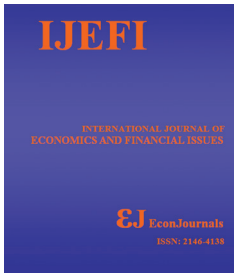

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Impact of Local Economic Development Programmes on Livelihood: Evidence from Mpumalanga, South Africa

Ogujiuba Kanayo*, Portia Ndlovu, Isaac Agholor

School of Development Studies, University of Mpumalanga, South Africa. *Email: Kanayo.Ogujiuba@ump.ac.za

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ABSTRACT

Extraordinary levels of unemployment, poverty and inequality perseveres in South Africa, which in itself is a risk for economic development. Initiatives such as Local Economic Development (LED), globally acknowledged, have been adopted to solve the crisis. LED in its simplest practice is about local people uniting to achieve a better quality of life. Nevertheless, effects of LED are still contentious in developing economies and especially South Africa because of the increased level of poverty amongst supposed beneficiaries of LED. This article evaluates the impact of a LED initiative (EPWP) on reducing the triple challenges facing South Africa. A mixed method approach and a paired-sample t-test was performed to determine the effect of LED. Between time 1 (M=17.91, SD=2.68) to time 2 (M=20.06, SD=3.43, t(44)=5.1429, P < 0.0005), there was a statistically significant increase in EPWP ratings by participants. The statistic of eta squared (0.375) showed a large effect size. EPWP has generated income and increased skills showing a change in some areas, because of the programme. Qualitative findings indicate that LED evidently has a role to play concerning poverty and unemployment relief, but the initiative is not enough. This article recommends the establishment of projects, which will provide sufficient livelihood for local beneficiaries, which will facilitate local participation.

Keywords: EPWP, Local Economic Development, Livelihood, Poverty
JEL Classifications: O20, O21, O38

1. INTRODUCTION

Poverty is considered the most significant detraction of human development as well as inequality and unemployment. Collectively, both policymakers and scholars agree that inclusive development should enhance human well-being, eradicate hunger, minimize poverty and encourage sustainable jobs for all (Ogujiuba, 2014). According to Ogujiuba (2014), Poverty is the inability to achieve a good living standard whereas; inequality is a broader context of persisting poverty. High levels of unemployment, inequality and poverty pervades the landscape of South Africa. According to Statistics SA (2019), unemployment rate stands at 29%, and remains a key challenge for a recovering economy from recession. Furthermore, the National Development Plan (NDP) 2030 regards the triple challenges facing South Africa as a fierce emergency that requires immediate attention. Thus, eradicating poverty, inequality and unemployment has become a major thrust of government policy (NDP, 2030, 2012). However, the UNDP Human Report (2003) posits that apartheid exclusion factors continue to affect South Africa's economy, such as concentration of wealth in a few hands, broad income inequality leading to low income growth. These factors continue to worsen the main challenges of inequality, unemployment, and poverty in South Africa. Nevertheless, Local Economic Development (LED) as a significant way of decreasing poverty has become a mantra for local authorities. Local Economic Development aims to create jobs by making the local economy grow. This suggests that more businesses would be established in the municipal area. Key stakeholders in a municipality are expected to come together, reach an arrangement and make choices that would propel their economy as well as creating income opportunities for more people, especially the poor.

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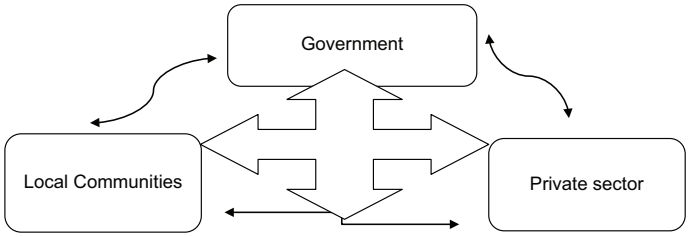
Wallman (1984) posits that livelihood is never a simply matter such as making shelter, transacting money, placing food on the family table, or trading food in the market place. It involves knowledge ownership and dissemination, expertise and relationship management, and recognition of group identity. In-addition, the tasks of fulfilling obligations, identity and status and organizing time are as crucial as bread and shelter to livelihoods. Livelihoods activities consist of cropping and livestock rearing, home construction and gathering. With Local Economic Development impact to the livelihoods of the people, it has enabled other way of making money for communities and has brought change to those who depended much on livelihoods activities. Carter and May (1999) found that poor and non-poor households derive their livelihood from separate activities; their studies showed that wage earners were comparatively poor in comparison with farmers as their main source of income. The objective of Local Economic Development is to promote economic growth and poverty reduction. World Bank (2013) supports this position by noting that Local Economic Development is an important tool for alleviating poverty and reducing unemployment. Breaking down the concept, LED involves finding investment opportunities and enhancing productivity, as well as improving the quality of life of the people (Pavel et al., 2018). World Bank (2013) supports LED programs to provide everyday needs of the people such as water, electricity, education, health care to poor communities (World Bank, 2013). However, in most South African municipalities, LED is not being effectively implemented. There is an argument that the ability to influence LED implementation in most municipalities depends on the resources on unique factors for every locality (Malefane, 2009).

