

**THE EFFECTIVENESS OF INTEGRATED
DEVELOPMENT PLANS
IN THE FREE STATE**

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The effectiveness of integrated development plans in the Free State

by

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DECLARATION

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Executive Summary

The Integrated Development Plans developed by local municipalities are the tool that should be used to ensure the sustainable development of both urban and rural areas through combating service-delivery backlogs and also high levels of unemployment and poverty. Yet, the IDPs developed by municipalities (the study focuses on three local municipalities in the Free State) often fall short of achieving this objective as a result of various obstacles, three of which were subjected to scrutiny during this research. Firstly, the use of development indicators aims to ensure the measurability of development initiatives, thereby also ensuring the accountability of decision makers in local government (Paper One). Development indicators guide municipalities in the allocation of scarce resources to those areas where they are most needed and, therefore form an essential part of an IDP. This paper explores the use of these indicators in the IDPs of the three local municipalities in order to demonstrate the critical absence of adequate development indicators in the IDPs. The implications for development planning and local governance are also discussed. Secondly, community participation in development planning will be discussed on the basis of the theory of community participation at both the international and the national level (Paper Two). The focus of the discussions is on levels of participation, as well as approaches to and methods of participation. The factors affecting community participation and the preconditions for effective community participation are also considered. The process of community participation in integrated development planning in the three local municipalities is evaluated, with a particular focus on the dangers of the tendency to engage in community participation in the IDP process for the sole purpose of compliance with legislation rather than for community empowerment. Thirdly, local economic development within the three municipalities is examined (Paper Three). The research focuses on the strategic approaches to Local Economic Development, in accordance with international and national guidelines, suggesting that in most cases, LED is limited to a number of small capital projects, and that it is neither regarded as an integral part of all projects, nor directed at addressing the real structural problems associated with small towns. These LED projects are identified haphazardly with no strategic approach or guidelines, and this leads to their being both unsustainable and dependent on continuous funding. In conclusion, the thesis presents principal findings and recommendations to alleviate the challenges presented with regard

to the use of development indicators, community participation and local economic development at the local government level.

Key Words:

Integrated Development Plan

Development Indicators

Community Participation

Local Economic Development

OPSOMMING

Die geïntegreerde ontwikkelingsplanne wat deur plaaslike munisipaliteite opgestel word, is 'n meganisme wat gebruik behoort te word om die volhoubare ontwikkeling van sowel landelike as stedelike gebiede te verseker, deur agterstande in dienslewering, die hoë vlakke van armoede en werkloosheid aan te spreek. Die geïntegreerde ontwikkelingsplanne deur die munisipaliteite ontwikkel (hierdie studie fokus op drie plaaslike munisipaliteite in the Vrystaat) voldoen egter nie aan hierdie doelwit nie as gevolg van 'n aantal uitdagings, waarvan drie gedurende hierdie studie ondersoek is. Eerstens, word ontwikkelingsindikatore gedurende ontwikkelingsbeplanning gebruik om te verseker dat ontwikkelingsinisiatiewe gemeet kan word en ook om te verseker dat besluitnemers op plaaslike regeringsvlak verantwoordings kan doen (Artikel Een). Ontwikkelingsindikatore stel munisipaliteite in staat om besluite te neem oor die strategiese gebruik van skaars hulpbronne en vorm daarom 'n belangrike deel van 'n Geïntegreerde Ontwikkelingsplan. Die studie ondersoek die gebruik van ontwikkelingsindikatore in die geïntegreerde ontwikkelingsplanne van die drie munisipaliteite ten einde die kritiese gebrek aan genoegsame indikatore te beklemtoon. Die gevolg hiervan vir ontwikkelingsbeplanning en plaaslike regering word ook bespreek. Tweedens word gemeenskapsdeelname in geïntegreerde ontwikkelingsbeplanning bespreek, gebaseer op die teorie van gemeenskapsdeelname op 'n internasionale en nasionale vlak (Artikel Twee). Die fokus van die bespreking is op die verskillende vlakke van gemeenskapsdeelname asook die benaderings tot en metodes van deelname. Daar word ook gekyk na die faktore wat deelname beïnvloed en die vereistes vir effektiewe deelname. Die proses van gemeenskapsdeelname in die geïntegreerde ontwikkelingsbeplanningsproses in die drie munisipaliteite word dan op grond van bogenoemde faktore geëvalueer met die fokus op die geneigdheid om die gemeenskap te betrek, slegs om aan die vereistes van wetgewing te voldoen eerder as om die gemeenskap te bemagtig. Derdens word plaaslike ekonomiese ontwikkeling binne die drie munisipaliteite ondersoek (Artikel Drie). Die studie fokus hier op die strategiese benaderings wat gevolg word tot plaaslike ekonomiese ontwikkeling, gebaseer op internasionale en nasionale riglyne. Die gevolgtrekking word gemaak dat plaaslike ekonomiese ontwikkelingsinisiatiewe meestal uit klein kapitale projekte bestaan en nie gesien word as deel van enige munisipale projek nie. Die huidige inisiatiewe spreek ook

nie die strukturele probleme wat met klein dorpieë vereenselwig word aan nie. Plaaslike ekonomiese ontwikkelingsinisiatiewe word nie bepaal deur 'n strategiese benadering nie wat veroorsaak dat hul meestal onvolhoubaar is en permanent afhanklik van munisipale befondsing. Ten slotte word daar gekyk na die hoofbevindinge uit die drie artikels en aanbevelings word gemaak om die gebruik van ontwikkelingsindikatore, gemeenskapsdeelname en plaaslike ekonomiese ontwikkeling op die plaaslike regeringsvlak te verbeter.

Trefwoorde:

Geïntegreerde Ontwikkelings Plan

Ontwikkelings indikatore

Gemeenskaps deelname

Plaaslike Ekonomiese Ontwikkeling

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LIST OF ABBREVIATIONS

CBO	Community Based Organisation
DBSA	Development Bank of Southern Africa
DPLG	Department of Provincial and Local Government
EPWP	Extended Public Works Programme
GDP	Gross Domestic Product
GTZ	German Agency for Technical Cooperation
HIV	Human Immunodeficiency Virus
IDP	Integrated Development Plan
IDPRF	Integrated Development Planning Representative Forum
LED	Local Economic Development
MSA	Municipal Systems Act
PMS	Performance Management System
PPP	Public Private Partnership
PRA	Participatory Rural / Rapid / Relaxed Appraisal
RRA	Rapid Rural Appraisal
SMME	Small Medium and Micro Enterprises
StatsSA	Statistics South Africa

Introduction: Setting the scene

1. Research problem

1.1 International background

Increased rural-urban migration has resulted in rapidly growing urban areas (Clarke, 1991; Krige, 1998). This rapid growth of urban areas is, according to Clarke (1991: 93), “both the cause and effect of the growing national importance” of these urban areas with their influence on resource utilisation, job creation and linkages with the rural hinterland. The management of these urban areas is therefore of increasing importance not only to promote economic growth, but also to improve the provision of infrastructure- and services, without causing irreparable damage to the environment (Clarke, 1991; Post, 1997). Urban management thus combines three disciplines, town planning, economic development and municipal management, and involves intergovernmental cooperation with regard to the allocation of resources and responsibilities, policy development, investment coordination and the managing of assets, services and revenue collection (Clarke, 1991; Post, 1997). Urban management involves a process of orientating actions to objectives and selecting actions that have the highest priority to ensure improved living standards, equitable and fair distribution of resources and achieving environmental sustainability (Post, 1997). This, while adhering to, what Post (1997) calls, six principles i.e. increasing awareness of politics, popular participation (as supported by Wekwete, 1998), strengthening local government, an awareness of the economic significance of urban areas to national development, less government intervention in markets, and an urban management process that is efficient, transparent and accountable.

Linked to the changing emphasis on an integrated approach under urban management, it should also be mentioned that urban and municipal planning has changed considerably over the past 50 years. In the colonial and post-colonial period the emphasis was mainly on spatial planning through a process of master planning (Devas and Rakodi, 1993). These master plans concentrated mainly on spatial issues and were seldom linked to appropriate budgets. The inherent background to these plans also suggested that they were developed by “neutral experts”, thereby limiting the role of politicians. However, by the early and mid-1980s there was an increasing

realisation that the planning paradigm of the time did not manage to address the developmental challenges of urban areas. They typically lacked integration between the social, environmental and economic aspects of planning. Furthermore, community participation in most of these plans was mostly inappropriate, while monitoring and evaluation, in terms of development, were mostly absent. Therefore, the early 1980s saw a change to strategic development planning within the municipal and urban management environment. These strategic plans had to set the direction in respect of social, economic, environmental aspects and had to be far more inclusive through various means of participation. Ideologically, these plans were closely associated with the same strategic planning processes in business management and neo-liberal sentiments. This neo-liberal paradigm, can in turn, be associated with the election victories of the Conservative Party in Britain and the Republicans in the United States of America. Essentially, the neo-liberal paradigm suggested a smaller role to be played by the public sector and an increasingly important role for the private sector. Further emphasis was placed on the individual, on cost recovery, a focused approach, on partnerships and on the importance of urban areas in regional economies. Against this international background, the post-apartheid government initiated integrated development planning after 1994.

1.2 South African background

Krige (1998:13) in 1998 highlighted the fact that, historically, South African local authorities were not sustainable or economically viable and that the level of service delivery in township areas was “appalling”. The Department of Provincial and Local Government, also realising this, initiated the restructuring of local government and introduced the integrated development planning process in an attempt to improve the planning process at Local Government level. According to the White Paper on Local Government, the purpose of integrated development planning, in line with the new international paradigm on development planning, was to provide a framework within which municipalities can “understand the various dynamics operating within their area, develop a concrete vision for the area, and [formulate] strategies for realising and financing that vision in partnership with other stakeholders” (South Africa, 1998). To this end, then, the Municipal Systems Act (MSA) identified the nine ‘core components’ of an Integrated Development Plan (IDP) as comprising:

- The municipal council's vision for the long-term development of its area with special emphasis on the most critical development and internal transformation needs;
- An assessment of the existing level of development, including an identification of communities which do not have access to basic municipal services;
- The council's development priorities and objectives for its elected term, including its aims in terms of local economic development and internal transformation;
- The council's development strategies, which must be aligned with any legislatively binding national or provincial sectoral plans and planning requirements;
- A spatial development framework, including the provision of basic guidelines for a land use management system;
- The council's operational strategies;
- Applicable disaster management plans;
- A financial plan, including a budget projection for at least the next three years; and
- Key performance indicators and targets (South Africa, 2000).

These are all aimed at fulfilling the constitutional mandate of local government, namely: to provide democratic and accountable government for local communities; to ensure the provision of services to communities in a sustainable manner; to promote social and economic development; to promote a safe and healthy environment; and to encourage the involvement of communities and community organisations in the matters of local government (South Africa, 1996).

The IDPs developed by local municipalities are therefore the tool that should be used to ensure the sustainable development of both urban and rural areas through combating service delivery backlogs and also high levels of unemployment and poverty. Yet, the IDPs developed by municipalities often fall short of achieving this objective as a result of various obstacles, three of which were subjected to scrutiny during this research. The first of these is the use of development indicators in the IDP process as the basis on which all strategic decision should be made, targets set and the implementation of policies monitored. (Parnell and Poyser, 2002). Measurable

indicators are not identified during the IDP process, thus making it impossible to determine the levels of success of the IDPs. The reasons for this absence of development indicators and the impact this has on the effectiveness of the IDPs needs to be examined.

Secondly, through the MSA, the constitutional mandate of local government to ensure the involvement of community in local governance and therefore the IDP process was legislated (South Africa, 2000). The aim of community participation in development planning (thus the IDP) is to empower the least developed segment of society and to achieve both project efficiency and effectiveness by being both a knowledge sharing and producing activity (Muller, 1994; Botes, 1999; Ceasar and Theron, 1999). Participatory planning thus aims to ensure that people are not mere passive pawns in development, but active “managers” of their own development. Furthermore, community participation impacts on the effectiveness of development interventions by ensuring that community needs are addressed effectively. However community participation during the IDP process is limited mostly to information sharing, therefore not allowing communities to influence development. The reasons for this and also the impact thereof on the effectiveness of the IDPs needs to be investigated.

Thirdly, LED has an important role to play in meeting the economic challenges brought about by changes in technology and globalisation (Rogerson, 1997a; World Bank, 2003). Municipalities thus have an ever-increasing responsibility to facilitate and stimulate local economic development in an effort to address increasing levels of unemployment and poverty in South Africa. However, Local Economic Development (LED) initiatives by local municipalities have had little tangible impact on the economies of these municipalities owing to various challenges resulting mainly from, amongst others, a confusion between local economic development and poverty alleviation or community development (Meyer-Stamer, 2003).

Against the above background of challenges facing local municipalities in their development and implementation of the IDPs, the question that will guide the research in this thesis is: *What* should be done to ensure the effectiveness of the IDPs in the Free State? Subquestions that should be asked are:

- How are development indicators measured and used in the IDP process?

- Is the community-participation process adding value to the IDP?
- What are the impact/s of LED initiatives, by municipalities?

2. Research aim and objectives

The aim of the research is to evaluate the IDPs of local municipalities specifically in relation to the use of development indicators, community participation and local economic development. The study therefore has the following objectives:

- To analyse the use of development indicators in the IDP process, and to determine the implication of the latter in development planning and local governance;
- To assess the levels and impact of community participation in the IDP process;
- To conceptualise LED in the local government environment, and to determine ways and means to improve local government LED initiatives; and
- To make a number of recommendations in respect of integrated development planning

3. Conceptualisation

In order to guide the analysis and for purposes of clarification, a number of key concepts will be defined. The purpose of defining these concepts is to clarify the context in which these concepts are applied in the study. Where necessary, further clarification will be provided in the remainder of the text. The conceptualisation of terms will start off with defining *effective* IDPs and secondly, *development indicators*. Thirdly, *community participation* will be defined and lastly an attempt will be made to define *local economic development* in the municipal environment.

In order to understand the concept *development indicator*, the two concepts *development* and *indicators* have to be considered separately. The term, *development* refers to the process by which we reduce poverty, not only in monetary value, but also in terms of social exclusion and access to goods and services (Morse, 2004). The term *indicator* refers to bits of information pointing to characteristics of systems and can therefore be used to simplify information about complex occurrences (IISD,

1998). *Development indicators* can therefore be seen as information that allows us to measure progress made in the universal effort to alleviate or eliminate poverty.

Secondly, the term *community participation* also has to be considered by separating *community* and *participation*. *Community*, in as far as the IDP process is concerned, refers to everybody whose existence may somehow be impacted upon by the decisions and actions of the municipalities, and includes other spheres of government, marginalised groups, non-governmental organisations (NGOs), community based organisations (CBOs), the private sector, etc. (Brynard, 1996; DPLG, 2002). *Participation* in local governance implies active involvement in the decision-making processes of local government, this can however occur on various levels, as will be elaborated on further in the chapter specifically addressing this issue (DPLG, 2002).

Thirdly, in the term *local economic development* the emphasis is on *local* as *economic development* generally refers to an increase in economic growth accompanied by increased employment and raised incomes (Blakely and Bradshaw, 2002). The *local* refers to a smaller geographical entity (D'Arcy and Guissani, 1996), in this case a municipality. *Local Economic Development* therefore, in a municipal set-up, refers to initiatives aimed at the mobilisation of the resources within the municipality, by establishing partnerships and creating municipal comparative advantages and reducing dependence on corporations beyond the municipality in order to stimulate businesses in the municipal area.

4. Overview of literature

A brief overview of the existing literature regarding three of the core elements in the Integrated Development Planning process, namely the use of development indicators, community participation and local economic development, are essential to identify the gaps addressed by the research. Since the IDP process is fairly new, having started only in 2001, literature specifically relating these topics to the IDP is still limited. However, the three elements under scrutiny have been well researched in other fields of study.

Literature with regard to development indicators generally comes mostly from two fields: economics (Anderson, 1991; Nafziger, 1997) or sociology (Carley, 1981;

Mukherjee, 1981; Noll, 2003). The use of development indicators in planning has been researched by, amongst others, Mukherjee (1981) and Parnell and Poyser (2002), with Rauch (2003) focusing specifically on the IDP process. The bulk of the literature focuses on the identification of additional or improved indicators of development, be they social or economic, (Booyesen, 2000; Khosa, Ntshingila-Khosa, and Poulsen, [s.a.]). This research therefore fills a vital gap in specifically looking into the use of development indicators in the IDP process and the effect thereof on the effectiveness of the IDP.

Community participation has been well researched in various fields, e.g. urban planning (Cheema, 1987; Kok and Gelderblom, 1994; Abbott, 1996; Innes and Booher, 2000; World Bank 2001) and community development (Botes, 1999; Hemson, 2002), with some focusing on the participation of marginalised groups (Sowman and Gawith, 1994; Guerra, 2002; Hemson, 2002). However, literature on community participation in the IDP process is very limited, Rauch (2003) being a notable exception. Community participation and therefore also community buy-in has a considerable impact on the effectiveness of the IDP. Research in this regard is thus invaluable.

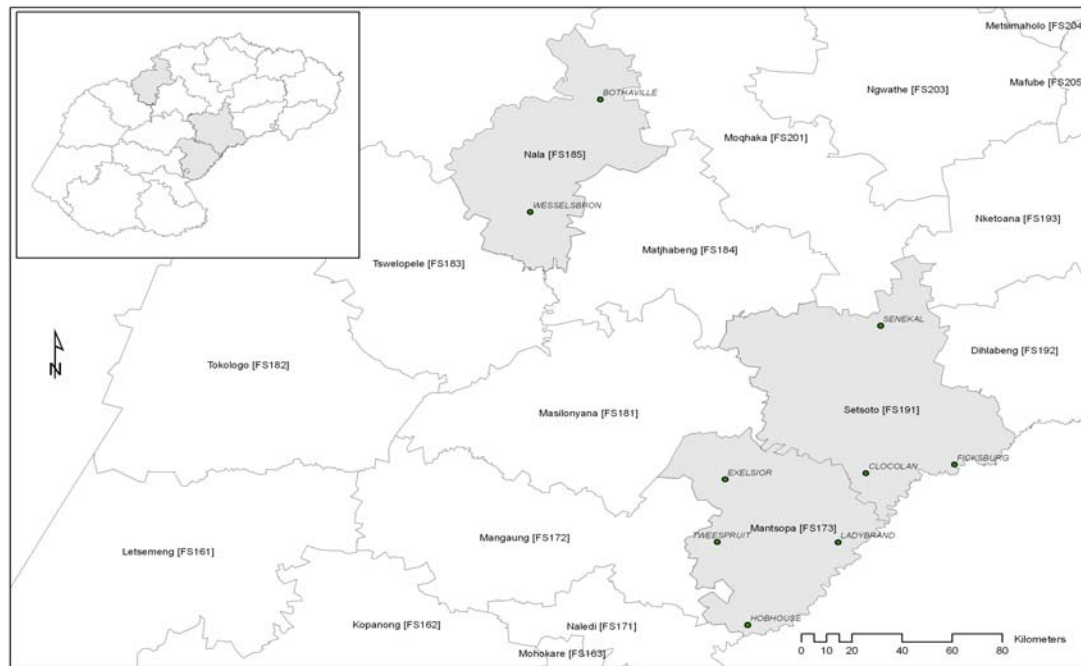
Local economic development has been well researched, with much research especially being done since the 1990s. Literature with regard to local economic development has so far mainly focused on policy issues (Nel and Humphrys, 1999) and Small, Medium, Micro Enterprise development (Naude, 1998; Rogerson, 1997b and Rogerson, [s.a.]). Literature on local government-driven LED started appearing in the early 2000s (Amis, 2002; Beall, Crankshaw and Parnell, 2000; Naude, 2003; Rogerson, 2002). However, none of these authors attempted to assess the process of identifying an approach to LED, LED strategies and LED projects during the IDP process. This paper will provide valuable insights into the process of LED-strategy formulation or rather the absence thereof and also further, make recommendations on how this may be improved.

5. Delimitation of the study area

Although this study will commence with theoretical perspectives on development indicators, community participation and local economic development, both

internationally and nationally, the applied part of the study will focus on three local municipalities in the Free State Province of South Africa (see Figure 1 and Table 1). The three municipalities under scrutiny are: *Mantsopa*, which includes the towns of Ladybrand / Manyatseng, Hobhouse / Dipelaneng, Excelsior / Mahlatswetsa, Tweespruit / Borwa and Thaba Patchoa; *Nala*, which includes the towns of Wesselsbron / Monyakeng and Bothaville / Kgotsong and; *Setsoto*, which includes the towns of Ficksburg / Meqheleng, Clocolan / Hlohlowane, Marquard / Moemaneng, Senekal / Matwabeng.

