

The rural poverty trap: which way out for South Africa?

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ABSTRACT

Revolutionary movements in South Africa and elsewhere in the world were founded on the need to remove political systems that were considered as the root cause of poverty and suppression. Today, South Africa is a sovereign state and poverty remains. As much as poverty was part of the Liberation Movement agenda, it may be considered as a trap in South Africa where the gap between the rich and the poor remains very wide. The xenophobic attacks in May 2008 have been attributed to poverty. The discourse of rural development centres on fighting rural poverty. However, there is no commonly shared definition of both rural development and rural poverty. To further complicate the discourse, there is no consensus on how to measure both phenomena. Fighting rural poverty demands wisdom for it involves the commitment of scarce economic and non economic resources in an environment that is beset with class struggle. The question is- which way out of the poverty trap? The paper recommends agro-based solutions among other measures.

Key Concepts: Rural development, Rural Poverty, Agrarian reform

INTRODUCTION

Rural development is a discipline which has since arisen as a distinct area of policy research following its recognition by the World Bank, FAO, ILO and UNDP as a medium for addressing poverty and social inequalities. However, there is no universally accepted definition of rural development (Gabriel 1988). Despite the differences in the definitions of rural development, social theorists, planners and policy makers tend to concur on its major goal. The goal is to eradicate rural poverty (Ellis, 2000; Bernstein, Crow and Johnson, 1992; Chambers and Conway, 1992). The MDG of halving poverty by 2015 is in line with that of rural development. The differences in perceptions of rural development give rise to competing schools of thought about how social policy can reduce rural poverty. Rural poverty is an elusive concept because communities that label themselves as poor may change the label when confronted with others who may have even far less.

This paper examines the efficacy of agriculture in addressing rural poverty in South

Africa. Despite its being the most developed economy in Africa, South Africa has high economic disparities between the urban and the rural areas. Approximately 65% of South Africans live in rural areas. Of the rural residents, 72% live under abject poverty of less than US\$1 per day (Ntsebeza and Hall 2007). Poverty may be one of the major reasons for the liberation struggles in Africa. Poverty is a trap for it may trigger social and political instability in South Africa where the disparity between the rich and the poor is very high (Ntebeza and Hall 2007). The challenge is to reduce poverty in South Africa.

DEFINING RURAL POVERTY

The way people think, act and define poverty is influenced by their individual perceptions, conviction and experiences. The Medieval Christianity regarded charity as a right of the poor. Charity giving was also an important Christian responsibility of the affluent. Poverty was considered as a deprivation that was caused by factors that operated from outside the poor (Feagen, 1975). On the other hand, the early

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Protestants were suspicious of the poor. They were convinced that individual immorality and lack of effort were the key issues in defining poverty. The religious doctrine that equated wealth with the favor of God was central to the Protestant reformation (Weber 2001). Blindness and deformities were believed to be a result of sin. Rainwater argues that the poor are “afflicted with the mark of Cain. They are meant to suffer, indeed must suffer, because of their moral failings. They live in a deserved hell on earth.” (Rainwater, 1970:16).

The Protestant view is flawed. The theory fails to have a critical analysis of why and how some people are poor. Some are poor as a result of exploitative policies. Some are also poor because of the lack of access to resources that are required for the creation of wealth. Commercial banks and other lending institutions have been known to demand collateral security which the poor people may not have. In South Africa, the apartheid system appropriated land and mines from the natives. At work places, black and white employees doing the same job were not given the same remunerations. Those of the whites were superior. These practices defied God’s greatest commandment which says, ‘love thy neighbor as you love thyself’. Accepting Rainwater’s view would imply that most Africans in South Africa were afflicted with the mark of Cain while the whites were favored by God.

Saunders (1993) defines rural poverty as the absence of material possessions like schools, clinics, clean water, food and shelter. The above definition is accepted for identifying those materials that constitute poverty. However, it fails to specify the true threshold below which one becomes poor. According to Wilson and Ramphela (1989) poverty is ‘not knowing’ whether one will get the next meal and always wondering when the landlord will throw the family out of the house because of rent areas. This definition fails to recognize that there are people who do not live in rented accommodation particularly in the rural areas. Some live in the open with no fixed abode while others live in shacks where rentals may

be out of context. Living in shacks and in the streets is a way of demonstrating to the policy makers the extent to which public policy fails to address poverty. The paper believes that nobody would choose to live in a shack if there was a better option.

