

**A Tale of Two Dorpies:
Case Studies from Limpopo and a
Perspective on Land Reform and
Rural Development Policy**

Michael Aliber and Gaynor Paradza, PLAAS

10 March 2011

Introduction

- “Rural development is about enabling rural people to take control of their destiny, thereby dealing effectively with rural poverty through the optimal use and management of natural resources” (MRDLR 2009:14).

Spines from meeting of Ministers, DM and DG and Strategic Director in RDLR Management



**rural development
& land reform**
Department:
Rural Development & Land Reform
REPUBLIC OF SOUTH AFRICA

Private Bag X303, Pretoria, 0001. Tel. 012 312 8911. Fax. 012 323 8972

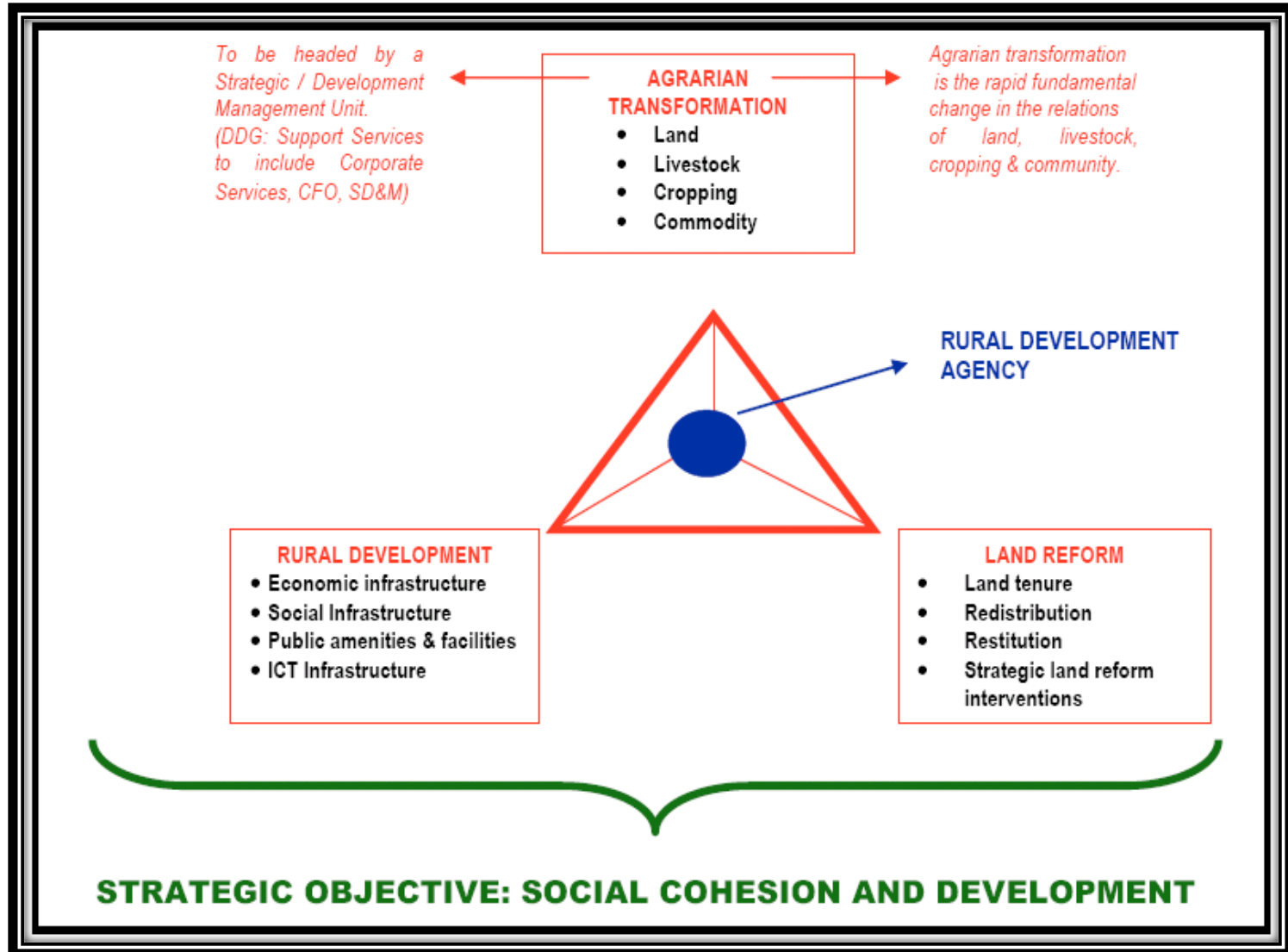
The CONCEPT: Vision of a COMPREHENSIVE RURAL DEVELOPMENT PROGRAMME (CRDP)

