

Developmental local government

Issues, trends and options in South Africa

S B Koma

School of Public Management and Administration

University of Pretoria

ABSTRACT

This article presents an overview of the historical foundation and evolution of the system of local government and the notion of developmental local government in South Africa. This analysis covers the period prior to and post the 1994 democratic breakthrough. Related to this analysis is a reflection on the evolving policy development process that shaped the new local government dispensation informed by pieces of legislation, and policies *inter alia* the *Local Government Transition Act, 1993*, the *Constitution of the Republic of South Africa, 1996*, *White Paper on Local Government, 1998*, the *Local Government: Municipal Systems Act, 2000* and the *Local Government: Municipal Structures Act, 1998*. The notion of developmental local government is succinctly described within the context of local economic development. Thus various reasons for undertaking local economic development by municipalities are advanced as well as the dimensions and mechanisms needed to realise local economic development objectives.

HISTORICAL BACKGROUND OF SOUTH AFRICAN LOCAL GOVERNMENT

Apartheid had left its imprint on South Africa's human settlements and municipal institutions. Transformation requires an understanding of the historical role of local government in creating and perpetuating local separation and inequity, and the impact of apartheid on municipal institutions. Equally important is the history of resistance to apartheid in the local sphere and struggles against apartheid local government (Department of Provincial and Local Government 2008). Apartheid was not the beginning of geographic, institutional and social separation at the local spheres. Segregation was already a policy by the time apartheid was introduced in 1948. However, the *Group Areas Act, 1966* the key piece of apartheid legislation, instituted strict residential segregation and compulsory removal of Black people to *own group areas*. Through spatial separation, influx control, and a policy of own management for own areas, apartheid aimed to limit the extent to which affluent white municipalities would bear the financial burden of servicing disadvantaged black areas. The *Group Areas Act, 1966* restricted the permanent presence of Africans in urban areas through

the pass system, and reserved a viable municipal revenue base for white areas by separating townships and industrial and commercial development (Department of Provincial and Local Government 2008).

The *Coloured and Indian* management committees and local affairs committees were established in 1960s as advisory bodies to white municipalities. The *Bantu Affairs Administration Act*, 1931 provided for the appointment of Administration Boards, which removed responsibility for townships from white municipalities. In 1977, community councils were introduced, without significant powers and with inadequate resources. The *Black Local Authorities*, 1982, replaced community councils with no appropriate revenue base and hence were rejected by community mobilisation in the mid-1980s (Vyas-Doorgapersad 2010:45).

Only 10 percent of the African population lived in the urban areas in 1910. By the 1930s, more than a million Africans lived in the urban areas and had never lived in the reserves (Welsh 1994:138). Population pressures in the twentieth century had a major impact upon social change in the urban areas. The past 60 years saw a massive relocation of Africans to the urban areas, pushed off the white farms by mechanisation in the 1960s and pulled into the towns by the growing manufacturing and service centres. By the end of World War II, there were more Africans than whites in the urban areas. By 1970, the number of people living in urban areas had almost doubled to 48% (Nattrass 1988:78). By 1994, over 60% of all Africans lived in urban South Africa despite the distortions of apartheid period (Picard 2005:11).

By the 1980s the urban African population was predominantly urban-born. The 20 and 30 year-old second generation urban residents of the 1980s had very different experiences of childhood, and employment to those of their parents. Socialised in urban schools rather than rural villages, they moved into semi-skilled or white-collar rather unskilled employment. Exposed to radical political ideas, they resented apartheid restrictions on their education, their housing and urban services, and their political rights. Unlike their immigrant parents, and especially unlike their peasant grandparents, they could exert considerable pressure on the state through direct action and non-compliance. Given the declining resistance to change among the dominant classes, the settled urban working-class could successfully demand its inclusion in the political system of representative democracy (Nattrass and Seekings 1998:30).