Perhaps a more elaborate definition is by The Report on Poverty and Inequality in South Africa (May, 1998: 4) where poverty is defined as, “the inability to attain a minimal standard of living, measured in terms of basic consumption needs or the income required for satisfying them.” Despite these conceptual ambiguities, rural poverty is considered as a standard of living lower than the expectations of society or as a gap between one’s own resources and those of others. This type of poverty is based on comparison. Thus, a community may define itself as being both poor and not poor. This is common in cases where the affluent live side by side with the poor. It is also common where one considers that a community faces two types of poverty; namely relative poverty and absolute poverty. The former is poverty which is defined within the context of a specific geographical area while absolute poverty is based on international comparisons.

The South African Participatory Poverty Assessment (SA-PPA) (May, 1998:38-48) found that the poverty definitions given by the poor differ from that given by the non-poor. The poor characterize poverty as isolation from the community, lack of security, low wages, lack of employment opportunities, poor nutrition, poor access to water, having too many children, poor education opportunities and misuse of resources, amongst other. Even this definition is inadequate in that no two persons will have exactly the same needs at the same time and place. It is practically difficult to develop a watertight definition of ‘poverty’ for the term is elusive. Suffice therefore to define poverty as the experience of scarcities and deficiencies in a specific place, time and circumstance. In essence, poverty is political because of its demand for resources that are always in short supply.

ISSUES IN DEFINING RURAL POVERTY

A clear conception of 'poverty' is important if meaningful anti poverty initiatives are to be designed and implemented. Suppose Government develops a wrong concept of poverty. The result is the mismatch between the perceived poverty and the actual poverty. In that situation, government addresses the wrong problem under the auspices of poverty reduction. Wrong human and non human resources are committed into a wrong mission.

Who then should define poverty? Should policy makers rely on the definitions given by the experts or one given by ordinary people with practical experience of rural poverty? If poverty is defined by external experts, chances are that these experts will impose their perceptions and values onto the poor leading to confusion and contradictions between what people believe in and what expert knowledge believe must be done to deal with poverty. Such conflict of perceptions is dysfunctional to rural poverty reduction initiatives.

The other challenge in dealing with poverty is establishing whose poverty takes precedence over that of others. There are social classes in South Africa and each one of them has its own form of poverty. Different social classes may look to Government for meager resources. The rich may claim superior services from Government on the basis that they pay higher taxes to Government. On the other hand, the rural poor may claim that their poverty was a result of their exploitation by the rich and that the current government was voted into power mostly by the poor who actually form the majority in South Africa. The poor therefore see redistributive policies as being logical and fitting. A joke sums up this situation. Two men were sharing their problems and both looked up to Government for help. The first complained that he was so poor that he could not avoid three square meals a day, let alone afford school fees for his son. The second man asked, 'how much money do you need?' 'R3000', said the first man. The second man

went on to explain his ordeal, 'one of my houses needs to be paid off. I have to buy my wife a new car. She is nagging me a lot. I have a construction project underway in Cape Town. Government wants R100 000 as income tax. I need R15m to move out of this mess and I only have R3m. I am the poorest in my community.' He concluded by saying, 'my friend the value of your poverty is much lower than mine- consider yourself lucky.'

A functional definition of rural poverty may require compromises and input from the rural poor themselves. Participatory techniques are critical in defining, designing and implementing poverty reduction initiatives. More often than not, high powered meetings and conferences are convened outside the rural areas to discuss poverty in the rural areas. Worse still, none among the invitees will be the poor. Apart from the wrong venue and wrong composition of the meeting, one is likely to find large sums of money being spent in such endless meetings and conferences at the expense of the poor.

The paper places hope in land reforms in South Africa. The agrarian question has its own challenges.

THE AGRARIAN QUESTION IN SOUTH AFRICA

Fighting rural poverty through agriculture may not avoid the land question. However, the land question is shrouded in historical, social, political and economic distortions which need to be harmonized. Seemingly, harmonizing these distortions and contradictions is the greatest challenge of all post independent governments in Africa. The challenge manifests itself at all levels of government – district, provincial and national.

