

Qualitative Analysis of the Local Economic Development (LED) Strategy in the Ngaka Modiri Molema District, North West Province, South Africa

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ABSTRACT This article reports on a qualitative analysis of the Local Economic Development (LED) in the Ngaka Modiri Molema District - North West Province, South Africa. It identified four pertinent themes of a functional LED strategy at a district level, namely: (1) political and administrative commitment to LED; (2) availability and/or non-availability of financial and staffing resource plans, policies and procedures; (3) development, promotion, and support of SMMEs; and (4) job-creation and poverty-alleviation. Qualitative data collection methods and data analysis techniques were employed in analysing the said LED themes in the District. The analysis revealed that the position of LED in the district was unsatisfactory and dysfunctional in some instances. Under the circumstances, a "Political and Administrative Commitment, LED Financial and Staffing Arrangements, LED Plans, Policies, and Procedures, and-SMMEs, job-creation, and poverty alleviation" model was recommended for the transformation of LED functionality and performance in the District.

INTRODUCTION AND BACKGROUND

The Ngaka Modiri Molema district faces challenges such as meeting large-scale service delivery backlogs and stimulating economic development. The South African government has prioritised rural development and urban renewal as key strategies to counter the legacy of uneven development in the country. The aim of LED programme is to support municipalities in South Africa in implementing these strategies, and thus making them attractive places to live in, invest in, and to visit. This is to be achieved by focusing on addressing the needs of the poor and marginalised people and communities. What is of critical importance here is that local stakeholders such as government, business, labour, and civil society organisations, should work together in order to enhance local economic development. Local communities and authorities are expected to play an active role in determining their own economic path, as local economic development mainly involves identifying and using local resources to create opportunities for economic growth and employment. This implies that successful LED depends on local partnerships as well as on national and provincial (regional) structures to promote and support local initiatives.

In general, government has a particular role to play in LED by ensuring that LED leads to

job-creation, sustainable rural development and urban renewal. LED interventions must therefore benefit disadvantaged and marginalised people and communities within municipal boundaries through an inclusive and redistributive approach to economic development. Local government structures have a particular role to play in harnessing national and provincial resources to promote their areas, and also in facilitating strategic local partnerships to enhance sustainable economic growth. Reviews by economic development specialists have revealed that providing money and technology does not necessarily ensure development. In fact, the limiting factor in many cases has been managerial know-how. Unless we can learn to harness human resources and coordinate the activities of people, inefficiency and waste in applying technical discoveries will continue (Koontz et al. 1986: 4).

Primary among legislative provisions regarding LED is the Constitution of the Republic of South Africa Act, Act 108 of 1996. Section 53 of the said Constitution states that a municipality must structure and manage its administration, budgeting, and planning processes to give priority to the basic needs of the community. The Constitution also mandates the municipality to promote social and economic development and community participation in local government programmes. Chapter 7 of the Constitution provides a broad framework within which municipi-

palities must operate. It established three spheres of government-national, provincial, and local spheres. Each sphere of government is distinctive, yet interdependent and interrelated. Chapter 7 also permits the national or provincial government to pass legislation to further regulate the activities of municipalities. The local government consists of municipalities, and in each municipality the Municipal Council has legislative and executive authority. Municipalities govern the affairs of their communities on their own initiatives, but they are subject to national and provincial legislation. These and other restrictive measures therefore limit the degree of autonomy of municipalities. The more municipalities fail to effectively administer the affairs entrusted to them, the more they can expect to be subjected to national (Section 100) and provincial (Section 139) control and oversight...Real autonomy has to be earned (Department of Provincial and Local Government 2000). The White Paper on Local Government published in March, 1998 has a significant influence on local economic development at local government level. The White Paper is a broad policy framework for legislation concerning local government in South Africa. In respect of LED, the White Paper provides for specific measures to promote LED. Thus, local government can play an important role in promoting job-creation and boosting the local economy. Small and large businesses rely on the actions of local government in a number of ways. They are also subject to a number of municipal by-laws and regulations. This implies that a review and simplification of municipal procedures and regulations can have a significant impact on the local economy, that is, procurement procedures can promote (1) local businesses, (2) spatial framework to speed up approval, (3) one-stop shop interface with the public, (4) investment support, (5) small business support, (6) support for growth sectors, (7) training and placement services, (8) coordination with other agencies, and (9) review of legislation (Department of Provincial and Local Government 2000).