In a nutshell, the political struggles of the 1980s that culminated in South Africa's democratic transition were driven by a settled urban working-class that had not existed in earlier decades. Capitalist development thus moulded the classes that exerted growing pressure for democratisation from below, and the classes that put up diminishing resistance to social and political change from above. Economic development indeed led to democracy, largely because it transformed the class structure (Nattrass and Seekings 1998:30).

According to McCarney (1996), countries seeking to remake the structure of their societies place a strong emphasis on the development of a viable and effective system of local government. Democratic local government is assumed to be a prerequisite of national democracy. Strong local government, it is commonly argued, improves service delivery, restrains the excesses of national governments and the anti-democratic tendencies of centralised power. Its physical or spatial proximity compared to national and regional government afford citizens and communities more opportunities to engage officials and politicians. Across the globe, the establishment of strong local government is perceived to be a necessary condition for successful democratisation, market-oriented economic policy

frameworks, local economic development, effective management of urbanisation, and the establishment of environmentally sustainable planning and development systems (Swilling and Monteiro (1994:3).

The foundations for the local government system were laid in the aftermath of the Anglo-South African Boer War and the creation of the Union of South Africa in 1910. The *South Africa Act, 1909*, created a unitary state with a three-tier governmental structure comprising central, provincial and local components. The nature of the South African political system was inextricably linked with the country's economy and the dominant role of gold mining. The migrant labour system, introduced to guarantee a steady stream of cheap Black labour to the mines, was adapted to create a broader system of social, political and economic control, which was later refined into the system of apartheid. As the economy developed, urbanisation increased and the government began to seek ways in which Black people could provide labour in white towns and cities but be excluded from living there. It passed restrictive legislation designed to curb the movement of Black people, including the *Native Trust and Land Act, 1936* and the *Native Laws Amendment Act, 1937*. This legislation failed to discourage Black people from migrating to urban areas, where municipalities had to provide basic services for them (DBSA Development Report 2000:9).

The crisis in local government was a major force leading to the national reform process which began in 1990. National debate about the future of local government took place in the Local Government Negotiating Forum, alongside the national negotiating process. The Local Government Negotiating Forum framed the *Agreement on Finance and Services* writing off arrears to Black local authorities. It also negotiated the *Local Government Transition Act, 1993*. The *Local Government Transition Act, 1993* did not provide a blueprint for a new local government system but simply provided a framework for change. The process put forward in the *Local Government Transition Act* was essentially a locally-negotiated transition and resulted in wide diversity forms of non-racial local government (Department of Provincial and Local Government 2008). The Act provided for a three-pronged phases, namely: Pre-Interim phase: This phase covered the period from the passing of the *Local Government Transition Act, 1993* until the first local government elections held in 1995/96. In 1993 a bilateral forum, the Local Government Negotiating Forum was established to negotiate the transition to the new form of local government. The local government forum confirmed the bipolar division of membership in transitional local authorities. Each transitional local council would have a non-statutory membership of 50% selected under the banner of the South African National Civics Organisation (SANCO) and a statutory 50% which consisted of representatives of existing segregated local government authorities, representatives of local government associations, the provinces and the National Party. The interim phase started with the first local government elections and ended with the implementation of the final constitutional model of local government in 1997 although power-sharing arrangements remained in effect until 2000. The final phase began with the final constitutional model of local government in 1997, although some of the constitutional provisions only took effect after the 2000 local government elections. The 1996 Constitution provided for strong, entrenched local government. It made provision for the different spheres of government to exercise exclusive powers and perform their functions in such a manner that there would be no encroachment on the geographical, functional or institutional integrity of another sphere (Cloete 1995:4).

With the demise of the apartheid system and its concomitant replacement by a democratic form of local government, the challenge for the newly established structures and elected councillors was to transform deep-rooted socio-political aspirations, particularly those of the poor and marginalised, into tangible, material improvements in living and working conditions. For these social groups, the struggle to dislodge the apartheid system and its practices and the promise for a better life for all could sound hollow were it not to be followed by the elimination of physical and economic discrimination, the creation of opportunities and consequent poverty eradication (Mogale 2003:231).