Figure 1: Geographical location of Mantsopa, Nala and Setsoto



Source: University of the Free State (2007)

Table 1: Comparative characteristics of Mantsopa, Nala and Setsoto, 2001

Municipality	Mantsopa	Nala	Setsoto
Population	55346	98264	123197
Households	14060	25999	33568
% Rural	37.3	22.4	33.9
Unemployment (Labour force)	29.0	35.3	31.9

% Labour force employed in agriculture¹	34.5	40.7	37.3
% Households with income below R9600 p.a.	64.2	67.7	70.9

Source: Census, 2001

These three municipalities were selected because of their similar profiles in terms of location (all in the Free State), the size of the municipalities (fairly similar in size), their rural settings, their income base (all have a similar revenue base), and also the prevalent economic activities (owing to their rural settings all are very dependent on agriculture) (see Table 1).

6. Methodology and research procedure

The methodology followed in this study comprises a number of methodological procedures. First, literature overviews were conducted to analyse international and national experiences with regard to the use of development indicators in development planning, community participation during development planning, as well as local economic development driven by government, or more specifically, local government. The methodological procedures for the more empirical aspects of the research ranged from information obtained from the three municipalities under scrutiny, from the IDPs, to interviews conducted on the basis of a structured questionnaire. The interviews focused on consultants who assisted with the development of the IDPs, officials within the municipality, who are directly involved or responsible for the IDP process, council members from the municipality and also representatives from community-based organisations e.g. business chambers and women's groups (see Table 2). The consultants were all eager to provide information, having personally come across many challenges relating to the IDP process. Officials working with the IDP were easy to identify, but it proved challenging to schedule interviews with them owing to their busy schedules, and in many cases they referred the researcher to the consultants for answers, as they were not intimately involved in the process. Although the consultants and IDP managers for the three municipalities were interviewed, interviews with councillors could only be secured in Mantsopa and Nala.

¹ Those indicated under the category "not applicable" with regard to the industry in which they are employed were not taken into consideration

The councillors interviewed in Mantsopa were very informed with regard to IDP and this assisted the researcher greatly in respect of acquiring the viewpoint of politicians. The Mantsopa business chamber was very eager to assist, but in most other cases it proved very difficult to interview community representatives, as the lists of community representatives provided by the municipalities (only Mantsopa and Nala had these available) mostly reflected the presence of only councillors and business people, with very few, if any, NGOs and CBOs being represented in the representative forums. Follow-up telephonic interviews were conducted where clarity was required on information provided. This was necessary in a couple of cases, in that information provided by the consultants and officials sometimes differed from that presented in the IDPs.

Table 2: Number of interviews conducted per municipality

Interviewees	Mantsopa	Nala	Setsoto
IDP consultants	1	1	1
IDP managers/ officers	2	1	2
Councillors	2	1	1
CBO's	4	2	2
Total	9	5	6

7. Research agenda

This dissertation assumes the form of three separate papers or articles, yet is held together by sustained evaluation of urban management and development planning portrayed in the integrated development plans of the three municipalities. Against this background, each paper has its own introduction, conclusion and list of references. The paper on development indicators (Paper One) has already been accepted for publication by the Journal for Public Administration.

In order to address the research problem in this dissertation the following structure will be utilised: In **Paper One (Measuring what? The utilisation of development indicators in the Integrated Development Planning process)**, the use of development indicators in the Integrated Development Planning process of three municipalities in the Free State is analysed on the basis of international and national

experiences. This chapter concludes by focusing on the implications of the limited use of development indicators on development planning and local governance.

After analysing the use of development indicators in the IDP process, **Paper Two (Missing the boat: Immaterial community participation in the Integrated Development Planning process in the Free State (South Africa))** focuses on community participation in the IDP process. This will be done by assessing the community participation process followed in three municipalities in the Free State against international and national experiences and policy requirements. The main focus is on the characteristics of local community participation with a view to making suggestions for improving the levels of participation.

This assessment of the community participation process will be followed in **Paper Three (Making plans against all odds: LED in small towns of the Free State)** by an evaluation of the Local Economic Development strategies employed by the three local municipalities. This is done on the basis of international and national experiences in order to establish how municipal driven LED can be improved.

Finally, **The Conclusion (Synthesis: towards an improved Integrated Development Planning process)** attempts to conceptualise the main findings of the research in an integrated and coherent manner in order to provide recommendations for improving the IDPs of local municipalities.

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Paper one: measuring what? The utilisation of development indicators² in the integrated development planning process

Abstract

The use of development indicators in the Integrated Development Planning (IDP) process is not only required legislatively (in terms of the Municipal Systems Act, amongst others), but is also aimed at ensuring the measurability of development initiatives and thereby at ensuring the accountability of decision-makers in local government. Development indicators guide municipalities in the allocation of scarce resources to those areas where they are most needed. Development indicators are therefore an essential part of an IDP. This paper sets out to explore the use of these indicators in the IDPs of three local municipalities in the Free State, in order to demonstrate the critical absence of adequate development indicators in the IDPs. The paper firstly explores the existing literature on development indicators and thereafter, the legislative requirements with regard to the use of development indicators in the IDPs. The various types of indicators used in development planning will be compared with those presented in the three IDPs (Mantsopa, Nala and Setsoto), in order to explore the limited use of development indicators in the IDPs, as well as the possible reasons for this. The implications for development planning and local governance will also be discussed.

1. Background information

Internationally, a great deal of literature is available on the different types of indicators, problems experienced with these indicators (especially composite

² A development indicator is distinguished from other indicators in that it is empirically verifiable and is aimed at broadening theoretical analysis (Carley, 1981). The terms “development indicators” and “indicators” will be used interchangeably to refer to indicators that attempt to achieve this.

indicators), as well as their value for planning (Earthwatch, 1998; Schwabe, 2002; Noll, 2003). Since 1994, development planning, as part of the notion of developmental local government, has become a common phenomenon in South Africa at a local level. Examples in this regard are the Development Facilitation Act (South Africa, 1995) and the Municipal Systems Act (South Africa, 2000). These pieces of legislation require a strategic and formative approach to development by local government, firstly through the development of Land Development Objectives and later through the development of an Integrated Development Plan (IDP). These development plans are required to identify development challenges; to set development objectives (using indicators); and to develop appropriate operational plans in order to achieve the relevant objectives. In reality, however, it seems that development indicators have not been used adequately in the IDP process. The information used in the IDPs varies from endless statistics in some cases, to an apparent lack of any meaningful data, in other cases. Although there is a growing volume of research evaluating IDPs (Ambert and Fieldman [s.a.]; Jansen van Vuren, 2002; Rauch, 2003), virtually no academic reflections have been made as to whether the data provided by such research can be used in developing indicators to assess the implementation and monitoring of the IDP process. Parnell and Poyser (2002) are of the opinion that the monitoring and evaluation of IDPs is essential, and that indicators are useful for establishing targets to monitor the implementation of policies. Measurable indicators therefore need to be developed in order to make it possible to determine the level of success of the IDPs.

It is against this background that this paper aims to critically evaluate the manner in which development indicators have been utilised in IDPs³. The paper focuses on the evaluation of development indicators in three Free State Municipalities, namely Mantsopa (Ladybrand / Manyatseng, Hobhouse / Dipelaneng, Excelsior / Mahlatswetsa, Tweespruit / Borwa and Thaba Patchoa), Nala (Wesselsbron / Monyakeng and Bothaville / Kgotsoeng) and Setsoto (Ficksburg / Meqheleng, Clocolan / Hlohlowane, Marquard / Moemaneng and Senekal / Matwabeng). These municipalities were chosen because of their relatively similar size and rural nature, as

³ Although we accept that more qualitative indicators and assessments are also required, the paper focuses on the more quantitative development indicators.

most existing research in South Africa is biased towards the metropolitan areas (see, for example, Parnell and Poyser, 2002). Essentially, my argument is that development indicators have not been used appropriately in the development process. Neither consultants nor the local councillors or officials have shown an ability to use indicators in an appropriate manner. With these arguments in mind, the paper is outlined as follows: it starts off with a discussion regarding the theory underlying the use of development indicators. Secondly, it assesses the guidelines provided by the Department of Provincial and Local Government (DPLG) for the use of development indicators in planning. Finally, the paper will provide an assessment of the current usage of development indicators in the IDP process, after which a number of concluding comments will be made.

2. Development indicators and development planning: an overview

The use of development indicators has changed considerably since the Second World War. In essence, it has shifted from a pure focus on economic indicators to a much more complex system of indicators attempting to measure sustainable development. After the Second World War, the Gross Domestic Product (GDP) was used to measure the increased drive for material growth that accompanied the population explosion and escalating technical capacity (Noll, 2003). During the 1960s, however, the social indicators movement emerged with a strong focus on quality-of-life studies. The late 1960s and early 1970s were, according to Noll (2003) and Morse (2004), a boom period for social indicators research and saw environmental issues being raised, while by the early 1980s, new ideas about the determinants of human health (along with the idea of healthy communities) had become important. During the mid- and late 1980s, thinking about distribution costs and benefits between developed and developing nations and between this generation and the next, gained momentum (Morse, 2004). The idea of sustainable development was born, requiring a much more holistic approach to decision-making; and along with this notion came the need for indicators to measure change and/or progress (Hodge, Hardi and Bell, 1999). It was during the 1990s that the Human Development Index (HDI) was developed to measure progress in human development on the basis of life expectancy, adult literacy and the real GDP, in much the same way as the GDP was used to measure economic development (Morse, 2004). Development indicators were therefore developed over a

period of 60 years; and new additions are constantly being made. The aim of this section is to provide a detailed literature overview in respect of these and other development indicators.

2.1 Definition and functions of development indicators

Although there is no commonly accepted definition of development indicators (Carley, 1981; Morse, 2004), there seems to be a reasonable degree of consensus that indicators are bits of information pointing to characteristics of systems and that they are thus used to simplify information about complex occurrences (IISD, 1998). Development indicators can therefore be seen as substitute measures that translate abstract indicators into operational, measurable entities that facilitate concise, comprehensive and balanced judgements about the condition of major aspects of a society (Carley, 1981; Noll, 2003). Earthwatch (1998) adds that most indicators are based on a specific data set or statistical series that measures a component, process or trend of interest. There is, however, no universal set of indicators. Rather, there are several sets of indicators in existence, corresponding to specific purposes (OECD, 1999).

Development indicators are needed to develop goals during the planning process, primarily for the purpose of setting targets and also in order to measure the progress made towards achieving these goals in relation to the targets set. This should be done with regard to a wide range of issues such as population, family, housing, social security and welfare, health and nutrition, etc. (Rao, 1976; Mukherjee, 1976 and 1981; Neuman, 2000). The three basic functions of development indicators are, firstly, to monitor change; secondly, to measure social, economic and environmental welfare; and thirdly, to provide comparisons based on targets, benchmarks, or performance in

the past (World Bank, 1997; IISD, 1998; Schwabe, 2002; Noll, 2003; UNFPA, [s.a.]). Development indicators therefore provide critical information for the assessment of individual and institutional outputs, thereby enabling decision-makers to make informed decisions, act pro-actively and to communicate ideas and values (World Bank, 1997; Bossel, 1999; Morse, 2004; Shah, 2004; Khosa, Ntshingila-Khosa and Poulsen [s.a.]). The goal underlying the development of indicators should thus ultimately be that of improving decision-making, ensuring accountability, recognising success, facilitating continuous learning and adjustment, and identifying knowledge gaps (Hodge *et al.*, 1999; ESDI, 2002).

2.2 Types of development indicators

Indicators are categorised in various ways, which are often determined by the purpose for which the indicators are being used. In Table 1, an attempt is made to present the various categories of indicators, as classified in different literature sources, according to the levels on which the categorisation was applied. The first level of distinction is the approach to data collection, with objective indicators being determined through a quantitative approach providing factual results that are free of personal biasedness, as opposed to subjective indicators which are based on human perceptions resulting from a qualitative approach (May, Woolard and Klasen, 2000; Neuman, 2000). The second level of distinction is the source of the information, since the information required to develop internal/micro-indicators is collected from within an organisation, while external/ macro-indicators comprise information with regard to conditions outside an organisation.

Table 1: Types of development indicators

Level	Indicator	Description	Example
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distinguished			
Approach to information collection	Objective indicator	Represents facts independently of personal evaluations	Income levels and consumption
	Subjective indicator	Based upon individual perceptions, attitudes and needs	Satisfaction levels, attitudes
Source of information	Internal/micro-indicator	Measures internal targets of organisation/local government	40% of senior management positions to be filled by women
	External/macro-indicator	Measures conditions outside boundaries of organisation/ local government	GNP of province
Timing and purpose	Baseline indicator	Describes present situation; identification of areas of need	Number of informal houses
	Target indicator	Sets goals and objectives	To build 200 houses
	Input indicator	Measures efficiency (How much had to be put in to achieve the result)	R18 million to build 200 houses
	Output indicator	Measures products or activities quantitatively	180 houses built
	Outcome indicator	Measures quantity and effectiveness: have goals been achieved and have policies been effective?	Have number of informal houses in area been reduced?
Composition	Single indicator	Measures a single variable	Infant mortality
	Composite indicator	Combines several indicators	Physical Quality of Life Index (PQLI), combining infant mortality, life expectancy and adult literacy rate
Purpose of indicator	Descriptive indicator	Description of facts	Highest level of education for people older than 21
	Evaluative/ Normative indicator	Assists in drawing conclusions about the relationship between indicators	Household size by highest level of education of head of household
	Information indicator	Describes a situation through time series	Maize production from 1995-2005
	Predictive indicator	Fits into explicit formal models and subsystems	Population doubling point
	System indicator	Summary of individual measurements based on technical and scientific insight	Levels of air pollution
	Performance indicator	Provides a tool for comparison, incorporating a descriptive indicator and a reference value or policy target	20% of population older than 21 are illiterate; to be reduced to 10% in five years
Measurability of indicator	Quantitative	Concrete, visible and measurable	Water supply, housing
	Partly quantifiable	Can only be quantified to a certain extent	Health

	Qualitative indicator	Highly abstract	Aspirations, perceptions, attitudes
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Sources: Carley (1981), IISD (1998), Bossel (1999), Khosa *et al.* [s.a], May *et al.* (2000), Vermaak (2000), Parnell and Poyser (2002), Noll (2003) and Van der Walt (2003)

The third level of distinction is concerned with the timing and the purpose of the indicator; in other words, when the information is collected, and what it aims to measure. Baseline indicators, for example, are developed at the start of a project or as soon as a problem is identified, followed by the development of a target indicator to set goals to work towards, with the results being measured by an outcome indicator. The fourth level of distinction is content-related, since single indicators consist of a single variable, while a composite indicator aggregates several indicators to form a single index. The next level of distinction is based on the purpose for which the indicator is utilised, with descriptive indicators, evaluative indicators, information indicators, predictive indicators, system indicators and performance indicators all being utilised for different purposes; for example, an evaluative indicator will be used to draw conclusions about the connectivity of two indicators, while a predictive indicator will be used when a future scenario needs to be sketched. The last level of distinction focuses on the measurability of an indicator: quantitative indicators are highly visible and concrete, as opposed to qualitative indicators, which are highly abstract and which are used for the measurement of subjective factors, such as people's perceptions about service delivery. However, it is important to note that the categories into which indicators are differentiated are not mutually exclusive, since the possibility exists that an indicator may simultaneously comprise, for example, an objective indicator, a baseline indicator, a descriptive indicator and a quantitative indicator, for instance in a case where such an indicator provides information concerning the percentage of the population without access to clean drinking water within 200m of the household.

2.3 Challenges with regard to development indicators

Having outlined the categories of indicators above, the emphasis now shifts to the challenges facing development indicators. These challenges relate to the validity, relevancy, efficiency, sufficiency, simplicity, availability and representativeness of indicators. An indicator is regarded as valid if, firstly, the association between the

constituent and contingent variables is not questioned (e.g. the association between literacy levels and employment) and secondly, if an indicator can correctly represent its constituent variables and therefore comprises a true reflection of facts, and is not misleading (IISD, 1998). With regard to relevancy, an indicator is not relevant when the association drawn by the constituent variables with the contingent variables is wrongly subsumed (e.g., in a case where household size is assumed to be dependent on the size of the house). The relevance of an indicator is also affected when the association is explicitly but incorrectly stated, or is ignored, and may therefore not be relevant to the main objective of its formulation. Indicators should also provide a representative picture of current conditions, be easy to interpret, and should allow for international comparison, with a threshold or reference value against which they can be compared (Mukherjee, 1981; IISD, 1998; OECD, 1999). Lastly, the policy relevance of indicators is also important; and indicators should therefore be linked to one or several issues around which key policies are formulated. The connection between the indicators, critical decisions and policies is crucial, precisely because indicators are intended to improve the outcome of decision-making (IISD, 1998; OECD, 1999).

Mukherjee (1976 and 1981) is of the opinion that, even though an indicator may be valid and relevant, it may not be efficient. The efficiency of a development indicator is not only dependent on its ability to extract information but also, more importantly, on how much information can be withdrawn, as well as the degree of precision with which it can be withdrawn. Accordingly, the efficiency may vary on account of the indicator's variables not being precise enough to depict reality; and the value consideration (desirable/undesirable) of the indicator may be ignored or by-passed. Efficiency in such a case would depend on the precision of the scale that denotes change. Sufficiency, in this context, refers to a situation in which an indicator or set of indicators represents the properties of other indicators, and therefore begins to replace them. Ideally, sufficiency should eventually result in a few indicators, which appraise reality in a precise and comprehensive manner (Mukherjee, 1976).

The information provided by an indicator should be easily understandable; and even complex issues and calculations should eventually yield clearly presentable information, which the general public will understand. Good time-series data should be readily available at a reasonable cost and should therefore also be easily measurable (IISD, 1998; Morse, 2004). The representativeness of an indicator depends, amongst other factors, on whether the indicator reflects on very narrow or very broad issues; and since there is an endless list of indicators, those indicators that combine information on a range of issues are preferred (IISD, 1998; OECD, 1999).

2.4 Problems experienced with development indicators

Although development indicators are considered to be a critical part of development planning, there are nevertheless certain drawbacks attached to the use of these indicators, all of which should be taken into consideration when deciding on which indicators to use. First of all, most indicators are based on a Western perspective and grounded in the modern beliefs of science, in terms of which the idealistic assumption is made that we can predict, control and determine outcomes on the basis of imperfect data that may vary considerably (Srinivasan, 1994; Parnell and Poyser, 2002). The multiple facets of developmental problems also require many indicators that are specific to the environmental, social and economic conditions, in order to ensure that all aspects are monitored. According to Yeh (1976), Srinivasan (1994) and Parnell and Poyser (2002), however, this specificity is often lacking, because most indicators originated in industrial countries and methods of data collection vary between countries. Furthermore, many environmental and social processes or impacts are not fully understood, show random or chaotic behaviour and/or are subject to interference or interaction with other factors, or are otherwise unpredictable (Earthwatch, 1998; Hodge *et al.*, 1999).

A single indicator can never capture all the vital aspects of sustainable development. However, composite indicators and aggregate indexes present a statistical and analytical problem by becoming excessively abstract. Difficulties occur in respect of the weighting and scaling of each variable, with the result that serious deficits are often concealed in the process (Nafziger, 1997; Bossel, 1999; Parnell and Poyser, 2002). As pointed out by Srinivasan (1994), Nafziger (1997) and Earthwatch (1998), the lack of a rationale for assigning equal weights to the core indicators and the lack of reliable data since 1980 have complicated the use of composite indicators. What makes matters worse is that some composite indicators cannot be used to draw comparisons between individuals or households and do not capture the adverse effects of profound gender or race disparities on social progress (Srinivasan, 1994; May *et al.* 2000). Bossel (1999) and Parnell and Poyser (2002) stress that although extensive lists of indicators may be used, there should be a clear rationale behind the selection of an indicator. The selection should not be arrived at on an *ad hoc* basis, but should be representative of the total system, i.e. it should provide a complete reflection of human society in interaction with its natural environment. Since the selected indicators may lose their relevance, they sometimes have to be replaced by others, more relevant to the current conditions.

It is also important to note that indicators are mostly dependent on quantitative data; and since collecting information is costly, the greatest possible accuracy is considered to be essential in the collection of relevant data, since the analysis of unreliable or biased data could result in seriously distorted analytical and policy conclusions (Parnell and Poyser, 2002). It is true that reliable data do not always exist. For example, the trends in respect of life expectancy, as calculated in the Human Development Report, are based on educated guesses. According to Srinivasan (1994), crosschecking and validating data by making use of different sources of the same information could reduce these problems. Therefore, it is important to indicate whether data are based on current and direct information, current but indirect estimations, or projections based on past information. Moreover, information on the recency and reliability of any benchmark ratios of parameters used, is also necessary. Consequently, it is imperative not to present

data that are comprised of current observations, projections dating several years back, and guesses, that have been substituted for non-existent observations, in the same table, without distinguishing them. Furthermore, if the conceptual basis of the indicator is dubious, it is advisable not to present the aggregate information (Srinivasan, 1994; Parnell and Poyser, 2002). Given all these problems associated with the development and use of indicators, it is clear why it is imperative to consider how the information is utilised.

