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## Crafting an Endogenous Developmental Pathway for the Mgobodzi Community, South Africa

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DOI: <https://doi.org/10.51415/ajims.v3i1.897>

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### Abstract

*The Mgobodzi community of the Nkomazi Municipality is perceived as one of the most poverty-stricken and under-developed communities in South Africa. As an agendum to alleviating poverty, the government has employed a variety of developmental initiatives to accelerate development within this community. Despite the enormous investments and concentrated developmental interventions, little improvement has been noticed in regard to the state of poverty within this community as compared to the situation prior the kick-starting of these governmental interventions. In consonance, this study aims to propose an alternative developmental trajectory for this community through the 'Endogenous growth theory'. The novelty of this research lies in its plausibility and dependence on insights from experienced rural development stakeholders, alongside beneficiaries of this community. The study found that the current rural development trajectory lacks crucial insights into the fundamental demands of this deprived community. The time of realism has set in for stakeholders to make more proactive interventions in addressing the awful specter of under-development and poverty epitomised amongst this community. Such realism is advocated in this research through the 'conceptualisation of the endogenous growth theory'.*

**Keywords:** Poverty; rural development; Mgobodzi; Nkomazi municipality; endogenous growth theory

### Introduction

The multi-dimensional effects of poverty have perplexed the world for a multitude of centuries. Prior to the advent of the COVID-19 pandemic, the United Nations reported more than 736 million people across the world living below the international poverty line. By July of 2020, the United Nations had forecast a further 71 million people being pushed into poverty (United Nations 2020). Based on available statistics, the current poverty figures are considered the worst since 1998 (United Nations 2020). While the poverty figures have declined across the globe (pre-pandemic), the same cannot be said of the sub-Saharan African regions as the poverty rates keeps rising exponentially (Asongu and Le Roux 2018). It is, therefore, unsurprising that the United Nations identified 'poverty' as its main priority amongst its 17 Sustainable Development Goals (SDGs), "to end poverty in all its forms everywhere by 2030".

Unlike the Millennium Development Goals (MDGs) which pursue a top-bottom approach, the SDG adopted a national driven strategy wherein countries were persuaded to pursue a developmental trajectory in line with their respective priorities and developmental needs (Chimhowu, Hulme, and Munro 2019). Invariably, this shift from the orthodox 'top-bottom' approach to the nationally generated developmental path has instigated the need for national development plans amongst several countries. Countries with national development plans have increased geometrically from merely 62 countries in 2006 to 134 countries by 2018 (World Bank 2007; Chimhowu *et al.* 2019). In the same vein, the South African government launched its NDP 2030 in 2011 (National Development Plan 2011). Similar to the SDG, which prioritised poverty, the NDP 2030 followed a similar trend and

aims to reduce the 25 per cent unemployment rate of 2010 to 6 per cent by 2030 through the creation of 11 million jobs (National Development Plan 2011). Instead, as of the fourth quarter of 2019, the South African unemployment rate stood at 29.1 per cent (Statistics South Africa 2020a). A further digress from the purported target is noticed between April and June of 2020 where more than 3 million South Africans lost their jobs due to the COVID-19 pandemic (Mabuza 2020). More worrisome is the fact that the South African Gross Domestic Product (GDP) shrunk by 51 per cent by the 2<sup>nd</sup> quarter of 2020. Notable also was the fact that every sector within the South African economy, besides the agricultural sector, recorded a decline (Statistics South Africa 2020b).

The ruling party, the African National Congress (ANC), has been characterised as a left-wing, anti-poverty regime and has initiated a multitude of poverty alleviation initiatives such as the Accelerated and Shared Growth Initiative for South Africa (ASGISA), the Comprehensive Rural Development Plan (CRDP), the New Growth Path (NGP), the Reconstruction and Development Programme (RDP), and Growth, Employment, and Redistribution (GEAR), amongst others (Baty 2009). Notwithstanding, the developmental challenges seem to outpace governmental efforts, and thus, more than half of the population still wallow in abject poverty 26 years after the end of apartheid (Feder and Yu 2019).

From several indications, it can be deduced that the unanswered calls prior to the pandemic seem to resonate more in recent times. And this has made economic analysts infer that the worst hit during this pandemic are the poor, whose plight is likely to deteriorate from their current vulnerability to a dystopian state (Sumner, Hoy, and Ortiz-Juarez 2020).

Against this backdrop, the narrative contained in this study primarily focuses on rural development and poverty from a Nkomazi Municipality perspective. The remaining sections are organised as follows: a literature on dimension and causes of poverty; an explanation of the endogenous growth theory; and an overview of Mgbodzi community. This is followed by a methodology (qualitative evaluation of developmental initiatives within the area of study), a discussion and results, and the recommendations and conclusion.

