

# Role of Universities on Urban and Rural Economic Impacts on Community Development: - Review

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*Abstract:* - The Republic of South Africa (RSA) is among a number of countries worldwide with its rural societies still remain most vulnerable and under poverty challenges for access to economic development, high rate of unemployment and challenges on education. As such, there are little activities in the rural and urban communities to enhance their social and economic involvement. The significance of South African Universities towards the economic growth of rural areas through community participation and assisting with implementation of national priorities and schemes is of importance. This paper demonstrates the role that universities play in economy, empowerment and participation in their socioeconomic development and their impact towards the community sustainability. This report elaborates on the impact of the programs developed for the community's economy, change and the attitude in their business ventures and activities. The paper focuses on the BRICS Countries as representing the world's emerging markets and doing so as a counterweight to the G8 and G20 Countries. This paper conveys different aspects of university programs by using literature review on rural and urban economic growth by evaluating its impacts towards rural communities. That is establishing different key roles in developing their quality of life through higher education organizations and informed programmes established by the universities. In the end the objective of the article is to identify collective gaps that will assist to take action on poverty and the lack of development in rural areas.

*Key-Words:* - Socioeconomic Development and Growth, Sustainability, Higher Education Institutions, Quality of Life and Strategies

## 1 Introduction

South Africa is one of the largest and with major industries and commercials contributing to the country's growth. Statistically, it is ranked 28th among leading economy countries and 62 percent of the total population of 50million living in the urban areas [1]. The RSA is currently fronting a vast challenge in rural and urban community social and economic growth, and amending of their quality of animations. Blom et al. [2] described that although there is an increment in access to basic services for the poor communities, there is yet a long way to achieve the demands.

By Gardiner [3], the terms "urban" and "rural" still present complicated interpretation and there is as yet no clear consensus understanding about what constitutes "urban" and "rural" areas. For instance, as the University of Venda is situated in Limpopo Province, and it sees its loyalty towards its community is by large measured by its impact in industrial sectors, schools and institutions of higher learning, business sectors and local community development as its networks into different

programs, such as in the Vhembe District, offering learning and educational activity and enhancing skills. Besides the strategic development at the local communities, there are challenges in order to attain sustainability and economic growth. In add-on, such as, infrastructure plays a significant part in the social and economic growth on the communities [4].

Local economic growth involves the backing of the local government agencies, higher education establishments and commercial enterprises. Higher education institutions have been regarded as the vehicle and pride within communities for their living on local economic development and advancement on the challenges being faced. They are seen as an immediate solution in changing and strategies which address their demands, such as employment, training, soil and infrastructure, housing, and health services. Hence, in order to promote and enhance the economic development, it is necessary to clear out the macroeconomic measures at local levels as easily as the macroeconomic level at the national levels [5].

In addition, Ndeke [6], indicated that various frameworks have been implemented in addressing the economic development and sustainability. Thus, there are evidences that could be referenced on how economy growth and development could be achieved in order to enhance communities [7]. As South Africa faces challenges, in particular, dealing with its rural areas, and increasingly marginalized, the significant local government will have direct bearing on the prospects for the development [8].

This report indicates the importance of higher education institutions involvement in advancing rural and urban economic development, the meaning of the economic evolution of rural residential districts, and sustainability. In addition, it shows the role of the universities on socioeconomic development and sustainability, economic programs developed by the BRICS, which enhances the program designed for improving their wellbeing life through several interventions.

## 2 Rural and Urban Economic Development

Please, leave two blank lines between successive sections as here. Gopaul [9] reported that in most RSA communities living in the rural communities remain disadvantageous communities among other countries and the world facing challenges on access to education, employment opportunities, land reforms, housing allocation, access to health services, technology diffusion, and available government resources than urban areas. Furthermore, Sibiyi [10], reported that several research conducted, has been well-defined in local participation into learning experience involving them and local external factors contributing to their development. Hence, by participating in decision making and cooperative activities they can improve their qualities of life in improving their live hood and wellbeing. The World Development Report (WDR 2008), classified South Africa as one of the transforming countries within the weather of its economic development within the Sub-Saharan African (SSA) countries [11].