The municipalities created during the transition phase were confronted with numerous complex problems. Many of these problems are related to overcoming the legacy of the past. Most municipalities have, to a greater or lesser extent experienced a range of problems associated with their administrative staff. Many municipalities have reported skills shortages as some of the more skilled and experienced municipal managers have left council employment. The amalgamation of former white municipalities with their surrounding Black townships brought with it the challenge of creating a unified administration. The unification of administrative structures has frequently led to the over-staffing of municipalities, placing a severe burden on the finances of the council. The other challenges that faced municipalities included inadequate training of municipal staff, lack of disciplinary measures, lack of performance management systems as well as financial crises as a result of non-payment of services (Pycroft 2000:146).

LEGAL FRAMEWORK

South Africa's process of policy reform and development largely occurred during the period of 1993-2000. It was through this process that the citizens of the country were mainly involved in shaping the mounting pieces of legislation, proclamations, white papers and by-laws tabled for action between 1994 and 1999. The ANC-led government argued that the successful implementation of the *Reconstruction and Development Programme* (RDP) was dependent on the ability of local structures to deliver basic services to their communities (Kanyane and Koma 2006:3). In the four years since the democratisation of local government, there was increasing concern that the capacity of the newly established municipalities to achieve this objective had been vastly overestimated. Local government was in a state of continuing crises during the Government of National Unity. After 1994, most municipalities, who were charged by the *Constitution of the Republic of South Africa*, 1996 with delivering the bulk of public services, were failing amid chaotic administration systems and an exodus of technical staff (Kroukamp 1999:7).

The period between 1998 and 2000 saw the introduction of a number of pieces of legislation and policies relating to local government. For example, the *Municipal Structures Act*, 117 of 1998 guided the rationalisation of municipal administrations. Where municipalities have sufficient administrative and financial capacity, as is the case in localities with a history of being a municipality, they will execute all their powers and perform their functions. This is in sharp contrast to municipalities in relatively poor or rural areas, with a dearth of capacity and limited prospects of sustainability. Partly as a result of these deficiencies and their consequently weak institutions, such municipalities have generally been granted a reduced range of powers and functions. Where this has happened, district municipalities, with the

acquiescence of local actors, and the imperative to co-ordinate and streamline development initiatives, have assumed additional powers and functions on their behalf (Mogale 2003:230).

The *Constitution of the Republic of South Africa*, 1996 requires local government to be developmental. This simple assertion has far-reaching implications for the organisation and operation of municipalities throughout the country. Understanding and grappling with the concept of developmental local government is not easy. Different individuals and groups in support of several different objectives have used the phrase in different ways. Developmental local government is a vision for the future form of local government in South Africa. It points to a system of democratic local government in which the needs of all, but especially those of poor and vulnerable communities, are met by efficient and effective municipalities (DBSA Development Report 2000:3).

The *White Paper on Local Government* (1998:17) defines developmental local government as local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs, and eventually improve their quality of life. Bagchi (2000:398) further defines developmental local government as one that puts economic development as the top priority and is able to design effective instruments to promote such an objective. The instruments identified include, *inter alia*, forging new formal institutions; the weaving of formal and informal networks of collaboration between citizens and officials; and the utilisation of new opportunities for trade and profitable production. Developmental local government is not constrained by ideology, but is rather able to switch gears effortlessly from market-to government-directed growth, or *vice versa* depending on the contingent circumstances. Often, it combines both market and state direction in a synergistic manner when the opportunity beckons (Bagchi 2000; Mogale 2003).

LOCAL ECONOMIC DEVELOPMENT

An important feature of developmental local government is local economic development (LED) policy based on the concept of mobilisation of resources and communities to build convergence of interest in the competitive advantage of localities, thus creating the capacity of or empowering communities and individuals including the poor to access these opportunities (Hindson 2003:145). LED is defined as a process in which partnerships between municipalities, community and civic groups and the private sector are established to manage existing resources to create jobs and stimulate the economy of a well-defined area. It emphasises local control, using the potentials of human, institutional and physical and area natural resources. LED initiatives mobilise actors, organisations and resources, develop new institutions and local systems through dialogue and strategic actions (Helmsing 2003:69).

