CRITICAL ASSESSMENT OF THE EXTENT TO WHICH THE PROVINCIAL GOVERNMENT'S DEVELOPMENT PROGRAMMES ARE SUCCEEDING IN REDUCING REGIONAL UNEMPLOYMENT: A CASE OF THE NORTH WEST PROVINCE'S CENTRAL REGION

BY: OLIBILE PATIENCE MOKOLOBATE

Submitted in part fulfillment of the requirements for the degree of Masters of Business Administration in the Graduate School of Business and Government Leadership in the Faculty of Commerce and Administration at the North West University (Mafikeng Campus)

NORTH WEST UNIVERSITY
A33641200162749C

SUPERVISOR: PROF. W.P.J. VAN RENSBURG

LIBRARY
MAFIKENG CAMPUS
Call No.
2006 -03- 01
Acc. No. 06/A043
NORTH WEST UNIVERSITY
1115022 89

DATE SUBMITTED: JANUARY 2006

ABSTRACT OF THE RESEARCH

The research aimed at assessing the extent to which the provincial Government's development programmes are succeeding in reducing regional unemployment.

The research focused on the North West Province Central District, which is the second largest of the four districts. It comprises of 5 Municipalities of Mafikeng, Ditsobotla, Setlakgobi, Tswaing and Zeerust.

The objectives of the research were to determine:

- Assess the extent of unemployment, poverty and development status of each of the municipal areas falling within the central region.
- To assess the prevalence of unemployment in the study area with a specific focus on providing analysis of socio-economic development trends.
- To development programmes aimed at eradicating poverty in the province especially in the Central District.
- To evaluate the extent to which government development policies programmes and projects are succeeding in curbing the increasing of unemployment and underdevelopment in the region.

RESULTS/FINDINGS

From the information gathered, the following results or findings were discovered:

- The challenges of poverty and unemployment cannot be dealt with by the current approach from the provincial government's planning processes, which tend to focus more on smaller projects than large- scales projects.
- The current level of migration of people from rural to urban areas seems to be a viable option for most people caught in poverty and under-development in the rural areas.

- Most people have moved out of the central district to look for jobs outside the region.
- The majority of the funded projects are too small to make any noticeable impact on the major challenges facing the province.
- The majority of the proposed projects directly initiated by the provincial government have not taken off the ground.

RECOMMENDATIONS

For the North West Province to be critically assessed the following recommendations are suggested:

- Introduce a dedicated North West Development Agency to drive and give strategic guidance to development in the province and should be given a development Find.
- Undertake development research so as to identify needy areas.
- Provide financial and non- financial support to SMME.
- Facilitate development partnerships with private sectors and communities.
- Undertake labour intensive projects in the province
- Set up Development forums to discuss development issues and strategies.

DECLARATION

I declare that this discourse is my own unaided work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration (MBA), at the University of North West, Mafikeng Campus. It has not been submitted before in any degree or examination in any other university.

Signed: _____

Date: _____

Faculty: _____

Place: _____

ACKNOWLEDGEMENTS

Heavenly Father, Despite all the mix-ups we make in life, you are always a loving and caring Father. I am your creation and I am looking forward to many fulfilling years of my life and blessings. There is no one like you and there will never be anyone to take your place in my heart. You are the guiding light to my career.

To my loving and caring mom, I dedicate this hard work to the many years of patience, love, care and encouragement you have given me over the years whilst I was growing up. You are always an inspiration in my life. Your spirit is watching over me and inspires me. May Your Soul Rest in Peace always.

To my family: (My husband Mr. K Mokolobate, my children Keabetswe, Onkgopotse and Onthatile Mokolobate, friends, sisters and all my in-laws), I had to spend tons of hours away from home doing the research. Thanks for your understanding and support.

Prof. W.P.J van Rensberg, your supervision, patience, understanding, guidance, cooperation and knowledge of the subject I was researching on has been tremendous. You have been the pillar of success and the golden ladder towards my career. I sincerely thank you.

University of North West, I am high on the moon to have been part of such a renowned institution. It has bee a long walk towards my academic achievement and career but with such remarkable lectureship pool of lecturers, there is no drop of regret but tons of joy for a job well done.

Mr. Thabo Thulare million thanks for your assistant and guidance throughout the research and your assistance could not be measured. You have been a true friend.

CERTIFICATE OF ACCEPTANCE FOR EXAMINATION

This dissertation, entitled: CRITICAL ASSESSMENT OF THE EXTENT TO WHICH THE PROVINCIAL GOVERNMENT'S DEVELOPMENT PROGRAMMES ARE SUCCEEDING IN REDUCING REGIONAL UNEMPLOYMENT, written by Olebile Patience Mokolobate, submitted to the Graduate School of Business and Government in the Faculty of Commerce and Administration is hereby recommended for acceptance for examination.

PROMOTER : ----------

PROF. W.P.J. VAN RENSBURG

SCHOOL : **Graduate School of Business & Government Leadership**

FACULTY : **Commerce & Administration**

UNIVERSITY : **North West University**

TABLE OF CONTENTS **PAGE**

CHAPTER 1

Orientation

1.1 Background of the study 1

1.2 North West Province at a glance 2

1.3 Problem statement 5

1.4 Objectives of the study 5

1.5 Scope of the study 6

1.6 Importance of the study 7

1.7 Definition of concepts 7

1.8 Organisation and layout of the study 9

CHAPTER 2

Literature Review and Theoretical Foundation

2.1 Introduction 10

2.2 Literature Review 10

2.3 International Experience 19

2.4 Theoretical Foundation 21

2.4.1 Keynesian Model 21

2.4.1.2 Overview of the Keynesian Model 21

2.4.1.2 Criticism of the Keynesian Model 22

2.4.2 Efficiency-wage Theory 22

2.4.2.1 Overview of the Efficiency-wage Theory 22

2.4.2.2 Criticism of the Efficiency-wage Theory and its Application to the South African Context 23

2.4.3 Adam Smith's Subsistence-wage Theory of the Supply and a wage fund theory of the labour and demand 23

2.4.3.1 Overview of the Subsistence-wage Theory 23

2.4.3.2 Criticism of the Subsistence-wage Theory 23

2.4.4 Development Economist 24

2.4.4.1 Overview of the Development Economist argument 24

2.4.4.2 Criticism of the Development Economist argument 25

2.4.5 Perroux Growth Pole Theory 25

2.4.5.1 Overview of the Perroux Growth Pole Theory 25

2.4.5.2 The nodes or growth pole characteristics 26

2.4.5.3 Criticism of the Perroux Growth Pole Theory 27

2.4.6 Structural Change Theory 28

2.4.6.1 Overview of the Structural Change Theory 28

2.4.6.2 Criticisms of the Lewis Model 29

2.4.7 Theory of a Perfectly Competitive Labour Market 29

2.4.7.1 Overview of the Theory 29

2.4.7.2 Criticism of the Theory of Perfectly Competitive Labour Market 30

2.4.8 Trickle-down theory of development 30

2.4.8.1 Overview of the Theory 30

2.4.8.2 Criticism of the Trickle down Theory 30

2.5 Conclusion 30

CHAPTER 3

Problem Definition and Research Questions

3.1	Introduction	33
3.2	Rationale of the problem	33
3.3	Problem Statement and Definition	35
3.4	Concluding Remarks	36

CHAPTER 4

Research Design and Analysis

4.1	Introduction	37
4.2	Methodology	37
4.3	Data Collection Techniques	38
4.4	Sampling Techniques	39
4.5	Research Sample	40
4.6	Summary and Conclusion	42

CHAPTER 5

Results and Interpretation

5.1	Introduction	43
5.2	Presentation of data	43
5.3	Conclusion	64

CHAPTER 6

Discussion, Conclusion, Implications and Recommendations

6.1	Introduction	65
6.2	Discussion of results	65
6.3	Conclusions	69
6.4	Implications	72
6.5	Recommendations	73
Biographical References		74

Map 1: North West Province
Map 2: Central Region
Map 3: North West Province
Map 4: Population Densities: 2001
Map 5: Town and Villages: 2001

CHAPTER 1

1. ORIENTATION

1.1 BACKGROUND OF THE STUDY

Unemployment and poverty are global challenges facing both private and government sectors and in most cases cooperation is needed between these sectors to deal with these challenges. In South Africa (SA) government has constitutional and legislative obligations to reduce poverty and unemployment. The link between unemployment, poverty and under-development is a very critical focus area in today's development planning processes. Different specialists and professionals have provided in-depth research into the concepts of poverty, unemployment, development planning, the role of government in development, causes of under-development and development measures.

The understanding of the application of these concepts is central to this research study which seeks to provide a critical analysis of the extent to which the government; especially the North West Provincial Government is doing to curb poverty and unemployment in the province. The research will unpack the extent to which the provincial government and its application of development programmes is succeeding in reducing regional unemployment in the province, especially the Central Region as the central focus of the study. The background to the study is the fact that this research work is undertaken against the background of the ongoing debate as to how development is measured. The research will later reflect on the practical debates about not only the link between poverty and unemployment but also the link between development, under-development and economic growth. Central to our understanding of the research's focus on development, poverty, unemployment is the definition by development economists, which is a breakaway from the traditional way of using GDP and GNP growth.

According to Todaro (1994), development economists measure development by looking at what has been happening to the socio-economic environment, which is characterised by unemployment (growing or declining), employment (growing or declining), poverty (increasing or declining), and environment status as well as its role on development.

It should be noted that no country irrespective of its advanced development programmes could be immune from the problems of poverty and unemployment. Unemployment is perceived to be the root cause of many other problems such as high crime rate, violence, poverty and lack of development. The most important outcome of any development agenda is the extent to which programmes are able to reduce the spread of poverty across a given region or country. South Africa just like other countries has taken bold steps in joining the global community in the fight against unemployment and its devastating effects on development. The focal point of this research report is to provide a critical assessment of the extent to which the North West Provincial Government's development programmes are succeeding in reducing unemployment in the Province. The creation of employment opportunity is an important macro economic objective and unemployment is generally regarded as the most important economic problem in South Africa and therefore also in the province. This therefore demands that the research provides a critical assessment of the extent to which development programmes are succeeding in reducing unemployment and thus extending the prospects for development success.

In order to have a clear overview of the challenges facing the provincial government in its fight against unemployment in the different regions of the province, there is a need to provide a detailed analysis and development status quo of the province.

1.2 NORTH WEST PROVINCE AT A GLANCE

The North West Province of South Africa is a landlocked province on the border of Botswana. It is bordered by Gauteng and the Limpopo Provinces in the east, the Northern Cape in the west, the Free State in the south and shares an international border with Botswana in the north. It is the sixth largest of the nine provinces in South Africa covering a total area of 116 320 kilometer square, making up 9,5% of the total surface area of South Africa (Map1) (North West State of the Environment, 2002). Administratively the province is divided into four district municipalities, namely Central District, Bophirima District, Southern District and Bojanala District, which are comprised of 21 local municipalities with neighbouring provinces (Map 1 and 2).

The province has a population of 3, 7 million people. The province is about 65, 1% rural and only 34, 9% of the population live in urban areas. There is an increased migration to the cities, mainly due to a declining agricultural sector and growth in urban unemployment (North West State of the Environment Report, 2002).

In his 14th May 1998 speech titled "Our Plans and Visions for the Future of the North West Province", in Rustenburg, Premier Popo Molefe (Former Premier) stated that the population is growing at a rate of 3% per annum. He further said that the population is very unevenly distributed through the province, which means that this skewed population distribution, market development and growth potential, is also very uneven throughout the province.

The North West Province is characterised by a high rate of unemployment and inequality in terms of access to resources and poverty. In 2002 about 60,7% of the population of the North West Province was regarded as economically active. However, it only has a potential labour force of 1,2m people of which 62,3% was employed. The mining industry is the largest sector in the economy which employs about 39,9% of all those with jobs in North West Province (North West Province 2001). Most people in the North West Province follow elementary occupation, employing about 27,7% or just more than two hundred thousand, which is a job, characterised by a low skill level (North West State of the Environment, 2002). In 1998 former Premier for the North West Province, Popo Molefe stated that unemployment in the North West Province increased steadily from 34% in 1994 to 36,4% in 1996. He further said that unemployment amongst poor rural communities was estimated to be as high as 53%. He added that the formal sector economy and mining have steadily shed jobs over the past 10 years.

According to Invest North West (2004) the provincial investment agency, mining is one of the largest contributors to the provincial economy with about 31% contribution to the Gross Geographic Product (GGP), which then contribute about 2,4 of the national Gross Domestic Product (GDP). Despite this massive contribution most of the jobs in the provincial economy are being shed in the mining sector.

Agriculture contributes about 8% to the GGP and 10% to the national agricultural output. It also provides 15% of the employment opportunities in the province (Invest North West, 2004). There is an indication that the farming sector provides opportunities for employment for the rural communities, but income derived from the sector is very low. There is also very little upward mobility in this sector due to the education levels attached to the employment. Further more, linkages can be found in relation to the food security and unemployment. The higher the level of unemployment, the more food insecure the population becomes. This has spiraling effects in terms of other social elements such as health and crime.

Poverty affects 62% of the province's population, the second highest provincial figure for South Africa. The province has an unemployment rate of 37,7%, the fourth highest in South Africa. There is need to create more quality employment that can lead to sustainable livelihoods for those more affected by poverty. In 2002, approximately 33,9% of the unemployed were found in the urban areas whereas 66,1% was in the rural areas. Males/females unemployed distribution in the province indicate that in 1996, 187 000 males (41,6%) were unemployed compared to 262 000 females (58,4%).

In her 2001 budget speech former Member of Executive Council (MEC) for Economic Development and Tourism, MEC Maureen Modiselle stated that the challenges of poverty and unemployment are well known and there is a need to create at least 600 000 new jobs annually. She further stated that there is a need to determine the extent to which unemployment, poverty and inequalities remain obstacles to the full development of all in the province and to determine what and how the various levels of government can contribute to this end. In her state of the province address for the 10th of February 2005, North West Premier Edna Molewa stated that, there are challenges of under-development, poverty and joblessness but the economy is growing. She said that government would have to intensify its development programmes across all sectors so as to stimulate economic growth in the province.

The creation of jobs is the most important objective of economic policy in the country and in the province. Unemployment is a costly phenomenon as it entails a variety of costs, to the unemployed to society at large. To keep unemployment as low as possible, jobs must be created at a sufficient rate. As indicated by MEC Modiselle in her 2001 budget speech, the province needs to create at least 600 000 sustainable jobs per annum. The provincial economy has been unable to create jobs. Only an additional 1.1 million employment opportunities were created over the period 1974 to 1993 while the labour force increased by 5.1 million. The unemployment situation has been aggravated by the widespread retrenchment of workers in the North West Mines. A clear example was job shedding due to the relatively low gold price since 1996. The chamber of Mines indicated that 25400 people were retrenched in the first three months of 1995- almost the same number lost their jobs in the preceding four year (Lighthelm & Kritzinger Van Niekerk, 1990). The recent shedding of jobs by mining houses in the Southern District of the province also has a bearing on unemployment in the province.

The obligation of the North West Province is to improve the quality of lives of the people and this serves as a model to demonstrate the commitment that the North West Province can work hard in addressing the problem. The most pressing challenges in trying to improve the North West economy and creating jobs, is to harness the extraordinary force of partnership, spread it throughout the province, and make its benefits accessible and meaningful for all, especially the unemployed people. In order to succeed in providing an objective view on the success and failure rate of government's development programmes in combating poverty, most of the key government's development programmes and projects were discussed in line with their contribution towards job creation, poverty and development impact to other sectors.

1.3. PROBLEM STATEMENT

The high rate of unemployment in the province is a call for concern, which requires immediate and ongoing intervention from both the private and government sectors. The soaring unemployment rate is often linked to the high rate of poverty alleged to be due to the rural nature of the province and important to this is the extent to which government's development programmes are succeeding in curbing the spread of unemployment through pro-poverty and developmental programmes. In order to provide a critical analysis and assessment of the extent to which government is either losing or winning the war against poverty and above all unemployment, each development programme and its impact will be assessed on basis of its merit.

1.4 OBJECTIVES OF THE STUDY

The challenges of unemployment in the province would have to be understood within the context the development challenges facing the province as well the required interventions. The link between poverty, unemployment and under-development is yet to be researched in the province.

Within this context the research report will have following objectives:

- To provide a critical assessment of unemployment in the North West Province with specific focus on the Central Region, which is one of the under-developed areas in the province?
- To provide a critical analysis of the extent to which government is succeeding in curbing the growth of unemployment in the province especially looking at regional trends.
- To provide an assessment of impact analysis of both government and private sector's development programmes in the fight against poverty and unemployment.
- To provide a development framework, which will provide recommendations to the North West Government, both provincially and locally to maximize development impact of its programmes and projects as well as to sustain the momentum of these initiatives.
- To provide a critical assessment of the current development programmes and projects in relation to creating an enabling environment to provide a platform to curb the spread of unemployment, poverty and skills in the regions of the province.
- To suggest proactive medium to long-term development intervention programmes to combat skills shortages, under-development, crime, poverty and problems of unsustainable jobs in the province's regions.
- To assess the extent to which unemployment leads to poverty, under-development and unstable livelihoods in both urban and rural areas of the province's regions.

