded to the question listed below:

- What are the general contributions made by LEDAs to stimulate economic growth in local government, specifically focusing on Ugu District Municipality?

- What are the challenges faced by LEDAs in encouraging the local economy in Ugu District Municipality?
- To what extent do LEDAs comply with local government policies which endorse socio-economic growth for local communities?
- What proposals and recommendations will enhance the role of LEDAs for efficient and effective socio-economic opportunities at community level?

1.6 Significance of the Study

Ateljevic, O'Rourke and Polijasevic (2013:282) suggest that LEDAs play a leading role in local economic development (LED), as well as in mobilising local resources for sustainable economic growth.

LEDAs have become the structures that make the realisation of local economic development strategies possible. Local municipalities have many objectives that certain departments are given the tasks of completing. LEDAs have the mandate of aiding municipalities to fulfil their LED obligations (Malemela and Yingi 2016:5). According to Khambule (2017:11), municipalities on their own failed in their duty for LED as they have many tasks to carry out. Thus LEDAs are the coordinators for economic development within districts. LEDAs put the required motivation into LED. In addition, the role of LEDAs is to bring success in the efforts by government to improve the living standards of the general populace, which is suffering in lack, unemployment and inequality. Thus, LEDAs have the role of providing an environment that boosts economic activity, which will in turn improve the level of employment in the economy as well as alleviate poverty.

1.7 Preliminary Literature Review

Literature for the current study was gathered from both primary and secondary data sources. Primary sources were data collected from the questionnaires and interviews administered. Secondary sources were from books, journal articles, internet sources, etc. This was necessary to address the study's research questions.

1.7.1 Local Economic Development Agencies

According to Pretorius and Balaaauw (2010:156), the development of LEDAs was prompted by the failure of traditional “top-down” (or formal employment establishments) development policies. The new trend towards de-centralisation and the effects of globalisation are also key contributors to the development of LEDAs. The new “bottom-top” approach is also widely implemented in other countries, which are developed countries like Australia and the United States of America (USA). LED is described as a procedure by which resident communities share and shape how they want their area to be in the future. Some authors admit that there has not yet been a generally approved definition of LED. They identified the following essential elements which are the basis of the definition: local labour markets, applied economic development strategies and sub-national action implemented to address site-specific needs (Nel 2000:149). Pretorius and Balaaauw (2010:157) state that LEDAs are self-regulating organisations, shaped by private and public associations having the goal of carrying out shared territorial development strategies, with particular emphasis on favoring access to decent employment and income for marginal portions of the population. LEDAs are anticipated to customise as well as develop personal services/products conforming to what the consumer wants. They are intended to satisfy the requirements of the consumers, which are commonly Small, Medium and Micro Enterprises (SMMEs).

1.7.2 LEDAs in South Africa

According to Pretorius and Balaaauw (2010:164), Local Economic Development (LED) activity has operated in South Africa since the late 1900s, before apartheid planning. LED existed in Port Elizabeth, the Witwatersrand and other smaller towns in the Eastern Cape. Their main focus was on industrial development. The government of South Africa is regarded to be amongst the most dedicated governments to LED policies globally. LEDAs in South Africa were established as Section 21 non-profit companies. According to Pretorius and Balaaauw (2010:1), some of the LEDAs that have been in existence for a long time in South Africa are:

- Vhembe Economic Development Agency (VHEDA) situated in Limpopo in the Vhembe district municipality of Limpopo;
- Lower-Orange Economic Development Agency (LOREDA) in the Siyanda district municipality of the Northern Cape;
- Nkomazi Economic Development Unit (NKEDU) in the Nkomazi local municipality of Mpumalanga; and
- O.R Tambo Economic Development Agency (ORTEDA) in the O.R Tambo district municipality of the Eastern Cape.

Therefore, LED has been sought after for a long period of time, without many positive results. The introduction of LEDAs could lead to the achievement of the positive results required since they are solely committed to LED.

1.7.3 Ugu District Municipality

Ugu District Municipality is part of the ten municipalities found in KZN Province. KZN is one of the nine Provinces of South Africa (Ugu District Municipality 2014:2). In addition, the Ugu Municipality is situated within the South Coast of KZN. The region is bordered by EThekweni Municipality in the north, UMgungundlovu District Municipality plus Sisonke District Municipality in the west, and the Eastern Cape Province on the southern side. The whole of the KZN Province has 11 612 278 people and Ugu district has a smaller population of 753 336. Ugu district stretches over an area of 5 866 square kilometers and has an enormous shoreline totaling 112 km, which is its boundary in the east (Ugu District Municipality 2018:5).

According to Ugu District Municipality (2017:1), the Ugu district, like other rural districts in South Africa, faces the triple challenges of development; namely poverty, unemployment and inequality. The profile of the district exhibits a two-fold space economy characterized by a mostly impoverished rural interior having a large number of struggling subsistence farmers and commercial farms and a chiefly developed coastline area that is doing reasonably well. Agriculture, tourism and manufacturing are considered the largest contributors to investment, production and employment in Ugu. The retail trade and the services sector have also grown over the past couple of years. Ugu District envisions becoming a leading agricultural, manufacturing and tourism hub by 2030, where there is employment creation and equality in benefiting

from socio-economic opportunities and services. The strategy is built from the problems faced by the entire economy of the district and shared inter-relationships amongst communities. The Ugu District Municipality Local Economic Development Unit has to intensify efforts to mitigate the scourge of inequality, joblessness and poverty. Ugu Municipality is dedicated to improving the living standards of its residents, especially the marginalised, poor and vulnerable, through facilitating sustainable economic growth within the region (UGu District Municipality (2014:6).

According to Ugu District Municipality (2012:17), the municipality is mainly rural. Thus, the district municipality has its focus on developing the rural sector in most of its development goals. The chief players in the economy of the district are centered on agriculture, tourism as well as manufacturing in areas close to Port Shepstone.

1.7.3.1 Agriculture

Agricultural activities in Ugu are centered on the farming of sugar cane, vegetables, bananas, coffee, tea, as well as macadamia nuts. According to the Ugu District Municipality (2012:17), approximately 90% of farming in this district is commercial agriculture. Approximately 20% of bananas bought in South Africa are farmed in Ugu district. Some of the agricultural produce in the district are exported to European markets. There has been a rise in fishing on the seashore and it has become a famous sport for both holiday-makers as well as the locals (Ugu District Municipality 2012:18).

1.7.3.2 Manufacturing

There are numerous manufacturing ventures in Ugu district. The key ones comprise of textiles, clothing, metal products, cement production, wood products, food and beverages. Ugu boasts being the only district with a 'marble' delta in KZN and it is extracted for cement as well as calcium carbonate (Ugu District Municipality 2018:5).

1.7.3.3 Mining

According to Ugu District Municipality (2012:19), the key mineral found in Ugu district is lime-stone, which is used in cement production as well as quarrying. Alpha Carbonates, which is responsible for limestone mining, supplies the mineral to fertilizer, animal fodder, paint, paper as well as plastic industries. Cement production is done by

Simuma Cements. This company mostly supplies the construction sector. Quarrying is done by Natal Portland Cement (NPC), which quarries in Margate as well as Marburg.

1.7.3.4 Tourism

The major tourism activities in Ugu are centered on the ocean and other undertakings which are connected to the sea. It has some of the highly acclaimed and attractive Blue Flag coastlines. Ugu is one of the most favorite tourist destinations in KwaZulu-Natal (Ugu District Municipality 2014:1).

Pretorius and Balaauw (2010:156) indicate that LEDAs started in Europe at the end of the 1950s as an effort to curb the adverse impacts of the economic downswing. There are presently more than 300 agencies worldwide. These are seen by international cooperation programmes as effectual tools for improving viable local economic development. Pretorius and Balaauw (2010:161) highlight that although LEDAs have their main attention on the supporting of SMMEs and economic development, LEDAs in different areas in the country have their focus on particular challenges in relation to their areas. Some of the difficulties addressed by LEDAs include:

- The development and reconstruction of economies;
- The fight against poverty and social exclusion;
- The development of small and micro enterprises; and
- Transformation into a market economy.

LEDAs involvement in tourism might lead to an improvement in the overall economic performance of the district as this sector is one of the strongholds in the economic activities of Ugu district. This district can alleviate poverty by creating more jobs through promoting more investments in the manufacturing, mining, agriculture and tourism sectors, as revealed in the literature.

1.8 Theoretical Framework

The first generation of economic development theories were formed after the Second Word War (WWII) in 1945. During this time, economies were going through key

reconstructions. Therefore, these economic theories focus on the effectiveness of huge investments of capital to get quick economic growth, as well the country's ability to continue working to develop and expand its own economy (Hendricks 2009:188). This study focused on the classical theories of economic development, including linear stages of growth models, structural change models, Neo-colonial dependency models and pro-poor growth theory. Reviewing these theories will assist in finding the gap that this research sought to fill. The models further contribute largely to local community development. The researcher in this study finds it necessary to use the models to evaluate the contributions of LEDs to stimulating the economic growth of local communities, with specific reference to Ugu District Municipality.

1.9 Research Methodology

Sekaran and Bougie (2016:235) state that a methodology is the logical, hypothetical scrutiny of the methods applied to the field of the research study. Methodology takes into account the sources from which data is collected, as well as the confines which the researcher faced, such as accessibility to data and time.

1.9.1 Research design

According to Burns and Bush (2010:143), a research design can be defined as a comprehensive framework of the processes to be followed in a research study in order to realise the preset aims as well as objectives. Research designs that can be used include descriptive, exploratory or causal (Kent 2007:16). The design used for this study was a descriptive research design. It aimed at examining the role played by Ugu LEDA in supporting the local community.

1.9.2 Research Approach

There are three key approaches in research. These include quantitative, qualitative and mixed methods. For the data collection purposes of this study, there was a triangulation of methods (Sekaran and Bougie 2012:36). A qualitative research method involves determining unexpected results without being reliant on statistical measurements and it yields descriptive data found from interviews as well as participant observation in a bid to comprehend as well as describe particular social phenomena (Cooper and Schindler 2011:78). Quantitative research encompasses the

usage of questions which are structured whereby the response alternatives are given and there is a large number of respondents (Ndadziyira 2017:57). This research study used the quantitative as well as qualitative methods in the collection of data. The Quantitative data collection technique encompassed the use of a questionnaire with the residents of Ugu district, while the qualitative data collection technique constituted in-depth interviews with Ugu LEDA workers (Leedy and Ormrod 2015:46). The study was confined to the boundaries of Ugu district. Only Ugu LEDA management and local residents in the community were part of the study. Both rural and urban dwellers were considered. Triangulation was chosen for this study since it enabled the shortcomings of each of the approaches used to be covered by the strengths of the other. The mixed methodology was used for this study because there was a need to find in-depth information from the municipality's management. This could only be achieved through the qualitative method. Furthermore, there was also a need of getting the perspectives of the general residents and workers in Ugu district and due to their numbers, a quantitative approach was the most appropriate method.

1.9.3 Target Population

Zikmund and Babin (2013:312) defined a population as a group of units that are to be assessed during the research study. Some workers in the Ugu District Local Municipality and residents of Ugu district make up the two populations of this study. Ugu District Municipality (2014:2) states that there were 731 156 people in Ugu district. According to Sekaran and Bougie (2016:264), an appropriate size of sample in research is between 31 and 500 respondents

1.9.4 Sampling Method

The research study employed a non-probability method of sampling. Blumberg, Cooper and Schindler (2008: 253) define non-probability sampling technique as a group of sampling approaches with distinct individualities which enable subjective judgment in the selection of the sample. The study made use of the convenience sampling method. The method falls under several types of non-probability sampling techniques and is defined as a sampling technique where a researcher gathers information from only the members of the population who can and who are conveniently available to provide it (Sekaran and Bougie 2016:247).

1.9.5 Data Collection

Data collection is a process of gathering information that will be used in the answering of the research questions, as well as in the evaluation of results (Creswell 2014:88).

The study used the following data collection methods:

1.9.5.1 Questionnaires

This is a research tool that consists of numerous questions as well as other prompts designed for collecting information from respondents. Questionnaires are used mostly because they are economical; they also require less effort by the researcher to prepare and distribute; and they usually have standardised answers, thus making it simpler for the compilation of data (Leedy and Ormrod 2014:91).

1.9.5.2 Interviews

According to Sekaran and Bougie (2013:247), Interviews can be defined as a qualitative research technique which involves “conducting intensive individual interviews with a small number of respondents to explore their perspectives on a particular idea, program or situation.” There are three forms of interviews, namely:

Structured Interviews: these are interviews where the interviewer asks the same questions of all the participants. Thus, the questions have to be prepared before the interview and there is little or no room for variation in the responses obtained from participants. The order and the phrasing of the questions is maintained for all participants (Newman 2013:53).

Semi structured interviews: these interviews follow some form of an interview guide that leads the interviewer on the topics to be covered during the given interview. However, the way in which the interviewer asks the different participants does not have to be similar (Sekaran and Bougie 2013:29).

Unstructured interviews: this kind of interview does not have a set of instructions to be followed or a guide for the interviewer. Unstructured interviews allow participants to express their views in whichever way they desire. The questions for such interviews

are usually open-ended (De Vos et al. 2010:296). This study made use of semi-structured interviews in a bid to obtain a picture of participants' perceptions, feelings and beliefs.

1.9.5.3 Focus Group Discussions

Focus group discussions are in-depth field methods that allow a small group of participants (between 6 to 12) to have a discussion with regard to the research study in question. The aim of such focus groups is to get the participants' views, attitudes as well as reasons for their manner of conduct (Sekaran 2013:35).

This study used a questionnaire for data collection in the Ugu District Municipality because there were a large number of respondents who were targeted, as well as due to limited time and limited funds. Furthermore, the study made use of interviews in gathering data from workers of LEDA because of the need for in-depth information from the participants since they were fewer in number.

The researcher also used documentary evidence research to supplement the other three data collection techniques used in this study. Documentary research (when one gathers and assesses documents which relate to the topic which are available) is also referred to as secondary research. It includes going through existing information in order to get information for a study to be conducted. There was an analysis of numerous documents that had been issued by Ugu Municipality. The researcher obtained information from various internet posts and social media platforms where Ugu LEDA posted the economic development activities being undertaken in the district. Some of the information used in this study was also collected from books, articles, magazines, newspapers and journals, to mention but a few.

Quantitative data was collected from the questionnaires which were given to Ugu community members. These questionnaires were formed based on the research problem, objectives and the aim of the study. Surveys were conducted to elicit data from ordinary citizens who reside in Ugu District. Although it was not a true reflection of the general populace, convenience sampling was used to choose the target respondents. To come up with the desired sample, the researcher visited big shopping

centers where residents of Ugu District flock to do their shopping. The researcher chose volunteers who were available to take part in the survey at that time.

Qualitative data was gathered with the use of in-depth interviews as well as focus group discussions. In-depth interviews were used in gathering data from the Ugu Municipality management. The researcher used purposive or judgmental sampling. As such, the researcher simply booked appointments to conduct interviews with Ugu LEDA management. These interviews were directed by interview guides and the questions in these interview guides were in some instances altered, depending on how the participant reacted. Interview guides included questions on how the Ugu LEDA is undertaking economic activities to support the local community. Moreover, in-depth interviews allowed the researcher to get more clarity from the participants whenever he needed it.

1.9.6 Data Analysis

The Statistical Package for the Social Sciences (SPSS) was used for the analysis of quantitative data, while content analysis was used for analysing qualitative data. According to Mayring (2000:27), qualitative content analysis is regarded as a process which is clear, intelligible, makes it easy to grasp the concept, as well as readily transferrable to suit new research questions. The quantitative approach is systematic and the triangulation of the two, that is qualitative and qualitative, enhanced the credibility of the information.

1.9.7 Validity

According to Bearden, Netemeyer and Haws (2011:6), validation refers to a procedure that certifies that the interviews were accurately done and are free of bias or fraud. The researcher made sure that the questions to be asked were constructed to match the given research objectives as well as the literature of the research.

1.9.8 Reliability

Furthermore, Cronbach's alpha technique was used to ensure reliability. According to Malhotra (2010:318), the reliability test is essential for making sure that there is consistency in data gathering from the various administrations of the scale of

measurement. It indicates the degree to which the measuring instrument is free from random error.

1.9.9 Ethical Considerations

The study respected the ethical standards that have to be followed in a study. The respondents were not coerced into taking part in the survey without showing their willingness. The researcher also informed the respondents of the aim of the research and that the outcomes of the research study would be available to those interested. There were no names recorded or used and this gave the respondents their right to privacy. Crow and Wiles (2008:1) defined anonymity and confidentiality as ensuring that any information in relation to the respondents is guarded safely.

1.10 Structure of Dissertation

The dissertation is structured as follows:

Chapter 1: Introduction: This chapter provides a detailed research introduction. It covers the background to the research, problem statement, the research objectives, preliminary literature review summary, a summarised research methodology, as well as the study's ethical considerations.

Chapter 2: Literature Review: This chapter looks at various existing literature related to this study. The chapter used various sources of information, including investigating the role of LEDA in improving socio-economic conditions for indigent communities. The roles of LEDA as well as the policies that were put in place for the improvement of LED are discussed.

Chapter 3: Theoretical Framework: The chapter reviews the theoretical framework for the study. The study used theories of economic growth, Linear stages of economic growth, and Rostow's theory of economic development, The structural change models of economic development, Two sector model, Structural change patterns of economic development, Neo-colonial dependence theory and Pro-growth theory were applied.

Chapter 4: Research Methodology and Design: This chapter's attention is on the noting the type of study, research design and methodology, research approach, target

population, sample size and selection, sampling technique, instrument design, as well as the processes used in the gathering and analysis of data.

Chapter 5: Data Presentation, Analysis and Interpretation: This chapter presents and analyses the results, making use of statistical techniques, thematic and content analysis. This is where the results of the study are also discussed.

Chapter 6: General Conclusions and Recommendations: Chapter six draws the conclusions for the study with reference to the findings. The chapter also gives recommendations on the findings of the study.

1.11 Chapter summary

This chapter introduced the research study. Furthermore, the chapter outlined the problem statement, study objectives and the crucial questions that gave direction to the study. There is also an outline of the research methodology, ethical considerations and the structure of the whole dissertation. The ensuing chapter has its focus on the gathering of literature in line with this study.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

Chapter One introduced the background and problem statement of this research study. The current chapter reviews literature by focusing on the role of Ugu District Municipality in promoting socio-economic development opportunities through LEDA. Ugu Municipality forms part of KZN's ten District municipalities bordered by eThekweni Metropolitan Municipality, UMgungundlovu and Sisonke District Municipalities. Its southern part shares a border with the Eastern Cape Province. The chapter also focuses on the strides undertaken by the South African government to restructure the South African economy after the collapse of the apartheid legacy in 1994, and the emergence of LEDA as a tool to alleviate poverty, inequalities and unemployment for indigent communities.

2.2 The Role of Ugu South Coast Development Agency in supporting local communities

Ugu South Coast Development Agency (USCDA) is a government agency that aims to improve economic growth by promoting investment opportunities, as well as developing socially in the South Coast area of KwaZulu-Natal (USCDA, 2017). The agency joins hands with other agencies with the same objectives, non-profit organisations as well as privately-owned companies in promoting the South Coast region of the KZN Province as the perfect place for segmental and investment solutions (USCDA, 2017).

Local Economic Development (LED) is an approach initially developed for curbing economic challenges in developed countries after WWII in 1945. LED has gained attention from developing countries as a strategy to reduce poverty, amongst other things, in local communities (Dyosi, 2016: 1). According to Sol Plaatje (2008:7), LED is a systematic approach of encouraging community governance whose main aim is to ensure that communities' goals and objectives are achieved.

The LED concept originated from western countries and is understood by Swinburn and others (2006) as a response to the realisation of the need for competitive

advantage in capital and businesses amongst local communities. Furthermore, the evolution of LED as a policy was thus seen as a way of identifying opportunities and obstacles to growth and investment through the assessment of the economic base of local economies (Du Plooy, 2017:18). LED in developed countries focuses on developing a strategy targeted at the enhancement of the economic potential and sustainability of local areas through the equipping of sub-national governments with tools and techniques for creating locally customised strategies together with regionally and globally known players, as well as from outside parastatals (Rodrigues-Pose and Tijmstra, 2009:36). However, in economically developing nations, in addition to these reasons, the purpose of LED is enlarged attention on tackling the insistent difficulties brought by poverty, disparity as well as the lack of economic development (Dyosi, 2016:18).

The Economic Development Programme (EDP) was put in place for the development of the economy. It has its main beneficiaries as the society, as every objective of the programme points to the society. The EDP set up within the Ugu District Municipality is focused on determining the feasibility of the decentralisation of retail expansion in the remote places within the district municipality. In addition, it is the focus of the EDP to utilize agriculture as a catalyst for enabling the transformation of the rural landscape from an economic development perspective, and to work in partnerships with some of the existing tourism establishments to ensure that rural communities also benefit from tourism (Ugu District Rural Development Plan Implementation Plan, 2018).

2.3 Brief overview of Ugu District Municipality

The Ugu District Municipality is found in KZN Province and it runs a total of 112 kilometers on the coastline and the boundary of the municipality in the east. In the north, the district shares its boundary with eThekweni Municipality, the west side has UMgungundlovu District Municipality and Sisonke District Municipality and in the southern side, it shares a border with the Eastern Cape Province (Ugu District Municipality, 2012:3). There are eighty-one municipal wards, culminating into six local municipalities (Ugu District Municipality Integrated Development Plan, 2012). The population for the Ugu District Municipality is approximately 753 336 as of 2016, with a population growth of 2.03 % (Ugu District Municipality (DC21), 2018). The population

Figure 1: Map showing Ugu District Municipality amongst other municipalities in the Province of KwaZulu Natal



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regional economy gives it a greater advantage for economic growth and development (Ugu District Municipality (DC21), 2018).

