

# The Effectiveness of an Income-Generating Project in a Rural Community

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**Abstract:** The study examined the effectiveness of establishing an income-generating project in local communities within South African municipalities, to reduce unemployment and alleviate household poverty. The study applies income generation to a wide range of activities, including microcredit, skills and vocational training, business training, cash, or food for work (i.e., asset creation) schemes, local economic development initiatives, and small and medium enterprise (SME) development. In the strictest sense, income-generating activities are those that attempt to create financial income. This research looks at the steps which can be taken to address the socioeconomic problems and increase household well-being in the rural areas of South Africa. This qualitative research conducted original interviews with 14 selected participants through semi-structured interviews. The research adopted a purposeful selection method due to the small size of the farm and the number of workers employed on the farm. In addition to four farm workers, two key informants from the South African Department of Agriculture and eight community participants were interviewed. The findings of this study revealed that various income-generating activities require regular government monitoring and assessment to ensure implementation. The study concluded that the government's existing policies are ineffective in achieving the stated aims of poverty reduction.

**Keywords:** Rural, income-generating; poverty; development; unemployment

## Introduction

The study explored the effectiveness of income-generating projects in local communities within South African municipalities, using the uMhlathuze municipality as the study area, to reduce the high unemployment rate and alleviate household poverty at the grassroots level. The study was more interested in discovering if the presence of the farm impacted their lives and the community. Rural and urban communities compete for large economic development opportunities. Often due to larger populations in the urban communities, economic awards are primarily given to the urban communities. This results in the distorted distribution of economic support which favours urban communities over rural communities. Local government in partnership with the rural communities need to implement turnaround strategies to encourage economic growth to ensure that rural regions have economic and social resources for residents. The study noted that globally, up to 1.4 billion people are estimated to live in severe poverty on less than \$1.25 a day, with more than two-thirds of the population residing in developing-country rural regions (Gebre & Gebremedhin, 2019; International Fund for Agricultural Development [IFAD], 2011).

Despite increased urbanization, poverty remains primarily a rural issue, with up to 70% of the world's impoverished residing in rural regions (Tacoli, McGranahan & Satterthwaite, 2015; IFAD, 2011). In South Africa, 43% of the population is rural, while 57% is urban. Singh and Chudasama (2020) indicated that the average rural population in Africa is around 60%, whereas the degree of urbanization in emerging nations is over 80%. Research revealed that nearly 70% of South Africa's deprived population lives in rural areas (Yalegama, Chileshe and Ma, 2016; Hemson, 2004). However, the rural population is difficult to define as the literature demonstrates that the rural population is between 43% and 70% depending upon the source. Half of all South African homes live "on less than R 20 (\$ 0.10) per day, with up to 70% of the projected 5, 2 million households surviving on R 20 per day being in rural regions" (Singh and Chudasama, 2020, p. 3). The top two goals of the South African government are job creation and rural development (Singh and Chudasama, 2020). Supporting rural income-generating project that employ local people is thus a priority.

## **Literature Consideration**

Poverty is one of South Africa's most daunting obstacles since the country's economic transition (Mande, 2016). Poverty puts a severe moral duty on many South Africans to strive for economic and social inclusion of the vulnerable into the mainstream economy and make people of poverty responsible for a better life. The study identifies income-generating agricultural development initiatives that are part of the poverty alleviation strategy in rural communities. Agricultural development projects are important components of rural households' survival strategies in developing nations. Aronica et al., (2012) and May (2000) claim that agricultural output is the third crucial method of survival employed by the poor. Almost one-third of rural families work in agriculture. According to Mabaso's (2014) research, even though it only contributes a little amount to overall family income. Van Rooyen et al., (2004) defined an income-generating project as an intervention that is entirely based on a recommendation which addresses the technical, economic, social, organizational, and managerial aspects.

