

The Role of Small-Scale Agricultural Business on Youth Employment at a Selected District in the Eastern Cape, South Africa

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Abstract

This study aimed to explore the role of small-scale agriculture in promoting youth entrepreneurship in South Africa's rural areas. This study investigated the levels of entrepreneurial activities and formulated strategies to generate a favourable climate where agri-business and entrepreneurship activities will thrive. The study used a mixed research approach using quantitative and qualitative data within a single case study comprising of 95 participants. This research method was used because it advances the logical assimilation of quantitative and qualitative data within a single exploration or sustained inquiry program. The Variable View SPSS statistical analysis software program was utilised to analyse data. The data analysis revealed that the government needs to do more to support the youth in rural areas to venture into agriculture. The government makes it easier for the youth to access the materials required to participate in farming if the youth have qualifications to show that they can manage the resources. Further Education and Training (FET) institutions in the country must all make efforts to support the government in improving production for small-scale farmers by implementing short courses on agribusiness.

Keywords

Youth, Entrepreneurship, Small-Scale Farming, South Africa

1. Introduction

Small-scale agricultural business is an agricultural enterprise owned and operated privately with a small number of employees and low volume of sales and income. Drawing from Braunerhjelm, Andersson and Eklund (2022), it has been popular in the realm of business entrepreneurship to associate entrepreneurship

with pioneering and innovative advancements in the Small, Micro, and Medium Enterprise (SMME) sector. SMMEs continue to play an important role in economic growth around the world (Opute, Kalu, Mezieobi, Iwu, Eniola, Hagos, & Obor, 2022). In some parts of the developing world, the creation of entrepreneurial activities has been seen as key to sustainable economic growth and development (Asegu, 2023). In South Africa, SMMEs contribute significantly towards employment creation and income generation in both urban and rural areas. While entrepreneurship is regarded as vital for economic development, in Gauteng and the Western Cape, there have been some challenges in the Eastern Cape at the local level (Mulibana & Rena, 2021).

Ngwane and Cebekhulu (2020) revealed that the provincial government highly regards SMMEs as the backbone to alleviate poverty and empower the previously disadvantaged groups of society. Agriculture, which includes all economic activities from the provision of farming and value adding, remains an important sector of South Africa's economy. The sector remains one of the economic activities driving the economies of the country. IHEMEZIE and DALLIMER (2021) argue that in the developing and developed countries, agricultural land is embedded within the rural areas and agriculture is practiced at a small scale and most agricultural activities are still encountering challenges that stagnates entrepreneurial activities.

While agriculture is seen as a key economic activity capable of transforming small-scale subsistence rural farms into large-scale commercial farms, there have been numerous challenges affecting the commercialization of these farms in most countries in the developing world (Muyanga et al., 2019). Several studies conducted by Nadel (2020) have shown that arable land for farming is still unattainable in non-urban areas, while others do not have the required financial muscle to commercialize their farms. There are some challenges that are still affecting most farmers as they migrate from limited survival agri-business to comprehensive profitable agri-business (Davis & Bezemer, 2004). Although research has been done and conducted in this area, what remains unclear though, and difficult to understand, is a detailed picture of the exact challenges that face these farmers in their farming activities. Such obscurity on the challenges faced by the farmers has forced some local government authorities to either ignore or implement policies that fail to address the exact challenges currently at hand (Misaki et al., 2018). The study sought to identify factors that would improve and foster entrepreneurship activities in the rural Eastern Cape to help improve the image of agriculture amongst the youth from the area. The below research questions guided the study:

- 1) What strategies can be implemented to help improve the image of agriculture amongst the youth from the rural areas?
- 2) What role does the South African government play to create entrepreneurship opportunities through small-scale agriculture?

