



The Global Challenges and Strategic Implementation of Local Economic Development (LED): Lessons for South African Local Development Plan

Andrew Enaifoghe*

Research Fellow, Department of Public Administration
University of Zululand
Email: EnaifogheA@unizulu.ac.za

Anuoluwapo Durokifa

School of Public Management, Governance and Public Policy,
University of Johannesburg
Email: anudurokifa@gmail.com

**Corresponding author*

Abstract

The conceptual review aims to examine the international difficulties and the strategic application of the local economic development agenda. The study argued that for South Africa to implement its local development strategy at the grassroots level effectively, it can learn from global initiatives. The study contextualized local economic development (LED) from the global perspective and discussed the challenges it encounters in practice. According to researchers, local economic development (LED) is something that everyone—citizens, business owners, and the general government—should be concerned about. LED is frequently viewed as the solution to problems like increased quality of life, unemployment, poverty, and inequality. Several opposing theories and techniques constantly influence the development of policies, planning processes, and implementation methods because of the relative infancy of the area of LED research. The article discusses LED uncertainties domestically and internationally in South Africa. While concentrating on the South African context, it also examines the steps taken by the chosen countries worldwide to address the issues with LED. The study used the qualitative method by gathering information via secondary sources. The information obtained from various databases was analyzed thematically. The study identified challenges faced by LED in South Africa, such as poor leadership, lack of alignment of policies between the spheres and lack of skilled workers. The paper recommended a nine-stage strategic programme that could aid the full actualization of LEDs in South Africa.

Key words: Local economic development, grassroots, development agenda, municipalities, South Africa

Introduction

Building an area's potential to enhance both its people's standard of life and economic future is the goal of local development. The importance of local development to the health of the national economy has grown

as a result of heightened international competitiveness, population mobility, technological advancements, and the resulting geographical imbalances and inequalities. Effective local development can lessen disparities between wealthy and poor areas, increase the number of locally produced jobs and businesses, boost overall private sector investment, enhance communication between investors and developers, and boost the coherence and confidence of local economic strategy (Enaifoghe & Vezi-Magigaba, 2022).

It may also result in a more accurate diagnostic evaluation of the local economy's resources and particular advantages, as well as a more thorough strategy evaluation. An important method of economic development in the developing world is known as local economic development, which emphasizes operations carried out in and by cities, districts, and regions. Local economic development (LED) is often regarded to be the answer to issues including improved quality of life, unemployment, poverty, and inequality (Leigh and Blakely, 2016). Given the relative infancy of the field of LED research, several competing theories and methodologies are constantly influencing policy creation, planning procedures, and implementation strategies (Harrow & Jung, 2016).

The study's discussion of LED concerns both internationally and domestically may be found in South Africa. With a focus on the South African setting, it also explores the measures done by the selected nations elsewhere in the world to solve the challenges of LED. However, in terms of implementation, LED faces difficulties. Hence, the objective of this conceptual review is to explore the global challenges and strategic implementation of local economic development. The global strategies can serve as lessons for South Africa to implement its local development plan at the grassroots level.

The importance of exploring the Global Challenges and Strategic Implementation of Local Economic Development is that it is seen as a strategy for reducing poverty through local economic development (LED) is considered to be one of the key strategies. The goal of local economic development must be to boost the local economy to generate jobs. This implies that the municipal region needs to welcome more factories and enterprises. Key municipal stakeholders must collaborate as part of the IDP to come to decisions and spur economic growth that will generate income possibilities for more people, particularly the impoverished.

The researcher came up with the idea because, in the South African context, LED is viewed as significant for several reasons, including expanding tax and revenue bases for municipalities, generating jobs and new economic opportunities, and raising income levels to allow municipalities to pay for services. The LED strategy aims to enable the most marginalized, impoverished, and vulnerable segments of the community to generate enough revenue to fulfill their fundamental requirements and aspirations. The LED policy is inextricably linked to municipally initiated and carried out projects and programs aimed at reducing poverty, such as the Expanded Public Works Programmes (EPWPs), the supply of free basic services, and the assistance given to cooperatives and small, medium, and large businesses.