Despite all these advantages, the district is a victim of increasing unemployment accompanied by deepening poverty, which has been observed. This may be attributed to the spatial distribution of the district, which has two parts that are a well-developed shoreline area that is robust, as well as an expanded proper economy and a mainly poor rural inland that falls under the Ingonyama Trust which has big commercial farms and several locals who conduct farming for a living. The economy of the district is mainly driven by agriculture (sugar cane, bananas, and macadamia nuts), tourism, manufacturing and mining. The tourism sector forms one of the key sectors in the economy of the Ugu District Municipality. The sea offers many activities such as surfing owing to several Blue Flag beaches found within the district. The Ugu Jazz festival is also an important tourist attraction to the Ugu District Municipality (IDP, 2014/15).

Owing to the Tourism sector, Ugu District can provide substantially to the economy of South Africa. In 2013, Ugu District contributed 3.6 % of the R328.9 billion provincial real gross domestic profit (KZN Provincial Treasury, 2014). The bulk of such profits were realized in one of the municipalities, the Hibiscus Coast, which made a 47.7 % contribution towards Ugu's real gross domestic product (KZN Provincial Treasury, 2014).

Development within the coastal zone falls under the Provincial Growth and Development Strategy (PGDS) proposals, with a main function of providing corridor development in the province (Provincial Growth and Development Strategy 2011:16). The population of the Ugu District is predominantly rural, but the coastal zone has the highest densities (IDP 2012). Although there is still a long way to go, factors such as health, education and access to basic services that contribute to economic growth are making headway in a positive direction. It is evident with this information that the vision of the Ugu District Municipality is to be the most visited Non-Metropolitan Tourist Destination in the KZN Province.

2.4 Economic Restructuring in South Africa and the Introduction of Local Economic Development

According to Tomlinson (1993), the formulation of LED sought to curb a worldwide catastrophe provoked by international reformation together with the lack of ability by individual regions to solve difficulties. Essentially, LED may be viewed as a procedure with its attention on the full utilisation of present human as well as natural resources in building job opportunities and creating wealth in a specified area (Blakely, 1994). With LED, the focus is development from below, a phenomenon which promotes and values economic development founded on territory forms or which entails the incorporation of endogenous and territorial development supported with the utilisation of indigenous potential (Pakes, 2017:20).

The restructuring of the apartheid government structures to a single and unchanging system of local government that promotes decentralisation has been important in promoting autonomous governance as well as participatory approaches (Cooke and Kothari, 2018:5). Under the new government, local government was declared a sphere with a proactive role to develop strategies that allow the development of their economies within their communities. This was to be done together with the citizens in order to provide sustainable social, economic as well as physical requirements for the community, in addition to improving the livelihoods of the locals therein (Sekhampu, 2007:42). The validation of LED activity became apparent in South Africa after the 1994 independence as part of the democratic government. Its validation was encouraged as part of the inclusive developmental vision to be upheld by the new autonomous government (Dyosi, 2016:2). The introduction of LED amongst other economic development initiatives post-apartheid was to try and remedy the economy, which had performed dismally from around 1975 to 1994. The gross domestic product during this period was as low as 3.3 % in the 1970s and 1.2% in the 1980s (Koma, 2013:145). Although the LED legislation was passed in South Africa in 1998, its application within local governments is yet to give great results as anticipated (South Africa Local Government Association (SALGA), 2010:12). According to SALGA (2010:12), factors like meagre human, financial as well as infrastructural capacities, together with limited participation by the community, private and public stakeholders have been attributed

to the ineffectiveness of the South African local governments' full implementation of LED.

Through LED, local governments were equipped with the necessary tools provided the guidance required to develop a meaningful and sustainable economy for the concerned communities (Pakes, 1998: 32). It is hoped that LED can provide a uniform platform that promotes full representation and presents equal and fair opportunities to small and medium enterprises which have been identified to play a significant role in light manufacturing in South Africa (Pakes, 1998:23). Due to apartheid, South Africa was largely characterized by a high level of industrial concentration and dominance of elite conglomerates (Pakes, 1998:23). With the backing of LED seeking the decentralization and development of local communities, small and medium enterprises have a chance to realize their potential and add to the overall expansion and development of the economy of the nation.

LED's focus is on holistic development that excludes a rudimentary economic and materialistic mindset and which specifies that development is based on the people's attitudes and interpretation of the needs of the people (Dyosi, 2016:2). The foundation of LED is people-centered development, which means that it is principally envisioned as a procedure that incorporates local governments and community-based organizations in the coordination of making use of the present resources and the establishment of partnerships with each other, as well as with private organisations in order to uplift the economy. Decentralisation is another aim of LED as LED allows the designation of control or power to inferior ranks in the government, specifically in economic activity that ensures the financial viability and sustainability of local areas (Meyer-Stamer, 2003:1). Through LED, local democracy is practiced as the ideas of citizens are considered in addition to the valuing of local knowledge, know-how as well as resources (Dyosi, 2016: 2).

Centralisation is a common phenomenon affecting economic growth in emerging countries. South Africa is included as one of the reasons LED is encouraged to ensure the even and equitable distribution and utilization of economic spaces, landscapes as well as social assemblies (Wekwete, 2014:9). In this way, LED ensures that every

citizen needs an equal chance to get employed, creating wealth and services especially for the marginalised, and disadvantaged groups are catered for (Wekwete, 2014:9). However, the LED programme itself is biased, with large cities in urban South Africa being targeted for the development of globally competitive business environments, whilst smaller and secondary settings are targeted with elementary services that involve providing shelter, roads, water and sanitation (Nel, 2005).

In a nutshell, LED has the responsibility to promote private-public relationships; local resourcefulness; comparative as well as competitive advantage; Small, Medium and Micro-sized Enterprise (SMME) development; international competitiveness and export-orientation; as well as social capital (Pakes, 1998: 11). LED in South Africa may be viewed as social participation between the local government and community activities that create income, as well as techniques that are able to redistribute wealth to preserve and enlarge local economic activities. It is the mandate of the local Government in the South African Constitution to encourage municipalities to find ways of curbing poverty through employment creation and equality within their resident areas. It is expected of the local government to take part in the diverse economic development programmes set out by the provincial and national governments that are concerned with the growth of the economy (Sekhampu, 2007:49).

2.5 The Roles of Economic Development Agencies in Local Government

The Department of Provincial and Local Government (DPLG) (1998) defined a developmental local government to be a local government whose dedication is on forging relationships with the community in order to find viable ways of realising social, economic as well as substantial wants to develop their living standards. On the other hand, the Constitution (1996) defines a local government according to the part it plays as a local sphere of government that comprises municipalities recognised for the whole territory of the role of the Republic. It is the obligation of such a sphere of government and municipalities to guarantee fulfillment of the following objectives:

- the establishment of autonomous as well as liable government for local societies;
- ensuring the delivery of services to the societies in a viable way;
- stimulating social and economic progress;

- encouraging a safe and healthy setting; and
- promising the participation of societies and societal groups in the matters of local government (Republic of South Africa, 1996).

The Local Government Municipal Systems Act 32 of 2000 necessitates that every municipality develop a five-year strategic development plan that assists in directing as well as notifying of all preparation, financial arrangements, administration and decision-making procedures within the community for the specified period. The effectiveness of local government in growing and developing the economy is apparent where the local government works together with local economic development agencies. Development agencies are gaining popularity as organizational means for the shaping and tracking of local economic strategies (Organisation for Economic Co-operation and Development (OECD), 2009: 2). In addition, economic growth through development agencies is promoted through increased national and international competition for investment (OECD, 2009: 3).

Development agencies have been set up for various reasons that may include the promotion of competitiveness and productivity, such as in the United Kingdom (UK) and France (World Economic Forum 2014:3). On the other hand, they may be established for places that need extra help, such as in Canada and Germany (OECD, 2009:3). In developing countries however, their establishment is in response mainly to crisis and as such has been observed to operate in a bottom-up process that promotes local development (OECD, 2009:3).

The tourism industry has been identified by several governments and development agencies as a relatively cost-effective strategy that attracts foreign exchange through the exhibition of local culture and environments (Binns and Nel, 2002:236). In South Africa, tourism has been recognised as the basis for the development of economies in lesser urban centers (Rogerson, 2000:402). It is argued that if pursued responsibly, tourism in South Africa may positively improve the quality of life of South Africans. As a result, the government has made it its mandate to provide a contextual framework that supports the growth of the tourism industry (Binns and Nel, 2002:238). Where a sustainable economic development agency is available, such as in the tourism sector,

an opportunity to develop the local community by the local government is created, and such support to tourism ventures contributes to the alleviation of poverty (Binns and Nel, 2002:239).

Among several functions, the following have been highlighted by the OECD (2009:5) as vital functions of developmental agencies:

- To aggregate incongruent efforts to achieve economic growth in one form that can engender tangible know-how and a pathway of delivery;
- To improve the pace of the city's reply rate to potential investors/developers;
- To broaden the scale of the utmost application probable, usually by permitting delivery on numerous programmes as well as projects concurrently through the contracting of supplementary resources rapidly;
- To boost the reputation and reliability of city 'mediators,' thus providing an exterior investor confidence in the decision-making procedure;
- To find suitable ways of cutting expenses as well as hazards between promoters of developments as well as investments;
- To cultivate devices for value and profit capture, allowing some results of economic growth to be re-used in city finances as well as programmes;
- To provide the pathway to improve under-used resources such as in real estate;
- To formulate entirely new sources as well as tools to be used in investments, possibly in business with private sponsors;
- To develop principal projects in the city that they may be ready for investments, developing proposals so that they can lure investors from outside;
- To raise the efficient exploitation of land, property as well as indigenous investment markets;
- To surpass 'co-ordination failures' that arise from disjointed authorities;
- To support and market the city or sub-region better, overpowering information breaks as well as irregularities and formulating a vibrant image and identity; and
- To find strong roles and duties to push forward.

It is evident from the above-mentioned functions that development agencies are thus a means of leading and coordinating local government-led economic development

interventions. The ensuing section will look at the typologies of economic development in local government.

2.6 Typologies of Economic Development in Local Government

This study explored key typologies that contribute to poverty alleviation and employment creation for local communities, including Co-operatives and SMMEs.

2.6.1 Co-operatives

The co-operative sector started as early as the 20th century (International Labour Organisation 2001:2). The legislative framework and co-operatives in this timeframe were not following the co-operative principles recognized internationally. The legislation for cooperatives in SA was not supportive in aiding cooperatives to abide by international cooperatives principles (Department of Trade and Industry 2012:30). The co-operative sector started with establishing mainly white agricultural co-operatives, targeted at the development as well as expansion of the farming community which comprised of whites only. Furthermore, agricultural co-operatives that were of black ownership found government's support in the 1970s and 1980s as an initiative of the apartheid economic grant (eThekwini Co-operative Strategy Final Report 2015:27). Finally, in 1981 a breakthrough was reached when the Co-operative Act no.14 of 2005 was put in place and it endorsed communities to establish and register agricultural co-operatives, including those owned by black farmers (the Department of Trade and Industry 2012:31).

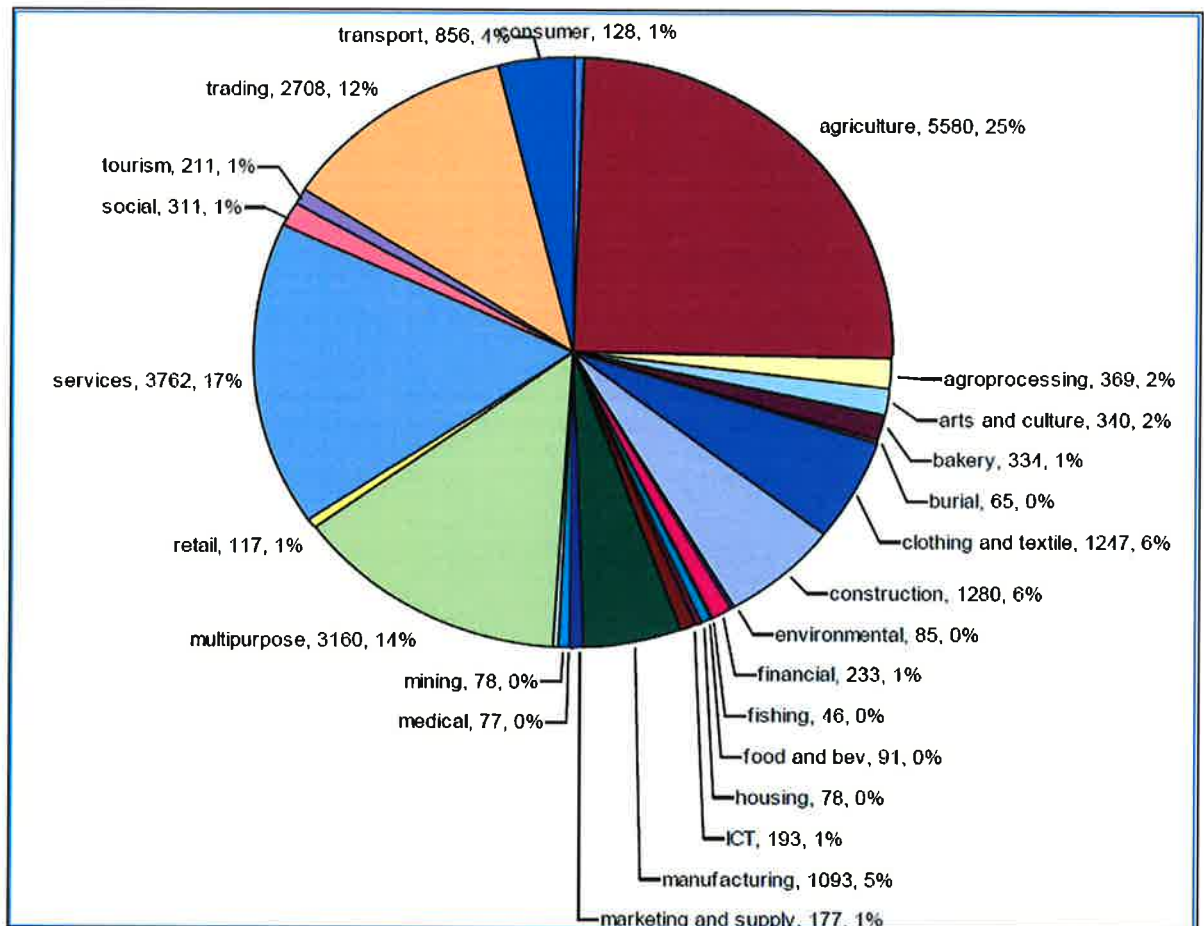
According to the International Co-operative Alliance, a co-operative is an independent relationship of people joined willingly to realise their mutual economic, social and cultural wants and desires using a shared as well as democratically organized enterprise (International Co-operative Alliance 2018). According to Dyer (2009), co-operatives signify a change of authority from the possessors of funds to the workforce as the possessors of effort or toil. Moloto (2012:157) revealed that co-operatives differ with other forms of businesses in their principles and values. Co-operative ethics and values nurture unanimity as well as the working together of people at the lowest levels in the community in fighting to develop their economic condition. The setup of co-operatives allows people to contribute in the economic improvement of their resident

areas in the sense that co-operatives are usually run by the locals and they distribute wealth equally amongst the people in the cooperative, thereby leading to an equal distribution of income. This is unlike ordinary businesses where the owners and shareholders are the ones with the most income.

A co-operative cannot be compared or be seen as a parastatal or a Non-Profit Organization (NPO). Government agencies in other emerging countries are referred to as co-operatives but as a matter of fact, they are not (Mutolo, 2012:159). Moreover, any association ought not be taken as a co-operative, nevertheless others refer to themselves co-operatives. Co-operative ownership lies with the members and they give back excess income equally to the owners. Non-profit organisations cannot be referred to as co-operatives since they help people or organizations separate from themselves. The NPOs also do not share profits amongst the members for it does not operate for profit.

According to the Department of Trade and Industry (2012), developing sectors are posing a great challenge to the agricultural division for co-operatives. The emerging sectors comprise of the services sector with 17%, trailed by the multipurpose sector which comprises 14% of documented co-operatives. The two sectors progressed well because of the new legislation that enabled every sector of the economy to register co-operatives (Department of Trade and Industry 2012:35). The development is also due to the opportunities provided by the government in procurement. Numerous sectors are beginning to join in the establishment co-operatives and these entail trading (which involves the purchasing as well as vending of goods including equipment); manufacturing; mining; construction; social; fishing; bakeries; arts and culture; medical; mining; environmental; financial; consumer; housing; tourism; transport; agro-processing; clothing and textiles; marketing and supply; retail and food and beverage (Godfrey, Muswema, Strydom, Mamafa and Mapako 2015:52). The list of co-operatives and their contribution to South Africa's economic growth is reflected below in Figure 2.

Figure 2: Sector spread of registered cooperatives in South Africa in 2012



Source: The Department of Trade and Industry (2012)

2.6.2 Small, Medium and Micro-Sized Enterprises

In South Africa, SMMEs are classified into five categories: survivalist enterprises, micro enterprises, very small enterprises, small enterprises as well as medium enterprises. Survivalist enterprises are enterprises that realize income below the least income average, otherwise known as the poverty line. This group is also regarded as pre-entrepreneurial and comprises dealers, vendors as well as farmers who farm for their own consumption (International Leadership and Development Programme 2014:10). Micro-enterprises are those whose turnover is below the registration limit for value added tax (VAT), that is R150 000 per annum (Small Enterprise Development Agency 2012:34). Such enterprises generally have trace of being officially registered. They comprise spaza shops, minibus taxis as well as household industries. They hire a maximum of 5 workers.

Very small enterprises are enterprises with less than 10 employees, excluding the mining, electricity, manufacturing and construction sectors where it is 20 employees (Bhorat 2018:24). Such enterprises function in the formal market and may use technology.

Small enterprises employ a maximum of 50 workers. Small enterprises are usually more reputable compared to very small enterprises as well as showing further multifaceted business practices (Small Enterprise Development Agency 2012:34).

Medium enterprises employ not more than 100 workers or 200 within the mining, electricity, manufacturing as well as construction divisions (International Leadership and Development Programme 2014:10). They are usually known by the delegation of power to a supplementary management layer.

Many of these provide the livelihoods of people in SA. Hence, the creation of LED units and other methods on the institutionalization of LED in local government requires an understanding of the different forms that implementation could take, including SMME development. In the early stages of the development of LED in 2002 /03, LED activities were already credited with the establishment of SMMEs in a number of communities. Rogerson (2008) agrees that SMMEs have been acknowledged as an application of LED policy from its beginning and formalization in SA.

Most of the SA municipalities are facing huge poverty challenges which require interventions to improve the conditions of the poor. Thus, the introduction of the SMMEs requires the municipality's role to be clarified as a facilitator of a setting that is favorable to the advancement of business initiatives by community members. Municipalities are expected to be the major actors in LED in formulating a strategy to facilitate SMME activities in creating jobs, infrastructure development, encouraging cooperatives in the communities, developing and sustaining the main economic sectors (World Bank 2000).

The success of local economic development does not take place in a void. It is governed by several factors that affect the country's economic performance at large.

Hence sound macroeconomic policies are an inherent part of the success of local development (Khambule, 2012). The Ugu district consists of 4 (four) municipalities including Umuziwabantu, Ray Nkonyeni, Umdoni and Umzumbe. Part of the municipalities' strategic planning process is aligning its developmental plans to government policies and plans. These include significant obligatory and non-obligatory national and provincial plans, programmes as well as strategies (Ugu District Municipality IDP, 2017/2018).

As part of the global world, South Africa approved the 2030 Agenda for Sustainable Development, comprising of a set of 17 Sustainable Development Goals (SDGs) to terminate poverty, combat disparity and injustice and confront the change in climate. The Ugu district has a mandate and obligation to guarantee the availability and viable administration of water and sanitation (SDG 6) (Ugu district Municipality IDP, 2017/2018). Tremendous progress has been noted in several areas of the SDGs like income, admission to enhance sources of water, primary school staffing and poverty. Although much work still has to be done, the Ugu district remains committed to the global efforts to guarantee that the objectives that South Africa and the other parts of Africa set are accomplished. These involve hunger and poverty alleviation, making health and education better, resulting in the cities being viable, fighting the change in climate, as well as caring for the oceans and forests by 2030 (Ugu district Municipality IDP, 2017/2018).

The National Development Plan (NDP) is also determined to eradicate poverty as well as lessen inequality by 2030 and has been divided into phases for easier implementation. The Ugu district has made a concerted effort to implement the current 2014-2019 MTSF, which also directly informs departments' planning, as well as forecasted plans and performance. The district has aligned to the national vision of expansion of infrastructure which, according to the Ugu district Municipality IDP (2017), is focusing on water and sanitation infrastructure to guarantee that everyone gets clean water and sanitation in the Ugu area jurisdiction (Ugu District Municipality IDP, 2017/2018).

In light of these mentioned policies, the Ugu District Municipality has crafted its IDP and LED programs to follow such cascaded national as well as provincial strategies. This will warrant a mutual understanding of pressing matters to be solved whilst simultaneously ensuring a coordinated effort with its family of municipalities. This makes the coordination of government efforts to improve development easier, thereby leading to prosperity in a united manner (Ugu District Municipality IDP, 2013/2014). To achieve this, the district come up with IDPs for its municipalities to address and guarantee, namely:

- People in the society have viable and dependable basic services accessibility;
- Inter-governmental and democratic governance schedules for an efficient structure of co-operative governance are reinforced;
- Good management of finances and administrative duties;
- Putting social and economic growth at the forefront; and
- Local community employment programmes are extended by using the Community Work Programme (CWP) (Ugu District Municipality, 2017/2018).

Despite of this effort, in 2014 CoGTA (Co-operative Governance and Traditional Affairs) classified the Ugu district under the 8 municipalities that needed intervention. CoGTA conducted a review of municipalities to determine the extent of progress against a certain criterion which they deem for an ideal municipality. Municipalities are classified into three tiers- the top group are seen to perform their functions adequately and represent the ideal state of municipalities as envisioned by CoGTA. The middle tier is reckoned to be equitably functional with performance generally on average, but with basics in place. Lastly, the lower tier is seen as dysfunctional and in need of a substantial amount of work for them to function properly. This can be attributed to corruption, the lack of structured community engagement, poor financial management and basically councils which do not function. The Ugu district is driven to change and hence aligned its resources to the 5 Back to Basics pillars program and since 2015 has been classified as functional (Ugu District Municipality IDP, 2017/2018).