On the basis of the White Paper and the Constitution, the new legislation pertaining to local government has replaced or will in future replace the many and often outdated laws, ordinances, regulations, and bylaws governing municipal affairs. The following pieces of legislation have impact on local economic development:

- Municipal Demarcation Act, No. 27 of

1998, which represents the first step in the transformation, with its main purpose being to re-demarcate the boundaries of the municipalities;

- The Local Government: Municipal Structures Act, No.117 of 1998 that determines the types of municipalities that can be established;
- The Local Government: Municipal Systems Act, No. 32 of 2000 which specifically promotes the idea of citizen participation in local governance (van Donk et al. 2008: 144-145);
- Local Government: Municipal Finance Management Act, No. 56 of 2003, together with Public Finance Management Act, No 1 of 1999 (Van der Nest et al. 2008: 548); and
- Development Facilitation Act, No 67 of 1995.

Despite these legislative and policy directives and guidelines, the position of LED in the Ngaka Modiri Molema district seems dysfunctional and disappointing (Department of Provincial and Local Government 2000). Ngaka Modiri Molema District Municipality Integrated Development Plan 2010/2011 Annual Review (Ngaka Modiri Molema District, 2010/11). Therefore, the purpose of this article is to explore the functionality of LED strategies in the district. In order to understand and appreciate the position of LED in the district, a detailed description and analysis of the district as a subject of exploration in this study is necessary, and is given in the following section.

Problem Statement

The internationalisation of South Africa and the subsequent globalisation of the economy serves as a good point of departure in explaining the introduction of LED in the country. This can be clearly understood in terms of the following three dimensions:

- *South Africa and the Global Economy:* To a large extent, until the late 1980s, South Africa remained isolated from processes affecting other developing countries, due to apartheid policies and the imposition of economic sanctions. Her industrialisation strategies became increasingly unsustainable from the mid-1980s as a result of the growing economic crisis and pressures that the apartheid government faced. Ultimately,

these pressures forced South Africa to open up its economy in order to become globally competitive. This opening up of the economy affected industries that had been sheltered during the apartheid years, and were confronted now with competition in local and international markets. This eventually led to the restructuring of the South African economy as a whole, and of individual sectors and firms within it (Department of Provincial and Local Government: National Spatial Development Perspective (NSDP) 2003, 2003).

- **Key Features of Globalisation:** Globalisation has been expressed in a number of trends which are reflected in current debates on LED and local government; and these can be expressed as follows:
 1. **Reduction of State's Role:** This implies a reduction in the role of the state in economic affairs. In this regard, it is argued that the state should be responsible only for establishing conditions for production and for the supply of infrastructure,
 2. **Privatisation:** It is here argued that as a result of a backlash against the state's involvement in the economy, the state is driven to sell all or parts of its enterprises through privatisation programmes,
 3. **Deregulation:** Fewer laws regulate the economy and interfere with the operation of markets and there are fewer price controls and subsidies,
 4. **Competition:** Domestic and international competition intensifies through globalisation. Private firms compete for a market share, workers compete for jobs, localities and provinces compete for investment, and human labour competes with machines,
 5. **Outward Orientation:** The economy is organised to export goods to the world market,
 6. **Trade Liberalisation:** Taxes on imports and tariffs are cut and domestic industries are no longer protected from external competition, and,
 7. **Flexibility:** The workplace is organised in a flexible manner to meet the needs of the market. In addition, capital has a great ability to move in and out of a country. (Department of Provincial and Local Government, 2000) Local Economic Development can thus be seen as a trend associated with globalisation. As the role of the state within the

economy is reduced and as localities and communities experience differential impacts of globalisation, local responses emerge to global challenges. Municipalities in South Africa have been exposed to these global forces. The privatisation or corporatisation of municipal services, deregulation and flexible by-laws, must all be placed within the context of globalisation to ensure effective and informed responses and decisions-An International Conference on Africa: The Journey towards Good Governance, Learning Societies/Organisations and Ethical Leadership February 13-15, 2007 North West University Graduate School of Business and Government Leadership (North West University, Mafikeng Campus' Graduate School of Business and Government Leadership 2007).