Ijatuyi, Oladele, Abiolu & Omotayo (2022) stated that improving the quality

of education in the province and raising entrepreneurial activity through government sponsored activities could play a considerable positive role in promoting economic development in the Eastern Cape province through farming and agriculture and adopting the most appropriate measures to create conducive entrepreneurial activities for producing more entrepreneurs is required in the Eastern Cape province. The aim of this study is to investigate the role of small-scale agriculture in promoting youth entrepreneurship and employment in South Africa's rural areas; the primary objective of this study is to investigate levels of entrepreneurial activity in the province and to devise strategies to create a favourable climate where agri-business and entrepreneurship will thrive. The findings of this study will greatly inform policy makers in the Eastern Cape and in the country in formulation of suitable interventions and strategies that enhance small-scale farming and entrepreneurship among the youth and smallholder farmers for wealth and employment generation and will support the youth and smallholder farmers in the Eastern Cape to enhance their entrepreneurial activities to increase the competitiveness of their products on the market. The findings from this study will also be used to contribute to the body of knowledge on small-scale farming and entrepreneurship in the Mhlontlo municipality in the Eastern Cape Province and in South Africa in general.

2. Literature Review

The literature review represents the theoretical core of an article. Yusuf (2014) outlines that agriculture plays a vital role in the economic development of every state. Smallholder farming entrepreneurship is considered as a multi-dimensional concept that can be explained from several perspectives such as psychological, sociological, and economic among other perspectives. This study focuses on Schumpeter's economic theory to understand different perspectives of smallholder farming entrepreneurship. McGrath and MacMillan (2000) economic theory advances the view that an entrepreneur takes calculated economic risks to grow his or her business and maximize profits to grow the business while bearing uncertainty caused by the possibility of failure. Thus, the assumption is that entrepreneurs are not satisfied with simply earning their own living but are expected to take advantage of favorable economic conditions to grow their business enterprises. McGrath and MacMillan (2000) also asserts that economic change revolves around innovation, entrepreneurial activities, and market power to prove that innovation-originated market power can provide better results than price and competition. In this theory, functioning innovation through improving existing products and services is attributed to the entrepreneur. The theory further advances the view that an economic system is a closed circular flow that is in a state of equilibrium through a continuous reiteration of the flows between buyers and sellers.

According to Hébert and Link (2009) and Huang, Sindakis, Aggarwal, and Thomas (2022), the disturbance of the circular flow is thus linked to the entre-

preneur who plays a fundamental role as an innovator. The theory further assumes entrepreneurs innovate when economic conditions are favorable. These economic conditions include industrial policy, taxation policy, access to finance, availability of raw materials, and access to technology and infrastructure (Altenburg, 2011). This theory guided the choice of independent variables, access to formal education and finance used in this study. Access to education and finance are amidst the economic factors that can stimulate the youth and smallholders' farmers into successful enterprise creation as per McGrath and MacMillan, (2000) economic theory. To understand the psychological perspective that drives entrepreneurs into entrepreneurship activities, the McClelland's (2013) achievement theory was also used to understand entrepreneur's psychological perspective on entrepreneurship activities. In McClelland's theory of achievement motivation, people have three motives for accomplishing things identified as: need for affiliation, need for power, and need for achievement, depending on their dominant motivator. These motivators are learned behavior which is why the theory is sometimes referred to as the learned needs theory. In this regard, individuals with the need to achieve attitude develop personality traits such as aspiration to independence, target orientation, enthusiasm, self-confidence, creativity, and tolerance to uncertainties that can naturally make an individual an entrepreneur (Mujemula, 2009). The theory suggests that the entrepreneurial actions of the youth and smallholder farmers are determined by their personality among other entrepreneurial traits that are developed through the need to achieve attitude.

Mohanty (2005) states that sociological perspective starts with the premise that economic development problems are non-economic and emphasizes cultural values and social sanctions as key elements that determine the supply of entrepreneurs in society. An individual's personality is largely molded by the mode of child upbringing and schooling practices common in each culture. These assertions assume that entrepreneurial practices are largely inherited, and offspring of entrepreneurial parents are more likely to be entrepreneurs and will be more successful compared to others. According to sociological perspective, individuals who grow up in an entrepreneurial community are more likely to benefit from these entrepreneurial activities by becoming entrepreneurs through existing social networks, established markets, and better access to finance that encourage him or her to start their own business at an early age (Freytag & Thurik, 2010). This framework of an entrepreneurial role is defined by the personality of the individual, expectations of the social group and the operational needs of the functions to be performed. Sociological perspective is relevant in this study as it guides the understanding of indicators of entrepreneurial culture and social networks that influences youth and smallholder entrepreneurship.