Starting projects for Local Economic Development is never an easy task, because it requires solving tensions between various politicians and members of the community. The difficulties are worse when the initiative is new. However, the problem is that local municipalities lack finance mandate, power and resources as well as the capacity to implement LED initiatives (Abrahams, 2002). Local Economic Development results in competition among localities where local politicians need to become dependent to local economic development. The local politicians compete amongst their local businesses, which may lead to formation of local coalitions to promote local economic development. Institutions, as well become dependent to local economic development with the aim of growing the economy. Therefore, this creates conflicts among the mentioned locally dependent actors fighting over local economic development. However, these conflict lead to solidarity within localities (Kevin and Andrew, 2019). The LED service delivery triangle consists of three partners: the private sector of government and local communities (Meyer, 2013). Figure 1 below shows the LED service delivery triangle.

EPWP creates work opportunities in four fields, namely infrastructure, non-State, climate, culture and social. This is achieved by increasing the concentration of government-funded infrastructure projects, creating work opportunities through the NPO and CWP, creating work opportunities in the public environment and cultural services, creating work opportunities in public social programmes. In Msukaligwa local municipality, the triple challenges are still noticeable. This indicates that the province is still developing and requires urgent policy attention

Figure 1: Service delivery triangle regarding to LED



to abate the trajectory. The aim of this article is to evaluate the impact of the implementation of LED programme (EPWP) from participants' viewpoint and to determine, if there is a significant change on livelihood of participants because of LED intervention.

Evidence suggests that the LED system does not alleviate poverty and can in most cases makes it worse. Thus, LED initiatives are only provided on catalogues and does not apply in practice. Furthermore, the implementation of LED in practise is not doing so well in terms of delivering the results as envisaged, and most municipalities in South Africa are often in economic, social and service delivery crises and exhibit very high levels of spatial exclusion despite the local economic development profiles and governance arrangements in these settings. This is increasingly becoming a matter of policy discussion and debate. Thus this article focuses on the impact of LED using a case study in Mpumalanga Province, South Africa.

2. LOCAL ECONOMIC DEVELOPMENT

Local Economic Development (LED) is designed to build up the economic capacity of a local area. This will expand the potential of its economic future and the quality of life for all. Public, business and non-governmental sector allies work together and in a collective way to generate better conditions for residents in the municipality. While, economic development is often mistaken with economic growth or industrial development, it is generally accepted to be a positive cooperative process. This entails a multiplicity of efforts that strive to improve economic growth. Since its adoption in 2004, the EPWP as a LED initiative has had a huge impact on the development of the community and on improving the lives of South Africans by building and maintaining public resources and delivering community services. The programme is meant to alleviate poverty and tackle high unemployment that South Africa is facing. The key indicators to the success of the programme are that the participants are able to change their livelihoods through this programme, improve their household income, improvement of skills and preservation of natural resources. EPWP is meant to help in reducing unemployment rate in the local government territory (Zaaijer and Sara, 1993). There is a significant change in the education of the children due to the programme. The EPWP has implemented a School Support Programme where the EPWP participant's assists learners do their homework's. They focus more on disadvantaged learners who come from poor households. This programme encourages learners to be mentally and physically fit as it also provides with heathy food and sports for children. The School Support Programme (SSP) has contributed to safety environment of the children by providing services like scholar patrol services to ensure the safety environment. Additionally,

they ensure that the environment is clean and healthy. Jatta (2015) indicated that due to lack of sustained income of the project, majority of participants had to resign and look for better paying jobs. This may be due to the fact that at the beginning of each project, many people were employed but the work is not much which leads to the government not able to make payments to the people. The demand of labour exceeds the available work. Poor management and inadequate risk management leads to project failure, therefore a clear project scope is needed in each project. Finding from (Seduma, 2011) indicated that the respondents expected community projects to bring about enough income to sustain their livelihoods. They also expected many of such projects that would change their way of life. However due to some reasons, the majority of LED projects did not contribute enough income, they actually made project members to resign some were discouraged over the long term and abandoned the project. Most of the participants in the project are grant recipients who should give priority to purchasing basic products with the small salary they earn. In other words, the public LED programs could not lead to their level of consumption because their consumption level did not change. Consequently, the difference between what the projects produces and what the participants need has a serious negative impact on the growth potential of the respective projects.

