The Impact of Rural Development on Poverty Reduction in a Post-Apartheid South Africa: An Ecological Discourse

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ABSTRACT One of the African National Congress (ANC) led government's promises to the electorate in all the elections since 1994 was to assist the African rural communities with infrastructure development for poverty reduction programmes. Consequently, this in return would help in the provision of sustainable livelihoods for such communities. Therefore, as part of service delivery programmes by the ANC’s government, in the post-1994 period resources were directed to rural developments with the intention of reducing the level of poverty. A qualitative and quantitative design was adopted with the aim of documenting and analysing the ecological impact of rural development in South Africa. The article examines and critiques the various rural development challenges and poverty reduction strategies as key initiatives for service delivery in rural South Africa. The critique highlights the linkages that exist between rural development and service delivery. The results of the study show that despite the challenges of the ANC in providing services to the rural communities, different interventions proved to be successful.

INTRODUCTION

Within the South Africa African government, it has generally been repeatedly argued that the central programme aimed at bettering lives of rural South Africans should focus on rural development for poverty reduction. Therefore, programmes addressing income, human capital and asset poverty had to be implemented by the government. Consequently, as Gumede (2008a) argues, it has been in the ‘intersection’ between access to income, services and assets that the issue of overall poverty trends and the magnitude of the second economy since 1994 have been examined.

Rural development and poverty reduction strategies became 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. These benefits include the provision of food resources, job creation and stock farming. In attempts to achieve the above, Mubangizi (2009: 446) commented that there have been several attempts to understand and reduce poverty in South Africa. Concerns have often centered on poverty reduction policies, the appropriate strategies that should be adopted for poverty alleviation and the targeting mechanisms in this regard. As mentioned above, the article attempts, among other things, to examine and critique rural development and poverty reduction strategies in a post-apartheid through a service delivery framework.

It should be noted that the analysis in this article is done mainly through the evaluation of rural development strategy aimed at the reduction of poverty that the government has been developing over the years to address the plight of the African rural communities. It is argued in this article that, given the nature of the challenges of rural development and poverty reduction in South Africa, implementation of such strategies took longer due to some critical conceptual and practical issues. For example, first, it was important to reach some consensus within government as what was the ideal approach, given the South African context and dynamics, to address poverty through rural development strategies for service delivery. Second, it was also important to align the rural development and poverty reduction strategies with the envisaged holistic implementation plan of the ANC’s government. Notwithstanding the fact that a stable democracy under the ANC’s government had replaced the apartheid regime, by far the majority of the African rural communities are still poor. In view of the above dynamics, the article traces the above as both economic and ecological challenges in the implementation of these strategies in attempts to alleviate poverty in South Africa.

The question addressed in this article is whether these initiatives, coupled with the provisioning of both human and financial resourc-
es to the rural communities by the government could be considered feasible and alternative ways of revitalisation of rural development in order to alleviate poverty in South Africa. The question of rural development has been discussed elsewhere (Hoffman and Todd 1999; Luckert and Campbell 2003), but here the author particularly tackles rural development and poverty reduction strategies as an ecological discourse for service delivery for South African rural communities.

HISTORICAL BACKGROUND AND THEORETICAL FRAMEWORK

According to Anriquez and Stamoulis (2007: 1), it is not an exaggeration to say that the battle to achieve the global society’s stated objectives on hunger and poverty reduction would be won or lost in the rural areas of the developing countries. Global, extreme poverty continues to be a rural phenomenon despite increasing urbanisation. The same could be said about the situation in South Africa because the promotion of rural development in a sustainable way has the potential reduce the level of poverty.

Long before the ANC could take power in South Africa, the question of rural development and poverty reduction became critical. For example, between 1929 and 1930 the Carnegie Commission was established to investigate the poor-white problem which was mainly associated with poverty. The investigation involved a widespread study of the natural and socio-economic conditions of the poor Whites in the country. The plight of those poor, mainly Afrikaners forced off the land and thrust unprepared into urban areas and towns attracted the attention of the Carnegie Corporation of New York, which funded the survey. The report of the Carnegie Commission of 1932 outlined horrendous stories of abject poverty experienced by these poor Whites (Mubangizi 2009: 446). However, it was interesting to note that, as early as during that period, the Commission failed to acknowledge that the Africans within the country also experienced the same problems.

In 1984, the Second Carnegie Conference on Poverty was convened to address the imbalances identified and shortcomings implicit in the First Carnegie Commission. It focused its attention on Southern Africa and included all those people who fell in a broadly defined category of human deprivation and poverty (Mubangizi 2009: 447). The report of the Second Carnegie Commission stressed the importance of tracing the roots of poverty, not only form the poor Whites but all the South Africans exposed to poverty.