Research Methodology

This study utilized secondary sources to gather data. A comprehensive and diverse body of literature was obtained from various databases, spanning both public and private domains. The selection of these sources was guided by their relevance to the study's central theme and their significance in addressing the research objectives. Key search terms such as local economic development (in South Africa and other countries), economic development strategies, strategic implementation, local development plans, policy implementation, stakeholder engagement, economic growth, and case studies from different countries were utilized during the information retrieval process. The search was primarily focused on materials published between 2017 and 2024, with occasional exceptions made for pertinent earlier works.

Priority was given to search engines such as Scopus and Google Scholar over other databases. Consequently, the inclusion and exclusion criteria for the selection of literature were applied based on the alignment with the research topic and study questions. Peer-reviewed journals that are relevant to the research topic were prioritized, along with materials from periodicals, newspapers, and reputable internet sources.

Thematic analysis was employed to organize and synthesize the gathered literature, ensuring that articles pertinent to the study were carefully reviewed to address the research objectives effectively. Documentary analysis was chosen as the primary methodological approach for this study, as it outlines the criteria for selecting various documents and emphasizes the extraction of examples relevant to the research topics. Through this approach, the researchers aimed to elucidate primary objectives conducive to addressing the challenges of local economic development and strategic implementation within the context of South Africa's national development plan agenda. Insights gleaned from global strategies were examined to provide valuable lessons for the implementation of local development plans at the grassroots level in South Africa.

The Global Challenges of Local Economic Development

Development economics includes a microeconomic concept known as LED. Ligthelm (2013: 35) claimed that "development economics is not very hard" since "rational politics and competent public administration are the keys to successful economic development planning." Development economics is concerned with the political, cultural, and economic demands for quick institutional change to spread the benefits of economic prosperity to the broadest swath of the population and end the poverty cycle (IvyPanda, 2022). Government action in the form of policy creation is necessary to accomplish this as part of development economics.

Development economics, as defined by the World Bank in 1991, is the process of enhancing people's quality of life, particularly the poor. Reduced poverty is a result of increased wages as well as bettered education and skill levels, better health and nutrition standards, a cleaner environment, equal possibilities, individual freedom, and a lively cultural life (Makhavhu et al., 2022). For local economies to compete, they must find solutions and alternatives to strengthen and increase local competitiveness and comparative advantages (Enaifoghe & Ramsuraj, 2023). LED is a process through which local governments or community-based organizations participate to generate or retain commercial activity and/or employment. It is not easy to create new jobs and improve human ability.

Reduced poverty is a result of increased wages as well as bettered education and skill levels, better health and nutrition standards, a cleaner environment, equal possibilities, individual freedom, and a lively cultural life (Makhavhu et al., 2022). The strength of historical, cultural, and religious factors in the development process, as well as institutional and structural problems, have not received enough attention from development theorists, according to Avis (2016: 2). Marais (2011) defines the primary function of local government in LED as a procedure carried out by municipalities following their legal obligation to foster social and economic development. Local institutions and national policymakers must realign the community's natural resources and human capital to match both global and regional markets, and they can aim to develop new jobs that are appropriate for both the local people and the area" (Khambule, 2018). Academics, development practitioners, and stakeholders worldwide recognize the critical role of local economic development (LED) in creating jobs, reducing poverty, and improving quality of life. To achieve dynamic local development, all areas of local communities, including the economy, society, welfare, and environment, must be considered and geopolitical challenges must be addressed in a comprehensive and integrated manner (Enaifoghe, 2022). To achieve developmental success, a complete strategy for a given region must be developed (Rogerson, 2009). However, this strategy has historically failed at the local level due to its traditional policy on economic growth (Mokoena, 2019). Ironically, LED has presented an alternative to development. LED has the following advantages over traditional economic policies, according to Rodrigues-Pose (2001), namely, LED empowers and ensures local participation, and local people can play an active role in planning their economic future.

LED ensures that local businesses are involved in the process and are more open to playing an active role in partnerships with local communities. Furthermore, LED ensures that local growth is based on local comparative advantages, allowing for more resilient local economies, and LED has the potential to offer local opportunities and jobs, thereby strengthening the local economy and quality of life. South Africa's current development policy emphasizes "developmental" local government and a "pro-poor" approach

(Enaifoghe, 2022). Through the South African 1996 Constitution, local governments have been aggressively urged to intervene and play a leading role in employment development and poverty reduction through LED. Poor analysis of local economies, unsustainable community programs, a lack of capacity, and a lack of money are the key impediments to producing results in "pro-poor" implementation (Nel & Rogerson, 2005).