Several studies used the LED framework for sustainable living to analyse rural livelihoods Authors look at whether the wage income individuals receive other than income from agriculture provides enough necessities in the household. Further, Yuya and Daba (2018) posits that the impact on rural households of livelihood strategies has a positive impact on community livelihoods. However, the direct contribution of municipalities concerning LED initiatives were not clearly indicated. (Jatta, 2015). According to Phillip (2003), LED should be followed from the International level. The Provincial level should learn from the international level. He further states that this should be done by fully encouraging participation from the grassroots level where local communities are made the heads of their own development than the objects on their own development. This is where communities are given the platform to express their feelings, to voice out their needs and wants as a community. After all it is their development so they need to have a sense of ownership and drive their own development so in future they take care of it because they will be involved from the initiation stage to the implementation stage (Pretorius, 2008). In-addition Pretorius and Blaauw 2008) confirmed the above position. Amusan and Manka (2016) from a study in Limpopo states that participants of LED have obtained farming skills and moved from commercial to subsistence farming. With farming, they were able to move away from the poverty line. The programme contributed to their food production and the community members especially women have made farming their daily activity. These women has the ability to create their own employment and able to take care of their families and getting their households out of poverty. When they have produced enough, they even contribute with vegetables at old-age homes and orphanage's or other community centres (Amusan and Manka, 2016).

Mokate (2005) sees LED as a device for alleviating poverty and unemployment. Different studies tend to have parallels when it comes to explaining and defining the effect on livelihood practices, or even the significant impact of LED. According to Nel (2001), SA's LED operations are mainly small scale based and concentrate on the neighbourhood as compared to the North. He further notes that LED in SA aims at ensuring a lower level of survival rather than participating in multinational practices that lead to economic growth. Consequently, policymakers accept that LED as a method, creates employment opportunities enabling poverty reduction. However, there is a subsisting argument that the ability to influence the implementation of LED in most municipalities depends on the resources that to the LED initiative provides (Gebreegziabher et al., 2012). Important points from the literature indicate that Local Economic Development is not providing enough for its communities. They are programmes implemented with the aim of reducing poverty and employment but they are not enough and they do not cater for everyone in the community. Applied LED projects brought about change ranging from market-led initiatives in big cities to building big cities, building sports stadiums and convention centers, and reimaging global cities, to small-scale but carefully targeted poverty alleviation, education and job creation schemes focusing on areas such as crafts, weaving, brick making (Rogerson, 2006). Considering these factors, it shows that LED can work in support to other existing development strategies. Kgalema and Mankolo (2018) argues that in order for local municipalities to accelerate the creation of jobs, reduction of poverty, effective service delivery and improve the quality of life among the local people, the LED strategy should be well formulated and effectively implemented, and local government should assume an active role in this process. It is in this regard that they examined the role that the sphere of local government plays in the planning and promotion of the LED in South Africa's local municipalities and found gaps in implementation and poor outcomes for beneficiaries. Accordingly, Agbevade (2018a and 2018b) local level economic development has eluded Ghana since independence and the application of LED resulted to mixed results. As a result, focus was shifted to local economic development. The author examined the local economic development strategies implemented in three of Ghana's Metropolitan, Municipal and District Assemblies. Challenges such as inadequate finance and lack of modern equipment for use among others were identified. Further, Agbevade (2020) shows that public policies do not automatically translate to achieving stated objectives. According to him, the key dynamics necessary for the successful implementation of LED hinges on collective politics, leadership commitment and will based on empirical evidence from Ghana.

3. DATA AND METHODS

3.1. Study Setting

The study area (see Figure 2; Map of Msukaligwa Local Municipality) refers to the place of collection of data (Phillips et al., 1999). In case of this study, data was collected in Msukaligwa local Municipality located in Ermelo, which is the seat of the municipality. Msukaligwa municipality according to the figures from Statistics South Africa, community survey 2016 have a population of 164608 persons with the population density of 27.3 persons per square kilometres. Number of households in Msukaligwa is estimated at 40.93 with an average household size of 3.5. This Municipality is situated under Gert Sibande District in Mpumalanga Province, South Africa.

Figure 2: Map of Msukaligwa Local Municipality

Most households in Msukaligwa municipality depend mainly on agriculture as their primary source of livelihood. Their activities is interwoven with their culture. Certain practices in the Municipality of Msukaligwa include weaving, woodcarving, fishing, traditional medicine, sewing, hunting and crafts. Males in the study area (Msukaligwa) dominate Wood designing, while the women folk focus on traditional medicine. Most people in Msukaligwa.