1.5 SCOPE OF THE STUDY

The focus of the study is the Central District, which is the second largest of the four districts in both population and size. Its population of 691 000 and spread over 47 000 square meters in the north central part of the province, bordering Botswana in the north. It comprises the five municipalities of Mafikeng (The Provincial Capital), Distsobotla, Setlakgobi, Tswaing and Zeerust. District head-office is located in Mafikeng (Map 1 and 2).

The research will assess the extent of unemployment, poverty and development status of each of the municipal areas falling within the central region. Central to the research is the need to assess the prevalence of unemployment in the study area with a specific focus on providing a detailed analysis of socio-economic development trends and development programmes aimed at eradicating poverty in the province especially in the Central District.

A Critical analysis of the socio-economic and development challenges facing the region were provided so as to provide recommendations on how to deal with these challenges. The main focus was to evaluate the extent to which government's development policies; programmes and projects are succeeding in curbing the spread of unemployment and underdevelopment in the region.

1.6 IMPORTANCE OF THE STUDY

A critical assessment of the extent to which development programmes in the province are contributing positively and successfully in curbing the spread of regional unemployment or the failure thereof is a critical policy issue which may stimulate development debates in the province. The results of the study will provide a platform for a re-look into the current development programmes and provides new framework through which government can re-engineer its approach in order to sustain its impact on momentum against unemployment and poverty. The study will provide a new approach to the desired process of aligning and integrating the fragmented development programmes and policies in the province which are often executed uncoordinated between the different spheres of government, private sector, department, communities, development agencies and parastals.

1.7 DEFINITION OF CONCEPTS

In order to understand the different concepts and their usage in the different parts of the report, applications in development programmes, most key concepts to be utilized were unpacked.

These include amongst others the following key concepts from Todaro (1994):

(a) **Employment and unemployment:** There are different types of definition for employment and unemployment. Open unemployment: People who are able and often eager to work but for whom no suitable jobs are available. Hidden unemployment: A situation in which labour is fully employed but is un-productive because the workers are incapacitated, sick, uneducated, hungry, unmotivated, or using unsuitable tools in their tasks. Under-employment: A situation in which persons are working less than they would like to work, either daily, weekly, monthly, or seasonally. Full-employment: A situation in which everyone who want to work at the prevailing wage rate is able to get a job or alternatively, a situation in which some job seekers cannot get employment at the going wages rate but open unemployment has been reduced to desired level.

Voluntary unemployment: This is unemployment by choice of a worker as opposed to involuntary unemployment. Disguised unemployment: A situation in which available work tasks are split amongst resources such that all seem fully employed, but in reality much of their time is spent in unproductive activities. Causal unemployment: Employment on an ad hoc basis without regular hours or a wage contract constitutes employment in the informal sector.

(b) **Informal sector**: Is that part of the urban economy of Less Developed Countries (LDCs) characterized by small competitive individuals or family firms, petty retail trade and services. labour intensive methods, free entry, and market determined factor and product prices. It often provides a measure source of urban employment and economic activity.

(c) **Development and under-development:** Development is a process of improving the quality of human lives with a focus on the following three elements: (i) raising people's living levels, (ii) creating situation conducive to the growth of the people, (ii) increasing people's freedom. Under-development can be defined as an economic situation in which there are persistent low levels living in conjunction with absolute poverty, low income per capita, low rate of economic growth, low consumption of levels, poor health services, high debts rate, high birth rate, dependence on foreign economies, and limited freedom to choose between variables that satisfy human wants.

(d) **Poverty:** Absolute poverty is a situation where a population or section of population is able to meet only its bare subsistence essentials of food, clothing and shelter to maintain minimum level of living. Poverty Gap is defined as the sum of the difference between the poverty line and actual income levels of all people living below that line. Vicious cycle is a self-reinforcing situation in which factors tends to perpetuate a certain undesirable phenomenon which then leads to poor health and low labour productivity and eventually to the persistence of poverty.

(e) **Cost-benefit analysis:** A basic tool of economic analysis in which the actual and potential private and social costs of various economic decisions are weighted against actual and potential private and social benefit. Decisions or projects that yield the highest ration of the benefit to cost are usually thought to be most desirable.

(f) **Planning:** Decentralised planning is regionalized planning as opposed to planning at a centre. Centralised planning: The determination by the state of what shall be produced and how factors of production shall be allocated amongst different uses. Central planning is done by central government and dictated to various sections in the economy.

(g) **Economic Integration:** The merging to various degrees of the economies and the economic policies of the two or more countries in a given region.

(h) **Government Failure:** Situation in which government intervention in economy worsens outcome.

1.7 RGANISATION AND LAYOUT OF THE STUDY

Following below are the chapters, which will provide detailed insight into the flow, and coherence of the research. These chapters include literature review (study) and theoretical foundation, problem definition, research design and analysis, results and interpretations, and discussions, implications, conclusions and recommendations.

Chapter 2: Literature Study and Theoretical Foundation

Chapter 3: Defining the problem & Research Questions

Chapter 4: Research design and analysis

Chapter 5: Results and interpretations

Chapter 6: Discussions, implications, conclusions and recommendations

CHAPTER 2

2. LITERATURE REVIEW AND THEORETICAL FOUNDATION

2.1 INTRODUCTION

The impact of unemployment on development, economic growth, poverty and the sustainability of livelihood has been a widely published issue in South Africa since the dawn of the new democratic dispensation. Why is South Africa failing to get the growth and jobs that is needed? This is a popular question from economists who keeps track of development and economic trends as well as impact of government's economic and development policies.

The first section of this chapter will therefore seeks to provide a detailed critical analysis of all relevant literature on issues pertaining to unemployment within the context of South Africa and globally. In South Africa the literature will focus on the current status quo. The second section will provide a critical analysis of all applicable theories. These are theories, which purport to understand the causes of unemployment and their impact on development. The research wills criticise each theory in relation to its applicability to unemployment in the South Africa context. The last part of the chapter will provide a critical analysis of both the literature and the theories. The literature will be criticized with the context of making sure that it does provide reliable data and if not so provide loci cal the implications for future research on a similar subject. Further focus will be placed on the theories to their ability to present convincing arguments on the causes or linkages between the research area and other concept and applicability of such theories to the context of research area.

2.2 LITERATURE REVIEW

Unemployment has a serious development consequences for any country, not only for the individual in terms of erosion of the standard of living but also for the society as a whole in terms of crime rate, social frustration leading to unrest, loss of production as well as knowledge skills required at great cost but lost quickly through disuse.

In South Africa however the consequences could even be more serious in terms of unemployment damaging the prospects for a stable and successful transition to a new democratic order. Globally this could have serious effect on perceptions on the success or failure of the market economy.

In order to understand the concept and challenges of unemployment, poverty, economic growth, development and under-development there is a need to understand and define what development is. The definition of what development is differs from one school of thought to another. Unemployment either linked or not linked to poverty and cannot be understood in isolation from development is and its influence on under-development. Michael Toda's definition of what development is and its characteristics help to us understands what is expected of development (Todaro, 1994). He defines development as the process of improving the quality of human lives with a focus on the following three elements: (a) raising people's living levels, (b) creating conducive situation to the growth of the people and (c) increasing people's freedom.

Under-development is defined as an economic situation in which there are persistent low levels living in conjunction with absolute poverty, low income per capita, low rate of economic growth, low consumption levels, poor health services, high debts rate, high birth rate, dependence on foreign economies, and limited freedom to choose between variables that satisfy human wants. Development is both a physical reality and a state of mind in which society has, through combination of social, economic, and institutional processes, secured the means for obtaining a better life.

Whatever the specific components of this better life, development in all societies must have at least the following three objectives:

- To increase the availability and widen the distribution of basic life sustaining goods such as food, shelter, health, and protection.

- To raise the level of living including, in addition to higher incomes, the provision of more jobs, better education, and greater attention to cultural and humanistic values, all of which will serve not only to enhance material well-being but also to generate greater individual and national self-esteem.

- To expand the range of economic and social choices available to individuals and nations by freeing them from servitude and dependence not only in relation to other people and nation-states but also to the forces of ignorance and human misery.

Development is therefore about bringing sustainable changes to a society and how it's measured is a call for concern. Historically or in line with traditional economic measures, development has meant the capacity of a national economy, whose initial economic condition has been more or less static for a long time, to generate and sustain an annual increase in its GNP at rates of perhaps 5% to 7% or more.

Development strategies have more therefore usually focused on the rapid industrialization, often at the expense of agricultural and rural development. These principal economic measures of development have often been supplemented by casual reference to non-economic socials indicators: gains in the literacy, schooling, health conditions and services, provision of housing for instance (Todaro, 1994). There was a belief for a trickle-down effect resulting from economic growth.

In contrast to the above traditional definition of economic development, new economic view of what is development came into being in the 1970's to expand the narrow definition. The measure of economic development using GNP was attached on the basis of the widespread absolute poverty, increasingly inequitable income distribution, and rising unemployment. During the 1970's, economic development came to be redefined in terms of reduction or elimination of poverty, inequality, and unemployment within the context of a growing economy. This made the concept of "Redistribution for Growth" to become a popular slogan.

South Africa like the rest of the developing countries is faced with a serious challenge of unemployment, poverty and either under-development or lack of development is some sections of the community. When the new Government of National Unity inherited the government reins there was a lot of fragmentation in the development system and there were no clear programmes geared towards poverty alleviation. The rise in national unemployment trends in recent years has painted a gloomy picture. Unemployment has been rising at an alarming rate in most provinces and this is a call for concern.

When the new democratic government came into office after the 1994 general election, it was faced with a huge challenge to formulate and implement development policies and programmes to foster national economic growth, create a job sustaining economy, fight unemployment, under-development and provide a sustainable livelihood for both rural and urban population. On top of this development agenda, job-creation was a leading goal of government policy during the first decade of democracy in South Africa.

According to the Institute for a Democratic Alternative in South Africa (IDASA, 2004), little success has been achieved in the struggle to create sufficient jobs in the economy. The Institute indicated that extensive unemployment remains stubbornly entrenched. According to Altman (2003), using the expanded definition of unemployment (which includes people who have given up looking for work), the unemployment rate was estimated to be 28.6% at the time of the transition to democracy.

The most recent estimates (March 2004) find the unemployment rate to be 41.2% using the expanded definition and 27.8% using the strict definition (Statistics South Africa 2004, in IDASA 2004). This translates, respectively, into 8.4 million or 4.6 million unemployed people, depending on the definition of unemployment being used. Four features of the unemployment crisis are important for setting the scene. Firstly, unemployment in South Africa is structural or systemic in nature, not transient (Idasa, 2004).

It has grown out of changes in the economic structure since 1970, including those associated with technological development, the declining importance of the agricultural sector, liberalization and global entry. The structural nature of unemployment is also closely tied up with the legacy of apartheid schooling. The second important feature is that unemployment is concentrated amongst the youth (people aged between 18 and 35). The third is that the overwhelming majority of the unemployed are semi-skilled or unskilled. Fourthly, unemployment in South Africa is not only due to too little demand for labour in the aggregate (linked to insufficient economic growth).

The problem is also that the demand for labour does not match the skills profile of the majority of work-seekers (Bhorat 2004, in IDASA 2004). This means, as President Mbeki has pointed out (2002), that much higher rates of economic growth will not, on their own solve the unemployment crisis. The unemployment situation in South Africa has profound implications for poverty, human rights and political stability. Unemployment is associated with extensive and deep poverty at the household level.

In the absence of a social assistance programme targeted at the unemployed and with poor access to productive assets (such as land and skills), the majority of the unemployed face a daily struggle to meet their basic needs. This situation is at odds with the Constitution, which gives all South Africans a comprehensive set of justifiable socio-economic rights (IDASA, 2004).

It challenges the state to generate and use society's resources in such a way that everyone – including the millions who are poor due to unemployment- is able to meet basic needs and live a life of dignity. Over the first ten years of democracy, government's measures to assist the unemployed (via job-creation and poverty relief) have been informed by three umbrella development strategy documents - the Reconstruction and Development Programme (RDP) of 1994, the Growth, Employment and Redistribution Strategy (GEAR) of 1996 and the Micro- Economic Reform Strategy (MERS) of 2001 and also the 2003 Growth and Development Summit (GDS).

Poverty is also rife in South Africa. Global Insight indicated that 20,5 million South Africans (56% of total population) were living in poverty in 2003, compared with 190, 000 white South Africans (4% of total population). Official unemployment estimates are at 30%, although many believe 40% unemployment is more accurate. Poverty among South Africa's disadvantaged groups is exacerbated by one of the world's highest HIV/Aids (www.eia.doc January 2005). Following the ending of apartheid in 1994 with the coming into power of the African National Congress (ANC) led government; the country has worked towards bringing economic equality to historically disadvantaged groups.

Despite all the restructuring processes across all sectors of the economy, income gaps in South Africa puts the country as one of the highest ranking in the world. Research statistics published by the South African Development Research Unit (SALDRU) at the University of Cape Town, the October Household Survey (OHS) and Labour Force Survey (LFS) shows that unemployment has been on the rise in South Africa for the period 1993 to 2002. In the context of broad definition of unemployment SALDRU data shows unemployment rate of 31,2% in 1993 and 13,0% in narrow definition of unemployment.

The OHS figures shows that in October 2003, unemployment was 31,5% (broad definition) and 20,0% (narrow definition). On one hand statistics from the OHS (October 1996) shows that unemployment was rated at 35,6% under the broad definition and 21,0% under the narrow definition. The OHS data also reveals that in October 1998, broad definition of unemployment was standing at 38,6% and

26,1% under the narrow definition. LFS data indicates that in October 2000, the broad definition of unemployment reveals that unemployment was rated at 36,9% and 25% using the narrow definition of unemployment. LFS further shows that broad unemployment in October 2002 was 41,8% and 30,5% under the narrow definition. The broad definition of unemployment applies to those people wanting work but not active in job-search.

Bhorat (2003) states that whilst employment has increased over the period 1995 to 1999, unemployment has increased, indicating a clear gap between the rate of employment creation and the rate of growth in economically active people in South Africa. While some industries have seen large increases in employment in particular the financial and business sector, this has not addressed the employment crisis currently facing South African workers. Brookes and Hinks states that the issue of non-substitutability of skills means that unemployed private sector workers cannot fill the new highly skilled and professional jobs.

South Africa has a population of 46,6 million people and there are nearly 12 million people working today, compared to 9,3 million in 1996. But the unemployment has gone up during the same period, from about 20% to 28% (official definition: those actively seeking employment). According to Statistics SA, some 4,6 million South Africans seeking work are unemployed compared to 2,2 million in 1996.

It is stated that government macro-economic policy has been widely acclaimed but has yet to make a dent on the unemployment rate. Whether measured by the official definition or the expanded definition (includes those who have given up looking, but would like to work) the country's unemployment is far too high 27,8% official definition, 41,2% expanded definition) (SA 2005/6). Despite the gloomy picture painted by these high unemployment figures, there is some hope for change when looking at the figures released by Statistics SA which reveals that 83,000 new jobs were created in the second quarter of 2004, which caused the unemployment rate to drop marginally from 28,4% to 27,8% (official definition). In terms of the expanded definition, the jobless rate dropped from 42% to 41,2%, not enough to stimulate a victory parade (SA 2005/6).

The South African government has set a goal of halving unemployment by 2014 and aims to provide employment for a million people by 2009, primarily through the Expanded Public Works Programme (EPWP) of R45 billion. R15 billion of that is earmarked for projects using labour intensive methods in the construction and maintainace of thousands of kilometres of roads. This includes pipelines, storm

water drains and pavements. The EPWP created 76 000 jobs in the first half of the fiscal year 2004/05. The challenge is that these are short-tem jobs. The economy is creating between 100 000 and 300 000 jobs annually but there are 500 000 to 600 000 people entering the job market each year.

Indications are that between 1995 to 2002 the SA workforce grew to 55,3 million three times the number of jobs created (1,7m). The country has achieved an average annual growth rate of nearly 3% over the past decade. This has been a jobless growth. Despite this economic growth sectors such as manufacturing shed jobs and mining lost 200 000 jobs over the past decade.

To grow employment by more that 4% annually the level required to approached 2014 goal of 15% of unemployment, the economy has to grow at between 5% to 6% annually. The bottom line is that about 4% economic growth will stop unemployment growth. Economic growth of 5% will make inroads into unemployment but the 2014 goal will remain beyond reach. If 6% economic growth can be achieved and sustained, the goal becomes a possibility (SA 2005/06).