Rural development is about enabling rural people to take control of their destiny, thereby dealing effectively with rural poverty through the optimal use and management of natural resources. It is a participatory process through which rural people learn over time, through their own experiences and initiatives, how to adapt their indigenous knowledge to their changing world. Rural development can be achieved through self-help initiatives as well as through co-ordinated and integrated broad based agrarian transformation; through strategic investment in economic and social infrastructure that benefits entire rural communities, and not only those involved in agriculture. We will know that we are successful in the implementation of rural development when we see *“sustainable and vibrant rural communities.”*

Our Mandate as Government, led by the Department of Rural Development and Land Reform includes the following:

- Intensifying the land reform programme to ensure that more land is in the hands of the rural poor and provide them with technical skills and financial

The essence of the CRDP



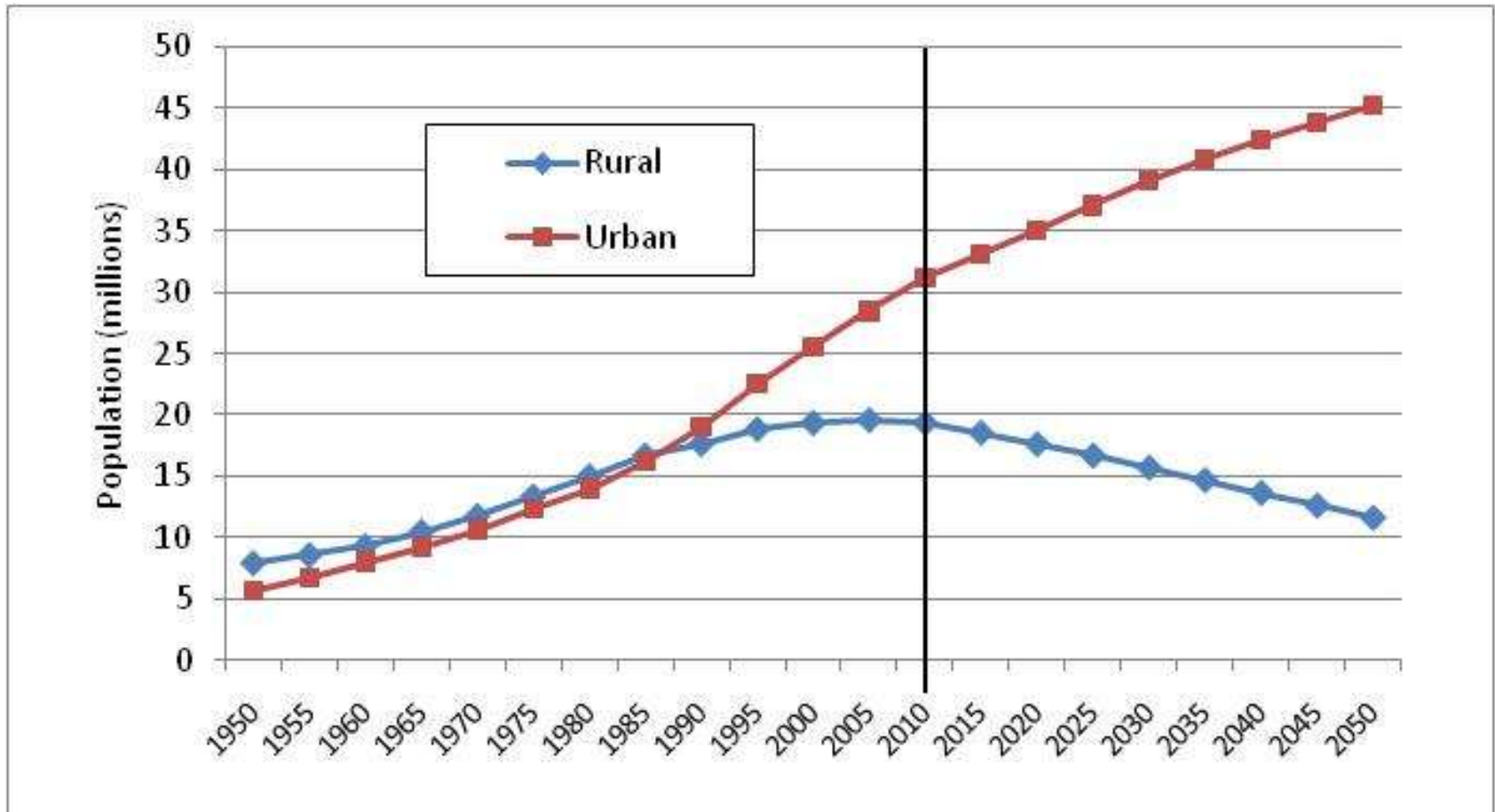
...Rural development

- CRDP Framework doc (July 2009) speaks of “dealing effectively with rural poverty through the optimal use and management of natural resources”, and of improving services in rural areas (flush toilets, shopping malls)
- How does this challenge spatial dislocation?
- Moreover, CRDP pilot sites tend to be small, eg 2-3 villages or wards, whereas real opportunities might be in reconfiguring the relationship between these and other areas