3.2. Sampling Strategy/Data Collection

This study adopted non-probability sampling, defined as the researcher selecting individuals and sites for evaluation, because they can provide a purposeful understanding of the research issue and central phenomenon of the study (Creswell, 2007). Sample was drawn from the 300 participants within the 310 job opportunities created by EPWP programme and 15% of participants were selected purposively from the list. We used semi-structured questionnaires and focus groups to give a proper description and interpretation of the LED's impact on public livelihood activities under the municipality of Msukaligwa. The research design allowed respondents to express their views in the way they understand the situation.

Data was collected from forty-five (45) participants (PreEPWP and PostEPWP) experiences. The questionnaire had two distinct sections, before and after experience as a result of the intervention. Eighteen (18) participants joined the focus group discussion (FGD) and the sessions were organized in two phases. This involves gathering people from similar backgrounds or experiences together to discuss a specific topic of interest. It is a form of qualitative research where questions are asked about their perceptions attitudes, beliefs, opinion or ideas. They are helpful for adding meaning and understanding to existing knowledge, or getting at the "why" and "how" of a topic. In cases where the participants are illiterates, they were guided. English written words were translated and explained in Zulu, being the local language in Ermelo. This was to ensure that there was no communication barrier.

3.3. Data Analysis

3.3.1. Paired sample t-test

Paired simple t-test which is also called repeated measurement is when one is making use of one group of either people, businesses, machine to collect data from, and using the same group for different terms. This collection works differently because you test that group of either machine, people and so on continuously like it can be that you test Time 1 and Time 2 after you have revealed them to some experimental manipulation or interference. In the case of this research it mean that Time one is pre (Before) EPWP while Time 2 is post (After) EPWP. In adherence to the assumptions of the technique, our dependent variable was measured based on the interval level that is, using a continuous scale rather than discrete categories. In-addition, the independence of observations were maintained. Our test for normality and homogeneity of variance was also positive. Our hypotheses can be expressed in two different ways that express the same idea and are mathematically equivalent:

H_0: $\mu_1=\mu_2$ ("the paired population means are equal")

H_1: $\mu_1\neq\mu_2$ ("the paired population means are not equal")

OR

H_0: $\mu_1-\mu_2=0$ ("the difference between the paired population means is equal to 0")

H_1: $\mu_1-\mu_2\neq0$ ("the difference between the paired population means is not 0")

Where,

- μ_1 is the population mean of variable 1, and
- μ_2 is the population mean of variable 2.

The test statistic for the Paired Samples *t* Test, denoted *t*, follows the same formula as the one sample *t* test. The calculated *t* value is then compared to the critical *t* value with df =*n*-1 from the *t* distribution table for a chosen confidence level. If the calculated *t* value is greater than the critical *t* value, then we reject the null hypothesis (and conclude that the means are significantly different).

4. RESULTS AND DISCUSSION

4.1. Demographics of Respondents

As shown in Table 1, only 15.6% participants are in the age group of 25 and below; and about 31.1%in the age group of 26–35. Thus, 53.3% participants are in the age group of 36–45. Majority of participant's were in the age group of 36–45 during data collection. Furthermore, the majority of the participants are females due to the kind of duties they are involved in. The duties seem to require much of females than males. However, the literature review alludes that women are more involved with LED. Data also shows that majority of the respondents are single, few are married. Majority of the participants were single parents who are the breadwinners of the household. The table indicates that 11.1% of the respondents have no education or they are illiterate. 13.3% at least have primary education. Majority of the respondents have secondary education, which is 57.8% as indicated in the table. Only 15.6% of the participant has tertiary education. Judging from the results, majority have secondary education.

4.2. Focus Group Discussion

4.2.1. Research question 1: To assess the impact of the implementation of LED programme (EPWP)

4.2.1.1. Employment

The finding indicates that majority if not all of the respondent's from the programme got employment. Those who have stayed unemployed for a long period of time got a chance to receive small amount of money from the programme which helped them with household necessities. This scenario to some extent has led to the reduction of unemployment and poverty in the Msukaligwa Municipality. Zaaijer and Sara (1993) supports this fact by stating that EPWP is a programme aiming at reducing unemployment by utilising the available resources to stimulate economic growth. One participant said "it is better than nothing, our children do not go to sleep with empty stomach anymore." Other participants said that "EPWP really assisted them and their family in terms of feeding. The food from the garden helped them, than sitting at home the whole day doing nothing is frustrating."