Additionally, they stated that agricultural programs seek to use a variety of methods to dramatically boost productivity and encourage the development of jobs with the use of coordinated aid and technology. According to Akkoyunlu (2015); Tuman (1983), a project is also an association of individuals working toward a shared goal. Prabhakar (2008) observed that projects typically form a part of a development strategy within a larger planning process. According to Gómez-Baggethun and Barton, (2013), agricultural development initiatives are on the periphery of development. A development project is a tool for progress and fundamentally seeks to improve a specified state over time by a particular set of measures (Verschoor et al., 2005).

The study used the city of uMhlathuze municipality as a case study. uMhlathuze Local Municipality is an administrative area in the King Cetshwayo District Municipality of KwaZulu-Natal in South Africa. The City of uMhlathuze's special environment and location offer several economic benefits and established the City as a centre of industrial growth and investment in the area (City of uMhlathuze, 2021). The growth of the regional economy, especially the increase in national businesses related to mining and the export port has emerged as driving force in the area. Nevertheless, only a portion of these benefits have been turned into actual, advantageous possibilities for the uMhlathuze citizens (City of uMhlathuze, 2021). The City of uMhlathuze is dealing with several issues that are negatively affecting local economic development, as shown by the municipality's Integrated Development Plan (IDP).

The difficulties include but are not limited to low rates of economic growth, high unemployment rates, low levels of industry sustainability, low levels of skill development and literacy, high rates of poverty, restricted access to essential social and household services, high rates of crime, and deteriorating infrastructure (City of uMhlathuze, 2022a). To lessen the consequences of these difficulties on the municipality's local economy, uMhlathuze Local Municipality is revising and developing its Local Economic Development (LED) Strategy and Economic Transformation and Job Creation Roadmap. The LED Plan is intended to provide a clear roadmap for addressing difficulties that have been exacerbated by the impact of the COVID-19 epidemic and further worsened by the local economic situation in the municipality, which was compounded by the violent protests, rampant looting and civil unrest that occurred in KwaZulu Natal and parts of Gauteng in July 2021 (City of uMhlathuze, 2021).

According to the City of uMhlathuze's report (2022b), the plan will act as a catalyst for the municipality's economic development, direct private investment, and develop into a development manual. The LED Strategy outlines interventions that are strong, realistic, and doable, transformative, and future-focused. The three prioritized major areas of local economic development, transformation, and job creation are the focus of the LED Strategy (City of uMhlathuze, 2021). To foster an environment that is favourable for inclusive economic growth and ease of doing business with and within the city, the Municipality's responsibility in promoting economic development and transformation is also made clear in the LED Strategy.

## **Poverty in South Africa**

Over 18.2 million South Africans lived in extreme poverty as of 2022, with the poverty line set at \$1.90 per day (Galal, 2022). In comparison to 2021, roughly 123,000 more people were labeled as being poor. Also, it was anticipated that the headcount would rise in the upcoming years. Over 18.5 million South Africans will be economically forced to live on no more than \$1.90 per day by 2025 (Galal, 2022). Nevertheless, many individuals, including scholars, activists, and policymakers, address the issue of poverty, under the expectation that defining the problem of poverty creates a foundation for change to which all will agree upon (van der Sluis et al., 2018: 3). The reasoning for conceptualizing poverty seems to be focused mostly on the assumption that the definitions used to

describe poverty will dictate the measures used to quantify it. In essence, this perspective means that for the South African government's poverty-reduction policies to be more successful, they must be enforced.

This viewpoint suggests that for the South African government's poverty reduction policies to be more successful, they must be influenced by the definition of poverty. This definition is therefore used to evaluate the scope of the problem. Electronic data bases, books, journals, and conference proceedings, as well as numerous research publications, were used to compile the literature review. The study also discusses the mechanisms put in place to assure the long-term viability of such programmes, as well as their impact on natural resources and the environment. Poverty and the concept of money generation are also examined extensively.