A couple of big-picture contextual notes

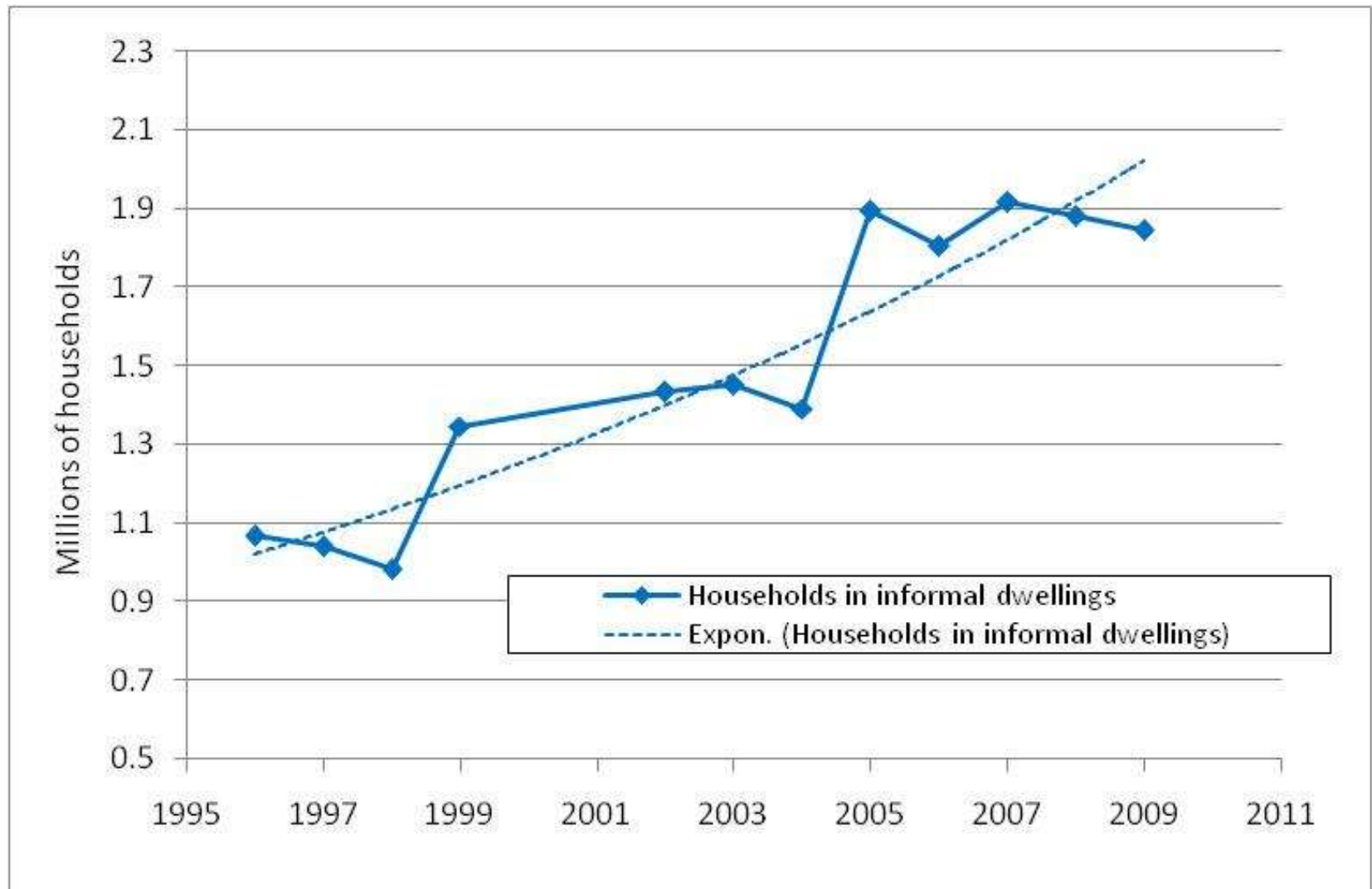
- Unrelenting rural-to-urban migration – on the cusp of an era of *rural depopulation*?
- A growing housing crisis
- Non-direction provided by the National Spatial Development Perspective
- No positive policy/strategy regarding ex-Bantustan towns or other rural areas

...not least because of prevailing (accelerating?)
migration trends



Source: UN, 2009, *World Population Prospects 2008*

'Informal settlement' – here to stay



Source: Stats SA, OHS (1995-1999) and GHS (re-based) (2002-2009)

...Land reform

- Little specific consideration of space, except:
 - De-congesting the former homelands? (yes, but this isn't happening, and its value is ambiguous)
 - 'Productive corridors' (maybe a good idea, but never actually pursued)
- But what we see on the ground is that land reform outcomes are strongly conditioned by location
- And yet, the deliberate use of land reform to reconfigure rural space is very very limited

...Agriculture

- SA has followed path of highly developed industrial farm sector linked into supermarket-dominated value chains:
 - growing numbers of ‘food miles’ (the distance travelled by food from farm to table); spatial dissociation of production from consumption
 - stated policy objective of promoting black farmers’ access to formal value chains – fine, but happening at same time that supermarket chains are penetrating ‘deep rural areas’
 - do black farmers have a locational advantage of which they are not taking full advantage?