Entrepreneurship in Small-Scale Agricultural Business

The environment of farm business is changing rapidly, and the business envi-

ronment is no longer simple and straight forward. Some major changes are as follows: legislation, changing consumer needs, and changes in food consumption patterns, a changing environment and growing pressure on the rural area, climate change and load shedding. Thus, placing emphasis on entrepreneurship is a crucial dynamic force in the general development of small businesses. Entrepreneurship is defined by many as an activity to undertake something, to fulfil needs and wants through innovation and by starting a business (Modiba, 2009). From a psychological perspective, entrepreneurship is a way of thinking and reasoning that is opportunity obsessed and leadership balanced. In the same light, it is the mindset and process to create and develop economic activity by blending risk-taking, sound management, creativity, and innovation within a new or existing organization. Another definition by Wennekers and Thurik (1999) defines entrepreneurship as a dynamic process of creating wealth by individuals who assume major risks in terms of time and career commitments to provide value for some product or service. It is the application of energy for initiating and building an enterprise which can be any in economic sector and can be either formal or informal. It is the ability to recognize an opportunity where others see challenges. Entrepreneurship can be defined as having four major key components; it involves a process and is therefore manageable, it creates value in organizations and marketplace where there was nothing before, it requires resources uniquely integrated to create value, and it is the outcome of an identified opportunity.

The degree of entrepreneurship in the agriculture sector is dependent on three dimensions; risk-taking, innovation and pro-action. Research into entrepreneurship draws upon many disciplinary foundations which include sociology, economics, anthropology, and history. However, the research into farm entrepreneurship and the applicability of farming with other business sectors is relatively new as evidenced by the study of McElwee and Atherton (2011). Knudson et al., (2004) argue that the role of entrepreneurship and innovation has been given little emphasis in agricultural economics. However, it has become a priority with policy makers, and it is a critical aspect of value-added agriculture. The aims of entrepreneurial development in agri-business are modernization and reconstruction of fragmented agriculture and the creation of new jobs in the rural areas. Entrepreneurship is relevant in the agricultural context because farmers need to find ways to adapt their businesses to the changing situation. The ongoing changes bring with them new opportunities for farm business; from this perspective, entrepreneurship is needed to recognize and exploit these opportunities since it is concerned with finding ways and means to create and develop a profitable farm business.

3. Research Method

A mixed-research approach was used to achieve the objective of this study because using both qualitative and quantitative methods generate more credible

and persuasive views about the research problem. In this study, the distinction between qualitative and quantitative research was framed in terms of using words (qualitative) rather than numbers (quantitative) or using closed-ended questions (quantitative hypotheses) rather than open-ended questions (qualitative interview questions). A more complete way to view the gradations of differences between them is in the basic philosophical assumption's researchers bring to the study, the types of strategies used overall in the research (e.g., quantitative experiments or qualitative case studies), and the specific methods employed in conducting these strategies (e.g., collecting data quantitatively on instruments versus collecting qualitative data through observing a setting). The sample size for this study was made up of 95 participants, obtained by using a margin of error formula. The targeted population for this study was comprised of youth, small-scale agricultural groups, and colleges operating in the Tsolo area of the Eastern Cape. This study adopted a non-probability sampling approach in the form of purposive sampling because it uses both numeric and non-numerical modes of generalization (Daniel, 2011). The number of participants was as follows:

Interviews: 10 individual interviews and 1 focus group of 15 participants was conducted:

- 2 Managers in Tsolo and Qumbu (Eastern Cape)
- 4 students in Tsolo and Qumbu (Eastern Cape)
- 2 Up-coming small-scale farmers (Eastern Cape)
- 2 Government officials (Eastern Cape)
- 1 Focus group of 15 participants in Tsolo and Qumbu (Eastern Cape)

Questionnaires: 80 questionnaires were distributed to Tsolo and Qumbu rural area in the Eastern Cape:

- 10 Tsolo
- 10 Qumbu
- 10 Government groups in Qumbu
- 40 Students in Tsolo and Qumbu
- 10 College officials in Tsolo

Data validity and reliability was used to assess the quality of research. Validity was used to check the correctness of data while reliability was used to check consistency. The results accurately reflected the phenomena examined and indicated that same results would be achieved if the same study were reproduced. The questionnaire was structured into two sections: government initiatives to create youth employment in the small-scale agricultural business sector and the role of education institutions in promoting youth employment in small-scale agricultural business. Questionnaire was distributed to college students in their first to third years of study, as well as aspiring farmers and government officials. The results from multiple individuals from different years of study with varying levels of knowledge were consistent, indicating that the research may be replicated if conducted under the same conditions. The results also correspond to other theories and measures of the same notion, demonstrating that the survey had

good criterion validity.

4. Findings and Discussions

In this section, various organizations involved in the study and their demographics are presented. These organizations range from schools and government offices that were visited during the study. Schools such as TARDI and Walter Sisulu are some of the organizations where many participants were drawn from.

Sample demographics

The respondents' demographics according to gender are presented and depicted as follows: Of the $n = 80$ participants, the majority of $n = 51$ (63.75%) respondents in the study were female while $n = 29$ (36.25%) was male from the study area in Tsolo Eastern Cape. This shows that the number of female respondents in the study is slightly higher than that of male participants by a margin of 22. This is an indication of a steady increase in women in smallholder farming entrepreneurship in the Tsolo area (Table 1).

Gender of respondents

The study's questionnaire had a category of age designed to describe respondents' age in years. The respondents were asked to choose their respective age categories which ranged from 19 - 47 years. The table below captures age categories from 19 - 47 years. The table shows that most of the respondents $n = 36$ (60%) was in the 18 - 24 years of age category. The second highest category with the frequency of $n = 14$ (23.33%) was between 25 - 35 years of age. The lowest frequency $n = 10$ (16.66%) was captured in the 36 - 47 years age category. From these results it is seen that most respondents were younger than 30 years of age. The result can be related to the Velokhaya Life Cycling Academy report which highlighted that 50% of South Africa's population are youth ranging between 20 - 30 years of age who are exposed to high levels of unemployment and poverty which turns them to crime and abuse (Table 2).

Table 1. Gender of respondents.

	Gender	Frequency	Percent	Cumulative percent
Valid	Female	51	63.75	63.75
	Male	29	33.25	36.25
	Total	80	100	100

Table 2. Age of respondents.

	Respondents	Frequency	Percent	Cumulative percent
Valid	18 - 24 years old	36	60	60
	25 - 34 years old	14	23.33	62.3
	35 - 47 years old	10	16.6	96.7
	Total	60	100	

Professional status

Table 3 represents the respondents' demographics regarding professional status within the study area. Ninety-five (95) participants were selected. Of those respondents who participated in the study, $n = 60$ (75%) were college students from TARDI and Walter Sisulu University. TARDI comprised $n = 56$ (70%) of student participants, while Walter Sisulu University (WSU) had $n = 4$ (5%). The figures indicate that more students were recruited from TARDI, a rural agriculture college in the area, while a minority were from WSU, one of the higher education institutions in the area.

Other participants $n = 10$ (12.5%) were the college staff from TARDI. There were few responses from Government and NGO officials; only $n = 4$ (5%) of the total $n = 10$ that were initially selected responded to the study. These figures indicate that most government officials; ten (10) in total who had indicated participation in the study withdrew their participation. It was later discovered that Covid-19 and other technological challenges such as an inability to use ZOOM and Ms Teams due to network issues were primary reasons for why they withdrew. Their withdrawal did not have a significant impact on the study as the researcher was still in control of the data collection plan.

Operational structure and key activities of the organizations

Headings, or heads, are organizational devices that guide the reader through your paper. There are two types: component heads and text heads. The operational structure and activities under the TARDI and WSU were represented as follows: The majority $n = 56$ (70%) was agriculture related at TARDI while the minority $n = 4$ (5%) at WSU were business related. Since most students $n = 56$ (70%) was from TARDI, the results indicate that most of them were largely interested in agriculture with a few of them opting to study business-related courses. Those studying at TARDI $n = 56$ (70%) was mostly interested in obtaining national diplomas in agriculture upon completion of their studies.