As part of an integrated LED policy strategy, both the themes of "pro-poor" and "pro-growth" must be addressed. A pro-growth strategy may be defined as establishing an enabling environment for economic development, whereas a "pro-poor" policy would be defined as reducing poverty through job creation and social welfare safety nets (Nel & Rogerson, 2005). The two basic approaches to LED, according to Blakely and Bradshaw (2002), are a corporate-centered approach with a focus on formal business and industrial development and an alternative approach with a focus on the impoverished sector of a community.

Whatever option is taken, LED policy should emphasize increasing the amount and variety of job possibilities as well as diversifying economic activities. Local governments must play an active part in this process (Blakely & Bradshaw, 2002). The operation of LED at the local government level in South Africa will be examined in this article. The idea is that a well-formulated and properly implemented LED plan can help generate employment development and improve the quality of life of the local people.

Discussion of Research Findings

The Strategy to LED in SA: Pro-growth LED

The goal of the pro-growth LED approach, according to Abrahams (2003:191), is to increase urban communities' competitiveness while emphasizing entrepreneurship and poverty alleviation. Rural areas typically have inferior infrastructure and capacity, thus applying some of the pro-growth LED's goals in this setting would be quite challenging (Durokifa, Dominique, & Enaifoghe, 2022). Market-led strategies that have become increasingly focused on achieving competitiveness and sustained high economic growth rates have dominated the mainstream LED practice in South Africa's largest cities (Nel and Rogerson, 2005 in Rogerson, 2011:159). According to Rogerson (2011), LED operations that aimed to increase local competitiveness were pioneered in Johannesburg, Cape Town, Durban, Pretoria, and Ekurhuleni. These cities sought to address problems of low demand and microeconomic restrictions on regional production capacity.

According to Rogerson (2011), significant LED pro-growth interventions have been innovated in the effort to create more productive and competitive cities, taking the form of, among other things, projects for improving institutional efficiency, lowering the local cost of doing business in a specific locality, or improving local logistical pathways to strengthen the relationship between economic growth and infrastructure investment. Additionally, according to Rogerson (2003:53), the four main focuses of urban LED interventions are seen as being the promotion of localities' competitiveness, particularly through the attraction of inward investment.

The enhancement of growth through the implementation of property-led city improvements, supporting job creation from within through business retention or assisting small enterprise development, and, finally, supporting a variety of social and economic initiatives of various programs aimed at fostering community development, such as cooperatives or community businesses. What can be inferred from the aforementioned is that big communities are better equipped for the pro-growth strategy because they already have the infrastructure and capability to implement measures aimed at becoming competitive and achieving sustainable high economic growth rates.

A different approach to LED is consequently required due to the less developed infrastructure and capabilities in more rural areas. Pro-growth LED strategies can be linked to programs intended to boost local economies and corporate activity, as mentioned above. One could see collaborations and place marketing as pro-growth strategies for LED (Durokifa, Dominique, & Enaifoghe, 2022). According to Binns and Nel (2002a:186), place marketing can be thought of as a locally oriented strategy to re-image and restructure local economies. It is suggested that altered customer tastes, options, income, and location

mobility have given service-based economic sectors a considerable boost. According to Binns and Nel (2002a), regions looking to reorient their local economy may find it beneficial to capitalize on such economic movements.

The scholars claim that one industry that has done particularly well in this regard is tourism, which has been acknowledged as having a significant developmental influence and has grown to be one of the most important forces influencing the global economy. According to Binns and Nel (2002a:188), the main objective of place marketing is to create a fresh image of a location to displace any outdated or unfavorable perceptions that current or future investors may have. In this regard, place marketing is a strategic decision that entails actively promoting a town's assets—both actual and imagined—to tourists and outside investors in the hopes that the subsequent investment will spark an economic renaissance.