2.5 Development indicators used in planning

However difficult this may be, it remains important to measure social progress or improvements in the quality of life, for the purpose of proper planning. Ideally, a range of indicators should be measured which, first and foremost, reflect the constituents of well-being such as health, life expectancy, civil and political rights and which, secondly, reflect the determinants of well-being, such as income, housing quality, the quality and accessibility of schools, health care services and other social facilities. It is important to note that development indicators may differ between developed and developing countries, as statistical systems, cultural values and the political planning environment may differ. This highlights the importance of distinguishing between different population groups and regions when using development indicators during the planning process (Yeh, 1976; UNCHS, 1996). There are various indicators to measure the different aspects of society; a brief outline of some of the most commonly used indicators is presented in Table 2.

Table 2: Examples⁴ of indicators used in development planning

Sector	Indicator	Purpose of indicator
Education and literacy	Adult literacy rate by gender	Presents the outcome of schooling and has an impact on reproductive health, female participation in the labour force, the distribution of income and therefore also the status of women in society
	Net enrolment ratio for primary schools	Identifies the number of children of secondary school age still in primary school. Can be linked to living conditions and gender disparities

⁴ Since there is a virtually endless list of indicators, only the most accessible and commonly used are presented here.

Sector	Indicator	Purpose of indicator
	Expenditure per student per level of education	Gives direction to public spending on education
	Total public spending on education	Indicates government's commitment to education; may be linked to low pass rates, low literacy levels
Labour, employment and unemployment	Employees per sector	May signify growth/decline in sectors; may also indicate sectors with potential to absorb unemployed
	Labour force per level of education	Level of education determines the occupation and therefore also the income of a person. Indicator guides government in deciding which industries to attract to absorb labour force
	Population in age category 15-64	Determines size of labour force
	Percentage of people unemployed	Indicator of economic situation; impacts on social stability in a country
Production and consumption	Gross Domestic Product (GDP) or Gross National Product (GNP)	Measures production; measures the economy and its rate of growth (Environmentally adjusted GDP can be calculated to measure sustainability of economic growth by taking the environmental impact into consideration)
	Average calorie intake per capita per day	Measures food consumption; can be linked to poverty and general health
	Population with access to safe drinking water	Measures consumption of water; is also related to health issues
	Number of telephones in use per thousand of the population	Indicator of economic development
	Household final expenditure	Measures consumption
Income distribution, wealth and welfare	Monthly household income	Measures wealth
	Gini coefficient	Measures inequality in the distribution of wealth
	Income share held per quintile	Measures inequality in income distribution
	Physical Quality of Life Index (PQLI)	Measures welfare by combining three indicators (infant mortality, life expectancy and adult literacy rate), representing the effects of nutrition, public health, income and the general environment
	Headcount ratio	Measures the proportion of the population living below the poverty line and is therefore a good indicator of poverty levels
Health	Infant mortality rate and under-five mortality rate	Indicates the current health situation, as well as improvements in sanitation, water supply, nutrition, access to fertility control, medical care and education
	Percentage of births attended by medical staff	Indicates the availability and accessibility of medical care; impacts on infant mortality
	Health expenditure per capita, private and public	Indicates general health of the population and differences in public vs. private spending
	Hospital beds available	Provides information on availability of health care
	Immunisation	Impacts on infant and under-5 mortality rate; measures effectiveness of immunisation campaigns
	Birth weight of babies	Provides an indication of nutritional and general health conditions and impacts on mortality rate
	Prevalence of malnutrition	Together with per capita calorie intake, can be linked with poverty and poor educational levels of women
	Life expectancy at birth	Gives an indication of general health of population and quality of health care
Integrated human development	Human Development Index (HDI)	Presents a broader picture of human development by combining life expectancy at birth, literacy, combined primary and tertiary enrolment ratios and the GDP per capita (PPP US\$), as proxies for these dimensions of human development

Sources: Anderson (1991), Eisner, (1997), Nafziger (1997), Booyesen (2000), World Bank (2001), UNDP (2003) and Morse (2004)

In addition to the indicators presented above, Carley (1981) and the UNCHS (1996) highlight indicators used especially for urban analysis. These are developed, firstly, for intra-urban analysis, entailing the identification and description of particular geographical areas of cities for planning and policy purposes; secondly, for inter-urban analysis, in which these indicators are used to compare and contrast cities and regions in terms of a variety of measures; and thirdly, for performance measurements, used to determine the tangible improvements and cost-effectiveness in respect of public service delivery. Examples in this regard include indicators reflecting the level of urbanisation, as well as the annual urban population growth. Since indicators for specific urban areas are not available, proxy indicators are used which often comprise the urban component of national data (UNCHS, 1996; Amis, 2002).

Even though the list of indicators referred to above is quite comprehensive, it remains imperative that factors such as the relevancy and validity of an indicator should be assessed, in order to ensure that the indicators used provide a proper reflection of the issue being investigated. However, planners should not be daunted by these challenges, nor by the complexity of development indicators, as the reality of development planning requires the utilisation of such indicators. The South African Government has provided a number of guidelines with regard to which indicators should be used for planning. The role of indicators in Local Government, as well as the guidelines from the DPLG, will be discussed next.

3. Development indicators and local government

The mandate of local government, according to the Constitution (South Africa, 1996), is to provide democratic and accountable government for local communities; to ensure the provision of services to communities in a sustainable manner; to promote social and economic development; to promote a safe and healthy environment; and to encourage the involvement of communities and community organisations in matters

of local government. In order to fulfil this mandate, local government requires baseline indicators to identify priority areas and, as pointed out by Parnell and Poyser (2002), to target the most vulnerable. These baseline indicators are then used to develop target indicators, which are also referred to as Key Performance Indicators (KPIs). According to Khosa *et al.* [s.a.], KPIs must facilitate the empowerment of communities to participate in municipal affairs; be usable as key instruments to assess the relationship between civil society and the institution; be focused on issues of good governance; emphasise accountability, transparency and effective participation in local governance; be usable in performance management; be output-orientated; and should therefore also be measurable, objective and precise, in order thereby to provide feedback on whether the right things are being done in the correct way. These KPIs also serve as a vehicle for the assessment of local governments' performance and therefore ensure accountability as well as transparency in service delivery. Therefore, indicators are used to determine the recipients to whom resources should be allocated (baseline indicators); how delivery will take place (target indicators); and the efficiency of delivery (outcome indicators) (Parnell and Poyser, 2002).

The municipality must allow the community to participate in the development of appropriate KPIs and the setting of performance targets (Khosa *et al.* [s.a.]). In this regard, Khosa *et al.* [s.a.] suggest the following criteria: service delivery, community participation and consultation, communication, leadership, cooperation and unity, Council-Municipal performance, transparency, anti-corruption measures, disclosure, risk management and internal control, ethics and values. Service-related indicators should be included as Key Performance Areas (KPAs), with related indicators such as the KPA of Community Participation, together with KPIs such as council meetings being open to the public and more than 50% of ward councils being established. Public participation leads to many divergent opinions and concerns being raised with local government; and indicators enable municipalities to make policy decisions that accommodate varying interests (Parnell and Poyser, 2002). The DPLG has developed legislation and other guidelines to ensure and guide the use of indicators in municipal planning.

3.1 Legislative requirements

The Municipal Systems Act (South Africa, 2000) requires municipalities to set targets and indicators according to which performance must be monitored and reviewed. Every municipality is also required to develop a Performance Management System (PMS), which includes Key Performance Indicators (KPIs). In addition to the Municipal Systems Act (South Africa, 2000), the Municipal Planning and Performance Management Regulations (South Africa, 2001) and the Municipal Finance Management Act (South Africa, 2003) require, *inter alia*, the measurement of the municipality's service delivery performance through the use of performance indicators and service delivery targets. These service delivery targets can only be established if good baseline information is available concerning the current reality with regard to service delivery in a particular municipal area.

3.2 Other guidelines

The DPLG, with the support of the German Agency for Technical Cooperation (GTZ), developed an extensive set of IDP guide packs. Amongst these is Guide IV (South Africa, 2002), a "Toolbox" which gives guidance on, *inter alia*, problem analysis and the compilation of information, together with potential sources of this information, e.g. a population projection from 1996 to 2021, available at Local Municipal level from the Development Bank of Southern Africa (DBSA). The purpose of using development indicators in the IDP is clear from the literature discussed above, as well as the guidelines and legislative requirements as set by the DPLG. The IDP process is grounded in an in-depth analysis of priority issues which could provide baseline indicators to guide service delivery and the development of KPIs, and which could therefore form the basis of the PMS. Furthermore, as indicated by Khosa *et al.* [s.a.], indicators also play a role in the allocation of grants such as the equitable share (ES), since these grants from national government are

based on the level of need. It is in the light of the legislative and other guidelines, as well as the literature overview, that the current use of development indicators in the IDP process will be assessed.

4. Current use of indicators in IDPs

The importance of development indicators in the IDP process cannot be stressed enough. However, judging from the current IDPs, proper cognisance has not been taken of this crucial factor. The use of development indicators in the three IDPs (Mantsopa, Nala and Setsoto) will therefore be discussed with reference to the types of development indicators that are presented, the challenges faced with regard to the use of these indicators, and lastly, the implications thereof for development planning. This analysis is based on both the initial IDPs and the revised IDPs, since changes occurred in the indicators presented.

4.1 Types of indicators used in IDPs

The indicators used in each of the IDPs are reflected in Table 3 below.

Table 3: Percentage⁵ of usage of the various types of indicators in the IDPs

Type of indicator	Mantsopa IDP (%)		Nala IDP (%)		Setsoto IDP (%)	
	Original	Reviewed	Original	Reviewed	Original	Reviewed
Objective	99	100	100	100	100	100
Subjective	1	0	0	0	0	0
Internal	5	0	1	0	0	0
External	95	100	99	100	100	100
Baseline	50	100	100	100	100	100
Target	50	0	0	0	0	0
Input	0	0	0	0	0	0
Output	0	0	0	0	0	0
Outcome	0	0	0	0	0	0
Single	100	100	100	100	100	100
Composite	0	0	0	0	0	0
Descriptive	100	100	100	98	100	100

⁵ Percentages have been approximated, since many indicators can be included under various categories.

Evaluative	0	0	0	2	0	0
Information	0	0	0	0	0	0
Predictive	0	0	0	0	0	0
System	0	0	0	0	0	0
Performance	100	0	100	0	0	0
Quantitative	100	100	100	100	100	100
Partly quantifiable	0	0	0	0	0	0
Qualitative	0	0	0	0	0	0

On the basis of Table 3 (which, in turn, is based on Table 1), it can be seen that the types of indicators used in the IDPs were all objective and quantitative in nature (100% in the case of both the initial IDPs and the reviewed IDPs, according to Table 3). For example, in the information concerning the percentage of households with access to water, no attempt was made to present subjective indicators reflecting the satisfaction levels or attitudes of the community at large. Subjective indicators could also be utilised to measure the performance of the municipality as seen through the eyes of the community. The absence of such indicators means that the community's perceptions concerning service delivery are not known, and therefore cannot be addressed. A good example of a case in which a subjective indicator could have been put to good use can be found in the Mantsopa IDP, where the Local Economic Development (LED) strategy to reduce crime and create a safe and secure environment could have been made measurable by establishing peoples' perceptions of their own security, in order to provide baseline information which could later be monitored through follow-up surveys. Surveys are required to develop subjective indicators, since only objective indicators are readily available. The costs involved in conducting such surveys, together with the limited knowledge about the usefulness of such indicators, possibly comprise the reason for this deficiency. However, the development of questions and sample surveys could be conducted internally by municipal planners, thereby reducing the cost. The absence of such skills in municipalities raises questions as to whether appropriate capacity exists at municipal level.

Similarly, most of the indicators presented were external in nature, e.g. "Annual average household/ individual income", with very few internal indicators to measure internal targets of the municipality (only Mantsopa attempted to provide internal indicators (5%), as reflected in Table 3). Amongst these few indicators, an internal

target set by the Mantsopa IDP to ensure improved service delivery is concerned with the number of complaints received about the sanitation system, with a baseline provided to support the target set. As a result of the absence of internal indicators in the other IDPs, it will be impossible to measure the performance of the concerned institutions with regard to internal transformation and service delivery. Considering the degree of resistance and dissatisfaction relating to poor service delivery in the Free State, the monitoring of service delivery remains a major challenge.

The development of target indicators is mostly dependent on the existence of baseline indicators. Targets cannot be set without an awareness of the current situation; and since the current baseline indicators presented are insufficient, targets have not been set. The initial Mantsopa IDP did attempt to provide target indicators (50%); however, without baseline indicators in place, setting targets was impossible. For example, with regard to the percentage of children under the age of five who are stunted, it was difficult to set any targets, other than stipulating that the rate should be down by 15% by 2007. This target indicator is not measurable, since the current percentage (baseline) is not known. It is also important to note that the attempt to provide target indicators in the initial Mantsopa and Nala IDPs was not followed up in the IDP review (2004/05), with both the baseline and target indicators having been removed. This was probably owing to the fact that the initial IDPs were developed by consultants, whereas the same capacity does not exist within the municipalities to review and add to the baseline indicators provided in the initial IDPs, and to review the targets accordingly.

With regard to the composition of the indicators, all indicators presented were single indicators (100%), with no attempt having been made to present composite indicators. Indicators distinguished according to their respective purposes were mostly descriptive in nature. Only Mantsopa attempted to provide performance indicators, e.g. the Mantsopa IDP indicated that 48% of the population was unemployed in 2001, and that this figure was to be reduced to 38% by 2007. The initial IDP of Nala also included performance indicators, but these were never fully developed so as to include baseline indicators to make them measurable; and they were eventually also left out of the review. It is especially surprising that evaluative indicators were not presented, since the information, based on the 1996 and 2001 Censuses, is available, and could

prove valuable in establishing cause-effect linkages, e.g. in considering household income together with the gender of the head of the household and his/her highest level of education. Again, poor understanding of development indicators and of the software (SuperTable) supplied by Statistics South Africa (StatsSA) for the 2001 Census results, coupled with time constraints, may account for this general absence of evaluative indicators.

Having considered the above framework and assessment of the use of different types of indicators in the IDPs, a number of broader comments need to be made. Firstly, taking into consideration the wide range of development indicators used in planning, what is presented in the IDPs is very limited. The information mostly pertains to the existing infrastructure (e.g. the number of schools and health care facilities, as indicated in the Nala IDP), rather than to the developmental status of the population (e.g., literacy levels or infant mortality rates). Secondly, it was evident that the focus of the initial IDPs was on social services and infrastructure, while the reviewed IDPs tend to focus more on Local Economic Development and poverty alleviation. The indicators presented were therefore focused on issues of income and employment, with some of the initial social indicators having been removed. For example, the 2004/05 IDP of Mantsopa gave no indication of illiteracy levels or Human Immunodeficiency Virus (HIV) infection rates, although both of these factors had an impact on the economic development of the area. The integrated nature of society, and the way in which the economic situation impacts on social development and vice versa, are therefore not represented, e.g. the fact that a high percentage of low-income households means greater dependency on welfare grants. Thirdly, with the 2001 Census information being available, the 1996 Census information was simply replaced, with very few attempts to carry out any trend analysis. Trend analysis is particularly important in development planning, especially with regard to economic trends. The absence of long-term economic trend indicators results in inadequate development planning being proposed. The absence of indicators for the agricultural sector is particularly alarming, since all these municipalities are greatly reliant on the agricultural sector. For example, despite a decline in manufacturing in the Free State (Nel, Rogerson and Marais, 2004), municipalities still regard manufacturing as the main sector with the potential to create a large number of jobs. Although there is

probably a place for manufacturing, it is unlikely that it would provide the sole solution to the problem of unemployment.

Both the officials and consultants interviewed indicated that the limited use of development indicators is owing to the limited availability of information and, even more so, to the limited knowledge amongst officials, firstly in respect of the necessity of utilising development indicators in planning and secondly, in respect of how to develop and analyse indicators. It should therefore not be considered surprising that only Mantsopa attempted to develop localised indicators where indicators were not available, e.g. in respect of the rand value of building plans approved. Another alternative, as suggested by the Bureau of Market Research, is that of using fuel consumption as an indicator of economic growth. However, it was encouraging to note that Mantsopa had conducted the Mantsopa Rural Survey in order to assess the developmental situation in the rural areas. With functioning ward committees to assist in this regard, collecting information about the developmental situation in a municipal area should be an available option for the purpose of supplementing and confirming other sources of information. However, it remains crucial to bear in mind that not all information can be used in the form of indicators of development. A great deal of the information presented in the IDPs cannot be used as a measurement of development. It is therefore of critical importance to take the challenges experienced with development indicators into account (as discussed in 2.3) and to have a clear idea of what should be measured, before deciding on what information to collect.

4.2 Challenges faced by municipalities in the use of development indicators

It is apparent from the limited use of development indicators that the local municipalities are facing many challenges with regard to this aspect of development planning. The first challenge to be considered concerns the availability of up-to-date information, as well as the accessibility of this information. In most instances, municipalities rely on Statistics South Africa's (Stats SA) Census Results - either those of 1996 or those of 2001 - as the basis for most of their indicators. Sectoral information concerning issues such as agriculture, health and education is not always

available in the district offices; and in the cases where it is available; it is often not easily accessible. However, it also appears that no adequate attempts were made to gain access to this information. It is especially in the field of economics - where information is freely available on a national or provincial level, but can only be acquired for the local level at a great cost (for example, although the Nala and Setsoto IDPs presented the percentage contribution of each economic sector to the Gross Geographic Product (GGP) of the municipality, the information for Setsoto pertained to 1993/1994 and could therefore be considered to be outdated) - that local studies would have to be conducted in order to develop indicators for measuring local economic growth. Local studies are also required to verify the results of the Census, especially under the current South African conditions where the population characteristics have been changing rapidly since 1994 (FAO [s.a.]). However, the conduction of such studies may be hampered by the costs involved. As pointed out above, it is nevertheless encouraging to note that Mantsopa conducted the Mantsopa Rural Survey in an attempt to bridge this gap. Follow-up surveys would, however, be required in order to assess whether progress has been made in addressing the developmental issues in the rural areas.

Closely linked to the issue of the availability and accessibility of information, is the absence of trend analysis. The absence of time-series data in the IDPs can be ascribed both to the inadequacy of the data collection in the analysis phase, where information is requested from sector departments for one year only, and to the lack of understanding in respect of the use of timeline information. What is seen as “old” information is simply replaced with the latest information, instead of comparing

results and establishing trends. A good example of this tendency is the use of the Census information. During the initial IDPs, the 1996 Census results were used, but they were soon replaced with the 2001 Census results. Furthermore, information is often presented without being used to develop any development indicators. An example of this is the presentation of the number of health facilities and the number of personnel in these facilities, without any additional indicators in respect of the availability of health services, such as the number of nurses/doctors per 100 000 of the population.

Another challenge is posed by the presentation of information without a clear analysis of what the information is an indicator of; in other words, no indication is given as to the developmental situation that exists, and whether it should be addressed. Linked to this problem is the lack of analysis surrounding the presented developmental indicators. In many cases, actual numbers are presented where percentages or ratios (e.g. a dependency ratio) would have given a more consumable and analysable picture of the situation. For example, the reviewed IDP of Nala makes use of the 2001 Census information with regard to access to services by presenting the number of households with access to water, sanitation and electricity per town. However, if these numbers had been accompanied by the percentage in respect of the total number of households, this would have provided a clearer indication of which areas were experiencing the greatest backlogs with regard to access to services. There have also been limited attempts to develop cause-effect linkages, e.g. the linkage between the high unemployment rate and non-payment for services. Furthermore, a limited attempt was made to compare the developmental situation in the municipalities with that of the neighbouring municipalities, as well as provincial or national averages, in

order to set benchmarks. Although some attempts were made to conduct intra-municipal comparisons on a ward or town basis, these efforts were also limited in extent. The Nala, Mantsopa and Setsoto IDPs drew comparisons between the major towns in the municipal area, while only the Mantsopa IDP also compared wards in the economic profile. The absence of an in-depth demographic analysis was especially apparent in the IDPs. Population numbers were presented for either 1996 or 2001, with only Mantsopa attempting to project the population for 2007. Population growth was not presented; and no attempt was made to present the impact of HIV on the growth rate or the age pyramid. Furthermore, no attempt was made to compare different sources of the same information, for example, a comparison of Stats SA's population projections with those of DBSA.

Moreover, baseline indicators should be used to ensure that the objectives, developed to address the priorities, are measurable and that the strategies employed to achieve the objectives are effective and efficient. However, most of the objectives in the IDPs do not include indicators, as a result of which these objectives are rendered immeasurable. For example, the Setsoto objective of reducing the sanitation backlog is presented without any indication of the current backlog (baseline indicator), or of what is to be achieved (target indicator) over what period of time. A start can be made in addressing this problem by ensuring that the necessary baseline indicators are developed urgently, since this overall lack of sufficient development indicators has several implications for development planning and therefore also for local governance.