In defining the rural area, it is critical to qualify it by understanding the human, socioeconomic and environmental evolution of the region. South Africa (SA), has initiated a number of strategies and programs to address and tackle the economic challenges and accelerate the growth on short and long term goals [12, 13, 14]. These plans include: -

1. The National Development Plan (NDP) is the government vision aimed for the year 2030 to eliminate poverty and inequality.
2. The second economy for intervention through expanded public works reforms (EPWP).
3. The Government's action towards targeting mass unemployment, poverty and inequality through the New Growth Plan (NGP).
4. The formation of the Department of Provincial and Local Government (DPLG).
5. The formation of the macro and micro economic reforms through the Accelerated and Shared growth Initiative for South Africa (AsgiSA).
6. Creation of the Growth, Employment and Redistribution (GEAR) macro-economic framework which intends connecting the business and closing the skills gaps between the business and employment.
7. Small Micro Enterprises (SMMEs), Black Economic Empowerment (BEE), instruction and skills development.
8. The formation of the Local Economic Development and Agencies (LEDA's) for the public, business and non-governmental sectors for creating development and employment generation.
9. Historically Disadvantaged Individual (HDI) which is principles of Black Economic Empowerment (BEE).
10. Integrated Sustainable Rural Development Program (ISRDP) is a national policy directed at economic systems approach for growth.
11. The Limpopo Employment, Growth and Development Plan (LEGDP) have specific programs that are planned to achieve structural change in vital regions of the provincial economy.

Based on these initiatives, driven by local stakeholders, the demand for integrating with higher institutions to collectively identify the major investments, concepts and accomplishments in a direction to stimulate economic development and development in the localities has been posted. In addition, Perret et al. [15], reported that since the first democratic elections in 1994, massive reforms have been made by the administration to gear up social development initiatives that have been included in the Reconstruction and Development Program (RDP).

The universities have balance components in achieving the sustainable economic development through instruction as the means to bring the mass

communities on distributing resources and securing economic prosperity. By such, universities are vehicles which are enhancing education, skills, knowledge, technology diffusion, adaptation and adoption of new products, sharing of knowledge which is of the most important in developing and overseeing the future of the residential regions. Table 1 displays the significance of universities in economic sustainability [16].

Table 1: - The three significant components that universities should consider in getting up for economic sustainability

No	Components
1	Develop and promote greater interaction between the political and private sectors, by creating and developing knowledge through research and having a multidisciplinary approach
2	Introduce sustainability to all of the training that they supply
3	Transfer knowledge and cooperate fully with society, to make sure that society brings into account the socioeconomic that leads to the ecological dimensions on community growth.

### 3 Significance of the Economic Development on Rural Communities

Access to the economy, employment, education, land, housing, health services, sustainability and growth has significance in community development and addressing their challenges in different areas. Fig.1 shows the conceptual framework developed for the economic growth by the private and public sectors in improving the employment rate and towards sustainability. Thus, improved health and quality of life is set by individuals to further increase productivity and boosting lifetime earnings. Furthermore, would help economies to keep improving with more technologically advanced societies through education [17].

Fig.1: - Conceptual framework for a higher education on economic development [18].

### 4 Roles of the Universities on Socioeconomic Development and Sustainability

Competence on securing sustainable growth and economic success needs processes in achieving the goals [18, 19]. Hence, Lucey [20] noted that sustainable growth should be looked at as a system. Furthermore, Castells [21], reported that globalization and emerging knowledge have made growth to the new financial, societal, governmental and educational challenges. These are currently being addressed nationally, regionally and by higher education institutions [22]. In add-on, they are seen as a strategic vehicle in delivering the skills on how economic development could be achieved.

Watkin [23] reported that to sustain the dynamic understanding of local development, psychiatric hospitals and local communities should find a model which constitutes the integrated, peripheral, subsidiary, interdependent and independent institution with their involvement appropriately. A basic pillar for the economic development is demonstrated in Fig.2.

In addition, universities always find ways to convert their research outputs into the commercial technologies and products to assist and uplift the communities to enhance their technology skills. These add value on technology transfer and artefacts that are being used by the communities [24]. In addition, it contributes to the technology transfer on designed products being commercialized from the new or improved products and procedures for improvement of the economic and sustainability.