According to Bennett (1988:50) local economic development is a sub-national action that occurs within the context of a local labour market. It is aimed at increasing and accelerating economic growth and employment, and achieving a more equitable distribution of development. The policies and strategies followed by municipalities are considered additional and complementary to national economic growth and development goals. The assumption is that the intervention by a municipality, and its community and private sector partners can assist in creating an environment conducive to investment, and can provide seed funding. In this case, intervention is seen as a better option than leaving the development of

the local economy purely to market forces. The key areas of intervention that municipalities select are often based in part on the perceived existence of market failures and the need to militate against them. Bennett (1988:50) identifies some of the market failures of concern as follows: physical site externalities (including environment, appearance, security, and desirability); physical infrastructure that covers utilities, transport and communications; supportive economic and social environment and human capital.

Bovaird (1988:53) provides some theoretical justifications or economic rationale for intervention to be any of the following: redistribution of benefits among areas (e.g. spatial mismatch between areas of high poverty and unemployment and local economic growth nodes); redistribution of benefits within areas (e.g. addressing inequitable access to economic and social infrastructure between former white and Black areas); addressing market failures specific to a local area (e.g. lack of private sector participation in housing provision due to non-payment of bonds); market failure in the regional or national sphere which is inadequately corrected in those spheres (e.g. subsidy policies that prejudice the potential of a province or area to attract investments); and the stabilisation of local, regional and national disequilibrium (e.g. plant or factory closures due to tariff or other changes in the structure of the national or regional economy).

Rabie (2011:209) provides three reasons why municipalities embark on the process of formulating a local economic development strategy. The first reason relates to development of the formal economy and local markets. This motivation is more prevalent in Northern, developed nations as well as bigger centres in South Africa and is characterised by formal, structured LED strategies (Nel and Rogerson in Nel and Rogerson 2005:1). LED strategies have their origins in the high-income and developed countries. They emerged in the last 30 to 40 years as a response to the social and economic problems they were faced with (Nel 2001:1004). The disappointing results of traditional top-down, supply-side sectoral development strategies in combating the resulting rise in unemployment and regional inequality prompted the search for alternative development strategies that would offer opportunities for growth to all areas (Roberts 1993).

The second reason arises from a motivation to develop the local community in order to address poverty and improve local people's chances of access to employment and business opportunities. This motivation is more glaring in Southern, developing nations where LED is often initiated through community efforts and an empowered local government (Nel and Rogerson in Nel and Rogerson 2005:1). The third motivation for embarking on LED initiatives is to fulfil legislative and development mandates of municipalities and therefore South Africa is a case in point. Mokale and Scheepers (2006:134) note that LED means more than economic development in poverty alleviation as it connotes a process of improving the economic dimensions of lives of communities in a municipal area. The purpose of local economic development is to build up the economic capacity of a local area to improve its economic future. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation. Local economic development offers a municipality, the private sector, the not-for-profit sectors and the local community the opportunity to work together, and aims to enhance competitiveness and thus encourage sustainable growth that is inclusive (Malefane 2009:160).

A central concern of LED is developing the local economic base of an area. The local economic base refers to activities that involve exporting their products and services outside

the area. The destination of these exports can be in other parts of the same country or abroad. The local economic base may consist of one or several agricultural or manufacturing products or service activities, such as trading or tourism. Other local economic activity mainly supplies the local market, so demand depends on growth of the local economic base, which normally includes one or more geographical concentrations (clusters) of local producers. Firms and clusters may grow and specialise in their activity. This specialisation itself is an important growth mechanism. Manufacturing clusters in Africa are comparatively under-developed (McCormick 1999).