(i)The historical perspective of the agrarian question

Colonization and apartheid have left deep imprints on Rural Development in South Africa as a whole. These imprints are most apparent in the highly skewed distribution of land between whites and blacks. These

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disparities in land holdings were a result of the Glen Grey Act of 1894, the Natives Land Act of 1913 and the Native Trust and Land Act of 1936 (Coetzee et al, 2001:281). These Acts facilitated the systematic eviction of the natives from their land to the less productive homelands. The outcome was that the landless and land hungry peasants were forced by circumstances to sell their labour to the capitalist production system in commercial farms and urban areas. The 1913 Natives Land Act decreed that Africans could not own land in urban areas and that they were to be temporary sojourners in towns as long as they ministered the needs of whites.

The political factors including the Soweto student Uprising of 1976 and trade unionism forced the National Party government of South Africa to recognise the permanence of Africans in urban areas in 1979. The economic necessities of business also compelled this recognition. In business sense, the growing number of Africans in urban areas widened the market base of the goods and services being produced in these areas. In line with the new political and economic dispensation, the apartheid regime repealed the Influx Control Regulations in 1985. The repulsion of racist laws was made possible through the enactment of the Racially Based Land Measures Act of 1991. However, the enactment of this legislation did not improve the entrenched perceptions of the whites towards the blacks. The whites remained unwilling to dispose their land to the black Africans (Nuttall et al, 1992). In 1994, the newly elected ANC government had a challenge of addressing the past imbalances on land holding between the whites and the blacks as interpreted by the Constitutional Guidelines of ANC, late 1980s ANC policy documents, and the various ANC position papers and manifestos in the 1994 election run up.

The challenge was on crafting the most effective, cost effective and usable way of redistributing land to support rural agriculture. Various options were proposed from outright expropriation along the lines of the Freedom

Charter (the land shall be owned by those who work it) to extreme free market (hidden hand) to solve all the problems created by the apartheid regime. The latter approach was found to be ineffective because most of the poor were not credit worth. The Bantu Investment and Xhosa Development Corporation supplied loans at prohibitive conditions, such that most Africans did not qualify (Lipton, 1977). Adopting the free land market economy would maintain the status quo in that land ownership would circulate within and among the rich whites.

In 1988, the ANC Constitutional Guideline was adopted, ostensibly as a means through which the principles of the Freedom Charter could be put into effect in the country. However while the clause on land in the Freedom Charter allowed for the possibility of new division of land no such possibility was mentioned in the Constitutional Guidelines. At the National Conference of the ANC in 1992, guidelines were adopted amongst which included a new policy on land and agriculture. It called for the redistribution of the following categories of land, vacant, unused and underutilized state land, land held in for speculation; land which was being degraded and hopelessly indebted land (ANC Policy Guidelines 1992,17). This ANC's Election Manifesto was considered by the party as a viable programme of rural development (ANC, 1994, 19-22). The RDP land Reform had two aspects; land restitution for those who lost land as a result of apartheid legislation and land redistribution for those who require land but could not afford to buy it. Both the restitution and the tenure reforms were rights-based (Cousins, 1999).

The main advantage of the rights-based approach was that it gave the transformation process the legitimacy and force of the law, and sets out clearly who was entitled to what. However, the rights-based approach gave room for a protracted legal wrangling over the interpretation of specific rights by those who had the means to influence the courts and by those who opposed the asset transfer. The initial

emphasis on the role of the land claims court, as the final arbitrator in all restitution claims gave a legalistic slant to the restitution process. Restitution in South Africa was guaranteed by the Constitution and Government with the support of the Restitution of Land Rights Act of 1994. The Act empowered the setting up of a Commission and a Land Claims Courts. Both legal instruments came into force in 1995. The Commission was mandated to investigate all land claims and to either endorse or reject all settlement agreements. While the legal framework was put in place to deal with the land question at independence, one finds it necessary to establish why many rural poor still do not have land to till.

(ii). Challenges faced by the ANC government in addressing the agrarian question.

On winning the first democratic elections in 1994, the new ANC government inherited an apartheid state machinery, which had been set up on the one hand, to provide quality services for a privileged minority of the population, and on the other, to ensure the systematic underdevelopment of the majority of South Africans (Pillay, 2000: viii). The major constrain (Bernstein, 1992:14) lied in the success of the apartheid regime in dominating the constitutional negotiations in South Africa. The popular demands were restricted to what was acceptable to the previous regime. The Green and White Papers on Land Policy adopted the market-based solution to the land question. This implied that any private land earmarked for redistribution was to be purchased from the owner at market price. Such a policy made it difficult to meet the land needs of the poor particularly those in the rural areas (Harley and Fotheringham, 1999).