Seekings and Nattrass (2006: 188) argue that under apartheid, inequality in the distribution of incomes in South Africa remained acute despite economic growth. At the top end of the income scale, some South Africans lived lives of luxury, with swimming pools and holiday homes. It became clear that inequality in South Africa was higher at the end of the apartheid period.

In addressing the above challenge of rural development and poverty reduction, the main issue that arises is the merit of emphasising the human interface when considering strategies and programmes to reduce poverty and promote rural development. Therefore, before embarking on an empirical investigation of this topic, a theoretical perspective is warranted. In the 1970s the best empirical evidence seemed to indicate that growth did not necessarily help the poor. Adelman (1975: 302) was convinced of the existence of imbedded obstacles within an economic system that inhibited development and that such obstacles were directly related to the potential of the human interface. Shan and Younger (2004: 80-82) argue that the recent increase in research on qualitative poverty emphasises the importance the poor place on vulnerability when they define their own situation.

In 1995, the ANC’s government was approached by the World Bank with a proposal that a collaborative poverty assessment be undertaken. Around the same time, the United Nations Development Programme also approached government with a request to prepare a county Human Development Report. In October 1995, the South African cabinet agreed that a Poverty and Inequality Report be undertaken by the South African researchers. Its objectives among others were to: undertake a detailed analysis of poverty and inequality in South Africa; analyse current policy proposals for the reduction of poverty and inequality; analyse the adequacy of current plans to reduce poverty and inequality and possible barriers to their implementation; and propose ongoing monitoring mechanisms to measure the impact of policies and programmes in the reduction of poverty and inequality (The Poverty and Inequality Report, May 2000: xii).
According to May (1998), since coming to power, the ANC’s government adopted a broadly pro-poor policy framework. There has been an increase in the share of total government expenditure going to social services. This has increased from about 43% in 1985 to 57% in 1995/96. In the 1997/98 budget allocations, social services account for 60% of non-interest spending and 46.9% of total consolidated national and provincial expenditures. In order to address the above mentioned problems, policies and programmes which reflected the broad commitment of the reduction of poverty and inequality were formulated and that has constantly formed the basis of the vision presented by government.

It is interesting to note that since the taking over of government by the ANC in 1994, studies on rural development and persistence of poverty reduction increased. Roberts (2000: 5) notes that, although great strides have been made in rural and poverty reduction research in South Africa in the 1990s, notably by addressing the paucity of inclusive and experiential studies, the omission of the salient measurement issue of poverty dynamics signifies a problematic lacuna.

The definition and imposition of land rights in South Africa are useful in settling legal and ethical uncertainties surrounding rightful ownership, use and consumption of resources. In an era characterised by unemployment, the relevance of property rights is made even more pronounced as the country’s population continually expands. The question of land rights and rural development took centre stage. Different scholars stated writing about issues pertaining to rural development. Amongst others, the following wrote scholarly books and articles (Walker et al. 2010; Walker 2008; Letsalo 1987). These scholars and many others discussed the issue of land restitution and distribution in the post 1994 period.

Objectives of the Study

The success of South Africa’s transition to democracy depended on the manner the ANC’s government handles socio-economic matters in trying to redress the imbalances created by the apartheid government. In the main, that included introducing measures for the reduction of poverty, particularly in the rural areas. Studies showed that the intransigence of social and economic forces set in motion by apartheid policies led to the persistence of poverty even though many other aspects of the South African political economy were transformed (Moser 1998; Carter and May 1999; Haarmann 2000; May and Meth 2007; Aguero et al. 2007).

In 1994, the ANC issued the following statement which became the cornerstone of rural development and poverty reduction programmes: “No political democracy can survive and flourish if the majority of its people remain in poverty, without land, without their basic needs being met and without tangible prospects for a better life. Attacking poverty and deprivation would, therefore, be the first priority of the democratic Government” (African National Congress 1994: 5). This statement was an indication that the government was destined to redressing the past imbalances of the apartheid regime. Therefore, in view of the above statement, this study attempts to achieve the following:

- Examine the determinant cause that produces and reproduces rural poverty within a particular focus on the ANC’s rural development programmes.
- Describe the nature and extent of rural poverty in South Africa in the post-apartheid era.
- Generate insights into the type of problems and challenges that government and its development partners are faced with in attempts to bring rural development for poverty alleviation.
- Examine and rethink the roles, commitments and actions of different stakeholders so as to maximise the impact of rural poverty reduction interventions.