2.7 Legislative and Policy Frameworks for Local Economic Development in South Africa

The commitment of the government in the post-apartheid era to transforming and restructuring the South African economy is interpreted through various programs and policies, which are discussed below:

2.7.1 The Constitution of South Africa (1996)

The South African Constitution of 1996 is the greatest law of the country that supersedes all other policies, strategies and programmes. Section 152 of the Constitution focuses on economic development and it clearly states the intentions of local government. The objectives include the promotion of social and economic growth, democracy and accountability of government for resident societies; to guarantee the viable delivery of basic services to local communities; to give a safe and healthy atmosphere and encouraging the participation of the general populace and organisations in local government issues. The stated objectives have a legal mandate for LED at grassroots levels so that there is a promotion of socio-economic upliftment. Community participation plays a significant role in LED since it is crucial to meet people's desires. In addition, every municipality is mandated to configure as well as looking after its administration, budget and development process, giving priority to the rudimentary requirements of the community, hence promoting social and economic growth of the community. Furthermore, the municipality has to take part in national as well as provincial development programmes (Urban Econ 2007:7).

The Constitution (RSA, 1996) sees local government as a distinct scope of government. The Constitution in Section 153 directs municipalities to give first preference to the rudimentary requirements of the public so that there is social and economic expansion of the community and to also partake in national and provincial growth programmes. In addition, section 155 provides the diverse classes of municipalities (Makhubo 2012:18).

The LED draft policy paper assumes a distinct pro-poor position, whilst not different from conservative business engrossed activities. The paper contends that with the

state of the country's society and economy, pro-poor progressive interferences must be prioritized within local governments. The LED identifies local government objectives, which include forming an employment generating economy growth route, that conveys the disadvantages to the epicenter of the development of the National Framework for Local Economic Development (2007:74).

The Department of Provincial and Local Government established the LED national framework in 2006. The framework was developed by consulting different levels of government and different relevant departments. The main aim of the LED framework is the promotion of viable local economies through the use of incorporated government action (Urban-Econ 2007:10).

2.7.2 Local Government Municipal Systems Act 32 of 2000

This Act allows the local municipality to develop proper mechanisms required for providing essential and cheap services for communities. It also necessitates the creation of efficient communication to connect the community and the municipality, based on service provision. It further creates structures which give the community a chance to participate in municipality affairs (Act No 32 of 2000).

2.7.3 Local Government Municipal Structures Act 117 of 1998

This Act requires municipal executives to make structures to promote democracy within the local government. The elected member has to give a report concerning the participation of local communities in influencing the municipality's decisions and processes. Furthermore, the committee is responsible for putting laws in place and overseeing the services being provided within the municipality (Act No 117 of 1998 Section 72).

2.7.4 Municipal Financial Management Act 56 of 2003

According to Craythorne (2006:42), the Municipal Financial Management Act 56 of 2003 (MFMA) is crucial in driving financial reforms in local government. The structure was recognised to improve budget, accounting and financial management practices by creating local government finances so as to increase the ability of municipalities to provide services to societies. However, Brown (2014:8) shows that there is a gap

between what the act suggests and what actually happens. This limits the effectiveness of the act in bringing about improvements in local government finance control. In a report by the AG of KZN, it is stated that 37 of the 61 municipalities in the province fail to meet due dates to submit municipality financials for an annual external audit. The past budgets looked as if they were based on the preceding year's budget (Farvacque-Vitkovic and Kopanyi, 2014:57).

The Macro-economic policies that support LED initiatives are discussed below.

2.7.5 New Growth Path 2020

The New Growth Path (NGP) gives a wide structure, that provides the image and recognizes the main areas in which jobs can be created. It is focused on addressing unemployment, inequality and poverty in a plan that is mainly dependent on making an important rise in the number of original jobs in the economy. The NGP's 2020 target is to create 5 million jobs. The aim is anticipated to reduce unemployment rates from 25% to 15%. However, the aim can only be attained if the government works with social partners in addressing key structural challenges in the economy (NGP, 2010).

The objective of the NGP is to create 5 million new jobs by 2020. This can be done by increasing economic growth to a sustainable rate of between 6 per cent and 7 per cent annually. If this happens, unemployment will be reduced to 15 per cent (NGP, 2010). The key objective is to address unemployment, poverty and inequality by creating chances for employment in South Africa's private sector, putting job creation at the centre of the policy.

2.7.6 Reconstruction Development Programme 1994 (RDP)

The Reconstruction Development Programme (RDP) was launched as the key objective of the African National Congress' (ANC) policy prior to 1994 elections and is the first main post-apartheid policy document. The RDP was made formal as the new government's white paper on Reconstruction and Development in September 1994. It planned to provide a wide framework for the SA's new growth idea, significance and working events. It was directed at laying a basis following laws and actions to address the risky social and spatial disparities produced by years of apartheid, as well as to support general growth (ANC 1994:5).

Mpengu (2010:16) states that the RDP placed importance on public empowerment. It suggests that growth is not about the transfer of goods but about participation and developing empowerment which is incorporated into all levels of the government non-state organisations and community organisations. Furthermore, it also emphasises the important relations between contribution and pro-poor economic growth. It aimed at tackling disparity and deficiency through the need for a united and sustainable programme. The RDP created programmes to attach resources in a rational, focused and sustainable effort. The RDP pursued moving people and the nation's resources towards removing apartheid and building a democratic country (Corder 1997:184).

The RDP has a number of offers, plans and strategies categorized into five groups, namely meeting rudimentary requirements, increasing human resources, improving the economy, implementing the RDP as well as democratising the government and society. The satisfaction of people's requirements like jobs, houses, water, land and transport was the first priority. The programmes were divided into two classes: short and long-standing perspectives. The earlier one comprised of the viable redistribution of land, constructing more than one million houses, the provision of clean water and sanitation for all, providing electricity for a total of 2,5 million new homes, as well as making healthcare and telecommunications affordable to everyone. These programmes were supposed to involve the people in the decision-making process of housing location and employing them in the building process (RDP, 1994). RDP programmes were meant to improve the economy. In addition, the second programme of the RDP focused on developing human resources as RDP had the needs of the people as its top priority. People made their input into the making of decisions, the execution of the programmes and it opened employment opportunities. The RDP also took into consideration education from primary to tertiary level. It dealt with training children, adults and students in both formal and informal institutions. There was also a distinctive consideration of the youth in order to empower them and to reverse their downgrading, enabling the youth to realise their greatest capability. Programmes for training, learning as well as employment creation were destined to allow citizens to have the leading role in the building and development of society (RDP, 1994). The third programme was to build the economy. This programme highlighted the necessity to

curb the key flaws in the economy. However, there was some racial and gender discrimination in employment and ownership. The fourth programme was about democratizing the state and society as democratisation was integral to the RDP (Ndhambi, 2015:25).

2.7.7 Growth, Employment and Redistribution 1996 (GEAR)

The reconstruction and Development Programme (RDP) was the key framework policy for a South Africa that was beyond apartheid. It was the mandate of the RDP to improve the economy through a redistribution strategy that catered for the basic needs of all South Africans, such as the provision homes, electricity and universal access to affordable healthcare (Black, 1994: 194; Wehner, 2000:184). Various sectors of the RDP that include health, housing and education were delegated to ministries responsible for such sectoral programmes. The policy was funded by an RDP Fund established in 1994 with financing from earnings from selling some assets of the state. The RDP operated under a three-year-action plan with a bottom-up process. However, the RDP was closed in March 1996 and in June of the same year, economic development was taken over by the Department of Finance which developed the Growth, Employment and Redistribution (GEAR) strategy (Wehner, 2000:184).

The focus of GEAR, according to the Department of Finance (1996:1), was the need to ensure that high levels and sustained growth are achieved in a competitive outward-oriented economy. GEAR was also important in ensuring the re-entry of South Africa into the global economy, following two decades spanning from 1970 to 1990 of relative international isolation (Pyrocroft, 2000). The role of the state, unlike in RDP, was minimised as more emphasis was put on the establishment of an environment that promotes the growth of the private sector. GEAR emphasised the economy whilst ignoring the politics and social aspects involved. Through the growth of the private sector, employment creation and redistribution are enabled (Wehner, 2000:185). The demand for tight monetary policy, expenditure restraint and trade liberalization are perceived as a conventional macroeconomic policy (Adelzadeh, 1996).

GEAR faced some challenges that derailed its progress and thus resulted in its under-performance. Firstly, deficit reduction was considerably unsuccessful in incorporating

the private sector. In addition, high interest rates imposed in response to volatile emerging markets hindered growth. Lastly, the consolidation of policy changes of GEAR targets by different government departments may be a challenge (Wehner, 2000: 89).

It is noteworthy that GEAR has not yet realised its full potential. There have been observations of a decline in formal employment and lethargic growth over the GEAR period (Wehner, 2000: 189). However, one of the three important sectors of GEAR, redistribution, has made some progress through the re-prioritization of public expenditure.

2.7.8 Accelerated and Shared Growth Initiative for South Africa 2007 (ASGISA)

ASGISA's chief objective was the reduction of poverty by the year 2010, as well as the halving of unemployment by 2014. The goals were to be realized by using a two-phase target set by the government. During the starting phase from 2005 to 2009, the government wanted to reach a 4.5 per cent growth rate per year. In the latter phase, which is 2010 to 2014, the annual growth rate had to rise to 6 per cent of GDP (Boshoff, 2005).

Consequently, the Accelerated and Shared Growth Initiative (ASGISA) was established and the focus was to enhance policy execution as well as economic growth. ASGISA works with the ensuing challenges: the shortage of dedicated and trained workers in the public sector; the shortage of labour responsible for the effective implementation of policies; mishandling of money, together with corruption; inadequate funds to allow for the effective execution of policies; a lack of synchronisation amongst institutions, as well as scarce new investment prospects; obstacles that bar new players to get to local markets; and restricted rivalry amongst firms (Boshoff, 2005).

Furthermore, there were social goals that needed the government to generate more opportunities that would absorb labour into the economy at a faster rate, thus improving employment in the end. The advantages of the improved growth would have to be shared in a way which would combat poverty and perhaps eradicate such a social ill and incidentally decrease the prevalent inequality in South Africa.

Sustainable growth at approximately 6 per cent needs addressing of the binding limitations on development in South Africa. ASGISA pointed out the six binding restraints on growth as follows (The Presidency, 2007):

- **The comparative unpredictability of the currency:** South Africa has made substantial progression with regard to the administration of monetary and fiscal policy. Nevertheless, its currency is still unpredictable to some extent. This has an effect of reducing foreign investment in purchasing tradable goods, as well as services exterior to the commodity sector.
- **Cost-effectiveness as well as capacity of the transport system countrywide:** The costs of transporting products are usually higher than expected in South Africa, because of logjams in infrastructure, as well as investments and marketing structures which deject competition.
- **Lack of appropriately experienced labour and the distortions of apartheid impacting low-skilled remuneration:** The rough quality of education post-apartheid has led to a deficiency in amply trained workers within personnel, leading to a reduction in the rate of growth. Moreover, the price of labour has been augmented due to the distance between the workplace and where most workers live.
- **Barriers to entry, restrictions for rivalries and inadequate investment openings:** The economy will always be comparatively concentrated, particularly in the steel, iron, paper, chemical and telecommunications sectors, which are production sectors at the beginning of the supply chain. In other instances, downstream production is impacted adversely by the forces of demand and supply. Such issues have to be curbed by industrial policies as well as competition law.
- **Supervisory settings as well as the weight on small and medium businesses:** The small and medium business segment gained its popularity from its contribution to reducing unemployment as well as improving GDP. Conversely, issues like municipal by-laws, the administration of labour laws as well as particular sectorial governing settings all impede the progressiveness of such businesses.
- **Insufficiencies in state organisations' aptitude as well as leadership:** Government is marred by many loopholes in the way it is structured, particularly

in public service provision, in conclusive leadership as well as real policy development and execution, which all restrain the country's possibilities of growth.

Government found that there was no need for changing economic policy, just like the identification of initiatives was for the attainment of such goals that were outlined effectively within the policies. With the above-mentioned difficulties, ASGISA came up with six initiatives designed to address these limitations and realise the goals spelt out within the policy. The initiatives comprise (The Presidency, 2006):

- **Infrastructure programmes:** Government dedicated its resources to improving investments in the public sector by channeling funds to develop infrastructure, improving the infrastructure for communication, as well as renovating and upholding the existing public infrastructure.
- **Sector-specific investment strategies:** Numerous segments in the economy face diverse difficulties and government has admitted that different segments need different answers to counter the difficulties they encounter. Thus, government has to formulate strategies which are specific to a certain sector.
- **Bridge the gap with the second economy:** The objective is having to link the second economy and leverage the first economy. This is realized by the promotion of small businesses through the raising of public spending and secondly, making use of sector specific strategies in aiding to counter sector-precise difficulties.
- **Macroeconomic intervention:** This comprises of approaches that aid in the reduction of unpredictability, as well as over-valuation of the rand, guaranteeing an effective implementation of monetary and fiscal policy so that they reduce inflation, thereby leading to viable economic development.
- **Joint Initiative on Priority Skills Acquisition (JIPSA):** This programme was developed with a 3-year timeline to combat the scarcity of skills. JIPSA and ASGISA had the objective of noting where there is a lack of skill, while improving the amount of skills required by the assignment of professionals.
- **Public Administration Issues:** New policy implementation is expensive. Such costs could be evaded by diverting the present establishments into new duties and roles.

ASGISA was able to raise the degree of investment by 5 per cent of GDP, together with improvements in government investment to more than 10 per cent per year, as well as progression in expenditure of both government as well as households in 2006/2007 (The Presidency, 2006). Conversely, regardless of ASGISA achieving some degree of accomplishment, joblessness kept on increasing and GDP growth dropped. This brought uncertainty in the progression of the programme and government never gave an authorised statement concerning the destiny of the ASGISA policy.

2.7.9 National Development Plan Vision 2030

The National Development Plan was presented in 2012 and set out to eradicate lack within the society and lessen inequality by 2030. The plan was for unifying people; releasing the strengths of residents; cultivating an all-encompassing economy; shaping competencies as well as improving the ability of the state and leaders, joining hands to create solutions for compound difficulties. It was introduced when the previous President, Jacob Zuma, selected a National Planning Commission (NPC) in May 2010 with the aim of putting in place the vision and national development plan. The Commission's *Diagnostic Report*, which came out in June 2011, outlined South Africa's accomplishments as well as failings from 1994. It pointed out failures in the execution of policies, as well as the non-existence of extensive partnerships as principal causes for sluggish growth. The NDP identified nine major challenges: several people are unemployed; school education for most blacks is poor; poor positioning of infrastructure; insufficient as well as under-maintained infrastructure; spatial divisions staggering all-encompassing growth; the economy is untenably resource demanding; the public health system is not able to satisfy demand or put up the needed quality; public services are not evenly provided and are usually of meagre quality; the extent of corruption is unbearable and South Africa is still a divided country (National Planning Commission 2012:2).

The diagnostic was welcomed by South Africans from every background to be an honest, constructive valuation and, with their contribution, informed the concluding National Development Plan.

According to Steenkamp (2015:62), the policy has a durable strategic plan, that attends to four extensive objectives:

- The creation of all-encompassing goals to be attained by 2030;
- Agreeing on the principal hindrances that bar from the attainment of such goals and the ways to counter these hindrances;
- Formulating a mutual long-standing strategic outline from which more thorough planning can be done in order to progress the long-standing goals set spelt out in the NDP; and
- Generating a foundation for making selections about how best to use inadequate resources.

The above-mentioned objectives can be achieved by following the 17-year plan outlined below.

Critical steps undertaken in 2013 to unlock implementation. The following arrangements were carried out in 2013:

- Execute programmes without the need for extra resources and elongated lead times;
- First find crucial steps that kick start implementation;
- Preparation of the 2014-19 MTSF: Medium-Term Strategic Framework as the first five-year building block of the NDP;
- Concentrating on areas where the execution of present policies has to improve; and
- Dedicated conversations to counter hindrances to execution.

2014-2019 Planning Cycle The 2014-2019 planning phase must be taken to be first in a run of five-year planning phases which will enhance the objectives of the NDP. Government departments were clearly shown their plans and whatever they do must be in line with the NDP. The 2014-2019 MTSF was established to help with execution and contains important outcomes as well as actions. The objective is to guarantee policy coherence, placement as well as synchronisation across government's plans, including the placement of budgeting procedures. The corresponding planning phase at local government level is similarly essential (National Planning Commission, 2013).

It pinpoints signs as well as targets from the NDP and additional strategies, like:

- The New Growth Path which sets the course of the growth of the economy;
- The National Infrastructure Plan responsible for directing the rollout of infrastructure to enhance the quality of the lives of people and all for the development of the economy; and
- An Industrial Policy Action Plan that targets improved investment, as well as competitiveness in prominent sectors and industries.

The NDP has its structure based on 14 significant results: education, health, safety as well as security, economic growth and the creation of jobs, enhancement of skills, infrastructure, the improvement of rural areas, human settlements, local government, environment, global relations, an operational public sector, safeguarding the society, nation construction as well as social interconnection (National Planning Commission. 2013).

2019-2024 and 2024-2029 Planning Cycles. This stage of the NDP will be used to initiate the outstanding undertakings. It carries on from prior cycles and will be informed by performance reviews.

2.7.10 Radical Economic Transformation

The notion of radical economic transformation gained prominence with the announcement by former President Zuma in the 2017 January 8 speech at the 54th National Conference of the ANC that South Africa needs radical economic transformation. The notion has since been repeated in various forums, including the national budget speech. According to Mostert (2017:1), the challenge with the policy is that there is no general understanding of the concept of Radical Economic Transformation (RET) as it was never officially defined. Statements on radical economic transformation included growth being more inclusive, the redistribution of land and addressing the use of “monopoly capital”.

Some of the socio-economic encounters that enlighten the perspectives on fundamental economic change include:

- The continued rise in joblessness;
- Poverty prevalence remains high;

- There has not yet been any redistribution of income: the principal deterrents being the drop in the actual incomes of individuals, as well as the indicators of inequalities in income have been amplified across the board. The portion of workers' national incomes constituted 56% in 1995, which fell to 51% in 2009, implying inverse redistribution from the poor to the rich;
- The means of production power remain in white capitalist hands: The Johannesburg Stock Exchange (JSE) is still led by a few huge firms. Half of the JSE account for 6 companies and over 80% is accounted for by huge banks as well as companies which are operating at the center of the minerals –energy complex;
- The configuration of the economy is still reliant on minerals and is now finance-steered: The economy relies very much on foreign currency earned in exporting minerals. There are reports of a rise in manufacturing products, exceeding minerals. Such exports are still led mostly by the fundamental minerals-energy complex. Numerous studies revealed the rapid rise in exports in the manufacturing sector because of trade liberalization, which led to improvements in production as well as competitiveness;
- The way exports are structured have failed to interrupt the supremacy of core minerals-energy complex sectors. On the other hand, imports remain in refined manufactured goods like machinery as well as equipment;
- The influence of the economy still remains in white hands: White people are still in top management as well as senior management of most companies. In turn, this governs whether one changes to a more advanced income bracket or not;
- The health outline of the entire populace has declined: In 2006, the life expectancy of a black female South African was 12 years shorter than a white male, and a typical man in Sweden has a life expectancy which is 30 years greater than a regular black South African woman; and
- The catastrophe in education continues and the quality is deteriorating: Children who are impoverished continue being stuck in mediocre education with solely insufficient infrastructure. 70% of matriculation exam passes are accounted for by 11% of schools, former white, coloured and Asian schools.

Ugu is trying to remove the power from white hands into the hands of black leaders. In addition, support for education is in place to help fight the education challenges. According to Mostert (2017:7), this is the context within which the African National Congress (ANC) policy Conference and later the 53rd National Conference, the SACP Congress and Congress of South African Trade Union (COSATU) Congresses have all agreed for a radical phase of transition.

2.8 Macro-Economic policies in South Africa

Below are the macro-economic policies in SA. After 1994, government put in place a restructuring programme for the entire economy in an effort to stabilise key macroeconomic totals. The restructuring programme was fruitful because it attained a lower fiscal shortfall. There was an improvement in competitiveness in the markets, inflation and actual interest rates dropped. Government realised improved openness, as well as the predicting of monetary policy as it changed them from keeping the exchange rate favourable to surpassing targeted inflation levels.

2.8.1 Monetary Policy

Prior to 2000, the South African Reserve Bank pursued a monetary policy that stressed financial stability over economic growth. In particular, high interest rates have been maintained in order to avoid capital flight, excessive pressure on the exchange rate and high inflation. The success of this policy came about partly because dwindling fiscal deficits have avoided a situation in which there was pressure on South Africa's capital market to finance large government needs. However, the drawback is that high interest rates have had a stifling effect on economic growth (Khamfula 2004:9).

2.8.2 Fiscal Policy

Fiscal policy is SA's most important instrument for macroeconomic management and for social and economic transformation. A main long-term objective has been the reprioritisation of expenses away from race-based access to public services that were mainly reserved for the minority white population towards a more racially equitable pattern of expenditure. Fiscal policy is heavily impacted by domestic and international economic conditions (Creamer 2015:71). The fiscal policy has been taken to be a key victory since this policy attained its goals in the period after apartheid. The input of the

fiscal transformations has been the stable drop of fiscal shortfall, which was always under 3% of GDP (Khamfula 2004:11).

2.9 International Perspective of Economic Development Agencies and Key Lessons to be emulated by South African Municipalities

Local municipalities all over the world are facing similar issues of disparity to a certain extent, shortages of jobs as well as rising poverty levels and inadequate provision of elementary services to local societies (Koma 2013:129). The magnitude of issues is intensified by global tendencies, as well as new realities like urbanization, technological changes and globalization, plus the progressively competitive situation internationally. Such aspects have an impact on the general well-being of cities and towns and the towns and cities of South Africa are also included. Such dynamics have become a new structure upon which local municipalities have to take care of their economic position.

According to Seduma (2011:8), the World Bank endorses that poverty lessening initiatives using LED must be incorporated for the delivery of essential rudimentary services like water, electricity, education, healthcare, roads and sewerage to impoverished societies. For meaningful economic growth to be realized, lively involvement of the recipient societies in LED initiatives is crucial. Blakely (1994:9) and Nel (2001:1) support this notion and go on to describe LED as an exercise where local government and community organizations encourage business action as well as job creation.