The result contrasts with those at WSU who were mostly interested in obtaining a bachelor's qualification with prospects of furthering their studies into a postgraduate degree. TARDI's key activities are in small-scale rural farming where the students get involved in the practical training of crop farming and animal husbandry. The results also indicated that TARDI is mainly focused on farming and not on business, while WSU on the other hand focuses on business management and entrepreneurship courses. Their key focus is on the theory development of business with a lack in the practical implementation of their business ideas. The difference in their focus also shows that both institutions' curriculum is designed around the organization's key primary activities, which is a disadvantage for students wanting to focus on both agriculture and business. In addition, the results in **Table 4** also shows that the common point regarding the purpose of TARDI and WSU higher education institutions in the area was to develop the local community by providing comprehensive educational services to the most vulnerable members of the community and to strive to improve the

Table 3. Respondents' status.

	Respondents	Frequency	Percent	Cumulative percent
Active	University students	60	75	75
	University lecturers and teaching assistants	10	12.5	87.5
	Government/NGO officials	10	12.5	100

Table 4. Organization structure and key activities.

Name of organization	Key activities	Course on offer	Frequency	Percent
TARDI	Agriculture	National diploma	56	70
WSU	Teaching & Learning	National diploma, certificates, bachelor's degree, post graduate degree	4	5
Total			60	100

quality of education and literacy levels in the area. Other purposes were to train, educate and facilitate entrepreneurship projects to develop local business talent through social activities.

5. Result of Analysis

The meaning of what agriculture and agri-business represent to the communities of Tsolo in the Eastern Cape is regarded as important because the majority of the community members believe in agriculture's potential to change their livelihoods. The participants expressed concern over the lack of funding and support from government and NGOs to embark them on agriculture activities. Some participants complained about the lack of access to markets to sell their produce and the lack of training to improve their agriculture knowledge. Others complained about corruption and corrupt government officials stealing funds meant for community development. The efforts between the government and local communities ought to be combined as synergy in exchanging ideas and working together might bring scales of change. Lack of follow ups when implementing ideas to benefit the community has been regarded as a major obstacle. The interviews show that in order to successfully develop sound policies, and models aimed at supporting and enhancing the transition of emerging farmers into commercial agricultural farming, a better understanding of the specific factors that restrict the development of emerging farmers is essential.

The interviews also showed that South Africa can no longer afford to risk failing its rural farmers as most of them show potential to successfully engage in large scale farming projects. It was also evident that there are still some gaps when it comes to the implementation of agricultural policies in small scale farming within the rural areas of South Africa. Poor education levels or lack of education on farming has also been found to be a major challenge that affects

small scale farmers in the most rural parts of South Africa. Furthermore, this challenge causes secondary problems such as poor youth employment and the mass exodus of the youth from rural areas into urban areas. It was also evident in the interviews that most youth who anticipate venturing into farming after college have trouble transitioning to the commercial agricultural industry because they are still living in poverty. The failure of various government initiatives to integrate these youth on a large scale into the commercial agricultural system has heightened the demand for extensive comprehension and scientific knowledge of the difficulties that the youth encounter when they venture into agriculture entrepreneurship.

The respondents were also less enthusiastic about agriculture improving the quality of life in rural areas. Most responses from the study's participants pointed out that the local authorities should include more members of the local community in the planning and implementation process. Most study's participants felt alienated and ignored in critical decision-making processes and thus developed a negative perception of agriculture. Getting more support workers to reach more people and raising efforts in networking with stakeholders is evident for improving the quality of rural life through agriculture.

From the data collected through questionnaires and interviews, it was found that most of the respondents involved in the study were college students participating in agriculture at TARDI in the Eastern Cape. It was discovered that growing numbers of South Africans are moving away from agriculture as a source of income and improvement to their standard of living. While most respondents stated that they would turn to agriculture for an improved standard of living, small-scale agricultural enterprises have not received adequate promotion in South Africa, particularly in rural regions where the bulk of formerly disadvantaged people reside.