### **Agriculture as Tool for the Reduction of Poverty**

According to the Human Science Research Council (HSRC, 2006), the degree of people's access to basic necessities can be used to define poverty. Rural areas frequently endure poverty since so many of those who are impoverished reside there. According to Machethe (2004), 65% of the impoverished reside primarily in rural areas. Rural residents frequently concentrate more on agriculture in order to support their way of life. Rural households in South Africa struggle with poverty and rely heavily on agricultural initiatives to make ends meet (Mabaso 2014). Agriculture has the capacity to spur economic growth, according to Khan and Arefin (2013), hence it follows that agricultural projects should be a key strategy in fighting poverty.

Rural households face difficulties due to a lack of physical resource ownership and restricted market access. As a result, taking agricultural development projects into account for economic growth will assist the rural poor in providing for their needs through agricultural production. According to Lipton et al., (1996), the rural poor, or small-scale farmers, have also contributed to South Africa's employment and revenue generation through agricultural production, which is important for the nation's economy. In agreement, Mabaso (2014) said that rural farmers have been generating employment and income prospects in rural areas even at the global level. Youth and male participation in agriculture or projects, according to Ashley and Maxwell (2001), could lower the high levels of poverty and migration.

### **Global Economic Challenges in Addressing Poverty and Food Security**

The global economic challenges have made it more difficult to address poverty and food security in many countries because of global economic policies and procedures. The South African government identified agricultural production as a mechanism to drive poverty alleviation as income-generating projects by establishing food security projects which serve as a panacea for reducing hunger and food insecurity (Banerjee and Jackson, 2017; Nesengani, Mudau, and Netshandama, 2016). However, there has been a lack of oversight by those charged with ensuring that food security projects work according to their mandates.

### **Contribution of Agriculture to Household Income**

From a global perspective, making money has been viewed as a means of sustaining life. In South Africa, household food security is most strongly influenced by income (Elmqvist et al., 2015; Kirsten et al., 1998). Makhura et al. (1999) contend that although rural households depend on agricultural production for income, it is occasionally insufficient to meet their needs and that as a result, a certain proportion of rural residents continue to experience starvation. Hendriks and Lyne (2003) claim that agricultural development initiatives lower household income since there is less labour available, input costs are higher, and there is less access to equipment for plowing.

Mabaso (2014) observed that households compensate for the gaps in earnings from working in industry and the unreliability or absence of jobs in the formal markets, independent of the low income from agricultural production activities. Nonetheless, in most rural parts of South Africa, income from agricultural development projects makes up a much larger portion of total income than does income from non-farm sources (Baker et al., 2017; Hendriks and Lyne, 2003). Individuals in rural areas rely on subsidies, old-age pensions, and remittances in addition to agricultural income for their financial support. Despite the poor economic contribution from agriculture, over one-third of households in South Africa still engage in agriculture, according to Mabaso (2014).

A study by Statistics South Africa (SSA, 2000) found that 25% of rural families rely primarily on agriculture for income. However, agricultural development initiatives also give resources in kind for nourishment, such as vegetables, in addition to financial income (cash) (Van Averbeké and Khosa, 2009). According to Mabaso (2014), agricultural development initiatives can be used to boost the wealth of rural poor people.

### **The Concept of Income-Generating Projects**

This section looks at the understanding of the effectiveness of an income-generating project as part of the poverty alleviation strategy in a rural community. “Income-generating activities refer to activities aimed at enabling communities to make productive use of locally available resources to build less state-dependent and more self-reliant households and communities capable” of self-sufficiency (Nguyen and Rieger, 2017, p. 5). As a result, income-generating activities are centred on effectively utilising locally available resources to benefit the entire community (Das and Bhowal, 2013). Income-generating activities, according to Martin and Lorenzen (2016, p. 9), are all activities aimed at allowing “communities to productively employ locally available resources to build less state-dependent and more self-reliant households and communities that can take care of themselves”.