4.3 Implications for development planning and local governance

Development planning must ensure that the limited resources available to local government are targeted and used where they are likely to have the greatest impact, with decision-makers being held accountable in this regard. Development indicators comprise the foundation of development planning, and therefore also of the IDPs of municipalities. Consequently, the inadequate use of development indicators in IDPs has several implications for development planning and, therefore, also for local governance.

Firstly, as mentioned previously, baseline indicators provide an overview in respect of where the areas of need are; and in the absence of development indicators, scarce resources may be directed to already well-resourced areas or communities, thus increasing precisely those inequalities that local government originally set out to address. In such cases, development interventions will be based on “popular beliefs” rather than on researched information. In addition to this, without development indicators the possibility exists that interventions may be directed at the symptoms and not the causes of societal problems. For example, a community might identify a need for more staff at the local clinic, on the basis of the long queues. However, if the appropriate health indicators had been in place, the high prevalence of diarrhoea could have been identified as the reason why so many people go to the clinic, which in turn could have been correctly attributed to the absence of safe drinking water. The real priority should therefore be the provision of safe drinking water, rather than more staff for the clinic. Secondly, the transparent identification of high-priority issues in a diverse society will not be possible without development indicators to support such decisions. Thirdly, the measurability of developmental objectives is compromised without indicators, and this in turn reduces the accountability of decision-makers. Fourthly, the identification of alternative strategies is not possible without cause-effect analysis based on development indicators. Furthermore, performance measurement and therefore also the measurement of the effectiveness of developmental strategies and the impact of projects are not possible without baseline

and target indicators having been set. Lastly, local governments are encouraged to take pro-active steps in their developmental initiatives; however, they are hampered by the absence of information and predictive indicators aimed at establishing trends. It is therefore of the utmost importance for the future of development planning that the use of development indicators in the IDP process should be encouraged, supported and improved.

5. Conclusion

It is clear from the above analysis that the current use of development indicators in IDPs is too limited in extent to guide policy formulation and the targeted allocation of resources at a local government level. Considering the various types of development indicators discussed in the paper, it is evident that very few of these were utilised in the IDPs, as reflected in Table 3. In addition, municipalities have been unable to overcome many of the challenges with regard to the development of indicators and have also experienced similar problems to those that were highlighted in earlier literature. However, it must also be pointed out that the legislative requirements for the use of indicators in the IDPs are not supported by means of the appointment of qualified people to implement these requirements. The result is IDPs with development objectives which are not measurable and which cannot be used in assessing the progress made with service delivery. All in all, the capacity of municipal officials and councillors needs to be enhanced with regard to the importance and the use of development indicators. It is therefore imperative that officials should be trained in the development and application of development indicators and that new appointments should be made, taking into consideration the knowledge required with regard to development indicators. Also, the DPLG and the provincial office of Local Government should play a leading role in acquiring baseline information for municipalities, which the latter would otherwise not be able to afford.

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Paper Two: Missing the Boat: Immaterial community participation⁶ in the Integrated Development Planning Process in the Free State (South Africa)

Abstract

The level of community participation in the Integrated Development Planning (IDP) process has not been well researched. In this paper, community participation in development planning will be discussed on the basis of the theory of community participation at a national and international level. The discussion will focus on levels of participation, as well as approaches to and methods of participation. The factors affecting, and the preconditions for, effective community participation will also be considered. Finally, the process of community participation in Integrated Development Planning in three local municipalities in the Free State will be evaluated, with a particular focus on the dangers of the tendency to engage in community participation in the IDP process for the sole purpose of compliance with legislation, rather than for community empowerment.

1. Introduction

The subject of community participation has been well researched with regard to issues such as the principles and theory of community participation (McGee, 2002; Chrystalbridge, 2003; Rauch, 2003), participation in local governance (Brynard, 1996; Nel, 2000; Ambert, 2002; Jansen van Vuren, 2002; Pieterse, 2002a; Davids, 2003), participation in urban planning (Cheema, 1987; Kok and Gelderblom, 1994; Abbott, 1996; Innes and Booher, 2000; World Bank 2001), participation in development interventions (Botes, 1999; Hemson, 2002) and the participation of marginalised groups (Sowman and Gawith, 1994; Guerra, 2002; Hemson, 2002), *inter alia*. However, there have been very few attempts to assess the level of community participation in the Integrated Development Planning (IDP) process in South Africa (a planning process through which municipalities develop a strategic, five-year development plan (cf. DPLG, 2002a)). One exception is Rauch's (2003) assessment of issues such as community-level needs identification, ward committees, feedback mechanisms, stakeholder representation, the role of traditional leaders and the IDP representative forum.

⁶ For the purpose of this article, community participation refers to the participation of all those whose existence may somehow be impacted upon by the decisions and actions of the municipalities, including: other spheres of government; marginalised groups; non-governmental organisations (NGOs); community-based organisations (CBOs); the private sector, etc.

This article aims to bridge the identified gap in the existing literature by analysing the community participation processes followed in three local municipalities of the Free State Province, namely *Mantsopa* (Ladybrand / Manyatseng, Hobhouse / Dipelaneng, Excelsior / Mahlatswetsa, Tweespruit / Borwa and Thaba Patchoa), *Nala* (Wesselsbron / Monyakeng and Bothaville / Kgotsong) and *Setsoto* (Ficksburg / Meqheleng, Clocolan / Hlohlowane, Marquard / Moemaneng and Senekal / Matwabeng). The main aim of this paper is to showcase the relatively weak levels of participation in the IDP processes investigated in the study. Essentially, I would like to argue that community participation is incorporated mainly for the sake of compliance with procedural guidelines, without a deep and intense involvement on the part of the community, or any attempts to enrich the IDP process through community involvement. To illustrate this argument, the theoretical paradigms behind community participation will firstly be considered. Attention will be devoted to aspects such as the definition of community participation, levels of participation, approaches to, and methods of community participation, as well as the preconditions for and factors impacting on community participation. The challenges facing community participation will also be considered. Thereafter, community participation during the IDP process in the three local municipalities of the Free State will be analysed on the basis of policy guidelines and the theory of community participation. Finally, a number of concluding comments will be made.

2. Defining community participation

Community participation is a concept that is glibly used by researchers, planners and politicians. Defining the concept of community participation is no easy task (Jansen van Vuren, 2002; Muller, 1994). However, McGee (2002) defines community participation as a process through which the community can influence and share control over development initiatives, decisions and resources which affect them. The ability to take control over development is, according to Srinivas (1994), dependent on the willingness of both government and communities to accept certain responsibilities and carry out certain activities. Other scholars have emphasised the fact that participation is a political practice that promotes access to relevant information, influence over the allocation of scarce resources, awareness about the benefits of collective action and the increasing of social capital, and citizenship

(Abbott, 1996; Nel, 2000; Pieterse, 2002a; Soneryd, 2004). From the various definitions, it seems that the definition of community participation is dependent on the context in which it is referred to. As this paper considers community participation within a development-planning context, a more detailed assessment of the approaches to development planning would be useful in order to understand community participation.

Schafft and Greenwood [s.a.] argue that approaches to development planning can generally be divided into traditional planning and participatory planning. The traditional approach is centralised, vertical and imposed on lower levels. In contrast, participatory planning is decentralised and horizontal and ensures synergy between the top and the bottom levels by being collaborative (Communications Initiative, 2003). The literature shows that traditional planning approaches are also highly technical, mostly driven by economic and spatial concerns, and are authoritarian and exclusive. In contrast, participatory planning is based on dialogue and is driven by local knowledge and concerns (Mabin, 2002; Communications Initiative, 2003). Furthermore, in traditional planning, outsiders are the experts, with local people being regarded as the beneficiaries (Communications Initiative, 2003). Participatory planning emphasises the consultation of locals as experts, with outsiders as facilitators (Schafft and Greenwood [s.a.]). Participatory planning thus aims to ensure that people are not just passive pawns in development, but active “managers” of their own development. However, participatory planning is not value-free or simplistic. Pieterse (2002b) is of the opinion that a participatory approach to development should not be viewed as the “alpha and omega” of development, since community participation is neither an unqualified moral prerequisite nor an absolute condition for successful development. Community participation may even be inappropriate at times, as the very poor and disorganised may lose out in cases where resources are limited (FAO [s.a.]).

In view of the above discussion, the aim of community participation in development planning is to empower the least-developed segment of society by being both a

knowledge sharing and a productive activity (Muller, 1994; Ceasar and Theron, 1999). In addition, Stein (2001) is convinced that community participation could also be aimed at sharing development costs, by mobilising community funds and labour. Nevertheless, in general, a distinction can be made between participation as a means and as an end (McGee, 2002; Theron, 2005). As a *means*, community participation is used to achieve what Theron (2005) calls a predetermined goal or objective, such as improving the quality of plans and increasing the likelihood of successful implementation (see also Stein, 2001; FAO [s.a.]; Schafft and Greenwood [s.a]). As an *end*, however, community participation attempts to empower people by building beneficiary capacity and dismantling discriminatory, oppressive and paternalistic structures, replacing these with developmental, democratic and liberating systems (Schafft and Greenwood [s.a.]; Ceasar and Theron, 1999; Theron, 2005). Botes (1999), however, is of the opinion that proper community participation should achieve both empowerment and project efficiency and effectiveness, through long-term active and dynamic participation. The aim of community participation determines the approaches and methods to be used in ensuring such active and dynamic participation. Therefore, national and international experiences in this regard need to be considered.

3. International and national reflections on community participation

This section will briefly reflect on a number of aspects in relation to community participation in development planning, on the basis of international and national literature.

3.1 Levels of participation in development planning

There are significant variations in the quality and degree of participation in development planning, ranging from the mere collection of input via public

hearings to total citizen control over development, planning, implementation and ongoing management of local initiatives (Arnstein, 1969; Kok and Gelderblom, 1994; McGee, 2002; Schafft and Greenwood [s.a.]). The various levels of participation identified highlight the fact that a variety of approaches, which amount to manipulation of the community, are camouflaged as community participation. Real participation, however, entails more than just informing communities of decisions already taken, or selling proposals (Botes and Van Rensburg, 2000). Kok and Gelderblom (1994) distinguish between four levels of participation. The first level, *information sharing*, is a low-intensity form of participation in which information is shared with the community, either to gain support for decisions taken or to facilitate collective action. Information sharing is an essential activity, but participation should not end at this level (Kok and Gelderblom, 1994; McGee and Norton, 2000). The second level, *consultation*, is a higher-intensity form of participation, with beneficiaries not only being informed of, but also being consulted on, certain issues (Kok and Gelderblom, 1994; McGee and Norton, 2000). According to Kok and Gelderblom (1994), during the third level of community participation, namely *decision-making*, decisions are made exclusively by beneficiaries, or jointly with others. In the fourth and highest level, that of *initiating action*, beneficiaries take the initiative in terms of actions or decisions (Kok and Gelderblom, 1994; McGee and Norton, 2000; McGee, 2002). However, it should be noted that the four levels of participation outlined above are not mutually exclusive, and that further levels can be distinguished, as exemplified by Arnstein (1969), with varied degrees of participation within each level.

3.2 Approaches to community participation in development planning

Abbott (1996) refers to four possible approaches to community participation, namely community development (aimed at satisfying the social needs of people), political empowerment (aimed at achieving a fundamental change in society), community management (aimed at satisfying the social needs of people, but targeting a clearly-defined socio-economic group) and negotiated development (aimed at achieving balanced development). Brynard (1996) and Chrystalbridge (2003) add advocacy planning as an approach to community participation, with

planning being carried out on behalf of specified individuals or groups (the under-represented), rather than with a view to the broadly defined public interest, thereby ensuring that the goals and options of the specified beneficiaries are not neglected.

However, the approach to community participation (as outlined above) is influenced by various factors. Firstly, a number of researchers argue that the approach will be determined by the resources available, i.e. time, funds and personnel, as well as the capacity of the personnel, but – most importantly – also by the historical role of local government in the community (Sowman and Gawith, 1994; Jenkins, Kirk and Smith, 2002). Secondly, the community itself further influences community participation, in that the approach will depend on the educational level and socio-economic status of the community, as well as on the degree of homogeneity, gender relations and the differential needs of the community (Abbott, 1996). Thirdly, the approach to community participation is influenced by organisational factors, in terms of the level of organisation in the community; for example, the presence of women in such organisations (Sowman and Gawith, 1994; Abbott, 1996). In addition, the presence of social or community development workers, the relationship between the community and Community Based Organisations (CBOs) and the roles and agendas of the concerned CBOs will also influence the approach to participation (Sowman and Gawith, 1994; Abbott, 1996). Lastly, the approach to community participation will depend on planning-related factors, such as the level of participation required (Sowman and Gawith, 1994; Abbott, 1996). Therefore, the goal and objectives of community participation, the scale and intensity of the project, as well as the appropriate type of interaction will ultimately determine the approach (Sowman and Gawith, 1994; Abbott, 1996; Jenkins *et al.*, 2002; Kotval, 2006).

3.3 Methods of participation in development planning

The literature on participatory methods suggests an array of principles and examples and recommends the use of a combination of participatory methods (Kok and Gelderblom, 1994; Sowman and Gawith, 1994). The methods of

participation, each with its advantages and disadvantages, are linked to the level of participation (see Table 1 – this table was developed on the basis of the literature). At the level of information sharing, popular methods of participation include the distribution of information through documentation, exhibitions and/or media coverage, all mostly limited to a one-way flow of information and in many cases favouring the literate, with success being dependent on the accessibility of the population (Kok and Gelderblom, 1994; VicRoads, 1997). At the level of consultation, an “ideas” competition, referenda, questionnaires and/or in-depth and focus-group interviews are suggested by Kok and Gelderblom (1994). However, in terms of obtaining candid feedback from the community, in-depth or focus-group interviews are more successful, with questionnaires mostly being too time-consuming and costly (Brynard, 1996, VicRoads, 1997). At the level of decision-making, methods of participation include public meetings, as well as the Delphi and nominal group techniques, both of which require the participation of people with an above-average level of education, whereas public meetings, according to VicRoads (1997), can be attended by anyone. In the last level of participation, initiating action, the methods include self-help manuals, for example in respect of building precautions that should be taken against natural hazards. The use of such methods must be combined with either planning aid or extension services in order to assist the illiterate. However, Kok and Gelderblom (1994) recommend the *Charette* if the aim is empowerment, as it combines participation with self-surveying during a weeklong period of planning sessions.

Table 1: Methods of community participation

Level	Methods/Tools	Advantages	Disadvantages
Information sharing	Information documentation		<ul style="list-style-type: none"> • Favours the literate and intellectually orientated section of the community • One-way flow of information
	Exhibitions	<ul style="list-style-type: none"> • Reach a large number of people 	<ul style="list-style-type: none"> • Success depends on accessibility of dispersed population • One-way flow of information

Level	Methods/Tools	Advantages	Disadvantages
	Media coverage or audio/visual material	<ul style="list-style-type: none"> Partly overcomes accessibility problems 	<ul style="list-style-type: none"> Dependent on cooperation of others, e.g. newspaper editors One-way flow of information and costly
Consultation	Ideas competition	<ul style="list-style-type: none"> Good idea for mobilising public interest 	<ul style="list-style-type: none"> Only a highly selective group of individuals become involved
	Referenda	<ul style="list-style-type: none"> Relatively inexpensive 	<ul style="list-style-type: none"> Leading questions problematic
	Questionnaire*	<ul style="list-style-type: none"> Only statistically representative survey technique 	<ul style="list-style-type: none"> May be costly and time-consuming Seen as technocratic if there is no supporting information as to the implications of certain answers
	In-depth and focus-group interviews*	<ul style="list-style-type: none"> Planners obtain the necessary contextual information Interviews provide a general idea of problems and social dynamics in the community Information can be used in the structured questionnaire, and/or to amend the questionnaire 	<ul style="list-style-type: none"> May be costly and time-consuming
Decision-making**	Public meetings and inquiries	<ul style="list-style-type: none"> Not just informing people but addressing need to discuss findings Meetings assist with problem-solving and consensus-building 	<ul style="list-style-type: none"> Susceptible to professional control Alienating Dominated by the articulate
	Delphi technique#	<ul style="list-style-type: none"> Effective with non-interactive groups Ensures anonymity 	<ul style="list-style-type: none"> Requires participants to have written communication skills Success dependent on the accessibility and acceptability of the convenor to the participants
	Nominal group technique#	<ul style="list-style-type: none"> Verbal skills not a requirement for participation 	<ul style="list-style-type: none"> Not suitable for mass involvement Success dependent on accessibility and acceptability of convenor to participants Requires much organisation
Initiating action	Self-help manuals	<ul style="list-style-type: none"> Offer guidance to the community 	<ul style="list-style-type: none"> Exclusion of the illiterate
	Planning aid	<ul style="list-style-type: none"> Planning services made accessible to poor communities 	

Level	Methods/Tools	Advantages	Disadvantages
	Task forces and extension services	<ul style="list-style-type: none"> • Focused 	<ul style="list-style-type: none"> • May not entail true participation if people are not directly involved in task teams
	The workshop		<ul style="list-style-type: none"> • Dependent on energetic group organisers motivated to work with the disadvantaged and poor
	The Charette	<ul style="list-style-type: none"> • Empowering 	
	Training and the building of organisational and management capacity	<ul style="list-style-type: none"> • Empowering 	<ul style="list-style-type: none"> • Potentially costly and time-consuming

* All these techniques are hampered by a one-way communication approach and need to be supported by other methods

** An above-average educational level is required in order to participate

These techniques are useful in Third-World countries because they minimise dependence on verbal skills and allow a measure of anonymity

Sources: Kok and Gelderblom, 1994; Sowman and Gawith, 1994; Andranovich, 1995; Brynard, 1996; VicRoads, 1997; Pieterse, 2000; Jenkins *et al.* (2002); Chrystalbridge, 2003

In addition to the above-mentioned methods of participation, Beck *et al.* (1997) and McGee (2002) also refer to the usefulness of Rapid Rural Appraisal (RRA), as well as Participatory Rural/Relaxed/Rapid Appraisal (PRA), in participatory planning in rural areas. While RRA is mainly aimed at extracting information from the community, PRA is a way of creating awareness by means of active development planning at a local level. PRA is therefore a way of enabling people to assess their own living conditions, problems and potentials in order to improve their situation. The successful implementation of any of the methods of community participation outlined above is dependent on certain preconditions, as various factors impact on community participation efforts.

The literature suggests that there are various preconditions attached to effective community participation. Firstly, according to Srinivas (1994), participation should be a gradually developed response to an actual and pressing collective need of citizens. The benefiting target group therefore needs to be clearly defined and informed of all the relevant features of the programme through a clear communication of the purpose thereof (Srinivas, 1994; Glicken, 2000).

Secondly, it is crucial to decide on the proper approach to allow sufficient negotiation and consultation, as emphasised by Van Rooyen (2003), without allowing pressure groups to dominate the process (Kok and Gelderblom, 1994; Brynard, 1996; Raco, 2000). Also, appropriate information-elicitation methods need to be identified, used and documented (Glicken, 2000). Thirdly, cultural and community characteristics also impact on participation, as variations in age and literacy levels, gender relations, levels of organisation, multiculturalism, multilingualism, class and cultural barriers, ideological differences, historical power differentials and the accompanying economic and political power struggles complicate community participation, often culminating in mutual feelings of mistrust and suspicion (Brynard, 1996; Bollens, 2000; Botes and Van Rensburg, 2000; Jenkins *et al.*, 2002; Njoh, 2002; McGee, 2002; Pieterse, 2002b; Schafft and Greenwood [s.a.]). Therefore, the existence of a strong community organisation within a community facilitates participation; and small-scale, informal, area-specific, community-based institutions need to be nurtured, in order to enable them to contribute effectively to sustainable planning, management and development (Srinivas, 1994; Bollens, 2000; Ndung'u, 2002).