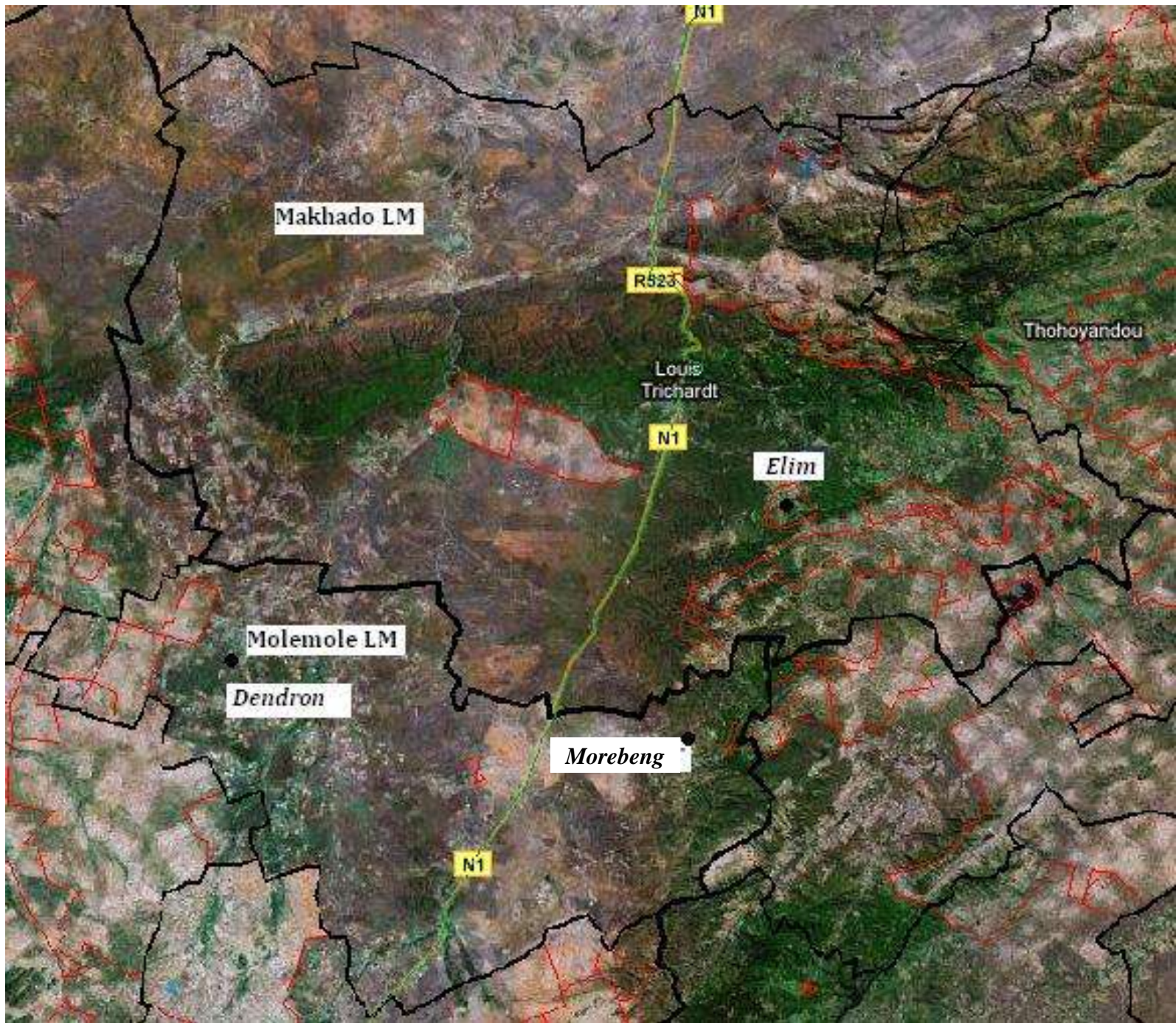
- These 3 components are fine, no argument
- But are we just assuming that pursuing all 3 constitutes meaningful policy and will yield better livelihood outcomes?
- The 'logic' of the CRDP is neither correct nor incorrect, rather it is absent
- Also absent - mention of the fact that:
 - rural areas are differentiated
 - rural areas are already undergoing change
 - the development of a rural area might not be a process involving that area on its own (note small size of CRDP pilots)