The role of the World Bank in setting the agenda for the discussion on options for land reform profoundly influenced the acceptance of the market-based approach (Levin and Weiner, 1997 and Williams, 1996). Accordingly, Bundy (1992,7) writes, One can identify an emerging area of consensus over land issues between De

Klerk's government and the ANC. Both parties accept that access to land should be open to all regardless of race; that future policy will involve the need to settle and to assist a layer of small black farmers; and that different forms of tenure, and not just individual private property, will have to be protected in law.

The ANC and the International Bank for Reconstruction and Development (World Bank) held a common understanding of the whole issue of land. The land policy of the new ANC government carried one of the intractable challenges in all democracies. It upheld both formal equality before the law through the universal franchise and a bill of rights and material inequality through the protection of private property (Coetzee et al, 2001). Literally expressed, if the few who held large tracks of land decided to retain their land it meant that the majority of the landless and land hungry would remain landless.

The redistribution of land through the restitution process had its own challenges in that it was too legalistic ignoring some of the customary arrangements. The controversial Farjas judgment is a case in point where the land Claims Court judges ruled that, the term 'direct descendant' in the Restitution Act should be narrowly interpreted. This meant that where the original person disposed was deceased; nobody other than the spouse or a direct blood relation of the dispossessed person was eligible to claim on behalf of the family. This interpretation went against the customary inheritance practices of the indigenous Africans who constituted approximately ninety percent of the claimant body (Coetzee et al, 2001).

The lack of security of tenure with which the majority held rights to land was yet another challenge. Both in the reserves and in the white farms, the right to land was severely circumscribed. Corrupt chiefs in the reserves and racists farmers could arbitrarily evict residents or tenants. Whilst the ANC government had passed laws that were designed to entrench the rights of rural residents and tenants of white owned farms in

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line with the Bill of Rights and the new constitutional framework it also contradicted itself. It contradicted itself by championing affirmative actions while at the same time upholding the land Claims Act. It was not possible to increase land ownership at the same time protecting land ownership rights. Accordingly, Potgieter (1998: 197) writes, "Rural poverty . . . is a product of a system of deprivation and insecurity, exacerbated by society that allows the conditions that create poverty to flourish". If access to land was denied this way, rural development and poverty reduction in the countryside was a remote possibility.

The South African constitution recognized traditional authorities and elected representatives in rural and local development but the exact roles, powers and functions of traditional authorities were not clearly spelt out. This confusion had a deleterious impact on rural development projects. Rural poverty was exacerbated by the absence of organized rural resistance around demands for land and the apparent lack of political will to upset the delicate balance between the necessity for delivery on the one hand and the guarantees of property rights enshrined in the constitution on the other (Ntsebeza, 2007).

The new constitution also ushered in a different Constitutional arrangement in South Africa. Under apartheid, the courts could not challenge the sovereignty of parliament and were made servants of the various pieces of oppressive and racist legislation. Today the courts can challenge and repeal legislation passed by Parliament if it is found to contract the Constitution and the Bill of Rights. Clause 25 of the Bill of Rights establishes property rights under which nobody can be deprived of their property (Coetzee, 2001:299). The expropriation of land is permitted only for public purposes and only subject to agreement in the paying of compensation. Failure to raise compensation means that the public may not get the land. If they cannot get the land, the same may not be able to engage into agriculture for the purposes of fighting rural poverty.

The RDP promised to redistribute 30% of arable land to the people in 5 years without any disruption on the activities on farms. The land was to come from state land. However, state departments were reluctant to give up land for the purposes of redistribution. This reveals the gap between policy and practice, between the stated objective of government and the actual possibilities of implementation (Hendricks, 1999). In the absence of an entirely different approach, the land problem persists in South Africa. Commenting on the discrepancy between rhetoric and reality, Bundy (1992,8) observed, "a gap between the language of these intentions (land policy) and the mechanisms specified for achieving them . . . the gap between the rhetorical intentions of the ANC's land policy and the means towards realizing those intentions."

THE WAY FORWARD FOR THE GOVERNMENT AND PEOPLE OF SOUTH AFRICA

Fighting rural poverty is the responsibility of the government and the people of South Africa. No amount of external support will achieve the goals of rural development if the people of South Africa do not take the responsibility of initiating social transition. Unity of purpose is required in all the sectors of the economy. Below are some of the issues to be addressed in the fight against rural poverty.