Fourthly, as stressed by Pieterse (2000) and Mercer (2003), participatory governance is only possible when the necessary political will is present amongst decision-makers, together with enabling regulatory frameworks which stimulate and reward participatory decision-making between key stakeholders. Fifthly, Abed (1992) is of the opinion that one of the most telling factors impacting on community participation is the flexibility of the process. An important aspect in this regard is the involvement of development workers who believe in working with people rather than for people (see also Botes and Van Rensburg, 2000 and Njoh, 2002). Sixthly, the relationship between the community and government impacts on participation, as an attitude of distrust towards the government will hamper participation (Bollens, 2000; Nel, 2000; Pieterse, 2000; USN, 2001). Such distrust can often be attributed to historical interaction; but it may also arise from the fact that decision-makers are (more often than not) already committed to certain policies, plans and proposals, in respect of which it is difficult to compromise (Soneryd, 2004). Consequently, the attitudes and skills of local

government officials comprise the seventh factor that impacts heavily on participation (Muller, 1994; Jenkins *et al.*, 2002; Nel, 2000). This is especially so when professional technocrats view themselves as experts, and regard community participation as a costly and time-consuming activity which has to be incorporated merely in order to comply with legislation (Kok and Gelderblom, 1994; Sowman and Gawith, 1994; Brynard, 1996; Botes and Van Rensburg, 2000; Innes and Booher, 2000; Stein, 2001; Ambert, 2002; Jenkins *et al.*, 2002; Mercer, 2003). This situation is worsened when planners are “attacked” in confrontational community meetings, breeding resentment amongst planners and often resulting in limited workshops being held merely in order to “rubber-stamp” decisions already taken (Jenkins *et al.*, 2002; Mercer, 2003). However, it should be noted that community participation presents organisational, financial and human resource challenges to local government, requiring additional staff, particularly specialists in the social sciences (Kok and Gelderblom, 1994; Sowman and Gawith, 1994; Innes and Booher, 2000; Ndung’u, 2002; Phillips, 2002; Davids, 2003).

Eighthly, effective participation is dependent on the involvement of the relevant people or representatives without causing participation fatigue (Brynard, 1996; Bollens, 2000; Jenkins *et al.*, 2002). This is especially important, since community participation will be influenced by whether or not community representatives have the motivation and resources to participate, and whether they are able to see that their contributions are having a meaningful impact, and that the municipality does not only endorse community participation activities that support (and do not disturb) its ideals and goals (Muller, 1994; Innes and Booher, 2000; Nel, 2000; Mercer, 2003). It is therefore important to prevent the domination of elite minorities, in order to ensure that the voices of what Jenkins *et al.* (2002) call the “silent majority” are heard (see also Kok and Gelderblom, 1994; Brynard, 1996; Bollens, 2000; McGee and Norton, 2000; Nel, 2000; Raco, 2000; USN, 2001; Van Rooyen, 2003). The inclusion of specific marginalised groups, such as women, the poor, the disorganised, the demoralised, the unfashionable and the underprivileged, as well as people with the necessary technical skills, is an especially formidable challenge (Kok and Gelderblom,

1994; Brynard, 1996; Botes and Van Rensburg, 2000; McGee and Norton, 2000; Schafft and Greenwood [s.a.]). The composition of committees “representing” the community should therefore be monitored to ensure that these groups are not dominated by a limited number of people, for example, men only, and that the committees are not run according to class-related or political principles (Botes, 1999; Ambert, 2002; Ackerman, 2005).

Ninthly, proper communication is critical to community participation. Differential access to the various communication modes, as well as language differences, should be considered, in order to avoid mistranslations, miscommunications and misunderstandings (Cheema, 1987; Kok and Gelderblom, 1994; Sowman and Gawith, 1994; Brynard, 1996; Glicken, 2000; Mercer, 2003; Ackerman, 2005). Lastly, physical barriers also impact on community participation, since remote and dispersed populations are difficult to include in participatory processes (Jenkins *et al.*, 2002).

4. Community participation in the IDP process

Community participation as a principle is fully entrenched in South African legislation. Four main points should be made in respect of the importance of community participation, on the basis of relevant South African legislation.

Firstly, the Constitution (South Africa, 1996) indicates that one of the objects of Local Government is to encourage community involvement in matters of local government, thereby making community participation non-negotiable. Community participation is also essential to ensure that the Batho Pele Principles, as set out in the White Paper on Transforming Public Service Delivery, are adhered to (South Africa, 1997). Secondly, in compliance with the Constitution, the White Paper on Local Government (South Africa, 1998a) emphasises that municipalities must establish forums, consisting of voters, citizens, consumers and organised partners, to initiate policies, influence policy formulation and participate in the monitoring and evaluation of activities. The White Paper on Local Government further recommends structured stakeholder involvement in issue-orientated committees with a limited lifespan. In

addition, the White Paper on Local Government suggests that focus-group participatory action research should be undertaken in partnership with NGOs and CBOs, while supporting the organisational development of associations. Thirdly, the Municipal Systems Act (MSA) (South Africa, 2000) stipulates that municipalities must develop a culture of participation by encouraging communities to participate, and by creating conditions and contributing to capacity-building in order to enable them to participate. The MSA also prescribes mechanisms and procedures for participation and communication, in order to facilitate participation. Fourthly, the IDP manuals (DPLG, 2002b; DPLG, 2002c) indicate that community participation should be a focused and structured process that includes the relevant people at each stage of the planning process through ward committees and stakeholder associations. Essentially, community participation is viewed as a consensual bargaining platform between government and communities (DPLG, 2002b; DPLG, 2002c).

The level of community participation varies between the stages of the IDP process, as suggested by the IDP guide-packs and as indicated in Table 2 (DPLG, 2002c). For example, the analytical phase is indicated as having a high level of participation (intense participatory sessions to determine the current level of development), while the integration phase (mainly comprising an administrative process of integrating plans and programmes) has a low level of participation. The White Paper on Local Government clearly indicates that the community participation process in the IDP should be a bargaining platform between government and the community, thereby requiring communities to be actively involved in decision-making (South Africa, 1998a). However, given that South Africa does not have a history of actively engaging communities in the affairs of local governance, as pointed out by Van Rooyen (2003), it is disconcerting to note that the MSA does not support the White Paper in this regard, since it goes no further than requiring information sharing and community consultation (South Africa, 2000).

Table 2: Level of participation in stages of the IDP process

Stage of IDP process	Level of community participation	Form of participation
Analysis	<i>High</i>	Community and stakeholder meetings, sample surveys and opinion polls
Strategies	<i>Low-intensity</i>	District-level workshops, or workshops held

		partly at district level
Project planning	<i>Dependent on scope of planning</i>	Low in municipality-wide projects, high in localised community projects
Integration	<i>Low</i>	Representative IDP forum
Approval	<i>High</i>	Broad public discussion or consultation, opportunity for comments from residents
Monitoring and implementation	<i>Medium</i>	Representative forum

Source: DPLG (2002c)

Throughout the legislation, a community management and negotiated development approach to community participation is supported, for example in the stipulation that “local government must work with local communities to find sustainable ways to meet their social, economic and material needs”, with a view to achieving balanced development (South Africa, 1998a). Possible methods for community participation prescribed by legislation include the use of structured forums, council committees, participatory budget initiatives, focus groups and supporting the development of community organisations (South Africa, 1998a and 2000). The IDP guide-packs further suggest utilising stakeholder representatives, conducting public meetings, interviewing resource persons, and conducting public opinion polls and surveys as possible tools for community participation (DPLG, 2002d). The MSA further emphasises that community members with special needs, e.g. the disabled, must be taken into account throughout the process, and that all committees must be gender-balanced (South Africa, 2000).

Furthermore, the guide-packs (DPLG, 2002b and 2002c) indicate that the conditions for community participation must also be improved by, firstly, informing residents of meetings through public announcements; secondly, by involving the IDP Representative Forum (IDPRF) at least once during each phase, and ensuring that there is enough time for consultation; thirdly, by making draft planning documents accessible to every resident; fourthly, by informing representatives about the reasons for decisions; fifthly, by holding public council meetings for the approval of the IDP; and, lastly, by making a focused attempt to involve social groups that are not well organised, in order to encourage participation. However, I am of the opinion that the IDP process, as outlined above, falls short of ensuring community participation beyond the point of consultation. For example, guidelines could be provided to

ensure both project efficiency and empowerment, or to ensure the participation of people across cultural boundaries.

Part of the dilemma is that the participation process has been described as a set of steps or procedures to be followed. Although some procedural guidelines are helpful, the literature review suggests that community participation should entail more than procedural steps. It should provide guidelines on approach mechanisms to ensure participation. Even more importantly, there should be guidelines as to how community inputs could be structured to strengthen the planning process. Harrison (2006) attributes this procedural approach to IDP to the fact that the Council for Science and Industrial Research, a historical “hard-science” institute, developed the manuals. On the basis of these theoretical and legislative prescriptions, as set out above, the community participation process in the three municipalities in the Free State Province will be assessed.

5. Current approaches to community participation in the IDP process: evidence from the Free State province

5.1 An overview of processes followed

A more or less similar participation process was followed in all three municipalities, which is probably the first indication of how the procedural guidelines were followed. During the development of the initial IDPs, an IDPRF was established, comprising councillors and officials, as well as members of ward committees and sector forums, to encourage community participation. These sector forums (focusing on infrastructure, as well as social and economic aspects) were established in each geographical area to ensure the inclusion of all stakeholders. Project task teams were established per priority area, in which service providers, such as other spheres of government, could participate. It should be noted that in Setsoto and Nala, most of the work was done by the IDP steering committee and not the IDPRF – an aspect that will be discussed in more detail later on (Nala, 2001; Setsoto, 2001). The

municipality conducted the review of the Mantsopa and Setsoto IDPs, while the Nala Municipality continued to utilise consultants to review their IDP (Nala, 2004). During the comprehensive assessment that follows, some reflections will be made on the use of consultants.

Some innovation took place in Mantsopa, as sector forums were trained to follow a sustainable livelihood approach. In this process a Strength, Weakness, Opportunity and Threat (SWOT) analysis was conducted. Additionally, a questionnaire-based survey was carried out to collect information in rural areas. The IDPRF was used for prioritisation and the development of the vision, mission, objectives and strategies. The project task teams were used to validate objectives and to develop indicators and set targets. The draft IDP document was advertised in the local press, to allow 21 days for the public to comment (Mantsopa, 2001).

The procedural similarities that are evident from the above overview are not surprising, considering the procedural guidelines provided by the IDP guide-packs. Furthermore, the above overview of structures to provide for participation in the IDP process also suggests that more emphasis has been placed on institutionalising community participation than on influencing IDPs through community participation.

5.2 Evaluating community participation processes in the IDP process

In evaluating the IDP community participation processes, a number of comments need to be made in respect of the interviews that were conducted, as well as against the literature background. Firstly, as already pointed out, the community participation processes followed by the three municipalities under scrutiny were very similar. The community participation process of the Mantsopa Local Municipality was the most extensive process of the three municipalities, despite being consultant-driven (see Table 3). Even though the empowerment structures required by legislation, e.g. an IDPRF, sectoral forums and ward committees, were established, it was clear from the interviews that officials viewed these structures as an end rather than a means, commenting that participation is aimed at improving planning and implementation. Virtually none of the interviewees made any reference to the fact that these processes were also aimed at supporting local capacity and the overall development of the people. Community participation also took place mainly through these organised

structures; but the level of participation was limited to information sharing and consultation. This was especially evident in Setsoto and Nala, where both the IDP documents and the officials confirmed that most decisions were taken by the IDP steering committee (consisting mainly of officials), as delays in the commencement of the IDP process had resulted in time constraints. The IDPRF was therefore only used for information-sharing purposes. Such an approach surely hampers the achievement of the goal of ensuring the empowerment of people, as well as project efficiency, as outlined earlier in the literature review. In contrast to Nala and Setsoto, the Mantsopa municipality, in the initial consultant-driven participatory process, did in fact involve the IDPRF and sectoral forums in decision-making through the setting of indicators and targets for the objectives developed, as well as the identification of outputs and activities, as outlined in the IDP (Mantsopa, 2001).

The relevant question in relation to the situation outlined above is: why was participation downscaled to information sharing, and why did so little innovation take place? Can the answer be found in the way in which the IDP guide-packs were interpreted? Or are the necessary skills to understand and implement innovative mechanisms for community participation simply not available? Possibly the problem is that community participation is, after all, merely regarded as a necessity required by legislation, but not considered to be of significance for development. Or is it possible that sufficient resources are not available in this regard?

Table 3: Characteristics of the community participation process

Characteristic	Municipality		
	Mantsopa	Nala	Setsoto
Method of participation	Sectoral forums, project task teams, IDP representative forum and community meetings	Sectoral forums and IDP representative forum meetings	Sectoral forums, project task teams, IDP representative forum and ward committee meetings
Stakeholders actively involved	Councillors, marginalised groups, government departments and farmers	Government departments, councillors, women, youth	Councillors, marginalised groups, NGOs and CBOs
Level of participation	Information sharing and consultation	Information sharing and consultation	Information sharing and consultation
IDP available	Yes	Yes	Yes

for public comments for 21 days			
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A second aspect that requires attention is the question as to who did not participate. There seems to have been no participation on the part of organised labour, as well as the business and farming sectors (including farm-workers). Many people in these excluded groups regarded the IDP as a “wish list”, mainly reflecting the needs of the previously disadvantaged groups. The importance of ensuring the participation of the business and farming sectors in these mainly rural communities cannot be stressed enough, as most people are employed in these sectors (e.g., in 2001 almost 40% of the employed people in Nala were employed in the agricultural sector, with a further 17% employed in the manufacturing, wholesale and retail sectors, according to StatsSA (StatsSA, 2003). This reality gives rise to a number of crucial questions. Do these municipalities want to have the farming and business communities on board? Surely, if the importance of these interest groups was acknowledged, they should have been involved. What have the IDPs lost in terms of content, by not taking account of the interests of agriculture, business and farm-workers? It could easily be argued that these interest groups do not represent the poor. But emphasis should undoubtedly be placed on a balanced participatory process, in which both the poor and businesses have a say. However, what has transpired in respect of the participation of farm-workers to improve their situation? (see for example Hartwig and Marais, 2005.) Farm-workers have probably become the most marginalised interest group in the rural areas of the Free State, despite the fact that, through their labour, they make a fundamental contribution to local economies. How will the municipality know how to go about enhancing the possibilities of job creation, if business is not involved at all? Possibly a separate process of business participation (by both established and emerging enterprises) could assist in enriching IDPs with some insights from business communities.

Thirdly, as has already been pointed out, the methods of participation were limited to information documentation and public meetings for consultation purposes, with only Mantsopa making use of a questionnaire to collect information from the rural areas. The use of public meetings as an exclusive method of participation can be ascribed, in the words of one official, to “time and resource constraints”. The fact that most

officials did not have any experience or training in other methods, e.g. in-depth or focus-group interviews, probably also played a role. However, the training of sectoral forums in Mantsopa to conduct livelihood analyses can be regarded as an attempt to empower communities to assess their own situation and to initiate action to change their circumstances or satisfy their needs. Marginalised people were organised into homogeneous groups; e.g., women and the disabled were consulted separately, to encourage them to participate. Their participation became evident in the initial strategies developed for Mantsopa, with farm-workers, women, as well as disabled and homeless people clearly being targeted, especially in the economic development programme, as some of the programmes focused exclusively on these marginalised groups.

Fourthly, the role of consultants and their interaction with officials should be considered. To what degree were consultants left to their own devices, and to what degree is reciprocal learning taking place in respect of participatory processes and methodologies? In Mantsopa, the IDP manager and other municipal officials admittedly did not participate in the initial participation processes, leaving the process in the hands of the consultant. The reason for this was the fact that the IDP manager was also the building inspector, health inspector and official in charge of stray animals. Given this reality of multi-tasking in the smaller municipalities, consultants were given a free hand to facilitate the process of community participation without necessarily capacitating the municipal officials or obtaining valuable input from them. This was definitely to the disadvantage of the municipality, as no skills transfer from the consultants to officials took place. It also leaves the impression that community participation is not regarded by officials as being important, and that it is only incorporated in order to comply with legislation and procedures. Furthermore, this lack of skills transfer also seriously hampers processes of integrating community perception and ideas into the long-term managerial approach at municipal level. Thus, despite detailed IDP procedural guidelines focusing on participation, the concept of participatory planning has not gone beyond IDP processes. In Setsoto and Nala, the community participation was initially also consultant-driven; but with regard to the review of the IDP, the municipal officials managed the process. Ironically, the public participation process was more extensive during the consultant-driven process than during the process driven by the officials. Furthermore, municipal officials were

not trained in, and had no previous experience of, community participation in local governance, since such participation had never occurred prior to the implementation of development planning. Generally, IDP training is focused on the IDP process, e.g. in terms of phases and technical requirements, with little reference to the importance of, and approaches to, community participation. It is therefore imperative that municipal officials and councillors should be capacitated with regard to both the IDP and community participation, to enable them to take part in the IDP process and to facilitate and encourage community participation.

Fifthly, with regard to the various preconditions for public participation discussed in the literature overview, a number of comments should be made. The absence of strong community organisation (an aspect mentioned specifically as a prerequisite for effective community participation in the literature) has, however, been highlighted by interviewees as a shortcoming, with marginalised groups in particular – such as women and the disabled – not being well-organised. It should be mentioned that this is, to a large degree, a problematic area in the Free State. The result is that very few community members have the ability, or the institutional backing, to challenge aspects of IDP contents or processes. At the same time, it also does not seem as if a sufficient amount of effort was devoted to developing a framework for community participation. Only Mantsopa specifically attempted to ensure the participation of marginalised groups, resulting in substantial information with regard to, *inter alia*, the accessibility of services (household access to water, sanitation and electricity) to farm-workers and, as already mentioned earlier, the improvement of development programmes through the direct targeting of farm-workers and other marginalised groups in the economic development programme, amongst other programmes (Mantsopa, 2001).

Sixthly, the participation of sectoral departments is an important aspect. In all three municipalities, it was mentioned during the interviews that the poor attendance of sectoral government departments was hampering the process. At most, junior officials were sent to attend these meetings. The reasons given for this were, firstly, that National and Provincial departments mostly did not have sufficient staff to attend all the meetings organised by local municipalities; and secondly, that they preferred to attend District-level meetings. The non-attendance of the Department of Agriculture, in particular, is notable in municipalities where the economy is reliant on agriculture.

This reality raises serious questions regarding aspects of intergovernmental alignment and the ability to effectively achieve such alignment. Should all government departments attend all meetings? Are there not other mechanisms to foster appropriate intergovernmental relations? If sectoral departments do attend these meetings, what should their role be, and how do the municipalities influence their budgets? Moreover, how do they explain the fact that they have limited budgets, and that these budgets are influenced by principles such as those outlined in the National Spatial Development Perspective (NSDP) (South Africa, 2003)? Part of the dilemma in this regard extends much further than the involvement of line departments in the IDP process. However, what seems to be required is that line departments should be able to give attention to aspects at a local level and find pragmatic ways of allocating resources; but more importantly, they should surely be able to provide technical assistance to support project task teams in their work.

Seventhly, female councillors were expected to raise gender issues; and therefore, no real effort was made to ensure the participation of, e.g., CBOs or NGOs looking after the needs of women. Considering the importance of gender issues in development thinking, this is a definite shortcoming, which needs to be addressed effectively. Surely a gender-sensitive participation process should lead to a gender-sensitive IDP, in which projects and programmes reflect this sensitivity. Similarly, participation by the disabled and other marginalised groups was limited, owing to the absence of transport and/or the inaccessibility of buildings.

In the eighth place, the logistical arrangements for community participation sessions posed a challenge. The councillors who were interviewed noted that the continual rescheduling of meetings made it difficult for all stakeholders to attend. Moreover, even though transport was arranged, very few farm-workers and farmers, for instance, attended participation sessions, since the sessions were often held during harvesting and/or planting seasons. This problem was especially notable in the Nala municipality, owing to its large grain-producing areas. Furthermore, the fact that since 1999, municipalities have included more than one urban core, made the attendance of people from other urban centres fairly difficult. All of this seems to suggest that community participation is an *ad hoc* issue, and that it is not fully entrenched as a development approach, or as being essential to development.

Another challenge relates to the lack of experience and capacity amongst municipal officials with regard to community participation. Such capacity is noted as a prerequisite in the literature. As a result of this deficiency, officials either viewed community participation as an event, rather than a process, or were apathetic in their attitude to the process, admitting, in some cases, that they had not even read the IDP, and that they had left the process in the hands of consultants. Successful participation is dependent on a good relationship between officials and the community; and this relationship will never develop as long as officials distance themselves from the IDP process. Already, as a result of this state of affairs, higher levels of participation, e.g. decision-making or initiating action, were not considered, and methods of participation were limited. For example, IDP documents were made available for 21 days to allow community members to comment on the documents, as required by legislation, but no real efforts were made to make the documents more understandable to the general public. This could have been done by, for example, making an executive summary available, and even translating this summary into a local language. The outcome was that very few comments were received from the public, with the result that hardly any changes were made to the IDP. This creates the impression that the whole community is satisfied with everything that is contained in the IDP and that nobody had any suggestions for improvement, whereas it was clear from the interviews that this was not the case.

In addition, communities were not made aware of resource constraints, or actively involved in the prioritisation of projects, resulting in high expectations that could not be met. This, in turn, resulted in apathy toward the IDP process and even civil unrest in places (especially in the Free State) (see Marais, Matebesi and Mtombeni, 2006). The establishment of ward committees was a step in the right direction to ensure continued communication between the municipalities and the ward, through the ward councillors. However, apart from the attendance of some ward councillors in the IDPRF, most of the ward committees were not functioning during the time of the study, as none of the municipalities mentioned the ward committees as participants in the IDP process. Properly functioning ward committees could play an important role in ensuring accountability, with ward councillors reporting to ward committees on

decisions taken by the municipal council, while also communicating the concerns of the wards to the municipality.