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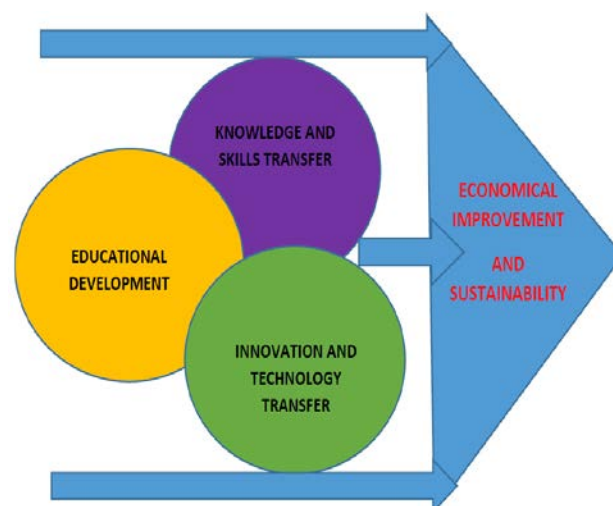


Fig.2: - Pillar of the socioeconomic development and sustainability on rural residential districts

As residential areas require placing a number of intermediate steps to reach their goals, strategies should outline steps to pursue, promote efficient use of the scarce resources, and improve coordination of such resources to increase public consciousness and development actions. Further, they will encourage forward-thinking and strengthen the communities' competitive position to attract possible business or industry.

Furthermore, Colantonio [26] mentioned that in order to achieve a viable socio-economic development and high performance on environment increase towards sustainable performance, should be compared with the socio-economic which are sustainable linked to different programmes of universities through different linkages on social activities, institutional developments, economic programmes and environmental systems available as the method of estimation methods.

## 5 Economic Programmes developed by the BRICS countries

Various surveys have been reviewed and effective strategies have been done to enable economic development and environmental change in the rural and urban areas. Fig.3 lists common activities carried out by most BRICS countries in community development. This indicates the landscape of most of all the institutional approach in economic growth and social sustainability [27]. Thus, increasing and strengthening the local government, economy and improving the participation of the local communities.

Fourie and Schirmer [28] reported that since the New Millennium Development Goals (MDG), significant work has been undertaken to address economic challenges, and finding appropriate mechanisms for the South Africa Government and comparing to other countries like Brazil, India, and China as to what extent is being seen as a successful economic and developing state.

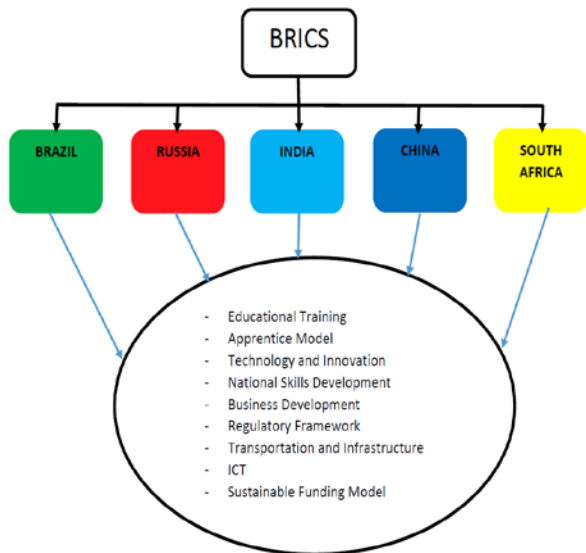


Fig.3: - Landscape on B RICS for the economic development and sustainability

In summary, there is 2,165 total number of Higher Education Institutions (HEI's) in Brazil which are divided into public, federal, state, municipalities and private universities; over 2,000 HEI's exists in China; the Russian HEI's combines 607 public and 358 private; over 177 universities in India and the 23 country's HEI's in RSA. All these universities participate in different higher learning skills, instruction, research and community outreach that supports the above economic development.

## 6 Programme Design Approach for University Participation Process

Universities have the opportunity to be role models for sustainability and developing relevant skills among its leaders and residential areas and promoting consciousness about the economic growth and sustainability. The iterative and participatory process for planning, developing, piloting and evaluating the economic impact program should have a number of factors identified that require special consideration as the design evolved. Some of these include the following:

1. Nature of relationships between the University and various stakeholders.

2. Characteristics or nature of the engagement with the stakeholders.
3. Demands of the virtual community-focused program activities.
4. National level participation and collaboration governance on economic development.

The kinship between the universities and community can view as shown in Fig.4 for the sustainable evolution.

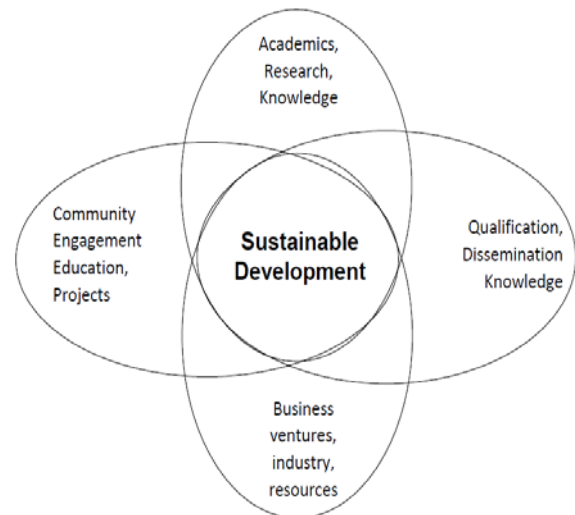


Fig.4: - The kinship between the university responsibility towards community economic sustainable growth.