- **Meeting the Challenge of Globalisation:** Globalisation brings with it a series of consequences. Many of these are positive, such as greater opportunities for the export sector, and possibilities for growth in competitive industries and localities, but there are also negative consequences. Globalisation has resulted in an increasing gap between rich and poor, skilled and unskilled, central and marginal areas. Cities with infrastructure, technology and human resources are often better suited than smaller towns and rural areas to attract outside economic interest and to compete internationally. The result is greater inequalities between regions within countries and between countries. These negative social and economic consequences of globalisation must not be ignored (Department of Provincial and Local Government 2000).

The key problem underlying this article is stated thus:

The implementation of Local Economic Development Strategy in Ngaka Modiri Molema district is unsuccessful, and contributing to the key problem are the following sub-problems: efficiency of LED plans, policies, processes, and procedures in the district; and adequacy of budgeting, financing, and staffing arrangements for LED in the district.

Aim

This article explores the holistic implementation of LED in the district by looking at the

following aspects: LED plans, policies, processes, and procedures in the district; and the adequacy of LED budgeting, financing, and staffing in the regarding to SMMEs development, promotion, and support; job-creation; and poverty alleviation.

Objectives

Related to this primary aim are the following specific objectives:

To explore:

- LED plans, policies, processes, and procedures in the district; and examine the adequacy and/or inadequacy of LED budgeting, financing, and staffing in the district.

This article is valuable as it is intended to assist decision makers to improve and consolidate their LED plans, processes and procedures, as well as LED budgeting, financing and staffing.

METHODOLOGY

The nature of the problem and its sub-problems, the research questions, and the aim and specific objectives underlying the analysis influenced the methodology leading the researcher to select a qualitative exploratory paradigm. Qualitative design, data collection methods and data analysis techniques remain central to this analysis.

Justification for the choice of this approach was based on the idea that it captures complexity, as qualitative researchers normally engage in the process of theoretical abstraction and data reduction. The selection of this approach was further informed by the premise that the primary commitment of research should be true to the phenomenon, and closely related to this rationale is the argument that what is required is to capture the complexity of the real world, rather than seeking to reduce it to some model or set of variables and measurement procedures. Purposive sampling was preferred, and the choice of data collection methods and analysis techniques was justified on the basis that they could enhance the validity, reliability, and credibility of data, yet at the same time could guard against bias in the data. Within the scope of qualitative research and the requirement of empirical study, descriptive exploratory approaches were followed focusing on the five local municipalities constituting the District. Malefane and Khalo (2010: 133-

144) state that “a good exploration starts with a gap analysis that aims at determining the required skills in delineating an ideal profile of the implementation of LED at local level”.

Research Questions

Based on the research problem and its sub-problems the research questions are stated as follows:

- Are LED plans, policies, processes, and procedures in the district efficient? and
- What is the adequacy of LED budgeting, financing, and staffing arrangement in the district?

Population

Ngaka Modiri Molema District is situated in the North West Province of the Republic of South Africa. The district covers an area of 31039 square kilometres, and comprises of the following five (5) local municipalities: Mafikeng, Ratlou, Ramotshere Moiloa, Ditsobotla, and Tswaing. These local municipalities are further demarcated/sub-divided into wards as follows: Mafikeng-28 wards; Ditsobotla-19 wards; Ramotshere Moiloa-17 wards; Ratlou-12 wards, and Tswaing -13 wards. The following socio-economic indicators of the district are critical to the LED strategy in the District, and are briefly highlighted:

- **General Statistics Indicators:** The district has a total of 2,788,844 hectares of land, which is equivalent to 26 percent of the total number of hectares of land in the North West Province. Approximately 27 percent of the hectares of land belong to the Ramotshere Moiloa, making it the area with the largest hectares of land, and 13 percent of hectares of land to the Mafikeng, making it the area with the smallest hectares of land, even though it represents the highest Gross Value Added (GVA) figures and highest population density in the district;
- **Population Indicators:** The district has a total population of 764,351 which is equivalent to 24 percent of the population in the north-west. Approximately 34 percent of the population live in Mafikeng, giving it the largest population density in the district, while a mere 14 percent of the total population is located on the Ratlou;