Income-generating activities also emphasise maximizing the use of locally accessible resources for the greater good of the community. Furthermore, “income-generating activities can provide additional benefits that help to eliminate poverty”, increase community well-being, and encourage empowerment, self-reliance, and community development (Durrani, Usman, Malik & Ahmad, 2011, p. 3). It is worth noting that income-generating pursuits come in a variety of shapes and sizes. Originally, the word was only used by economists to describe the complexities of a country's economy (Oyinbo and Olaleye, 2016). However, it is now generally used to refer to a wide range of productive activities carried out by members of a certain community. Thus, in the present context, income-generating operations simply refer to activities that affect an individual's or community's ability to obtain or increase income.

According to Yalegama, Chileshe and Ma (2016, p. 21), revenue can be earned in three ways: Firstly, “to begin with, income-generating activities may not necessarily result in immediate monetary gain, yet money is ultimately employed to assign a monetary value to the commodities and services that people generate”. A circumstance where a “productive person generates enough food to support himself and his family is an example of an income-generating activity that does not result in immediate monetary benefit” (World Bank, 2017, p. 2). In this situation, skills were used to satisfy immediate demands, resulting in financial savings. Furthermore, the food produced can be assigned a monetary value, allowing the food to be considered a source of revenue (Yalegama et al., 2016).

Second, a person can earn money by making wise investments with his or her existing resources. The development of a piece of land by planting a crop for sale is an example of such income production (FAO, 2017). The proceeds from the crop sale would be considered income. An indirect type of investment, such as bank savings or the purchase of a portion of ownership (i.e., shares) in a production company such as a firm, is another example. The money earned from these investments is then considered income (Durrani et al., 2011). Third, people can earn money by using their skills to help others, who then compensate them for their efforts. Individuals can use their skills to generate money in this way. Such ‘skills-for-wages’ revenue can be earned in a variety of ways, including self-employment, working for others, and investing to increase personal resources (Norell, et al., 2017; Bhagwati & Panagariya, 2012).

Finally, the limitations of a welfare-oriented approach to the expanding poverty crisis are well-known. Small company promotion, cooperative endeavours, job growth schemes, sewing circles, credit and savings organisations, and youth training programmes are all examples of income-generating activities. Sometimes it is stated that education and health care, as well as legal and political changes and the global economy, all have an impact on people's ability to earn a living (Phatheka, 2019). There are so many different interpretations of revenue generation entails, that the phrase is muddled. Income-generating activities are initiatives that affect the economic aspects of people's lives through the use of “economic tools such as credit” (Singh and Chudasama, 2017, p. 1).

Hwang et al., (2018), defines income-generating activities as small-scale projects that generate an income source for potential recipients or beneficiary groups while supporting the fundamental right to self-determination. Furthermore, the term “income generation” is used by Ziv et al (2018) to refer to a “wide range of activities, including microcredit, grants, skills and vocational training, business training, cash or food for work (i.e., asset creation) schemes, local economic development initiatives, and even SME development”. In the strictest sense, income-generating activities are those that attempt to create financial income (FAO, 2017).

### **Classifying Agriculture as an Income-Generating Project**

As indicated in the preceding section, income-generating activities are not new to the world, nor are they limited to a single organization, place, or group (Yalegama et al., 2016). Creating money is a need for most people all over the world, and it is done for them to maintain their livelihoods. Unfortunately, many of a region's financially viable industries are neither socially nor environmentally sustainable. According to Solana-Gutiérrez et al. (2017) farming is Africa's most important source of income, and practically every household on the continent is involved in farming in some manner. This means that agriculture is the sole source of income and survival for most Africans.

Agriculture is also thought to be the most effective means of alleviating rural poverty (van der Sluis et al. 2018; Bless and Higson-Smith, 2000). This is because agricultural and agriculture-related activities account for most of the employment in rural areas in most developing countries (van der Sluis et al. 2018). Agriculture helps to alleviate poverty in rural, urban, and national settings in the following ways: “provision of food; employment creation; an increase of real wages; and improvement of farm income” (FAO, 2020, p.3). According to the findings of research undertaken in numerous countries, agricultural growth can have a significant and far more effective pro-poor role “than other sectors in alleviating poverty and hunger in both urban and rural areas” (FAO, 2020: p.3).