Among other structural problems, the percentage of unemployment pursues in South Africans who have been without jobs for 12 months or more is very high with the result that people become discouraged and stop looking for work. Also, the sophisticated South African economy demands skilled workers, of whom there is a shortage (made worse by the emigration of professionals) and a much lower demand for unskilled labour, of which there is excess. There are nearly 30m South Africans between the ages of 15 and 65 years and about half are under the age of 24 and a third under the age of 15. The economically active labour force is about 16,6 million of which some 12 million are employed (formal, informal, agriculture and domestic), leaving 4,6m unemployed (27,8%). Using the expanded definition, unemployment is standing at 41,2%.

Figures released by the Labour Force Survey (2004/Statistics SA) indicates that the challenge of unemployment is also rife (widespread) in the nine provinces. Unemployment rate in the Eastern Cape, Limpopo and Kwa-Zulu Natal Province is between 31% and 33%). The Free State, the Northern Cape, the North West, Gauteng and Mpumalanga Province's unemployment rate is standing between 23% and 30%. Western Cape's unemployment is estimated at 17% (Kingdon and Night, 2001).

In terms of employment in both the formal and informal sectors of the economy, the figures are alarming. In 2004, people employed in the formal sector were 9,1m compared to 1,8m in the informal sector as well as 1m people in the domestic activities. Employment by economic sector indicates that 9,2% (business services), 5% (transport, 20,5% (trade), 5,6% (construction), electricity (0,9%), manufacturing (13,9%), mining 4,9%), agriculture (10,6%), community services (19%), private households (10,2%) and 10,2% for the unspecified category.
These figures represent a total of 11,98m estimate for sector employment. The narrow definition counts as unemployed only those jobless persons who actively searched for work in the previous four weeks compared to the broad definition which measures only those who says they want work, even if they do not actively search.

Other definitions of unemployment include the following: (1) Frictional unemployment. It arises because it takes time to find a job or to move from one job to another at any particular time because their will always be workers who are moving from one job to another. In South Africa this accounts for very small proportion of the unemployed population, it usually has a short duration. (2) Cyclical unemployment arises during a recession period when aggregate demand and thus also the demand for labour is low.

During the recession period few or no jobs are created for few entrants to the labour market. Existing workers might lose their jobs through retrenchment. (3) Structural unemployment refers to the overall inability of the economy, owing to structural imbalance to provide employment for its total labour force even at the peak of the business cycle.

Unemployment can also refer to skills mismatch (between the skills that the employers require and those that the employees offer), or a geographical mismatch (between the locations of job vacancies and of job seekers. South Africa's unemployment is of structural kind. (4) Seasonal unemployment arises when certain occupations only require workers for part of each year. The agricultural sector is a prime example of this type of unemployment. Despite its prevalence, unemployment is little researched and understood in South Africa. The country's unemployment can be characterized as voluntary (unemployment by choice). Unemployment in the country is rated amongst the highest in the world.

It is argued that there is a need to investigate the link between local unemployment and wages as these two concepts are positively related across space. High unemployment regions need to have higher wages in order to compensate potential migrants for the costs of job-search, the high unemployment would otherwise act as a deterrent (Kingdon and Night, 2001). This argument was proved wrong in several countries such as the UK and USA. Wages were found to be negatively related to unemployment, and unemployment. A 10% increase in the local unemployment rate leads to a 1% decrease in wages.

After over a decade of labour shedding in the formal sector, official statistics have begun to show some signs of jobs creation. However, unemployment remains dangerously high at 42% of the workforce (ABSA, 2005). Research conducted by analysts at the ABSA bank indicates that the most desirable outcome is a high rate of economic growth with full employment, an ideal well within the reach of the South African economic system.

The argument is that the economic system, however struggles to find equilibrium between growth and employment and in order to solve this situation South Africa needs to reform the economic system (ABSA Group Economic Research, 2005). The answer that economic theory provides to the question of unemployment refers to the productivity of labour and its cost. A decline in productivity and/ or an increase in labour costs will cause managers to use less labour inputs in production. Leading to a decline in employment.

The combination of inputs of labour and capital is basically technologically determined, but also a function of factor price differentials: wage costs against the cost of capital. Consequently, unemployment may also be the result of an increase in the productivity of capital and / or a decline in its cost. Changes in the factor prices force managers to adjust the production function to minimum costs (ABSA Group Economic Research, 2005). Developments in the South African labour markets since the 1970's indicates that when government relaxed its restrictions on trade union memberships, there was a rise in industrial action which often led to high wages and this affected employment decisions by employers. These instabilities as results of labour actions destabilized the South Africa economy (ABSA Group Economic Research, 2005).

2.3 INTERNATIONAL EXPERIENCE:

The issues of employment, unemployment and poverty are not a problem facing only developing countries but is a global problem facing even the richest nations. Two issues have dominated the employment experience of the major industrial countries over the past twenty years (John Eatwell, in J Michie, et al, 1997). There was a common rise in unemployment throughout the G7 countries to as late as in 1994. The rise was diverse on a different scale. Eatwell (1997) argues that the common increase in unemployment has been accompanied by considerable diversity in the scale and composition of that increase.

Whilst some countries such as the United States, Canada, Japan and Italy were experiencing relatively low level of unemployment, but this was at the time when these countries (other than Italy), experienced relatively rapid labour-force growth. "The high rates of labour-force growth in North America and Japan have been matched by high rates of job creation"(Eatwell, 1997: 77). In North America there has been an 80% increase in the number of jobs since 1960 and in Japan jobs increased by 40% but in the European Union (EU) jobs only increased by 10%. The high incidence of long-term unemployment in most EU countries is associated with low inflow rate into unemployment.

According to Joan Robinson (1937) in Michie, et al (1997), the level of employment in the economy was determined as the sum of the employment determined by effective demand (taken as an independent variable) and the level of disguised unemployment. Todaro (1994) defines disguised unemployment as a situation in which available work tasks that is split among resources (typically labour) such that all seem fully employed, but in reality much of their time is spent in unproductive activities. On the other hand Eatwell (1997) defines disguised unemployment as employment in very low productivity sectors. He further argues that disguised unemployment is also defined as the number of jobs, which would need to be lost if a sector is to attain a level of value productivity per head equal to 80% of the level of productivity in manufacturing, as this was the case in Germany.

Employment and under-development are said to have become chronic and intractable (stubborn) in every developing country. In the 1970's the industrial countries managed to reduce open unemployment to about 3 t0 6% of their labour force (International Labour Organisation, 1972 in Godfrey, 1986). The worlds changed so much since then and the employment problems of these developing countries have not disappeared. During the 1960's and the first three years of the 1970's, North America, Western Europe and Japan, appeared to have found a secret of full employment.

Evident in these countries' abilities to half unemployment to between 4 and 7% in North America, and rising no higher than 3% in most European countries and in Japan. In few European economies (UK, Italy, Belgium, Netherlands) unemployment rates in 1983 were higher than or comparable to those at the height of the world depression fifty years earlier (Godfrey, 1986). The situation in the third world was gloomy with a clear indication that there has been no dramatic improvement in these countries employment situations.

Experience and developments in the United Kingdom (UK) reveals that from the early 1970's the cumulative process of economic and social progress has been replaced by a downward cumulative process of increasing inequality and growing poverty. This was precipitated by increasing inflation, growing unemployment, progressive de-industrialization, and increasing government expenditure. High inflation was attributed to a failure to control the money supply, unemployment to imperfection in the labour markets and over-generous welfare provision and the responsibilities for poor industrial performance was laid at the door of organized labour and the erosive effect of high taxation on entrepreneurial initiative.

In 1976 under-pressure from the oil crisis and the changing conventional wisdom in economic theorizing, the British government abandoned its commitment to full employment. Since 1979 control of monetary variables has dominated anti-inflationary policy whilst labour-market policy de-regulations and reforms of the benefit systems to increase work incentives have been allotted to a task of securing fully employment. Few economists would disagree that a central object of economic policy should be achieving and sustaining full employment, what they debate is how this can be achieved. Economist have traditionally argued that in the labour market is cleared, anyone can get a job if they are prepared to accept a market price which declines as the level of unemployment rises.

2.4 THEORETICAL FOUNDATION

Tarling and Wilkinson (1988) in Michi (1997) argue that the experience of unemployment and poverty during the inter-wars years and the social accord engendered (bring about) by World War II triggered a revolution in economic theory and policy practice which ushered in a commitment by governments to full employment and the welfare state. In the following three decades these changes seemed to have been justified by high rates of economic growth, increasing level of employment, declining level of unemployment and a progressive elimination of poverty as a growing proportion of population of advancing industrial countries became increasingly self-sufficient.

2.4.1 Keynesian Model

2.4.1.1 Overview of the Keynesian Model

Keynes's Keynesian Model of the 1930's identified over-savings as a cause of unemployment and introduced the idea that full employment required government intervention to establish and maintain a sufficiency in the effective demand (Michie, 1997). The Keynesian model was developed by Lord John Maynard in the early 1930's to explain the cause of economic depression and hence the unemployment period of that period. The model states that unemployment is caused by insufficient aggregate demand and can be eliminated by, say, government expenditure that would raises aggregate demand and activate idle or under-utilized resources and thus create jobs (Todaro, 1994).

The Keynesian monetary approach to economic development and employment indicated that money supply and specifically investment would raise aggregate demand, leading to a higher level of economic activity (more employment and a higher GNP). The theory argued that in times of excess aggregate demand and inflation, governments pursue restrictive monetary policies designed to curtail the expansion of aggregate demand by reducing the growth of the national money supply, lowering the supply of loan-able funds, raising the interest rates thereby inducing a lower level of investments, it is hoped, less inflation. Keynes argued that unemployment develops because people want the moon, men cannot be employed when the object of desire (i.e. money) is something which cannot be produced and the demand for which cannot be readily chocked off. He indicated that there is no remedy but to persuade the public that cheese is particularly the same thing and to have a green cheese factory (i.e. a central bank) under a public control (Keynes 1936, in Godfrey, 1986).

2.4.1.2 Criticism of the Keynesian Model:

Tarling and Wilkson (1997) argue that the impact of abandoning the full employment objectives in the late 1970's by the British government was to increase the involuntary unemployment and lower effective demand. The resulting deep depression in the early 1980's reduced investment in proactive industries and impeded (blocked) it's by dampening expectations. The ability of the economy to generate full employment effective demand was further weakened by a redistribution of income from the poor, most of whose income is consumed, to the rich who save a high proportion of their income and who have a relatively high import propensity (tendency).

Keynes' employment theory was criticized on the basis that it was loosely and obscurely expressed. It appears that even Keynes was not clear in his own mind about some of its finer points and this provided a greater scope for disputes over its interpretation. The application of the Keynesian Theory in South Africa and the North West Province could be problematic. The Government of National Unity (GNU) is encouraging South Africans to save so as to sustain their livelihood.

In South Africa and the North West Province government intervention is indeed a prerequisite so as to deal with the legacy of apartheid. Prudent financial management in government and in the Society either in people who are self-employed or in formal employment savings is encouraged. On one hand, South African government is spending billions of rands annually in its development programmes so as to eliminate unemployment but currents trends indicate that unemployment is on the rise both at national and provincial level.

2.4.2 Efficiency-wage theory (The wage-unemployment relationship)

2.4.2.1 Overview of the theory

The theory seeks to provide an explanation for the fact that there is a negative wage-unemployment relation. The theory indicates that in localities where there is high unemployment, workers would want to avoid being fired owing to the difficulty of finding another job. These workers will then be highly motivated to work hard without having to be paid high wages. In localities with little unemployment, workers have no fear for dismissal as much, and are less motivated to work very hard. It is argued that a job paying a wage premium is worth holding on too, and thus a higher wage can provide motivation.

Low unemployment areas will have higher wages than high unemployment areas, leading to a negative relationship between wages and unemployment. Another explanation for the negative wage-unemployment relationship is that labour unions, which care more about their employed and unemployed members, may exert pressure for higher wages on employers if local unemployment is high (Kingdon and Knight, 2001).

2.4.3 Criticism of the Efficiency-wage theory and its applicability to the South African context

In the South African case the application of the theory will be contrary to the current status quo whereby despite the ever increase high rate of unemployment in most regions or provinces, strikes of low salaries are rife. The argument that people who are paid premium wages stay in the same job or is worth staying, is a challenge in the country's context where most of South Africa's educated class and senior management post holders do not stay in one job for too long. In the case of junior staff, even in good paying positions, preference to explore is rife and hence the high job turn over in the country is evident through the flooding of job adverts in the weekly publications.

2.4.3 Adam Smith's (1723 to 1790) "subsistence wage" theory of the supply labour and a "wage fund" theory of the demand for labour

2.4.3.1 Overview of the theory

Smith argued that there is a strong connection between demand and supply for labour. If the reward for labour is liberal, this encourages an increase in population and hence labours supply if multiplication is excessive, the wage falls and so does the rate of increase of labour supply (through an increase in child mortality). Smith indicated that the demand for labour depends on the funds which are destined for the payment of wages. These wages are of two kinds: the revenue which is over and above what is necessary for the maintenance, the second one is the stock which is over and above what is necessary for the employment of their masters. One of Smith's popular quotes in 1776 was the idea that: "No society can surely be flourishing and happy, of which by far the greater part of the numbers are poorly and miserable".

2.4.3.2.1 Criticism of the subsistence wage theory

The link between supply and demand is highly questionable in the South African context. In the country there are a lot of qualified graduates who are not employed and have not been for a period exceeding a year and beyond. The lack of demand for labour or inability to absorb skilled labour in South Africa's labour market cannot be based on the inability of employers to pay good wages. It is argued that by international standards, the country's labour is highly paid especially amongst the skilled group. In areas where unemployment is rife, most citizens are prepared and do accept any wage offered for a day's work but in employees who are employed formally but lowly paid, this has been a recipe for labour unrest in the country.

2.4.4 Development economists

2.4.4.1 Overview of the theory

Development economists argued that urban employment problems, is caused by several factors which include, (1) labour-saving accumulation, (2) unequal land ownership, (3) education and (4) population growth. In relation to labour-savings accumulation, the argument is that on the demand side, it is widely believed that techniques used in the capitalist sector have not only been capital-intensive but increasingly so as accumulation has proceeded. Unequal land ownership is argued to be one of the factors leading to urban unemployment. The less equal the distribution of land, the smaller the population that can be carried on a given area. As the land ownership becomes more concentrated over time, workers and their families extruded from agriculture are forced to seek livelihoods in the towns (Hunt, 1984, in Godfrey 1986).

Structural development economists put an emphasis on the negative impact of education on the employment problem. The problem is that the education offered does little to educate a person to value what he has but teaches a person to want to escape certain realities, the schoolboy of an agricultural worker is thought not to desire to stay in the farm he has so much dependent on, but to escape from it. High rate of population growth is viewed by many development economists as one of the causes underlying the employment problem in many labour-intensive economies. The school argues that rapid population growth would be expected to lead to a lower level of savings per head because it increases the burden of dependence on families.

2.4.4.2 Criticism of development economists' argument

Large part of the theory's argument is applicable to the South African context. Labour in South Africa tends to be highly mechanized even in the agricultural sector where manual labour is supposed to be used. The issue of land ownership is a challenge in urban areas. The lack of sufficient land and accommodation in urban areas has led to the ever-growing slums or shelters in the cities.

People from the rural side have flocked to the cities with the hope of getting employment and those who are unlucky suffer from shortage of space to live and tend to build shacks leading to urban slums. Limited vocational training tends to lead to a situation whereby most people cannot apply what they have learnt at school.

In case of kids from rural areas, after education they tend not to return home due to lack of opportunities back home. There are a lot of people who are educated in South Africa but still go back home to apply what they have learnt. Higher population growth can be tied up to competition over resources such as jobs, education, food, and shelter, among other. The link between over population has been widely published and hence the argument that, over population can and does lead to increasing dependency.

2.4.5 Perroux Growth Pole theory

2.4.5.1 Overview of the theory

Growth takes an unbalanced form, it start by taking place at key nodes and then spread to other areas. This spread is along diverse channels and with variable intensity. This spread then has effects on the whole economy (Perroux, 1964, in Glasson, 1978). Perroux argued that it is the propensity (tendency or inclination) of the nodes to adapt to innovation that assures their development. Innovations, new ideas, new processes are the driving forces for development and are most easily adopted at the foci of these fields of forces. According to Christaller (1966), regional growth pole is a set of expanding industries located in an urban area and inducing further development of economic activity through its zones of influence.

2.4.5.2 the nodes or growth poles have the following characteristics:

(a) The concept of leading industries

At the centre of growth poles are large propulsive firms, which belong to leading industries, which dominate other economic units. Glasson (1974) argues that these industries may have originated due to several factors such as the location of natural resources either water or fuel, the localization of more man-made advantages, communication or existing service-based central places with advantages of infrastructure and labour supply.