### **Dimensions and Causes of Poverty**

The narrative within this subsection aims to provide an insight into dimensions and main causes of poverty within the South African context. The helplessness, powerlessness, and vulnerability of the poor are portrayed in this section through relevant data alongside revered works of specific authors. Thus, attempts are made to frame poverty dynamics through the lens of social stratification with the broader aim of creating a vivid understanding and dimensions to poverty. In so doing, existing data is used to magnify the extent of poverty in South Africa (Zizzamia, Schotte, and Leibbrandt 2019; Seekings 2019).

A variety of statistical techniques have been developed to measure the extent of poverty/multi-dimensional poverty amongst a population. The most adopted approaches in South Africa are the Totally fuzzy, Factor analysis, Multiple correspondence, and the Principal components analysis (Fransman and Yu 2019). Prior to the formation of these statistical techniques, previous techniques only measured poverty based on money-metric approaches and ignored non-money metric concerns such as housing, education, and health (Fransman and Yu 2019). However, Alkire and Foster (2011) developed a global Multidimensional Poverty Index (MPI) in 2011. This has been adjudged by a series of developmental experts as a comprehensive and thorough mechanism for measuring “acute poverty in countries” (Castañeda *et al.* 2018; Aguilar and Sumner 2019). The technique developed by Alkire and Foster (2011) mainly measures poverty based on a non-money metric approach. Alkire and Fosters approach consists of three dimensions, namely, living standards, education, and health. These three dimensions are illustrated in Table 1.

**Table 1: Dimensions, indicators, deprivation cut-offs and weight for the MPI**

Dimension	Indicator	Deprivation cut-off	Weighting scheme (1)	Weighting scheme (11)
Education	Years of schooling	If no household member aged 15 years or above has completed 7 years of schooling.	3.5/28	3/18
	School attendance	If at least one child between the ages of 7–15 years is not attending an educational institution.	3.5/28	3/18
Health	Child mortality	If at least one child aged 0–4 years has passed away in the past year.	3.5/28	3/18
Standard of living	Disability	If at least one household member is disabled.	3.5/28	3/18
	Fuel for cooking	Using paraffin/wool/coal/dung/other/none.	1/28	1/18
	Water	There is no piped water in the dwelling or on stand.	1/28	1/18
	Sanitation type	No access to a flush toilet.	1/28	1/18
	Dwelling type	Living in an informal shack/traditional dwelling/caravan/tent/other.	1/28	1/18
	Refuse removal frequency	Refuse is removed less than once a week or there is no concrete refuse removal system.	1/28	1/18
	Asset ownership	Does not own more than one of the following: radio, television, fridge, computer, landline, cellular phone.	1/28	1/18
	Economic activity	Overcrowding	More than two people per room.	1/28
Unemployment		All household members aged 15 to 65 years are unemployed (narrow definition).	7/28	N/A

Source: Adapted from Fransman and Yu (2019)

Alkire and Foster (2011b) use a two-step, dual cut-off approach to derive the Multidimensional Poverty Index (MPI). This is aligned to each indicator which is considered as a specific minimum level of satisfaction. This minimal level of satisfaction is termed the ‘deprivation cut-off point’. Thus, the multi-dimensional poverty index indicates both the intensity of poverty as well as poverty headcount ratio.

The MPI is used in assessing the ‘simultaneous and joint deprivation’ amongst the poor, or a specific household’s plight, using a specific set of parameters as a poverty indicator (Fransman and Yu 2019). Further, the MPI evaluates poverty through poverty intensity as well as poverty incidence. Within this context, poverty intensity implies the ‘*proportion of average deprivation experienced by the poor*’, while poverty incidence simply means ‘the percentage of population classified as multidimensional poor’, that is, the poverty head count ratio. Alkire and Foster’s MPI has been widely adopted due to its flexibility in its ability to distinguish subgroups such as ethnicity, race, and gender, which is further used in identifying sub-groups contributing most to poverty. A further advantage of this index is that it could easily be used to capture the most poverty-stricken households or individuals, wherein political authorities, alongside other stakeholders, may use the index in formulating policies on poverty alleviation while also allocating resources to the most vulnerable. Using the above parameter as an indicator, the bulk of the populace in Mgbodzi and the surrounding communities reveal a high

poverty intensity and poverty incidence (Community Survey 2016; Nkomazi Local Municipality IDP 2017).