- **Poverty Indicators:** The district has a total of 554,668 people under the minimum living income, which is equivalent to 29 percent of the total number of minimum living income earners in the north-west, making it the district with the most underprivileged people in the province. Approximately 33 percent of the minimum level income earners are in the Mafikeng, making it the local municipality with the largest number of privileged people in comparison with 9 percent of below minimum income earners found in Ratlou, making it the region with the least privileged population segment both in percentages and numbers;
- **Housing Backlogs and Unemployment Indicators:** The biggest housing backlogs are in the Ditsobotla, and the district has a total of 157,036 of unemployed people, which is equivalent to 23 percent of the total number of unemployed people in the province. Mafikeng and Ditsobotla local municipalities are the regions with the highest number of people having access to basic services—with Mafikeng having unemployment figures of 38 percent. Approximately 11 percent of the unemployed people can be found in Tswaing, making it the region with the lowest unemployment figures (Department of Provincial and Local Government 2000).
- **Household Income Indicators:** The district has a total household income figure of R4, 460, 814, 817 which is 17 percent of the total household income figure in the province. The highest average household income is found in Mafikeng and the lowest household income is found in Ratlou;
- **Education Indicators:** A disturbing characteristic is that less than 2.5 percent of the total population in the district has not received any form of tertiary education. According to the 2007 Household Survey, a good number of people in the district have not received any form of post-matric training or qualifications. The highest level of illiteracy appears to be prevalent in Ratlou where more than 31 percent of the population older than 5 years of age has not received any form of schooling. The comparative figure of Ramotshere Moiloa and Ratlou is approximately 27 percent. In the case of Ditsobotla, 24 percent and in Mafikeng 20 percent. This trend is further emphasised by the fact that Ratlou and Tswaing are the areas with the highest concentration of population who have only completed some primary education (approximately 30 percent of the total population is older than five year (Statistic South Africa Household Surve 2005);
- **Economic and Environment Indicators:** The district has a great Gross Value Added (GVA) of 10,673,146 which is equivalent to 13 percent of total GVA in the province with primary economic activity concentrated in Mmabatho and Lichtenburg. Mafikeng contributes to 40 percent of the district's economy, which is the highest GVA, and Ratlou contributes to only 9 percent of the district's economy, having the lowest GVA. Agriculture and mining are the primary sectors and employ 21.5 percent of the economically active population. Construction, electricity, manufacturing, and transport are secondary sectors of the economy and employed 14 percent of the economically active population. Whilst the tertiary sector (social, financial, wholesale), employs 43.8 percent of the economically active population. Moreover, Mafikeng is the region which has the highest employment opportunities and Lichtenburg is the region which has the second highest employment opportunities in the region which range from 5000 - 25000 opportunities within 20 minutes driving time. The southern part of the district has 1000 - 5000 employment opportunities within 20 minutes driving time, whereas the northern part has less than 1000 employment opportunities within 20 minutes driving time - Ngaka Modiri Molema District Municipality Draft Reviewed Integrated Development Plan IDP 2010/2011 (Ngaka Modiri Molema District 2010).

Sampling

Non-probability judgmental sampling technique was preferred as it was the most suitable for the analysis. The reason for the selection of this technique is that it allows for the selection on the basis of knowledge of the population and

its components-in other words, selection of respondents was based on the researcher's judgment. The sample consists of eighteen (18) respondents: three from the district offices; three from Mafikeng local; three from Ditsobotla local; three from Ramotshere Moiloa local; three from Ratlou local; and three from Tswaing local. This sample is presented in Table 1.