A leading industry is characterized by a relatively new and dynamic industry with an advanced technology; and it has products that are sold nationally and internationally. It has a high elasticity of demand for its products, which are usually sold, to natural markets; and it is relatively large. It has a high ability to innovate; and it belongs to a fast and growing industry. It has strong inter-industries linkages with other sectors and lastly, it generates significant growth impulses into its environment. The theory indicates that, large-scale economic activity tends to cluster around growth poles due to economies of agglomeration and the lower costs of locating an industry in an area where much economic infrastructure has been built-up.

(b) The concept of polarization

The growth of leading industries encourages the polarization of other economic units into the pole of growth. This polarization at economic level will inevitably lead to geographical polarization with the flow of resources and the concentration of economic activity at a limited number of centres within a particular region (Glasson, 1974). The poles will continue to flourish with the benefits of agglomeration as economies of scale develop. As a result some industries will then locate close to the firms so that they may be able to save cost.

(c) The concept of spread effect

According to Myrdal (1975), spread effects are the forces, which tend to disperse growth to the periphery. This is also referred to as the 'trickle-down effect' (Hirschman, 1958). The role of the state in this context is to redistribute wealth from the profitable poles into those that are in the periphery.

The benefits of the 'pole' spread to its surrounding area create an influence which in turn improves the general standard of living at the core and the periphery. Firstly, the success of the spread depends on the balance between favourable effects, which has effect of spreading growth to the periphery from the core. Secondly, the success is dependent on what Hansen (1975) refers to as the unfavourable effects ('backwash effect') on the peripheries. In a situation where the backwash is dominant, this will mean that the periphery may be reduced to a very weak state. A homogenous spatial system will emerge resulting in the disappearance of the periphery. These unfavourable effects involve the workings of population, trade and capital movements.

This then result in inequality between the core and peripheral areas. The unfavourable effects consist of the flow of people out of the periphery and the flow of capital seeking higher returns in the core and the favourable effects consist of the flow of investment activities by the core into the periphery. These effects are called the spread effects or the trickle down effects (Myrdal and Hirschman, 1957). They later give rise to new core regions in the periphery.

2.4.5.3 Criticism of the Growth Pole Theory

Hansen (1975) dismissed the argument that propulsive industries will result in growth. He argued that growth results from the concentration of investment, which in return will create agglomeration economies, which will then attract industries. The role of state intervention is needed for external economies to take place. Myrdal (1957) did not include state intervention in his argument about this theory. Growth pole will impact negatively on the surrounding regions instead of spreading its own benefits. As a result of this the centre will be the only area where development takes place. This could mean that no opportunities would be created for the unemployed or the under-employed. The theory has failed to produce concrete answers as how to identify and develop the mechanism needed for diffusion into the hinterlands, how to determine the threshold population size of the pole as well as how to determine between a natural and a planned pole.

2.4.6 Structural Change Theory

2.4.6.1 Overview of the theory

This theory focuses on the hypothesis that underdevelopment in the third world countries is due to under-utilisation of resources arising from structural or institutional factors that have either origins in both domestic and international dualistic situations. Development therefore requires more than just accelerated capital information as espounded in the stages of growth and fall-paradigm model of development (Todaro, 1994). There are two well-known representatives of structural change theory; these include the "two sector surplus labour" by W. Arthur Lewis and the "patterns of development" by Hollis B Chenery. The Lewis Theory of Development:

In Lewis' model underdeveloped economy consists of two sectors. The first is the traditional, over-populated rural subsistence sector characterized by zero marginal labour productivity. Lewis classifies this as surplus labour in the sense that it can be withdrawn from the agricultural sector without any loss of output. The second is a high productivity modern urban industrial sector into which labour from the subsistence sector is gradually transferred. The primary focus of the model is on both the process of labour transfer and the growth of output, and the employment in the modern sector.

According to this model, both labour transfer and modern sector employment growth are brought about by output expansion in that sector. The speed with which this expansion occurs is determined by the rate of industrial investment and capital accumulation in the modern sector. This investment is made possible by the excess of modern sector profits over wages on the assumption that capitalists reinvest all their profit. The author assumes that urban wages would have to be at least 30% higher than average rural income to induce workers to migrate from their home areas (Todaro, 1994).

2.4.6.2 Criticisms of the Lewis model

Lewis's two sector development model is criticized on the basis that it is both simple and roughly in conformity with the historical experience of economic development in the West Province. Three of the key assumptions in the model do not fit the institutional and economic realities of most contemporary third world countries. The model implicitly (totally) assumes that the rate of labour transfer and employment creation in modern sector is proportionally to the rate of modern sector capital accumulation. It should be noted that the faster the rates of capital accumulation, the higher the growth rate of modern sector and the faster the rate of new job creation.

The second questionable assumption of the model is the notion that surplus labour exists in rural areas while there is full employment in areas, the reverse of this is likely to be true in most third world countries where there is substantial unemployment in urban areas but little general surplus labour in rural locations. The unreal assumption of the theory is the notion of competitive modern sector labour market that guarantees the continued existence of constant real urban wages up to the point where the supply of rural surplus labour is exhausted.

2.4.7 Theory of a Perfectly Competitive Labour Market

2.4.7.1 Overview of theory

A perfectly competitive labour market is a labour market characterized by a large pool of similarly qualified workers independently offering their labour services to a large number of firms, none of which has the power to influence the wages rate. Where workers in firms have perfect information, and mobility is costless. It has the following characteristics that contrast it with other labour markets. (1) A large number of firms competing with one another to hire a specific type of labour to fill identical jobs, (2) numerous qualified people who have identical skills and independently supply their labour service. The third one is the (3) "wage taking" behaviour where neither workers nor firms exert control over the market wage. (4) perfect, costless information and labour mobility (McConnell, et al, 2003).

2.4.7.2 Criticism of the theory of a Perfectly Competitive Labour Market

The cost of replacing qualified labour cannot be costless in any country. In the case of South Africa, government and private sector spend millions every year in educational schemes to skill current and future labour and such mobile labours tends to move on to other countries (brain-drain). This has financial effect on national resources. Skilled labour in the country is mobile and the choice for a job and mobility is less amongst the uneducated or lowly skilled part of the population.

LIBRARY

2.4.8.1.1 Trickle-down theory of development

2.4.8.1 Overview of the theory

The theory emphasized the notion that development is purely an economic phenomenon in which rapid gain from the overall growth of the GNP and income per capita automatically bring benefits (trickle down effect) to the masses in the form of jobs and other economic opportunities. The main pre-occupation is therefore to get the job done while problems of poverty, unemployment and income distribution are perceived to be of secondary importance.

2.4.8.2 Criticism of the trickle down theory

The theory falls short of understanding that economic developments are not automated by the fact that GNP has been growing without definitely measuring what the impact of such growth has been. Development economists argue that the use of GNP as a measure for economic growth is very problematic. The social and the environmental impact of development are not accommodated with the assumption that growth in GNP will trickle down.

Development economists argue that, development can be measured by its direct impact on jobs; poverty, the environment, economic benefits as well as other social benefits without assuming that this will happen automatically. An understanding of the nature of the size distribution of income is central any analysis of the poverty problem in low-income countries. It is not sufficient to simply focus on raising economic growth rates of GNP in the expectations or hope that this national income growth will trickle down to improve levels of living for the very poor.

2.5 CONCLUSION

2.5.1 Comments on literature

Most of the literature, which has been utilised in this chapter, clearly reflects insight into the issues and challenges of unemployment and the link with under-development, poverty, development and link with economic growth. Future research will have to pay attention to the impact of the informal economy or economic activities on the GDP or GNP. In a country where unemployment is rife and leading to survivalist economic activities, research will have to integrate these activities. Most of these researches do indicate the fact that the formal sector has been shedding jobs especially in mining and worse of all even agriculture which was once one of the sectors which absorb labour. Future research and research institutions will have to track down these workers to find whether they are being absorbed into other economic activities or not as well as to investigate their post formal employment survival strategies. The re-absorption of these laid-off workers into the formal economy in relation to the conclusive argument that the country has been shedding jobs and unemployment has been growing, present critical gap in current research.

In case were such workers are re-absorbed formally or informally into the economy or not, no such records exists or available through the current research. Most regional focus research is provided by global research companies such as Global Insight and our own local research institutions only provides us with broad figures which may not be reflective of changes which might have occurred since the last research was conducted.

Regionally based dedicated research is likely to yield highly reliable data and an example of this would be the case where statistics reflect that, certain percentages of people were laid-off or are unemployed, but should economic activities pick up in a certain area (Government intervention, commercial activities emanating from growth of certain commercial activities), those who benefit from these activities would have to be tracked dedicatedly and studied over year so as to get reliable data. The argument that the country's unemployment is structural in nature and the blame is place on apartheid space economy holds a lot of truth, but 11 years into democracy and success of policies should be weighted in line with what has changed since the dawn of the new democracy. Nonetheless the studies do reveal that unemployment is on the increase in South Africa and this is the case in most provinces.

Most research done in South Africa is highly politicised and the approach taken is on the basis of using it as a yardstick to criticize the government of the day. There seems to be a general agreement

between most of the studies that South Africa's unemployment is structural in nature and is on the rise but the research is often based on annual estimates which should be supplemented by quarterly reviews of the data.

2.5.2 Comments and conclusion on theories

There are different theoretical explanations on the causes of unemployment, poverty and under-development and most theories assume that the situations in the developing and developed worlds are the same. The applicability of these theories to the third world context is highly questionable. This requires that when dealing with causes of unemployment, there should be no generalization to all countries. Looking at the development economists approach, they provide a departure from the notion of only using GDP or GNP to measure development and its impact.

Other than the traditional economists, the approach argued that all development impact measures would have focus not only on the economic growth but also on what such growth had on unemployment, poverty and environment and as to whether there has been an increase or a decline. The chapter has also provided a detailed analysis of development theories, which focus on the link between poverty, unemployment, development (under-development), economic growth as well as the impact of development policies on the existence of these challenges. These theories reveal that there is a link between labour, income distribution, economic growth and unemployment, which will provide a basis for the research's questions.

CHAPTER 3

3. PROBLEM DEFINITION AND RESEARCH QUESTIONS

3.1 INTRODUCTION

The challenges of under-development characterised by poverty and unemployment as well as lack of improvement of the well being of the people would have to be understood within a particular context. It must be understood within the context of government's attempts to streamline development programmes and projects towards job creation, poverty alleviation and improving of standards of living. The extent to which these programmes and projects are succeeding is a subject for debate.

3.2 RATIONALE TO THE PROBLEM

It has been argued that in South Africa two worlds exist side by side, the developed side of the economy popularly known as the first economy as well as the second economy characterised by high rate of poverty and unemployment. Firstly, the country is in a process of developing so as to catch up with the rest of the world. Since 1994 policies and development strategies have been put into place to restructure the apartheid space economy in order eradicate all hindrances to socio-economic growth and spatial restructuring. This put South Africa on equal footing with countries which are still struggling to come into terms with challenges of apartheid and unequal development across all sectors of the economy. Some features of the economy reflect a third world situation especially when looking at the ever-growing rate of poverty and unemployment as well as other social ills.

Secondly, looking at the country's stable economic growth and the fact that it is the biggest economy in the African continent and capable of competing with other global economies, this put the country closer to the economies of the first world. With a GDP of R41,404bn, GDP per capita of R30,129, economic growth of 3,7, budget deficit of 2,3% of GDP, gold and foreign exchange reserves of R80bn, exports of R292,3bn during the financial year 2004, this is indeed a reflection of the strength of the economy (SA 2005/06).

Despite all these major economic growth figures, the social side of the country's development paints a very gloomy prestige and uncertainty as to the impact of this economic growth on poverty and unemployment. The development economist' theory clearly argued that high economic growth does not equal development. This is a theory, which advocates for a different approach to economic growth measure, a move away from GDP or GNP to analyse the impact of such growth. The focus should be on what have been happening to poverty, unemployment and the environment. Is such economic growth not at the expense of the social side of development? When looking at the trickle down effect theory, it clearly states that as the economy grows the economic spin-offs will trickle down to impact positively on the other aspects of the economy especially the social side of development. Despite high economic growth and a stable economy in South Africa, social challenges such as unemployment and poverty are on the increase, both at national and provincial level. This research study will therefore be based on a detailed analysis of the extent to which government's development programmes are able to reduce the high rate of unemployment.

The central focus will be on the analysis of the development impact of development programmes in North West Province's Central Region. Trends reveal that unemployment and poverty are on the increase in the North West Province. Despite government's development programmes since 1994, very little seems to have change over the years when looking at the high rate of unemployment which is above 30% in the entire province. In 2002 the province was said to be 65,1% rural (North West State of the Environment, 2002).

The North West Province's unemployment rate was 34% in 1994 and increase to 36,4% in 1996 with 53% rural unemployment. Poverty is said to affect about 62% of the population in the province. This is the highest provincial figure for South Africa. Unemployment increased to 37,7% in 2002 of which 33,9% was in the urban areas with 66,1% for the rural areas. There seems to be a direct link between poverty, unemployment and the rural nature of the province. Against this background, as per research objectives, in order to understand the extent of unemployment in the province, there is a need to do a critical analysis of regional unemployment in the province, assess the impact of government's development programmes on unemployment, the role of public-private partnerships in the war against poverty and unemployment, as well as to assess the link between poverty and unemployment. The development gap between the urban and rural areas in the province is a call for concern especially when it comes to the distribution of resources, which is often affected by the fragmented human settlement.

3.3 PROBLEM STATEMENT AND DEFINITION

3.3.1 Primary research problem

- During the last ten years the North West Provincial Government has developed strategies and programmes to half poverty and unemployment but these challenges are on the rise in the province especially in the rural areas.

3.3.2 Primary research questions

- To what extent are the provincial government's development programmes and projects succeeding in curbing the growing rate of unemployment and poverty in the province?

- To what extent does the rural nature of the province and the spatial redistribution affect the impact of government service delivery and development programmes?

3.3.3 Secondary research problem

- Current debates in development indicate that a close relationship exists between high levels of unemployment and under-development, widespread poverty, and unequal distribution of income.

3.3.4 Secondary research questions

- To what extent does the high rate of unemployment contribute towards the increasing rate of poverty and under-development in the North West Province?

3.4 CONCLUDING REMARKS

The high rate of unemployment in the province is perceived as one the major causes of poverty and under-development in the province. By its nature the province has the highest percentage of people living in the rural areas.

The impact of these trends on development is quite a serious challenge. Government intervention through development programmes seems to have very little impact on changing the current status quo. Unemployment, poverty and under-development are intertwined and cannot be discussed in isolation from the other. In order to develop and balance the urban and rural development there is a need to reverse the current trends of which so far the opposite seems to be true, the inability to halt the galloping unemployment figures. When looking at national unemployment statistics they are on the rise and so are the trends in the North West Province.

The fragmented human settlement especially in the rural areas is one critical area, which is assumed to have an impact on government's intervention programmes. This makes the allocation of resources difficult. Growth points are lacking in such areas and the concept of clustered development approach becomes difficult to role out large areas of under-utilised and unproductive lands often affect development coordination between settlements. The impact of this rise in unemployment will be well presented in the research analysis as well as on the last chapter on recommendations. The approach will be to analyse regional unemployment in the province especially the Central District in comparison with other regions and the entire province. Central to the issues that the research intends to deal with is the assessment of the extent to which government intervention is able to deal with the challenges of regional unemployment in the province, the case of the Central Region.

CHAPTER 4

4. RESEARCH DESIGN AND ANALYSIS

4.1 INTRODUCTION

In order to be able to gather sufficient information to address and unpack what the research process intended to do, this chapter will provide a detailed analysis of the research methodologies and all applicable processes, which were used in gathering the data to prove the researcher's hypothesis as outlined in chapter three above. The method used to collect data will have impacts directly on the kind of data a researcher to gets and the quality of the data is also determined by the ability of the researcher to ask the relevant questions which could held to achieve the main objectives of the study.

This section of the research seeks to provide a detailed analysis the methodology and procedure, which have been followed in the collection of this data. It should be noted that that whilst the core focus of the research is social issues which requires the use of a qualitative research design; the collected data was included in the analysis and comparison of mathematical data on the rate of poverty. This is data, which is in a form of numbers from measurement. Employment and unemployment figures are rarely expressed in words as the data was collected using a sampling method, which quantified and coded the data.

4.2 METHODOLOGY

4.2.1 Research approach

The research is a social research focusing on trying to seek answers on social ails, with a core focus on unemployment and other related causal factors and implications. This social research combined theories or ideas with facts in a systematic way as and to used imagination and creativity in trying to understand the problem of unemployment in the North West Province.

Neuman (1997) defines social research as a collection of methods used by researchers systematically to produce knowledge and it is therefore understood as a process to produce knowledge about the social world. This will be an exploratory research aimed at formulating more precise questions that future research can answer.