Lastly, the importance of community participation for community-building, generating cultural tolerance and sustainable development, is not recognised by everyone. For example, one official noted that “everybody wants to be heard and the community have some strange ideas”. Most officials, therefore, admittedly did not attend public participation sessions, leaving this to the consultants wherever possible. This lack of understanding of community participation resulted in the effectiveness of participation being measured in terms of the number of people attending, rather than in terms of the output of such interaction with the community. Contrary to the other municipalities, both African National Congress and Democratic Alliance councillors of Mantsopa Municipality commented on the improved working relationships and unity in the area, owing to community participation – a certain catalyst for the realisation of agreed-on development.

5.3 Suggestions for improvement by municipalities

It is clear from the above-mentioned challenges faced, and lessons learned, in respect of community participation in the IDP process, that the process has mainly been regarded as a necessary way of complying with legislation and procedural steps, and that the level and effectiveness of community participation efforts need to be improved. This could be achieved by, firstly, training councillors and officials in order to equip them with a proper understanding of the role and importance of community participation, as well as of the various levels of participation, and the methods and approaches that can be followed. Otherwise, using consultants to facilitate the community participation process should be considered in municipalities that lack the human resources to undertake such facilitation. Secondly, a concerted effort should be made to maintain sectoral forums established during the initial, consultant-driven participation process for the purposes of future participation, as well as for use by other spheres of government in their participation efforts. These forums should also be encouraged to meet on their own to discuss matters that concern them, and to report on these matters to the municipality on a regular basis, for example through the IDP office. Similarly, ward committees must be supported to ensure optimal functionality and active participation in the IDP process. Thirdly, community

participation should not be limited to the planning phase of IDP, but should be extended to project identification, prioritisation, implementation, monitoring and evaluation. Fourthly, in order to ensure the future participation of forum members, regular feedback should be given with regard to suggestions made at previous meetings and progress made with the implementation of the IDP. Local newspapers or radio stations could be used for this purpose, to reach people who do not attend IDPRF meetings. The District Municipalities should also improve the coordination of meetings at which national and provincial departments are required to give inputs. Also, budgetary constraints should be made known during the prioritisation of projects, in order to avoid creating expectations, which cannot be met immediately.

Fifthly, making an executive summary available, preferably also in an African language, for public comments, should facilitate broader community participation, as most IDP documents are too bulky and technical for ordinary citizens to absorb. Also, logistical arrangements for participatory sessions should be made, taking into consideration the economic and social responsibilities of participants, especially women. Furthermore, the actual implementation of the IDP is the most effective method of encouraging future participation, as apathy towards participating in the IDP process results from failure to implement the IDP. Once development, in line with community priorities, takes place, community members become more eager to participate. Furthermore, community participation in the IDP process should be “advertised” to the broader public, in order to empower them to such an extent that they can actually insist on participating. This should be done to ensure that community participation is not treated as a mere legislative requirement for IDP, but as a right that is insisted on, and enthusiastically exercised, by civil society.

Lastly, there seems to be a dire need for examples and case studies, providing an indication of how to creatively make use of community participation to improve plans, empower people and ensure project efficiency. Such guidelines should go beyond procedural steps, and should open up participatory possibilities for the benefit of municipal officials.

6. Conclusion

It is clear from the characteristics of community participation in Mantsopa, Nala and Setsoto that community participation in these Free State municipalities is still very limited. Although a number of structural constraints exist (for example, small municipalities with limited staff), the importance of community participation for sustainable development, as well as for nation-building, has not yet been realised. To a large degree, the nature of community participation in the IDP processes of these municipalities suggests compliance with legislation and procedures, rather than the use of community participation to enrich IDPs and address the problems of vulnerable groups, and create opportunities for a prosperous economy. This situation will have to be addressed to avoid outbursts of civil unrest, as experienced in other areas of the Free State during 2004. Moreover, if development initiatives are to be sustainable, municipal officials will have to realise that the benefits of community participation still outweigh the potential drawbacks in terms of time and money.

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Paper Three: Making plans against all odds: LED in small towns of the Free State

Abstract

Since the transition to a democracy, there has been an increasing emphasis on local economic development. This paper examines the LED efforts in three small municipalities of the Free State against the international framework for LED planning and implementation. The paper suggests that in most cases, LED is limited to a number of small capital projects, and that it is neither regarded as an integral part of all projects, nor directed at addressing the real structural problems associated with small towns. These LED projects are identified haphazardly. Moreover, in most cases they are not sustainable, but are dependent on constant funding. Therefore, they only provide temporary job opportunities. Local municipalities could make a bigger impact on the local economy, and therefore also on poverty reduction and unemployment, by considering LED as an integral part of service delivery and functioning. It is contended in this paper that a more systematic approach, in which the processes of globalisation and economic change are properly understood, and taken into consideration in the determination of strategies, might be more appropriate than poverty-alleviation projects that are mismanaged, or which never achieve their goal of “sustainability”.

1. Introduction

Since 1994, local economic development (LED) has been the subject of many publications and discussions, owing to the emphasis that has been placed on economic development in recent legislation, starting with the Constitution (South Africa, 1996a) and the Reconstruction and Development Plan (RDP) (South Africa, 1994), followed by the Growth, Employment and Redistribution Programme (GEAR) (South Africa, 1996b) and the policy papers on LED (South Africa, 2002; South Africa, 2005), *inter alia*. This focus on LED was brought about by the high levels of unemployment and poverty in South Africa, as well as changes in the international economy, such as technological and logistical advances, globalisation and alliances between multinational corporations in

respect of investment and buying behaviour (Rogerson, 1997a; World Bank, 2003). The need for local governments to make provision for LED in their IDPs was therefore reflected in the White Paper on Local Government (South Africa, 1998), the Municipal Systems Act (South Africa, 2000), as well as the LED guidelines of 2002 and 2005 (South Africa, 2002 and 2005).

Remarkably, LED research has thus far focused on policy issues (Nel and Humphrys, 1999), SMME development (Rogerson, 2006; Rogerson, 1997b and Naude, 1998), poverty alleviation (Beall, Crankshaw and Parnell, 2000; Gugerty and Timmer, 2003; Pieterse [s.a]; Rakodi, 2002a; Rakodi, 2002b and Rutherford, Harper, and Grierson, 2002; Motloung and Mears, 2003), planning LED (Blakely and Bradshaw, 2002; EGAT/UP and Urban Institute [s.a.] and Rogerson, 1994), principles of LED (Meyer-Stamer, [s.a.]), issues of procurement (Rogerson and Vorster, 2003), LED in large urban centres (Nel and Rogerson, 2005), LED in small urban centres (Nel, [s.a.]; Wandschneider, 2003), as well as issues of human rights and inequality (Roopa, 2003 and Gugerty and Timmer, 2003). With the exception of the work of a few researchers such as Amis (2002), Beall *et al.* (2000), Naude (2003) and Rogerson (2002), very little research has been conducted on the role of local-government-driven LED, especially with regard to the LED strategies developed during the Integrated Development Planning (IDP) process at the local municipality level (the work of Nel and Rogerson (2005) in terms of documenting LED in small towns should be acknowledged). In addition to this, research on LED in the Free State is fairly limited, with contributions by Marais, Botes and Mosothoane (2002), Marais (2003), Pienaar (2003), Nel *et al.* (2004) and Marais, Pelsler, Botes, Redelinghuys, and Benseler (2005) providing some understanding of the LED process in small towns in the Free State. Against this background, the article aims to bridge the identified gap in the existing literature by analysing the local economic development processes followed in three local municipalities of the Free State Province, namely *Mantsopa* (Ladybrand / Manyatseng, Hobhouse / Dipelaneng, Excelsior / Mahlatswetsa, Tweespruit / Borwa and Thaba Patchoa), *Nala* (Wesselsbron / Monyakeng and Bothaville / Kgotsong) and *Setsoto* (Ficksburg / Meqheleng, Clocolan / Hlohlowane, Marquard / Moemaneng and Senekal / Matwabeng). Essentially, I would like to argue that despite effective international guidelines on LED, the implementation of LED in

small towns (the towns in these three municipalities range from small [Ladybrand] to extremely small [Hobhouse]) is being hampered by structural economic changes and a limited understanding of the concept of LED at a local level. With this aim in view, the focus will firstly fall on an examination of LED at an international and a national level, with due consideration of the historic phases in the development of LED on an international basis; the factors impacting on LED and the confusion between the concept of LED and that of poverty alleviation; strategic approaches to LED; specific LED strategies; and challenges experienced with regard to LED initiatives. Thereafter, LED in the Free State will be discussed, taking into consideration the international and South African contexts; and arguments will be advanced in support of the claim that, although the local municipalities in the Free State have LED strategies, there is a very limited understanding of LED, as well as of the structural economic aspects that play a role in LED in small towns.

2. International and national overview of LED and local governance

Towards a definition

It has been noted by various authors that defining LED is no simple task (e.g. D’Arcy and Guissani, 1996; Nel, 2006). It is not my intention to develop a new definition; but an overview of existing definitions will serve to contextualise the arguments in the paper. There are numerous definitions of LED, each focusing on different aspects relating to the achievement of more or less the same goal, namely that of increasing local economic activity by using local resources (D’Arcy and Guissani, 1996; Nel and Humphrys, 1999; Blakely and Bradshaw, 2002; Roopa, 2003). For example, the World Bank [s.a.] defines LED in terms of local people working together to achieve sustainable economic growth that results in economic benefits and quality-of-life improvements for the whole community. Dorfling (2001) defines LED as initiatives designed to promote local economic growth and to address poverty alleviation. D’Arcy and Guissani (1996), on the other hand, are much more specific, defining LED as initiatives aimed at the mobilisation of local resources by establishing partnerships (also see Nel [s.a.]) and a network of working relationships, thus creating comparative local advantages and reducing dependence on non-local corporations. This can be achieved through initiatives that are either self-generated, or stimulated by external agencies (Naudé, 2003; World Bank, 2003). Considering these definitions,

the four guiding principles underlying LED can therefore be summarised as follows: ensuring evenly distributed welfare, local endogenous opportunities, equal opportunities and free-market competition with a view to creating favourable locational factors; the promotion of business; making local markets work better; and making better use of locally available resources (see also Meyer-Stamer [s.a.]; Tykkyläinen, 1998; Joseph, 2002). LED therefore has the potential to achieve a number of economic and social objectives by using spare economic capacity in terms of available labour and under-utilised resources, to the benefit of all, with a view to enhancing the standard of living, self-esteem and personal development of those concerned, and also contributing to greater spatial equity (Nel and Humphrys, 1999).

Historic phases of LED

According to the World Bank (2001), internationally speaking, LED has undergone three phases since the 1960s. During the first phase (1960 – 1980), LED focused on mobile manufacturing investment, attracting outside investment and hard infrastructure investments by providing grants, subsidised loans and tax concessions, and making use of expensive industrial recruitment techniques. From the 1980s to the mid-1990s, the focus shifted towards the retention and expansion of existing local businesses, as well as inward investment targeted at specific sectors or geographical areas. This was achieved through direct payments to individual businesses, business incubators, advisory and training services, technical and business start-up support, as well as the provision of hard and soft infrastructure. Since the mid-1990s, however, the emphasis has moved away from direct financial assistance towards a focus on making the entire business environment conducive to business by concentrating on soft infrastructure, public/private partnerships, networking, the leveraging of private-sector investments and highly-targeted inward investment through the development of a holistic strategy aimed at growing local firms, providing a competitive local investment climate, supporting and encouraging networking and the formation of business clusters, as well as the development and education of the workforce with a view to providing encouragement for entrepreneurship (Nel, 1999; World Bank, 2001). The latest trend in developing countries, and especially in crowded metros where low levels of unemployment have been achieved, is to focus on more highly-paid jobs, and therefore on attracting highly

qualified people through bold partnerships between the private, government and non-profit sectors (PPI [s.a.]).

Three directions in LED strategies can be identified in South Africa. Prior to 1994, South African approaches to LED focused purely on market-determined economic development, together with appeals by local and national leaders for foreign investment. According to Bond (2002), these approaches led to local economic underdevelopment. In some cases, there has been a continuation of this type of approach during the post-apartheid period. For example, Bond (2002) argues that the Spatial Development Initiatives (SDIs) were characterised by a top-down approach, high costs per job created, a lack of interrelationships between industries, very little employment potential and unfavourable prospects for women. Rogerson (1997a) has a somewhat different argument, as he is of the opinion that South African cities set out on a self-destructive course through intense inter-urban competition, with a flurry of construction of new retail centres, etc., without the development of more long-term, sustainable and effective strategies. An alternative approach advocated by supporters of a more socially equitable LED approach is what Bond (2002) calls developmental LED. Bond (2002) further suggests a third strategy, namely that of municipal community-services-based LED, comprising a bottom-up approach to LED, ensuring job creation through service delivery.

Factors impacting on the conceptualisation of LED at a local level

From the literature, it is possible to identify four main factors impacting on the way in which LED is conceptualised at a local level. These are: globalisation; the confusion of LED with poverty alleviation, as well as locality-related factors such as socio-economic conditions; the efficiency of local government; and local leadership and entrepreneurship. Firstly, owing to globalisation, the world has become a “smaller”

place through advances in information technology, communication and transport (Pillay, 2001; Naudé, 2003; Roopa, 2003). LED can be regarded as a trend associated with globalisation, requiring localities to develop local responses to local challenges relating to privatisation, deregulation, increased competition, outward orientation, trade liberalisation and increased flexibility, thus placing an extremely high premium on the competitiveness of a particular location (Rogerson, 1997a; Joseph, 2002; Naudé, 2003; Roopa, 2003). To ensure competitiveness, according to Tykkyläinen (1998) and Naudé (2003), localities therefore have to focus on the quality of labour, knowledge and social institutions. However, owing to globalisation, local economies are not only dependent on local conditions such as policy, local initiatives, and environmental and social capital, but also on the actions of individuals, groups, enterprises and *ad hoc* organisations that shape development. As a result, wider spatial relations and external linkages are becoming increasingly important (Tykkyläinen, 1998).

Secondly, the confusion between poverty alleviation and LED could impact negatively on LED, especially when it results in tension between the informal and formal economies (World Bank, 2001). Even though the income of the poor will never increase without economic growth, the linking of LED and poverty alleviation, without confusing the one with the other, is a very complex issue, since LED – which is focused on economic growth – does not necessarily benefit the poor (Pieterse [s.a]; Rakodi, 2002b; Gugerty and Timmer 2003; Motloun and Mears, 2004). The confusion between poverty alleviation and community development often results in both social and economic objectives not being achieved; for example, in cases where LED activities are not economically sustainable, or where skills-development efforts merely lead to the training of people for non-existent jobs in industries with no projected growth (Meyer-Stamer, 2003; Wiram, 2003).

Thirdly, socio-economic conditions, such as the amenity of the area, influence decisions in respect of new private-sector investment, especially since the everyday living conditions of the labour force impact on their productiveness (Blakely, 1989; Tykkyläinen, 1998). Whilst the socio-economic situation creates what Tykkyläinen (1998) calls a niche for development, decisions in respect of new private-sector investment are also influenced by tangible locational factors such as the location of

markets, transport infrastructure, communication infrastructure, labour (cost, quality and quantity), the availability and cost of real estate, environmental regulation, energy and environmental costs, financial incentives, policies and the attitude of local government staff (Blakely, 1989; Blair and Premus, 1993; Aniruth and Barnes, 1998; Tykkyläinen, 1998). Intangible locational factors include, amongst others, the local and regional economic climate, the image of the site location or town, contacts with similar companies, cooperation opportunities, the innovative milieu of the area, and the active role of a competent business chamber (Blair and Premus, 1993; Wiram, 2003). Blakely (1989) highlights the fact that local entrepreneurs are especially sensitive to local profitability conditions.

Fourthly, the World Bank (2003) is of the opinion that good local governance contributes to LED. LED is dependent on the presence of a local government that harnesses national and regional resources to promote its own localities; establishes strategic partnerships; and ensures a common background for the development of trust between companies and individuals, in order to ensure sustainable economic growth (Nel, 1999; Joseph, 2002; Roopa, 2003). Moreover, the efficiency of local government in terms of the provision of engineering and technical facilities, as well as in terms of developing land and controlling land use, impacts on LED (Aniruth and Barnes, 1998). Unfortunately, localities often compete for investment, without increasing jobs in the real sense, as one area may benefit at the expense of another (Blair and Premus, 1993). This has an especially adverse effect on small towns and rural areas, since infrastructure, technology and human resources still play an important role in attracting investment, with the result that cities are usually in a better position to attract investment (Roopa, 2003). However, strong, talented and respected leaders, as well as a strong sense of ownership, may contribute greatly to LED (Tykkyläinen, 1998; World Bank, 2003). Such leaders should ensure that there is a general consensus regarding the magnitude of the challenges to the local economy, the causes of these challenges, as well as the responses and resources required to address them (D'Arcy and Guissani, 1996). Also, the nature of entrepreneurial relations, along with the business climate that is generated by these relations, appears to be a decisive factor in LED (D'Arcy and Guissani, 1996; Tykkyläinen, 1998).

Strategic approaches to LED

A number of strategic approaches exist, through which LED can be facilitated; but there is no obvious or correct approach (D’Arcy and Guissani, 1996; Tykkyläinen, 1998; Joseph, 2002; Meyer-Stamer, 2003). Some argue that the organisation or institution responsible for the implementation and/or coordination of the economic development strategy, should initiate the whole process (Blakely, 1989; Blakely and Bradshaw, 2002). However, this process should involve a multi-faceted partnership of the private, public and supporting services sectors, while strong support from local government is crucial (Blakely and Bradshaw, 2002). Tykkyläinen (1998) adds that individual “champions” are a prerequisite for the success of any approach to LED, as it is not realistic to expect a community to operate as a collective and coherent organisation, since entrepreneurial individuals start the majority of new economic activities. Local entrepreneurs, business managers, economic advisors, etc., must also be capable of implementing the bringing together of a unique combination of skills for the creation of an approach to LED, while taking into consideration the various skills, economic features and differing needs of each locality (Tykkyläinen, 1998; Nel, 1999; Blakely and Bradshaw, 2002). At the same time, others stress the fact that, even though the economic development area should be specified, the role of external interdependencies in the LED process should also be recognised, since endogenous development does not imply a closed economy (D’Arcy and Guissani, 1996; IFC, 2003). Any approach to LED should therefore incorporate the ability to react to external challenges, and to innovate at a local level. Various strategic approaches to LED therefore exist.

Table 1: Strategic approaches to LED

Approach	Rationale	Strategies
Traditional	Investment creates jobs and creates revenue which can be used for service delivery	Marketing, tax breaks, cheap loans, etc.
Locality	Local government influences the	Planning and development controls,

development or urban efficiency	establishment and operating costs of businesses, while the upgrading of industrial or commercial areas attracts private investment	tax breaks, local conduction of business, improved business services, i.e. transport and infrastructure, streetscaping, housing and household services
Entrepreneurial and sectoral	Investment in emerging high-tech industries to be able to compete	Identifying potential growth sectors, nurturing new industries, supporting SMMEs
Enterprise culture or progressive – competitive	Support for emerging industries, strategic interventions aimed at developing sectors that create jobs for the poorest, requiring a more entrepreneurial stance by government	Sectoral research and targeting, labour-market flexibility, SMME support, focused training of poor, Public-Private Partnerships (PPPs)
Progressive – community–based	Economic growth can intensify inequality, therefore it is necessary to ensure that economic benefits are equitably distributed	Planning permission in profitable areas linked to investment in poor areas, support for community development trusts
Radical redistributive	Government intervenes in economy to ensure more equitable distribution of income	State control over key economic sectors, local profit taxes
Business development	Sustaining of current business and attraction of new business to area to increase job creation	Small business assistance centres, technology and business parks, micro-enterprise programmes
Human resource development	Altering the human resource system in ways that increase good job opportunities for the unemployed and underemployed	Customised training, targeted placement, “school to work” programmes and local employment programmes
Developmental	Promotion of LED at neighbourhood	Community-based development

LED	level to create employment for the long-term unemployed and youth by bridging the gap between welfare and the economy	organisations, cooperatives, land trusts and similar community ownership instruments
Municipally-based LED	Greater investment in basic infrastructure as basis for a bottom-up approach	Infrastructure investment, basic service provision, reviewing of cost of services
Industrial districts	Regional conglomerations of interconnected small-scale producers stimulate economic growth	Marketing, creating a strong collective identity, facilitation of continuous public-private and private-private interaction
Innovative milieu	The development of a highly-skilled labour pool, a scientific and technical environment and the availability of venture capital to attract investment to an area with no previous industrial activity	Establishment of higher education, public and private research facilities, collective entrepreneurship, “incubator” of innovation

Sources: D’Arcy and Guissani, 1996; Dorfling, 2001; Blakely and Bradshaw, 2002; Bond, 2002; Cunningham and Meyer-Stamer, 2005

The traditional or orthodox approach to LED (see Table 1) is based on the premise that the key to prosperity is the attraction of investment through various concessions. However, intensified globalisation over the past two decades brought the realisation that trying to attract industries through tax and municipal service concessions is not the path to follow if sustainable LED is to be achieved (Rogerson, 1994 and 1997a; Bond, 2002; Joseph, 2002; World Bank, 2003). Alternative approaches include, amongst others, the locality-development approach, which focuses on reducing the transactional and/or operating costs of businesses to stimulate investment, and the entrepreneurial approach, which focuses on high-technology industries to improve the ability of the area to compete (Blakely and Bradshaw, 2002; Joseph, 2002). The

enterprise-culture approach to LED focuses on the provision of support to emerging businesses or SMMEs, while the progressive community-based approach is aimed at ensuring that the benefits from LED are equally distributed (D'Arcy and Guissani, 1996; Joseph, 2002). A more socialist approach is exemplified by the radical redistributive approach, in terms of which government intervenes in the economy to ensure the equitable distribution of wealth (Joseph, 2002). The business-development approach and the industrial-districts approach both focus on the retention and attraction of business or industries; while the human-resource and innovative-milieu approaches both focus on increasing the skills levels, and therefore the employability, of the people in the area (D'Arcy and Guissani, 1996; Blakely and Bradshaw 2002). There has, however, been a move towards the developmental and municipally-based approaches to LED, with the focus falling on communities and service delivery, as a result of the realisation that access to services is a vital component of LED (Bond, 2002). The last approach presented in Table 1, the innovative-milieu approach, is aimed at establishing the locality as a "knowledge base", in an attempt to develop a highly skilled workforce to attract industries to the area (D'Arcy and Guissani, 1996).