Agriculture, for example, “has a powerful and positive impact on poverty that is typically much bigger than that of other economic sectors” (FAO, 2004, p.12). The relationship between agricultural expansion and rural poverty was studied by Das and Bhowal in 2013, the findings suggest that agricultural growth can have significant poverty-relieving effects. Indeed, the authors found that a one-third increase in yield might result in a quarter or greater reduction in the number of poor individuals (Das and Bhowal, 2013).

In terms of food security, research has found that expanding the agricultural sector is the most effective way to achieve household food security. The research by Das and Bhowal (2013), also suggests that agricultural growth will have limited influence on food insecurity and poverty alleviation unless agriculture becomes more commercialised. Another finding from Mahlombe (2018), shows that households in the rural sector engaging in agricultural activities are less poor and have better nutritional status than households not engaged in agricultural activities.

### **The function of income-generating undertakings**

Income-generating activities as a source of employment and poverty alleviation is a viable alternative. Furthermore, income-generating activities are vital to the economy since they can contribute to the general growth of a country. Long-term economic growth is crucial in South Africa for achieving national development goals since wealth is produced via economic development (Burton, 2013). As a result, income-generating activities are critical for socioeconomic development (Falcone, Lopolito and Sica, 2017). These activities, in effect, provide a social safety net by giving money and employment, particularly to the unemployed or those who are unable to obtain work in the formal sector. Small firms, according to Khan and Arefin (2013), are an efficient vehicle for generating such money. Small enterprises are, without a doubt, the most effective strategy to reduce unemployment and improve an economy's health.

### **Research Methodology**

This study is qualitative in nature that used a convenient sampling approach and the sample size consisted of 14 participants. The research adopted a purposeful selection method due to the small size of the farm and the number of workers employed on the farm. Four people employed by the farm were interviewed, additionally two participants were selected from the Department of Agriculture and eight participants from the members of the community were interviewed.

The eight selected participants from the community are direct beneficiaries of the farm. The four participants from the farm include two management staff and two farm workers who shared their first-hand experience of working on the farm (success and difficulties). The last two participants were from the Department of Agriculture and were interviewed to establish if the initiative was on the right track to meet the government's objective to eradicate hunger and poverty through food security in rural areas. These selected 14 participants were able to supply the needed data for the study, as they are the key informants for the study. The main objective of a purposeful sample is to produce a sample that can be logically assumed to be representative of the population.

### Data Collection: Original Interviews

Data for the study was collected through interviews in form of a structured interview questionnaire, due to the qualitative nature of the study. An interview is a data collection method that aims to collect data (information, resents, feelings, stories, views, perceptions, experiences, testimonials etc.), hence its suitability for this study as the research sought insights into the rich life experiences of people. This method is widely used in the humanities and social sciences. This method allowed the researchers to explore various levels of opinion, attitudes, and representations (Quinlan et al, 2019). The study is qualitative research that used a random sampling approach, and because the initiative is relatively small and can be categorized as a small and medium enterprise (SME). Data for the study was collected through interviews in form of a structured question, due to the qualitative nature of the study. Members of the community were invited to participate as they are the direct beneficiary or recipients of the project. Participants also included the staff members of the project on the farm where the research was conducted and also officials from the Department of Agriculture.

The study used data from the field (primary) sources and the researchers adhere to the ethics policy and the rules and regulations of the community, the farm, and the Department of Agriculture where data was collected. To make sure that everyone who is targeted responded to the interview questions, both the isiZulu and English versions of the research instruments (structured interview questions) were used.

### Developing Themes

The transcripts of the interviews were analysed thematically. The following are the themes that developed from the data analysis. The selected participants were coded as P01, P02, P03, P04 etc. till P14.