The importance of LED for the reduction of poverty and inequality is captured in the following principles provided by the former Department of Provincial and Local Government (DPLG) (2001) now renamed Department of Co-operative Governance:

- LED strategies must prioritise job creation and poverty alleviation;
- LED must target previously disadvantaged people, marginalised communities and geographical regions to allow them to participate fully in the economic life of the country;
- LED must involve local, national and international partnerships among communities, business and government to create joint ventures and build up local areas; and
- LED must be developed as an approach that is best suited to a local context involving the integration of diverse economic initiatives in a comprehensive approach to local development (Department of Provincial and Local Government 2001).

Currently, many municipalities are engaged in LED initiatives, particularly in the context of programmes developed by the national government to promote developmental local government. During the transitional phase of municipalities, LED initiatives in rural areas were generally limited, as these areas lacked local capacity for such activities and had to rely on external support. Such support has been provided by community-based non-governmental organisations and religious organisations, which have initiated several rural local economic development projects. The thrust of these initiatives has been to meet basic community needs (DBSA Development Report 2000:103).

Rabie (2011:209) argues that the objectives of the LED strategy will invariably vary depending on the motivation driving the formulation of the strategy. Comparative international research has shown that, while LED strategies in different international regions have some similarity, different emphases exist particularly concerning the application of pro-business or market led approaches on the one hand and of pro-poor or market-critical variants on the other (Nel and Rogerson in Rogerson 2004:2). Where business or market development is the main motivation for LED, the objectives of the strategy are aimed at ensuring business survival, attracting investment and increasing local profits. The ultimate goal of a market development strategy is to stimulate additional economic growth in the locality. In market development strategies, the private sector often takes a leading role in drafting and implementing the LED strategy. Various goals are pursued, including cost minimising strategies and addressing failures in the local market (Rabie 2011:210).

The cost minimising strategies aim to attract new business to the area by reducing business costs (Blair and Carroll 2009:144). However, smaller localities may face a problem in competing with the cost structures of bigger centres or that developing countries may offer significantly reduced cost to actively attract business to the area (Blair and Carroll 2009:144). The strategies directed as addressing market failures acknowledge that implementing a free

market system will not necessarily deliver the best economic system. Hindson and Vicente (2005:9) point out that market failure is generally understood as a situation in which free markets fail to deliver the most efficient allocation of resources. This may be as a result of productive or allocative inefficiencies. It may also be caused by a number of factors including externalities, imperfect information, the public or quasi-public nature of goods, market power inequalities, factor immobility and inequitable outcomes.

There are numerous examples of market failure such as:

- the unavailability of trustworthy business advice and information to improve business productivity;
- a lack of Research and Development investment, as the benefits of a break-through are lost somewhat to copycat firms;
- insufficient availability of venture capital as lender policy prevents funding potential high return, but high risk ventures;
- low property values that deprive potential borrowers from meeting collateral requirements;
- lack of qualified and experienced people necessary for visionary planning and realising entrepreneurship opportunities;
- insufficient training of employees for fear of losing them to other companies;
- the unavailability of suitable land for development due to zoning restrictions or private owners asking inflated prices; and
- low exchange of information between local stakeholders as a result of high unemployment and poorly functioning social networks (OECD, 2005:43:179 and Bartik 2003:13).

Where market failure occurs, the chances that the situation will improve or correct itself without direct intervention by government are very slim. Correcting market failure, which may be caused by government failure, requires the creation of regulations that create excessive transaction costs and risks (OECD 2005:236). Therefore, market manipulation and government intervention in the free market should be appropriately considered and should be justified with results that indicate improvement to the baseline situation, to prevent the creation of further problems and skewed markets (Rabie 2011:212).

The other important dimension of LED is community-based development and poverty reduction. Where this focus is the main motivator behind the LED strategy, the strategy will focus on creating job opportunities; improving the employability of the community through education; and improving access to resources. Blakely (1994) regards the stimulation of local employment opportunities in sectors that improve the community through the use of existing resources as the primary goal of LED (Nel 2001:1005). This focus often dominates the approach of developing countries to LED, where the core focus of LED planning covers issues relating to community-based development, small enterprise development and locality development (Nel and Rogerson; Rogerson in Rogerson 2004:3).