Problem statement:

- Point of departure: the challenge of rural development in RSA is largely a function of the ‘spatial dislocations created by colonialism and Apartheid’ (Makgetla, 2010)
- The ‘spatial dimension’ of rural development is underdeveloped, and is arguably a big part of the ‘logic’ of rural development that is absent

This presentation

- Work-in-progress flowing out of the Livelihoods after Land Reform Study, Limpopo
- Related to concept note(s) for further research:
 - ‘Rural Development, Space and Markets’
 - ‘Space, Livelihoods and Markets’
 - ‘Creating Local Economies’
- Want to compare and contrast two study sites from Limpopo, namely Elim and Morebeng
 - Look for clues as to what a ‘real’ rural development strategy might take into consideration



Makhado LM

N1

R523

Thohoyandou

Louis Trichardt

N1

Elim

Molemole LM

Dendron

Morebeng

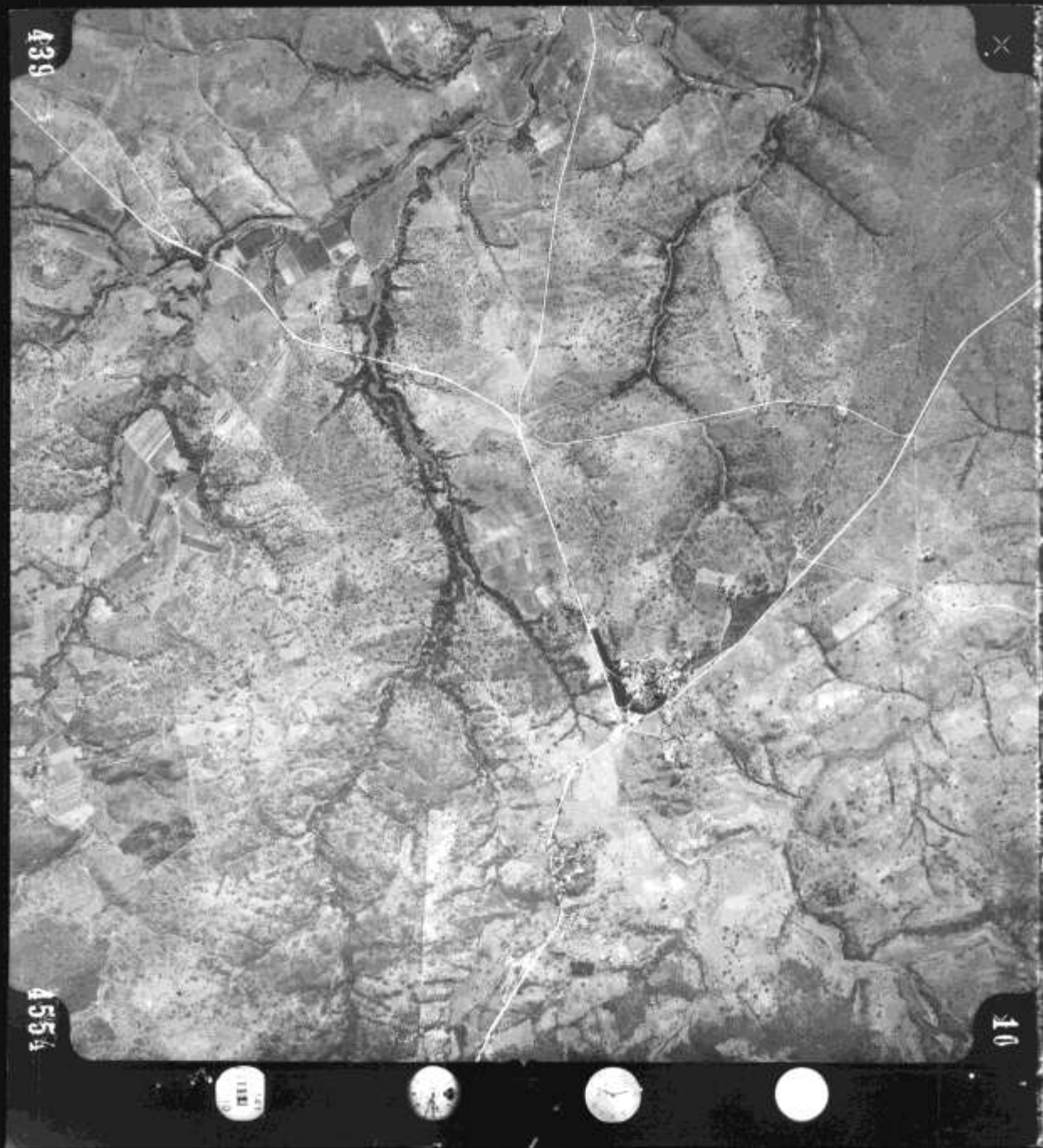
N1

Elim

- **Background**

- Swiss mission station established in 1880s; built hospital and college; and promoted local farmers
- Population grew gradually, as did small commercial centre; but dramatic growth from 1970s
- Waterval township established
- Elim = amalgamation of 8 villages
- Around 2005, Trade & Investment Limpopo commissioned market research to help id sites for shopping mall development; Elim was one of these sites
- Hubyeni shopping mall opened in 2007