(i) Land redistribution

The systematic nationalization of the land in South Africa is a noble option. Government- assisted land reforms facilitate massive transfer of land from the rich (who form the minority) to those of the poor (who form the majority). The legal basis of this political move is expressed by Feder (1987:533-4) says,

"In all societies, the law can serve to freeze the existing structure of society and to give an aura of respectability and legality to severe social injustice, or can serve to bring about greater justice by ordering the reallocation of

resources and greater balance of rights and obligations, if these can be properly enforced.”

The nationalization of land should be followed by a systematic redistribution of the resource. Land redistribution would be informed by the applicant's capacity, interest and potential to make a profitable use of the resource. However, (Solbrig, Paarlberg and di Castri, 2001:iii) warns that the nationalization of land creates losers and winners. The need for social justice should override the preservation of an elitist social class. The current land reform policies in South Africa are carried out within the market-based approach that is spearheaded by the World Bank. Such approaches may not be effective in reducing rural poverty because the poor may not be able to afford the land. Moyo and Yeros (2005:223) have the following to contribute,

“The market is seldom seen as offering the possibility of providing land to the landless and of arriving at a fair redistribution of land and agriculture assets. Eloquent proof is the operation of the market in the post-socialist agricultural contexts of China and Vietnam where a subtle jostling for land leaves some with no land to till while others acquire more land than they can personally cultivate.”

The market-led land transfer has proved ineffective in terms of accelerating land reforms because of numerous bottlenecks. Essentially, the rural poor may not have the money and security that is required to purchase land from the market. It does not make business sense for the finance institutions to approve loans where the default risk factor is high.

On the other hand, any delays by both the National and Provincial Governments to solve the land issue may force the rural poor to take the law into their own hands and invade the farms. The redistribution of agriculture land needs to take place in an equitable and transparent way. The fast track land reform in Zimbabwe provides a model of what ad hoc land reforms are capable of achieving. Many people grabbed land because it was politically

the most fashionable thing to do but most of that land was never put to good use. Agreeably, in terms of parceling land to the people, the ‘Mugabeisation Model’ tends to achieve a lot in a short space of time but it is doubtful if the real poor got the land. Chances are that the real poor were the beneficiaries of poor land while the already rich benefitted the best farms and equipment.

The nationalization and decommmodification of land in South Africa would aim at preventing pawning of land and distress sales by the poor. The notion of distress sales and its negative impact is confirmed by studies carried out in Bangladesh and India. Rosenzweig and Wolpin 1985 in Moyo and Yeros (2005) found that farmers in India who experienced two consecutive drought years were 150% more likely than other farmers to sell their land. To make matters worse, individuals who had to sell off their land during crises would not be able to repurchase land during subsequent periods of recovery (Bidininger and Squire, 1998).

(ii) Land Tenure

Land reforms are urgent in poverty reduction in South Africa as much as they are in the whole continent. In concurrence with the notion above, Zalewska (1992:21) says, “The position of land is a major in determining poverty.” However, it is not only the land that is required for land on its own may not help in fighting rural poverty in the country. The land question goes beyond the mere acquisition of agriculture land for rural development. Broegaard's (2005:848) says, “People's perceived land tenure security is the main determinant of their decisions to invest on their lands ...”

Land tenure determines one's power to make decisions about the use of land, use of products of their labor and control over income generated from the sell of produce. Land tenure is also a significant factor in determining the farmer's credit worthiness. Therefore, strengthening the security and the poor's land rights influences productive and the farmer's investment decisions. Research in Kerala and

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West Bengal in India, Peru, Nicaragua, Ethiopia and Chile indicate that land reforms and land rights have had immediate effects on the pattern of income distribution and on the levels of poverty (Maxwell and Wiebe, 1999). There was a significant redistribution of incomes and in some cases assets in favor of groups of rural poor (Ghose, 1983:22). If the above notions are anything to rely on, then agriculture may also have a significant role to play in rural poverty reduction in the country.

Given the importance of land in the asset portfolio of the average rural household in the country, increasing the rural poor's control over land can have a strong and immediate effect on the welfare of the next generation. In light of the above information, Government is advised to strengthen the rural poor's land tenure rights to empower them to improve their lives through agriculture. Government involvement in the transition of land has to be substantial, ranging from fixing a ceiling on the size of land holdings to the establishment of the beneficiaries' financial obligations as well as setting the type of land rights. Without a clear policy on the above parameters, the rural areas are likely to find the prospects of fighting poverty through agriculture more remote and unrewarding.

