Rural Economy Transformation Conference
“Reversing the legacy of the 1913 Natives Land Act”
5-6 October 2012
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St Georges Hotel
1. Introduction

The rural development policy framework must be premised on the effects of the dispossession of land and systematic deprivation of land use rights, culture and social cohesion of rural black South Africa. The 1913 Natives Land Act, resulted in not only a dispossession of land but an erosion of culture, livelihoods and even resulted in land degradation impacting on the agricultural capabilities of these areas.

National sovereignty is defined in terms of land. Even without it being enshrined in the country’s supreme law, the Constitution, land is a national asset. This is where the debate about agrarian change, land reform and rural development should, appropriately, begin. Without this fundamental assumption, talk of effective land reform and food sovereignty and security is superfluous!

In socio economic terms the state of under development can be attributed to problems with stability, growth and distribution that emerged from the pre-colonial era and persisted beyond the dawn of democracy in 1994. To address this the Department developed the Comprehensive Rural Development Plan (approved by Cabinet in 2009).
2. Problem Statement

The underdevelopment in rural and peri-urban areas of South Africa can be attributed to various discriminatory practices and laws divided into the following eras:

2.1 Pre-colonial era
2.2 Colonial
2.3 Apartheid
2.4 Post-apartheid (State of under Development)
2.1 Pre-colonial

- The late ANC President O R Tambo, had the following to say on pre-colonial land holding systems in SA: “In African epochs, long before the coming of the colonial masters from their northern climes three or four centuries ago, men and woman moved skillfully and purposefully across the terrain, plucking from the earth its bounty. Trained to utilise a variety of means for their survival, they employed the art of the hunt, the judicious selection of fruits of the wild, the identification of the lushest pastures for their livestock, the cultivation of the most reliable staple foods; the growth of trade, the establishment of collective social structures and a world view, despite the occasional clash of interests between one clan and another, of the practical value of warm relationships and a deep respect for a shared humanity.”

- The above is a clear expression of what follows in understanding the problem statement resulting from the 1913 Natives Land Act
2.2 Colonial

- From the earliest encounters between Dutch colonisers and the indigenous Khoi San, threats to traditions of land access and use systems resulted in resistance and struggle.
- The imposition of “new colonial systems” eroded the African land use patterns and culture through
  - Slavery
  - Imposition of their own land management systems (unfair barter system) to their advantage.
  - Imposition of new farming methods not appropriate to the African way of life.
  - The growth of the settler communities led to demarcation which then deprived indigenous pastoralists and farmers that were dependant on the same resources.
2.3 Apartheid Era

- Apartheid segregated South Africa into three kinds of social, economic and politico-administrative spaces: the major urban areas; fertile commercial farming regions and associated small rural towns, and, barren, economically unviable so-called homelands, reserved for South Africa’s black majority population. The result is enduring underdevelopment with its social, economic, and cultural manifestations: poverty, gross income inequality compared to urban areas, chronic unemployment, and cultural backwardness.
2.4 Post Apartheid Era: The State of Underdevelopment

- Unequal distribution of assets, skewed distribution of income and employment opportunities amongst citizens, inequality in access to social services, high level of illiteracy.
- Segregated planning approaches and scattered residential and farming settlements without viable economic and social linkages to the more economically active areas of the country.
- Under utilisation and/or unsustainable use of natural resources
- Poor or lack of access to socio-economic infrastructure and services, public amenities and government services (e.g. industrial parks lying idle especially in the former homeland areas)
- Lack of access to water or lack of water sources for both household and agricultural development
- Low literacy, skills levels and migratory labour practices
2.4 State of Underdevelopment

- Decay of the social fabric (child-headed households, crime, family disputes and lack of Ubuntu)
- Unresolved restitution and land tenure issues
- Townships not formally established thus hindering service provision and development
- Dependence on social grants and other forms of social security
- Unexploited opportunities in agriculture, tourism, mining and manufacturing
2.4 State of Underdevelopment