1964





Limpopo Retail Study - Makhado Nodal Scoping Report

MARKET RESEARCH FINDINGS
&
RECOMMENDATIONS

June 2008

DEMACON Market Studies
PO BOX 95530
WATERKLOOF
0145

Tell: +27 12 460 7009
Fax: +27 12 346 5883
Cell: +2782 898 8667
e-mail: hein@demacon.co.za
www.demacon.co.za

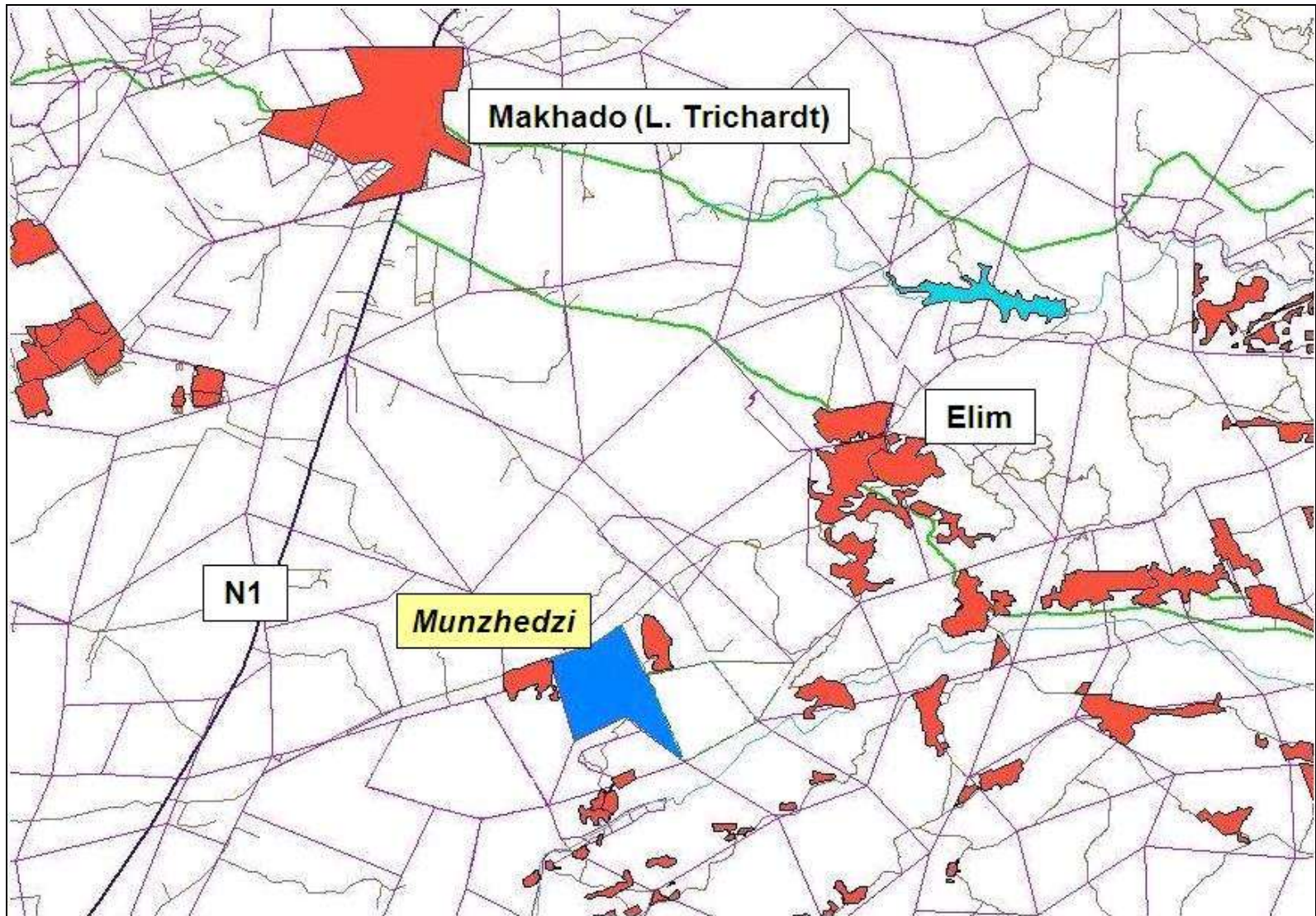


The Elim economy

- Pre-2007: subsistence farming; a few hundred small-scale fruit & veg vendors mainly supplied by white commercial farmers (residual); and shopping trips to supermarkets in Makhado town
- 2007: mall built in Elim (why? because there's a market!); anchor tenant = Spar
- Large hospital draws population
- Transport node for people travelling throughout the province
- Waterval township developed by Mokador Municipality
- Magistrates' court

- Elim now has a 'local food economy'
- Increasing demand for land from people leaving commercial farms
- Seasonal traders from Botswana and Zimbabwe
- Local school leavers
- Organic growth
- Is the same thing not happening in other 'boom towns', eg Nongoma, Engcobo, etc?