In Sub-Saharan Africa, LED is often identified with self-reliance, survival, and poverty alleviation rather than participation in the global economy, competitiveness, and finding market riches (Binns and Nel 1999:390). LED thus becomes assimilated in Sub-Saharan Africa with what is more appropriately referred to as community or local development. These pro-poor LED strategies are basically about achieving social rather than economic goals. They address important problems, but tend to concentrate on short-term survival issues and on remedial action for the alleviation of social problems, leaving many of the



economic issues at the basis of underdevelopment virtually untouched (Rodriguez-Pose & Tijmstra 2005:5).

In South Africa, for instance, these so-called pro-poor LED strategies are relatively widespread. In most instances, municipalities do not even involve the local business community in the process of developing these strategies, and instead initiate much more limited pro-poor initiatives, such as sewing schemes or craft production. As these strategies are generally presented as LED, their successes are often measured both in terms of social and economic indicators. Therefore, the results of these efforts in the areas of job creation and economic growth are often judged as disappointing (Hindson 2003).

The inclusive character of the LED process encourages the creation of strategies to strike a balance between the interests of local firms and highly skilled, easily-employable individuals and other stakeholders such as informal enterprises, the poor, women, and traditionally marginalised groups (Rodriguez-Pose & Tijmstra 2005:5). This type of LED approach, which is customary in the developing world and across Latin America and Asia has been almost absent in Sub-Saharan Africa. Examples of LED strategies that properly combine a pro-growth with a pro-poor dimension in Sub-Saharan Africa are rare, and often confined to countries such as South Africa that already have a significantly more developed and diversified, globally linked and urbanised economy than the rest of the Continent, making greater progress in LED not particularly surprising (Rodriguez-Pose & Tijmstra 2005:5-6).

REFLECTIONS AND RECOMMENDATIONS

It is pertinent to state that the system of local government has a long established and rich history in South Africa dating back to the aftermath of the Anglo-Boer War and the subsequent creation of the Union of South Africa in 1910. The foundations of local government were also inextricably intertwined with both the political and economic systems prevalent at that time. Thus the existence of the system of local government had an impact on the spatial, commercial, economic and political setting in South Africa. Spatially the settlement of inhabitants within urban areas was tied to their proximity and distance to their place of work, coupled with commercial, industrial and economic activities. Increased urbanisation as a result of discovery of gold mining areas also had impact on the introduction of the migrant system which later shaped the system of local government.

The history of local government in South Africa cannot be insulated from both economic and political ideologies and imperatives of the apartheid government. Flowing from this background it is also important to note that political struggles that largely took place in the urban areas had, to a greater extent, contributed to the collapse of the apartheid government. The debate on the future of local government gained prominence with the formation of the Local Government Negotiation Forum that negotiated for the three-pronged phases of transitional local government, namely, the pre-interim (*Local Government Transitional Act*), interim phase (the first democratic local government elections in 1996) and final phase that resulted with the new constitutional model of local government in 1997.

These historical developments marked a significant shift both politically and constitutionally in terms of the form and content that underpinned the current system of local government. Therefore, new pieces of legislation were promulgated aimed at reconstructing, democratising

and transforming local government holistically taking into account, their constitutional status, mandate, structures and systems governing this sphere of government. It is within this context, that the concept of developmental local government was born. Developmental local government should link both market and government driven economic development efforts and strategies. The involvement of local government and non-state actors in the formulation of local economic development strategies is a key prerequisite to the realisation of developmental local government imperatives.

The introduction of the *White Paper on Local Government* in 1998 clearly provided a framework within which the developmental mandate accorded to local government could be realised. One of the key characteristics of developmental local government relates to the need for local government to maximise social and economic development. Local economic development should therefore, be viewed as an integral element of developmental local government. Local economic development is aimed at assisting municipalities through partnerships with non-governmental organisations, private sector and local citizens to mobilise resources and combine ideas and skills in order to stimulate local economic growth that translates into tangible employment opportunities and poverty alleviation.