- In the former homelands, 61% of households survived on less than the international poverty line of USD2/day, or about R1500 a month for the average household of four.
- Less than 1 in 3 working-age adults in the former Homeland regions said they had income-earning employment in 2007, compared to just under half of those in the rest of the country.
- In 2008, 58% of farm workers in the formal sector earned under R1000 a month, compared to just 10% of workers in the rest of the formal sector.
- Despite many attempts to deal with these issues, in 2007 statistics indicated that over half the households in former homelands relied on social grants or remittances as compared to a quarter of households in the rest of the country.
Map showing % of Population with per capita income less than R400/month

- The underlying philosophy guiding rural development in the South Africa emanated from principles originally contained in the Freedom Charter. The Charter sets out the socio-economic pillars which would anchor a national democratic society and made reference to evaluate progress and guide future trajectories on land and agrarian reform in South Africa including “The Land Shall Be Shared Among Those Who Work It!”
3.1 Underlying Philosophy: The RDP

The principles of the Freedom Charter were adopted as a government programme through the Reconstruction and Development Programme in 1994. The RDP:

- Aimed to address the socio-economic problems brought about by the consequences of the struggle against Apartheid.
- Set on alleviating poverty and addressing the massive shortfalls in social services across the country.
- Measures to boost the economy such as contained fiscal spending, sustained or lowered taxes, reducing government debt and trade liberalisation with socially-minded social services provisions and infrastructural projects.
3.2 Other Programmes or strategies

- The following strategies, developed between 1994 and 2001, are amongst them:
  - The **National Rural Development Strategy (NRDS)**
  - The **Rural Development Framework (RDF)**
  - The **Integrated Sustainable Rural Development Strategy**
  - **Broadening of Access to Agriculture Thrust (BATAT)**
  - The **National Spatial Development Perspective (NSDP)**
3.3 The three principles underpinning Agrarian Transformation

- The agrarian transformation strategy has been defined in the Green Paper on Land Reform as a ‘rapid and fundamental change in the relations (systems and patterns of ownership and control) of land, livestock, cropping and community. This means that agrarian transformation is not just land reform. It is about social, technical, economic, political, cultural, organisational and institutional issues and questions. The policy is underpinned by the following principles:
  - Deracialisation of the rural economy for shared and sustained growth;
  - democratic and equitable land allocation and use across gender, race and class; and
  - strict production discipline for guaranteed national food security. This is the same strategy and principles that guides the current CRDP.
4. The Comprehensive Rural Development Plan (1)

• The current policy direction is linked to the outcomes-based approach, the NGP, IPAP, NDP and PICC initiatives.

• The approach emphasises:
  – the mobilisation and organising of rural people into functional groups to effectively take charge of their own development;
  – Strategic investments in economic, social, ICT and public infrastructure;
  – Increased economic activities and improved rural livelihoods (various sectors including agriculture, mining, tourism, manufacturing, etc).
The Comprehensive Rural Development Plan (2)

- Vision of the CRDP:
- “Vibrant, equitable and sustainable rural communities”
- The strategy to achieve this vision is agrarian transformation which refers to the “rapid and fundamental change in the relations of land, livestock, cropping and community.”
- The CRDP proposes an approach that addresses the needs of the person; household; community and space
- It is built on the premise that rural areas in the country have the potential to be developed so as to generate jobs and economic opportunities that can provide an alternative to the urban centres;
- Thus contributing to the reduction in rural-urban migration
The Comprehensive Rural Development Plan (3): Organising for economic development

- The rural economy can also be organised to support both agricultural and non-agricultural sectors. Mutually supportive development initiatives that create sustainable linkages between the rural and urban space and are not limited to the agricultural sector but include other sectors such as mining, tourism, manufacturing, retail sector and services sectors.

- The rural economy refers to communal areas, commercial farming areas, rural towns and villages.

- With respect to the communal areas where challenges are experienced in terms of governance, economic and social transformation, it is important to find a model that talks to the relations between the various structures in these areas. The reality of these areas is that there is a co-existence and community of elective democratic structures of government and civil society as well non-elective (Royal Houses-succession) and elective (traditional councils) traditional ones. All these formations contribute to the management of these areas.
Comprehensive Rural Development Plan (4)

- It is important that there is effective coordination and management of all the role-players to ensure maximum economic advantage.