Furtherance to the above, this study provides a synopsis of poverty in South Africa using inferences from the works of Fransman and Yu (2019) and that of Zizzamia, Schotte, and Leibbrandt (2019). This is captured in Table 2 which provides the average household characteristic by social class between 2008 and 2017.

**Table 2: Average household characteristics by social class, 2008-2017**

	Chronic poor	Transient poor	Vulnerable	Middle class	Elite	Total
<b>Characteristics of the household (HH)</b>						
Weighted share of respondents	48.79%	11.75%	15.09%	20.75%	3.62%	
Mean household expenditure per capita	517.77	745.13	2331.93	4536.20	25659.32	3765.76
Median household expenditure per capita	469.87	764.92	1804.97	3567.98	20556.23	1406.01
No. of members in HH	5.34	3.03	2.55	2.23	1.87	3.30
<b>Age composition</b>						
No. of children (<18 years)	2.50	0.95	0.74	0.53	0.22	1.19
No. of members in working age (18–60 years)	2.44	1.90	1.60	1.50	1.31	1.84
No. of elderly members (60+ years)	0.39	0.18	0.21	0.20	0.34	0.26
<b>Main source of income</b>						
Labour	41.02%	72.57%	74.58%	87.18%	84.81%	69.21%
Government grants	50.23%	18.36%	14.16%	3.97%	0.35%	21.21%
Remittances	6.51%	7.80%	8.86%	3.64%	1.19%	5.76%
Subsistence agriculture	0.26%	0.04%	0.11%	0.08%	0.02%	0.13%
Investments	1.84%	1.16%	1.79%	4.93%	13.63%	3.49%
Other	0.14%	0.07%	0.51%	0.20%	0.00%	0.20%
<b>Mean income from source</b>						
Labour	3326.16	4682.41	5366.17	13127.37	38223.13	10197.25
Government grants	1723.73	1138.51	1346.10	1456.27	1459.73	1531.09
Remittances	1493.51	1148.79	1747.26	2360.42	14413.17	2009.74
Subsistence agriculture	236.81	142.15	452.93	1301.08	1942.38	376.87
Investments	2083.96	2721.96	2904.47	14356.36	16086.26	11022.71
Other	1887.93	1138.60	4080.49	2377.57	2796.16	2463.98
<b>Access to services</b>						
House, cluster, town house	59.54%	60.29%	60.95%	64.88%	84.02%	63.18%
Tap water in house/on plot	56.65%	79.54%	75.23%	94.37%	98.39%	78.08%
Flush toilet in/outside house	30.46%	65.74%	58.19%	89.75%	97.38%	63.89%
Access to electricity	76.16%	83.81%	85.68%	94.14%	97.22%	86.13%
HH has basic needs satisfied (shelter/ water/sanitation/electricity)	18.24%	42.12%	33.98%	57.13%	79.53%	40.91%
<b>Geographic location</b>						
Traditional	55.54%	20.55%	31.09%	7.47%	3.00%	27.35%
Urban	38.45%	74.19%	59.69%	89.79%	95.03%	67.54%
Farms	6.01%	5.26%	9.22%	2.75%	1.97%	5.11%

Source: Adapted from Zizzamia, Schotte and Leibbrandt (2019)

As inferred from Table 2, almost 61 per cent of the South African populace are classified under the ‘transient poor’ and ‘chronic poor’ categories, with the inclusion of the ‘vulnerable populace’, this sums up to 75.63 per cent. This suggests that a significant number of South Africans are considered poor or susceptible to poverty. Table 2 shows the conspicuous differences between the populace identified as ‘transient poor’ and those classified as ‘chronic poor’. The variation between the middle-class and the elite however is not too distinctive. Also conspicuous are the individual-level as well as household characteristics amongst the vulnerable populace and the population classified as ‘transient poor’. Similarities amongst the ‘vulnerable’ and ‘transient poor’ households are that both are highly dependent on labour market income and usually have more household members compared to the middle-class and the elite.

Also, as alluded by the works of Bassier and Woolard (2020) and Zizzamia *et al.* (2019), a staggering 95 per cent of Black (African) South Africans face multidimensional poverty, while the three most established indicators contributing to poverty were disability, years of schooling, and unemployment. More so, persistent poverty was most prominent amongst female-headed, single African parents who resided in rural communities (Statistics South Africa 2019). Studies by Schotte, Zizzamia, and Leibbrandt (2018) also indicate that the poor's vulnerability is further amplified due to their inability to access informal or formal insurance mechanisms which are safety measures to confronting socioeconomic risks. The populace classified as 'vulnerable' as well as the 'transient poor' often may experience poverty over a period prior transiting to better living conditions. On the contrary, those classified as 'chronic poor' are said to be in poverty for a much longer period or trapped in poverty indefinitely (Schotte, Zizzamia, Leibbrandt 2018). Though the South African government does offer social grants to the chronic poor, these grants do not often result in an upward transit in their socioeconomic situation (Seekings 2019).