(iii) Corruption

South Africa, like any other part of the world faces or deals with corruption in one way or the other. Corruption has negative connotations and in many instances is regarded as a breach of morality. Corruption can be defined as the abuse of official powers for personal gain or for the benefit of a group to which one owes allegiance. At political independence, South Africa tended to emphasize sovereignty of politics resulting in the emergence of a politicized economic decision making and patrimonialism lacking in accountability and transparency. It would be unimaginable to find the corrupt entering into shady deals on behalf of the poor. The politicians and the bureaucrats tended to forge a dependent patron/client relationship through which administrative decision-making occurred for the benefit of the cronies themselves. Put

differently, this process led to a cooperative and institutionalized abuse of the public office for the private and personal gain resulting in a pathological condition of systemic corruption. The very people who where/are supposed to defend the peasants' land interests have allegedly been responsible for institutionalized looting of not only the land but also the inputs. Corruption tends to increase the cost of goods and services by as much as 20%. Therefore, the higher the cost of goods and services the more remote are the chances of wading off rural poverty through land use. If corruption adjusts the cost of acquiring land and farm inputs upward, the logic is that rural poverty is exacerbated particularly if the income levels of the rural poor are not adjusted in a linear relationship with the price of other commodities. Thus, corruption can be perceived as a pervasive crime, which may deprive the rural people of the chance to earn an honest living out of agriculture.

The impact of corruption extends beyond the specific actions of the perpetrators. The overt result of corruption is unfinished roads, political and social turmoil, crumbling schools and crippled health systems. All these negatives culminate into a depressed rural community- one that does not give agriculture the full benefit of fighting poverty. The best land and policies may be available but as long as corruption exists, agriculture may not be a panacea to rural poverty anywhere in South Africa.

Thus, corruption can be conceived as a violation of human rights and an attack on the rule of law. The danger of corruption is that it also influences the decisions of the legal institutions. When that happens, the poor are left with no legal recourse. The rich and the well connected get better access to superior land and support while the rural poor remain in the doldrums of poverty. Once again, the chances of rural areas growing out of poverty through agriculture may hit bedrock. A deliberate assault on corruption in South Africa just like in a very part of the world is likely to give birth to a positive condition for rural development. Such a positive condition is

characterized by good governance, answerability, accountability, transparency and the rule of law.

A successful elimination of corruption in the development equation may result in reduction in material and non-material poverty in the country. The outcome of such an event includes improved work life, longevity, better standard of living, peace and tranquility in South Africa. According to Ayres (1998), corruption can be curbed through high probity, transparency, accountability and answerability. It is not the duty of the state alone to fight corruption but everybody's responsibilities. No government can single handedly curb corruption.

(iv) Brain Drain

The development of the rural South Africa requires a diversity of specialized knowledge, skills and labour. Without such a support base, the development of the province is left to chance. However, the rural parts of South Africa is continuously depleted of its brain and labour resources as most of the astute and able bodied people migrate to greener pastures in search for a better living (Matunhu 2007). In this case brain drain takes place at three levels. The first is 'inter-provincial brain drain' where people from a particular rural area in a province migrate to either an urban or rural area within the same province to seek an improved life. The second brain level is where skills and knowledge migrate to other provinces within the country for the purposes of securing a better source of income. The third level is where skills and knowledge flow out of the country in search for a better life. In all the three levels, somebody is offering him/herself to participate in the development of the host place. Agreeably that person earns a salary but the rule -of -thump is that nobody should earn more than they are worth in the organization.

The point to make is that every formal employment (job), no matter how attractive its face value might be, will always carry an element of worker-exploitation (Webster 1990). The value or level of exploitation can be expressed in terms of the revenue or profit the

company gets from its economic activity. Brain drain essentially robs the rural areas of the brain and labour that is critical in addressing poverty through agriculture and other economic activities (Matunhu 2007). It can be argued that these workers may benefit their rural areas through remittances back home but reality is that not many do remit their earnings home. Even if they did, the remittances may be minimal because the salary earner tends to spend more where he/she is.