Place marketing is crucial to LED's efforts to draw in collaborations and investments and to promote travel. The sentences that follow demonstrate how crucial relationships are to LED. According to Rogerson (2010a:441), the formation of partnerships has been highly valued in academic and policy discourse on LED. To work together on a project or program to seek mutual goals, partnerships are described as collaborations between municipalities, the commercial sector, and civil society. Each party contributes complementary resources to the partnership. Share risks and benefits and participate in the program's creation (Rogerson, 2010a:442). According to Marias (2011:ii51), relationships can be broken down into four different components.

Public-private partnerships, North-South relationships that primarily depend on donor agreements, such as state-to-state, state-to-NGO, or NGO-to-NGO collaborations, and partnerships between large and small businesses at the bottom of the economic pyramid make up the other three and four types of partnerships. However, Marias (2011) believes that in the context of South Africa, forming partnerships to accomplish LED has not been without issues. The first issue with public-private partnerships is the absence of community-based organizations, an increase in local tensions, and an excessive focus on infrastructure development and property boosterism and justifications that claim not everyone gains from such agreements.

True partnerships are scarce, according to Nel and Rogerson (2007); there are few rules for managing PPPs, and there is insufficient room for non-public sector entities to play a significant role. According to Rogerson (2010a:443), partnerships combine the social responsibility, environmental awareness, local knowledge, and job creation concerns of the public sector with the dynamism, access to finance, knowledge, and technologies, managerial efficiencies, and entrepreneurial spirit of the private sector.

The Common Challenges of LED in The South African Context

Inadequate leadership

Poor leadership is one of the LED issues that many South African towns face. Municipal policy actors who neglect to incorporate community engagement methods, processes, and procedures in LED processes serve as an example of this. According to research, policies that are not based on local requirements are less likely to have a good effect on the target populations. Poor planning is another issue with leadership. Municipal councils create LED initiatives that adhere to national policy's outcome standards. As a result, LED becomes a tool for reducing poverty rather than one for fostering long-term economic expansion. LED projects are dominated by politics, especially labor-intensive ones.

Funding of local community

Council members choose the locations of LED projects without properly evaluating potential locations. Additionally, during election season. The funding of local community gardens and other LED projects is given illogically higher priority than, say, enhancing the financial management capabilities of nearby small business owners. As a result, LED initiatives and plans are not long-term viable (Maxegwana Theron and Draai, 2015).

Lack of money for LED

Many cities and towns see LED as an unfunded mandate. Although COGTA offers an LED fund, the fund is insufficient on its own. Many communities don't have enough money to fund LED projects and programs. Particularly small towns struggle to obtain loans from commercial banks because of internal capacity limitations that negatively impact their credit rating and a weak income base. Ample funding enables local governments to autonomously drive the LED process and encourage the successful implementation of LED initiatives (Khambule, 2018).

Lack of LED implementation efficiency, networking, and knowledge

Provincial, district, and local municipalities do not share a consistent idea regarding LED, even though the law requires alignment of goals and policies. As a result, there is ambiguity regarding the duties and responsibilities of the parties mentioned, rural local municipalities develop programs centered on the delivery of basic services (housing, water, electricity, etc.), and they fail to identify essential participants in the reduction of poverty and the creation of jobs. They can't set up LED networks (SALGA (2010).

According to Khambule (2018), LED governance cannot be based on stakeholder involvement through LED networks and concerted efforts without addressing an institutionalism problem. A united LED agency that reflects the principles, objectives, and interests of the commercial sector, local governments, and civil society organizations is necessary. If many organized entities with unrelated (goals, values, and interests) are expected to join forces and foster cooperation, participation is less likely to occur.

Inadequate capacity

Numerous towns hire outside consultants to help them with LED. Due to municipalities' historical role in service delivery, there aren't enough qualified authorities with LED competence (Khambule, 2018). As a result, LED plans are characterized by narrowly focused initiatives, improbable goals, and a failure to recognize the forces behind economic growth and opportunity (SALGA, 2010:16). Private LED experts are less expensive to hire than LED units themselves. Private consultants, according to the argument, provide access to skills and knowledge at a lesser cost, and the service is finalized based on stakeholder satisfaction with results.