Available statistics also suggest that adults amongst the chronic poor are likely to be unemployed or economically inactive when compared to the elite or the middle-class. In circumstances where the chronic poor are employed, these employment opportunities are often precarious in nature. Such employment opportunities often come in the form of seasonal agricultural typologies, elementary occupations, or other part time jobs (Bhorat *et al.* 2016). In the case of the middle-class and the elites, more than 80 per cent of household heads do have permanent contracts at their respective workplaces (Bhorat *et al.* 2016).

It is worth noting that identifying the causes of poverty is imperative as policy makers and beneficiaries can better understand the root problem while crafting a developmental trajectory. A multitude of grey and contemporary studies of poverty (in South Africa) have largely attributed poverty to the systemic exclusion of the Black (African) populace from participation in the economy during the apartheid regime; unemployment, lack of opportunities, lack of skill, unethical practices amongst political authorities, infrastructural deficits, poor service delivery, and maladministration (Grobler and Dunga 2016). A plethora of sources have equally shown the nexus between poverty and environmental degradation as attributing causes of poverty (Barbier and Hochard 2018). Developmental discourses and environmental sustainability are two inseparable issues. The poor rural households' dependence on natural resources (such as water resources, forest, soil) has further made this vulnerable group more susceptible to poverty. The worst hit from deforestation, impacts of climate change, and overfishing, alongside other environmental related challenges are often the poor (Binswanger-Mhikize and Savastano 2017). Often, the poor contribute to the degradation of their environment through over grazing, deforestation, and the unsustainable use of natural resources (Jordaan, Bahta, and Phatudi-Mphahlele 2019). The concern of environmental degradation has been a topical issue over the years. Such degradation continuously intensifies vulnerability amongst the rural poor (Binswanger-Mhikize and Savastano 2017).

As cited by the Global Crisis Solution (2014), a community or a people are said to be vulnerable if there exists some prevailing set of conditions which may significantly impact such community without them having preventative approaches to mitigate such unforeseen or foreseeable hazardous occurrences. Vulnerability may exist from an ecological, economic, or social perspective. However, this study focuses mainly on economic vulnerability. All forms of vulnerability have gained prominence in the mainstream; particularly, the ecological vulnerability wherein climate change activists, such as Greta Thunberg, have created much awareness in the last few years for promoting a sustainable and healthy environment. Fellow activists have also drawn the connectivity between institutional negligence and deteriorating ecosystems in several regions of the globe (Marshara 2016; Centre for International Governance Innovations 2016). Such negligence has significantly

impacted on the livelihoods of the poor. Some of the immediate ramifications have manifested through floods, drought, and erratic weather patterns.

Further, South African climate change activists have equally criticised the government for its non-compliance to the 2015 Paris Agreement (Averchenkova, Gannon, and Curran 2019; Diesendorf and Elliston 2018; Trollip and Boulle 2017). Such criticism has been made partly due to the heavy reliance of coal in propelling the South African power utility (ESKOM) alongside other sectors of the economy. Coupled with the above discourse, the United Nations Poverty-Environment Initiative has also highlighted the unsustainable use of natural resources, climate change, and environmental degradation as core challenges to alleviating poverty. Several climate experts have forecast heightened levels of poverty should the current trend of poor sustainable approaches prevails in years to come (Marshara 2016; Ambassa 2016; Centre for International Governance Innovations 2016; Trollip and Boulle 2017).

Evidence from the Nkomazi Municipality Integrated Development Plan (IDP) Community Survey of 2016 conducted by Statistics South Africa, alongside a qualitative evaluation of the Mgobodzi community reveals that many households within this community could be classified as either chronic poor, transient poor, or vulnerable (Community survey 2016; Nkomazi Local Municipality IDP 2017). Such an undesirable situation of this community further justifies the need for a more proactive developmental strategy compared to those used in the last 26 years.

In line with the afore narrative, the prime focus of this study is to explore means through which the endogenous growth theory may be adopted in accelerating the developmental trajectory in the Mgobodzi community of Nkomazi Municipality.