**Observations and Discussion**

**Understanding the Meanings of Rural Development and Poverty Reduction: An Ecological Context**

An increasingly stressed natural environment in South Africa is characterised by unsustainable use of freshwater (50% wetlands transformed, 82% rivers threatened, 65% of the population could be at risk of water stress by 2025); high levels of biodiversity loss (16.5% terrestrial habitats transformed, 34% of South Africa’s terrestrial ecosystems threatened and more than 2 000 plant species threatened. In view of the
above, it is important to understand the meanings of rural development and poverty reduction in an ecological context in order to propose and implement relevant approaches for such poverty threatening realities. There are a number of different approaches to understanding the meaning and relationship of rural development and poverty reduction. Rural development may be defined as the development of regions excluding the urban areas such as the towns and cities. Smaller settlements such as villages, farmsteads, and market towns are normally included within the concept of rural, while most of the land area is expected to be used as agricultural land, forest or in its natural state. Therefore, the promotion of rural development in a sustainable way has the potential of increasing employment opportunities in rural areas, reducing income disparities, stemming pre-mature rural-urban migration, and ultimately reducing poverty at its very source (Anriquez and Stamoulis 2007: 1). Van Der Ploeg et al. (2000: 394), explains rural development as follows: “Rural development is multi-faceted in nature. It unfolds into a wide array of different and sometimes intercon- nected practices. Among them are landscape management, the conservation of new nature values, agri-tourism, organic farming and the production of high quality and region-specific products.”

Poverty reduction and alleviation aims at reducing the negative impact of poverty on the lives of poor people, but in a more sustained and permanent way including using poverty relief programmes. It includes the state’s social grant programmes which could reduce the impact of poverty for many people. It should be noted that poverty reduction programmes tend to have longer term goals. Thus the state’s social policies both provide immediate relief for poor people, but have also been found to provide a developmental stimulus by empowering people to look for jobs who live in households in which members receive social grants, or start their own small businesses. Basically, poverty reduction refers to strategies and policies that reduce the number or percentage of people living in poverty or the severity of the impact of poverty on the lives of such people.

Aliber (2003: 476) argues that South Africa suffers from chronic poverty which is transmitted from one generation to the next. The implication is that children from poor households are likely to become poor adults, whose children would in turn risk remaining in poverty. In addition, research on poverty dynamics adapts approaches that can be broadly classified into various categories, namely, budget standards, income measures, deprivation indices, consensus and democratic definitions of poverty, human development, and indicators of multiple deprivations (Gumede 2009). Poverty is multi-faceted. It can be linked with hunger, unemployment, exploitation, and lack of access to clean water, sanitation, health-care or schools. It can also be vulnerability to crisis and homelessness (Woolard 2002: 2).

The Socio-ecological Challenges of Rural Development Strategies for Poverty Reduction

Roberts (2000: 6) asserts that after the taking over of government by the ANC, the country found itself at a critical juncture, one which reflected a tension between the essentially pro-poor stances originally adopted by the first democratically elected government as enshrined by the Reconstruction and Development Programme (RDP) and the neoliberal agenda which had gradually emerged as a significant development trajectory. Eighteen years of democracy in South Africa have seen active policy development and massive financial efforts by the government towards rural development and poverty reduction. In spite of visible achievements and successes, underneath are some of the few socio-ecological challenges faced by the rural communities and the ANC’s government in providing services and reduction of poverty.

Creating an Environment Conducive for Rural Economic Growth

The ANC government that came to power in South Africa in 1994 inherited the economic and social legacies of apartheid. It was faced with a large pool of unskilled and unemployed rural labour, acute and widespread poverty, and poor access to education, health, and other basic public amenities for a large majority of the population. Therefore, in order to have conducive environment for rural economic growth the government introduced rural development and poverty reduction strategies due to the fact that an environment of competing social needs had aris-
en, one that generated an explicit need to effectively target anti-poverty interventions. In order for this to be attained, a good understanding of the nature and the creation of an environment for economic growth became a fundamental prerequisite (Roberts 2000: 27).

In 1995, a National Rural Development Strategy (NRDS) was drafted. It integrated considerations on the local government framework, with RDP objectives. When the NRDS was launched, it did not address the key issue of the actual potential of rural economy, particularly in the areas left under-developed by the previous apartheid government (Perret et al. 2005: 13). In 1997 the Growth, Employment and Redistribution (GEAR) Programme replaced the Reconstruction and Development Programme (RDP) as one of the principal instruments for the realisation of the policy objectives contained in the RDP. It was a macro-economic initiative to challenge the problem of poverty and inequality reduction, by addressing structural weaknesses inhibiting economic growth and empowerment. Against this backdrop, it was quite obvious then that, for the purpose of poverty reduction in the rural areas, it was imperative for the government to come up with a clear policy initiative that would pull the economy out of its recessionary slump, since it inherited an economy with an average annual real per capita growth that had been on the decline for over three decades. Hence, the government introduced GEAR.