Edigheji (2009:61–62) attributes the success of local development agencies in Asia to the fact that they are extremely inventive. They have procedures that address the hostile circumstances impacting the poor and create an enormous investment to improve human competences; generate an environment for a high growth rate of the economy; have a adequate amount of national independence in policy creation, as well as provide precise supremacy to public policy in issues of health, education, social welfare as well as the redistribution of land. This has been adopted by South African municipalities and the government at large and was fundamental in the development arrangement that produced the NDP in 2012 (Koma 2013:131).

There are also significant lessons to be taken from the Hungarian local economic development policy. Firstly, they have a comprehensive policy structure regulating LED planning and relationships. Moreover, collaboration in LED planning initiatives are robust. There are effective industrial parks, industrial regions as well as creativity zones which are recognised by municipalities and have their focus on generating employment by expanding the number of indigenous entrepreneurs. Operative infrastructure in the form of transportation, telecommunications and roads are present. Operative inter-governmental associations on the elevation of regional as well as local economic expansion across the national, regional, county, micro region as well as municipal stages are in action (Koma 2013:136).

A successful local development agency should not simply cultivate decent policies that aid in the growth of an economy, but must also have the capability to execute and manage them; to uphold the operational apparatus of the government, as well to safeguard and cultivate principles of honesty and high performance in the public sector. Various fast-developing countries in East Asia, like Japan and South Korea, are famous because of the efficiency of governmental managerial structures, the excellence as well as competence of high-ranking managers who are skilled and motivated (Butler 2009:136). The South African government is not oblivious to this notion and hence set up an initiative to improve the efficiency of public workers through training programs like JIPSA. The responsibility now lies with the respective municipalities to take up the initiative and utilize such prospects, rather than rendering them obsolete.

A study by Pemrick (2013:229) revealed that native companies and businesses which are seeking to launch a facility in any location have to assess the real estate. They have to take into consideration the scope, physical features and cost of rentals or place; the capacity to find supplementary space or develop; the availability of transport as well as parking; and the accessibility, dependability and rate of utilities such as power, water and sewerage; and telecommunication in order to make a decision (Bertlesmann Foundation and World Bank's Cities Initiative 2002:35). It cites that the readiness of a location is also crucial because it has an effect on the time needed for the operation to get started (affecting lucrativeness). A shovel-ready site – which is a location that has

passed all the necessary environmental evaluations, archaeological and soils examinations, traffic influence studies, location plan as well as sector endorsements, etc. and is pre-allowed – lessens the jeopardies that companies are faced with if there is completion of construction in time and below the budgeted cost. The Shovel Ready Sites Program originated in New York and now several states that seek the industry to finish their construction in time and cost effectively have copied this program. Shovel-ready status gives an essential market leading position as it directs the message of the community needing business development and its willingness to go through what it takes to attain the real estate requirements of potential clients, (Pemrick 2013:230).

A report by the New York State Department of Labor on science and engineering jobs comments that Science and Engineering employees aid to raise the capability for invention in new products, services or procedures, (Pemrick 2013:228). Furthermore, as economies get to be knowledge demanding, employees possessing the correct Science and Engineering abilities will be in even more superior demand. Educational accomplishment stages in Broome County (the state in the study) echo partly the existence of a big state university epicenter, as well as a communal college. The Census Bureau pointed out that 89% of County inhabitants who are 25 years and above hold a high school diploma at the minimal, or its equivalent, and 26% possess bachelor's degree or greater. Approximately 12% completed graduate or professional degrees. Amongst the Broome County occupants between 25 and 34 years of age, the percentage of the populace holding a four-year graduate or qualified degree is over 30%, and with those between 35 and 44 years old it is 27.9% (Pemrick 2013:229). This can be instigated by South African municipalities by identifying skills shortages and consequently improving the level of abilities required over the assignment of professionals trained at local universities and vocational institutions.

Incentive refers to any aspect (financial or non-financial) which gives a drive to follow a particular path of action, or can be taken to be the reason for selecting a certain choice amongst various alternatives. In the development of the economy, incentives can be of use in the lessening of competitive hindrances that control a company's lucrateness, like increased energy charges or native property levies. Incentives can also be given to improve native resources – for instance, training to equip employees

for particular kinds of occupations, or lengthening a sewer line to offer the utility for an industrial location. Incentives furthermore consist of grants or loans intended to generate, enlarge, as well as lure companies and influence private investment (Pemrick 2013:235). Generally, indigenous, regional, as well as government incentives appear to be sufficient for several kinds of businesses. Funds for acquiring non-current assets, stock, as well as working capital are obtainable from various agencies, usually at modest charges. On the other hand, there might still be a necessity for financial aid without any requirement for substantial surety (e.g. land and buildings) for companies in their developing stages (Rogerson 2004:24-25). South African municipalities can also employ incentive programs to attract more business and infrastructure development by offering grant and loan programs that have employment generation desires which are practical.

However, Mkandawire (2001:420), criticises relating the states in Africa with advanced ones as it brings about the nous of despondency. He suggests that African nations must find what is feasible for them by relating and assessing their situations, instead of matching the East-Asian models. He alludes to any nation that generates a suitable institutional framework to stimulate growth as worthy of acknowledgement as a developmental local government.

2.10 Way Forward and Future Considerations

Some ways forward and future considerations are provided below. These may assist municipalities to pave their futures giving clear consideration to what needs to be done.

- **Skilled workforce:** Municipalities tend to have an increased percentage level of employees getting to the age of retirement. Therefore, it is necessary to plan for augmented hiring efforts, as well as preparation programs to address losing the elder members of the workforce thus lessening the loss of institutional knowledge. Some employment vacancies may continue being open and their duties are moved to other workers with little know-how. Hence there is decreased productivity, although they can turn to the use of technology in a move to lessen labour dependability.
- According to a study by Koma (2013:288), skills acquisition should be top priority for local development agencies. The political as well as administrative elements

of the municipality must possess skills, proficiencies as well as knowledge that suit the imperative of an evolving system of local government (Maserumule, 2008:441). Furthermore, there is inherent need for strategic leadership that takes valiant and pivotal actions contrary to poor performance as well as the absence of accountability. Municipal front-runners must have in place a strong image of how they envision the development of their cities, towns and localities.

- **Contemporary Real Estate at a High Level of Keeness:** Municipalities can have a stock of shovel-ready locations as well as buildings which are in reachable localities to cater for the desires of resident and approaching companies, which also backs business luring and growth efforts.
- **Addressing Business Requirements at Every Step in the Life-Cycle:** There is a need for being knowledgeable in the amount of resources being needed at every stage in a business's life cycle. From the companies starting with desired seed capital to established companies seeking techniques of cost reduction, municipalities must be hands-on in assisting and maintaining local businesses, as well as enabling their progression. It is crucial to recognize the changing aspects of business life-cycles, as well as the necessity to uphold a varied portfolio of companies at different stages of life.
- **Business Life-Cycles:** Understanding the dynamics of business life-cycles offers an understanding of the requirements as well as difficulties that corporations face over time. Business life-cycles point out the reasons of corporations being keen to operate in an area at a certain point, but then leave at a later stage, as well as the reason that corporations lose their business over time. Municipalities can therefore capitalize on these business cycles and ensure that support and mentoring is available for these companies as they also create job opportunities for the community at large.
- **Cost of Doing Business:** Taking note of the cost of having business operations in certain municipal areas is a major hurdle for some kinds of corporations. Hence municipalities should look for inventive methods of addressing or lessening charges. For instance, remarkably high electric charges might be a great concern for businesses which need high amounts of energy. Municipalities can intervene with government incentive programs to assist corporations to raise their energy efficiency.

- **Aligning People with Job/Business Openings:** This starts with the resident middle as well as high school scholars. Devices must be put into place to make residents aware of the existing and forthcoming career chances in the civic areas and their requirements. In addition, efforts are needed to engage college students in community activities and internships with local employers to increase the likelihood that they will stay in the region after graduation.

2.11 Chapter Summary

The literature reviewed showed that it is the responsibility of Local Economic Development to promote private-public associations; local initiatives; comparative as well as competitive advantage; SMME improvement; global competitiveness and export-orientation as well as social capital. The role of local development agencies was discussed. Their classification, which includes SMMEs and co-operatives and how they bring about development in their own respect, was highlighted in the literature reviewed. Policies that govern the operation of local development agencies revealed that they have a legal mandate for LED at a local level so that there is promotion of socio-economic upliftment. Structures should be put in place to meet set local government objectives for the communities. The policy framework shows a transition from the 1996 macro-economic policy referred to as the Growth, Employment and Redistribution (GEAR) policy which was substituted by the Accelerated Growth Initiative for South Africa (AsgiSA) in 2005. The subsequent introduction of the New Growth Path (GNP) in 2010 as well as National Development Plan (NDP) –vision 2030 in 2013 all had a common objective of eliminating poverty and reducing inequality. It has been established from literature that local municipalities all over the globe are facing, to a certain extent similar issues of disparity, lack of jobs and rising poverty levels, as well as restrictions in the delivery of rudimentary services to resident societies. South African municipalities can implement some of the ways used in developed countries to overcome these challenges. Some of the recommendations include improving the skills base of the locals and supporting SMMEs.

CHAPTER THREE: THEORETICAL FRAMEWORK

3.1 Introduction

The preceding chapter elucidate the literature review of the study. This chapter examined at the theoretical framework of the study. The Ugu district, like any other district in South Africa and in the world at large, faces economic challenges of unemployment, low economic growth, poverty and inequality. As part of the national vision informed in the NDP: Vision 2030, Ugu district has envisioned the alleviation of poverty and economic development through various initiatives. This chapter focuses on the basic principles underpinning LED in Ugu. The chapter further looks at the theories which underpin the study.

3.2 Basic Principles Underpinning Local Economic Development in the Ugu District Municipality

The focus of LED is to relieve poverty, address inequality and promote local economic growth (Dyosi, 2016: 18). The Ugu district is a victim to all three mentioned problems. LED seeks to address these. The spatial profile of the district municipality, which presents a dual spatial economy of the large urbanized coastal zone and the impoverished rural majority, is a legitimate reason for ensuring LED is successfully implemented (Ugu District Municipality IDP, 2011/2012). To ensure that the goals of LED are attained with the Ugu District Municipality, there are certain principles to govern LED activities that influence local economic growth.

3.2.1 Rapid Economic Growth

The first principle focuses on sustained and inclusive rapid economic growth essential for achieving other policy objectives, with poverty alleviation as the elemental objective. It is vital for the district municipality to ensure the strategic positioning of the core economic sectors, tourism and agriculture, on a path that allows maximum benefits to the local population of Ugu District Municipality (Ugu district Municipality IDP, 2017/2018). Ugu is devoted to the refurbishment of the ageing infrastructure and addressing climate change issues that threaten tourism and agriculture. It is also focused on creating jobs through the expansion of the key productive sectors and by

improving investment and businesses in the district (Ugu District Municipality IDP, 2013/2014).

3.2.2 Provision of Basic Services

Under the second principle, as part of the LED objectives, it is the legal directive of the government to ensure that all local citizens are provided with basic services, namely water, health, energy and education. Ugu has a huge part to play in realizing the National Development Plan (NDP) 2030 goals of eliminating poverty and reducing inequality by 2030, particularly in terms of the expansion of water and cleanliness infrastructure that allows worldwide entrance to clean convenient water and sanitation pride for Ugu's inhabitants (Ugu district Municipality IDP, 2017/2018). In terms of education, the district municipality is driven to ensure early childhood development, as well as primary and secondary education. In addition, Ugu is focused on developing skills through the encouragement of skills development and training related to business (Ugu District Municipality IDP, 2013/2014).

3.2.3 Investment

According to the third principle, government must partake in the investment of local economic growth and/or economic potential to promote investment from the private sector. This should in turn encourage sustainable economic actions and also make long-standing work prospects. Ugu District Municipality is focused on developing a combined road and rail network that can help both passenger and cargo transport and developing information and communication technology infrastructure that can support the knowledge economy through developing airports and harbours. Some of the currently available investment chances include Ugu Sports Leisure Sports Centre; Margate Airport Upgrade; an Agro-processing facility; Port Shepstone Beach Front Re-development; Margate Olympic swimming pool and the transition from subsistence to commercial farming, amongst others (Ugu District Municipality IDP, 2013/2014).

3.2.4 Inequality

Social inequality issues with the district municipality are mainly focused on people rather than places. This involves ensuring that the localities exhibiting great stages of insufficiency alongside clear economic potential are allowed fixed capital investments

to ensure maximum exploitation of the potential within these localities. On the other hand, for the localities that demonstrate very minimal economic potential, it is the mandate of the government to maximize human capital development. This involves the provision of social transfers that include allowances, training and education and poverty reduction programmes, as well as the reduction of relocation costs through the provision of labor market intelligence. The provision of labor market intelligence may allow access to information, chances and skills that allow people to rise, allowing localities to have access to sustainable employment and economic opportunities (Ugu District Municipality IDP, 2017/2018).

3.2.5 Activity Corridors and Nodes

In the fifth principle, the main objective is to correct spatial distortions of apartheid. This may be achieved through channeling prospective disbursement opportunities on activity passages and nodes that are in line with the main growth. The existing nodes in the Ugu District Municipality include primary, secondary, tertiary and rural service center nodes. **The primary node** is characterized by an urban center that has a great present financial development and has possibility for development. This node is responsible for the provision of services to the national and provincial economy. **A secondary node** is essentially an urban center with good existing economic development and has the potential for growth. Unlike the primary node, **the secondary node** services the regional economy. **The tertiary node** provides services to the sub-regional economy, whilst the **rural service center node** is responsible for providing services to the localized rural economy. Within the Ugu District Municipality, there is only one identified primary node, (Port Shepstone) and four secondary nodes, (Dududu, Turton/Nyangwini, Scottburgh and Harding). It is the focus of Ugu to ensure linkage to the main nodes for economic growth and benefit to all locals (Ugu District Municipality IDP, 2017/2018). The N2 road has been identified as an important national corridor for the Ugu District Municipality (Ugu District Municipality IDP, 2013/2014).

3.3 Theories of Economic Growth

The first group of economic development theories were formed World War II in 1945, a time when economies were going through major reconstruction. Therefore, these economic theories focus on the value of huge investments of capital to get fast

economic development. Moreover, the country's ability to work determinedly towards its economic development is vital (Hendricks 2009:188). This study will focus on the linear phases of growth models, structural change models, Neo-colonial dependency models and pro-poor growth theory. Reviewing these will assist in finding the gap that this research strives to fill. The models further contribute largely to local community development. The researcher finds it necessary to use the models to evaluate the contributions of LEDs in stimulating the economic growth of local communities, in this case the focus is Ugu District Municipality.

3.3.1 Linear Stages of Economic Growth Theories

The Linear Stages theory views the practice of development as continuous phases of economic growth through which all the developed nations have passed, whilst changing their economies from poor farming citizens to modern industrial titans for under-developed countries, mainly in the African area. In this way, the study reviews Rostow's stages of economic growth (Zulu, 2012:58).

3.3.1.1 Rostow's Theory of Economic Development

According to Ogoko (2016:24), Rostow was an economist who presented a model of development. According to the economist, the process in which all advanced nations transformed themselves from backwardness to prosperity can be described in a number of stages of economic growth. These include: the traditional society, the pre-requisites for take-off and the age of high mass consumption. These stages are discussed below and related to economic development in Ugu District Municipality.

The traditional society: This is the first stage which shows an original culture that has no access to new science and technology. This society is based on original technology towards the world. This kind of society faces problems with regard to economic growth and development. A number of resources in this society are placed in agriculture and most individuals rely on traditional methods of farming. There are no technological innovations. In addition, there are limited market interactions within this society (Ogoko 2016:35).

Pre-conditions of take-off: The economy goes through a procedure of continuing modification, constructing settings for progression and development. For the duration of the prerequisites for kick-starting, augmented specialization creates excesses for trading. The development of a conveyance infrastructure supports better trade. As earnings, reserves as well as investments develop, entrepreneurs arise. International trade focused on primary products rises in this stage. Even though the time of change between the old-style society and the take-off had chief alterations in the economy and balancing of community standards, a conclusive aspect was usually political. Politically, the construction of an operational integrated national state based on partnerships moved with new patriotism. Contrary to the old-style, landed regional welfare was a conclusive feature of the pre-requisites period (Sekhampu 2010:56).

Take-off: This stage is described by self-motivated economic growth. This stage has swift, self-sustained growth. The take-off circumstances befall when sector-led development becomes usual and the community is compelled more by economic procedures instead of traditions. The standards of economic development are reputable and progression turns into a country's main concern and a mutual goal. During the take-off stage, investments made by communities or nations rises. In this stage, not only is there the forerunning of communal overhead as well as technology increase, but also the rise to political influence of groups ready to take the modernisation of the economy seriously (Sekwampu 2010).

Drive to maturity: This is the stage where the community has successfully used a number of current technologies for the majority of its resources. The savings and investment rates increase to a level such that economic development becomes easy and automatic. In this stage, the overall capital in the country or community increases. New sectors are also created. Most individuals desire to stay in the urban areas and the workforce becomes skilled workers. Furthermore, the workforce arranges itself so that there is superior economic as well as communal security.

Age of high mass consumption: Societies found in this stage would have accomplished their dream of economic growth. Additionally, physical living standards would have reached high levels and public well-being schemes are well-established.

For example, Ugu District Municipality has to totally transform attitudes, as well as the passion to change from the traditional approaches to economic development, like primeval farming to innovative up-to-date technologies to get to this stage (Sekwampu 2010).

Regarding Rostow's five stages, it can be said that the implementation of the stages is very misleading. The theory suggests that every nation has to pass through the stages, which is not the case. Some nations have different environments; hence they do not follow the above- mentioned stages. In addition, the theory suggests that leading sectors are responsible for economic expansion. It can be argued that there is no identification of the leading sector chronology in the theory. When looking at the pre-conditions and take off stages, they are very similar. Thus, it is difficult to tell when take-off starts after the pre-conditions (Guillo, 2011:29).

3.3.2 The Structural Change Models of Economic Development

The Structural Change Theory which was started in 1955 and has its attention on the apparatus that can be used by emerging economies to change their local economic frameworks from a great weight on old-style sustenance agriculture into a contemporary, more developed, as well as better developed economy. The two agents of this model are Lewis' Two Sector model and Chenery's Structural Change and Patterns of Development (Guillo, 2011: 14).

3.3.2.1 Two Sector Model

The Two Sector model can also be called the Theory of Excess Labour in which labour advances from the agricultural segment to the industrial sector. This model was started in 1954 by Lewis. Nevertheless, due to an infinite labour supply from the customary segment, the workers continue to receive subsistence wages. This model takes into consideration savings as well as investments as forces for economic expansion. The most important emphasis of the model is on both the procedure of labour transfer and the development of products, as well as jobs in the modern segment. Both worker transfer as well as modern-sector job creation are a result of improvement in output in a certain sector. The swiftness of development is dictated by the speed of industrial investment, as well as asset gathering in the contemporary sector. This kind of

investment is permitted by the surplus of modern-sector proceeds over earnings on the postulation that entrepreneurs plough back their profits. However, most of Lewis' assumptions are not valid (Dang and Sui Pleng 2015:17).

There were some arguments that the assumptions of Lewis' model explains only the things going on in developing countries, that employment generation will equal capital buildup in the work force due to the fact that if earnings are re-invested in labour saving capital equipment, then surplus labour can be retrenched thus leaving numerous people unemployed (Ogoko 2016:67). This model relates to the study since it considers saving and investments as forces of economic development. The study aims at determining the contribution of Ugu Local Economic Development Agency (LEDA) in supporting local communities.

3.3.2.2 Structural Change Patterns of Economic Development

The structural change patterns perspective views development from augmented savings as well as investments, which are perceived by configurations of growth experts to be essential. However, these are seen as not enough for economic growth and development. Furthermore, the accumulation of capital, and a set of interrelated economic changes in a nation are obligated to transit from a traditional economy to a modern economy. Such changes in the framework include all economic roles like changes of production, as well as alterations in customer demand, global trade as well as resource consumption. The fluctuations in socio-economic features and development and wealth dispersal of a nation (Zulu, 2016). However, by focusing attention on the arrangement of growth and not on the theory, this can make the model deceive those who craft policies. Since the reorganisation of labour from the agricultural segment to the industrial segment is taken to be the driver of economic growth, numerous emerging nations applied policies that usually support industry and disregard agriculture (Dang and Sui Pleng 2015:17). This can relate to the study in that LEDAs aim at supporting communities but there is need for funding. The agency needs to transit from a traditional economy to a modern economy so as to contribute towards economic growth.

3.3.3 Neo-Colonial Dependence Theory

Neo-colonial Dependence theory asserts that society is characterized by the long fight between the wealthy and poor classes over the governing of resources and ways of manufacturing. This class struggle results in the underdevelopment of the poor class. This theory points to the presence and continuing of 3rd world poverty, as well as underdevelopment to the history of imbalanced global capitalists' systems of the rich and poor nation or community interactions (Dobbs and Hamilton 2007). Poor countries depend on the rich countries for capital and market. However, in these relationships the poor economies receive very little benefits. The rich nations or communities exploit resources within the poor countries by getting low-cost supply of food as well as raw materials (Dang and Sui Pleng 2015:19). This can be linked to Ugu District Municipality, which is dependent on other rich municipalities for its local development.