Scholars emphasized the need for rural local authorities' capacity building at the local level (Enaifoghe, 2023; Rogerson, 2007). The claim was that small municipalities lacked the skilled LED officials needed to adopt LEDs successfully on par with big municipalities. In addition, the author advocated collaboration among COGTA, the Department of Trade and Industry, and universities to strengthen local authorities' capabilities (Rogerson, 2007). Donors and/or investors distribute monies to individuals with the necessary capabilities who will produce value for the investment. The notion is that trusted representatives have the knowledge and skills to promote the delivery of the necessary services and results.

Poor policy implementation

Lack of capacity leads to ineffective policy implementation, which leads to ineffective service delivery, which leads to an adverse policy impact on local populations.

A Strategic Programme Of Local Economic Development

Although it is built on a series of nine stages that may be followed in any order, it does not mean that everyone must follow the same path. The approach might also assist an organization or community in assessing what it has accomplished thus far, what is lacking, and what it should do next. They may go ahead and backward from there, and we recommend that they re-evaluate their success in the nine areas of activity virtually every year. Another preliminary statement is required: The model defines Local Economic Development as a process (not a result) that requires time and patience. Everyone who expects rapid outcomes in terms of job creation or turnover will be disappointed. Of course, this is dependent on the community's or organization's level of growth and the assistance available.

Phase I: Community building***Analysis of local economic and social structures***

It is notable that local players, including local governments, are frequently unaware of the true state of their local economy. Traditional statistics do not cover the entire spectrum of the required information and are frequently insufficiently precise to characterize the situation at the local level, such as in neighborhoods, towns, and villages. As a result, the issues of social segregation within our major cities and towns are frequently disregarded. Berlin, for example, has just lately created a "social map" that analyzes the economic and social aspects of towns and neighborhoods (in German, "Quartiere").

Not unexpectedly, this resulted in the identification of an antagonistic development process in which at least a few areas were experiencing economic collapse with high rates of unemployment and poverty while others were experiencing affluence together with high rates of employment and income concentration in others. One of the implications is that access to products and services is not evenly dispersed around the city, with abundant supply in some parts and many unmet needs in others. Community-level "deficit and resource analyses" are an excellent resource for learning more (Senate Department 2004).

A local action plan will be developed by combining deficits and available resources, beginning with a list of unmet needs on one side and unemployed resources (unemployed people with their abilities and capacities, empty buildings and disused factories, wasteland, as well as underutilized potential in its natural and cultural heritage) on the other. An examination of a small neighborhood in Berlin's old industrial district revealed an additional 250 job opportunities in this region alone. The most well-known example of such an analysis was the "London Industrial Strategy," conducted in 1985 by the Economic Department of the Greater London Council: "Are Londoners so well housed; are their homes so warm and so well furnished, are Londoners so well clothed and so healthy that there is nothing for 400.000 unemployed people to do?" (Greater London Council, 1985).

The result was a one-of-a-kind paper that, based on in-depth research of Greater London's whole economic and social life, revealed the potential for half a million new employment on the municipal level. Unfortunately, the Greater London Council was unable to undertake these plans due to its being abolished by the Thatcher government (Mackintosh/Wainwright 1987), but the community movement in the United Kingdom has learned a lot from this example and adapted the tools and instruments for economic regeneration and job creation in London and throughout the United Kingdom.

Popular planning processes involving those affected at all levels

One of the effective tactics is the introduction of a "popular planning" approach in which "ordinary people" will be encouraged to participate actively in the identification of unmet needs and unemployed resources, based on the belief that people are the true experts on what happens in their neighborhood. One Tony Gibson of the Neighbourhood Initiatives Foundation produced one of the most successful tools in this area, "Planning for Real" (Gibson 1996). It is fundamentally centered on a three-dimensional model of a neighborhood set in streets, schools, pubs, or department stores, and which allows everyone to express themselves and nonverbal proposals directly on the model.

The instrument draws people who would never attend a public meeting and mobilizes their skill and willingness to contribute to meaningful solutions in their community. Of course, many more tools and strategies have since been developed, such as alternative worker plans, community future seminars, communal fora, neighborhood action packs, and so on.