Furthermore, Perret et al. (2005: 13) records that before the general election of 1999, certain advocacy groups such as the Rural Development Initiative urged the government to address specifically and explicitly the rural development issues. After the election, former President Thabo Mbeki launched the Integrated Sustainable Rural Development Strategy, drawing a lot from preliminary works done within Land Affairs and other key line Departments after the RDP.

The Poverty and Inequality Report (May 2000: 52) states the importance of creating an environment for rural economic growth as a prime requisite for poverty reduction. It highlighted the challenge of not only creating a large number of jobs but also ensuring that better quality jobs were maintained. Several areas of government action are relevant to the relationship between economic growth and the reduction of poverty and inequality, including: the allocation of state expenditure on social services and infrastructure; the provision of social safety nets; the promotion of social equity through redistributive policies involving taxation, market reform or reprioritising expenditure; and the development of good governance and administrative capacity.

**The Problem of Increasing Agricultural Productivity and Economic Returns**

One of the more critical elements in sustaining food production is to improve the living conditions of rural communities by assisting especially small farmers in enhancing agricultural productivity and their incomes and to provide access to land. In order to achieve this, Micro Agricultural Financial Institutions of South Africa (MAFISA) was launched and contributed to the government’s overall commitments towards the social upliftment of people in their communities by benefiting both farm and non-farm beneficiaries such as farm workers, household producers, small-scale land owners, food garden producers, rural and micro-entrepreneurs.

Furthermore, the Farmer Support Programme provided support to promote economic and market development to sustain adequate on-farm incomes which promoted stability, competitiveness, growth and transformation in the agricultural sector. This initiative had been augmented with the Comprehensive Agricultural Support Programme (CASP) which was a conditional grant raised by the central government to supplement the provincial funding to ensure accelerated delivery of support services to farming communities. In addition to providing farmer support, the Settlement Land Acquisition Grant (SLAG) provided grant through which poor landless black South Africans could form a group to apply to buy and develop land. By the end of the year 2000, the Ministry of Agriculture and Land Affairs had approved 484 projects, transferring 780 407 hectares of land to 55 383 people, with 14% heads by women. The above process was not sustainable because SLAG ended in 2000 having achieved the goal of improving emerging farmer’s access to land by managing a total of 542 projects and assisting 89 000 beneficiaries, and sustained participation in agriculture by establishing 84 agricultural co-operatives in the 9 provinces of South Africa.

**The Growing Rate of Unemployment**

Although the government uses employment creation as one of its main strategies for curtail-
ing the high poverty levels in rural South Africa, it had to do that by using the following mechanisms, namely, promoting skill-enhancing education and training; providing financial and non-financial support to SMMEs; and undertaking special employment-creating projects (Mbula 2008: 140-141). However, one of the most serious challenges for rural development and poverty reduction is the growing rate of unemployment throughout rural South Africa. Current trends indicate that the broader development problems of the rural areas cannot be explained fully without reference to its ongoing socio-economic needs. The various problems facing rural communities highlighted the need for some form of development programmes, where the community members themselves can become participants (Gopaul 2006: 6). Furthermore, this is complicated by the retrenchment of rural people from the farms by the farm owners. Obviously, these job losses led to potential political instability. Therefore, the rate of unemployment left a large part of the rural population depended on low-yielding activities in subsistence agriculture and the informal sector, which is a major cause of poverty. Coupled with these challenges, another source of growing poverty is the limited access to basic services. For example, there is a lack of sanitation.

The Failure of Land Reform Programmes

It should be noted that small holders are usually not only inadequately endowed with land, but more often than not also, lack other assets, like physical and human capital, and thus are usually poor. It is true that the expansion of the agricultural sector may benefit also the small-holder sector and pull some of them out of poverty. Small farms are, with respect to capital and land utilisation, labour intensive, and therefore are likely to benefit from technological progress that is labour intensive. When land distribution is equitable, it would be the case that expansion of agriculture would benefit the small-holder sector; when the land distribution is inequitable there could be agricultural growth fully based on large farm output expansion, in which case the small holder sector would not necessarily benefit (Anriquez and Stamoulis 2007: 16; Anriquez and Lopez 2007: 191-202).