South Africa is advised to take serious steps against brain drain. The first step along this process is to establish, through research, the development potential of each rural area. With the help of hard facts, the provincial government in liaison with the national government can mobilize resources and support to empower the youth and the technocrats to venture into economic entrepreneurships. If the highest development potential of Amathole rural district lies in growing maize, then the people have to invest more exactly in that economic activity. If on the other hand, the highest development potential of Cacadu lies in eco-tourism people need to invest more in that activity. The process of identifying potential and investing in that potential goes on and on until a synergizing balance is strike in all the rural areas. The end result is an economically and appropriately diversified rural area. That way, skills are retained in the rural areas and the prospects of eradicating abject poverty are more real. However, it is not the availability of skills alone that matter in the fight against poverty. The fight against poverty requires knowledge, positive attitude and capital.

The bottom line is that rural poverty reduction will remain a wish or a futile exercise if the nation continues to suffer brain hemorrhage. Dunlop and Diatchenko (1964:174) note, "The wealth of a nation depends upon its human capacity..."

The other option available for the nation is to bond graduates for extended periods- which on its own reduce the propensity to migrate. Such moves have to be

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restrictive particularly in areas where there is skills shortage. The other option is to formally export brain. The importing region or country has to pay the sending province a royalty every month. It costs a lot to train a single doctor who will migrate the day he/she graduates. Yet rural areas need these medical practitioners, land surveyors, bankers and many more professionals for technical assistance in their fight against rural underdevelopment.

(v) Education

Education is one of the major components of social transition. No amount of investment in agriculture or any other entrepreneurial activity is likely to succeed without the support of a robust education system. The education system should be designed to suit the explicit developmental needs of the grassroots. The rural poor require advanced skills and knowledge on agriculture. It is this type of education that will persuade rural farms to adopt new agriculture techniques and practices to replace the unproductive traditional practices. A good education system reshapes the value system of a people.

The current education system is flawed in that it is job-seeking oriented instead of equipping graduates with the skills of creating employment. School graduates tend to head for the cities to seek employment leaving the rural areas with the old and those who will have failed to make it in education (Matunhu 2007). The challenge is on developing a curriculum that empowers the child to develop his or her home area without having to think of traveling to the city lights for a brighter future. A good developmental education system is one that emphasis on facilitating change in rural environments to enable rural people to earn more, invest in themselves and their respective communities as well as contributing towards the maintenance of the infrastructure that is key to their livelihoods.

The Bisho UFH colloquium of the 8th – 9th May 2008, on Inter-Governmental Relations Framework Act revealed that several spheres of government tend to engage in dysfunctional

competition. It was expressed that much of the failure of the local government to enhance agriculture productivity was due to lack of cooperation among the departments. The failure to enhance intergovernmental cooperation violates Chapter 3 sub section 35 paragraph 1, of the Intergovernmental Framework Act which states thus, where the implementation of a policy, the exercise of a statutory power, the performance of a statutory function or the provision of a service depends on the participation of organs of state in different governments, those organs of state must co-ordinate their actions in such a manner as may be appropriate or required in the circumstances, and may do so by entering into an implementation protocol.

The paper recommends a protracted education campaign which aims at addressing the attitudes of the public servants as well as the attitudes and values of the poor themselves.

The education system also has to address the devastating effects of HIV/AIDS in the country as much as it should in the whole world.

(vi) Dealing with HIV/AIDS

South Africa, like most parts of the continent has a high prevalence of HIV/AIDS cases. The fight against HIV/AIDS is everybody's responsibility. Government alone cannot achieve much. Jackson (2002, 35) reports, "HIV/AIDS spread fastest in conditions of poverty, powerlessness ..." Therefore, rural communities are highly vulnerable. Forgy and Mwanza (1994) noted that AIDS has a large impact on economic capacity and indeed on rural poverty reduction since there are other costs associated with AIDS deaths. These costs include; medical expenses, worker transition costs and loss of human capital and lack of hope. The disease kills mostly the young and productive members leaving the feeble and the old to shoulder the rural economy. The SADC Regional Human Development Report (2000, 149) has this to say about the situation in Southern Africa, "The AIDS menace is worsening... in which 24

percent to 36 percent of the population aged 15-49 is living with AIDS.”