In collecting the data, the researcher used a qualitative research technique. The reasons qualitative research design was based on the following:

- This is a less standardized approach, meaning that the wide variety in possible approaches to qualitative research is matched by the many approaches to data analysis.
- This allows the researcher to look for patters or relationships, and this will provide a platform to start analyzing early in the process, while still collecting data and this guide subsequent data collection.
- Qualitative analysis is less abstract than statistical analysis and close to raw data.
- The research procedures are particular, and replication is very rare.

4.2.2 Data collection techniques:

The first technique was use of questionnaires and personal interviews. The personal interviews were used in conjunction with structured questionnaires, which were being administered to the research subjects. Structured questions were used. The use of either administered or un-administered questionnaires ensured that in-depth data is obtained from the research subjects. The use of survey for data collection focused on open and closed questions in the questionnaire. Two different types of surveys were used which included both the mailed and self-administered information. Based on financial constraints and usability, this type of approach is far the cheapest and can be conducted by a single researcher. The method allowed the researcher to distribute questionnaires to a wide geographic area.

The utilisation of a survey is preferred on the basis that, the respondents will be able to respond to the questions at a convenient time at their own comfort and under no pressure. The mail questionnaires offer anonymity and avoid interviewer bias. They are very effective, and response rates may be high for a target population of the unemployed, those involved in government's development or service delivery programmes especially those who are literate or have a strong interest in the topic. Expected difficulties will be the possible late return or slow response, which may then increase costs on, follow up.

The second approach was being the use of secondary data or publications, which was provided insight into written or published material on the subject. The material was provided an in-depth insight on available data. The focus was being on published books, journals and on-line material. These are materials dealing with issues pertaining to unemployment, employment, poverty, economic development and economic growth. These are areas, which have a link with unemployment and employment.

4.2.3 Sampling techniques

It is important to note that it is impossible to identify all members of a population of interest, considering time and costs to be invested. There is a need for samples to be representative in every respect, but only in those characteristics relevant to the study. Informed by the objectives of the study, which is to explore the chosen research area, the research sample was drawn from a variety of sources including government officials, developers, researchers, senior and junior officials involved in government's planning and development programme.

As Polansky (1975) explain that in early stages of knowledge development when insights that lead to discovery of variables or to hypothesis formulation are the intent, purposive sampling may be employed. The research relied on both probability and non-probability sampling techniques. Both approaches will be unpacked in the following sections below. Non-probability sampling focused on the element of quota, where the researcher first identified categories of people and then decided how many will get into each category. This helped the researcher to ensure that some population differences are in the sample.

In this study, purposive or judgment sampling was used, as a sampling techniques and the core focus was be on the use of this technique on the most convenient and available sample. The population was selected on the basis that their inclusion was likely to stimulate an in-depth insight into the research. Snowballing was used which selected people who are connected to one another. This is a multistage technique and begins with one or few people or cases and then spread out on the basis of the initial cases. In the case of the research on unemployment, the focus was on interviewing different project managers, researchers in different government departments, municipalities (both district and local) as well as different agencies or private companies involved in development. These are inter-connected people who work in different environments but have a meaningful contribution towards development in the province.

Probability sampling was also be used in the research process with a central focus on identifying specific sampling elements to include in the sample. Random samples are most likely to yield a sample that truly represents the population. The approach also lets the researcher statistically calculate the relationship between the sample and the population. The element to be used in probability sampling was the stratified sampling, whereby the researcher was able to first divide the population into sub-populations (strata) on the basis of supplementary information. This then allows the researcher to be able to draw a random sample from each sub-population and this then provides the liberty to control the relative size of each stratum rather than letting random processes control it. The stratified sampling approach produces samples that are more representative of the population than simple random sampling and this depends on the accuracy of the stratum information.

4.3 RESEARCH SAMPLE

The definite application of the above-mentioned research techniques largely depend on the type of selected samples and methodology applied. The data was being gathered from the following sampled population through the application of the different data gathering techniques alluded to in the previous sections:

a) Provincial Government employees involved in project and programme management as well as policy development:

- 5 project managers: management of funded projects
- 5 programme managers: management of development programmes.
- 5 managers involved: research and policy

b) Local Government Employees involved in project and management of development programmes:

- 5 (1 from each of the 5 local municipalities in the district) municipal programme managers involved in the management and planning of the Central District Municipality's development programmes.
- 5 (1 from each of the 5 local municipality in the district) municipal project managers involved in the implementation of municipal funded development projects in the district.
- 5 (1 from each of the 5 local municipality in the district) municipal officials involved in social and economic research

c) 3 Private Sector Companies involved in development programmes and projects in the province within the Central District.

d) 25 Self-employed people who participate in government's funded development projects (5 in each of the five municipalities).

e) 25 Self-employed people who are not part of government's have funded development programmes (5 in each of the five municipalities).

f) 25 People who are unemployed within the different municipalities falling within the district (5 in each of the five municipalities in the district)

g) 25 unemployed people who have recently lost their jobs (5 in each of the five municipalities in the district)

Total research population: 133

4.4 CONCLUSION

The chapter provided an outline of the research methodology to be used in the research. Qualitative research methodology was used which included statistical analysis of data as carried out in quantitative research.

Surveys with structured questionnaires, administered and un-administered were used to gather data. Secondary materials like journals, newspapers articles, published research and Internet based materials.

The sampling technique used will include both the probability and non-probability sampling. These utilized quotas, purposive / judgmental, stratified and snowballing sampling. The research subjects was a population of 133 composed of municipal and provincial government's employees. It also included the unemployed people from each of the five municipalities in the central district. The unemployed were grouped according to the period they have been unemployed ranging from a year and below a year.

The self-employed category included those people who initiated their own businesses or projects, which are self-funding outside of the scope of government's development funding for projects. The other category of the self-employed are those who are in employment and poverty alleviation programmes funded by government. Private companies involved in government's development programmes formed part of the research population. In relation to research and policy, this category included research institutions, provincial and local government's policy development and research specialists.

CHAPTER 5

5. RESULTS AND INTERPRETATION

5.1 INTRODUCTION

The main focus of this part of the research is to analyse the data collected as part of the research process to undertake a critical assessment of the extent to which provincial government's development programmes and projects are succeeding in reducing unemployment. The data was collected from a population of 133. Due to the fact that some of the questions rose in each of the different questionnaires and interviews were cross cutting, an attempt will be made to look for patterns of relationship, to categories all responses from each questionnaire linked to specific questions. Due to the qualitative nature of the research trying to explain the social world, data will also be analysed by categorising similarities and differences, establishing causal linkages and explanation and establishing the relationship between the data and theory. The results will then be generalised to the entire population in the province. The data will be presented and interpreted through the usage of tables and figures to provide an explanation to the social phenomenon of unemployment and poverty as part of providing a critical assessment on the success rate of government's development programmes and projects.

5.2 PRESENTATION OF DATA

5.2.1 Self-employed people participating in government funded development programmes in the Central District

In order to measure the extent to which government's development programmes is succeeding in curbing the spread of unemployment and poverty in the region, there was a need to gather data from government-funded projects. Different government departments have funded several community-based small, medium and micro enterprises so as to contribute towards poverty alleviation and job creation. The data was drawn from 25 respondents in 14 different government projects.

The respondents were drawn from government funded projects which included projects in sub-sectors such as arts and craft, primary agriculture focusing on vegetable farming, candle manufacturing, bricks manufacturing, concrete manufacturing, laundry services, catering services, bakery and confectionary, woodwork, steelwork, sewing and sanitary.Most of the people involved in these projects were either previously employed or have never been in formal employment. Out of a population of 25 respondents, about 88% indicated that they have previously been employed compared to 12% who said that before they got involved in these projects, they have never been involved in formal employment. In order to establish the facts on when was the last employment period for the 22 respondents, these had to be catergorised in relation to several year periods. About 9% of the responderts indicated that they have bee employed between the periods 1980 to 1985. About 22% indicated that their last employment was between 1986 and 1990. That whose employment was between 1991 and 1995 was a figure of 22%. About 41% of the respondents indicated that their last employment was between 1996 and 2000 compared to 9% for the period 2001 to 2005 (Table 5.1).

Table 5.1 below can be summarised as follows: The table clearly indicates that a majority of the people have been in formal employment. This is a total of 88% compared to 12% of those who have never been in formal employment. In addition to this in relation to those who had previously been employed for the period between 1986 to 1990 are dominant with 22%. The table also shows that a majority of the population was formally employed up to the period starting from 1980 and ending in 1990, when combined, makes a total of 31%. This compared to those who never been in formal employment for the period 1991 to 2005 (periods combined) which is 69% due to the high rate of people under each individual period under this category. Beside those who have been in formal employment have high percentage but in terms of the totals for those who have been in formal employment are in the majority.

Table 5.1:

Previous formal employment status and employment period in terms of years

Previous employment status	Percentage	Employment period	Percentage
Those who were previously in formal employment	88%	1980 to 1985	9%
		1986 to 1990	22%
Those who have never been in formal employment before	12%	1991 to 1995	21%
		1995 to 2000	41%
		2001 to 2005	7%
TOTAL	100%		100%

In order to assess the length of previous employment the focus was on a varying employment periods (Table 5.2). Those who have been employed below one year were 18% compared to those who have been employed between 1 to 5 years, which stood at 9%. Those who have been employed for a period between 6 to 10 years was 23% of the respondents compared to 22% of those who have been employed between 11 to 15 years. The population of those who have been employed for between 16 to 20 years was a total of 23% compared to 5% of those who have been employed for a period between 21 to 25 years.

Only 14% have been employed for a period exceeding 26 years. About 55% lost their jobs due to retrenchment as a result of the previous employer's companies closing down compared to 18% who lost their jobs due to dismissal. A total of 17% lost their jobs due to the fact that they were involved in temporary jobs compared to 10% who actually resigned from their jobs.

With the advent of democracy and the fall of the former homeland system in the North West Province, several companies relocated to other areas or closed down. The biggest employers such as Agrichicks, North West Development Corporation (NWDC), Seboane Maize Meal and other employers in the Central District began shedding jobs and eventually closed down. NWDC was placed under judicial management in 1999 and most employees lost their jobs. The situation in mining companies outside the region was becoming tense with people losing their jobs and coming back home.

Out of the 22 respondents who were previously employed, 18% indicated that they are previous employees of Agrichicks, which closed down. About 23% indicated that they are former employees of NWDC, 14% were employed by Seboane Maize Meal, and 14% were former employees of Mafikeng Abattoir. Those who were employed in mining companies mostly outside of the region accounted for 18% of the population. In relation to other employers, only 13% said that they were employed by different shops and companies, which used to be located in the industrial sites but have either closed down or relocated to other areas outside of the region or in the region (Table 2).

Table 5.2

Duration of employment, how the job was lost and previous employers.

Employment duration (Years)	Percentage	How was the job lost	Percentage	Previous employer	Percentage
1 to 11 months	18%	Retrenchment	55%	Agrichicks	18%
1-5 years	9%	Dismissal	18%	NWDC	23%
6 to 10 years	23%			Mafikeng Abattoir	14%
11 to 15 years	22%	Temporary jobs	17%	Seboane Maize Meal	14%
16 to 20 years	23%			Mining companies	18%
21 to 25 yesrs	5%	Resignation	10%	Other companies	13%
TOTAL	100%		100%		100%

Most of the respondents indicated that, as a result of being unemployed they experienced a lot of problems. Experienced problems included amongst others, the inability to meet basic needs due to a loss of income; inability to support their families; leaving on handouts and temporary jobs from neighbours. Others include breakdown in intimate friendship and family relationship; repossession of goods by debtors as a result being unable to honor monthly payments; school going kids had to be de-registered and other relocated to the nearest schools to reduce traveling costs; wife and elder children were forced to also look for jobs so as to sustain the family.

From the list of project owners, which have been funded by government, indicated that some of them were funded by more than one funder as part of their start up capital. The majority of the funding came from the Department of Finance and Economic Development (Previously, Department of Economic Development and Tourism); Department of Social Development, Department of Agriculture, Conservation, Environment and Tourism; Department of Local Government and Housing and; the Department of Sports, Arts and Culture (Table 5.3).

In some of the projects funding was supplemented by funds from the National Development Agency, National Department of Agriculture; National Department of Tourism and Environment and some private companies. The majority of these poverty alleviation projects were also funded jointly with the Local and District Municipalities as part of their Integrated Development Plans (IDPs). Most of these poverty alleviation projects were funded to a limited amount by each stakeholder and such relationship between the funder and the recipient was reduced to a contract on specific deliverables and stipulation of what the money can or cannot be spent on (Table 5.3).

Table 5.3

Amount of funding jointly by government departments, municipalities and development Agencies

Range of amounts for funded projects	Percentage of funded projects
Between R10 000 and R100 000	24%
Between R110 000 and R200 000	16%
Between R210 000 and R300 000	28%
Between 310 000 and R400 000	24%
Amount above R400 000	8%
TOTAL	100%

About 24% of the projects were funded for an amount between R10 000 and R100 000, 16% were funded between R110 and R200 000; 28% funded between R210 000 and R300 000; 24% funded between R310 000 and R400 000; and 8% were projects funded above the R400 000 funding mark. The figures in table 5.3 represent the combined funding ranges from different funders such as 'government departments both provincial and national, local government and other funding agencies.

Table 5.4

Types and number of funded projects

Types of funded projects	Number of funded projects
Arts and craft	2
Primary agriculture	1
Candle	1
Brick making	2
Concrete	1
Laundry	1
Woodwork	2
Steel	1
Sewing	1
Sanitation	1
TOTAL	13

Table 5.4 represents the total number of project types funded in each sector and sub-sectors. These are smaller projects or referred to as community-based enterprises. The 13 funded projects included projects in arts and craft (2); primary agriculture (1); candle manufacturing (1); brick manufacturing 2; concrete (1); laundry (1); woodwork (2); steelwork (1); sewing (1) and; manufacturing of sanitary products (1)

The beneficiaries in these projects included the youth and elderly people and the breakdown is as follows (Table 5.5) in the arts and craft projects, 58% were males composed of disabled persons, youths and adults. The remaining 42% was females including the youth, adults and disabled persons. In the primary agriculture project, about 71% were female youths and adults as well as the disabled persons. The remaining 29% was composed of adult males, youths and the disabled person. The candle manufacturing's 83% were female youths and 17% were adult males. The majority of beneficiaries in the two brick projects were 86% adult males and youths, and 14% was composed of adult females and youths.

Table 5.5: Status and composition of beneficiaries

Type of project	Total males	Total % females	% Adult males	% Adult Females	% Female youths	% male youths	% Disabled males	% Disabled females
Art and craft	58%	42%	32%	14%	23%	17%	9%	5%
Agriculture	29%	71%	17%	50%	16%	9%	3%	5%
Candle	17%	83%	17%		80%			
Bricks	86%	14%		14%				
Concrete	69%	31%	69%	24%				7%
Laundry		100		76	24			
Sewing		100%		38%	55%			7%
Sanitary		100%		45%	51%			4%
Wood	100%					100%		
Steel	100%					100%		

About 69% of the beneficiaries in the concrete project were male youths and 31% were female youths. The laundry, sewing and sanitary projects had a 100% participation of women. Both the wood and steels works had a 100% participation of male youths.

There was an indication that the impact of the funded projects on job creation which mostly temporary jobs depending of the life span of the project was the major attraction to participate in the projects. Other impact of the projects and outcomes were linked to generated family and individual income; raising the standard of living for individual beneficiaries; capacity building through support institutions; temporary relief of strain on financial burden; opportunity to contribute to community development; talking the youth away from the streets and; and provision of sustainable livelihood for rural people.

Most respondents argued that the major causes of poverty and unemployment in the region was due to the inability of the government to provide development opportunities; most sectors such as mines and agriculture are shedding jobs; closure of main factories in the industrial site has led to job and income losses; inability for government's development programmes to make a meaningful contribution on the lives of the people; lack of sustainability of funded projects; inability of local

municipalities to development; unwillingness of the private sector to fund development in certain areas; the rural nature of the province and the lack of development potential in some areas.

About 64% of the respondents compared to 36% felt that government is not doing enough to deal with the issues of poverty and unemployment. They argued that government can take amongst others the following measures, fund development programmes from its own coffers; secure donor funding to be channeled into development; start small-scale industries linked to different economic sectors as well as the development and funding of large-scale projects which will have major impact on poverty and unemployment. In responding to the issue of whether there is a link between poverty and unemployment, some responses included the following. High rate of unemployment was viewed as the main contributor to the inability of most communities to sustain themselves due to lack of income, development opportunities, which means that people will not be able to get out of the poverty cycle.

High rate of poverty and unemployment are seen as the main contributors of underdevelopment in most third world countries. People who are unemployed are often not in a position to sustain their individual lives and family responsibilities become an unbearable burden.