Elim and Munzhedzi



Munzhedzi: possible clue to a different approach?

- Restitution project in Limpopo 'gone wrong'
- 1600 HA of land claimed by group of 600 HHs
- But invasion began around 2000, and now 1000 mostly non-claimant households have settled there, mainly from nearby villages but also from further afield
- Mixed motives and sentiments:
 - “We are glad because we farm and harvest better than before.”
 - “I'm feeling much better when I am here and I can do my business of selling sorghum beer.”
 - “We are free now without relatives.”
 - “We are next to town and there is lots of transport.”
 - “I am next to the bus stop.”
 - “I was [previously] far away from town and there were no jobs.”
 - “We are happy in our forefathers' land.”



Munzhedzi



What's the question?

- Look at growth of Elim as commercial and services centre, but which combines opportunities for small-scale agriculture
 - *Does this represent a valuable settlement pattern we should promote?*
- Look at Munzhedzi (5 minutes away), and reasons why people value having settled there
 - *Does this imply a particular dimension of land reform that we have ignored?*
- What happened at Munzhedzi complements what's happening to Elim, and vice versa: the 'Greater Elim Non-Metropolitan Area'!

Morebeng

- **Background**

- White commercial farming area since early 20th century
- ‘Soekmekaar’ was founded in 1924 “as the rail junction for the Messina, Komatipoort and Polokwane railway lines”
- Most of 20th century, remained a maize-potatoes-cattle area
- Site of ANC-led police station bombing in 1980; site selected because of forced removals
- From 1990s, diversification into horticulture (eg strawberries) and tree crops – response to liberalisation?
- Electricity in 1988
- Farming is “...more difficult now than in the past, but it was never easy; in the past, the okes just got by”
- By 1998, lots of claims lodged
- NTK shop closed in 2001