Municipalities are expected to assume leading, integrating, co-ordinating and democratising roles. The assumption of these roles should enable municipalities to realise the fundamental objectives of local economic development, namely, job creation, economic growth and poverty alleviation. Local government also operates within the confines of intergovernmental relations framework and co-operative government involving both the national and provincial governments. These inter-organisational relations serve as one of the necessary conditions for the realisation of developmental local government objectives.

CONCLUSION

It is appropriate to assert that the local sphere of government remains an important player in ensuring sound and solid economic growth, effective poverty alleviation and job creation within the context of developmental local government agenda. Essentially, the developmental role accorded to local government should be accompanied by provision of adequate institutional and administrative support systems, financial resourcing and workable legislative frameworks. The impetus to build viable, efficient and effective local government should also be informed by local economic development imperatives underpinned by job creation, local economic growth and poverty alleviation efforts within South African municipalities.

*The author wishes to thank both the National Research Foundation and University of Pretoria for financially supporting this work.

REFERENCES

- Anand, S. and Ravallion, M. 1993. Human Development in poor countries: On the role of private incomes and public services. *Journal of Economic Perspectives*, 7(1), Winter.
- Bagchi, A.K. 2000. The past and the future of the developmental state. *Journal of World Research*, 2, Summer/Fall.



- Bartik, T. 2003. *Local economic development policies*. Upjohn Institute Staff Working Paper No. 03-91.
- Blair, J.P. and Carroll, M.C. 2009. *Local economic development. Analysis, Practices and Globalisation*. 2nd edition. Thousand Oaks CA: Sage.
- Bennett, R.J. 1988 (ed). *Local economic development: Identifying the research priorities*. London: Economic and Social Research Council.
- Binns, T. and Nel, E. 2002. Supporting local economic development in post-apartheid South Africa. *Local Economy*, 17, 8-24.
- Blakely, E.J. 1994. *Planning Local Economic Development: Theory and Practice*. 2nd edition. Sage: Thousand Oaks.
- Bovaird, T. 1988. Establishing the basic ground work in local economic development research. In Bennett, R.J. (ed). *Local economic development: Identifying the research priorities*. London: Economic and Social Research Council.
- Cloete, F. 1995. *Local Government Transformation in South Africa*. Pretoria: JL. van Schaik.
- Department of Provincial and Local Government (DPLG). 2001. *Local economic development Policy paper: Refocusing development on the poor*. Draft. June.
- Department of Provincial and Local Government (DPLG). 2008. *The history of local government*. Pretoria.
- Development Bank of Southern Africa (DBSA). 2000. *Building Developmental Local Government: Development Report*. Halfway House: South Africa.
- Helmsing, A.H.J. 2001. Local economic development: New generations of actors, policies and instruments. Paper delivered at the UNCDF-sponsored Cape Town Participatory Symposium on Decentralisation and Local Governance in Africa.
- Hindson, D. 2003. *Connecting economic growth with poverty alleviation: South Africa's LED challenge*. Hologram 1(1):2-7.
- Hindson, D. Vicente, V. 2005. Whither LED in South Africa? A commentary on the policy guidelines for implementing Local Economic Development in South Africa, March 2005. [Online]. Available: [http://www.sarpmn.org.za/documents/d0001494/P1837-Hindson Vicente LED-SA July2005.pdf](http://www.sarpmn.org.za/documents/d0001494/P1837-Hindson%20Vicente%20LED-SA%20July2005.pdf).
- Kanyane, M.H. and Koma, S. 2006. A decade of making Local Government an effective, efficient and viable agent of service delivery in South Africa: a post-apartheid perspective. *Teaching Public Administration*, 26(1):1-12.
- Kroukamp, H. 2001. Strengthening public administration and management through service delivery renewal in South African local government. *Politica*, 20(2).
- Malefane, S.R. 2008(a). Planning economic diversification: A local economic development strategy towards economic-base restructuring. Paper delivered at the International Association of Schools and Institutes of Administration. Uganda, Kampala, 17 July 2008.
- McCarney, P.L. 1996. Reviving local government: The neglected tier in development. In McCarney, P.L (ed). *The Changing nature of local government in developing countries*. Toronto. Centre for Community and Urban Studies.
- McCormick, D. 1999. African enterprise clusters and industrialisation: theory and reality. *World Development*, 27(9):1531-1551.
- Mokale, T. and Scheepers, T. 2006. *An Introduction to the Developmental Local Government System in South Africa- A Handbook for the Councillors and Officials*. Johannesburg: Montfort Press.
- Mogale, T. 2003. Developmental Local Government and Decentralised Service Delivery in the Democratic South Africa. In Mhone, G. and Edigheji, O. (eds.) *Governance in the New South Africa*. University of Cape Town and University of Witwatersrand.
- Natrans, J. 1988. *The South African Economy: Its Growth and Change*. Cape Town: University Press.