5.2.2 Self employed people in projects not funded by government

Other than the people who are involved in government funded projects, there are people in the region who have initiated and funded their own projects through other sources of funding other than government's development funding. A total of 25 respondents were interviewed including projects in brick manufacturing (2); construction (2); motor mechanic (2); funeral services (1); shoe repairs (2); repair of appliances (1); glass work (1) ; welding (2); waste recycling (1); cellphone repair (1); live stock farming (2); fresh produce (1); curtains and fashion design (3); beauty salon (3); printing and community computer services (1) (Table 5.6). The table represents the total number of respondents per type of projects from the total of 14 projects linked to a 25 respondents.

Table 5.6

Types of funded projects

Type of funded projects	Total number of respondents per project
Printing and community computer services	1
Beauty salon	3
Curtains and fashion design	3
Brick making	2
Construction	2
Motor mechanic	2
Funeral services	2
Shoe repair	1
Glass work	2
Welding	1
Waste recycling	2
Cellphone repair	1
Livestock farming	1
Fresh produce	2
TOTAL	25

In Table 5.7, a total of 95% were previously employed before getting into self-employment compared to 5% who have never been in formal employment. These are former employees of NDWC, Agrichicks, motor spares, garages; previous shops have either relocated or closed business, retired former employees of private companies located from outside the central region. About 74% have been employed for a period of between 1 to 10 years, those who have been employed for a period between 11 and 20 years was 12%, and those who have been employed for the period between 21 and 30 years stood at 14%.

In terms of the duration of self-employment, about 52% have been self-employed for a period between 1 and 10 years, 41% for a period between 11 and 20 years and lastly only 7% haven been in self employment for a period above 20 years. Table 7 shows the total percentage of previous formal employment status and duration (Table 5.7)

Table 5.7: Previous formal employment status and employment duration

Previous employment status	Percentage of previous formal employment and non-employment	Employment duration	Percentage	Self-employment duration	Percentage of self-employment duration
Those who were previously in formal employment	95%	Between 1 and 10 years	74%	Between 1 and 10 years	52%
		Between 11 and 20 years	12%	Between 11 and 20 years	41%
Those who have never been in formal employment before	5%	Between 21 and 30 years	14%	Above 20 years	7%
		Above 30 years	None		

Reasons for getting involved in self-employment were due to the fact that most lost their jobs as a result of retrenchment, retirement, resignation and lack of jobs. The lack of development opportunities, willingness to make a meaningful contribution to development as well as the desire to provide service opportunities in the community are some of the factors which contributed to the decision to be self-employed. Most respondents got involved either through their own pension money; savings from retirement or other personal savings; assistance from family; income from sold property; business bought from previous owners and business run as part of the family and lastly businesses inherited from the family.

Asked about the contribution of their businesses in the community in relation to development most indicated that they feel strongly that they have a role to play in development. A total of 65% said that their business have provided temporary jobs to the local youth and some adults; 20% have contributed to life skills and work experience (on-job training) to local youths; 10% of the businesses provide scarce services which is not available locally and; 5% indicated that they have provided assistance to some school going youths to pay for their education to cover tuition, books and travelling costs (Table 5.8).

Table 5.8

Self-employed people's business' contribution to community development

Type of contribution to community development	Percentage of contribution type
Temporary jobs for youth and adult	65%
Life skills and work experience	20%
Provided scarce services	10%
Contribution to school going kids' education needs.	5%

With regard to challenges of being self-employed, the biggest challenge has been lack of funding to buy business accessories or stock (43%); lack of support from government (7%); lack of support from banks and other funders (8%), inability for the business to grow (5%), operating informal or unregistered businesses (8%) lack of capacity to run the business (11%); problem of access to markets (10%) and other problems (8%).

Table 5.9

Challenges of being self-employed

Challenge	Percentage of challenges faced by individual self-employed people
Lack of funding	43%
Lack of support from government	7%
Lack of support from banks and other funders	8%
Lack of business growth	5%
Operating informal and unregistered businesses	8%
Lack of capacity to run the business	11%
Problem of access to markets	10%
Other problems	8%
TOTAL	100%

Asked whether government is doing enough most indicated that government's inability to fund and sustain development projects is a hindrance to the challenges of job creation and poverty alleviation. Amongst other indicators of government failure is the high rate of collapse of government funded projects; lack of support for small businesses; biasness towards urban development and other already developed areas; government failure to lure private sector to fund businesses especially those in the rural areas and lacking financial security and being seen as high risk; lack of capacity to from local municipalities to support development and provide services to the local communities.

5.2.3 Unemployed people in the central region

A population of fifty (50) unemployed people was interviewed and this included people who have recently lost their jobs and have been unemployed for a period of less than two years. The other group included people who have been unemployed for a period of three years and above. Table 5.10 shows that a total of 67% said that companies outside of the Central Region employed them and they were employed in regions such as Southern Region and Bophirima Region. A population of 33% indicated that they have lost their jobs whilst companies located in the Central Region employed them.

In relation to how they lost their jobs, 45% indicated that the company closed down, 35% dismissal and only 15% argued that despite having been employed in their individual companies for many years, their employment was only temporary. Those who lost their jobs to other reasons varying from retirement due to age or sick leave and individual decision to leave due to internal problems accounted for 10% of the interviewed population.

Asked about whom their employers 45% indicated that they were employed by companies which are located outside the region ranging from a variety of factories, shops and mines. About 20% said that they were former employees of NWDC, 18% former employees of Agrichicks and 17% were previously employed by other local companies which have either relocated away from the province following the new democratic era or have completely closed down.

It was very clear that the effects of being unemployed have had enormous impact on the lives of these people. These problems range from failure to maintain their families, inability to honour their debts, exhaustion of their retirement or dismissal packages over the years without any income to back it up, becoming a burden to other family members, breakdown in family structure, children having to drop out of school and having to make effort to buy and sell on a small-scale to survive.

About 68% of the people indicated that they have been looking for jobs for more than a year with limited success compared to 23% who said that they have since stopped completely looking for a job. A total of 9% said that whilst they are not actively looking for a job anymore, they do keep their ears open in case of opportunities, which could present themselves such as the current infrastructure development in the district. In the absence of job availability, most of the respondents indicated that they live from hand to mouth through selling of small goods they buy and sell, domestic work, rely on relatives or their own children as well as temporary jobs.

A majority of the unemployed assemble on daily basis on the Nelson Mandela Road and other hot spots waiting for people to pick them up to provide a temporary service for a day or two. The skills from some of these people range from carpentry, welding, catering, plumbing, construction, brick making, boiler making, driving and delivery, packaging and other skills. Table 5.10 shows that a total of 76% argued that both national and provincial government development or intervention programmes are not succeeding in combating poverty and unemployment. About 16% said that government's development programmes could succeed if priority is given to rural development

compared to 8% who said that government had lost the war against unemployment and poverty. The felt that the currently government has been in government long enough to fail to deal with these socio-economic challenges (Table 5.10).

Table 5.10

Assessment of government development programmes and impact

Response on government programmes and impact	Percentage
Lack of impact	76%
Need to focus on rural development so as to have impact	16%
Government has lost the battle and not doing enough	8%
TOTAL	100%

There is a general agreement that the South African Government and the North West Provincial Government are not taking a proactive role in an attempt to curb the spread of unemployment, lack of capacity and unemployment. Causes of poverty and unemployment have been arguably been linked to lack of development and employment opportunities, rural areas being ignored at the expense of developing urban areas, tender being awarded to companies outside of the province, lack of support for local SMME's through tenders from government, skewed awarding of tenders as well as limited funding from government. The lack of investment in the certain areas of the province, uncooperative private sector and financial institutions, lack of development opportunities, bias awarding of tenders both at provincial and local government, lack of support for small businesses and bias in employment are some of the factors which have been cited as perpetuating the current status quo. The rural nature of the province requires special attention if government was to succeed in reducing poverty and unemployment. There was a strong feeling that government should cut down on all unnecessary expenditures such as high rentals, salaries, office equipment, repairs of cars which have been damaged by reckless employees and giving out of tenders to people from outside the province so as to create jobs locally and develop the province.

There was also an indication that government should put more thing or project aside to fund community-based enterprises on a phased-out approach throughout the whole district, municipalities should take a proactive role in making sure that local communities are given a priority in all development programmes and job creation initiatives.

A total of 55% are not aware of government-funded projects in their communities compared to 25% who said that they have applied for funding from government departments with very limited success. There was a clear indication from 20% of the population that, the lack of registration as a pre-requisite, business plans and security makes it very difficult for them to have access to funding.

5.2.4 Private sector companies involved in development in the central region

A total of five (5) companies were interviewed and have or are currently executing. A variety of government and private sector driven projects ranging from the construction of a library, construction of a shopping mall; airport upgrading project and proposed industrial development, feasibility studies; spatial planning and zonal plans; upgrading of the legislature; Semelela Expanded Public Works Programme and the new Protea Hotel on Mandela Road to reduce unemployment. About 60% of the interviewed companies have only been involved in development programme for a period not exceeding one year. About 20% percent of the companies have been involved in development in North West for a period of three years compared to 20% percent, which has been involved in development for a period of two years (Table 5.11)

Table 5.11

Duration of involvement in development in the province

Duration of involvement	Percentage
Less than a year	60%
Three years	20%
Two years	20%
TOTAL	100%

As part of their contribution towards socio-economic development, most of the companies indicated that they have either provided full time or temporary employment to local people in the region and in other parts of the province where they have projects. Skill training and transfer has been at the forefront of their development activities to build capacity linked to their assigned projects. Very few of them alluded to the issue of internship to new graduates. There was also an indication that, the current development programmes they are involved in have also provided an opportunity to the local people to take pride to participate in the development of their own province or region. There was a

strong feeling that government is not doing enough to alleviate poverty and unemployment in the province through its own development programmes and projects.

Following below is a list of activities or recommendations that most of the companies have put forward as to what government can do to speed up development in the province:

- Give priority to rural development projects so as to minimise the development gap between rural and urban areas;
- Capacitate local community to drive their local economic development or take charge of their own development;
- Set up a dedicated North West Development Agency to drive and give strategic guidance to development in the province and must be armed with a development find;
- Promote co-operative governance to strengthen the idea of developmental government;
- Undertake development research so as to identify needy areas
- Intensify internship and learnerships programmes as part of skill and capacity building for the unemployed;
- Facilitate and speed up the implementation of the local economic development programmes and projects;
- Provide financial and non-financial support to SMME
- Research and development for new products and investigate possible sectoral development projects;
- Facilitate development partnerships with private sectors and communities
- Strengthen municipal support and officials to be able to successfully drive and implement local economic development programmes aimed at poverty alleviation and job creation;
- Facilitate capacity building for all programme and project managers in government;
- Undertake labour intensive projects in the province;
- Diversification of the provincial economy, promote sectoral cooperation and support as well as create economic development clusters linked to value adding to primary products.
- Set up Development Forums to discuss development issues and strategies
- Private sector to match government rand by rand so as to develop sustainable partnership to jointly fund development programmes.

The companies indicated that they are prepared to assist government in the war against poverty and unemployment through creation of jobs through projects targeting the previously disadvantaged, skills training, foster foreign investment for development, foster and strengthen partnerships with government.

Lastly they are willing to strengthen their corporate social responsibility programmes to support development in collaboration with government, other private sector companies, development agencies and government's public entities. There was an indication that high rate of unemployment is the main cause of poverty in the province and the lack of sustainable income in most rural areas means that most of these communities will not be able to sustain their lifestyles, which often leads to communities to be trapped in the cycle of poverty and under-development. There was also an indication that the effects of poverty and unemployment inevitably leads to the current socio-economic ills and under-development and perpetuate inequality in the province and in the region. This in turn creates a society so much dependent on welfare or social handouts.

5.2.5 Provincial, District and Local Municipality's programme and project managers

A total of 30 respondents at the level of senior managers from the local, district and provincial government were interviewed. They included senior programme managers, project managers and managers involved in policy development. The role of provincial government is to facilitate development programmes and policies in the province within the broader goal of economic growth, poverty alleviation, job creation and spatial restructuring. Most of the development strategies and policies informing development at this level are guided by strategies and policies from the national government and national departments.

Central to the success of a district municipality is the ability to ensure all local municipalities are able to perform and deliver basic services and other services to the local communities. The facilitation, formulation and implementation of Local Economic Development Plans (IDP) and Local Economic Development Plans (LED) are directly linked to local economic development.

The focus include amongst others, poverty alleviation, basic service provision, job creation through funded development projects, empowerment of the local communities, infrastructure development as well as both rural and economic development to create an enabling environment. Local municipalities seek to create an enabling environment for local communities to take charge of their own development and such development is often contained in their local economic development plans.

Asked on their understanding of what development should entail, the respondents provide different inputs, which define development as listed below:

- A specially designed initiative which will bring about change in the political, social and economic aspects of people's lives in a given location
- The ability of any country, region or community to be able to meet its own basic needs such as jobs, sustainable income, increased literacy, capacity building and general well being
- The ability of a country to design and engineer its own programmes to be able to bring about change in the well being of the country or region and such changes should be linked to economic growth, spatial development and be measured about the changes which have been experienced over time.
- Development is any noticeable change in the life of a society with evidence in the increase of jobs, rising life expectancy, general health, skills and ability to make a living to sustain one's life.

There was an indication from the provincial government's officials that most of the projects they are involved in are either identified through research or projects, which have been submitted for funding by members of the community. The government-initiated projects are often referred to as anchor (support) projects especially when they are located within nodal areas. The community-initiated projects are often referred to as community-based projects. Most of the available projects in the district municipality's database is made of projects from the IDP and LED programmes of each of the five municipalities falling within the district. Those of the local municipalities were identified through the IDP programme and are reviewed on an annual basis. Some of them have budget attached and some of them have no budget.

Projects which are being included in both the district and local municipalities are often small to large-scale projects focusing on different sub-sectors of the economy. Large-scale projects in the context of the municipalities often refer to infrastructure projects whilst at provincial level these include large-scale economic sector projects linked to a variety of sectors and sub-sectors. A total of 20% respondents inclusive of both provincial and municipal officials indicated that they do not run these projects in isolation of other existing government funded projects, whilst 80% said that due to the fragmentation in communication between the spheres of government, there are so many duplications in the funding of development projects.

There was an indication that in some instances, the provincial government fund's projects without consulting with local authorities and this does not only lead to duplication of resources but conflict as well. Whilst most respondents argued that, they are aware of other government funded projects in the district and local municipal areas, the lack of communication, alignment and integration of all development efforts has proven to be a major factor leading to collapse of some projects.

There are several project committees and development forums which brings on board different spheres of government to discuss certain projects and development needs with the intention of eliminating duplications, alignment and integration of development efforts. There are policies and strategies in the municipality which governs development programmes and financial expenditures. These include amongst others, the Municipal Financial Management Act, Municipal Systems Act, Local Economic Development Strategy, the now defunct Development Facilitation Act, Land Development Objective, Environmental Legislation, Spatial Development Framework, etc.

At national and provincial spheres there are strategies and policies which included amongst others, the Provincial Growth and Development Strategy (PGDS), National Spatial Development Perspective (NSDP), Small Business Development Act, Spatial Development Initiative (SDI) and Industrial Development Zone (IDZ Programmes, Micro Reform Strategy.

These are some of the strategy documents, which guide development priorities of both national and local government. Most of the projects funded by the municipalities are located in the different villages and a majority of the infrastructure related projects are largely in the urban areas. These are projects, which were funded from the municipal funds put aside for local economic development, jointly with other provincial and national departments and grants from DBSA and other institutions, among others.

A total of 100% of the respondents indicated that it is very difficult to measure the impact of most of the community-based projects due to, amongst others, the following reasons:

- Collapse of the funded projects mostly in their first or second year of existence resulting from several factors;
- These include amongst others, internal fighting, lack of capacity to manage the projects, internal conflicts, under-funding and lack of growth in relation to absorbing more people, realising the impact of the project;
- Lack of buy-in from other stakeholders and this often lead to lack of sense of ownership from the local communities;
- Few individuals who tend to own the project dominate some projects and this blocks the entry by other interested community members from entering the project.

The intention of these projects has been to create jobs and fight poverty but due to the change in composition of beneficiaries in most of these projects, it is difficult to measure the number of jobs. In most cases, the income generated from the project is not well calculated in respect of salaries paid out and number of household supported and hence no conclusive argument can be made about the impact on poverty alleviation. The problem could best be measured by the number of sustainable jobs, income generated and income distributed to each members as well as the number of households supported or dependent on such projects income paid to members.

A total of 78% indicated that the rural nature of the province with a high rate of poverty, unemployment across all ages and the spatial fragmentation of human settlement makes it difficult to provide basic services. A total of 22% said that there is a hope for change in the current rising levels of unemployment and poverty in the province as well as in the district.