Ga-Ramokgopa

Groot-Spelonke

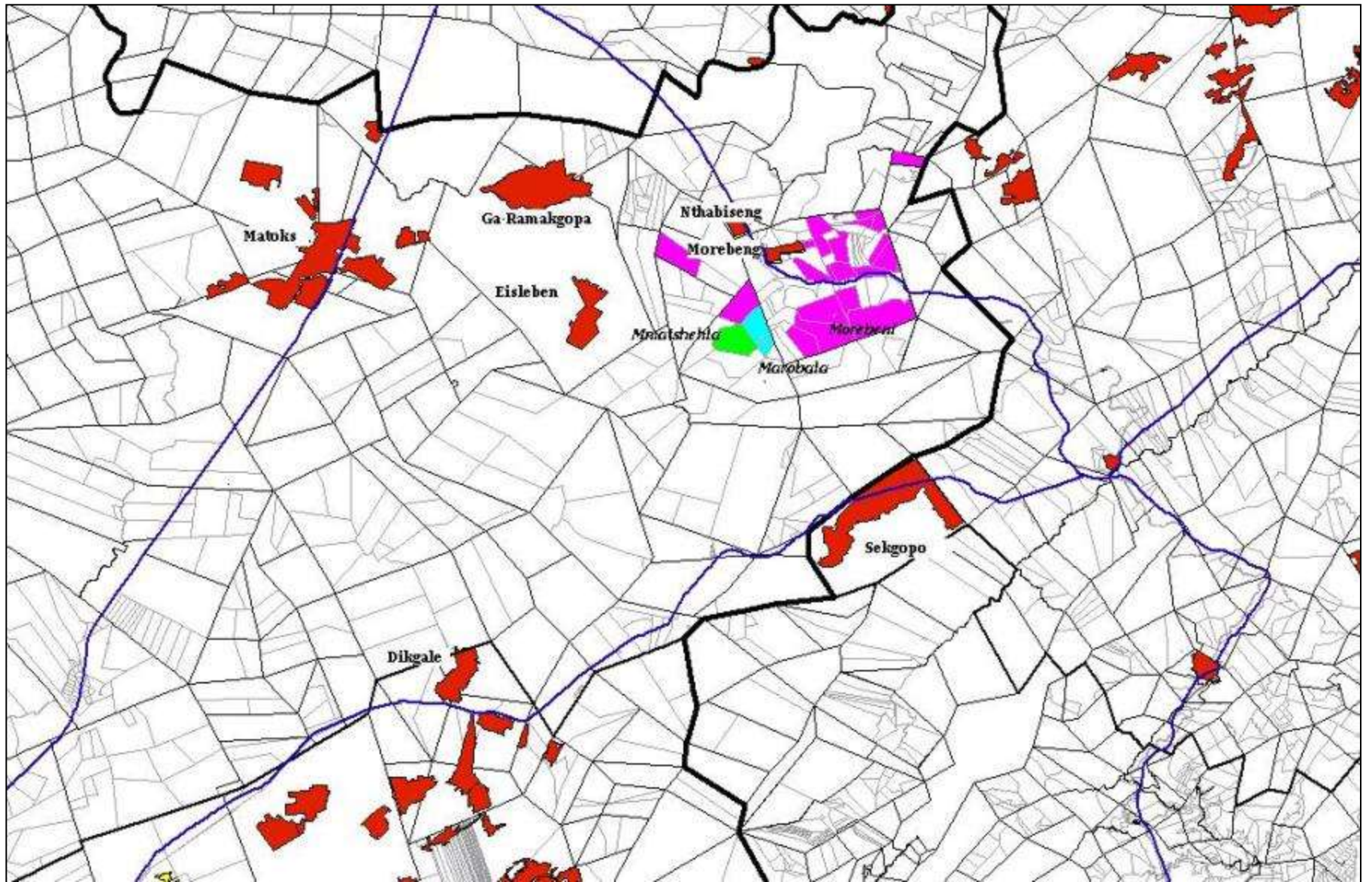
Doringboom

Soekmeaar

R36

R36

R36



- **Change:**

- Began ahead of land reform transfers
- Changing lifestyles of white farmers? – more mobile, sending children to better schools
- But then: “...[government] started to throw cash on the table”; “If a good opportunity arises, you’d be stupid not to take it” – mass exodus

- **Implications for the local economy?**
 - Hard to detect; loss of farm-worker jobs modest
 - Investment in the high street – new shops etc., but modest
 - Morebeng town has little functional meaning for the local economy, agricultural and otherwise; it emerged in relation to an economic system that is no longer there
- **However:**
 - Disconnection between settlements and land reform
 - Conflict between farm-worker based redistribution projects, and residents of nearby settlements
 - Land reform assumes as its ‘centre’ the commercial farms that might be acquired, whereas consideration of settlements is *peripheral* – literally and figuratively

Sekgopo



What's the question?

- What is the current 'agenda' for land reform and rural development in eastern Molemole, versus what could be?
 - Current agenda: address restitution claims, take advantage of 'soft land market' for redistribution (focusing on farm-workers and whomever happens to approach), and invest (selectively) in amenities
 - What could be: imagine a land reform that – apart from (in addition to), addressing land claims, began with idea of enhancing livelihood options/opportunities of residents of Sekgopo, Ramagopa, Morebeng, etc.
- Could this work, and would it make a difference?

Rural Growth points in Zimbabwe

- Settlements earmarked and/or designated for economic and physical development
- Focused on rural areas as foci for locating investment and redress imbalanced legacy of the pre independence dual economy
- potential economic activity (natural endowment/highly productive area/nodal foci for public and private transport
- potential for self-sustaining development

Strategy

- Each centre received money for infrastructural development
- Investment in government housing and offices for sector ministries whose operations were decentralised
- Tax incentives for investors
- Preparation of physical layout plans and tenure conditions for the centres
- Incentives to attract investment
- Receive public sector (Central government) support to improve physical and social infrastructure(water, social amenities)
- Focus on physical development on the basis of which private and other capital would be attracted to the rural areas
- Phase II was aimed at stimulating economic activity

Experiences

- Political influence increased from 10 to 16
- ...growth points established
- Government ministries and paratsatals relocated and decentralised services
- Housing spinoff
- Land tenure security incentivised the growth of urban style land markets
- Poor rural population
- Service industry and retail
- Agro processing and storage

Lessons for RSA

- Useful strategy for addressing spatial inequality
- Blanket approach does not work
- Sustainability beyond state funding /diversify economic base
- How to attract and maintain diversified economic activities
- limit number of centres to facilitate growth
- Policy review of e.g land reform and tenure to support the growth points
- Led and role and capacity of rural municipalities to promote and manage these centres
- Arbitration by central government

Preliminary conclusions

- Not a prescription for rural development, but identification of key elements:
 - a more ambitious and human-centred approach to addressing landlessness and homelessness
 - deliberate use of land reform to reconfigure space as opposed to merely establishing farmers
 - promoting livelihood adaptability while focusing ‘service delivery’
 - Expanding the scope for livelihood diversification through increasing rural dwellers’ capacity to earn non-agricultural income and complement their farming with non agricultural activities
 - building on the organic growth processes already observable in and around towns in the ex-Bantustans