

DECLARATION

I declare that this thesis is my own work and that it has not been submitted anywhere for any award. Where other sources of information have been used, they have been acknowledged. I cede copyright of the thesis in favour of the University of Fort Hare.

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PLACE: FORT HARE, ALICE

To my wife, Leoneah, and our daughter, Bonang

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ABSTRACT

Local economic development (LED) in the countries of the North is a voluntary activity of local government, in South Africa it is a mandatory activity. The purpose of LED is to build the capacity of a local area to improve its economic future and the quality of life for all. While local governments in South Africa are currently engaged with the concept of LED which is seen as a tool through which to achieve sustainable development, it is now recognized that there exists economic, social and environmental interdependence between rural and urban areas and a need for a balanced and mutually supportive approach to development of the rural and urban areas. Adopting the Rural-Urban, Economic and Enterprise Development (RUEED) concept, this study highlights the challenges and development problems experienced by the deep rural and urban communities in the implementation of LED activities within the Blue Crane Route Municipality (BCRM) due to the lack of social, economic and environmental sustainability and rural-urban linkages. This study located in the Blue Crane Route Municipality in the Eastern Cape, seeks to investigate and recommend a map or strategies linking together the urban communities with the poorer neighbourhoods in LED activities. The intensive research design that incorporates the case study method was used to achieve the objectives of this study.

The empirical findings of the research indicate that the concept of rural-urban linkages is not an adopted strategy in implementing development programmes resulting

in deep rural communities being excluded in LED activities initiated within the Blue Crane Route Municipality. The findings also reveal that the creation of employment opportunities and improvement in the standard of living are important dimensions of LED and rural-urban linkages. This study therefore recommends the adoption of a new perspective referred to as the rural-urban linkages for LED and the consideration of economic, social and environmental complementarities that exist between rural and urban areas in the Blue Crane Route Municipality. The study further indicates that it is critical that the LED policy and interventions reflect the existing patterns of interactions between the rural and urban areas of the Municipality.

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ACRONYMS

ANC	African National Congress
ATM	Automatic Teller Machine
BCDA	Blue Crane Development Agency
BCRM	Blue Crane Route Municipality
BEE	Black Economic Empowerment
BLAs	Black Local Authorities
CBD	Central Business District
CDM	Cacadu District Municipality
CEO	Chief Executive Officer
DBSA	Development Bank of South Africa
DPLG	Department of Provincial and Local Government
DTI	Department of Trade and Industry
DWAF	Department of Water Affairs and Forestry
ESCOM	Electricity Supply Commission
EU	European Union
GEAR	Growth, Employment and Redistribution Strategy
HODs	Heads of Departments
IDC	Industrial Development Corporation
IDP	Integrated Development Planning
IMDP	Integrated Development Master Plan

IRD	Integrated Rural Development
LED	Local Economic Development
LGNF	Local Government Negotiating Forum
LGTA	Local Government Transition Act
LLU	Large Livestock Unit
MIG	Municipality Infrastructure Grant
MSA	Mine Safety Appliances
NGOs	Non-Governmental Organizations
NSDP	National Spatial Development Perspectives
PGDP	Provincial Growth and Development Plan
RDP	Reconstruction and Development Programme
RUEED	Rural-Urban Economic and Enterprise Development
SDF	Spatial Development Framework
SLU	Small Livestock Unit
SMMEs	Small, Micro and Medium Enterprises
TELKOM	Telecommunications Provider for South Africa
WLAs	White Local Authorities
WSA	Water Services Authority