4.2.1.2. Livelihoods activities

From the group discussion. The respondents specified that the salary they get from the EPWP programme is better than nothing bus is not enough. One responded, *"There are gardens but the money does not contribute to our salary, but then again we are the ones working in the gardens."* More than half of the participants stated that because of the programme they could buy food for the family; kids go to school with their lunch box. Again, more than half of the respondents in the Focus Group Discussion stated that the money does not necessarily contribute to their survival threshold. They indicated that food is not enough for the household, for the whole month and this applies to mostly to those depending on the programme and social grants for a living. Few of the respondents confirmed that salary is much helpful in the businesses they have back home. One said *"This money helped me in starting up my vetkoek business, I make money out of this business. I go door to door selling vetkoek, ice block, and steel wool to the community whenever I'm not working."*

4.2.1.3. Recycling payment

These are activities that are done by the workers but they are not paid for the activities. From the group discussion, some respondents said they are involved in recycling activity during their working hours. As they go around cleaning the community, they collect bottles and Glasses, which they are not getting paid for. The respondents emphasized the that they wish that kind of activity be made part of their activities and be paid for. *"Yes, we doing it anyway, we need to get paid for it"* one of the respondents added.

4.2.1.4. Training programmes and certificates

According to the respondents, they were promised that they will get certificates for the trainings but then unfortunately they did not. There is a demand by the workers that there is a need for proper training programmes where they will train and get back their certificates for whatever activity they have trained for. One participant responded that *"it is useless to train for something without certificates"* one participant replied *"we actually need those certificates so we can apply for better jobs that requires those certificates"* Another said that *" I need the certificate so that I can open my own business of sewing because now I know the job."* The other respondent said that *"How I go around telling people that I can work with electricity as I received training from EPWP yet I don't have that certificate."*

4.2.1.5. Improvement on LED initiatives

During the discussion, participants were asked the need for improvement on the LED initiative. Participants kept quiet for some time; the researcher asked the same question again. They therefore responded that local involvement, ownership, them as community members should be empowered. One respondent said *"they should have consulted with us first as a community on what kind of programme we need, it would have been better"* another one pointed. *"You see that building, it was a clinic but it is not functioning, we just keep on cleaning it and if we need clinic, we take a taxi with money that we do not have so, we need that clinic to function again. Another participant responded that "only if corruption was not there, it was going to be better."*

Our findings indicate that some of the respondents at times uses their salary to purchase the tools they need to complete some activities. The LED initiative (EPWP) does not provide enough instruments to perform the required operations, thus they end up buying for themselves to work effectively yet they receive small amount of money that does not meet household needs. This indicates the weakness of the EPWP programme on livelihoods activities as people had to use their money to purchase tools for them to work effectively, money that they will not be repaid back. What is more noticeable is that the employees of EPWP are not happy about the programme. There are too many complaints from them that the programme does not contribute much in their livelihoods and they are working because they need money to support their families'. According to the employees, the fact that they do not receive enough money is because of the hours

Table 1: Demographics of participants

	Age			
	Frequency	**Percent**	**Valid percent**	**Cumulative percent**
Valid				
25 and below	7	15.6	15.6	15.6
26–35	14	31.1	31.1	46.7
36–45	24	53.3	53.3	100.0
Total	45	100.0	100.0	
Gender				
Male	13	28.9	28.9	28.9
Female	32	71.1	71.1	100.0
Total	45	100.0	100.0	
Marital status				
Single	38	84.4	84.4	84.4
Married	6	13.3	13.3	97.8
Widowed	1	2.2	2.2	100.0
Total	45	100.0	100.0	
Level of education				
Not Educated	5	11.1	11.1	11.1
Primary	6	13.3	13.3	24.4
Secondary	26	57.8	57.8	82.2
Tertiary	7	15.6	15.6	97.8
Total	45	100.0	100.0	