### The Decision-Making Process in Income-Generating Projects

The findings from some of the participants examine their level of involvement in the management and their participation in the decision-making process of the rural income-generating and development initiative. The participants were asked about their involvement in the decision-making process in income-generating projects. The results of this question are displayed in Table 1:

**Table 1:** Decision-making process

<b>THEME 1</b>	
Decision-making process	<i>“Yes, we are part of the decision-making process” (P01, P02, P03, P04, P05, P06, P07, and P08).</i>

The participants in Table 1 indicated that they are part of the decision-making process. From the above findings, the participants acknowledge that they are part of the decision-making. The interpretation of the above findings from participants indicates that the development of income-generating activities begins from a ground-up approach. All of the initial planning and implementation factions were carried out through the use of participatory approaches. In this context, and following the proposed approach, it appears more suitable to concentrate on planning, organizing, and supporting income-generating activities rather than providing a list of tasks.

Decentralization of planning decisions, support and responsibility of local role actors, development of people-focused and poverty-based planning, and enhancement of local capacity for LED and poverty audits (Mufudza, 2015). These include the incorporation of local expertise in planning processes and decisions are all possible rural planning initiatives for sustainable livelihoods (Faguet, 2013). However, there has been a lack of oversight by those charged with ensuring that food security projects work according to their mandates.

### Poverty Alleviation Strategy and the Effectiveness of Income-Generating Projects

The global economic challenges have made it more difficult to address poverty and food security problems in many countries as a result of global economic problems. The participants were asked how effective Ziyagezana Chicken Layers as an income-generating project is as part of the poverty alleviation strategy in a rural community. Some of the participants noted the following:

### Poverty alleviation strategy

**Table 2:** Poverty alleviation strategy

<b>THEME 2</b>	
Poverty alleviation strategy	<i>“Very much effective, members are employed, and they get paid every month R1500” (P13).</i>

The government of South Africa identified agricultural production as a mechanism to drive poverty alleviation as income-generating projects by establishing food security projects that serve as a panacea for reducing hunger and food insecurity (Nesengani, Mudau, and Netshandama, 2016). The participants were asked about the capacity of the project in terms of employment level, and this is put forth in Table 3:

### Mechanism to drive poverty

**Table 3:** Mechanism to drive poverty

<b>THEME 3</b>	
Mechanism to drive poverty	<i>“We have five employees and two of them are widows. they are earning a living now. Some of them are breadwinners” (P14).</i>

In line with the findings from the literature, the identification of agricultural development initiatives as income-generating projects is a strategy to alleviate poverty in rural communities (Singh and Chudasama, 2020). In line with the research conducted by Yalagama et al., (2016, P. 3), there are several people, including academics, activists, and legislators, who focus on the topic of poverty in the hope that by defining it, a consensus-building framework for change would be established. South Africa as a democratic state has seen a wave of civil unrest, many of which have resulted in attacks by impoverished populations claiming an inadequate supply of basic goods and services (Singh & Chudasama, 2020, Mande, 2016). Inequalities in poverty alleviation policies and the effects of poverty among rural women are still commonplace (Ozoemena, 2010).

### Income-Generating Projects as Part of the Poverty Alleviation Strategy

Income-generating projects are seen as a strategy to reduce poverty in rural communities, this study explored the Ziyagezana Chicken Layers at the uMhlathuze municipality. As previously discussed in the literature review, the reasoning for conceptualizing poverty seems to be focused mostly on the assumption that the definitions used to describe poverty dictate the measures used to quantify it. In essence, this perspective means that, for the South African government's poverty-reduction to be more successful, they must enforce policies that foster the agenda.

The participants were asked if Ziyagezana Chicken Layers had succeeded as an income-generating project as part of the poverty alleviation strategy in the uMhlathuze municipality.

**Table 4:** Income-generating projects

<b>THEME 4</b>	
Income-generating projects	<i>“Yes, as some members are able to run the business” (P13).</i> <i>“Yes, especially for the families, these employees are breadwinners surviving from our employment” (P14).</i>

Some of the participants indicated that the project has succeeded especially in the area of management, they are said to have not only managed the project well, but they create jobs for some members of the community who are breadwinners in their houses.