### **Endogenous Growth Theory**

Endogenous growth theory, regardless of its intellectual antecedents, is contemporary in comparison to several other developmental theories. This theory only dates to a publication by Romer in 1986 and is classified under the “new growth theory” (Fine 2000; Todaro and Smith 2011; Branson, Guerrero, and Gunter 1998). Since Romer’s publication, journals, special issues, and textbooks have proliferated regarding this concept (Fine 2000). The theory is premised upon the “inability of the neoclassical growth model in explaining long run economic growth due to the existence of diminishing returns to capital”. Such deficiency resulted in the endogenous growth theory which promotes “long run economic growth through technological transfers” (Onyimadu 2015). Onyimadu (2015) further explains that, the Endogenous Growth Theory (EGT) emanates from the advocacy of the New Growth Model (NGM). The EGT is particularly centred upon using technology and innovation to drive economic growth in the long run.

Besides technology, the endogenous growth model also thrives on increased output and increased returns (Todaro and Smith 2011). As explained by Fine (2000), the EGT postulates that economic activities could possibly propel technological advancement through innovations. Such innovation is achieved through the production of new commodities, markets, and processes. He further expounds that the EGT is premised upon the ‘sources of productivity increase’.

The EGT has also been described as an economic theory of productivity increases based upon ‘two bountiful and overlapping sources for ideas’. These ideas are possibly incorporable into a formal model and could be subjected to an empirical test (Aghion and Howitt 1998; Todaro and Smith 2011). A prominent advantage of this theory lies in its scope of applicability, which further stretches to a putative array of policy concerns. Premised upon this fact, it can be alluded that this theory possesses enormous potential in an indefinite future. Furthermore, this theory has been attributed to fiscal issues whereby political authorities are perceived as an arbitrary tax authority or seen as a benevolent optimiser (Fine 2000).

Thus, Onyimadu (2015) sums up the EGT as a vital theoretical framework which facilitates a better insight into the 'growth process'. More so, it illuminates the inter-relationships that exist in a community which provides insight to decision makers. Having provided an unambiguous description of the EGT, the latter portion of this study synthesises this concept into a developmental pathway for the Mgobodzi community (Nkomazi Municipality).

### **Overview of Mgobodzi Community**

The community of Mgobodzi falls within Ward 15 of the Nkomazi Municipality. The municipality is amongst the most poverty-stricken communities of the Mpumalanga Province. The community is geographically positioned between the northern axis of the Eswatini Kingdom and the eastern region of Mozambique (Nkomazi Local Municipality 2017). The population of Mgobodzi is estimated to be between 4000 and 5000 inhabitants. It is a predominantly a Black community (above 98 per cent), with above 60 per cent residents classified as 'dependents' (0-15 years; above 65 years) (Statistics South Africa 2016). An age demographic such as the one of this community suggests a high dependence on local governments' diminutive budget.

Residents of this community's (main) sources of livelihoods are either through social grants from the South African Social Services Agency (SASSA); money transfers from family members living in cities, or through subsistence farming. Despite some households having these three sources of livelihood, they are still unable to escape the poverty cycle. Few members of this community are also involved in occupations such as informal trading and community services. The employment typologies within the Mgobodzi are reflective of that of the Nkomazi Municipality (Nkomazi Local Municipality 2017).

Like neighbouring rural communities within the Mpumalanga Province, the Mgobodzi community is yet to benefit from transformation in post-apartheid South Africa as it still lacks basic amenities and infrastructure such as pipe-borne water, decent accommodation, road networks, health facilities, and a police station. The three primary schools and secondary school found in this community are poorly equipped and can barely function optimally (Nkomazi Local Municipality 2017). Despite these shortcomings, Mgobodzi has a fertile soil, and receives fairly a high amount of rainfall between October and April (summer season). The proximity of the Kruger National Park is of great significance to the community members as it offers the opportunity to sell products or offer services to visiting tourists. Despite the developmental potentials, the Mgobodzi community is challenged by a high unemployment rate, high incidences of HIV/AIDS, a lack of opportunities, and low levels of skills and education, amongst other challenges (Nkomazi Local Municipality 2017)

In recognition of these challenges, developmental initiatives such as the *Masibuyele Emasimini* and *Masibuyele esibayeni*, where farmers are loaned farming equipment, livestock, and money, have been initiated within this community. However, the inadequacy of funds, fund mismanagement, water scarcity, theft of livestock, and the vandalism of fences and sabotage of other farming initiatives/incentives are amongst the main challenges undermining the successes of these initiatives. Also compounding these issues are political unwillingness, institutional inertia, and unethical practices amongst government officials.