Feris [29] reported that it is important to look at how decision-making is made among the government and its community on governance and integration of systems, policies and strategies for good performance on implementations.

## 7 Model of University' Approach on Engagement and Implementation Strategy

Agbenyegah [30] reported that the rural economy is mostly ridden by small dwellers in the informal sectors and they are really dispirited, and goes through challenges that threaten their sustainability. Furthermore, as the country continues to increase the participation in various programmes and initiatives for serving the local and small business, the turnaround strategies are needed to ensure that they deliver cost-effective development and societal prospects for the confined societies [27].

Twala [31] reported that rural development and poverty reduction strategies are intrinsic features of an ecological framework which intended to supply the rural communities with an array of economic benefits and services upon which such communities

depended on. Concerns have often been centered on poverty reduction policies, the appropriate strategies that should be adopted for poverty alleviation and the targeting mechanisms in this regard.

The following are priority areas which are essential aspects of education agenda for economic sustainability given the size and diversity of the universities [32, 33].

### **7.1 Engage industries, commercial business and communities in participating on innovative sustainable topics**

Universities need to recognize corporate intentions and pursue discussions on new paradigm for sustainable development that could to be accomplished without compromising the sustainability plans in place. These would enable the opportunities develop novel merchandises and operations responding to public growth with assistance and further training to address the sustainability issues and embrace new models that will be produced.

### **7.2 Inclusivity to provide a seamless network of knowledge growth**

The publicity and packaging of an appropriate sustainable practice should circulate and market the importance of sustainable development so that awareness of developed and appropriate practice is shared accordingly.

### **7.3 Provide research with cutting-edge knowledge and skills transfer**

Like all new emerging scientific knowledge, information should be well structured for communities to understand. It should demonstrate the contributions it makes through scientific and professional research outputs, adding to the integrity and research ethics for its publicity, and results which are traceable and accountable on science effects that are usable and accessible to the companionship.

### **7.4 Provide governance for strategic growth**

The government needs training and examination to guarantee that they are emerging policies which are established on comprehensive awareness and knowledge as well-versed through systematic capacity development and trainings intended for utilization. Hence, tools for assessment and measurement need to be merged within the university research to continue professional development. These would help the communities to be informed through the results and methods

achieved through the implementation of the strategies. In addition, it should communicate the improvement of communities on sustainable and responsible development, and further to participants affected and be capable to capture social and political affairs that have a picture of the economic situations in the country.

### **7.5 Appropriate network models**

Collaborations with other universities would assist in comparison of developed models that address common issues in community economics and conditions which reflect their societal and cultural contributions on the development.

## **8 Conclusion**

By comparison of institutional plans and activities, these have brought a fresh glide path and new implementation that will heighten the economic growth. Thither are a number of relevant studies on financial improvement and few have been observed in this research. With past research on linking higher education to economic growth, our studies examined the impact on rural economic growth and how important the higher education in promoting faster technological catch-up and ability to maximize its economic outputs. As the results, higher education institutions play a major role in local communities with measurable interventions, effective and meaningful contributions.

The significance is of the potential for enabling all the stakeholders to develop relevant competencies for purposes of providing support for the implementation of economic strategy between the local community and the university. This was done by bringing various elements of economic development, reviewing of various higher education programs to determine common programs and established activities. Therefore, through the establishment of partnerships with relevant stakeholders in the local community and educational would improve the growth and alleviate poverty. In increase, universities have high potential in working together with communities in economic collaboration and continuation of partnership in substantial activities for the benefit of uplifting the so called wealth, social, intellectual and political establishments through various interventions.

These can further be applied in the strategies that integrate the development and processes in the local municipalities and/or communities to manage their existing resources. In addition would be grateful to in communities and private sectors to have business

agreements and partnering in creating fresh or new business that would improve the economy and boost their wellbeing. Hence, all the local municipalities do require a variety of certification in terms of knowledge, skills and being capable to integrate their resources to create the enabling atmosphere for small business owners at micro level and support their livelihoods. As the results, when social goals are linked with the financials whereby there is large investment in human capital and growth, the communities welfare would be achieved and enabling them with a better environment.

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