3.3.4 Pro-Growth Theory

Pro-poor growth is development that decreases poverty (Ravallion and Chen, 2003:32). Pro-poor growth implies that poverty drops way beyond the level it was supposed to if all salaries had risen at a similar speed (Baulch and McCulloch 2000:76). The first definition states that the earnings of the poor must rise at a higher pace compared to the non-poor. A concern with this meaning is that accumulating inequality in a period of the entire growth of the economy can arrive with complete advantages to the poor, but it is not considered to be "pro-poor growth. The second definition evades such an issue by paying attention to what occurs to poverty. The level to which development is pro-poor then relies on how much a preferred degree of poverty can be altered. Certainly, this relies to some extent on what transpires with delivery. Partly, it will also rely on what transpires with the standard quality of life. Generally, pro-poor growth can be referred to as one that allows deprived people to keenly partake, as well as substantially profit from economic action (Kakwani and Pernia 2014). A pro-poor growth strategy involves the eradication of established and policy made prejudices against the impoverished, as well as the implementation of uninterrupted pro-poor policies. The poor's living standards is lower compared to the rich due to the fact that they do not have the resources to fulfil the "lower-most" basic needs of life. The growth procedure resulting from market forces is regularly of advantage to the rich uniformly

as compared to the poor. This is due to the fact that the affluent have natural gains. Promoting pro-poor growth needs an approach that is deliberately inclined in favor of the less fortunate so that the poor gain uniformly compared to the affluent. A result like this will quickly lessen the prevalence of poverty and those who stay at the lowermost end of the distribution curve of consumption possess the resources to fulfil their rudimentary requirements (Lopez 2010). This can be implemented within Ugu district as a way of reducing poverty thus adding to economic development within the area.

Having discussed the structural change models of economic development, the next sub-section 3.4, presents the chapter summary.

3.4 Chapter Summary

This chapter was attentive to the principles, practices and theories that drive local economic development in Ugu District Municipality. It has been observed that Ugu needs to go a long way before its socio-economic goals are reached. However, the district municipality has put in place sound policies and principles which if implemented faithfully will see the Ugu District Municipality somehow alleviated from poverty and ensuring that equality is achieved, particularly between the strong economically driven urban coast and impoverished rural community. With IDP and LED policies crafted around the NDP, the economy of the Ugu District Municipality may improve the livelihoods of the locals of the district municipality. A number of theories on economic development were selected to form the theoretical base for the study.

CHAPTER FOUR: RESEARCH DESIGN AND METHODOLOGY

4.1 Introduction

The chapter explores the various research strategies used by researchers. However, in addition to exploring various research strategies, the chapter will mainly focus on the research methodologies implemented in this study. Furthermore, the chapter seeks to understand what research is, what it entails, and the types of research available, amongst other things. All important aspects of research, including the research design, processes of data collection and analysis will be explored and the significance of each aspect clearly highlighted. Ethics consideration is an important aspect of the research that any researcher must observe and will also be reviewed in this chapter.

4.2 Research Design and Research Methodology

Research design and research methodology are two independent concepts coined together and as such, the concepts will be dissipated from their compound state and each term defined accordingly. Research, the common word in both concepts, will be explored first and the other words will be explored in subsequent sections.

4.3 Research

The definition of research by Kothari (2004: 1) and Saunders, Lewis and Thornhill (2003) views research as a scientific and systematic way of searching for relevant information on a specific topic. Kothari (2004:1) also acknowledges research as “the original contribution to the existing stock of knowledge making for its advancement.” In addition, research can be described as a systematic method comprising the clear identification of a problem; the formulation of a hypothesis; data and facts collection; the analysis of the facts and derivation of conclusions from that analysis that may be instrumental in understanding and/or solving of a problem or in the generalisation of some theoretical information (Grinnel, 1993:4 cited in Kumar, 2011; Kothari, 2004:1-2). Research is a series of events that seeks to cover the knowledge gap between what is known and what is not known.

As such, the purpose of research may be viewed as a process of discovering answers to questions by implementing scientific procedures (Kothari, 2004:2). Although the

objectives of one research study to the next differ, they do however seek to attain familiarity with a phenomenon or to gain new insights into the phenomenon. In this case, the research is known to be exploratory or formulative. In addition, they seek to accurately represent the characteristics of an individual, situation or group. In this instance, the research is said to be descriptive. In the instance where the main objective of the research is the determination of the frequency of occurrence of a specific event or its simultaneous occurrence with another even, the research is said to be diagnostic. Lastly, a research study which seeks to test a hypothesis of a causal relationship between various elements is known as a hypothesis-testing research (Kothari, 2004:2). Considering this information, this study is a both an exploratory and a descriptive research that seeks to establish the role of the Ugu South Coast Development Agency in supporting the local communities.

4.4 Research Design

According to Newman (2004: 209 cited in Zulu, 2017: 66), research design entails the planning of conditions for data collection in a way that allows the relevance of the research to be aligned to the purpose of the research. It is the purpose of the research study to lay out a plan for answering formulated research questions (Kumar, 2011). It is in the research design that specific details of the researcher's enquiry are set. A typical research design is expected to be inclusive of the following: the study design, logistical arrangements to be undertaken, measurement procedures, sampling strategy, frame of analysis and the time frame (Kumar, 2011). Unlike the study design, the research design also addresses some aspects of the research process (Section 4.5). The selection of an appropriate research design lays the foundation for achieving valid findings, comparisons and conclusions. An efficient research design should be valid, workable and manageable (Kumar, 2011).

4.5 Research Process

The research process can be loosely divided into three phases which together consist of eight steps as shown in Figure 4.1. The **first phase** entails deciding on what one wants to study. In this phase, there is a single step which is simply the formulation of a research problem (Kumar, 2011). Research problem formulation, according to Kumar

(2011), is the most important step in a research process as it sets the guidelines and helps in one's process of the research.

In the **second phase**, the focus is on the planning of the research study. There are four steps in which this is achieved. The first step of this phase is the conceptualisation of a research design. This entails the identification of appropriate methods necessary for conducting the research study (Kumar, 2011). The second step of the second phase is the construction of an instrument for data collection. Research instruments or research tools are inclusive of any means of data collection such as observation forms, interview schedules, questionnaires and interview guides. For this study, questionnaires and interviews will be the research tools for conducting the research. The third step in the second phase is the selection of a sample that the researcher is going to work with. Sample selection is essential in ensuring that accurate findings are obtained.

As the main objective of any sampling design is to ensure that the sample is as much an accurate representation of a study population as possible, the choice of a sample should be within the limitation of costs, yet presenting a minimal gap between the values obtained from the sample and those prevalent in the population study (Kumar, 2011). A researcher needs to be familiar with the categories of sampling design: random/probability sampling designs, non-random/non-probability sampling designs and mixed sampling designs, as each sampling design is equipped with its own weaknesses and strengths in specific situations. The final step in the second phase is the writing of a research proposal that summarizes the whole research study.

The **third phase** of the research process entails conducting the research study. This phase is made up of three steps; namely data collection, data processing and presentation and writing of a research report, in that order. Data collection can be implemented in the manner highlighted above and it is the reference point upon which inferences of the study are derived. During this stage, ethical issues should be considered, as will be highlighted later in the chapter. Data analysis will largely depend on the type of information, that is whether it is descriptive, qualitative, quantitative or attitudinal, and on the way the findings are to be communicated (Kumar, 2011). After

all analysis is done, the final step is compiling all the information into one, i.e. research report writing. This also depends on whether the report is qualitative or quantitative or mixed, as will be discussed later in the chapter. The important thing to note is that the report should be concisely written with chapters and in an academic style.

4.5.1 Research Approach

There are two fundamental approaches to research, the quantitative and qualitative approaches. The *quantitative* approach involves the generation of data in quantitative form and this data can be exposed to severe quantitative analysis in a formal and rigid fashion (Kothari, 2004: 5). The quantitative approach can be further divided into inferential, experimental and simulation approaches to research. In the *inferential* approach, a database with the sole purpose of inferring the characteristics or relationships of a population is created. Essentially, this entails survey research in which a sample of population is studied to determine its characteristics is conducted, and the inference thereof is that the population possesses the same characteristics (Kothari, 2004: 5). The *experimental* approach involves more control of the research environment and from it, some variables may be manipulated to determine their effect of other variables. Lastly, the *simulation* approach entails the creation of an artificial environment in which relevant data and information can be generated. In this approach, it is possible to observe the continuous behaviour of a system under controlled conditions (Kothari, 2004: 5). With the simulation approach, future predictions through modelling are possible. On the other hand, the *qualitative* approach is mainly based on the researcher's insights and impressions. The main concern of qualitative research is the subjective assessment of attitudes, opinions and behaviour. In this approach, non-quantitative results which cannot be subjected to rigorous quantitative analyses are generated (Kothari, 2004: 5).

This study utilised a mixed research approach / method in which the qualitative and quantitative approaches are both used. According to Bazely (2003 cited in Zulu, 2017: 70), the mixed approach incorporates mixed data (numerical and text) and alternative tools (statistics and analysis). The incorporation of both qualitative and quantitative approaches in a research study is argued by Creswell, Feters and Ivaknova (2004 as cited in Zulu, 2017: 70) as essential where each individual approach in its entirety

cannot sufficiently capture the details and trends of the situation. With the mixed approach, the study gathered sufficient data for the current study.

4.5.2 Mixed Research Approach

As indicated in Section 4.5.1, the mixed approach used in the current study involves the incorporation of two independent approaches, (qualitative and quantitative approaches) to achieve the same goal. It was argued by Creswell, Fetters and Ivankova (2004: 7) that the incorporation of the quantitative and qualitative approaches in one study results in a thorough analysis due the complimenting effect of the two approaches on each other. According to Johnson *et al* (2007:120), combining quantitative and qualitative methods of data collection and analysis allows easy discovery and handling of threats for validity as the application of both methods ensures good scientific practice by enhancing the validity of methods as well as research findings. It can also enable the researcher to get a comprehensive picture and better view of the phenomenon under investigation through the combination of corresponding findings with each other.

4.5.3 Qualitative Research Methodology

A research methodology is a systematic way of solving a research problem (Kothari, 2004: 8). It basically entails all the steps that the researcher adopts in studying the research problem, together with the logic behind them.

The definition of qualitative research provided by White (2004: cited in Gumede 2015) is research whose focus is an understanding of the social phenomena under study from the participants' perspective. Qualitative research, according to Nieuwenhuis (2007:51 cited in Gumede 2015) involves the observation and interaction of the qualitative researcher with research participants in their natural and cultural contexts. In this way, the researcher gains a closer insight into the feelings, perceptions and experiences of the participants of the research study (Gumede, 2015: 68). As the nature of the qualitative research approach is to allow the researcher to gain insightful information from their interactions with research participants, the researcher can thus interpret and understand a phenomenon based on personal meanings, prejudices, biases and assumptions (Bless, Higson-Smith and Sithole, 2013:16; Gumede,

2015:68). As qualitative research allows the discovery of new information without changing the natural settings of the study, this research approach was implemented in conducting qualitative interviews for the study.

4.5.4 Quantitative Research Approach

The study intended to get the views of respondents from different local municipalities within Ugu district. This was attainable through the use of quantitative research. Quantitative research involves the systematic and objective utilisation of numerical data from a target sub-group of the population (Maree, 2013: 145). With quantitative research, the focus is to ensure the study is objective, whilst utilising numerical data and generalising the research results (Gumede, 2015: 68). Quantitative research employs stepwise methods and techniques that natural scientists use in data collection. This ensures that objectivity and neutrality are observed (Bless, Higson-Smith and Sithole 2013:16). The selection of research participants by the researcher is random and the researcher is more often not directly involved with the participants in order to ensure that bias is either eliminated or made as minimal as possible (White, 2004:13; Gumede, 2015:69). In this case, standardised questionnaires and numerical methods are utilised to formulate hypotheses for the study (Gumede, 2015: 69). For the objectivity of quantitative the research approach, quantitative surveys were used to collect data for the study from community members.

4.6 Data Collection Procedures

The study employed the mixed methods approach. Quantitative data was collected using questionnaires administered to community members from four local municipalities within Ugu District Municipality, while qualitative data was collected from semi-structured interviews with the six-senior manager in the four districts: Umdoni local municipality, Umzumba local municipality, Umuziwabantu local municipality and Ray Nkonyeni local municipality

4.6.1 Research Questionnaires

Creswell (2014:88) defines a questionnaire as a quantitative data collection instrument with closed or open-ended statements or questions that respondents are required to answer. Leedy and Ormrod (2014:91) state that the primary objective of a

questionnaire is to get views and facts on a topic from people who are informed on that issue. Moreover, questionnaires are used as a means of collecting information for a survey, as well as to collect statistical information or opinions about the research respondents. Five different kinds of questionnaires are well-known, namely: self-administered questionnaires; group-administered questionnaires; questionnaires delivered by hand; mailed questionnaires; and telephonic questionnaires (DeVos *et al*, 2010:167). For this study, the researcher self-delivered the questionnaires. The advantage of using this type of questionnaire is that the researcher can make sure that respondents receive the questionnaires, and the researcher can collect them later after they have been completed. Using hand-delivered questionnaires and collecting them again assists the researcher in terms of attaining a high response rate from respondents.

The questionnaires were administered to 60 Community members from 4 local municipalities within Ugu District Municipality (including, Umzumbe, Ray Nkonyeni, Umdoni and Umuziwabantu local municipalities). The main purpose of administering the questionnaire to community members was to ascertain their views with regard to the role of Ugu South Coast Development Agency in supporting the local communities training, funding and their growth.

4.6.2 Qualitative Research Interviews

An interview is a form of discussion primarily aimed at finding information that allows the researcher to understand and interpret the meaning of the research responses based on open-ended questions (Strydom and Bezuidenhout 2014:188). In addition, a qualitative interview is an endeavor aimed at understanding the world from the research participants' perspective and point of view in order to unfold the meaning of the experiences of people and to discover their lived world before scientific explanation (Sekaran and Bougie 2013:247). Researchers use three major forms of interviews to gather data from research participants, namely: semi-structured, unstructured and structured interviews. However, for purposes of the current study, semi-structured interviews were used as elaborated in detail in the discussion below.

4.6.3 Semi-Structured Interviews

De Vos *et al* (2010:296) assert that semi-structured interviews are used with the aim of gaining a detailed picture of participants' perceptions, feelings and beliefs about a particular topic under study. Unlike in structured interviews, where the interviewer can neither digress from the interview schedule nor probe beyond the responses given (Sekaran and Bougie, 2013:29). However, in a semi-structured interview, the interview schedule serves to guide the interview rather than dictating it (De Vos *et al*, 2010:296).

The use of semi-structured interviews for the current study was informed by the following benefits of interviews espoused by Newman (2013):

Flexibility: Interviews afford the interviewer and participant flexibility in that the interviewer is able to ask follow-up questions and the interviewee is able to give further clarity. In addition, interviews give participants leeway to raise or introduce issues the researcher did not think of during the course of the interview.

Completeness: The researcher is in a position to ensure that all questions have been responded to.

Respondent alone can answer: The interviewee cannot be dishonest by soliciting answers from others.

- Control over question order: The interviewer controls the question order and is able to make sure that the interviewee does not answer a question out of order.
- Better response rate: Interviews make it possible even for people who cannot write nor read to answer questions. This then makes interviews elicit a far better response rate than for example, emailed or mailed questionnaires.
- Spontaneity: Spontaneous responses could be much more informative than responses that the respondent has had a lot of time to think about.
- Control over environment: The interviewer is in a position to standardise the interview environment and can ensure that the interview is carried out in privacy and that it is fairly quiet.

Interviews enable respondents to provide invaluable responses which enabled the researcher to reach solid conclusions with regard to the role of Ugu South Coast Development Agency in supporting the local communities

4.7 Sampling Procedures

Sampling is a technique used to select a sample or a smaller group with the aim of keeping the properties of the target population or the larger group under study (Brynard *et al* 2014:57). In addition, Sekaran and Bougie (2010) talk about the benefits of using a sample in a study. These include that a sample determines specific characteristics of the entire population; it simplifies the research by studying a representative of a population which is much easier than studying the entire population; a sample reduces costs as it is expensive to conduct interviews, observations and to use questionnaires for collecting data from every member of a large population. It saves time as a large population stretching over a vast geographical area can prove to be very taxing in terms of the amount of time and resources needed in order to study it. In addition, a carefully selected sample from the population tells a lot more than the entire population (Brynard *et al*, 2014:57). There are two major sampling methods, namely: probability sampling and non-probability sampling (Sekaran and Bougie 2013:247).

4.7.1 Non-Probability Sampling

O'Dwyer and Bernauer (2014:82) state that non-probability sampling elements are not selected in accordance with their prevalence in the population, hence the likelihood of all representative elements being sampled from the population cannot be determined. Using this sampling technique, the researcher makes use of subjects who happen to be conveniently available and accessible at the time or who represent certain types of characteristics relevant to the phenomenon under study (White, 2004:82). According to Babbie (2014:199), non-probability sampling procedures from which a researcher can choose, are:

4.7.2 Purposive Sampling

Purposive sampling is when the samples are selected by the researcher based on the purpose of the study. The sample is selected based entirely on the judgement of the researcher in that it is made up of elements containing the most useful and representative characteristics of the target population. The researcher's knowledge of the target population allows the judgement about which units to be selected to provide the most suitable information to address the purpose of the study (Rouse, 2013).

4.7.3 Snowball Sampling

Snowball sampling is a method of judgmental sampling. Participants with specific characteristics are selected and those selected also select other individuals with the same characteristics. It is used in a study whereby each participant interviewed may be requested to suggest additional individuals who could be interviewed (Wiid and Diggines, 2015:192).

4.7.4 Convenience Sampling

This sampling method can also be called availability sampling or haphazard because the researcher uses the nearest and most easily accessible respondents, who may not necessarily be representative of the target population (Wiid and Diggines, 2015:191).

4.7.5 Quota Sampling

Quota sampling is when an element is selected into the sample based on pre-determined characteristics with the aim of making the entire sample have a similar distribution of features believed to characterise the population under study (Rouse, 2013).

4.7.6 Probability Sampling

O'Dwyer and Bernauer (2014:94) state that probability sampling is when participants have an equal chance of being selected. In addition, it is the selection of research participants on the basis of their incidence, including their distinctive characteristics in the population. Moreover, the authors state that in probability sampling, the probability of every element being selected from the population is known and can be calculated. Before starting with the probability sampling process, it is essential for the researcher to have a complete sampling frame. The sampling frame is the list containing the information and personal details of every element to be studied, which could be groups or individuals. Probability sampling enhances the prospects of accomplishing the ultimate aim of sampling, namely that of selecting a set of elements from a target population in such a way that the description of the selected elements perfectly depicts the parameters of the entire population from which elements are selected (Babbie and

Mouton 2011:175). Probability sampling methods are used for purposes of generalising the findings of a study to a larger target population (Pascoe 2014:138).

4.7.7 Stratified Random Sampling

Stratified sampling is when the population is grouped into separate groups that are similar, for example age or gender. It is appropriate for populations with different characteristics since it caters for the inclusion of small sub-groups. The population is divided into layers or strata that are mutually exclusive, with members who share the same characteristics, for example in terms of language, gender, etc. The required number of participants is selected from each of the different layers. Therefore, this sampling method ensures that different segments of a population are optimally represented in the sample (Sekaran and Bougie 2010).

4.7.8 Multi-Stage Sampling

Multi-stage sampling is when the researcher divides the population into various groups. It is done stage by stage in a random way. In the first stage, a population that is more general than a final one, is sampled. In the second stage, a new population is considered based on the first sample, which is less general than the first one and a new sample is consequently determined. This process continues until the population to be studied is established, from which a final sample is selected (Wiid and Diggines 2015).

4.7.9 Simple Random Sampling

Simple random sampling is a method in which units of the population are selected directly by a random process. It includes techniques that afford each element an equal chance of being included in the sample. For example, this can be done by using a table of random numbers that affords every participant an equal probability of being selected to be in the sample. Hence, this type of sampling provides the researcher with an unbiased sample (Sekaran and Bougie 2010).

4.7.10 Cluster Sampling

Cluster sampling is a method in which samples are drawn from a population that is difficult to make into a sampling frame. This method is used where a sampling frame,

for example a list of names, is not available but only a map of the relevant geographical areas. This method is cost-effective because it concentrates the fieldwork of the study in a specific section of the geographical area (Wiid and Diggines 2015).

4.7.11 Sampling for the Study

The researcher used the non-probability purposive sampling method to select participating Ugu district officials for qualitative interviews. The choice of the purposive sampling method was informed by the researcher's knowledge of the target population. In addition, convenience sampling was used for collecting quantitative data for the study.

4.8 Rationale behind Research Paradigms

Mixed methods research has over the years complemented the existing quantitative and qualitative research methods. According to Creswell (2003), and as alluded to above, it is whereby one uses two or more methods in a research project, giving rise to both qualitative and quantitative data. This has given rise to the search for an appropriate paradigm that justifies the use of more than one method, which is comparable to the accepted paradigms of using the different methods separately.

A paradigm is therefore a shared world view that represents the beliefs and values in a discipline and that guides how problems are solved (Schwandt, 2001:35). Many researchers and authors have allotted different definitions of a paradigm (Creswell 2009:10 and Livesey, 2011:164). However, the definitions all make reference to the general subject of conformity to accepted traditions, approaches and theories in the body of research and methodology. A paradigm has been recognised by many scholars as having each of the elements of ontology, epistemology, axiology and methodology (Hall, 2017). Based on these elements, there are four widely accepted paradigms, namely positivism/post-positivism, transformative, constructivism and the pragmatic paradigm.

4.8.1 Post-Positivist Paradigm

This is a paradigm derived from the positivist paradigm which emphasises that scientific research methods are the only way of ascertaining the legitimacy of a

proposed reality. Positivists believe that only science is the basis for true knowledge and that the tools and techniques applied in the natural sciences present the offer the best framework for investigating the social world (Gumede, 2015: 86). According to the positivists, science knowledge is a more representation of truth as compared to assumptions derived from the metaphysical. The experimental approach to determine the cause and effect relationship is employed in this paradigm, usually for quantifying what can be seen. Hence it is generally used in quantitative research studies.

However, physicists Heisenberg and Boh disagreed with this notion, arguing that science can neither be absolutely certain nor totally objective in spite of how much care has been taken in following a scientific research method diligently (Kivunja and Kuyini 2017:29). They gave room for the shift from absolute certainty to the notion of probability and this gave rise to the post – positivist paradigm. Post-positivists are of the view that natural scientists and social scientists conducting research have the same goal and can therefore employ similar methods of investigation. De Vos et al (2010:201) adopted a philosophy called critical realism which acknowledges that in research, errors can occur in observations and thus it allows for theories to be modified. This is because observations can be biased according to the researcher's theories and perspectives. Hence there is need for the use of triangulation of data subsequent to multiple measures and observations in a bid to attain a clearer picture of what the reality is.