### **Methodology**

The findings presented in this section are based upon the responses obtained from 41 participants. Amongst which are 17 prominent developmental stakeholders who are directly involved in developmental efforts, and 24 beneficiaries of this initiatives who reside within Mgobodzi. Structured interviews were conducted with these individuals to obtain their expert opinions or views on the subject matter, and to gain in-depth knowledge about strategies and possible approaches through which the community of Mgobodzi may attain self-sufficiency and development. The beneficiaries interviewed include social workers, the Queen (wife to the late Induna), youth leaders, and few active

members within the community who were interested in sharing their views on developmental efforts within their community.

The non-probability sampling technique (purposive) was used in selecting participants. The decision to conduct interviews with the selected stakeholders was driven by the need to benefit from their years of experience and skills gained through development initiatives within the community. Though the views of the few community members involved may not truly provide a holistic or true reflection or representation of the entire Mgobodzi community (with a residence of about 5 000 inhabitants), their views however created some illumination around the scope of study and served as triangulation to authenticate or nullify remarks made by other stakeholders.

The qualitative approach employed was judged suitable for the current study as it provided the researchers with in-depth knowledge and generated rich, detailed, and valid data that contributed to an in-depth understanding of the context (Corbin and Strauss 2014). Table 3 provides a synopsis of participants involved in the study.

**Table 3: Stakeholders and beneficiaries consulted**

S/n	Participants	Organisation/ Institution	Designation	Number of interviewees
A	Stakeholders	DRDLR (Mpumalanga Regional Office)	Participants A, B, C, D, and E	5
B		DRDLR	Manager: Rural Enterprise	1
C		Municipality Office (Nkomazi Municipality)	Participants F, G, and H	3
D		Nkomazi Municipality	IDP Coordinator	1
E		DRDLR	HOD (Agricultural Extension Department)	1
F		Mgobodzi (Nkomazi Municipality)	Councillor (Ward 15)	1
G		Mgobodzi (Nkomazi Municipality)	Social workers	5
H		Beneficiaries	Mgobodzi (Nkomazi Municipality)	Queen, Youth Leaders, Community members
<b>Total number of participants</b>				<b>41</b>

*Participants A, B, C, D, E, F, G and H wanted to be anonymous, hence their names and designations were not included in the study*

## Discussion and Results

The responses obtained from respondents and literature highlights some of the fundamental issues relating to untapped potential in Mgobodzi, as well as a generic issue of developmental challenges in the community. In as much as this study focuses primarily on the Mgobodzi community, the challenges identified by stakeholders and beneficiaries are synonymous with those of other rural communities within the Mpumalanga Province and other provinces within South Africa. Two broad themes emerged from the structured interviews and literature. These are untapped opportunities within and around Mgobodzi; and obstacles to exploring these potentials.

### *Opportunities within and around Mgobodzi*

The Mgobodzi community is strategically located between Swaziland and Mozambique. Such proximity to these two countries offers the community of Mgobodzi (Nkomazi Municipality) an



export opportunity, especially in agricultural products and other agro processed products (Nkhonjera and Das Nair 2018). More so, the proximity of this poor community to the renowned Kruger National Park serves as a window of opportunity for craftsmen, artisans, and other employment typologies within the hospitality and tourism sector. Predominantly, Mgobodzi's greatest potential is found within the agricultural and tourism sectors. This assertion is based upon the premise that majority of the products being cultivated within and around this domain can be produced on a commercial level and exported.

In particular, the Nkomazi Municipality is predominantly driven by the sugarcane industry with the likes of the TSB Sugar, South Africa Limited playing a dominant role (Department for Rural Development and Land Reform 2016). Municipality nodes such as the Hazyview and Barberton possess huge agricultural potential. Barberton also has the world's largest macadamia plantation (region) outside Australia. Through the macadamia nuts, valuable produce such as macadamia butter, sunscreen, salad oil, shampoo, and other valuable produces can be produced (DRDLR 2016).

Areas such as the Pelgrimsrest, Graskop, and Sabie also possess huge tourism potential. Yearly, the MTN/Nissan adventure mountain bike race attracts several thousands of tourists from within South Africa and Europe to these communities. This brings economic opportunities to the locals. Similar events being held within this region are the Primrose hiking trail alongside other 4 x 4 trails (DRDLR 2016). Table 4 provides a synopsis of potential found within the tourism and agricultural sectors.