Table 1: The sample of the study

<i>Municipality</i>	<i>Executive mayor</i>	<i>Municipal manager</i>	<i>Local economic development manager</i>	<i>Total</i>
Ngaka Modiri Molema District	1	1	1	3
Mafikeng	1	1	1	3
Tswaing	1	1	1	3
Ramotshere Moiloa	1	1	1	3
Ditsobotla	1	1	1	3
Ratlou	1	1	1	3
Total	6	6	6	18

Data Collection, Analysis and Interpretation

Qualitative data collection, analysis, and interpretation methods and techniques were employed with due care in ensuring that validity, reliability, credibility, objectivity, and dependability of data were not compromised. This is so because the approach used here consisted of:

Participant Observation

The researcher was involved in an environment that included total involvement on the one hand and total observation on the other. This allowed the researcher to decide beforehand on the role he played in the inquiry since this decision affected the total process of the inquiry. In this particular study, the researcher went and spent a period of six months living with, and observing the participants in their natural working environment.

In-depth Interviewing

Like in participant observation, the researcher spent time interviewing potential participants in their working environment. All the interviews were interactional. The researcher engaged in this

mode of data collection knowing that interviewing participants involved description of the experiences, as well as involving reflection on the description.

Document Study

The researcher used a variety of non-personal documents such as minutes of meetings, agendas of such meetings, internal office memos, newspapers, magazines, and government's legislative and policy documentation; with the knowledge that these documents are studied and analysed for the purposes of scientific research inquiry. The researcher went to government printers, municipal offices and university and local libraries, as well as electronic media to look for these valuable sources of information.

Case Study

In this analysis, the researcher worked from the premise that a factual statement makes a claim about what really the case is. Subsequently, there are various kinds of descriptive statements that allow the researcher to distinguish between types of statements according to the following dimensions: the number of cases covered by the description, the number of variables in a description, and the level of measurement in this study. Consequently, the researcher went through LED cases lodged with the district to analyse both the successes made, the failures reported, and the challenges that still lie ahead.

Content Analysis

As a qualitative research technique, content analysis played an important role as it involves detailed and systematic examination of the contents of material for purposes of identifying patterns, and themes. The researcher went through the analysis with a conscious mind of guarding against any chance that could perpetuate the presence of bias in the data.

Qualitative Case Study Analysis

This method was used as it takes into account, and attempts to understand the influences of multilevel social systems of subject's perspectives and behaviours-the defining characteristic of this technique is its emphasis on the indi-

vidual. All the LED cases lodged with the District were treated with circumspection, with special focus placed on their merit, validity, reliability, credibility in the inquiry to ensure the quality, relevance, and the authenticity of the data they provided for this research discourse.

RESULTS AND DISCUSSION

The results and discussion are presented in this section.

LED Plans, Policies, Systems, Processes, and Procedures in the District

Although there were LED plans, policies, systems and procedures in place, these were not adhered to as required. They were inadequate and counterproductive. It was also discovered that such LED plans, policies, systems, processes, and procedures were not based on the interests of local residents, but on the so-called “sophisticated external consultants” who knew nothing regarding the realities facing local communities. Several factors seem to have contributed to this state of affairs:

Lack of Political and Administrative Commitment to LED

Furthermore, the district had no political and administrative commitment to LED. Due to this lack of political and administrative commitment and skills to shape the LED, it was discovered that the political and administrative leadership in the district was ill-equipped and, thus failing in many various areas of LED, such as:

- Identification of LED’s strengths, weaknesses, opportunities, and strengths in the District;
- Development, promotion, support, protection of SMMEs, job-creation, and poverty alleviation in the district;
- Ensuring environmental and ecological integrity of the district, failing to identify key environmental assets that need protection and promotion;
- Identification of areas with potential conflict between land-use and environment; and
- Identification of mechanisms that can be put in place to integrate potential threats to LED in the district-Ngaka Modiri Molema

District Municipality’s Integrated Development Plan (IDP) 2010/2011) Annual Review (Ngaka Modiri Molema District 2010).

Within this context, this paper supports Botes (2004:26-27) in pointing out the need for political and administrative commitment that can fully:

- Coordinate LED plans, policies systems, processes and procedures;
- Promote joint production, marketing and purchasing schemes; and
- Assist and manage district level database and assisting local municipalities with limited capacity.