There was a general observation that the current small projects, which are being funded, cannot make noticeable impact on poverty and unemployment due to their lack of sustainability. The size of the projects and the current challenges facing them leading to collapse are some of the factors, which are argued to be leading to the conclusion that government's development programmes are have little impact on underdevelopment in most areas.

In general terms, several routes have been suggested which can reduce poverty and unemployment in the province these include:

- Collaboration with the private sector in issues pertaining to funding and getting a buy-in from the sector to be geared towards development of all communities;
- Joint identification and packaging of development opportunities by provincial and local government which will eliminate duplications in the allocation of development resources
- Ongoing cooperation, alignment and integration of all development programmes and projects in the province.
- Focus development programmes towards large-scale economic sector projects
- Piloting with specific sectors and projects so as to measure impact
- Learn from the best practices applied in other successful development initiatives
- Incubate small projects so as to make sure that their impact are quantifiable and spread evenly across the intended beneficiaries
- Support for rural development should be given a high priority by both provincial and local government spheres
- Ongoing communication between all spheres of government in relation to project budget, identification of high priority areas, packaging of development opportunities for the proper alignment and integration of development programmes and projects

5.3 CONCLUSION

The challenges of development and underdevelopment in the province are rife and despite government. Most of the people who lost their jobs in the region have not been able to finance permanent jobs and have been living on casual jobs. Majorities of the people is either in self-employment or have the intention of getting involved in self-employment initiatives. There is a serious problem in relation to fragmentation in the implementation of government programmes and projects. The lack of alignment and integration has negative impact on budgeting, allocation of development resources and the ability of government to quantify the development outputs. Private sector is of the opinion that government must put its house in order and align its different development programmes and projects.

CHAPTER 6

6. DISCUSSION, CONCLUSIONS, IMPLICATIONS AND RECOMMENDATIONS

6.1 INTRODUCTION

There is a clear indication that poverty and unemployment are increasing in the province and in the district. The North West Provincial Government through different departments is funding several small projects in different areas. A majority of these projects are not sustainable and have either collapsed or in the verge of collapsing. Most departments have set aside annual funds towards the funding or support of community-based enterprises. Central to this is the need to assess the extent to which these type of projects are able to contribute towards minimising unemployment, poverty and under-development in the province and in the region. The number of people who are employed in these projects and the financial benefits is very minimal to make any impact on poverty and unemployment. In the province unemployment is directly linked to unemployment. The spatial location and fragmented settlements makes it difficult to allocate resources and justify the need to provide infrastructure in certain areas where consumption might be very low.

6.2 DISCUSSION OF RESULTS

The results of the research clearly indicated that the challenges of poverty and unemployment cannot be dealt with by the current approach from the provincial government's planning process which tends to focus more on smaller projects than the large-scales ones. Published results revealed that the rate of unemployment is on the increase in the province and in the Central region as well as in South Africa. The study by IDASA (2004) clearly showed that little has been achieved in South Africa in relation to the creation of sustainable job and it is the case in the different province. Altman (2003) argued that at the advent of the new democracy unemployment was 28,6%. Currently the figure has gone far above the 40% mark. Using expanded definition of unemployment, IDASA data revealed that the figure is currently at 41,2%.

There is an indication that whist the province is more than 60% rural, to reverse this situation is very difficult. The current level of migration of people from rural to urban areas seems to be a viable option for most people caught in poverty and under-development in the rural areas. The results also revealed that most people have moved out of the central district to look for jobs outside the region. In Provinces such as Northern Cape, Eastern Cape, Limpopo and North West where poverty is rife have shown little decline in the rate of unemployment and poverty.

The development in the province is focused on the funding of community-based enterprises, which are often geared towards job creation, poverty alleviation and skills transfer within members of the funded projects. The majority of the funded projects are far too small to make any noticeable impact on the major challenges facing the province, the ever-increasing rate of unemployment and poverty in most areas of the province. The majority of the projects which have been interviewed are experiencing a lot of problems such as limited funding, lack of additional funding, internal conflict, financial mismanagement, lack of capacity to manage the project as well as the lack of growth. The later referred to the inability of the project to increase production, increase the intake of other community members as well as inability to breakeven.

Officials from government departments indicated that a majority of the projects funded during the financial years 2000 to 2003 have collapsed due to a variety of reasons which goes beyond under funding, capacity, conflict and the unwillingness of current members to absorb other members. These high levels of territorialism running in most of these projects have led to only a few benefiting. Trends indicated that a majority of the collapsing projects are in sewing, sanitary products, agricultural projects and bricks. Despite not having interviewed people from catering projects, the officials mentioned that catering is amongst one of the categories of projects with a high rate of failure.

Interesting was the high rate of participation of women in most of these projects. The number of adult females and female youth surpassed the number of male in most of the interviewed projects. Of interests again was the dominance of disabled females participating in most of the projects. The shedding of jobs in the late 1990's by different companies is because the majority of them have closed down and others have relocated to other places outside of the province. The flooding out of major companies which were the biggest employers of people in the Central District exposed the region to the evil of migration of people in search of jobs in other regions and other parts of the country.

As a result of the migration of companies, closure of certain companies and migration of people to other areas in search of jobs the people remaining behind had to try and create ways in which they can survive. Most resorted to community-based projects which are largely funded by government departments. There are currently two types of self-employment categories in the Central Region. The first is the category of self-employed people who are in government-funded projects and the second category are people who are in self-funded projects not linked to government funding.

A majority of the people in these projects or self-employed businesses was previously formally employed and have tried to look for jobs but without any luck and then resorted to self-help initiatives. Some people lost their jobs more than five years ago and have since been leaving on either temporary jobs, reliance on family members and friends as well as buying and selling of different household goods.

The implications of being unemployed has been largely expressed by most of the respondents and such implications ranged from family breakdown, breakup of intimate relationship, inability to support one's self and family to losing of goods which were bought on hire purchase. The closure of big companies such as Agrichicks, North West Development Corporation (Placed under Judicial Management), Mafikeng Abattoir, Seboane Maize Meal and other companies which were located in the district left a lot of gaps in as far as jobs are concerned. Other than the shedding of jobs by the locally based companies some people have lost their jobs whilst in the employment of other companies in other regions especially the mines in Southern and Bojanala Districts of the province.

It was very clear that the lack of sustainability of the majority of the projects made it very difficult to measure the extent to which jobs are being created and sustained. The number of dependents or household supported by the income from the projects was difficult to measure due to the fact that most of these projects are not able to generate income. Although some projects indicated that their participation in these projects has ensured that their families are able to survive and meet their basic needs, this is only, a few which have been exemplary. People who are not funded by government in those self-initiative projects or businesses own noticeable levels of success cases.

The fact that government measures its success in terms of quantity (number of projects funded and participants at the time of funding) rather quality of the project is a challenge. Most of the funding criteria compel beneficiaries to be no less than five or no less than ten people. By comparison, a person who owns his own business outside of government funding controls the profit and uses it to pay those few who are assisting him, reinvests into the business and takes some home to support his family. The culture of hand to mouth in most projects, the lack of savings, the lack of a profit drive, the lack of a sense of joint ownership and internal conflict has proved to have dire effects on the lifespan of most projects.

By comparison, projects, which have been funded by government compared to the self-funding one, the latter have higher chances of survival. The attitude of entitlement to government funding and hope for a follow up funding is one of the factors contributing to the lack of the sense of ownership. Despite government's effort to fund development projects, there is an echo of the sentiment that government is not doing enough to create development opportunities. Lack of development opportunities in most rural areas has been cited as one of the reasons which leads to poverty, unemployment, family violence, crime and general social instability.

The majority of the proposed large-scale projects directly initiated by the provincial government have not taken off the ground. An example of this is the promised Mafikeng Industrial Development Zone (IDZ) adjacent to the Mafikeng Airport. The IDZ programme promised to establish several small industries around the airport area to include manufacturing of compact disks, beef processing, mineral beneficiation, agro-processing and other industrial infrastructures. With the exception of the Mafikeng Bio-diesel, which was launched in May 2005, a majority of the projects linked to this programme are yet to fly.

On the same note, feasibility studies were done for anchor projects linked to the North West Spatial Development Initiative (SDI) Programme which could not be implemented. These projects include amongst others, the SMME Centre, Goat Meat Processing, Fresh Vegetable Processing, Mining Supply, Mineral Beneficiation, Aquaculture, Medical and Pharmaceutical Clusters and others could not take-off due to lack of funding. These are projects which could have made major impact on the provincial economy, job creation and poverty alleviation as well as the re-distribution of economic spin-offs.

Under the current Medium Term Expenditure Framework (MTEF), the government budgeting period ending in 2007, programmes such as the IDZ have been allocated budget for implementation whilst the SDI Programme had its budget cut back. These types of inconsistencies in funding are some of the factors, which affect development in the province. Some projects are funded half way and left in the middle without funds to continue the next financial year and this lead to lack of continuity. The intended objectives linked to jobs, income generation and economic growth could not be attained.

6.3 CONCLUSIONS

In order to provide a detailed analysis of the extent to which the research has managed to provide answer to the critical research questions, each research question will be assessed individual below in a summarised version to provide answers to the research questions both primary and secondary.

The extent to which government's development programmes and projects are succeeding in curbing the growing rate of unemployment and poverty in the province:

- The results revealed that government is not doing enough to curb the spread of unemployment and poverty in the province and this is evident in government's inability to fund and sustain development projects. This is viewed as a hindrance to the challenges of job creation and poverty alleviation. Another evidence is the high rate of collapse of government funded projects and lack of support for small businesses.

- The current central Capital Development Fund, which is a top-slice of the budget from each department, is not enough and tends to focus more on infrastructure projects and not other development projects, which are central to community development.

- The lack of an alignment and integration in the budgeting for development programmes and projects leads to negative duplications. Looking at the results presented in the tables in chapter 5, the number of beneficiaries, projects, sectors and sub-sectors clearly revealed that the size of these projects and number of beneficiaries would have not major impact on poverty and under-development.

- Large-scale projects under the Spatial Development Initiative (SDI) some under the proposed Mafikeng Industrial Development Zone Programme (IDZ) at the airport have been without funding. With the current allocation of R120m under the current Medium Term Expenditure Framework (MTEF) towards the IDZ projects and its central focus on supporting regional development, will contribute significantly to job creation and poverty alleviation.

- In order to deal with poverty, focus should be given to the funding of the community-based enterprises which focused on local economic development and rural development.

The extent to which the rural and spatial redistribution affect the impact of government's service delivery:

There's an outcry that more priority must be given to rural economic development through direct government intervention. The government's failure to lure private sector to fund small businesses especially those in the rural areas poses a serious challenge to the desire to close the gap between rural and urban areas so as to reduce the 61% rural nature of the province. Lack of capacity by local municipalities to support development and provide services to the local communities is a problem. Most people interviewed hold the view that local government is not effective and there are very few deliverables at local level. Map 3 shows that there are more villages in the province and that there are urban and semi-urban areas. The worst affected regions are both the Central and Bophirima Districts.

The spatial distribution of settlement is a problem in addressing service delivery (Map 4 and 5). Some areas shown in this map reveal that there is a lot of fragmented human settlement in the province. The National Spatial Development Perspective (NSDP) indicated that it will be best for government to focus on areas with a potential and in areas such as the rural areas where no such potential exist government must intervene through human resource development. It should be noted that training or skills development in these areas without placement to practice such skills would have not effect on rural development. A majority of the projects funded in the rural areas are so scattered and often very small and that their impact on bringing about a balance between rural and urban development is made very impossible. The notion of a trickle down effect through the spatial projects will not succeed in bridging the gap between rural and urban development, unless government intensifies rural infrastructure development and job creation.

The existence of a close relationship between poverty and unemployment and contribution towards under-development as well as skewed resource distribution:

There is a general agreement that the South African Government and the North West Provincial Government are not taking a proactive role in the attempt to curb the spread of unemployment, lack of capacity to drive development and unemployment. Causes of poverty and unemployment have been arguably been linked to lack of development and employment opportunities, rural areas being ignored at the expense of developing urban areas, tenders being awarded to companies outside of the province, lack of support for local SMME through tenders from government, skewed awarding of tenders as well as limited funding from government.

The lack of investment in certain areas of the province, uncooperative private sector and financial institutions, lack of development opportunities, bias awarding of tenders both at provincial and local government, lack of support for small businesses and bias in employment are some of the factors which have been cited as perpetuating the current status quo. The rural nature of the province requires special attention if government was to succeed in reducing poverty and unemployment.

Government is blamed on spending money on areas, which have not impact on development, poverty, economic growth and unemployment. There was a strong feeling that government should cut down on all unnecessary expenditures such as high rentals, salaries, office equipments, repairs of cars which have been damaged by reckless employees and giving out of tenders to people from outside the province so as to create jobs locally and develop the province.

At the last SMME Summit held in August 2005, stakeholders alluded to the fact that government must give priority to ensuring that resources allocated to enterprise development are well distributed and coordinated between all spheres of government. Alignment and integration through the Provincial Growth and Development Strategy (PGDS) structures should be speeded up with a central focus on sectoral economic growth as the major priority area.

NWU LIBRARY

6.4 IMPLICATIONS

6.4.1 Policy Implications

In August 2004 the North West Provincial Government developed the Provincial Growth and Development Strategy (PGDS) under the theme, "building a truly united, non-racial, non-sexist, democratic and prosperous society that is jointly focused to deliver on the key provincial priorities aimed at growing a vibrant economy. The strategy took into account the already existing policies and development strategies with the sole purpose on alignment and integration of development programme. The main goals of the strategy are to fight poverty and unemployment, grow the economy and attract investment from the private sector.

The strategy must be supplemented by strong policies on job creation, poverty reduction intervention programmes, skills development and dedicated support for small business. The alignment and integration of development policies and programmes will ensure that government is geared towards one vision and mission rather than fragmented approaches to development. The challenges raised in the study have a bearing not only on policy development but also on government's programmes.

6.4.2 Development Implications

The results revealed that very little impact is made by the current projects and that is a need for large-scale development programmes and projects with a core focus on sector support and growth. Whilst more impact can be derived from large-scale urban programmes the rural areas are the most affected and the results clearly showed that without the support of rural areas, poverty and unemployment will continue to grow?

6.4.3 Financial Implications

There is a need for proper budgeting in the provincial government and efficient use of development resources. The lack of a dedicated development agency for the province to coordinate development activities at local level and provincial level creates a big gap in resource utilisation. Most of the development funds in the provincial government are scattered across the different departments each funding smaller projects such as poverty alleviation. The numbers of projects funded per year are far

too small to have an impact. The development of a financial kit to support development under the current growth strategy could add value to government objectives because it will encourage the alignment of budgeting process towards development programmes and projects.

6.5 RECOMMENDATIONS

The following recommendations have been influenced and are directly linked to the findings of the research:

- Government to give high priority to providing support for the SMME across the different sectors;
- Collaboration with the private sector on issues pertaining to funding and getting a buy-in from the sector to be geared towards development of all communities as well as cooperate in funding development programmes through their corporate social responsibility initiatives
- Joint identification and packaging of development opportunities by provincial and local government which will eliminate duplications in the allocation of development resources;
- Ongoing cooperation, alignment and integration of all development programmes and projects in the province;
- Focus development programmes towards large-scale economic sector projects;
- Piloting with specific sectors and projects so as to measure impact on jobs, skills and poverty reduction;
- Learn from the best practices applied in other successful development initiatives;
- Incubate small projects so as to make sure that their impact are quantifiable and spread evenly across the intended beneficiaries;
- Support for rural development should be given a high priority by both provincial and local government spheres if the province hope to reduce rural under-development;
- Ongoing communication between all spheres of government in relation to project budget, identification of high priority areas, packaging of development opportunities for the proper alignment and integration of development programmes and projects;
- Capacitate local community to drive their local economic development or take charge of their own development;
- Set up a dedicated North West Development Agency to drive and give strategic guidance to development in the province and must be armed with a development find;
- Promote co-operative governance to strengthen the idea of developmental government;

REFERENCE LIST

ABSA Economic Perspective-First Quarter 2005, Absa Group Economic Research, Johannesburg

Altman (2003) in IDASA (2004) "**Fitting the pieces together: a composite view of government strategy to assist the unemployed in South Africa**", an article written by J Streak and C van der Westhuizen

Bhorat H (2003), The Post-Apartheid Challenge: Labour Demand Trends in the South African Labour Markets

Bhorat H (2004) in IDASA (2004) "**Fitting the pieces together: a composite view of government strategy to assist the unemployed in South Africa**", an article written by J Streak and C van der Westhuizen

Brookes M and Hinks T (2004), "The Radical Employment Gap in South Africa", **The South African Journal of Economics**, Vol. 72:3, September 2004, Special Issue

Carson M (1981), **Unemployment: A Disequilibrium, Martin Robertson-Oxford**, Great Britain

Carson M 1983), **Economics of Unemployment: An Historical Perspective,** Martin Robertson-Oxford, Great Britain

Christaller W (1966), **Central Places in Southern Germany**, translated by Baskin C.W, Englewood Cliffs, New Jersey, Prentice Hall.