### The Challenges of Income-Generating Projects

In this theme, the study explores the issues relating to the challenges faced by the participants, they were asked to describe the challenges faced in the execution of the income-generating projects, in the case of Ziyagezana Chicken Layers. The participants highlighted the following:

#### Challenges of processing applications

**Table 5:** Challenges of processing applications

<b>THEME 5</b>	
Challenges of processing applications	<p><i>“Long application process” (P01 and P02)</i></p> <p><i>“They had to understand and embrace the cooperation and work relations” (P03) and “Teamwork” (P05).</i></p>

As indicated by the participants, there are several challenges faced such as long application process, other participants noted that they had to understand the working relations of the department and embraced the cooperation in order to achieve success, however, it is not a convenient process for them.

#### Challenges of capacity building

**Table 6:** Challenges of capacity building

<b>THEME 6</b>	
Challenges of capacity building	<p><i>“Reluctance of members to go to training due to their academic level” (P08).</i></p>

According to the findings in table 6, the department of agriculture officials indicated that the participant for income-generating projects remained reluctant to attend the prescribed training which is a challenge for them. Since they don't have the required skill through training to always handle the project effectively when not supervised.

#### Challenges faced by the farm

**Table 7:** Challenges faced by the farm.

<b>THEME 7</b>	
Challenges faced by the farm	<p><i>“It still gives us challenges’ because we are buying chicken feeds for ourselves, the government made first supply” (P06)</i></p> <p><i>“Chickens are dying when the season is changing due to weather conditions and water shortages” (P07).</i></p>

The participant indicated that they face several challenges such as inflation and rise in the cost of buying supplies for the chicken. They noted that chicken feed is on the increase and other environmental factors are at play, leading to the death of the chickens, such as weather condition and power outage (load-shedding), and shortage of water supply in the farm.



## Challenges of inflation on income-generation

**Table 8:** Challenges of inflation

<b>THEME 8</b>	
Challenges of inflation	<p><i>“Increase of chicken feeds from suppliers that affect salaries and eggs prices” (P08).</i></p> <p><i>“We have old chickens that delay producing eggs and 500 chickens have died” (P08).</i></p>

Findings from the participants show that the increase in chicken feeds affect the workers salaries, since they are spending more to buy chicken feeds, yet no increase in profits. Old layers are sold because they refused or delay in producing eggs for sale. They also noted that over 500 chickens died at the farm.

### Discussion of Findings

The study presented the data analysis and findings on the topic of exploring the effectiveness of a rural income-generating project in uMhlathuze municipality. Income-generating activities give additional benefits such as poverty reduction, community well-being and improvement, empowerment, self-reliance, and community development. Agricultural output (crop, livestock), agricultural wage employment, non-agricultural wage employment, non-farm firms, transfers, and non-labour revenue streams are all sources of income. Poor rural and urban populations frequently face specific obstacles, such as a lack of income possibilities, high levels of poverty and disparities, low education levels, restricted access to socio-economic services, and so on. Due to the difficulties, households are frequently forced to seek additional sources of income. When revenue is an essential component of livelihood systems, income-generating activities are a vital source of recovery and/or strengthening.

In such cases, income-producing activities might assist disadvantaged populations in earning revenue to meet their basic requirements sustainably. Profitability in the survivalist industry is extremely poor in comparison to conventional corporate expectations (Nápoles et al., 2016). The concept of income-generating activities aimed at disadvantaged communities emphasizes the need of providing possibilities for communities to effectively employ locally available resources to build less dependent, self-sufficient households and communities. This study provides the study objectives by responding to the research questions about the effectiveness of an income-generating project as part of the poverty alleviation strategy in a rural community. And to generate possible solutions that may improve rural poverty alleviation through income-generating projects.