Findings from the questionnaires and interviews also showed that some of the youth participants in this study have a negative perception towards agriculture's ability to eradicate youth unemployment in the rural areas and the country at large.

As indicated in the findings above, women are the majority compared to their male counterparts. One could argue that women in most studies are easier to approach and always willing to help. This characteristic of willingness of women to help stems from their nurturing personality. This was highlighted in the study by [Wood and Eagle \(2012\)](#) who indicated that women are important participants in community duties as it is their responsibility to secure acceptable levels of socio-economic issues to ensure the wellbeing of their families. The finding was that most of the women were single and were involved in higher education studies from TARDI and WSU. Levels of unemployment were found to be high among female participants of this study. It can be said that the majority of them struggle to access higher education because of a lack of funding and sponsorship from the government. The levels of unemployment and lack of access to re-

sources indicates how the rural Eastern Cape areas are deprived compared to other areas in South Africa.

It was evident that a small portion of the participants were involved in rural farming on a small-scale level. Some could speak positively of how farming has improved their socio-economic wellbeing although this cannot be said of the majority of participants who took part in the study. The negative perception of agriculture of some participants was mainly caused by the governments' lack of support when such support was requested. For some it was due to a lack of knowledge about the existence of government policies capable of improving their livelihoods, as a result of poor education and lack of training on small-scale agriculture as a viable economic activity. It was understood that some participants were involved in agriculture and were receiving some form of training although this cannot be said of the majority who complained about not receiving any kind of training, and neither were they aware of any government sponsored activities in small-scale farming.

It emerged that most participants were in favour of rural-urban migration where they complained about the frustration, they had in accessing farming resources. It was clear that rural-urban migration is on the rise as most participants had a negative view of rural life and farming. This was caused by poor communication on market information and being far from nearby markets to sell their produce. In the study it was evident that the majority of participants in the rural areas rely on word-of-mouth, family, and self-researched information on prices, which can be misleading and unreliable (Mtega et al., 2014). If adequate market information is made available to these rural farmers, that will probably boost their confidence to set up appropriate prices that are compatible with the markets. This will help the farmers choose marketing channels that can generate a good income and better profits for their produce.

The research also found that most participants who took part in this study tend to make bad and uninformed judgments about which marketplaces to engage in when they plan to sell their produce. As Mtega et al., 2014 have indicated, farmers' bargaining position might be strengthened by providing accurate and trustworthy market information. From this study it was clear that the performance of emerging farmers on the food produce market depends on the availability of market knowledge of market factors like pricing and about items that are in high supply and high demand in the market (Mtega et al., 2014). The study also found that agri-business and other business, in general, requires open-mindedness, a good grasp of market information and conditions; as well as project and management skills necessary to improve the smooth running of the business (Khapayi & Celliers, 2016). All these requirements are achievable through good education. A lack of good education creates vulnerability and increases the chances of victimisation as evident from the presentation of the findings above.

The research also found that most farmers have poor management skills and a

lack of information on the latest market trends. Some of the participants who were farmers themselves also lacked the necessary access to big markets, which have the potential to improve their livelihoods. It was found that most of them tend to sell their produce to informal markets that are unregulated by the government and have low market value. In the long term, they face serious challenges which threaten to force them to abandon their agricultural activities and migrate to urban areas in search of employment (White, 2012).

Besides, participating in low markets value, it was also found that a significant percentage of small-scale rural farmers have been affected the lack of access to markets close to their farms. Those farmers who took part in this study indicated that they travel far to access markets, and this causes discouragement specially to emerging farmers. Pingali et al., (2005) said that lack of assistance for gaining access to nearby markets forces most farmers to transport their goods over long distances on poorly maintained roads. According to Pingali et al., (2005), the quality of products is impacted by poor infrastructure and a lack of transportation, making farmer's produce unprofitable or causing poorer quality produce. It was also found that poor planning from the government and corrupt officials have caused significant challenges to those rural farmers who want to fully participate in small-scale agriculture. The impact of corrupt officials in agriculture and agri-business has been felt in rural areas. These corrupt activities carried out by politicians and policymakers have failed to promote job creation. Instead of creating equal employment opportunities through such policies, most have the opposite effect as they destroy or discourage young people from taking an interest in farming (Carter, 2019). It also emerged that some of the participants who took part in the study lacked formal training and the requisite technical farming skills to successfully manage an agri-business. It was found that rural youth need to first get the necessary expertise in the industry from working in the field in which they choose to pursue entrepreneurship endeavours so that they will then be able to operate their own farms more profitably.