The paper takes a radical approach, which considers that incentives need to be put in place for those who chose to remain negative. All public figures need to be screened of the HIV/AIDS condition. It must also be mandatory that all partners go for certified HIV/AIDS counseling and testing before marriage. These certificates must be mandatory to all who aspire to either progress to institutions of higher learning or enter the job market. It must also be mandatory that people are tested and certified every quarter of the year. Punitive measures will need to be put in place for those who rape, infect others or defy the anti AIDS legislation. The idea is to impress on behavioural change, respect for human life and openness on one's HIV/AIDS status. The writer is fully aware of the controversies surrounding this proposal. There have been cries about protecting and respecting the privacy of the infected, but of what help is it to protect the status of one who is likely to go around spreading the disease to several innocent victims? HIV/AIDS is just like any other body condition like cancer and diabetes- and people talk freely about these conditions. Stigmatization should have no place in this fight against the disease. It must be a person's human right to know the status of their partners. It is through this right that people will exercise other rights like the right to decide whether or not to marry or stay with an HIV/AIDS partner. While the suggestion above may attract fierce criticism at first, it may turn out to be the most effective global way of dealing with the HIV/AIDS menace.

(vii). Micro-Financing

It is not the supply of land alone to the poor that is likely to kick start the poverty reduction process. According to Khandker (1998), rural poverty reduction requires diverse measures. The most important being those which expand the income and employment opportunities of the poor. The argument is that the poor in South Africa are poor because they do not have enough capital to support agriculture. Providing access to financial

services is one of the many ways to increase the income and productivity of the people. Most Private Banks exclude the poor because small transactions are unprofitable to them and providing financial services to the poor is not easy because most of them are not credit worthy. Thus, the need for rural micro financing is an undeniable fact. In business terms, the niche market of the rural micro finance institutions lies in the market that is discarded by the private banks. With a rural micro finance institution among the people themselves; the poor are more likely to access credit facilities. The possible outcome is that rural residents are likely to find agriculture a more meaningful and rewarding economic venture.

One of the most successful countries often mentioned in the development of microfinance is Bangladesh. Micro finance organizations like Grameen Bank, Bangladesh Rural Advancement Committee (BRAC), Proshika (PK), Association for Social Advancement (ASA), largest 20 credit NGOs (not including Grameen Bank), and Bangladesh Rural Development Board (BRDB) are successfully operating in the country. The same facility may help the people of the Eastern Cape outgrow poverty through agriculture.

The Grameen Bank, which was established in 1983 as a challenge to existing collateral-based financial system, has had a promising result. It operates exclusively for the poor on the premise that rural people have the capacity to earn a living out of agriculture. The bank also believes that such farmers can make good use of small loans and that repaying them may not be much of a problem. The bank promotes social development. Such intermediation by the bank tends to improve productivity and income for the poor. This, in turn, also improves their loan repayment rate and contributes to the Grameen Bank's financial viability. As such, micro financing turned out to be the most successful credit program for the poor. This may be seen from the outreach status and the bank's loan

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recovery rate which has consistently remained above 90 percent (Khandker (1998).

(viii). Infrastructure and ICT Development.

An effective rural poverty reduction strategy is better supported by a robust infrastructure. Therefore, South Africa is advised to invest in its infrastructure like roads, bridges, schools and health centres. A limited network of paved roads constrains rural poverty reduction. Poor infrastructure development makes business more expensive for the rural poor. It is advisable that subsidized cellular networks and Internet services be extended to all the rural areas in South Africa. The establishment of Information kiosks and computer laboratories in rural areas by the provincial governments in partnership with the locals could be a rewarding investment for rural agriculture. With a robust communication network, farmers are able to access expert advice from their fields. They are able to do their banking transactions without having to travel to the cities and towns. Such a deliberate investment effort is likely to attract and support investment in the rural areas – setting the agenda for poverty eradication in rural areas. Both the national and provincial governments departments are therefore advised to collaborate in creating a supportive environment for the rural poor to fight poverty. The rural poor themselves need to be involved every step along the way.

CONCLUSION

Rural poverty is a highly contested concept because of its subjectivity. It means different things to different people at different times, places and circumstance right across the geopolitical divide. In developing a strategy for fighting rural poverty that is applicable to the social development of the people of South Africa, the participation of the poor is important. It is they who know what they consider to be poverty and how they can fight it. A clearly defined definition of poverty would also help to identify the best workable intervention strategy. Such a strategy would focus effort and resources where it is most effective. The paper holds the view that much

is still not being done by both the national and international governments to eradicate rural poverty. Only half measures are being put in place. If the entire world was going to declare a war against poverty and everybody rallying behind rural poverty eradication, absolute poverty would slide into oblivion in less than a decade. The reasons for not dealing with poverty in a decisive way are more political than otherwise. Therefore political-will is required not only in the definition of rural poverty but also in its eradication.

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