- Nattrass, N. and Seekings, J. 1998. Growth, democracy and expectations in South Africa. In Abedian, I. and Biggs, M. (eds). *Economic globalisation and fiscal policy*. Cape Town: Oxford University Press.
- Nel, E. 2001. Local economic development: A review and Assessment of its current status in South Africa. *Urban Studies*, 38(7).
- Nel, E. and Binns, T. 2002. Putting developmental local government into practice: the experience of South Africa's Towns and Cities. *Urban Forum*, 14(2.3).
- Nel, E. and Rogerson, C.M. 2005a. *Local economic development in the developing world: the experience of Southern Africa*. New Brunswick, N.J., Transaction Publishers.
- Nel, E. and Rogerson, C.M. 2005b. *Setting the scene: Local economic development in Southern Africa. Local economic development in the developing world: the experience of Southern Africa*. New Brunswick, N.J., Transaction Publishers: 1-17.
- OECD (Organisation for Economic Cooperation and Development). 2005. *Local governance and the drivers of growth*. Paris: OECD.
- Picard, L. 2005. *The state of the state: Institutional transformation, capacity and political change in South Africa*. Johannesburg: University of Witwatersrand Press.
- Rabie, B. 2011. Improving the systematic evaluation of local economic development results in South African local government. Doctorate in Public and Development Management (D.P&DM). Unpublished Dissertation. University of Stellenbosch.
- Roberts, P. 1993. Managing the strategic planning and development of regions: Lessons from a European Perspective. *Regional Studies*, 27(8):759-768.
- Rodriguez-Pose, A and Tijmstra, S. 2005. *Local economic development as an alternative approach to economic development in Sub-Saharan Africa*. Paper prepared for the World Bank-Netherlands Partnership Program Evaluating and Disseminating Experiences in Local Economic Development in Sub-Saharan Africa. The World Bank. Washington, D.C.
- Pycroft, C. 2000. Democracy and delivery: the rationalisation of local government in South Africa. *International Review of Administrative Sciences*, 66:143-159.
- South Africa (Republic). 2000. *Local Government: Municipal Systems Act, 2000*. Pretoria: Government Printers.
- South Africa (Republic). *Constitution of the Republic of South Africa, 1996*. Pretoria: Government Printers.
- South Africa (Republic). 1998. *Local Government: Municipal Structures Act, 1998*. Pretoria: Government Printers.
- South Africa (Republic). 1998. *White Paper on Local Government*. Ministry for Provincial and Constitutional Development. Pretoria: Government Printers.
- Swilling, M. and Monteiro, O. 1994. Building Democratic Urban Governance in Southern Africa: A review of key trends. Paper presented to Global Urban Research Council: Mexico City, October 1994.
- Welsh, D. 1994. *The Executive and the African population: 1948 to the Present*. In Schrier, R. (ed.) *Leadership in the Apartheid State: From Malan to De Klerk*. Cape Town: Oxford University Press.
- Vyas-Doorgapersad, S. 2010. Capacity building for developmental local government in South Africa. *Journal of Public Administration*,