In the post-positivism paradigm, the main purpose of research is to test a theory, predict results and establish a relationship between variables. The methodology employs experimental designs whilst data collection is mainly thorough questionnaires and observations that compel the researcher to interpret data in an unbiased and neutral manner (Kawulich, 2014).

4.8.2 The Constructivism/ Interpretative Paradigm

This concept is based on the need to understand the world as other people experience it. It is attributed to Max Weber and Wilhelm Dilthey (De Vos et al. 2010), Neuman (2011:101) proposed that there are two different types of science: the natural sciences and the social sciences. Authors opposed the positivist perception that reality simply

exists waiting to be discovered, arguing that humans are constantly trying to create, interpret and to rationalise actions. Consequently, reality according to the interpretivists is created through different social interactions: firstly, amongst individuals and then with the environment at large. The interpretivist paradigm therefore focuses on the understanding and the interpretation of occurrences and experiences, as well as values that people attach to these everyday events (Mertens, 2009:129). Scholars agree with the idea that this paradigm is associated with qualitative research and that as opposed to positivism, there is no single correct route to knowledge since knowledge and meaning is a result of the interpretation of human thoughts and reasoning. Kivunja and Kuyini (2017:30), emphasise that since the interpretative paradigm is centred on observation and interpretation, observation is a way of collecting information about occurrences, whilst interpretation is drawing meaning from the information in a bid to draw patterns that can be meaningful.

According to Kawulich (2014:4), the goal of interpretivist is not to prove pre-determined theories but to create new theories from qualitative data analysis by deducing meaning and patterns as they interact with participants. Consequently, the interpretative researcher is bound to be affected by biases which are influenced by one's values. Hence there is need to admit to the values which may interfere with the neutrality of the study. The research normally takes place in the participant's natural environment. According to Mertens (2009:132), it usually involves research questions that may evolve as the study progresses and that are open ended.

4.8.3 Transformative / Critical Paradigm

This paradigm is a result of scholars who argue that both positivist/post-positive and the constructivist paradigms do not address social justice. According to Kivunja and Kuyini (2017:29), research in this paradigm seeks to address social, political and economic issues which have over the years led to conflict, struggles, social oppression and different power structures. It advocates for the recognition of the reality of the effects of inequalities caused by privileges allotted on the social front. The transformivist focus is on revealing "agency", which is hidden in social practices. Therefore, in this paradigm, research is a tool of construction unlike in other paradigms

where it is for discovery. The goal of this paradigm is liberation and emancipation by the deliberate promotion of human rights (Mertens 2012:22).

In this paradigm the researcher interacts with the participant and utilises a methodology which incites dialogue with the participant whilst respecting cultural norms.

4.8.4 Pragmatic Paradigm

This paradigm also came to be as a result of philosophers who argued that it is neither possible to obtain the truth about the world through research using one scientific method as is the argument of the positivists, nor is it possible to accurately determine a social reality from the interpretativists perspective (Kivunja and Kuyini 2017; Alise & Teddlie, 2010; Tashakkori and Teddlie, 2003). According to these scholars, a single paradigm is limited and thus there is a need to develop pluralistic approaches that are practical whilst combining different methods which can accurately determine participants' behaviours and the beliefs influencing those behaviours. The pragmatic researcher therefore employs mixed methods to best understand human behaviour (Mertens 2012:22). This paradigm supports relationships between the researcher and the participant and unlike the positivists, it acknowledges that each individual has their own interpretation of reality and no single reality is correct. It therefore employs both quantitative and qualitative research methods and the research in question should be value-laden and thus must benefit the participants (Kivunja and Kuyini 2017:32).

According to Mertens (2012.23), research which falls in this paradigm adopts a worldview that allows the best suited research approaches and methodologies to be applied, whilst rejecting the need to identify and locate within the positivist or interpretivist paradigm. This allows the researcher to use every methodology that assists in discovering new knowledge without worrying whether the issues and questions being investigated are fully quantitative or qualitative. In light of the above, this research study utilised the pragmatic paradigm as it has been proved to work well with the mixed methods of research. This is because the researcher had less restrictions on how they can carry out the research. The researcher considered what worked to answer the questions.

4.9 Data Analysis

Since the study employs the mixed method of research, data analysis was done using the sequential data analysis method. Sequential data analysis implies that the analysis of quantitative data will be done first, followed by the qualitative data analysis which then gives a better interpretation of the results (Creswell 2014:215).

Quantitative data analysis is a systematic approach in which the numerical data collected is presented and interpreted using statistics in order to summarise the data and patterns, as well as to establish relationships and connections (Gumede, 2015: 76). Descriptive statistics are used to summarise or describe data, whereas inferential statistics are used to identify statistically significant differences between groups of data. Qualitative data analysis is a process of organising data into similar sets with the aim of establishing relationships amongst the groups. Belgrave and Seide (2018) further define qualitative data analysis as the classification and interpretation of linguistic or visual material with the aim of drawing out meanings, attaining generalizable statements and ultimately providing explanations of the subject in question. According to Onwuegbuzie and Teddlie (2003), when using mixed methods research which involves both qualitative and quantitative methods, the analysis procedure utilises seven stages, namely data reduction, data display, data transformation, data correlation, data consolidation, data comparison and finally integration.

This study employed both qualitative and quantitative methods. Hence the data collected was analyzed using content analysis and thematic analysis for qualitative data, whilst a software program called the Statistical Package for the Social Sciences (SPSS) was used to analyse quantitative data.

4.9.1 Quantitative Data Analysis

Data analysis for the quantitative study was conducted through SPSS, which is a scientific and computer-based program designed initially for the social sciences to execute data entry and statistical analysis through the use of graphs and tables (Creswell 2014:12). According to Fitzpatrick *et al* (2004:1), software programs are invaluable in conducting many quantitative statistical analyses as the many procedures could be impossible for most individuals to carry out, thus altering the validity of the

research. SPSS is a software package that contains tools that help organize and prepare data (coding), perform the statistical analyses alluded to above and present it. It is the best software for the analysis of the data in this study.

4.9.2 Thematic Analysis and Content Analysis

Thematic analysis is a common form of qualitative research which focuses on identifying, examining and recording themes and patterns from the collected data (De Vos *et al*, 2010:289). Gumedé (2015:86) defines themes as patterns that are associated with a specific research question and are pertinent to the issue in question. They are usually identified before, during or after data collection. Content analysis on the other hand is the procedure for the categorisation of verbal or behavioral data for the purpose of classification, summarisation and tabulation, which can be done on two levels: Descriptive (what is the data?) and Interpretative- (what was meant by the data?) (Belgrave and Seide, 2018). According to Braun and Clarke (2006), both approaches allow for the qualitative analysis of data but thematic analysis provides a purely qualitative, detailed and nuanced account of data. With content analysis, the data can be analysed qualitatively whilst being quantified at the same time.

Braun and Clarke (2006:78) also emphasised that thematic analysis involves the search for and identification of common threads that extend across an entire interview or set of interviews and can be used as an independent and reliable method of analysis. Hence this study used the thematic analysis approach for qualitative analysis. A number of themes and patterns were identified from the research questions.

4.10 Ensuring Reliability

Shuttleworth (2016:45) defines reliability as the extent to which an instrument produces the same results if it is used at different times or administered to different subjects within the very same population. Koonin (2014:254) agrees with the definition by asserting that reliability refers to whether the same results would be produced if a different researcher repeats the same study on the same population at a different time using the same instrument. It is closely related to guaranteeing the quality of field notes and assuring public access to the process of publication of research results. In addition, the author asserts that reliability is about credibility, repeatability and consistency of

research. Cronbach's alpha technique was used to ensure reliability. Malhotra (2010:318) states that a reliability test is important for ensuring the collection of consistent data from diverse administrations of a measuring scale. It indicates how the measures of the instrument are free from random error.

4.11 Ensuring Validity

Ferrell (2013:5) states that 'validity' is the extent to which the researcher's conclusion matches the actual reality. This statement is in line with the assertion of Babbie and Mouton (2011:122) that validity is the extent to which the empirical measurement sufficiently mirrors the real meaning of the phenomenon being studied. Furthermore, validity is one of the strengths of qualitative research in that it is centered on determining the accuracy of the research findings from the perspective of the participants and the researcher (Leedy and Ormrod 2014:91). In respect of the used data collected qualitatively, trustworthiness, credibility, dependability and transferability are the concepts that reflect the expectations of the qualitative paradigm more accurately. In this study, all efforts were made to ensure that the questions to be asked were constructed in line with the research objectives and the research literature.

4.12 Ethical Considerations

Louw (2014:263) states that ethics refers to a person's professional or moral code of conduct that sets a standard for his or her behavior or attitudes. Furthermore, it is argued that in research, the consequences of ethics go far beyond the personal integrity of the researcher because the lack of ethics affects stakeholders involved in a study. For this reason, it is vital for a research to conduct himself with integrity and in a respectful and trustworthy way during the research process. Mertens (2012:22) declares that researchers should be guided by the following three basic ethical principles when conducting research, namely:

- **The principle of justice:** researchers must ensure that research participants are those who stand to benefit from the study;
- **The principle of beneficence:** the results should be used for science and humanity and to reduce the risk of harm to participants; and
- **The principle of respect:** participants, mainly people who are mentally challenged and children, should be treated with courtesy and respect.

This study considered the above ethical principles in collecting data. Furthermore, the ethical clearance certificate was issued by the Ethics Committee of the Durban University of Technology (DUT). The following ethical considerations, namely confidentiality and privacy, voluntary participation and informed consent and permission to conduct a study were considered during the research process in compliance with the rules and regulations of the University.

4.12.1 Confidentiality and Privacy

Ferrell (2013:5) defines confidentiality as a characteristic aspect of privacy in that it stems only from a professional or special relationship, such as a researcher-participant relationship. In this study, participants were reassured that confidentiality was to be maintained at all times. The data was to be kept in a secure locked drawer. Their names were not to be used in the writing up of the research report or in publications of the study. The raw data will be destroyed three years after the study is concluded.

4.12.2 Voluntary Participation and Informed Consent

Respondents were given a clear explanation with regard to the principle of voluntary participation, as well as the right they reserved to withdraw from the study at any time. Furthermore, the informed consent principle was attached to the questionnaires and a verbal explanation was given to those interviewed. The principle of voluntary participation and the informed consent principle required that the aims of the study as well as the research process be explained to the participants.

4.13 Chapter Summary

This chapter has established the various methods of research that can be used to conduct a thorough research study. Various methods of data collection and analysis have been elaborated on and it has been established that this research will employ the mixed methods approach which capitalises mainly on the strengths of both qualitative and quantitative research. Different paradigms were also discussed and the pragmatic paradigm which is most congruent with the mixed methods research will hence be used in this research. The next chapter is cognisant of the discussion in this chapter and will employ the various methodologies and methods of analysis to present, analyse and interpret the research findings.

CHAPTER FIVE: DATA PRESENTATION, ANALYSIS AND INTERPRETATION

5.1 Introduction

The previous chapter addressed the research methodology for the study. This chapter presents the results and discusses the findings obtained from the questionnaires in this study. The questionnaire was the primary tool used to collect data and was distributed to 60 community members of the 4 local municipalities within Ugu District Municipality. The data collected from the responses was analysed with SPSS version 25.0. In addition, interviews were held with 5 senior managers of Ugu District Municipality. The data was then analysed using thematic analysis and content analysis.

The results present quantitative data analysis using descriptive statistics in the form of graphs, cross-tabulations and other figures for the quantitative data that was collected. Inferential techniques include the use of correlations and chi square test values, which are interpreted using the p-values. In addition, qualitative data analysis was also carried out for the study.

5.2 Quantitative Data Presentation

The quantitative data was collected from 60 community members from 4 local municipalities within Ugu District Municipality. Community members were given structured questionnaires with a set of questions to respond to. The SPSS data analysis tool was used to present empirical data collected from these 60 community members. Data was presented in the form of tables, pie charts and graphs. The use of tables and graphs is the most effective way of presenting statistical data (In and Lee, 2017:267).

5.3 Qualitative Data Presentation

Qualitative data technique was used to collect data for the study. The purpose of the study was to collect data from Ugu District Municipality management to provide invaluable responses which enabled the researcher to reach solid conclusions with regard to the role of Ugu South Coast Development Agency in supporting local

communities. Qualitative research design provides rich and quality data and it helps discover reasons behind the way people behave or think (Kothari 2004:3). Qualitative data was gathered using face-to-face interviews with the Ugu LEDA management.

5.4 Response Rate

Table 4.1 shows the response rate was 100% after 60 questionnaires were distributed to community members from 4 local municipalities within Ugu District Municipality and 60 were returned.

5.5 Research Instrument

The research instrument consisted of 13 items, with a level of measurement at a nominal or an ordinal level. The questionnaire was divided into 3 sections which measured various themes as illustrated below:

- Biographical data;
- General contributions of LEDA to economic growth; and
- Challenges faced by LEDAs.

5.6 Reliability Statistics

The two most important aspects of precision are **reliability** and **validity** (Andrew, Pederson and McEvoy 2011). Reliability is concerned with the ability of an instrument to measure dependably. Reliability is computed by taking several measurements on the same subjects. Validity is concerned with the extent to which an instrument measures what it is supposed to measure (Mohsen and Reg 2011:54). A reliability coefficient of 0.70 or higher is considered as “acceptable”.

Table 1 below reflects the Cronbach’s alpha score for all the items that constituted the questionnaire. The Cronbach’s alpha was developed in 1951 to give a measure of internal consistency of a test. It is expressed as a number between 0 and 1 (Mohsen and Reg 2011:53).

Table 1: Cronbach's alpha scores

	N of Items	Cronbach's Alpha
General contributions of LEDA in economic growth	4	0.872
Challenges faced by LEDAs	4	0.755

The reliability scores for all sections exceed the recommended Cronbach's alpha value. This indicates a degree of acceptable, consistent scoring for these sections of the research.

5.7 Factor Analysis

A factor analysis was done using SPSS.

5.7.1 Why is Factor Analysis Important?

Factor analysis is a statistical technique whose main goal is data reduction. A typical use of factor analysis is in survey research where a researcher wishes to represent a number of questions with a small number of hypothetical factors (Ellis 2017:13). For example, as part of a national survey on political opinions, participants may answer three separate questions regarding environmental policy, reflecting issues at the local, state and national level. Each question by itself would be an inadequate measure of attitude towards environmental policy, but *together* they may provide a better measure of the attitude. Factor analysis can be used to establish whether the three measures do, in fact, measure the same thing. If so, they can then be combined to create a new variable, a factor score variable that contains a score for each respondent on the factor. Factor techniques are applicable to a variety of situations. A researcher may want to know if the skills required to be a decathlete are as varied as the ten events, or if a small number of core skills are needed to be successful in a decathlon. One need not believe that the factors actually exist in order to perform a factor analysis, but in practice the factors are usually interpreted, given names and spoken of as real things.

The matrix tables are preceded by a summarised table that reflects the results of Kaiser-Meyer-Olkin (KMO) and Bartlett's Test. The requirement is that the Kaiser-Meyer-Olkin Measure of Sampling Adequacy should be greater than 0.50 and Bartlett's Test of Sphericity less than 0.05. In all instances, the conditions are satisfied, which allows for the factor analysis procedure.

Factor analysis is done only for the Likert scale items. Certain components are divided into finer components. This is explained below in the rotated component matrix.

Table 2: KMO and Bartlett's Test

	Kaiser-Meyer-Olkin Measure of Sampling Adequacy	Bartlett's Test of Sphericity		
		Approx. Chi-Square	df	Sig.
General contributions of LEDA in economic growth	0.825	114.501	6	0.000
Challenges faced by LEDAs	0.683	87.932	6	0.000

5.7.2 All of the Conditions are Satisfied for Factor Analysis

That is, the Kaiser-Meyer-Olkin Measure of Sampling Adequacy value should be greater than 0.500 and the Bartlett's Test of Sphericity sig. value should be less than 0.05.

Table 3: Rotated Component Matrix

Component Matrix^a

General contributions of LEDA to economic growth	Component 1
Ugu district contributes to improving the economic growth of the municipality	0.824
LEDAs operations in Ugu are benefiting the community	0.889
There are LEDA initiatives in Ugu for economic growth	0.848
Ugu LEDA is contributing to a great extent to the development of the local economy in this district	0.848

Extraction Method: Principal Component Analysis

a. 1 components extracted.

Component Matrix^a

Challenges faced by LEDAs

Component

1

Challenges being faced in the district are being addressed	0.765
The district faces economic challenges	0.500
Ugu LEDA meets our expectations	0.887
The services provided by Ugu LEDA are satisfying	0.897

Extraction Method: Principal Component Analysis

a. 1 components extracted.

Factor analysis is a statistical technique whose main goal is data reduction. A typical use of factor analysis is in survey research, where a researcher wishes to represent a number of questions with a small number of hypothetical factors (Ellis 2017:13). With reference to the table above:

- The principle component analysis was used as the extraction method and the rotation method was Varimax with Kaiser Normalization. This is an orthogonal rotation method that minimizes the number of variables that have high loadings on each factor. It simplifies the interpretation of the factors.
- Factor analysis/loading show inter-correlations between variables.
- Items of questions that loaded similarly imply measurement along a similar factor. An examination of the content of items loading at or above 0.5 (and using the higher or highest loading in instances where items cross-loaded at greater than this value) effectively measured along the various components.

The statements that constituted the two sections loaded perfectly along a single component. This implies that the statements that constituted these sections perfectly measured what they set out to measure.

5.8 Section A: Biographical Data

This section presents the descriptive statistics for biographical information obtained from the respondents. Biographical information for the study included the gender of respondents, qualification and race of respondents. The first question was on the gender of respondents.

5.8.1 Gender of Respondents

Table 4: Gender of respondents

	Frequency	Percent
Male	31	51.7
Female	29	48.3
Total	60	100.0

Table 4 above shows the overall gender distribution of the population. The ratio of males to females is approximately 1:1 (51.7%:48.3%) ($p = 0.796$). The table shows that there were 31 males (51.7%) and 29 (48.3%) females. This shows that more males were in the study as compared to females. In addition, this might also imply that females are still not playing an active role in economic debates or any initiatives that seek to empower them economically. According to a study by the Global Entrepreneurship Monitor (2018), there are more men in business than women. However, women start businesses out of necessity and these businesses have a low effect on the economy.

5.8.2 Educational Levels of Respondents

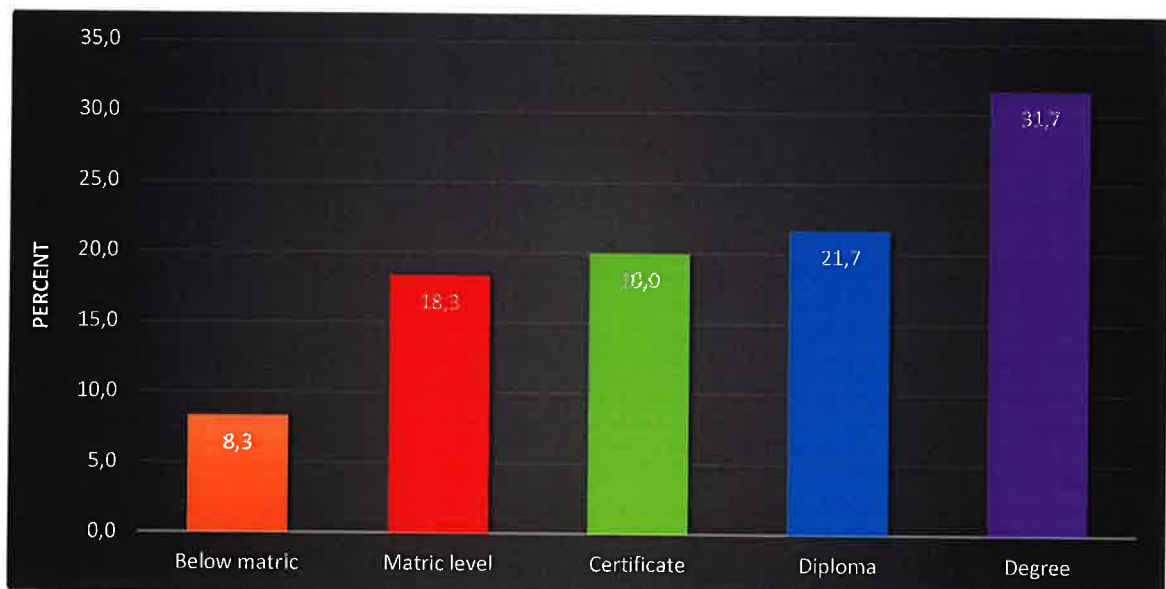


Figure 3: Educational Level

The figure above indicates the education levels of the respondents. Figure 3 indicates that, approximately a third (31.7%) have a degree. The results also showed that 21.7% had a diploma; 20% a certificate; 18.3% a matric level and 8.3% were below matric. The results showed that the majority of respondents (73.3%) had a post-school qualification which indicates that the responses gathered would have been from learned sources. This could mean that they can play a critical role in boosting the economic profile of the municipality.