**Table 4: Potentials within and around Mgobodzi (Nkomazi Municipality)**

Industry	Location	Feature	Opportunity
Tourism	Dullstroom	Tourism potential	Flying fish
	Sibayeni		
	Malelane	A UNESCO World Heritage tourist site	Kruger National Park
	Bushbuckridge	Tourism potential	Mala Mala Game Reserve Inyaka Dam
Agriculture	Lydenburg	Huge agricultural potential	Fish production Sugar cane (sugar and biofuel)
	Barberton	World's largest Macadamia planting region outside Australia	Macadamia nuts
		Huge commercial potential in vegetable cultivation	Tomatoes, Green Bean, Pepper, Potatoes, Cabbage, Carrot, Cucumber, Green mealie, Lettuce, Onion, Pumpkin, Phaseolus bean and Sweet potato
	Hazyview	Agricultural potential	Fruit, Citrus
	Tonga	Suitable for cotton production on a commercial scale	Cotton
	Bushbuckridge	Very fertile land	Cultivation of high value vegetables
Livestock and poultry	Madadeni area		
	Bushbuckridge	Suitable for livestock and poultry production	Livestock and poultry
	Nsikasi Nkomazi		
Agroforestry	Bushbuckridge	Home to various tree species that are drought-tolerant indigenous shrubs and trees	Timber, Honey production, medicinal plants, indigenous fruits (Marula)

Source: Generated by Authors

Having outlined some of these commercial/export driven potentials, the subsequent theme highlights why some of these potentials are yet to be fully exploited.

### ***Obstacles to Exploring Potentials***

The identified opportunities within and around this community, if capitalised upon may possibly propel development and reduce poverty. However, several factors have created artificial barriers to unleashing these potentials. Some of these identified factors were derived through the qualitative approach. A few concerns interviewees raised concur with contemporary studies. While some of these barriers are attributed to political authorities, some others may be attributed to the beneficiaries. For instance, poor resource management, unethical practices (such as nepotism and corruption), and lack of capacitation amongst implementers have created a significant setback in the rural communities of South Africa (Makhathini, Mlambo, and Mpanza 2020). Lack of political will and non-inclusion of rural developmental experts, alongside much needed experts such as hydrologists and another scientist, are prominent issues. Further, low technology use and infrastructural deficits are also significant issues worth mentioning.

Beneficiaries in a few circumstances have equally dampened the developmental efforts of their communities. A peculiar issue is 'dependency syndrome' where community members are overly reliant on government. Cases of theft and sabotage through vandalism of farming tools and equipment have been recorded several times. A further disarray to exploring the earlier identified potentials is the exclusion of researchers from the planning and implementation processes. Often, vital statistics on which community planning is intended for are often not consulted. Thus, this often creates ambiguity as to whom and where resources are to be channeled. The exclusion of beneficiaries from planning processes has also contributed to the ambiguity in the planning process.

In addition, the long-aged concern of governmental departments working in silos remains a persistent challenge at Nkomazi Municipality. Thus, the occasional lack of coordination and harmonisation of developmental initiatives has also decelerated the growth pace.

### **Crafting a Developmental Pathway**

In crafting a sustainable developmental pathway for the community of Mgobodzi, it is fundamental to have a good understanding of the community. This was partly the motive behind the authors visit to the community prior to the commencement of this study. The visit was valuable as some emic perspectives were obtained from community members alongside state actors. The identified community was premised upon advice from the rural developmental stakeholders at regional and district level, coupled with available statistics. The recommendations proposed within this section are mainly based on potential within and around the community of Mgobodzi (see Table 4). Prior commencement of any developmental initiatives, it is often advisable to communicate with community members to gain their followership, input, and trust.

Firstly, at the preliminary stages, it would be essential to channel resources in to obtaining vital statistics of community members. Such focus should be prioritised on their level of education, skills, work experiences, and income, amongst others. Also, data should cover non-money metric concerns such as housing and health. Through this survey, researchers and statisticians are able to advise decision makers on whom the most poverty-stricken household members are and what skill and competencies they possess. More so, explicit data facilitates for targeted development are needed. For example, data revealed that poverty is most rife amongst female-headed, single African parents who reside in rural communities. Such factors/groups may be prioritised when providing capacitation exercises and allocating employment opportunities. What makes the need for such

survey relevant is that, according to authorities, no such survey has been conducted in the last three years.

Secondly, an intensive capacitation drive will be necessitated to upskill and reskill community members alongside implementers. Such capacitation programmes should range from elementary capacitation initiatives, such as how to read and write, then to digital capacitation initiatives. Reskilling and upskilling are imperative, as this has been identified by a plethora of sources as being a hindrance to the successful implementation of initiatives amongst rural communities of South Africa. Importantly, all implementers of the developmental initiatives, such as the Agricultural Extension workers, should be provided with more intense capacitation programmes as such personnel take leading roles in agricultural developmental programmes. Thirdly, infrastructural development is also essential. Several forms of infrastructural investments will be required in driving this purported action plan. Investment in ICT (digital infrastructure), road networks, pipe-borne water, health care facilities, and educational facilities, alongside other agricultural necessities such as cold rooms, tractors, and others.