Building decentralized promotional and support facilities

Collective action with people and involving them in community development need both symbolic and practical space for action. The best locations are old buildings, factories, or public areas that, once renovated by more or less volunteer effort, will not only provide workspace and meeting chances at little cost but will also symbolize the ultimate goal of the activities, much like lighthouses that point the way. Community support and resource centers should be autonomous of both local and central government, yet available to

the general public and assist in a variety of ways "in the informational, political and technical areas to projects of all kinds" (European Network 2001:3).

Such centers are frequently joined by professional development agencies that specialize in either entire neighborhoods or towns, certain types of companies such as cooperative development agencies, or specific target groups such as women, ethnic minorities, the disabled, and so on (European Network 2001).

Fostering decentralized networks

The most essential instruments for enriching social capital are the formation of new and the strengthening of existing social networks. Wear (2023) observed in his fundamental studies on social capital in Italy that the highest-performing municipalities had the most vibrant culture of civic organizations, particularly singing clubs. Aside from these established relationships, new types of networks have evolved that may bring together people from diverse cultural, political, and institutional backgrounds. These so-called "bridging" networks are frequently informal social constructs through which the most disparate organizations, institutions, and individuals can interact without losing their autonomy.

As a result, they are particularly well adapted to forms of collaboration that span typical bureaucratic, political, or cultural borders. The effect of such networks is not just to communicate information and coordinate operations, but also to pool resources and trade non-profit services (Rogerson, 2010). Formalized local partnerships are a sort of networking that is becoming increasingly essential (Heikkilä & Kautto 1996; Geddes 1997; Geddes/Benington 2001; Kjaer 2003). They attempt to bring together representatives from various sectors of the local economy, including government, commercial profit-oriented businesses, and the third sector or social economy. Another essential form is cross-border collaboration, which brings together local players and foreign specialists, preferably on a mutual or non-profit basis.

Every two years, the European Network for Economic Self-Help and Local Development conducts a European Congress in a specific location chosen from among its members where locals may access expertise and experiences from various locations and tourists can benefit from real experiences at the local level

Phase II: Further community development

Counseling, education, and training for economic self-help

Everyone talks about how important education and training are for economic progress. But we're talking about something else here: "empowerment" (Chanan, 1992; Ronnby, 1994; New Economics Foundation, 2000). People, particularly those in underprivileged areas or groups, are frequently untrained in self-help and self-management. Furthermore, they frequently have low self-esteem, which leads to resignation and apathy. Special education and training programs for economic self-help are required to overcome these difficulties (Rogerson, 2013).

There are numerous programs for "empowerment" and "capacity building" available today, such as the "community leadership programs". Institute Center for Community and Environmental Development/PICCED for Brooklyn and other disadvantaged New York neighborhoods, or "community organizing" strategies developed by Saul Alinsky and the Industrial Areas Foundation/IAF in the United States (Mohrlok et al 1993).

Public development centers for project development and innovation

New proposals for local development projects proposed by individuals or via popular planning processes are frequently not of the sort that can be executed quickly. These innovative concepts, like any other project development in private organizations or enterprises, require additional development and expert assistance, primarily in two areas: There is frequently a need for technical advancement, particularly when it comes to more complex concerns such as energy, transportation, water supply, and disposal, but also maybe in health care, care for the old and crippled, and related difficulties.

However, economic and/or managerial development is frequently required, from establishing an organization, formulating a business strategy, locating space and premises, and employing and qualifying the appropriate employees, through financial planning, accounting, and auditing. All of these required development procedures take time, and new local development efforts, like other small and medium-sized businesses, typically lack the funds to pre-finance these growth expenditures.

Services of this nature should thus be provided for free, at least initially, while in the long run, so-called "revolving funds" may be formed to which successful projects contribute to assist others get started. Best practice examples for such development agencies include the Greater London Council's famous technology networks, cooperative development agencies in Sweden, Italy, and Spain, community enterprise and social economy agencies in the United Kingdom and Ireland, and, last but not least, the Berlin Development Agency for Social Enterprises and Neighbourhood Economy/BEST which is set up and run by Technologie-Netzwerk Berlin. V. (Senate Department 2004).