- The fundamental principle here is that there should complementarity not competition between the household sector, traditional sector, public sector and social sector.

- There is also a challenge in rectifying the gender disparities within some of the communal areas but in mobilising people at the household level as well as for economic production, the CRDP will ensure gender parity in its targeting process.

- The essence of any model proposed would have to talk of the transformation of formal authority relations namely the role of traditional authority in relation to the role of government.
Comprehensive Rural Development Plan
operational phases (5)

Phase I
• Meeting basic human needs. (shelter, water, sanitation, food, electricity, etc.).

Phase II
• Infrastructure development (social, economic, ICT and other enabling infrastructure).
• Enterprise development.

Phase III
• Small, medium and micro industries (agri-processing, village markets, finance/credit facilities).
6. Programmes

- In order for sustainable economic development, it is critical to include in the policy framework progressive financing models. The following is proposed:

- **6.1 Rural Development Agency** (rationalising of agencies and not a new agency)

- Mobilize, co-ordinate and manage resources for Rural development. It is intended that the Agency could be anchored by either
  - a Rural Co-operatives Bank (RCB) to be owned and co-managed by rural producers, on a share equity basis, in partnership with the government or
  - a Rural Co-operatives Financing Facility (RuCoff).
6. Programmes

6.2 National Rural Youth Service Corps
- Rural youth based skills development and job creation programme.

6.3 Targetted Strategies for inclusive economic transformation
- Women, children, older persons and people with disabilities form the largest population of the rural communities
- It is critical to ensure inclusion in the economy through skills development and entrepreneurship and business models
- The principle to be adopted should include development of the person; household; community
6. Programmes

6.4 Revitalisation of Rural Towns and Villages

➢ The revitalization of the rural towns and villages is one aspect of developing the rural space to address social challenges, creation of economic opportunities and ultimately vibrant rural societies.

6.5 Sustainable Rural Settlements

➢ “Sustainable, managed assets, resources and technology” and it is the embodiment of the type of new rural settlements envisaged including agri-villages

6.6 Costed Norms and Standards

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7. Implementation Mechanisms

### CRDP MANAGEMENT SYSTEMS

#### MINISTER OF RURAL DEVELOPMENT AND LAND REFORM
**DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM**
Programme Development, policy and legislation development and Coordination (responsible for setting of norms and standards)

#### OFFICE OF THE PREMIER
CRDP Champion (MEC with rural development function) (administrative level)

#### Mayors of District and Local Municipalities as CRDP champions in the third sphere (operational level)

#### COUNCIL OF STAKEHOLDERS (implementation of outputs)
(Organs of civil society, government, business, co-operatives, beneficiaries, workers, community development workers, traditional institutions, etc.)

#### Household Co-operatives & other enterprises (groups of 20)

### SOCIAL COHESION AND DEVELOPMENT

**Human Solidarity/Ubuntu Development:**
- Shared growth and prosperity;
- Full employment;
- Relative income equality;
- Cultural progress

#### Stakeholder commitments

#### Conditionalities, code of conduct & disciplinary panel

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**7. Implementation Mechanisms**

**CRDP MANAGEMENT SYSTEMS**
In summary a Rural Development framework must rethink the rural sector beyond the farm to ensure sustainability.

Secondly it must focus on the local needs and interests including developing human capacity.

Thirdly it must link to an integrated service delivery model that ensures that communities are full participants in their own development.
CONCLUSION

Rural development is a transversal function and cannot be executed successfully without the collaboration amongst a variety of social partners and the participation of communities!

Tears are very close to my eyes,’ says Bhonco, son of Ximiya. ‘Not for pain…no… I do not cry because of pain. I cry only because of beautiful things.’ … (Zakes Mda; The Heart of Redness)

The day rural people would ‘cry only because of beautiful things’ is the day and moment when we would be satisfied that, indeed, the government would have delivered on the promise of ‘A Better Life For All!’