6. Findings

A youth employment inventory has been compiled to improve the evidence base for making public sector policy decisions about how to address the problem of youth employment. This includes evidence from 289 studies of interventions from 84 countries in all regions of the world (Betcherman et al., 2007). While the largest number of interventions was in the OECD countries, the Latin America and Caribbean region also had good coverage. As the inventory does not differentiate according to the employment or occupational sector, the levels of support to interventions in the agriculture and agri-business sector cannot be gauged. In South Africa, the priority to create jobs for the rural youth has reached a high political profile and a comprehensive programme is now in place through the National Rural Youth Service Corps (NARYSC). This is supported through the Department of Rural Development and Land Reform to secure jobs

for up to 10,000 rural youth, including jobs in the agriculture sector. Thus, drawing from Asegu (2023), the time has come for the re-circulation of the basic and higher education curricula for graduate employability in the agriculture sector.

6.1. Human Capital Development Programs and Policies

Human capital development programs and policies were found to be underdeveloped in the study and as such most respondents highlighted this as a major challenge causing agricultural activities to fail in TARDI and WSU institutions. It was discovered that current education and training systems (curriculum & workforce) need to improve by combining Agricultural Education and Training (AET) suppliers and industry together. By not involving these sectors together, it was found that these problems significantly make it harder for people of low-income levels in society to get good agricultural training.

Fundamental to this is the undesirable professional appearance of agriculture and the lack of talent and proficiency in the fields of agricultural production, agricultural engineering, and economic development in South Africa. The prevalence of problems and challenges cited above, calls for an urgent intervention by the South African government to improve the image and perception of agriculture by investing more time and resources in the form of human capital development programs and policies. These programs and policies should be aimed at improving the lives of those farmers who were disadvantaged by the previous government. Direct investments in the form of human capital development created by investing in schools, FET and agricultural colleges will help to promote South Africa's small-scale farming sector.

6.2. Governing Bodies and Responsible Stakeholders

Alternatively, agricultural colleges and universities are encouraged to adopt and collaborate with schools in the rural areas and small towns in which farming can be regarded as part of the school curriculum. Such efforts are essential to boosting the small-scale farming sector, which hasn't grown well over the years. Publicizing and advertising of such efforts are needed in these educational institutions as this can improve small-scale farmer's livelihoods and youth development programs which then become an essential element of the rural development agenda.

Part of the strategy and solution in alleviating the challenges faced by the agricultural sector and other youth development schemes lies in the promotion and effective publicizing of farming by means of an ideal business through profession days, seminars, and shows. Such efforts will help to change the public mindset and eliminate the reliance pattern of public allowances and dense dependence on handouts. This can only be successfully resolved once all the governing bodies and responsible stakeholders show a willingness and commitment to participate in agriculture activities.

6.3. Investing in Agriculture

Some studies such as those conducted by [Byerlee et al., \(2009\)](#), found that investing in agriculture did not do enough to alleviate poverty and create employment, especially in developing countries. Such challenges were a result of poor farming or agriculture knowledge and a lack of access to the world markets to sell the produce. [Byerlee et al., \(2009\)](#), contend that if there is more investment into the agricultural sector, most small-scale farmers would benefit greatly and would be able to transform into commercial farmers. [Uphoff \(2013\)](#), pointed out that farming is an economic activity that can generate income and offer employment and high returns to the small-scale farmers if properly invested.