### The Income-Generating Project as Part of the Poverty Alleviation Strategy in a rural community

The first objective was to examine the effectiveness of an income-generating project as part of the poverty alleviation strategy in a rural community. However, as indicated earlier, the South African government identified agricultural production as a mechanism to drive poverty alleviation as income-generating projects by establishing food security projects that serve as a panacea for reducing hunger and food insecurity. The objective was to further define the term income-generating projects as part of the poverty alleviation strategy, the study found that income-generating projects are seen as a strategy to reduce poverty in rural communities. The participants indicated that the success of an income-generating project is established as part of the poverty alleviation strategy in the uMhlathuze municipality.

The participants noted that the project has succeeded especially in the area of management, they are said to not only manage the project well, but they create jobs for some members of the community who are now breadwinners in their houses. In the quest to investigate the research question, the participants were asked about the effectiveness of the income-generating project as part of the poverty alleviation strategy in a rural community. In line with the findings from the study in comparison with the available literature, the identification of agricultural development initiatives as income-generating projects is an effective strategy to alleviate poverty in rural communities. It was also noted that many individuals, including scholars, activists, and policymakers, address the issue of poverty, under the expectation that defining the problem of poverty creates a foundation for change to which all will agree.

### Solutions to Improve Rural Poverty Alleviation through Income-Generating Projects

A commonly accepted core belief of the development literature is that, in the process of structural economic transformation that precedes economic development (Alkire, 2012), the farm sector as a share of the country's GDP will decline as a country's GDP grows (FAO, 2017; Allison and Ellis 2011; Kuznets, 1957). The effect of economic development on the agriculture and rural non-farm (RNF) sectors cannot be forecast in advance in rural areas. Considering rural growth, it is also useful to consider the full spectrum of rural income generation activities (RIGA), both agricultural and non-agricultural, carried out by rural households. Scholars noted it is helpful to explain the relationship between the different business practices that occur in rural areas, as well as the consequences for economic development and poverty reduction (Adewuyi, Phillip, Ayinde and Akerele, 2010; Chenery and Syrquin (1975). The participants were asked if the rural income project was in line with the government initiative and they responded that it was structured to meet the need of the people and reduced poverty in the rural area.

Through the initiatives, jobs are created for several people within the local community. Findings show that the rural income-generating projects are not failing because it's materialised at least two objectives which are poverty alleviation and job creation. South Africa is halfway to achieving socio-economic development, but the South African government have not fulfilled the set objective of reducing unemployment and poverty. This is because the people are still new to the project with no experience, and they must be trained for the job. Flora and Albert (2017), noted from a policy standpoint, the challenge faced by the government is a determinant of the growth of the RNF "market" to the benefit of the poor rural households, as well as identifying strategies to best leverage synergies between agricultural and non-agricultural sectors.

It is therefore evident that where functional policies are put in place, the rural income-generating projects are well positioned to tackle the issue of unemployment and reduce household poverty within the rural areas. This study demonstrates that the establishment of Ziyagezana chicken layers as an income-generating project has effectively created jobs, thereby reducing unemployment, and lower household poverty and food security.

### Concluding Remark

The study examines the effectiveness of Ziyagezana chicken layers as an income-generating project as a case study and also reviews the policy measures for rural development within uMhlathuze. The study states that rural areas compete with larger cities, which have comparative and competitive advantages and have been described as engines of development internationally due to distorted resource distribution. To ensure that rural areas have economic and social resources for local populations, turnaround strategies are needed.

### Conclusion on policy implementation

The study explores the effectiveness of a rural income-generating project, it was discovered that the effectiveness of the implementation of income-generating projects in rural areas to meet the objective of eradicating poverty and increasing food security is critical. Since governments are finding it more difficult to address the problem of poverty and food security, as a result of global economic problems. However, the government of South Africa saw agricultural production through the establishment of food security projects as a panacea for reducing hunger and food insecurity. Nevertheless, there has been setbacks because of a lack of oversight by those charged with ensuring the implementation of food security projects work according to their mandates.

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