Table 2: Livelihoods of participants

Section						
1	Family survival threshold on food pre					
			Frequency	Percent	Valid percent	Cumulative percent
	Valid	Poor	31	68.9	68.9	68.9
		Average	12	26.7	26.7	95.6
		Good	1	2.2	2.2	97.8
		Excellent	1	2.2	2.2	100.0
		Total	45	100.0	100.0	
	Family survival threshold on food post					
			Frequency	Percent	Valid percent	Cumulative percent
	Valid	Poor	14	31.1	31.1	31.1
		Average	27	60.0	60.0	91.1
		Good	4	8.9	8.9	100.0
		Total	45	100.0	100.0	
2.	Access to education pre					
			Frequency	Percent	Valid percent	Cumulative percent
	Valid	Poor	28	62.2	62.2	62.2
		Average	10	22.2	22.2	84.4
		Good	7	15.6	15.6	100.0
		Total	45	100.0	100.0	
	Access to education post					
			Frequency	Percent	Valid percent	Cumulative percent
	Valid	Poor	15	33.3	33.3	33.3
		Average	14	31.1	31.1	64.4
		Good	16	35.6	35.6	100.0
		Total	45	100.0	100.0	
3.	Access to Health Pre					
			Frequency	Percent	Valid percent	Cumulative percent
		Poor	36	80.0	80.0	80.0
		Average	4	8.9	8.9	88.9
		Good	4	8.9	8.9	97.8
		Excellent	1	2.2	2.2	100.0
		Total	45	100.0	100.0	
	Access to health post					
			Frequency	Percent	Valid percent	Cumulative percent
		Poor	28	62.2	62.2	62.2
		Average	4	8.9	8.9	71.1
		Good	12	26.7	26.7	97.8
		Excellent	1	2.2	2.2	100.0
		Total	45	100.0	100.0	
4.	Ownership of productive assets pre					
			Frequency	Percent	Valid percent	Cumulative percent
		Yes	9	20.0	20.0	20.0
		No	36	80.0	80.0	100.0
		Total	45	100.0	100.0	
	Ownership of productive assets post					
			Frequency	Percent	Valid percent	Cumulative percent
		Yes	11	24.4	24.4	24.4
		No	33	73.3	73.3	97.8
		3	1	2.2	2.2	100.0
		Total	45	100.0	100.0	

they work, the hours are not enough as they work <6 h and work 2 times/week.

4.2.2. Research question 2: To determine if there is a significant change on livelihood of participants because of local economic development intervention

Section 1 of the above Table 2 shows the family survival threshold for food production. Participants were asked to rate their food production prior to the implementation of the EPWP. Judging from the analysis, we can infer that most of the respondents were below the optimal line before the EPWP was introduced. The frequency counts indicates that about 69% were poor, 26.7% were on the average mark, 2.2% were decent, and 2.2% were outstanding in food production before EPWP. This is an indicator of deprivation in the municipality of Msukaligwa before EPWP. Judging from the results, there is a significant change in the EPWP that contributes to the survival threshold of its workers. If we compare pre-EPWP and post EPWP there is a big change between the two scores. We

can therefore conclude that the EPWP has contributed to the food production of its participants because most of the people have moved further away from poverty. Section two of the above table shows access to education where participants were asked to rate their education prior to the implementation of the EPWP. Judging from the analysis, we can infer that most of the respondents were below the optimal line before the EPWP was introduced. The frequency counts indicates that about 62% were poor 22% were on the average mark and 15% were above the average as per education of their households before EPWP. Comparing pre-EPWP and post EPWP shows an improvement on the education variable. We can therefore conclude that the EPWP has contributed to better education for their households. Section 3 of the table above shows the access of participants to health expenses prior to the implementation of the programme. Judging from the analysis, we can infer that there was a moderate change for the respondents from 80% to 62% for poor folks as per health needs. In-addition, a increase from 8% to over 26% for folks on the average line. Comparing pre-EPWP and post EPWP, we can therefore conclude that the EPWP has contributed modestly to a better health lifestyle households. Section four of the above table shows access to education where participants were asked to rate their ownership of productive assets prior to the implementation of the EPWP. Responses clearly indicate a no significant change for the households. This implies that the programme is not structured to empower the participants. Table 3 shows that 4.4% did know about the satisfactory nature of the programme, 55.6% were not satisfied about the EPWP programme, 15.6% were neither satisfied or not satisfied meaning they did not care much about the level of satisfactory on the programme, while 24% stated in the affirmative. The results suggest that majority of the EPWP participants were not satisfied about the programme.

Table 3 shows the level of training that participants receive from the program. Participants were asked to rate their training. Five of them indicated that they did not receive training frequently, 28 indicated that they received training occasionally, and then 4 indicated that they received training infrequently, and lastly 8 indicated that they received training all the time. Therefore, judging from the table, the majority of participants receive training rarely or when there is a need for that specific training.

Table 4 above, shows the paired samples correlations. A look in the final column, labelled Sig, (2-tailed) is our value of probability. The probability value is 0.000 from the above results, which is rounded down to three decimal places— meaning the actual probability value was <0.0005. This value is significantly lower than the value of 0.05. We can therefore conclude that in Time 1 and Time 2 there is a significant difference in the EPWP scores. In this case, our t-value (5.142) and the degrees of freedom is 44 (DF=44). Having established a significant difference between both periods, our results further suggest a significant change in mean scores. In this instance, the average time 1 EPWP score was 17,911 and the average time 2 score was 20,066 We therefore conclude that the benefits of the program scores from Time 1 (before the intervention) to Time 2 (after the intervention) have increased significantly. Although the results presented above tell us that it was unlikely that the difference we obtained in the two sets of scores would happen by chance, it does not tell us much about the magnitude of the effect of the intervention. One way to do this is to measure a statistical effect size. (Eta Squared). The method for measuring and interpreting eta squared (one of the most widely used statistics on effect size) is provided below:

$$\frac{t^2}{t^2 + N - 1}$$

$$= \frac{(5.14)}{(5.14) + (45 - 1)}$$

$$= \frac{26.419}{26.419 + 44}$$

$$= \frac{26.419}{70.419}$$

=0.375 large effect

Table 3: Programme satisfaction

Level of statistics on programme				
	Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Don't Know	2	4.4	4.4	4.4
Not Satisfactory	25	55.6	55.6	60.0
Neither Satisfied/Dissatisfied	7	15.6	15.6	75.6
Satisfied	11	24.4	24.4	100.0
Total	45	100.0	100.0	
Training from Programme				
	Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Not often	5	11.1	11.1	11.1
Occasionally	28	62.2	62.2	73.3
Infrequent	4	8.9	8.9	82.2
All time	8	17.8	17.8	100.0
Total	45	100.0	100.0	
Paired Sample Statistics				
	Mean	**N**	**Std. Deviation**	**Std. Error Mean**
Pair 1				
Before EPWP Programme	17.911	45	2.686	0.40
After EPWP Programme	20.066	45	3.433	0.51

Table 4: T test results

Paired samples correlations								
		N	Correlation	Sig.				
Pair 1	Before EPWP Programme and after EPWP Programme	45	0.602	0.000				
Paired Samples Test								
				95% Confidence interval of the difference				
	Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sig (2-tailed)
Pair 1 Before EPWP Programme – After EPWP Programme	2.15556	2.81195	0.41918	−0.3006	1.31075	−5.142	44	0.000

Eta squared represents the variance ratio of the dependent variable that the independent variable explains. Eta squared values can range from 0 to 1. Guidelines (from Cohen, 1988) can be used to interpret the eta squared values: 0.01=small effect, 0.06=moderate effect and 0.14=large effect. We may assume, given our eta square value of.375, that there was a great impact. While we got a significant difference in scores before/after the intervention, we cannot say that the intervention triggered the rise in Test scores of livelihoods. Unfortunately, research is never that simple! Many other factors may also have influenced the rise in scores of fear. It could only have contributed to the passage of time (without any intervention). It could only have contributed to the passage of time (without any intervention). In this situation, we used a control group that was not subject to the involvement of the EPWP but was identical in all other respects to the participants.

Overall, there has been a significant change in people's standard of living by evaluating both before and after the introduction of the programme. Before the implementation, the majority were poor but helped to reduce the poverty rate. Phillip (2003) encourages participation from the grassroots. He argues that local communities should champion their development and agencies are better off being learners of community development. However, the findings show that no part of EPWP discusses local participation, but the focus is on the fact that the programme employed people from the community. Involving the locals will promote sustainable development and boost their livelihoods. From the literature, livelihood activities have to do with cropping, wood carving, hunting and so on. The findings indicate that livelihoods activities in Msukaligwa also include cropping, farming woodcarving, sewing and so on. Within the EPWP programme, activities involved also sewing and cropping. This indicate that there is a link between what other authors have done on livelihoods activities to eradicate poverty as well as unemployment. From the findings, the Msukaligwa residents joined EPWP for different reasons. Majority joined it for employment for the fact that there will be income derived from the Programme made them join, while few joined for skills development. Moyo (2013) found similar results as per people joining EPWP for different reasons such as gaining leadership skills, and socialising. Amusan and Manka (2016) found that majoring of Limpopo residents joined EPWP because they wanted to gain skills, in the findings majority of women gained farming skills in Limpopo to a point where they could have enough for their families and produce for profit from their learned crafts.

The residents involved with EPWP have benefitted to some extent. Their livelihoods and ways of operations have improved, which has a positive effect on their households. The participants are now able to pay their children education fees, buy school uniform and general family clothing. Apart from all the skills and benefits that has been mentioned, their income level has also improved and the standard of living of the people has shown some positive trajectory. However, the responses from majority of the participants was that EPWP is not enough at all. Their needs are not met. *"We are still here because there is nothing else to do and I do not know where to get the R570 if decide to stay at home" according to one respondent.* He said, fewer working hours, which results in less pay. Based on the findings, none of the respondents is happy about their working hours. They work 2 days/week, which makes it 8 days per month. They have an issue with working 4 h/day which results in less pay because less hours worked results in less pay. One participant asked *"don't you wish to know how much we receive per month"?*