5.8.3 Race of Respondents

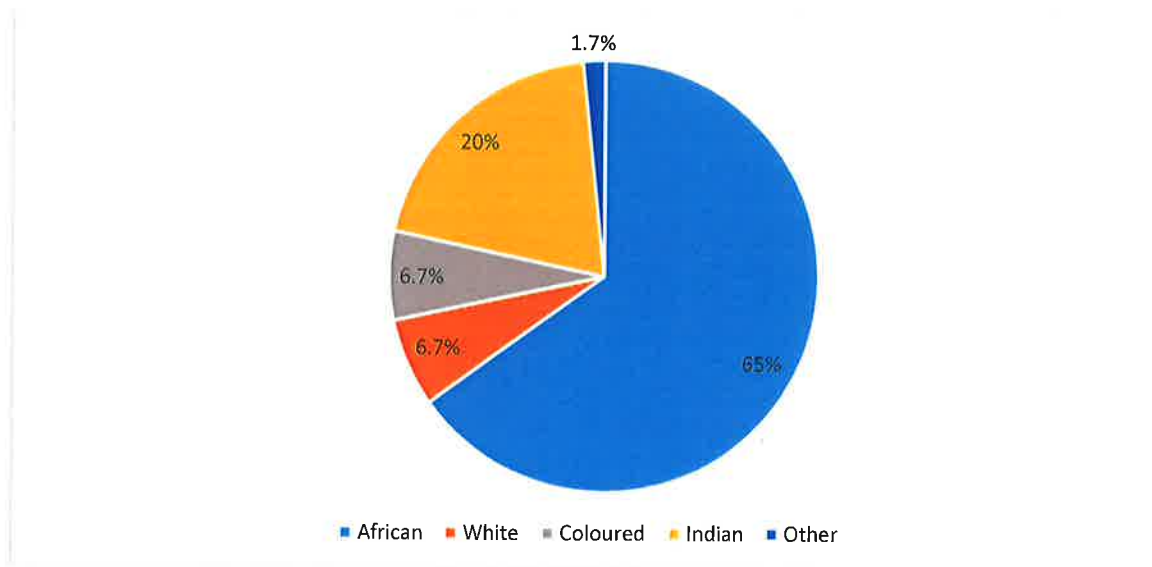


Figure 4: Race of respondents

Figure 4 illustrate that 65% respondents were African, followed by 20% Indians, with similar and smaller numbers of White and Coloured respondents (6.7%) and 1.7% other races. This shows that most of the people in the Ugu Municipality are Africans. The results further show that Africans have the most economic development in the municipality of Ugu.

5.9 Section B – Confirmation of the Research Objectives

This section deals with the research objectives of the study. The aim of the study was to determine the contribution of Ugu Local Economic Development Agency (LEDA) in supporting the local communities. The study had four objectives with the first one being to evaluate the general contributions of the LEDAs to stimulate economic growth in local government, with specific reference to Ugu District Municipality. Second was to

determine the challenges faced by LEDAs in promoting the local economy in Ugu District Municipality. The third objective was to examine the extent to which LEDAs comply with local government policies that promote socio-economic development for local communities. The last one was to submit proposals and recommendations that will enhance the role of LEDAs for efficient and effective socio-economic opportunities at the community levels. Research objectives were met since the questionnaire and research interview schedule were designed to answer the objectives and research questions.

5.9.1 Objective 1: To Evaluate the General Contributions of LEDAs to Stimulate Economic Growth in Local Government (Ugu District Municipality)

This objective aimed at evaluating the contributions that the LEDAs are making to stimulate economic growth in local government in Ugu District Municipality. The results of the objective are discussed below. The results are based on questions 4, 5, 6 and 7. The questions were formulated using the 5-point Likert scale, with 1 representing strongly disagree and 5 strongly agree.

Table 5: Responses on scoring patterns

Responses on scoring patterns regarding general contributions of LEDAs to stimulating economic growth in local government with specific reference to Ugu District Municipality.

		Strongly disagree		Disagree		Neutral		Agree		Strongly agree		Chi Square p-value
		Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	
Ugu district contributes to improving the economic growth of the municipality	B4	9	15.0%	19	31.7%	17	28.3%	13	21.7%	2	3.3%	0.004
LEDA operations in Ugu are benefiting the community	B5	8	13.3%	17	28.3%	20	33.3%	14	23.3%	1	1.7%	0.001
There are LEDA initiatives in Ugu for economic growth	B6	8	13.3%	28	46.7%	14	23.3%	9	15.0%	1	1.7%	0.000
Ugu LEDA is contributing to a great extent to the development of the local economy in this district	B7	11	18.3%	19	31.7%	15	25.0%	12	20.0%	3	5.0%	0.020

5.9.1.1 Ugu District Contributes to Improving the Economic Growth of the Municipality

Table 5 shows that 31.7% respondents disagreed, whilst 28.3% were neutral, 21.7% agreed, 15% strongly disagreed and 3.8% strongly agreed that Ugu district contributes to improving the economic growth of the municipality. The results showed that the community members do not agree that the district contributes to improving the growth of the municipality. The results show differences between the municipality and

community because the community views economic development only in terms of employment creation, whilst the municipality has a number of factors that they look at. The Ugu district is a victim of all three mentioned problems that LED seeks to address. The spatial profile of the district municipality, which presents a dual spatial economy of the large urbanised coastal zone and the impoverished rural majority, is a legitimate reason for ensuring that LED is successfully implemented (Ugu District Municipality IDP, 2011/2012).

5.9.1.2 The Role of Local Economic Development Agencies Operations in Ugu are Benefiting the Community

As illustrated above a majority of respondents (33.3%) were neutral, followed by 28.3% who disagreed, 23.3% agreed, 13.3% strongly disagree and 1.7% strongly agreed that LEDA operations in Ugu are benefiting the community. However, literature states that Ugu District Municipality is focused on developing airports and harbours; developing an integrated road and rail network that can support both passenger and cargo transport; and developing information and communication technology infrastructure that can support the knowledge economy. Some of the currently available investment opportunities include Ugu Sports Leisure Sports Centre, Margate Airport Upgrade, Agro-processing facility, Port Shepstone Beach Front Re-development, Margate Olympic swimming pool and a transition from subsistence to commercial farming, amongst others (Ugu District Municipality IDP, 2013/2014).

5.9.1.3 LEDA Initiatives in Ugu for Economic Growth

A majority of respondents (46.7%) disagreed, 23.3% were neutral, 15% agreed, 13.3% strongly disagree and 1.7% strongly agreed that there were LEDA initiatives in Ugu for economic growth. The results show that most participants stated that there are no initiatives. These results do not agree with literature that states that there are investment opportunities, which include Ugu Sports Leisure Sports Centre, Margate Airport Upgrade, Agro-processing facility, Port Shepstone Beach Front Re-development, Margate Olympic swimming pool and the transition from subsistence to commercial farming, amongst others (Ugu District Municipality IDP, 2013/2014).

5.9.1.4 Ugu LEDA is Contributing to a Great Extent to the Development of the Local Economy in this District

In this regard, 31.7% disagreed, 25% were neutral, 20% agreed, 18.3% strongly disagreed and 5% strongly agreed that Ugu LEDA is contributing to the development of the local economy in this district. Literature states that the Ugu district is a victim to all three mentioned problems that LED seeks to address. The spatial profile of the district municipality, which presents a dual spatial economy of the large urbanized coastal zone and the impoverished rural majority, is a legitimate reason for ensuring LED is successfully implemented (Ugu District Municipality IDP, 2011/2012).

5.9.2 Objective 2: To Determine the Challenges Faced by LEDAs in Promoting the Local Economy in Ugu District Municipality

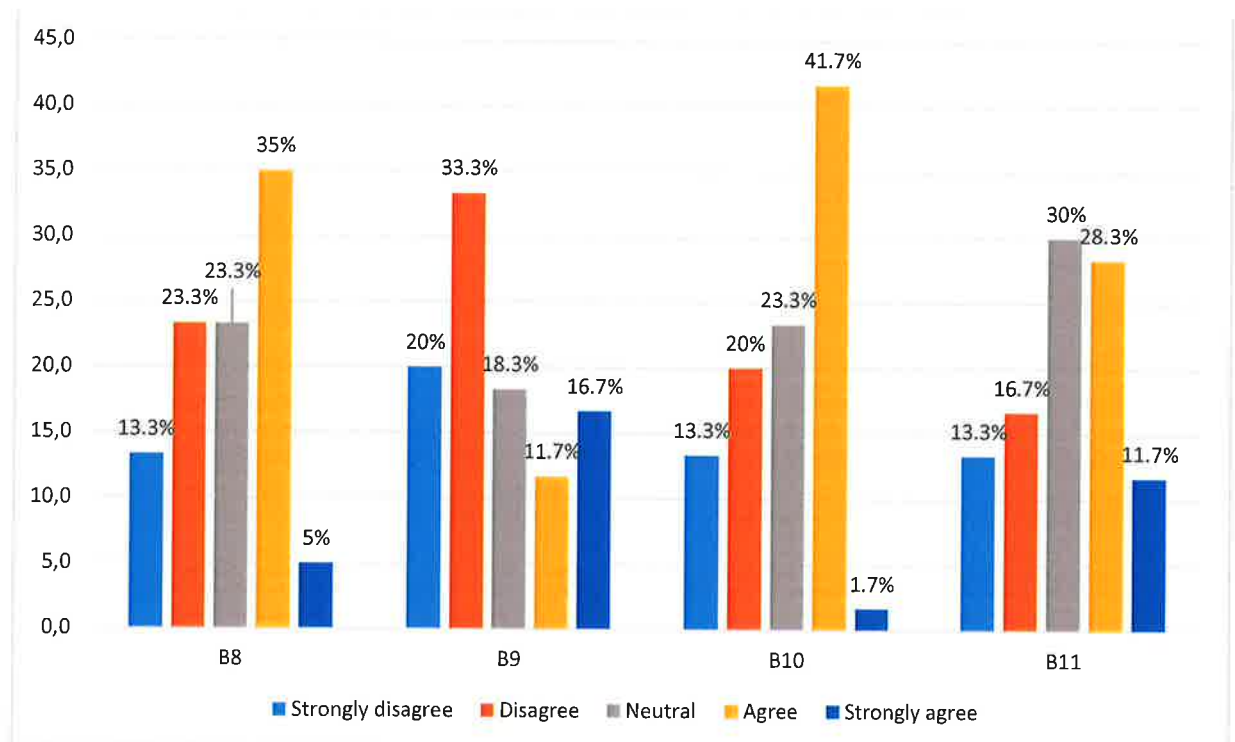


Figure 5: Summary of the scoring patterns
The graph shows patterns regarding the challenges faced by LEDAs in promoting the local economy in Ugu District Municipality.

5.9.2.1 Challenges in the District are Being Addressed

Figure 5 above shows that the majority (35%) of the respondents agreed, followed by 23.3% who strongly disagreed and were neutral, with 13.3% strongly disagreeing and 5% strongly agreeing that challenges faced in the district were being addressed. The results show that the majority of community members stated that challenges were not addressed. It has been observed that Ugu has a long way to go before its goals are reached. However, the district municipality has put in place sound policies and principles which, if implemented faithfully, will see the Ugu District Municipality somehow alleviated from poverty, ensuring that equality is achieved, particularly between the strong economically driven urban coast and impoverished rural community (Dyosi 2016).

5.9.2.2 The District Faces Economic Challenges

As illustrated above, 33.3% disagree, 20% strongly disagree, 18.3% were neutral, 16.7% strongly agree and 11.7% agree that the district faces economic challenges. From the above results, it can be seen from the community viewpoint that there were no economic challenges in the district. The Ugu district is a victim to all three problems that LED seeks to address. The spatial profile of the district municipality, which presents a dual spatial economy of the large urbanized coastal zone and the impoverished rural majority, is a legitimate reason for ensuring that LED is successfully implemented (Ugu District Municipality IDP, 2011/2012).

5.9.2.3 Ugu LEDA Meets our Expectations

From the results, 41.7 agree, 23.3% were neutral, 20% disagree, 13.3% strongly disagreed and 1.7% strongly agreed that Ugu LEDA meets their expectations. In terms of education, the district municipality is driven to ensure early childhood development, as well as primary and secondary education. In addition, Ugu is focused on developing skills through the encouragement of demand-driven skills development and training linked to industry (Ugu District Municipality IDP, 2013/2014).

5.9.2.4 The Services Provided by Ugu LEDA are Satisfying

Responses to this issue indicated that 30% were neutral, 28.3 agreed, 16.7% disagreed, 13.3% strongly disagreed and 11.7% strongly agreed that the services provided by Ugu LEDA were satisfying. It has been observed that Ugu has a long way to go before its goals are reached. However, the district municipality has put in place sound policies and principles which, if implemented faithfully, will see the Ugu District Municipality somehow alleviated from poverty, ensuring that equality is achieved, particularly between the strong economically driven urban coast and impoverished rural community (Dyosi 2016).

5.10 Correlations

Bivariate correlation was also performed on the (ordinal) data. The results are found in the appendix. The results indicate the following patterns. Positive values indicate a directly proportional relationship between the variables and a negative value indicates an inverse relationship. All significant relationships are indicated by a * or **.

The correlation value between “LEDAs operations in Ugu are benefiting the community” and “Ugu LEDA is contributing to a great extent to the development of the local economy in this district” is 0.703. This is a directly related proportionality. Respondents indicate that the greater the benefit to the community, the more the economy will grow, and vice versa.

There is a positive correlation between “The services provided by Ugu LEDA are satisfying” and “Ugu meets our expectations” with $p= 0.797$. This indicates that the services provided meet the expectations of the respondents.

There is a low positive relationship between “LEDA operations in Ugu are benefiting the community” and “Challenges being faced in the district are being addressed”. This shows that the operations in Ugu are reducing the challenges faced in the district.

5.11 Chi-Square Test

A second Chi square test was performed to determine whether there was a statistically significant relationship between the variables (rows vs columns).

The null hypothesis states that there is no association between the two. The alternate hypothesis indicates that there is an association.

The p-value between “LEDA operations in Ugu are benefiting the community” and “Gender” is 0.032. This means that there is a significant relationship between the variables highlighted in yellow. That is, the gender of the respondent did play a significant role in terms of how respondents viewed the benefits of LEDA operations on the community.

There is no significant relationship between “There are LEDA initiatives in Ugu for economic growth” and are you satisfied with the services provided by Ugu Local Economic Development Agency?”, with a p value =0.898.

5.12 Participants in the Qualitative Interviews for the Study

Table 6: Participants for Interviews

Research participants	Area	Number of participants
Senior managers: CEO–Ugu South Coast Development Agency LED Officer- Ray Nkonyeni Local Municipality Manager Strategic Planning and Local Development – Umuziwabantu Local Municipality IDP Manager Umdoni Local Municipality LED Manager Umzumbe Local Municipality	Ugu South Coast Development Agency 4 Ugu district Local municipalities: Umdoni Local Municipality UmzumbeLocal Municipality Ray Nkonyeni Local Municipality Umuziwabantu Local Municipality	5
Total		5

Table 6 above shows the participants in the qualitative interview for the study, namely Ugu LEDA management. The table shows that the response rate was 100%. A total number of 5 research participants were interviewed in 2019. The research participants interviewed were determined by the willingness of the participants. The interviews took place at their workplaces.

5.13 Research Objectives, Research Questions and Themes

Table 7: Research objectives, Research questions and Themes

Research objective 1: To evaluate the general contributions of LEDAs to stimulate economic growth in local gov-ernment, with specific reference to Ugu District Municipality.	Research objective 2: To determine the challenges faced by LEDAs in promoting the local economy in Ugu District Municipality.	Research objective 3: To examine the extent to which LEDAs comply with local government policies that promote socio-economic development for local communities.	Research objective 4: To submit proposals and recommendations that will enhance the role of LEDAs for efficient and effective socio-economic opportunities at the community levels.
Research question 1: What are your contributions to supporting the local economy?	Research question 2: What challenges are you facing in promoting the local economy?	Research question 3: What roles do you play to improve economic activities in this district? What are the local government policies in place that promote economic development?	Research question 4: Are you meeting the expectations of your local community? Is the local community satisfied with the services you are offering?
Emerging theme 1: Contributions to supporting the local economy.	Emerging theme 2: Challenges faced in promoting the local economy.	Emerging theme 1: Roles being played to improve economic activities in this district.	Emerging theme 1: Meeting the expectations of your local community.

5.14 Qualitative Data Analysis and Discussions

A thematic analysis procedure was used to analyse data. Thematic analysis is a technique of data arrangement that gives comprehensive description by organizing and summarizing large volumes of facts collected in the field (Nowell, et al., 2017:2). Participants were asked to respond to a set of questions.

Matrix 1: Contributions to Supporting the Local Economy

Variable	Response	Source
What are your contributions in supporting the local economy?	Agribusiness Development and Support have since June 2018 been deployed by KZN DCoGTA to the KZN Provincial Department of Economic Development, Tourism and Environmental Affairs (EDTEA) under the Radical Agrarian Socio-Economic Transformation Programme (RASET), Ugu Districts is currently the beneficiary District Municipality of the CoGTA RASET National School Nutrition Programme (NSNP) Start Up Grant of R3 Million. The grant is geared towards assisting the Municipality through its District Development Agency; namely Ugu South Coast Development Agency. The agency will support local communities by the signing of a Service Level Agreement/ Supplier Contract with KZN Dept of Education, dept of Social development and Dept of Health to source from local farmer producers and supply perishables, namely fruits, vegetables, dry goods/ grains, eggs, meat and poultry, including amasi to Government facilities and private companies. This improves the local economy, as well as the quality of life of the community as they will now have a source of income.	Participant 1, 2, 3, 4 and 5

In line with objective one of this study, the results as shown above reveal that the participants contribute towards the economy by the different positions they have in different departments. Participant 1 stated that *I work for the KZN Provincial Department of Cooperative Governance and Traditional Affairs under the Development & Planning Branch in the Municipal Local Economic Development Support Unit and specifically under Project Implementation and Institutional Support Sub Unit.* Furthermore, Participant 3 stated that *I work the for KZN Provincial Department of Cooperative Governance and Traditional Affairs under the Development & Planning Branch in the Municipal Local Economic Development Support Unit and specifically under the Project Implementation and Institutional Support Sub Unit.* These results showed that the different participants play different roles in contributing towards

supporting the local economy. The municipality has different players who play different roles within a district. The different departments offer different types of services to contribute towards economic growth. Pretorius and Balaaauw (2010:157) state that LEDAs are independent organisations, shaped by private and public institutions with the aim of implementing shared territorial development strategies, with particular emphasis on favouring access to decent employment and income for marginal portions of the population. LEDAs are expected to customise and develop their own service/products according to the needs of the clients. They are designed to meet the demands of the clients which are usually small, micro and medium enterprises (SMMEs).

Matrix 2: Challenges Faced in Promoting the Local Economy

Variable	Response	Source
What challenges are you facing in promoting the local economy?	<p>Some of the encountered challenges include and are not limited to:</p> <ul style="list-style-type: none"> • Lack of understanding of Local Economic Development (LED) i.e. Policy vs practice • Spatial Planning and effective land use. • Environmental protection and preservation of natural assets. • Poorly conceptualized programmes, projects and sector/ industry support interventions that are not supply and demand-driven / market led, resulting in a piecemeal approach and little or no value for money. • Lack or limited business unity amongst the private sector to want to invest in uplifting communities and SMME development, especially enterprise development. • Lack of funding; • Inadequate SMME development support services (i.e. business plan development, finance/ funding mentorship and technical guidance). Research, Lack of understanding of innovation and the benefits of technology advancement in building economies. • Political will amongst decision-makers to support catalytic interventions (i.e. programmes and projects). • Abuse of resources that are intended/ earmarked for greater development. 	<p>Participant 1</p> <p>Participant 2</p> <p>Participant 3</p> <p>Participant 4</p> <p>Participant 5</p>

In line with Objective Two of this study, the results as shown above reveal that challenges include understanding the LED policy vs its practice. In addition Participant .stated that programmes and projects were poorly conceptualised. There was also a lack of funding and a lack of SMME development support sevices. Furthermore, there is lack of understanding and research, thus posing challenges in the district. There is also abuse of resources which are intended for the development of the district.

The results shows that there are challenges being faced in local economic development. The Ugu district is a victim to all three mentioned problems that LED

seeks to address. The spatial profile of the district municipality, which presents a dual spatial economy of the large urbanized coastal zone and the impoverished rural majority, is a legitimate reason for ensuring that LED is successfully implemented (Ugu District Municipality IDP, 2011/2012).

Matrix 3: Roles Being Played to Improve Economic Activities in this District

Variable	Response	Source
What role do you play to improve economic activities in the district?	As per shared earlier, I am a Responsibility Manager of the CoGTA RASET Grant and therefore ensure that the District Municipality and its family of Municipality, including related stakeholders/ targeted beneficiaries, participate meaningfully in the implementation of the RASET Programme.	Participant 3

In line with Objective Three of this study, the results reveal that different participants play different roles. The results showed that Participant 3 stated *as shared earlier, I am a Responsibility Manager of the CoGTA RASET Grant and therefore ensure that the District Municipality and its family of Municipality, including related stakeholders/ targeted beneficiaries, participate meaningfully in the implementation of the RASET Programme.* In addition, Participant 1 stated that *I therefore ensure that the Municipality/ DDA is assisted with the technical and management capacity to lead and implement the programme.* Furthermore, Participant 5 said *Ultimately, I am also responsible for ensuring that the Grant/ Project is closed out following due procedure as per dictated by the Funding Agreement and the Division of Revenue Act (DORA). In so doing, I ensure that projects are monitored on a regular basis i.e. Monthly pSC Meetings, narrative and expenditure reports including sporadic field/ site visits in order to ensure effective regular monitoring and evaluation.* The results showed that the participants play a role to improve economic activities in the district. In terms of education, the district municipality is driven to ensure early childhood development, as well as primary and secondary education. In addition, Ugu is focused on developing skills through the encouragement of demand driven-skills development and training linked to industry (Ugu District Municipality IDP, 2013/2014).

Sub theme: Mobilising Resources to Enhance Economic Growth

Variable	Response	Source
How are you mobilising resources to enhance economic activities?	<ul style="list-style-type: none"> • KZN DCoGTA is amongst the many Sector Departments that are mandated to support municipalities in realising their service delivery targets. 	Participant 3
	<ul style="list-style-type: none"> • CoGTA therefore supports municipalities with technical and funding solutions/ support through its Municipal Infrastructure Grant, Small Town Rehabilitation Grant, Corridor Development Grant, EPWP Grant, EPWP Grant, RASET Grant, etc. 	Participant 2

In line with Objective Three of this study, the results as shown above reveal that different local governments play different roles in mobilising resources to enhance economic activities. Participant 3 stated that *KZN DCoGTA is amongst the many Sector Departments that are mandated to support municipalities in realising their service delivery targets*. In addition, Participant 2 stated that *CoGTA therefore supports municipalities with technical and funding solutions/ support through its Municipal Infrastructure Grant, Small Town Rehabilitation Grant, Corridor Development Grant, EPWP Grant, EPWP Grant, RASET Grant, etc.* Literature states that some of the currently available investment opportunities include Ugu Sports Leisure Sports Centre, Margate Airport Upgrade, Agro-processing facility, Port Shepstone Beach Front Re-development, Margate Olympic swimming pool and the transition from subsistence to commercial farming, amongst others (Ugu District Municipality IDP, 2013/2014).