Local governments have an important coordinating and facilitating role to play in the implementation of any approach to LED. In the strict economic sense, LED in the context of local governments implies creating favourable framework conditions for business, in order to make economic risks calculable for business (Meyer-Stamer [s.a.]; Blakely and Bradshaw, 2002). It is evident from the literature that local governments mostly focus on industrialisation, SMME support, tourism and pro-poor strategies for the purposes of LED (Rogerson, 1997b; Aniruth and Barnes, 1998; Naudé, 1998; Binns and Nel, 2002; Motloun and Mears, 2003; Rogerson, 2006). Each of these strategies will therefore be considered briefly. Firstly, industrialisation or manufacturing has been a popular strategy in the past. However, it is limited by the availability of natural and human resources in the area, with the control of land, well-developed industrial sites and/or buildings comprising some of the critical success factors (Dorfling, 2001; Blakely and Bradshaw, 2002). SMME support, on the other hand, mainly entails business support services, start-up finance and training (Rogerson, 1997b; Naudé, 1998). Tourism as an LED strategy tends to focus on making the area more attractive for the purposes of consumption, entertainment and recreation (Binns and Nel, 2002). Binns and Nel (2002), however, are adamant that

not all localities can realistically hope to benefit from tourism-led LED, since it is dependent on the infrastructure, natural and cultural resources of the area. Both the SMME-support and tourism strategies in South Africa tend to focus on pro-poor initiatives, which unfortunately are not always as successful as market-driven initiatives (Rogerson, 1997b; Binns and Nel, 2002).

The tendency to channel LED funding towards the poorest areas, contributes to the confusion between LED and community development or social welfare programmes, and creates the perception that LED is the responsibility of government and NGOs. Madell and Adam (2002) are of the opinion that this reduces the potential for the private sector to identify real investment opportunities in these areas, and thereby contribute towards establishing an entrepreneurial and more market-related approach to business development. Accordingly, Meyer-Stamer (2003) identified four typical inherent problems related to government-led LED. Firstly, local authorities follow a strategic planning approach to LED, even though their financial and human-resource capacity may already be overtaxed (as pointed out by Madell and Adam, 2002). Secondly, there is still a tendency to confuse LED with community development or poverty alleviation. Thirdly, the theoretical and conceptual background for LED is not clear, and there is also confusion between business and LED. Lastly, there is a great amount of confusion with regard to good practice in terms of managing LED. Amis (2002) is therefore of the opinion that local government can contribute to LED mainly through the provision of incremental infrastructure, health-care and educational facilities, as well as by ensuring law and order. However, this needs to be done in a political environment where the allocation of resources to promote large-scale economic development, versus poverty reduction, can be a contentious issue. A similar issue relates to the choice between attracting foreign direct investment and supporting indigenous enterprises (Amis, 2002).

However, notwithstanding the various approaches and strategies relating to LED, as discussed above, Blakely (1989) and Blakely and Bradshaw (2002) are of the opinion that a municipality can choose to act either as an entrepreneur, a coordinator, a facilitator or a stimulator. In an entrepreneurial capacity, a municipality may decide to conduct its own commercial enterprises (this is, however, not advisable, according to Meyer-Stamer [s.a.]). When acting as coordinators, municipalities establish policy

or proposed strategies for the development of the area and ensure that all sectors focus their approaches and resources on similar goals. As facilitator, a municipality improves the attitudinal environment in the community or area by streamlining the development. In the capacity of a stimulator, a local government can take specific actions that induce companies to invest and remain in the community, for example by providing premises or reducing the rent for commercial premises (Blakely, 1989; Amis, 2002; Blakely and Bradshaw, 2002). However, LaFaive (1999) strongly advises against the use of tax money by government to attract employers and create jobs, since this has to be done with money that must be taken from others, resulting in a mere rearrangement of jobs in the private sector, rather than an actual increase in the number of jobs. Local governments therefore have an important role to play in LED; but they need to focus on the development of trust between firms and individuals, and on promoting human rights to improve the allocative efficiency of the economy, rather than on trying to drive the process (Roopa, 2003). Local governments ultimately need to facilitate the determination of an approach to, and strategies for, LED, and coordinate the implementation of these strategies.

3. LED in the Free State

Legislative guidelines

According to the South African Constitution, one of the objects of local government is to promote social and economic development (South Africa, 1996a). The White Paper on Local Government later stipulated that local government should maximise social development and economic growth; integrate and coordinate development; redistribute resources; provide good basic services to act as a lever for private-sector investment; simplify regulations; support local procurement policies; provide one-stop facilities, marketing, investment, training and research; and establish links with relevant role-players in the area (South Africa, 1998). The IDP guide-packs indicate that municipalities should be directly involved in shaping the local economy by formulating policy, collating and interpreting economic information, coordinating government-led programmes, providing infrastructure in previously disadvantaged areas, facilitating sustainable community projects, supporting SMMEs and developing incentives for municipal investment (South Africa, 2001c). Also, an integrated Local Economic Development Programme should form part of the Integration Phase of the

IDP process (South Africa, 2001c). The draft policy guidelines for LED make it clear that municipalities must ensure alignment between the IDPs, the Provincial Growth and Development Strategies (PGDS) and District Growth and Development Strategies, and that the needs of the local economy with a view to its development, in the inclusive interest of all citizens, must be considered in every aspect of the IDP (South Africa, 2005). Lastly, the Free State Provincial Growth and Development Strategy (2001b) have economic development as one of its priorities.

LED in the Free State small towns: Reflections from the literature

Although there are some exceptions (particularly the contributions of Nel, 2005), research on LED in small towns has been limited in extent (Dewar, 1995). Nel (2005:256), along with Atkinson and Zingle (2004), summarises the changes in respect of LED in small towns in terms of the following factors:

- The role that the demise of rail transport has played in the decline of small towns.
- The fact that rural towns have also been affected by a decline in agricultural output, as well as a switch to game farming. The latter change caused a decline in the growth of the dependent small towns.
- The growth of tourism towns.
- The growth of the larger small towns.
- The link between the welfare grants and the economies of small towns.
- The fact that some small towns lost their local government function after the amalgamated local government system came into effect in 2000.

Although the above aspects reflect trends during the last two decades, small-town decline was noted as early as the beginning of the 1980s (Van der Merwe, 1982). The above causes of decline can partly be attributed to increasing globalisation and economic competition. Although there are one or two small-town success stories, mainly owing to tourism, as already noted above – for example, Still Bay (Binns and Nel, 2002) and Clarens (Marais, 2004) – the overall picture is one of decline. *Most* of the small towns in the Free State have proved to be no exception in this regard (Krige, 1995). Recent research in the Free State has suggested that LED is not well institutionalised, and is mainly based on a few projects (cf. Nel *et al.*, 2004; Marais

and Botes, 2006). It is especially those towns that have historically been dependent on agriculture and mining that have experienced major economic decline. Nel (2005:261) summarises the situation in the following manner: “The development picture in many once prosperous agricultural towns is, unfortunately, not as rosy as in Still Bay. Changes in local and international markets, environmental constraints, farmers’ linkages to larger and more distant centres and the frequent decline of stock farming as a result of theft, have all negatively impacted on the once prosperous agricultural service centres across the agricultural landscape of the country”. Consequently, the decline also led to a decline in business activity, as well as to the out-migration of those with skills and leadership abilities – a factor that was noted earlier on as being important in terms of LED. Nel (2005:256) suggests that one of the main reasons for this situation lies in the fact that “small centres are often dependent on a single economic sector, which increases their vulnerability to external shocks”. At the same time, Nel (2005:256) also argues that the absence of specifically targeted state support for small towns aggravates the situation, while Atkinson and Zingle (2004) point out that small towns are not high on the policy agenda of government. The racial tension between the mainly white economic elite and the mainly black political elite has also been noted as a contributing factor (Marais, Matebezi and Mthombeni, 2006; Pienaar 2003). Hence, cooperation between these groups is virtually non-existent – and in certain cases, even counterproductive.

Despite these realities, a number of exceptions have also come to the fore. Tourism has been used in a number of cases (Binns and Nel, 2002; Marais, 2004). The tourism initiatives include general tourism operations, but also a number of festivals and shows. In fact, all three of the municipalities under consideration have engaged in such initiatives, namely, the Cherry festival in Ficksburg (Setsoto), the two-country marathon in Ladybrand (Mantsopa) and the showcase of the National Maize Producers’ Organisation in Bothaville (Nala). The focus will now turn to an assessment of the LED initiatives in the three municipalities and their respective small towns.

Analysis of LED initiatives by local municipalities

LED initiatives in the mentioned three local municipalities in the Free State (Mantsopa, Nala and Setsoto) will be analysed on the basis of the literature and policy guidelines presented above.

3.3.1 The strategic approach

Firstly, the strategic approach to LED, as contained in the IDPs, must be explored. Table 2 provides an overview of the main approaches and the strategies that were followed.

Table 2: LED approaches and strategies

Municipality	Mantsopa	Nala	Setsoto
Approach	<i>Locality development, enterprise culture and business development</i>	<i>Locality and business development</i>	<i>Business development</i>
Strategies	<ul style="list-style-type: none"> • SMME support • Skills development • Improving local business conditions • Diversifying the economy 	<ul style="list-style-type: none"> • SMME support • Business development 	<ul style="list-style-type: none"> • SMME establishment and support • Skills development

All three of the municipalities have opted for a combination of a locality-development approach (with local government influencing the establishment and operating costs of businesses) and a business-development approach (which entails sustaining current businesses and attracting new businesses), with the inclusion of certain aspects of an enterprise-culture approach (entailing strategic interventions to ensure job creation for the poor). However, the “approach to LED” was not clearly indicated in any of the IDPs, but was deduced from the strategies identified, as well as from the Local Economic Regeneration study that was conducted for Nala Municipality (Nala, 2001a). However, this study did not provide any advice as to what strategic direction should be taken by the municipality with regard to local economic development, apart from highlighting the need to diversify the economy, with the main focus on manufacturing (Nala, 2001a). Emphasis is usually placed on manufacturing, without a thorough understanding of the influence of global production processes (as alluded to in the literature overview), which seldom favour small towns. Furthermore, these

strategic plans do not take the types of manufacturing enterprises into account. The fact that new ethanol production plants will be established in Bothaville and a few other smaller urban areas has nothing to do with the actual ability of local governments to lobby for the establishment of such enterprises. Rather, it is the result of the foresight displayed by private entrepreneurs, in association with key government institutions such as the Industrial Development Corporation, as well as of the worldwide search for alternative forms of energy. The important point in respect of these ideas is that it seems as if external factors (both positive and negative) might have a more significant impact on LED in small towns than the ability of local government to address the relevant issues.

What also seems strange is that the LED initiatives of the various municipalities do not provide a justification or a methodology in respect of the intended strategies. For example, SMME support is an envisaged strategy in all three municipalities; but the type of support, the sectors to be supported and the aspects of equity in this regard, are not specified. The Mantsopa IDP refers to “improving business conditions,” but does not indicate what will be done to achieve this. This absence of a strategic approach to LED was also confirmed during the interviews, when it was admitted that there was no definite approach to LED. Furthermore, although officials claimed that a partnership with business was in place, as recommended in most of the international reviews on LED strategies, organised business did not share this opinion. Pienaar’s (2003) reflections on Bothaville support the notion that conflict is present between the economic elite and the political elite. In fact, very little cooperation occurs between the municipality and the National Maize Growers’ Association in respect of the privately arranged show presented by the latter. As far as the other municipalities were concerned, the same underlying problem was identifiable on the basis of the literature.

Also, even though the LED strategies identified in the IDPs suggest a locality-development, business-development and enterprise-culture approach to LED, the relevant approaches did not find expression in the identified projects. Most projects identified were *ad hoc* poverty-alleviation projects, which clearly did not support the above-mentioned strategies, and which reflected a narrow view of LED as being concerned only with projects – and then only community-level poverty-alleviation

projects, such as community gardens or bakeries. This was confirmed when one official indicated that the municipality's approach to LED is purely project-driven, and also that the concerned officials are not really interested in job creation through infrastructure development. This is contrary to the strategies included in the LED programme, as well as the Extended Public Works Programme (EPWP) launched by the office of the Presidency. The official's comment is quite disturbing, because it underscores the misconception about the role of local governments in LED. The job-creation potential of infrastructure development and maintenance is not recognised, along with the fact that local government is not mandated to operate business, but rather to create conditions for the private sector to do so (see the IDP guidelines discussed earlier). This focus on poverty alleviation also means, by implication, that LED is not actually being addressed, as these "LED initiatives" are not geared towards sustainability.

Despite the emphasis on SMME and business development in general, the link between the provision of basic services by the municipality, on the one hand, and LED, on the other, is virtually absent. None of the strategies practically reflect the suggestions put forward in the international literature in respect of "creating favourable conditions" for business development. The absence of effective communication with business is probably a contributing factor in this regard. Considering the variety of approaches associated with LED, the overall approaches to LED in the three municipalities are currently focused on one or two main aspects, with very little understanding of the need for the creation of environments, which could assist in business development and retention.

3.3.2 LED and poverty alleviation

The reasons given for the absence of a strategic approach to LED, as highlighted above, bring us to the second factor that impacts on LED, namely the confusion between LED and poverty alleviation. Officials have different opinions with regard to what LED actually is – e.g., in the opinion of some; LED only entails community poverty-alleviation projects. Others believe that the focus should fall mainly on economic sustainability. Therefore, LED has not been "institutionalised" throughout and within municipalities, resulting in one-sided poverty-alleviation efforts.

A number of examples should be mentioned in this regard. The initial LED programme in Mantsopa included strategies and projects aimed at both LED and poverty alleviation. However, in the revised IDP of 2003, it was indicated that most of the LED projects were aimed at poverty alleviation, although the initial strategies were still in place. Also, although both the Nala and Setsoto interviewees indicated that the aim of LED is to ensure both job creation and poverty alleviation, they admitted that their approach to LED is mainly focused on poverty alleviation. This confirms the finding of Binns and Nel (2002) that local governments tend to focus on pro-poor initiatives, which, according to Rogerson (1997b), are unfortunately not always as successful as market-driven initiatives. In this regard, the Dipeleng piggery project in Mantsopa is an excellent example. The project was initiated in 2000, but is currently (in 2004) still dependent on the municipality for funding. The reasons for this emphasis on poverty alleviation are probably manifold; but three reasons warrant specific attention. Firstly, there seems to be political pressure to be seen as “doing something” to alleviate poverty. This concern with equity is understandable; but it leads to serious problems, such as the launching of projects that are neither viable in financial terms nor sustainable over a longer period. Secondly, poverty-alleviation projects such as the popular bakery and piggery projects are very visible, cultivating popular support, while efforts to ensure sustainable job creation, e.g. infrastructure and amenity maintenance to retain existing businesses, are less visible to the poor majority. At the same time, no real efforts are being made by the politicians to involve the business community, or by the business community to become involved in IDP processes. This absence of partnerships between politics and business, means that the politicians receive no inputs from the business sector on how to improve the mainstream economy of the area. LED is therefore not clearly understood (or is deliberately ignored), as poverty alleviation cannot comprise an exclusive motivation or objective for LED, since LED should focus on business and on improving competitiveness, while poverty alleviation is part of social policy and should therefore be aimed at empowering the disadvantaged.

3.3.3 Implementation systems

Thirdly, although LED strategies were identified, there are no systems in place to ensure the implementation of these strategies. For example, all the IDPs have SMME or business support as a strategy. However, none of the municipalities under review

indicated how this strategy should be implemented. This, in spite of the fact that the Nala Local Economic Regeneration Strategy even went as far as analysing the assistance required by SMMEs, which would need to be provided by a Business Support Centre (Nala, 2001a). Local business support is mainly limited to local procurement, where products or services are available locally. According to Rogerson (2006), the possibilities for local procurement are limited in smaller municipalities. When questioned on why these systems were never put in place, interviewees cited issues relating to financial and human resource constraints. Somehow, the underlying assumption in this regard seems to be that LED requires external funding from sources outside the community. External funding, in turn, requires officials who have the ability to lobby for funds. A dangerous implication of this perception is that limited responsibility is taken for LED.

3.3.4 Partnerships

The international literature suggests that the formation of partnerships between local governments and businesses is an important process, with the potential to foster LED. Essentially, LED is about people working together at a local level to improve the local economy. The exclusion of the business chambers or “white business,” and the total shift of investment away from what used to be the economic centres in the municipalities, need to be addressed. The chairpersons of the business chambers of Mantsopa and Nala indicated that they attended meetings when invited, but that the continual postponement of meetings, along with the fact that the meetings always started late, prevented them from attending. However, the Setsoto business chamber was not even aware of the IDP process. It was also acknowledged, by those concerned, that they regarded the IDP process as a political process for the previously disadvantaged communities, and that it was not likely that their inputs would be considered. This perception could be based on fact, since it was confirmed by officials that almost all the so-called LED projects were located in the former black townships, and that no investment had taken place in the former white towns. However, what seems to be problematic is that IDPs and LED planning have created a sense of exclusion on the part of some families. The question that arises is: what impact would such an approach have on the established businesses in these areas, and therefore on the wider economy, in view of the fact that the socio-economic conditions of an area, such as its amenity, influence the decisions of private-sector

investors? A total absence of investment, or the failure to at least ensure the maintenance of existing infrastructure in the former white towns, may frighten investors away. In addition, how effective would strategies aimed at retaining and expanding current businesses prove to be, when these businesses themselves were not given an opportunity to participate? Moreover, LED is dependent on local government for the establishment of strategic partnerships – and who could better assist the municipalities in enhancing the operating conditions of businesses, than these businesses themselves?

3.3.5 Regional cooperation

Fifthly, there was no cooperation or alignment between municipalities in the development of their LED strategies (this was confirmed during the interviews). Regional cooperation and alignment is important in cases where the economies of the municipalities are very similar. In the case of the neighbouring Setsoto and Mantsopa, neither municipality saw the economic potential of its proximity to the landlocked Lesotho. Lesotho has the potential to boost the economy of these two municipalities, as the provision of financial, health-care and educational services, as well as retail services, attracts both the Basotho and foreign nationals based in Maseru to the towns in these municipalities. These two neighbouring municipalities also have an ideal opportunity to work together, in order to benefit from a joint endeavour to fill the gap created by the poor retail and service sectors in Lesotho.