Fourthly, medium to long term action plans are needed to exploit the agricultural and tourism potentials of this community. This phase is highly vital in the success or failure of the planned development. Herein, it will be necessary to have a comprehensive and long-term blueprint for the development of the community. Advanced agricultural and innovative water resource management techniques and production strategies used in countries such as Israel may be replicated but should be realigned to the prevailing conditions in accordance with soil type, typography, and rainfall, alongside other indicators. Technological exploits may be used to harness groundbreaking agricultural successes from across the globe and used for marketing fresh farm produce within and beyond South Africa. Such purported plans in the agricultural sector may be replicated in the tourism sector by diversifying tourism within this domain via e-tourism. In the long run, the growth within the agricultural and tourism sectors are anticipated to exponentially extend to the manufacturing sector. Fifthly, rigorous evaluation and monitoring practices will be imperative to sustaining the developmental trajectory.

Above all, these advocacies may only be realisable if specific preconditions are attained. One, funding from international donors such as the International Fund for Agricultural Development (IFAD). Interestingly, the IFAD funds such developmental projects; unfortunately, the local Councilors are often unable to draft developmental proposals to woo entities such as the IFAD or other international donors. Also important is the involvement of established white farmers, statisticians, and rural developmental experts, alongside other professions, to solicit their expertise.

Finally, an essential aspect of development often overlooked is the role of the electorates. The selection of a competent candidate for a position can be a steppingstone to development in such a locality. Thus, it is highly important to educate the electorates on the significance of voting for credible and competent leaders and not voting based on political affiliation, ethnicity, or other biased reasons. Thus, a mantra promoted through the endogenous growth theory is that which advocates for a long-run economic growth through internal economic factors and technological advancement to achieving new commodities, markets, and processes; the afore-recommendations thus explicate this theory as a means to providing decent and stable employment opportunities to populations classified as chronic and transient poor (within Mgobodzi) with the long-term goal of orchestrating their escape route out of poverty.

## **Conclusions and Implications**

Twenty-seven years after the apartheid era, the community of Mgobodzi and several other rural communities in South Africa are yet to benefit from economic transformation in the post-apartheid regime. The awful specter of paucity, hunger, marginalisation, and other facets of poverty persist

within these poor communities. Such features are indicative that authorities at local and national levels are yet to craft a successful and sustainable developmental pathway. Cynics have largely attributed several unsuccessful developmental trajectories to the exogenously purported approach, long-aged blanket approach, lack of political will, incapacitation of project initiators, unethical practices, and maladministration, amongst others. The urgency of alleviating poverty became more pronounced at the onset of the COVID-19 pandemic wherein the vulnerability of the poor became more visible. The applicability of the proposed developmental strategy in this study is further accentuated by the geometrically increasing population in South Africa alongside the sub-Saharan African region. Such rising population may possibly be converted into a productive labour force through a well-thought-out action plan and could possibly be a catalyst to development like in the Chinese scenario or result in heightened unemployment amongst the youths.

If such a populous population is engaged productively within the agricultural sector, it may result in exponential opportunities (initially) within the agricultural sector, and then beyond the agricultural sector in the future where this population is able to find employment opportunities and export surmountable numbers of agricultural produce while propelling other sectors such as the tourism and manufacturing sectors (Dorosh and Thurlow 2018). With consideration that natural resources are finite, cautious, and sustainable production mechanisms should be adopted with due consideration to latter generations. Notwithstanding, such developmental opportunities may not be realised if proactive measures are not taken to address acute water scarcity, outbreaks of diseases, climate change, political instability, and resource management (land, forestry, etc.). In harnessing the identified opportunities, stakeholders alongside beneficiaries need to accentuate their level of proactivism, while working seamlessly in a coordinated and well-organised fashion.

Invariably, the endogenous development theory is proposed as a developmental trajectory aimed at benefiting individuals, households, and the whole of the Mgobodzi and Nkomazi Municipalities at large, wherein respective households can claim self-sufficiency soon. The time of realism has set in for stakeholders to make more proactive interventions in addressing the awful specter of underdevelopment and poverty epitomised amongst households within the Mgobodzi and neighbouring rural communities. Such realism is advocated in this research through the conceptualisation of the endogenous development theory.

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