Matrix 4: LEDAs Meeting the Expectations of the Local Community

Variable	Response	Source
Are you meeting the expectations of your local economy?	<p>Partly as Government is mandated to play the following roles:</p> <ul style="list-style-type: none"> • Facilitator, • Stimulator, • Regulator, • Enabler, • Partner, • Investor, • Financer and • Funder. 	Participant 3

In line with Objective Four of this study, the results as shown above reveal that the participants stated that they are meeting the expectations of the local economy. The different roles they play are listed above, showing that they play different roles as the community expects. However, despite all these advantages, the district is a victim of increasing unemployment accompanied by deepening poverty, which have been observed (Dyosi 2016).

Sub theme: Level of Satisfaction of communities with Municipal Services

Variable	Response	Source
Is the Local Community satisfied with the services you are offering?	<p>Government Funding programmes are determined/ allocated over a given Medium. The community complains on the funding programmes.</p> <p>Term Budget Expenditure Framework (MTEF). It is therefore highly recommended that other sources of funding be explored.</p> <ul style="list-style-type: none"> • The suggestion towards Community/ Client Satisfaction Polls and Surveys must also be highly encouraged in order to gather lessons for improved service delivery mechanisms including good practice models. 	Participant 2,3

In line with Objective Four of this study, the results show that from the different ways that feedback is ensured within the district, there have been complaints with regard to the funding programmes. In addition, the results stated a need for more client satisfaction surveys as they bring lessons to the responsible authorities within the department.

5.15 Divergence and Convergence of Qualitative and Quantitative Data

Triangulation is the process whereby the convergence and divergence of results obtained from different methodological approaches, sources and theoretical perspectives are explored (Denzin, 2014:102). It is proposed that the validity of conclusions is enhanced if different approaches produce convergent findings (Nicolau, 2009:76). It was important for this study to triangulate the data collected through interviews and surveys. Du Plooy (2014:18) states that in mixed methods studies, the qualitative and quantitative data may sometimes converge and diverge. It is vital for the researcher to understand and identify similarities and dissimilarities in the data (Creswell, 2009:15).

In line with this study, the qualitative and quantitative data revealed that there is need for LEDAs' contributions so that economic growth is stimulated within the municipality. However, qualitative and quantitative data showed that there are challenges faced by LEDAs when they are promoting local economic growth within the Ugu. Qualitative and quantitative data further demonstrated that participants play different roles in mobilising resources to enhance economic growth. The issues of complying with local government policies are important when it comes to the development the Ugu Local Municipality.

5.16 Chapter Summary

The chapter focused on analysing the data collected for the study. The results were presented in the form of graphs, pie charts and tables. In addition, inferential statistics like correlation and chi-square tests were also done. The results showed that the majority of respondents were in disagreement that Ugu district contributes to improving the municipality's economic growth. In addition, respondents also identified challenges that the district is facing. The different roles played by the district were also identified. The following chapter provides conclusions and recommendations for the study.

CHAPTER 6: RECOMMENDATIONS AND CONCLUDING REMARKS

6.1 Introduction

This study explored the contribution of Ugu Local Economic Development Agency (LEDA) in supporting local communities. This chapter provides a summary of the chapters, the conclusions and recommendations of the findings for the study. In addition, recommendations for future studies are also provided.

6.2 Summary of the Chapters

Chapter 1: Introduction

This chapter provided a detailed introduction to this research. It covered the background to the research, problem statement, the research objectives, summary of the literature review, summarised the research methodology and the limitations to this study.

Chapter 2: Literature Review

The chapter reviewed the existing literature on the study. Chapter Two focused on a brief overview of Ugu District Municipality, which is one of KwaZulu-Natal's ten district municipalities bordered by the eThekweni Municipality, UMgungundlovu District Municipality, Sisonke District Municipality and on its southern side, it shares a border with the Eastern Cape Province. There is a local development agency, the Ugu South Coast Development Agency (USCDA), which is a government agency dedicated to unlocking economic development through the promotion of investment opportunities and social development. It also covered literature on the restructuring of the South African economy after apartheid, as well as the introduction of local development agencies and the expectation of local governments' in developing a meaningful and sustainable economy for the concerned communities

Chapter 3: Theoretical Framework

Chapter 3 looked at the Ugu district. Like any other district in South Africa and in the world at large, Ugu faces economic challenges of unemployment, low economic growth, poverty and inequality. As part of the national vision informed by the NDP, the Ugu district has envisioned the alleviation of poverty and economic development through various initiatives. This chapter focused on the current local economic development practices that are in place in Ugu district and goes on to reflect on the

local economic strategies that have been implemented in the district. A study of some economic theories which have been adopted internationally has been done in line with this study's objectives to submit proposals and recommendations that will enhance the efficiency of LEDAs.

Chapter 4: Research Methodology

The focus of this chapter was on specifying the study type, research design, research approach, target population, sample size and selection, sampling technique, instrument design and the procedures for data collection and analysis.

Chapter 5: Research Findings and Discussion of Results

The chapter presented and analysed the results of this study using various statistical methods. The results of the interviews were also discussed. The results looked at different themes which emerged from the research questions.

Chapter 6: Conclusions and Recommendations

This chapter will look at the findings of this study, the conclusions will be given in this chapter. Recommendations will be made based on the findings.

6.3 Confirmation of Research Objectives

This section focuses on the findings and it formulate conclusions of the study based on the objectives that were set in the first chapter. The findings based on the objectives are outlined below.

Objective 1: To Evaluate the General Contributions of LEDAs to Stimulate Economic Growth in Local Government, with Specific Reference to Ugu District Municipality.

The results showed that a majority of the respondents were in disagreement that Ugu district contributes to improving the municipality's economic growth. The results showed that the LEDAs' operations in Ugu are not benefiting the community. In addition, a majority stated that there are no LEDA initiatives in Ugu for economic growth. Moreover, the majority agreed that Ugu LEDA is contributing to a great extent to the development of the local economy in the district. In conclusion, these results showed that in as much as the initiatives in Ugu do not benefit the community, they contribute towards stimulating growth in Ugu District Municipality.

The study results showed that different respondents contribute towards the economy in different ways. The respondents have positions in different departments in which they play different roles to contribute towards supporting the local economy.

Objective 2: To Determine the Challenges faced by LEDAs in Promoting the Local Economy in Ugu District Municipality.

A total of 40% agreed that challenges being faced in the district are being addressed. With 36% disagreeing, it can be concluded that the Ugu district is working on trying to address the challenges faced by the district.

In addition, 53.3% disagreed that the district faces economic challenges whilst 28.4% agree. It can be concluded that the majority stated that the district did not face economic challenges. Majority 43.4% agreed and 23.3% disagree that Ugu LEDA meets their expectations. This can be concluded that Ugu meets the expectations of the community members. A total of 40% agreed and 30% disagreed that services provided by Ugu LEDA are satisfying. It can be concluded that Ugu provides services which meet people's expectations as people are satisfied with the services being provided.

The results showed that there are a number of challenges being faced in Ugu. The different challenges were stated which included a lack of funding for SME development. There were also challenges to do with research and development. It can be concluded that the district is facing different challenges in promoting the local economy.

Objective 3: To Examine the Extent to which LEDAs Comply with Local Government Policies that Promote Socio-economic Development for Local Communities.

Participants play different roles to improve economic activities in the district. In addition, the local government plays different roles in mobilising resources to enhance economic activities. The government meets the expectations of the local economic through the different roles they play. The services that are offered satisfy some respondents, with others having complaints, especially regarding funding programmes.

Objective 4: To Submit Proposals and Recommendations that will Enhance the Role of LEDAs for Efficient and Effective Socio-economic Opportunities at the Community Level.

The respondents gave recommendations and suggestions which will enhance the role of LEDAs to efficiently and effectively function. Some of the respondents suggested having projects as community members. Working within one common goal will help reduce the challenges being faced in the communities. Furthermore, working with government officials so that funding and other support can be made available was suggested.

6.4 Recommendations

Based on the research findings, the study provides the following recommendations to Ugu Municipality:

6.4.1 Starting Projects to Contribute Towards Economic Growth

The Ugu municipality can start projects that will contribute towards economic growth within the district. In addition, the district must have projects that benefit the community. Thus, cooperatives can be started in which community members can work together with officials.

6.4.2 Improve Understanding on LED Policies

There should be regular checks and surveys to educate people on LED policies. This will have an impact on businesses when people have an understanding of the policies in place and the processes involved in LED practices.

6.4.3 Provide Business Support Services

The district needs to provide support services for businesses. These will encourage and provide support to business, hence helping businesses to grow. When businesses are grown, they help reduce challenges like poverty and unemployment in the area. In addition, businesses can also contribute towards the economic growth of the municipality.

6.5 Recommendations for Future Research

This study focused on the Role of Ugu South Coast Development Agency under Ugu District Municipality. Therefore, it is recommended that future research of this nature should be undertaken amongst district municipalities and metropolitan municipalities in other parts of KZN or South Africa as a whole.

6.6 Conclusion

This chapter provided conclusions relating to the empirical findings. It also provided recommendations from the analyses of the findings. In conclusion, the objectives of this study were achieved. The recommendations in this chapter should improve the contributions made by the Ugu District Municipality and other interested LEDAs to provide insights into improving the level of economic activity in the local communities. The recommendations could also assist the municipality in achieving and maintaining a better economy.

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APPENDICES

APPENDIX A- Consent Letter

LETTER OF INFORMATION AND CONSENT

RE: Postgraduate Studies in Masters of Management Sciences

Dear Participant,

I am currently a Master's student at the Durban University of Technology – Student Number 21452805. My research topic is **“The role of Ugu South Coast Development Agency in supporting the local Communities:”** a case study. Participation is voluntary and you are free to withdraw from the study at any time without giving any reasons, and without prejudice any adverse consequences. The information you give will only be used for research purposes and will be aggregated with other responses and only the overall or average information will be used. Your identity and individual answers will be kept very confidential. Should you wish to discuss this further, please feel free to contact me on +27(0)61 412 5310/+27(0)83 478 3209 or my supervisor on +27(0)31 260 082 47 or IREC Administrator, Lavisha Deonarain on +27(0)31 373 2375 or Lavish@dut.ac.za.

Your assistance will be much appreciated.

Yours Faithfully
Siyabonga Steven Israel Khwela

Ph.: +27(0)61 412 5310
Cell: +27(0)83 4783 209
E-mail: nondabulo@vodamail.co.za

Please complete the following as confirmation of your willingness to participate in this research:

I..... have adequately discussed the study with the researcher, understand that I may withdraw from it at any time without giving reasons, and voluntarily agree to participate in an interview.

Signature

Date.....

APPENDIX B- IREC Letter of Information and Consent



LETTER OF INFORMATION

Title of the Research Study: The Role of Ugu South Coast Development Agency in Supporting the Local Communities

Principal Investigator/s/researcher :(Name, Qualifications) (Siyabonga Steven Israel Khwela, Diploma in Marketing, Executive Leadership Municipal Development Programme B.Tech Degree- Management, Certificate in Property Development and Investment.

**Co-Investigator/s/supervisor/s: (Name, qualifications)
(Dr Sakhile Isaac Zondi B. SocSc Hons; MA (SocSc) D. Admin**

Brief Introduction and Purpose of the Study: The South African Municipalities are mandated by section 152 of the constitution to promote socio economic-economic development through LED in order to benefit the indigent communities. Apart from the provision of basic services which include water, sanitation and electricity, the municipality has the primary mandate of engaging in economic development activities. These reduce the level of unemployment in the society as well as goes a long way in poverty alleviation. Therefore, the municipality has to provide an environment that is conducive for the development of the local economies and support LED.

Outline of the Procedures: (Responsibilities of the participant, consultation/interview/survey details, venue details, inclusion/exclusion criteria, explanation of tools and measurement outcomes, any follow-ups, any placebo or no treatment, how much time required of participant, what is expected of participants, randomization/ group allocation)

A questionnaire will be given to the participant to fill in. The questionnaire will be given to the participant and they will be given a day to complete the questionnaire in the spare time. The participant will be given an opportunity to ask questions and of his or her free will declare himself or herself prepared to participate in the study. The research will be required to read and complete the consent form and ensure that the information contained in the statement of agreement is understood before appending his/her signature.

Risks or Discomforts to the Participant: (Description of foreseeable risks or discomforts to for participants if applicable e.g. Transient muscle pain, VBAI, post-needle

soreness, other adverse reactions, etc.) The participant will not be asked to perform any acts or make statements which might be expected to cause discomfort.

Benefits: (To the participant and to the researcher/s e.g. publications) the participant will benefit by gaining knowledge on how the Municipality can reduce the level of unemployment through LED.

The researcher will benefit by achieving a Master's Degree: Management Science through Durban University Of Technology (DUT).

Reason/s why the Participant May Be Withdrawn from the Study: (Non-compliance, illness, adverse reactions, etc. Need to state that there will be no adverse consequences for the participant should they choose to withdraw) The participant may at any stage withdraw his /her consent and participation in the study without any prejudice.

Remuneration: (Will the participant receive any monetary or other types of remuneration?)

The participant will not receive any financial or other type of remuneration.

Costs of the Study: (Will the participant be expected to cover any costs towards the study?)

No cost of the study will be expected to place the participant at risk of damage to his/her financial standing.

Confidentiality: (Description of the extent to which confidentiality will be maintained and how will this be maintained)

The data will be collected in a manner that will ensure confidentiality of the data and the identity of the participants will remain anonymous. All the materials obtained will be stored and ultimately disposed of in a manner that will ensure confidentiality to the participant.

Research-related Injury: (What will happen should there be a research-related injury or adverse reaction? Will there be any compensation?) There will be no aspect of the study that is expected to place the participant at risk of potential harmful procedures.

Persons to Contact in the Event of Any Problems or Queries:

(Supervisor and details):

Dr Sakhile Isaac Zondi

Discipline of Public Governance – Lecturer

University of KwaZulu – Natal, Westville Campus

Private Bag X 5400, University Road, Durban

M-Block, 2nd Floor, Room M226A

Please contact the researcher (Telephone No.):

+27(0)61 4125 310/+27(0)83 4783 209

My supervisor (Telephone No.)

+27(0)31 260 8247

Or the Institutional

Research Ethics Administrator on 031 373 2375. Complaints can be reported to the DVC: Research, Innovation and Engagement Prof S Moyo on 031 373 2577 or moyos@dut.ac.za

General:

Potential participants must be assured that participation is voluntary and the approximate number of participants to be included should be disclosed. A copy of the information letter should be issued to participants. The information letter and consent form must be translated and provided in the primary spoken language of the research population e.g. isiZulu



CONSENT

Statement of Agreement to Participate in the Research Study:

☐ I hereby confirm that I have been informed by the researcher, (name of Researcher), about the nature, conduct, benefits and risks of this study - Research Ethics Clearance

Number: _____,

☐ I have also received, read and understood the above written information (Participant Letter of Information) regarding the study.

☐ I am aware that the results of the study, including personal details regarding my sex, age, date of birth, initials and diagnosis will be anonymously processed into a study report.

☐ In view of the requirements of research, I agree that the data collected during this study can be processed in a computerized system by the researcher.

☐ I may, at any stage, without prejudice, withdraw my consent and participation in the study.

☐ I have had sufficient opportunity to ask questions and (of my own free will) declare myself prepared to participate in the study.

☐ I understand that significant new findings developed during the course of this research which may relate to my participation will be made available to me.

Full Name of Participant
Thumbprint

Date

Time Signature

Right

I, _____ (name of researcher) herewith confirm that the above participant _____ has been fully informed about the nature, conduct and risks of the above study.

Full Name of Researcher

Date

Signature

Full Name of Witness (If applicable) Date Signature

Full Name of Legal Guardian (If applicable) Date Signature

Please note the following:

Research details must be provided in a clear, simple and culturally appropriate manner and prospective participants should be helped to arrive at an informed decision by use of appropriate language (grade 10 level

- use Flesch Reading Ease Scores on Microsoft Word), selecting of a non-threatening environment for interaction and the availability of peer counselling (Department of Health, 2004)

If the potential participant is unable to read/illiterate, then a right thumb print is required and an impartial witness, who is literate and knows the participant e.g. parent, sibling, friend, pastor, etc. should verify in writing, duly signed that informed verbal consent was obtained (Department of Health, 2004).

If anyone makes a mistake completing this document e.g. a wrong date or spelling mistake, a new document has to be completed. The incomplete original document has to be kept in the participant's file and not thrown away, and copies thereof must be issued to the participant.

References:

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http://www.nhrec.org.za/?page_id=14

APPENDIX C - Questionnaire

Section A

Mark with an (x) in the appropriate block. Select only one option

1. Gender

Male	
Female	
Other	

2. Highest education level

Below matric	
Matric level	
Certificate	
Diploma	
Degree	

3. Race

African	
White	
Colored	
Indian	
Other	

Section B

General contributions of LEDA in economic growth

	Strongly disagree	agree	neutral	disagree	Strongly agree
4. Ugu district contributes to improve the economic growth of the municipality					
5. LEDAs operations in Ugu are benefiting the community					

6. there are LEDAs initiatives in Ugu for economic growth					
7. Ugu LEDA is contributing to a greater extend to the development of the local economy in this district					

Challenges faced by LEDAs

	Strongly disagree	agree	neutral	disagree	Strongly agree
8. Challenges being faced in the district are being addressed					
9. The district faces economic challenges					
10. Ugu LEDA meets our expectations					
11. The services provided by Ugu LEDA are satisfying					

12. Are you satisfied with the services provided by Ugu Local Economic Development Agency?

Yes	
No	

Thank you for your co-operation

APPENDIX D- Gate Keepers Letter

REF: GEN/817/2017

04 September 2017

Mr. Siyabonga Steven Israel Khwela

E-mail: nondabulo@vodamail.co.za

Dear Mr. Khwela,

RE: THE ROLE OF UGU SOUTH COAST DEVELOPMENT AGENCY IN SUPPORTING THE LOCAL COMMUNITY

Thank you for your letter. Kindly note that Ugu South Coast Development Agency does not have a problem with the proposal from yourself, to conduct research for academic purposes.

Yours faithfully,

MR. MANDLA MABECE

CEO USCDA

Develop | Grow | Empower

OV:Cl-Ms: Or. S Nzimande (Chakmon). IAs:J Crutchfield. Mr:S Otomo, Ms.Z Mtshali, Mr.V Naidoo, Mr. LShezi. Ms. B Zulu Or. EZungu

APPENDIX E- IREC Letter



MANAGEMENT SCIENCES: FACULTY RESEARCH ETHICS COMMITTEE (FREC) 29 April 2019

Student No:21452805

FREC No: 147/17

Dear Mr. SSI Khwela

MASTER'S IN MANAGEMENT SCIENCES: PUBLIC ADMINISTRATION

TITLE: The role of Ugu South Coast Development Agency in supporting the local communities.

Please be advised that the FREC Committee has reviewed your proposal and the following decision was made: **Approved – Ethics Level 2**

Date of FRC Approval: 27 November 2017

Approval has been granted for a period of two years from the above FRC date, after which you are required to apply for safety monitoring and annual recertification.

Please use the form located at the Faculty. This form must be submitted to the FREC at least 3 months before the ethics approval for the study expires.

Any adverse events [serious or minor] which occur in connection with this study and/or which may alter its ethical consideration must be reported to the FREC according to the FREC SOP's.

Please note that ANY amendments in the approved proposal require the approval of the FREC as outlined in the FREC SOP's.

Yours sincerely,

Prof D Gendler

Chairman: Faculty Research Ethics Committee

APPENDIX F- Bivariate Correlations

Ugu district contributes to improve the economic growth of the municipality	Correlation Coefficient	Sig. (2-tailed)	N	LEDAs operations in Ugu are benefiting the community	There are LEDAs initiatives in Ugu for economic growth	Ugu LEDA is contributing to a greater extend to the development of the local economy in this district	Challenges being faced in the district are being addressed	The district faces economic challenges	Ugu LEDA meets our expectations	The services provided by Ugu LEDA are satisfying
Ugu district contributes to improve the economic growth of the municipality	1.000									
			60							
LEDAs operations in Ugu are benefiting the community	.647 ^{**}			1.000						
	0.000									
			60	60						
There are LEDAs initiatives in Ugu for economic growth	.588 ^{**}			.635 ^{**}	1.000					
	0.000			0.000						
			60	60	60					
Ugu LEDA is contributing to a greater extend to the development of the local economy in this district	.570 ^{**}			.703 ^{**}	.602 ^{**}	1.000				
	0.000			0.000	0.000					
			60	60	60	60				
Challenges being faced in the district are being addressed	.418 ^{**}			.594 ^{**}	.328 [*]	0.248	1.000			
	0.001			0.000	0.011	0.056				
			60	60	60	60	60			
The district faces economic challenges	.257 [*]			0.112	0.056	0.105	0.225	1.000		
	0.048			0.395	0.668	0.424	0.084			

APPENDIX G- Turn It in report

FINAL			
ORIGINALITY REPORT			
18%	10%	2%	17%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS
PRIMARY SOURCES			
1	Submitted to University of KwaZulu-Natal Student Paper	5%	
2	Submitted to Mancosa Student Paper	2%	
3	Submitted to University of Stellenbosch, South Africa Student Paper	1%	
4	Submitted to University of Zululand Student Paper	1%	
5	openscholar.dut.ac.za Internet Source	1%	
6	ir.dut.ac.za Internet Source	1%	
7	Submitted to University of Johannesburg Student Paper	<1%	
8	devplan.kzntl.gov.za Internet Source	<1%	
9	gobroomecounty.org		

APPENDIX H- Language Editing Certificate

Mercillene P Mathews

Language editor

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Claire Estate

Durban

4091

07 December 2019

To whom it may concern

Language editing: Master's Thesis (Khwela Siyabonga)

The role of Ugu South Coast Development Agency in supporting the local communities.

This letter serves to confirm that the aforementioned thesis has been language edited. Any queries in this regard may be referred to the author of this letter.

Kind regards

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