3.3.6 Project sustainability

Sixthly, the sustainability of LED projects or initiatives, as contained in the IDPs, needs to be questioned – as Marais, Botes and Masothoane (2002) have already done. Before an assessment is made of the actual projects included in the IDPs, it should be noted that this is a difficult task, since, except for Mantsopa, the LED projects listed in the IDPs were not linked to timeframes, outcomes or a budget. Timeframes could not be set, as in most cases, funding for these projects had not been secured. However, the absence of outcomes can definitely be ascribed to poor project conceptualisation. This assessment therefore had to be made on the basis of the limited information contained in the IDPs, as well as comments made by interviewees during the research. For example, the initial Mantsopa IDP included a comprehensive LED programme action plan, clearly indicating the projects to be implemented, the

expected outcomes and the budget, and whether or not funding had been secured. However, this was not the case in the reviewed IDP, or in any of the other IDPs. It is therefore not clear how many of the projects listed in the IDPs were actually implemented. Nevertheless, the question has to be asked as to whether or not it is fair to expect local municipalities to utilise their already limited budgets for projects in respect of which the dividends are not evident. Or has there been a deliberate attempt to shift the responsibility away from the other spheres of government? The interviewees correctly referred to LED as an “unfunded” mandate, as they do not receive funds specifically for LED. At the same time, one could also ask the question: to what degree can LED be called LED, if funding is sourced elsewhere, and the blame for the lack of progress is placed on the lack of external funding? Furthermore, the national and provincial governments expect municipalities to implement projects, for example through labour-intensive methods, in order to create jobs, without taking into account the additional costs involved, for instance, in the allocation of funds for these projects. During the interviews, it was pointed out that many of these labour-intensive projects cost much more than initially expected, as the time taken for implementation tended to be longer than anticipated, thus increasing the labour costs and placing additional pressure on already “overloaded” officials. Furthermore, how is the effectiveness of the LED strategies to be determined if the expected outcomes of these projects, along with timeframes, are not indicated? In addition, if the effectiveness of these LED strategies cannot be assessed, how will it be possible to improve LED initiatives?

3.3.7 LED and political favour

Seventhly, political intervention in the allocation and implementation of LED projects compromises the sustainability of the projects. As indicated by the interviewees, this is the result of the unofficial “allocation” of projects to councillors, who then decide where projects should be located and who should benefit. Also, during election years, projects, which were not initially accorded priority, are implemented, with a view to improving election outcomes. Projects which are more visible and which ensure an immediate income, regardless of sustainability, are highly useful just before elections, e.g. funding a community garden, rather than providing financial management training for small business owners. Furthermore, although the agricultural sector was identified as the major economic sector in all three municipalities, it received very

little support from the municipal councils. Supporting commercial agriculture is not deemed to be politically correct, even though the municipality could greatly assist this main employer of the labour force through the provision of mobile health-care, the upgrading of rural road networks, supplying electricity and the transportation of labourers. Through the provision of support to commercial agriculture in these areas, the quality of life of the farm workers could also be greatly improved – despite some structural problems related to the living conditions of farm workers (Atkinson, 2006; Hartwig and Marais, 2005).

3.3.8 LED capacity

Eighthly, it was indicated that no real skills development takes place. People are left to run projects without the necessary business knowledge and, especially, financial management skills to ensure project sustainability. This results in poor financial management, with most of the funds provided by the municipality being spent on salaries rather than on improving the “business” by acquiring stock or improving infrastructure. For example, the income from a bakery project will be spent on salaries rather than on acquiring larger ovens to increase the turnover; or, in the case of a chicken-breeding project, the chickens will eventually be eaten and not replaced when their productivity declines. These are typical examples of inefficient state management of programmes, which are essentially intended to make profits in order to become sustainable, but never achieve this goal in practice.

3.3.9 Institutionalisation

Lastly, the absence of a strategic approach to LED resulted in confusion with regard to where so-called LED projects should be located. LED projects are scattered throughout the municipalities. Officials indicated that little or no funding is made available for the purpose of determining where the economic growth points are, or assessing the economic potential of the areas. This problem seriously hampers sustainable economic growth and renders the “LED strategy” irrelevant. However, it should be pointed out that, since most of the “LED projects” are actually aimed at poverty alleviation, the strategic location of projects in terms of economic sustainability becomes less relevant.

4. Suggestions for improvement by municipalities

In view of the obstacles encountered in respect of LED in the concerned areas, the question that comes to mind is that of whether the lack of appropriate LED strategies is the result of poor planning, the exclusion of specific groups, or certain structural realities which are sometimes impossible to address appropriately. It is my contention that the answer probably lies in a combination of these factors – but also in the lack of understanding in respect of the relevant structural process. For example, why would municipalities simplistically suggest that a search for manufacturers is crucial, if they cannot specify the type of manufacturing, nor articulate the existing dilemmas in this regard? Considering this reality, the following suggestions can be made to improve LED planning and implementation.

In the light of the challenges with regard to LED processes and programmes conducted by municipalities, some recommendations for improvement can be made. Firstly, the paucity or non-existence of strategic planning in relation to LED should not be considered in a purely negative light. Most municipalities do not have experts in economics on their staff; and to conduct the necessary strategic planning exercises would require the assistance of consultants, which could be too costly, and which would inevitably result in the production of technical documents that are not implemented in practice. However, this absence of strategic LED planning does mean that municipalities cannot actively engage members of the business community in the identification of areas where the municipality could assist them in improving and expanding their activities for the benefit of the whole community.

Secondly, the sustainability of LED projects will have to be improved by ensuring that the location of projects is determined strategically, and not politically, and that all these projects are linked to measurable targets and outcomes. In addition, municipalities, together with the Department of Labour, must ensure that the project managers receive sufficient training in business management. Even on the part of the municipality, projects will have to be run according to business principles, if they are to eventually become independent of municipal funding. Employing LED managers who have proven business skills could assist in this regard. Furthermore, the impact of all LED initiatives must be monitored, to ensure that programmes / projects are actually contributing to job creation and economic growth. Assistance in the sourcing of markets is also important.

Thirdly, the confusion between poverty alleviation and LED needs to be clarified, as both economic development and social development are being hampered by this confusion. Poverty alleviation and LED are two inseparable issues: addressing one without addressing the other will not result in sustainable improvements in livelihoods, or in the economy. Politicians will also have to be convinced of the political benefits of growing the mainstream economy. This would entail skills development and exposure to “success stories,” or examples of “best practice” from other municipalities.

Fourthly, the lack of participation by the chairpersons of the various business chambers needs to be addressed, as most economic activities are initiated from within the private sector. In this regard, the relations between the municipality and the business sector will firstly need to be improved. Further to this, a balance will have to be struck between the maintenance of economic infrastructure in the previously white towns, and the development of the townships. Access to appropriate and well-maintained infrastructure is crucial to LED. For example, most local municipalities cite tourism as one of their main strategies for promoting local economic development. However, a service such as waste removal, which could have a major impact on the tourism of an area – especially if the tourism strategy is focused on eco-tourism – is often neglected. Similarly, for business purposes, the provision of safe drinking water and an uninterrupted electricity supply is essential – and even more so when catering for tourists. First impressions last – if tourists’ first impression of an area is not favourable, they will not return; and neither will potential investors.

5. Conclusion

For the most part, in the municipalities under review, LED is limited to a number of small capital projects, and is not regarded as an integral part of all projects, nor is it directed at addressing the real structural problems associated with small towns. These LED projects are identified haphazardly and are mostly not sustainable, but are dependent on constant funding. They therefore provide only temporary job

opportunities. Local municipalities could make a bigger impact on the local economy, and therefore on poverty reduction and unemployment, by regarding LED as an integral part of service delivery and functioning. The contention of this paper is that a more systematic approach, in which the processes of globalisation and economic change are properly understood, and taken into consideration in the determination of strategies, might be more appropriate than poverty-alleviation projects that are mismanaged, or which never achieve their goal of “sustainability”. Therefore, in many cases, involving the local business community in identifying possible areas where the municipality could make it easier for businesses to operate, might be of much more value than strategies that are not practical, or which require extensive human and financial resources, while only providing short-term employment benefits. Well-intended LED strategies will not bring about any change, unless the municipality realises that all its decisions have an impact on the local economy – and takes action accordingly.

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Synthesis: Towards an improved integrated development planning process

1. Introduction

The objective of the study was to evaluate the IDPs of three local municipalities in the Free State in relation specifically to the use of development indicators, community participation and local economic development. Firstly in Paper One the use of development indicators in the IDP process was discussed and analysed in order to determine the impact thereof on development planning and local governance. It was found that the non-availability of baseline information, coupled with the poor analysis of existing information leads to a situation where targets cannot be set and objectives are thus not measurable. Overall, it does not provide baseline information against which impact can be determined. Secondly in Paper Two community participation in the IDP process was analysed with the aim of establishing means of enhancing community participation. Here, it became evident that levels of community participation, in the IDP process, are generally low because of various factors, such as human capacity constraints, lead to communities not being informed about what municipalities are doing, which leads in some cases to civil unrest. Thirdly in Paper Three, the strategic approaches to and strategies for local economic development by local municipalities was discussed and analysed in an attempt to identify ways of improving this process. The assessment highlighted the lack of strategic direction with regard to LED at the local government level, and a general confusion between LED and poverty alleviation resulting in both LED and poverty alleviation efforts being both ineffective and unsustainable. Against this background, an attempt will be made in the present chapter to provide possible solutions to improving the IDP process at the local municipal level in respect of the use of development indicators, community participation and LED. To achieve this aim, this chapter will be structured as follows: firstly, an overview of the principal findings will be given and analysed. Secondly, recommendations will be made towards improving these three elements of the IDP, based on the findings of the study (Key findings and recommendations are summarised in Table 1). Thirdly, further research topics will be discussed.

2. An overview of the principal findings

The study has indicated that most of the challenges with regard to the use of development indicators, community participation and local economic development raised by the literature are, together with other challenges, identified by the research, impacting negatively on the effectiveness of IDPs in South Africa. Facets to be discussed in this section include the non-availability of baseline information, the poor analysis of existing information, objectives that are not measurable, low levels of community participation, the non-participation of disadvantaged and minority groups, lack of a strategic approach to LED, confusion between LED and poverty alleviation, limited human, financial capacity and resources, and a lack of support from other spheres of government

The non-availability of baseline information

As indicated in Paper One development indicators are considered to be a critical ingredient of development planning (Parnell and Poyser, 2002). In order to identify and make use of development indicators, baseline information is required. In most instances, municipalities rely on Statistics South Africa's (Stats SA) Census Results - either those of 1996 or those of 2001 - for baseline information. Other sector-related information e.g. agriculture, health and education, is mostly not available in the district offices; where it is available, it is however often outdated.

The poor analysis and presentation of existing information

Even though reliable data do not always exist, problems such as relevance, validity and accuracy may be minimised by presenting and analysing data correctly (Srinivasan, 1994). Also, Parnell and Poyser (2002) highlighted that there should be a clear rationale behind selecting an indicator. Yet, in Paper One, it was evident that even in the instances where information is available to the municipalities, it is not adequately analysed to present and assess the current development situation. Attempts at identifying cause - effect linkages and trend analysis (mostly arising from the non-availability of timeline information) are limited, and comparisons with other municipalities with a view to benchmarking are not attempted. Furthermore, development indicators are often misinterpreted or misrepresented owing to a lack of

understanding of how statistics can or cannot be presented (often presented without any indication of the source or year/date) or manipulated. Consequently, development interventions are based on popular beliefs rather than confirmed data.

2.3 Absence of measurable objectives

Paper One emphasised the fact that it is important to measure social progress or improvement in quality of life for the purpose of proper planning (UNCHS, 1996). Considering the challenges explained above, most of the development objectives in the IDPs do not include indicators. These objectives are thus not measurable, thereby rendering the monitoring and evaluation of service delivery extremely difficult.

2.4 Low levels of community participation in the IDP

The literature studied in Paper Two revealed that there are varying levels of participation but that real participation requires moving beyond the level of consultation to participation in decision making (Arnstein, 1969; Botes and Van Rensburg, 2000; McGee, 2002). Evidence from the local municipalities under scrutiny suggests that community participation in the IDP process was limited to information sharing and consultation. Proper participation processes were seen as being too time consuming [Muller (1994), Jenkins, Kirk and Smith (2002) and Nel (2000) highlighted this as having a major impact on community participation], this resulting in no community ownership of the IDP and therefore also no ownership of the service delivery outputs. The IDP manuals also did not assist in this regard because although they prescribed procedures for participation, they did not encourage innovation in ensuring active participation.

2.5 Non-participation of disadvantaged and minority groups

The challenge of including marginalised groups in community participation, which would also require additional effort, was evident from the literature in Paper Two (Brynard, 1996; Botes and Van Rensburg, 2000; McGee and Norton, 2000). The analysis of the three IDP processes under scrutiny also highlighted this marked absence of participation by minority groups, such as women, the disabled, youth, the elderly, farmworkers and business people. The exclusion of the white minority (mostly involved in the agricultural sector), which still holds most of the economic resources, is also of much concern. In addition to this, the absence of representatives

from the large farming sector in these municipalities calls into question the feasibility of the IDPs. These minority groups were excluded mostly because it required additional resources to ensure their participation, e.g. transportation for the disabled. On the other hand, the exclusion of the white minority resulted from the IDP process being viewed as a process aimed only at the previously disadvantaged, and that their inputs would therefore not be welcomed. This resulted in the IDP not addressing the needs of the minority groups and also not being informed by the drivers of the economy in the municipality. At some stage Current methodologies to ensure the participation of these groups, emphasising meetings and assuming the ability to participate in such meetings, should at some stage be reconsidered.

2.6 Lack of a strategic approach to LED

The literature presented in Paper Three mostly advocates a strategic-planning approach to LED. As indicated by Blakely and Bradshaw (2002), a municipality can choose to act either as an entrepreneur, a coordinator, a facilitator or a stimulator of LED. However, none of the three municipalities under scrutiny provided clear strategic direction for LED. Although strategies for LED were developed, most LED initiatives or projects could not be linked to these. In most cases this resulted from these “strategies” being developed by consultants with no champion in the municipality to ensure implementation. This in turn resulted in ad-hoc “LED projects” being identified and implemented with no link to the strategic guidelines and consequently having but little impact.

2.7 Confusion between LED and poverty alleviation

The tendency to channel LED funds toward the poorest areas contributes to a general confusion between LED and poverty alleviation (Madell and Adam, 2002). In Paper Three, this confusion between LED and poverty alleviation was confirmed by the research on the three local municipalities. Most municipal initiatives, marked as being aimed at LED, can be classified as poverty alleviation efforts, and, as they are not located in the economic strongholds of the municipality, most are unsustainable and continuously dependent on municipal funding. Municipal LED is thus mostly absent, and, coupled with the poor relations with the business sector, does nothing to enhance economic growth. This must however be seen in the light of the fact that the

political environment challenges the allocation of resources to promote large-scale economic development *versus* poverty reduction (Amis, 2002).

2.8 Limited human and financial capacity and resources

Madell and Adam (2002) highlighted the fact that financial and human resource capacity at the municipal level is not sufficient to drive LED. Similarly, the skills of municipal officials impact on the effectiveness of community participation (Muller, 1994). In all three papers the literature expressed concern about human capacity and financial resources. The research confirmed this by identifying a general lack of experience and capacity amongst municipal officials with regard to the analysis of development indicators, facilitating community participation, and creating conditions for LED. The importance of empirical data for planning is not realised, this resulting in it being largely ignored. The community participation process was, in fact, viewed with total apathy and consultants were required to handle the process, while LED was not being addressed as a result of the focus on poverty alleviation. Financial resources for acquiring up to date baseline information (for e.g. mini- census), proper community participation and LED initiatives are mostly not available.

2.9 Lack of support from other spheres of government

Paper One highlighted the fact that critical baseline information, e.g. with regard to education and health, was either mostly not available or inaccessible from Sector Departments and these departments generally also did not attend IDP representative forum meetings. Also, national and provincial governments expect municipalities to create jobs through labour-intensive service delivery, while not providing support to lighten the load placed on overloaded officials.

3. Recommendations

The aim of this section is to provide a number of recommendations in respect of various main findings of the study as discussed above.

Ensure the availability of baseline information for local municipalities

In order to fill the gap in relation to baseline information, local studies will have to be conducted in order to develop indicators for measuring especially local economic growth. Local studies are also required to verify the results of the Census, especially under the current South African conditions where the population characteristics have been changing rapidly since 1994. Since a census is only conducted every 10 years, Statistics South Africa should also assist municipalities by conducting 5-yearly surveys at the local municipal level to update demographic, socio-economic and access- to services information, and also by providing annual population projections.

Analysis of existing information

IDP officials at municipalities should be trained in the analysis of development indicators, such skills generally being absent.

Measurable performance objectives

All performance objectives of the municipality should be linked to a timeframe and an output, e.g. number of new water connections. However, it is only once baseline information becomes more accessible that targets can be linked to the existing backlogs.

Institutionalising community participation

Community participation should become an intrinsic part of municipal operations, and not merely an IDP activity. In order for this to happen councillors and officials have to be trained in the role and importance of, as well as the various levels of participation, methods and approaches to community participation. Also, sectoral forums and ward committees should be given administrative support and regularly reported to. Local newspapers or radio stations should also be utilised to reach people who do not attend IDPRF meetings.

Involve disadvantaged and minority groups

Mechanisms should be put in place to ensure that minority and disadvantaged groups are represented in IDP Representative Forums. These include, amongst others: assisting the youth, the elderly, the disabled and women to establish coordinating bodies, taking into consideration the seasonal demands of the agricultural sector when organising gatherings; arranging transport for disabled representatives; ensuring that

the time and venue of gatherings conform to the demands on women, and also the business community; notifying representatives of meetings well in advance and distributing information prior to meetings to enable representatives to consult their constituents. Also, community participation should not be limited to a meeting set-up, which can easily be dominated by the educated and the well spoken. Minority groups especially women, should be consulted separately to allow them to contribute without gender relations influencing their inputs.

A strategic approach to LED

In Paper Three the research identified the absence of a strategic approach to LED, but concluded that, since such a strategic planning effort for LED is very costly, this gap could be overcome by ensuring the participation of all stakeholders in the identification of LED initiatives, in this instance specifically requiring the participation of the business chambers, farmers associations and informal business representatives. Mechanisms should be developed to encourage these groups to become involved in the LED process by arranging working sessions after hours and by taking their inputs seriously. This would mean regular feedback sessions with formal and informal business about progress made in addressing their needs and suggestions.

Clarify the differences and relationship between LED and poverty alleviation

The confusion between poverty alleviation and LED has hampered both social and economic development. Although these two issues are inseparable, economic development will be ineffective if it is not accompanied by social development or poverty alleviation. The meaning of LED and the role of local government in LED have to be clarified and institutionalised to ensure a common aim in municipalities in this regard.

Improved human and financial resources and capacity

A dedicated IDP official is needed in each municipality to improve the IDP process. IDP officials also have to be provided with proper training in development planning and especially in facilitating community participation. It also has to be taken into consideration that a process of public participation does require time and funding and this process therefore has to be budgeted for adequately (the long-term benefit outweighs the short term cost). In terms of LED, training for all high-level officials

should be accompanied by financial support for this function from district municipalities, national and provincial governments.

Increased and targeted support from other spheres of government

The participation of national and provincial departments in the IDP representative forums should not be negotiable. These departments should also be required to keep up to date information about their infrastructure (e.g. schools and clinics) and about the availability of services offered there. The implementation of projects that are not included in the IDPs of municipalities should also not be allowed. National and provincial programmes that put additional strain on human resources at the municipal level, such as EPWP, should be accompanied with funding for the appointment of additional personnel. Also, technical advisors on IDP and LED should be available at the provincial level to assist municipalities.

Table 1: Main findings and recommendations

<i>Main findings</i>	Reference to Paper	Key recommendations
Non-availability of baseline information.	Paper One	Statistics SA to assist municipalities with more regular local surveys
The poor analysis of existing information	Paper One	Planners to be trained in analysing development indicators (e.g. cause – effect analysis)
Absence of measurable objectives	Paper One	Objectives to be linked to baseline information
Low levels of community participation	Paper Two	Community participation to be institutionalised
Non-participation of disadvantaged and minority groups	Paper Two	Disadvantaged groups to be assisted in establishing coordinating bodies
Lack of a strategic approach to LED	Paper Three	Involvement of representatives from farming sector, informal and formal business not negotiable.
Confusion between LED and poverty alleviation	Paper Three	The role of Local Government in LED to be clarified.
Limited human and financial capacity	Papers One, Two & Three	Dedicated IDP personnel and sufficient budget to be provided
Lack of support from other spheres of government	Papers One, Two & Three	Programmes adding strain on current personnel to be accompanied with funding for additional personnel

4. Value of the research and further research topics

The value of this research lies in the fact that it highlights various shortcomings in the IDP processes, which, if addressed, could assist in improving service delivery and community empowerment. As stated in the aim of the study, this study has only

attempted a critical analysis of the effectiveness of IDPs. During the research a number of research problems were identified, of which the following deserve to be mentioned:

- In my opinion, it will be vital to broaden the regional dimension of this study to the national level in that circumstances within the provinces vary considerably.
- As most municipalities have neither the human nor the financial resources to conduct local surveys, feasible mechanisms for improving the availability of up to date baseline information should be investigated.
- The effectiveness of the ward committee system in ensuring community participation and increasing awareness of municipal programmes needs to be investigated. This did not form part of the study, most ward committees being dysfunctional at the time of the study.
- Provincial and National Government IDP Support Mechanisms is a topic that definitely begs further research. The question that needs to be asked is whether there are mechanisms in place, and, if so, why there is no impact at the municipal level.

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