5. CONCLUSION

Each community has a unique set of local conditions that either enhance or reduce the potential for Local Economic Development, and it is the conditions that determine the relative advantage of an area in its ability to attract generate and retain investment. The capacity of communities to increase their quality of life, develop new economic opportunities and fight poverty is contingent upon them being able to understand LED procedures, and act deliberately in the changing and progressively competitive market economy. A community's economic, social and physical attributes will guide the design of, and approach to, the implementation of a LED plan. To build a strong local economy, good practice proves that each community should undertake a collaborative process to understand the nature and structure of the local economy, and conduct an analysis of the area's strengths, weaknesses, opportunities and threats. This will serve to highlight the key issues and opportunities facing the local economy. However, LED projects seem to be a challenge within rural municipalities where planned projects frequently fail to occur because they lack local

participation. This article indicates that lack of motivation, lack of involvement, few LED initiatives, poor provision of services and population growths are some of the challenges hindering the implementation of LED. Some of the challenges faced by participants are the fact that they not receiving enough pay hence they working less hours. They practice activities of which they are not being paid. They even use their own salaries to purchase some of the tools they need to work effectively. Overall, LED did provide significant change but in the eyes of the people it did not because they still complain about the challenges they face during the implementation of LED. It is however, believed that not getting enough is a human natural issue. The focus of this article was the evaluation of Local Economic Development on livelihoods Activities. There is an acknowledgement that Msukaligwa Municipality is faced with inequality, unemployment and poverty, which have been affecting the local economy. Therefore, it adopted the LED, which aims at reducing the triple challenges. This article evaluated whether LED has brought about change in the livelihood activities of the communities in Msukaligwa municipality. TA paired-sample t-test was performed to determine the participants' effect of LED scores interference. Between time 1 (M=17.91, SD=2.68) to time 2(M=20.06, SD=3.43, t[44]=5.1429, $P < 0.0005$), there was a statistically significant increase in EPWP ratings. The statistic of eta squared (0.375) showed a large effect size. Successful implementation of any LED project should be people centred where people are involved in the identification, implementation and monitoring of every project in their community.

This study contributes to the debate on the use of Local Economic Development (LED) to create jobs, alleviate poverty and boost the local economies in emerging economies. The manuscript shows how local governments should identify, create and sustain new opportunities that can enhance business prospects within the local communities. It also points out the continued misapplication of the concept by policy makers and intended beneficiaries, leading to its ineffectiveness in combating poverty, inequality and unemployment. The findings of this article are of significance to local economic development and local governance practitioners and politicians for proper implementation of local economic development policies. The manuscript specifically recommends that there should be a further support for LED initiatives. It involves the following:

1. There is a need for community participation from origination stage. Before starting a particular project in a community, it is imperative to consult with stakeholders in the community first, on what kind of project that would improve their livelihood activities. This will lead to a sense of worth, where community members of a particular LED initiative will guard and sustain the programme or project
2. Strengthening local government representatives and administrators' capabilities as well as the local government's own organizational efficiency. The ability of the private sector and local communities that are key players in the successful delivery of LEDs also needs to be improved. This can be done through a series of workshops, peer-to-peer learning and municipal partnerships through sustained capacity development programs for LED
3. It is also necessary to develop skills in project management and community participation to address LED capacity issues in a holistic manner. Local Economic data is essential to LED preparation and implementation. In order for it to be sustainable and relevant, local economic development strategies should be based on local economic information
4. The current information needed to identify and evaluate local actions is generally inadequate or inexistent. The generation and dissemination of information is critical in developing and implementing a credible LED strategy. In-addition, participation must include both the plan design as well as the implementation stage
5. In as much as Municipalities decide on LED strategies, the process of arriving at a LED strategy must be part of the Integrated Development Planning (IDP) process. The LED strategies should be based on the overall vision outlined in the IDP and should take into account the result of the analysis done to identify problems and prioritise development projects. It should also look at things like integrating our residential and work areas, building development corridors between areas and supporting the economy with good public transport
6. Developing an LED Strategy requires that a municipality does an analysis of the existing situation, examine opportunities for growth and decide on the best strategies to achieve their goals. This entails developing the infrastructure of the municipality to make it easier for businesses to operate. This is will mainly be addressed in the IDP of the municipality. Whilst it contributes to providing better living conditions, it also creates an environment that promotes economic growth. Further, promoting tourism, which currently one of the biggest growth industries in South Africa would support the process. This will include developing local tourist sites and facilities, improving security and ensuring that all residents are welcoming of tourists. In-addition, the municipalities tender and procurement policies must favour small contractors and emerging businesses. Where these companies cannot provide the required services, steps must be taken to get larger companies to enter into joint ventures with smaller partners.

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