Department of Finance and Economic Affairs (1998), **Development Strategy for the Small, Micro and Medium Enterprise Sector**

Dobson W (2002), **A Guide to the Micro Reform Strategy: A Discussion Paper from the Department of Trade and Industry**, May, Pretoria

Eatwell J (1997),"Effective Demand and Disguised Unemployment", in Michie J et al, (Eds) (1997), **Employment and Economic Performance: Jobs, inflation and growth**, Oxford University Press, United States of America

Foreign Ministers (2004), India, Brazil, South Africa Dialogue, **New Agenda: South African Journal of Social and Economic Policy**

Glasson J (1978), **An Introduction to Regional Planning**, Hutchinson, London

Global Insight (2003), "North West Regional Unemployment", annual research on regions

Godfrey M (1986), **Global Unemployment: The New Challenge to Economic Theory**, Harvester Press, Great Britain

Hansen (1967), **Development Poles in a Regional Context**, Kyklos

Hirschman A.O (1958). **A Strategy of Economic Development,** Yale

Hunt, (1984). Godfrey M (1986). **Global Unemployment: The New Challenge to Economic Theory**, Harvester Press, Great Britain

IDASA (2004)_**"Fitting the pieces together: a composite view of government strategy to assist the unemployed in South Africa"**, an article written by J Streak and C van der Westhuizen

International Labour Organisation (1972) in Godfrey M (1986), **Global Unemployment: The New Challenge to Economic Theory**, Harvester Press, Great Britain

Invest North West (2005). SA 2005/6, **South Africa at a Glance** (North West Province)

Invest North West (2004). **Investment Guide to the North West Province**, South Africa

Keynes J.M (1936), in Godfrey M (1986), **Global Unemployment: The New Challenge to Economic Theory**, Harvester Press, Great Britain

Kingdon, G and Knight, J (2001). **"Unemployment in South Africa: The Nature of the Beast", Working Paper WPS/2001.15** by the Department of Economics, University of Oxford.

Kingdon G and Knight J (2001), "What have we learnt about unemployment from micro datasets in South Africa", paper by the Centre for the Study of African Economies, Department of Economics, University of Oxford.

McConnel CR, et al (2003), **Contemporary Labour Economics, International Edition**, McGraw Hill, Great Britain

Michie J et al, (Eds) (1997), **Employment and Economic Performance: Jobs, inflation and growth**, Oxford University Press, United States of America

Modiselle M (2001), **Budget Speech presented to the North West Legislature**, North West Province, Mmabatho, South Africa

Mokate R (1999), "Local Economic Development and the National Anti- Poverty Strategy: Meeting the Basic Needs of People", **Journal of Public Administration**, Volume 34, Number 3, September, South Africa Association for Public Administration and Management, Hatfield, South Africa

Myrdal G (1957), **Economic Theory and Underdeveloped Regions**, Duckworth Press, London

Molefe P.S (Premier) (1998), Speech: "Our Plans and Vision of the Future of the North West Province, Rustenburg Civic Centre, North West Province, South Africa

Molewa B.E.E (2005), **State of the Nation Address, Delivered at the North West Provincial Legislature** on the 10th of February, Mmabatho, North West Province

Neuman W.L (1997), **Social Research Methods: Qualitative and Quantitative Approaches**, third edition, Alan and Bacon, United States of America

North West Province (2001), **Environmental Implemental Plan (EIP)**, First Edition, North West Department of Agricultural, Conservation and Environment, Mmabatho, South Africa

Paul S (1982), **Managing Development Programmes: The Lessons of Success**, Westview Press, United State of America

Piggott J (1985), **New Developments in Applied General Equilibrium Analysis**, Cambridge University Press, United States of America

Provincial Growth and Development Strategy (2004 to 2014), a strategy published by the North West Provincial Government, Mafikeng, North West Province

Robinson J (1937), in Eatwell J (1997),"Effective Demand and Disguised Unemployment", in Michie J et al, (Eds) (1997), **Employment and Economic Performance: Jobs, inflation and growth**, Oxford University Press, United States of America

Urban Econ (2005), **North West Sustainable Development Indicator**, North West Province, Mafikeng

State of the Environment Report (2002), North West Department of Agriculture, Conservation and Environment, South Africa

Streak J and van der Westthuizen C (2004), **"Fitting the pieces together: a composite view of government's strategy to assist the unemployed in South Africa 1994-2004**, paper by IDASA

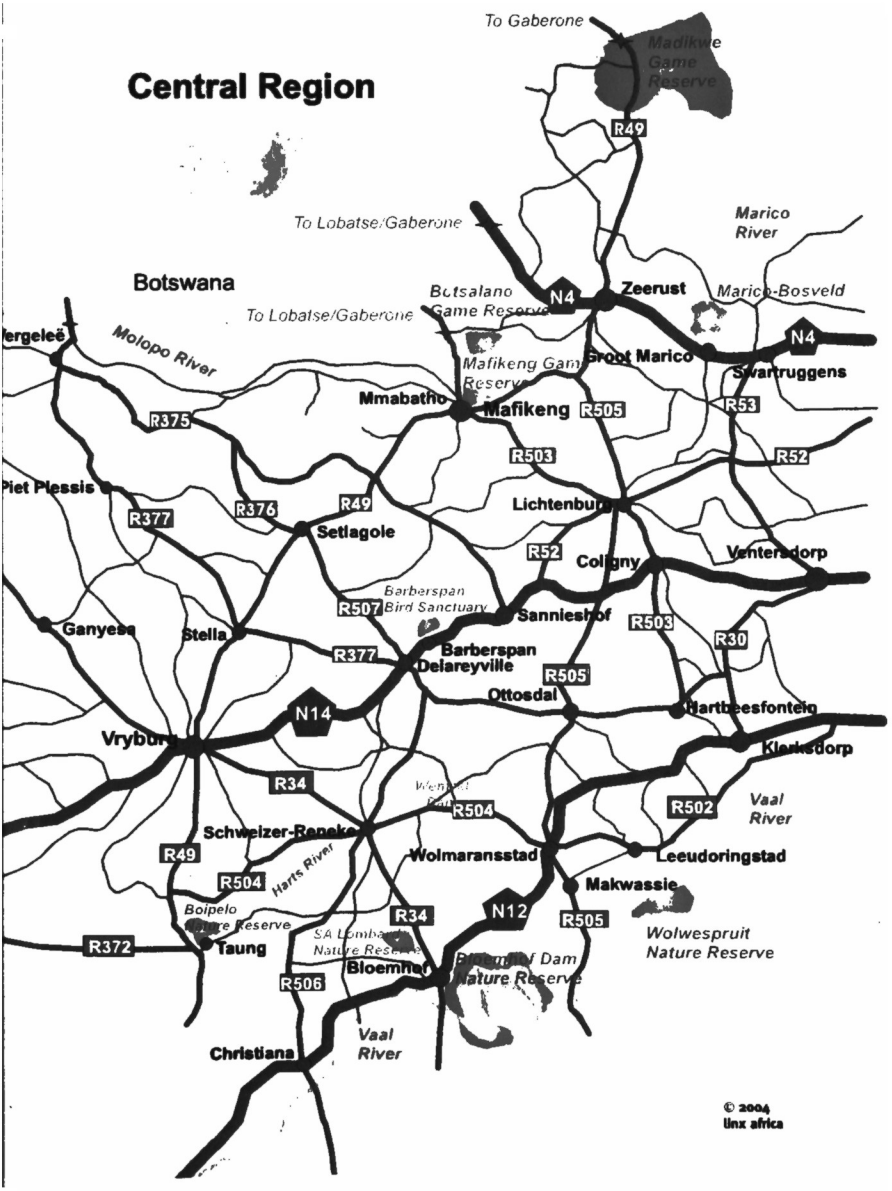
Tarling R and Wilkinson F (1988), Economic Functioning, Self-sufficiency, and Full Employment, in Michie J et al, (Eds) (1997), **Employment and Economic Performance: Jobs, inflation and growth**, Oxford University Press, United States of America

Todaro M (1994), **Economic Development**, fifth edition, Longman Publishing, New York

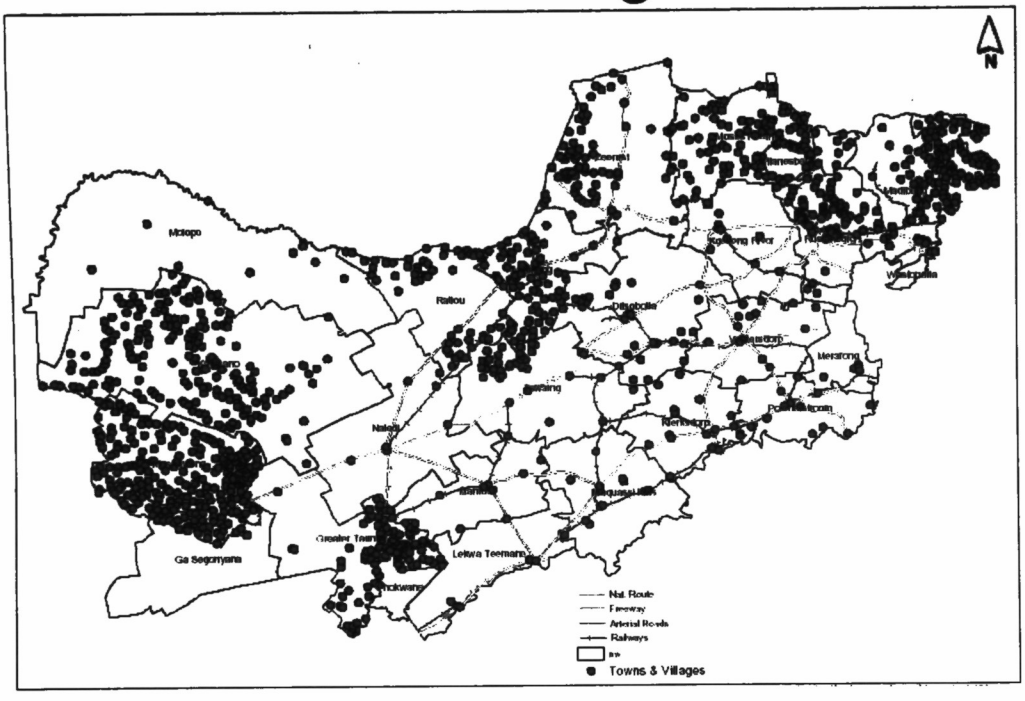
www.eia.doc Jan 2005, South Africa

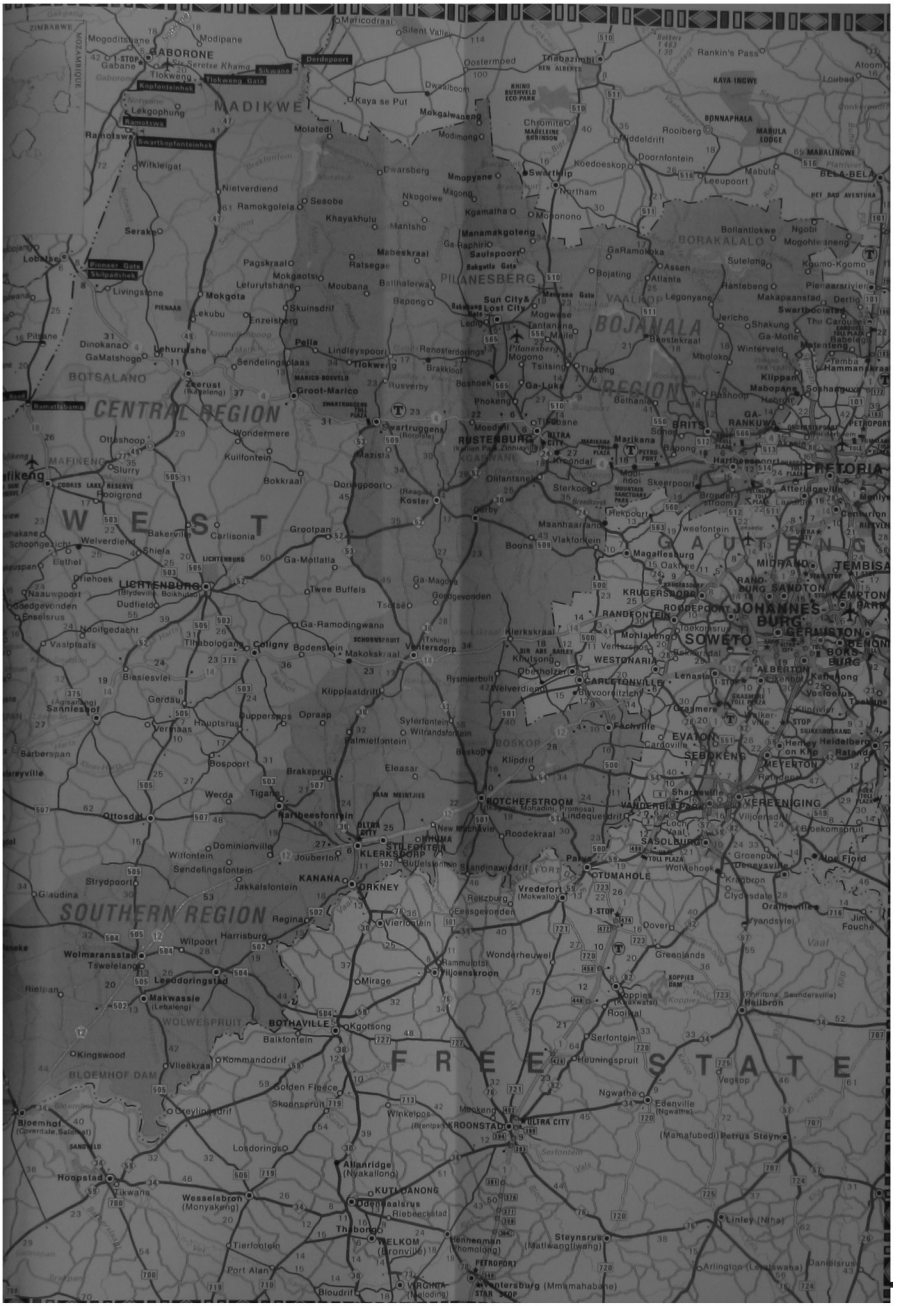
Thulare T.M (1999), **Assessment of the contribution of the Maputo Development Corridor to the growth of commercial properties: the case of Riverside Park, Nelspruit**, A discourse submitted to the Faculty the Built Environment, Department of Town and Regional Planning, University of the Witwatersrand, Msc-DP

Turok B (2004), **Poverty and Inequality, South African journal of Social and Economic Policy**, New Agenda.


Central Region
To Gaberone
Madikwe Game Reserve
R49
To Lobatse/Gaberone
Marico River
Botswana
Botsalano Game Reserve
N4
Zeerust
Marico-Bosveld
To Lobatse/Gaberone
Molopo River
Mafikeng Game Reserve
Groot Marico
Swartruggens
Mmabatho
Mafikeng
R505
R53
R375
R503
R52
Piet Plessis
R377
R376
R49
Lichtenburg
Setlagole
R52
Coligny
Ventersdorp
Barberspan Bird Sanctuary
R507
Sannieshof
R503
Ganyesa
Stella
R377
Barberspan
Delareyville
R30
R505
Ottosdal
N14
Hartbeesfontein
Vryburg
Klerksdorp
R34
R504
R502
Vaal River
Schweizer-Reneke
R49
Wolmaransstad
Leeudoringstad
Harts River
R504
Makwassie
Boipelo
N12
R34
R505
Wolwespruit Nature Reserve
R372
Taung
SA Lombard Nature Reserve
Bloemhof
Bloemhof Dam Nature Reserve
R506
Vaal River
Christiana
© 2004
linx africa

Towns and Villages: 2001




GABORONE
MADIKWE
CENTRAL REGION
BOTSALANO
WEST
LICHTENBURG
SOUTHERN REGION
BOTHAVILLE
WOLWESPRUIT
KANANA
ORKNEY
STILFONTEIN
KLERKSDORP
POTCHEFSTROOM
VEREENIGING
VANDERBIJLPARK
SASOLBURG
OTLMAHOLE
FREE STATE
KROONSTAD
ALLIANCE
KUTLWANONG
VIRGINIA
BOJANALA
RUSTENBURG
PILANESBERG
BRITS
PRETORIA
GAUTENG
JOHANNESBURG
SOWETO
KRUGERSDORP
RANDFONTEIN
CARLETONVILLE
WESTONARIA
EVATON
SEBOKENG
BORAKALALO
MAHIKENG
ZIMBABWE
BOTSWANA
MOZAMBIQUE

Population Densities: 2001