6.4. Building Young Entrepreneurs in the Smallholder Farming Sector

As part of the Youth Employment Network for West Africa (YEN-WA) some multi-sectoral programs do seek to build the capacity of young entrepreneurs in agri-business, including in fresh produce exports, quality assurance services and agro-processing (YEN-WA, undated). Of the relatively few agencies with a focus on small-scale agriculture and rural youth, the Inter-American Development Bank (IADB), has shown some innovation in its programming. One example is the IADB loan entitled “Innovative intervention models for the coffee sector” agreed to with the Government of Colombia (CO-L1009). The goal is to make Colombian coffee growers more competitive through the adoption of sustainable institutional intervention models to improve access to productive resources, particularly for young farmers, and to attract resources to Colombia’s coffee-growing sector.

The project’s intervention models consist of a series of attributes geared to young people with business aptitude, to allow them to resolve weaknesses in the factor markets and provide access to and secure resources for the coffee sector, thus increasing productivity. A second example is the IADB rural youth training program in Paraguay (1997-2001 project TC-96-03-16-0), which promoted the participation of young rural people in the labor and production markets specifically to hone the skills of those aged 15 to 30, and to improve the non-formal rural training that the training institutions offered, and to encourage a sharing of information about improved farming techniques and labor training opportunities in rural areas.

6.5. Formal Education and Skills Training for the Labor Market

Improved educational outcomes are clearly needed to ensure that young people can acquire the educational qualifications needed to secure more productive employment ([Asegu, 2023](#)). More detailed country-level studies are also needed to help inform the development of appropriate labor market policies and associated educational and skills requirements to reduce poverty among young workers and to address the relative disadvantage of youth versus their adult counter-

parts in terms of the incidence of working poverty (Feder & Yu, 2020). In India the Employment Generation and Marketing Mission (EGMM), a program undertaken in Andhra Pradesh and supported by the World Bank, seeks to upgrade the skills of rural male and female youth, matching this training with specific gaps in the labor markets.

7. Conclusion

The background laid the groundwork for the investigation, which was bolstered by an empirical evaluation of the literature. The review supports the view that the South African government lacks the right strategies as well as the necessary human and financial resources to effectively implement better small-scale agricultural strategies and solutions aimed at improving the livelihoods of small-scale farmers and rural youths. The current study sought to investigate the role of small-scale agri-business on youth employment in rural South Africa. It went on to investigate the difficulties that rural teenagers in the Eastern Cape Province face when attempting to pursue farming as a career.

8. Recommendations & Further Research

This study revealed that the need for effective policies and funding in the agriculture sector to ensure more rural students, are educated on the role of agriculture in alleviating poverty and creating employment opportunities in rural areas is a prerequisite. To improve this, the following are recommended:

- 1) Further research is needed in food supply from small-scale agriculture increasing the absolute contribution to food supply from small-scale agriculture is projected to rise by 50 per cent by 2030, presenting new income-earning potential for emerging small-scale farmers and viable investment opportunities for capital providers (Uphoff, 2013). However, the emerging small-scale farming sector the world over, especially in African countries and other developing nations, suffer from serious challenges of under investment. In most parts of the world, there are stricter financial conditions attached to the lending process, usually through private banks and other government financial lending departments with subsidies that are difficult to observe (Doran, McFayden, & Vogel, 2009). This approach fell out of favor during the 1990s in the international policy climate of market liberalization and is generally agreed to have suffered from huge inefficiencies, high costs, and frequent failure to provide adequate benefits to emerging small-scale farmers (Doran et al., 2009). Many such structures and accompanying programmes have been dismantled, sometimes because of conditions imposed by IMF (International Monetary Fund) bailouts.

- 2) South African government to educate rural farmers. Since gaining democracy in 1994, the South African government is struggling to educate rural farmers on the importance of agriculture to improve their livelihoods. This problem is further compounded by poor and inconsistent quality control checks as well as the lack of excellence of the workforce in farming institutes plus Further Educa-

tion and Training (FET) institutions in the country (Crook & Sverrisson, 1999; Bagdonis et al., 2009). A study by Crook and Sverrisson (1999), did prove that this poses a serious threat to all efforts made by the government to improve the livelihood and means of production for the small-scale farmers. This issue can be improved through implementation of formal education and skills training for farmers and labor market.

Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

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