LED Budgeting and Financing in the District

It was established that the district had no LED budgetary, financing and staffing arrangements in place. There were no strategies for enhancing the financial and human resources capacity to support LED programmes in the district. Mafunisa (2006: 903) cautions that “municipalities in the Republic of South Africa are facing numerous financial and human resources constraints that make it difficult for them to provide adequate service delivery to their local communities. These shortcomings manifest themselves in lack of financial and human resources accounting and auditing, lack of internal accounting and auditing units and, lack of capacity needed to provide services to the residents”. To highlight this dilemma, De Villiers and Kalema (2005: 89) allude that “the challenges posed by new local government systems are more complex than any one person can imagine”. Central to these financial, budgetary, and human resources constraints emerged the following issues:

Lack of Performance Monitoring and Evaluation, Prioritising, and Coordinating of LED Funding and Financing and HRM

Lack of monitoring and evaluation as well as proper prioritisation and coordination of LED remains a major problem in Ngaka Modiri Molema District, and to this end, Muller’s (2007: 8) point of view is still valid that “the emergence in the nineties in South Africa of new environmental governance systems as decentralised sets of formal and informal agreements among diverse groups and organisations in the form of networks and partnerships is an exciting development fol-

lowing international trends.” South Africa is still at an early phase in the evolution of governance model.

Lack of SMMEs Development, Promotion, and Support; Job-Creation and Poverty Alleviation Programmes and Projects

These findings were influenced by a number of factors, and they are here presented in terms of the following dimensions:

- *Entrepreneurial Opportunities in the District:* The significance of the district municipality is that it must create as much entrepreneurial opportunities as possible for the local communities to allow them to participate in business ventures such as: bed and breakfasts, catering, transportation etc. However, it was found that the district did not have any tangible plans for development, promotion, and support of SMMEs. It is important that local communities in the district be required by any means to indicate whether the district contributes to the economic development by giving entrepreneurial opportunities to them. Sebola and Fourie (2007: 39) state that “the District should put in place a system that will ensure that entrepreneurial opportunities for local residents are explored and such local communities derive such benefits”. This means that LED programmes in the district must be fully community-based and supported;
- *Job Creation:* The essence of the district municipality is its ability to create employment opportunities through feasible and meaningful job-creation programmes for local communities. Nevertheless, it was found that there were no tangible and visible job-creation programmes in the district. For this reason, the largest percentage (+/- 90 percent) of the local communities did not believe that the district was contributing significantly towards job-creation; and
- *Poverty Alleviation:* The significance of a district municipality is its ability to arrest the growing levels of poverty through tangible and implementable poverty alleviation programmes for local communities. It was discovered that the district had no tangible and implementable poverty alleviation schemes as has been demonstrated by the largest percentage (+/- 80 percent) of the local

communities who did not believe that the district was contributing significantly towards poverty alleviation.

It must not be surprising that some drastic actions needed to be undertaken by the district that will shift the current appalling condition and transform it into desirable ones that are not in place. It is interesting to note that Malefane (2010: 218) reminds us that “municipalities had to engender massive development interventions to respond to their domestic legislative obligations and a plethora of international treaties. Recent legislative obligations not only necessitated municipal philosophies of integration, development, people-centredness, transparency and accountability, but catalysts that conduct business in an unusual way”. LED is among the municipal drivers to facilitate growth. Municipal LED initiatives will be ineffective if they fail to incorporate economic diversification which is deemed a useful tool for local economic-based restructuring and transformation.

The Suggested LED Model

Based on the findings, the paper suggests the following model of LED at district municipal level:

“The political and administrative commitment *plus* financial and staffing arrangements *plus* LED-plans, policies and procedures *plus* SMMEs, job-creation and poverty-alleviation model”, which can be diagrammatically presented and explained through Figure 1:

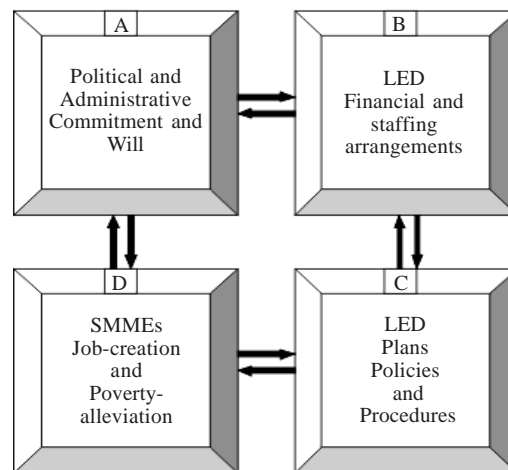


Fig. 1. Suggested LED model for the district

Description of the Model

A= Complete and Total Commitment to LED by Both the Political and Administrative Leadership of the District: This implies that such commitment can be achieved when the leadership of the district has legitimacy to the communities that it serves, is visionary, and is committed to working with individuals and groups in the community to improve the quality of their lives. Jarbandhan (2009: 43-68) talks about the influence of strategic leadership role competencies and highlights a model to strengthen the political and the senior management/administration leadership service. To strengthen the significance of this suggestion, Van Donk et al. (2008: 13-16) advise that “it is important to recognise that if municipalities are not able to establish a broadly shared vision for their areas, it is very difficult to see how their leaders (political and administrative) will be able to navigate their way through competing demands of interest groups within the municipality, other spheres of government, and agendas that stem from within the ruling party or coalitions that govern. The district needs genuine commitment to succeed in LED;

B=LED Financial and Staffing Arrangements in the District: This dimension represents the need for LED budgetary and staffing arrangements in the district. A fundamental role of the district municipality is the allocation of both the financial and personnel resources in fast-tracking the acquisition and redistribution of goods and services. The fact of the matter is that the redistribution of income, stabilisation of economic activity and promotion of economic growth and employment are critical issues in the district and cannot be ignored. Fourie (2007: 733) emphasises that “sound public financial management supports aggregate control, prioritisation, accountability, efficient management of public resources and the delivery of services.” The district needs a well consolidated and sustainable LED financial and personnel plan;

C = LED Plans, Policies and Procedures in the District: LED plans, policies and procedures serve as potential vehicles in promoting and consolidating local economic development in various localities throughout the country. The role of the district municipality is to establish viable and sustainable LED plans, policies and procedures in its attempts to achieve a well-integrated,

coordinated and successful LED strategy for its communities. Such plans, policies, and procedures must only be informed by the real needs and aspirations of the communities concerned, rather than being the outcomes from “sophisticated consultants” imposed to the poor communities against their will—that is, the principle of “home grown” LED plans, policies and procedures. The district needs to cultivate a strong culture of active community participation when dealing with issues of LED plans, policies and procedures in its area of jurisdiction; and

D= SMMEs, Job-creation and Poverty-Alleviation in the District: The development, promotion, and support of SMMEs; the integration and coordination of job-creation programmes and projects; and the consolidation and enhancement of poverty-alleviation schemas are fundamental to any efforts by municipalities to improve the socio-economic being of their communities. SMMEs development, promotion, and support in this article, refers to instilling and sharpening of entrepreneurial skills to the members of local communities in order to venture in various business sectors, and to take advantage of the available economic opportunities presented by these sectors. There is this presumption that once these SMMEs are fully developed, promoted, and supported, they will become fully operational and start creating the much needed jobs that will assist in ‘arresting’ the high unemployment rate devastating the district. It is strongly believed that once the district is economically sound and stable, it will then be in the position to identify sustainable poverty-alleviation schemes that will empower members of the communities to do things themselves that will sustain their livelihoods. The district needs viable schemes to empower communities. The bold arrows in the diagram represent the inter-relationship, interdependence, coordination, and integration that must always be present amongst these themes constituting the model.

CONCLUSION

The article identified four pertinent themes of a functional LED strategy at a district level, namely, political and administrative commitment to LED; availability and/or non-availability of financial and staffing resources pertaining to LED; plans, policies and procedures regarding LED; and development, promotion, and support

of SMMEs, job-creation, and poverty-alleviation; and used them as benchmark basis for this analysis. Qualitative data collection methods and analysis techniques were employed in analysing the said LED themes in the district. The analysis revealed that the position of LED in the district was appalling to say the least and completely dysfunctional. Under the circumstances, the article recommended the “Political and Administrative Commitment -LED Financial and Staffing Arrangements-LED Plans, Policies, and Procedures-SMME, Job-creation, and Poverty Alleviation” model as presented and explained in Figure 1, which can be used in transforming the position of LED in the district. Applying the model suggested could enhance and revitalise the implementation of LED in the district.

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