All of these organizations are independent, open to the public, and non-profit, allowing them to accept volunteer labour and contributions from students, academic and other professional specialists, education programs, vocational education institutions, and so on. It is worth noting that one of the most successful local economic development programs in the Basque Region of Spain began in 1948 with the establishment of a local Technical High School to create technologies or ideals and teach the region's young people (Morrison 1991).

Social marketing represents new relations between producers and consumers

Supporting the unmet needs in poor and disadvantaged and areas of economic crisis areas has, as previously said, some major disadvantages: limited purchasing power as well as a form of need that allows for particular targeting of services and/or customization of goods in terms of numbers, quality, and price. As a result, they cannot be supplied by mass-production technology or economies of scale (Enaifoghe, 2023). This, along with low return expectations, are the primary reasons why the private, profit-oriented sector does not invest in such "socially constrained" sectors. Local development projects across Europe, however, have discovered new answers by using "social marketing" strategies. The core idea is to suspend anonymous market procedures by actively incorporating consumers, clients, or users in the creation and, eventually, in the implementation and production of goods and services.

Producer-consumer cooperatives, for example, began in the field of environmentally sound agriculture and food supply but are now expanding into the sector of proximity or neighborhood services. One of the most well-known instances are Japan's so-called Seikatsu clubs, which, for example, in the Kanagawa region write and send thousands of pieces for its members (Yokota, 1991). The following lessons may be drawn from the story: It all started with a food controversy involving tuna fish poisoned in the water by aluminum waste from a nearby large industry. Women, primarily, those who wished to safeguard their families, began to manage the quality of their food by organizing themselves in consumer cooperatives and purchasing jointly environmentally sound items.

The fundamental unit is made up of seven families, known as "Han," which is a traditional social fabric dating back to medieval times. After a time, they realized that the things they intended to purchase were not on the market, at least not in sufficient quantities. Their next move was to arrange their manufacturing of these goods and services. It was a huge success, and the concept quickly expanded throughout Japan. Similar instances have occurred in the West of Ireland (Mc Dyer 1982) and the North of Scotland (Anderson et al 1997; Pearce 2003), when residents of rural towns and villages established community cooperatives or other community companies, as in the case of Papa Westray.

What separates these firms from regular private corporations is that their boards of directors are made up of representatives from the community, consumers, and users, as well as the employees. This method is now referred to as "multi-stakeholder businesses" (Münkner 2000). However, these reflections have already led to the following phase.

Conclusion

LED is a multifaceted concept that extends beyond economic growth to address social and environmental dimensions. According to works of literature, as discussed in preceding sections, LEDs are used to promote economic growth on a global scale. However, in the African context, LED prioritizes reducing poverty and increasing the involvement of formerly marginalized people, going beyond simply promoting economic progress. Hence, As the world faces economic uncertainties, social inequalities, and environmental concerns, it is essential for South Africa, to adapt its strategies to confront these global challenges.

While the South African Local Development Plan has made significant strides, the paper identified specific challenges such as inequality, poor leadership, lack of skilled workers, and resource management that require continued attention. Moreover, this paper underscored the importance of public-private partnerships, and support for entrepreneurship as instrumental tools for LED success.

The lessons drawn from international experiences emphasize the need for a nuanced, context-specific approach to LED in South Africa. Each municipality has its unique economic, social, and environmental dynamics, and LED strategies must be tailored accordingly. This requires close collaboration between government, local businesses, and communities to ensure a shared vision for sustainable development.

In conclusion, given the significance of LED, local communities in South Africa must change their course toward profitable development that benefits both their local communities and, ultimately, the entire nation. the successful implementation of LED in South Africa is not only a matter of economic growth but also a question of social equity and environmental sustainability.

Research Implications

The findings of this study may offer insights into the development of policies aimed at addressing local economic challenges within South Africa and potentially other countries facing similar issues. Lessons learned from the global strategies can be utilized by Policymakers to tailor effective local development plans.

The strategic program elucidated can be adapted and implemented at the local level to foster economic growth and development. This could be particularly valuable for local government authorities and development agencies in South Africa seeking to enhance their strategic planning processes.

More importantly, the discussions and findings of this study can stimulate further research in the field of local economic development, particularly in the context of South Africa and other developing nations. Future studies could delve deeper into case studies of municipalities within the country, or examine the long-term impacts of implemented strategies on municipalities.

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