In order to fast-track service delivery to rural communities in South Africa, the ANC's government introduced the land reform policies. This was outlined in the Reconstruction and Development Programme (RDP) which saw land reform as the central force in rural development. The RDP was largely influenced by former ANC activists as well as by World Bank advisers. Generally, the main objectives of the new land policies were to redress the injustices of apartheid, to foster national reconciliation and stability, to underpin economic growth and improve household welfare and alleviate poverty (Wachter 2010: 68).

The land reform programme included land redistribution, land restitution and land tenure. Redistribution proved to be slow, with less than 2.3% of agricultural land transferred at the end of 2002 under the combined redistribution and restitution programmes since democratisation in 1994. The above situation was due to the fact that under the restitution programme many claimants were paid monetary compensation and did not receive land back. In fact, in urban areas the majority of land claimants received money and not land. In rural areas it was the reverse, the majority of claimants received land. This compensation was included in the R 35 billion expenditure since the introduction of the land restitution and redistribution programmes. Monetary compensation did compensate people for rights infringed, but did not help that much to change land ownership statistics.

Reform in the rural areas had mainly been limited to a restructuring of the commercial agricultural sector. In fact, land reform had been side tracked, and there had been no significant attempts to reorganise the rural economy on the basis of a more egalitarian ownership structure. Land transfer and support to African farmers was occurring on the terms of sections of the White commercial farming sector. The willing buyer-willing seller approach did not yield positive results because the White farmers charged exorbitant sums of money for land (Hall 2007: 87-104). This became one of the main challenges for delivery services to the rural communities as people in the rural areas failed to secure land for agricultural projects as part and parcel of rural development. In one way or the other, the failure of the land reform programmes compromised the question of service delivery.

The main causes of the land reform programmes included among others the following: attempts to secure tenure in communal areas, on
farms, for labour tenants and land reform beneficiaries became the weakest components of the land reform programme; collapse of land rights management systems in the former homelands; inadequate support for farm workers and dwellers; individual rights, benefits and entitlements were often poorly defined where land had been acquired for groups of people through the land reform programmes; poor intergovernmental relations limiting the co-ordination of effective support; lack of shared accountability and interdepartmental key performance indicators; insufficient productive potential of the land to support those settled on it; inadequate attention paid to the establishment of sustainable human settlements; and a disconnection between economic planning, land rights and benefit sharing arrangements.

The Impact of Fiscal Constraints

The core thrust of South Africa’s poverty reduction strategies since the coming into power of the democratic government in 1994 has been to increase budgetary expenditure on social services. A strong national commitment for rural development projects to ensure that the necessary funding and other resources needed for successful implementation within the planned timetable should be available. Budgetary compression may constrain government in reducing poverty and inequality. While the government has to undertake some measure of redistribution and reprioritisation of public expenditure towards poor households, fiscal constraints forced it to moderate its redistributive approach in the areas such as land reform, hence the government launched an ambitious land reform programmes. Since rural communities are already marginalised and have little capacity to persuade government to provide adequate level of services, this puts the country at risk of social instability and also has the potential to undermine economic growth (May 1998).

Challenges of Smallholder Extension Services

Some of the challenges for rural development included the factors impacting on the effectiveness of smallholder extension services. These included: distance between farmers; the extent of the geographic areas covered by extension workers; low levels of literacy; and the limited practical functioning of local farmer groups and associations.

CONCLUSION

As it is noted in the text above, the principal aim of this article is on exploratory research into rural development and poverty reduction dynamics in South Africa, and not policy analysis, hence a narrative approach has been adopted. It should be noted that the Poverty Reduction Strategy and Plan in South Africa created new forms of policy development which placed poverty reduction strategies as part of the initiatives of all three spheres of government, namely, national, provincial and local government with close consultation with representatives of the rural communities. This shift from a macro-economic policy to a more local market-based solution had created an environment in South African rural development, which strove for both poverty reduction and self-sufficient development for rural communities. However, due to financial constraints, the government was unable to sustain some of these projects.
Rural service delivery included the provision of both economic and social infrastructure. However, a wide diversity of rural areas created fundamentally different development and livelihood settings. Rural areas are characterised by scattered settlements which makes it costly to provide infrastructure services. Pressure from the government to deliver services in the rural areas had a negative impact on the sustainability of services and facilities, as the bulk of expenditure had been on the extension of infrastructure and services to ensure the greatest reach, with relatively little of the funds being allocated to training and capacity building of people in their use, operation and maintenance. Service delivery investment was being too strongly influenced by service backlogs, and too little by the long-term ecological carrying capacity and economic potential of different areas. The researcher emphasise that in the process of rural development, be within local or national sphere of government, ongoing interventions and initiatives are necessary.

**REFERENCES**


THE IMPACT OF RURAL DEVELOPMENT ON POVERTY REDUCTION


