# SPACE, LIVELIHOODS AND MARKETS: RE-EXAMINING RURAL DEVELOPMENT MODELS AND PRACTICE

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5<sup>th</sup> Annual Small Towns Conference 21-22 October 2010, East London

#### **Preface**

- The challenge of rural development in SA is largely the result of spatial dislocations and economic inequities created by colonialism and Apartheid – the creation of the Bantustans and agricultural dualism (Makgetla, 2010)
- One interpretation of current policy is to reverse these historical processes – 're-wind' (eg land restitution)
- Another is to 're-write', ie change the script so that we quickly re-create the reality we 'should' be having now (eg create equity in the commercial agricultural sector)

#### but maybe...

... the best options available to us don't involve restoring what was lost, or merely redistributing what we presently have

#### **Problem statement**

 Current polices of rural development, land reform and agricultural development, have in common a lack of a clear spatial strategy with which to address or correct for these spatial dislocations

#### ...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

#### ...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

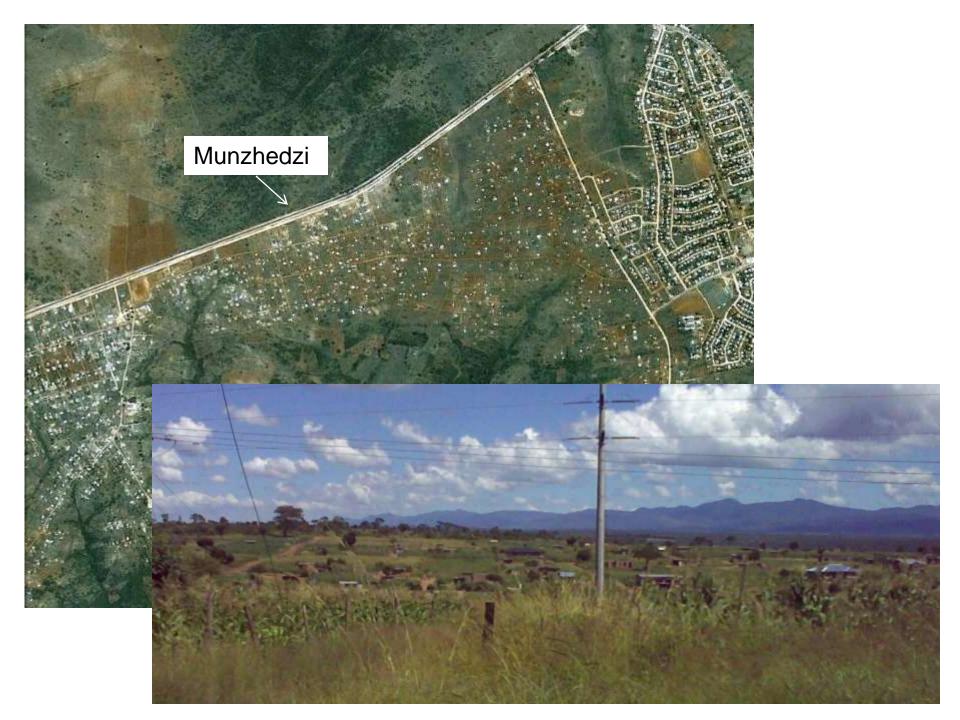
#### ...Agriculture

- SA has followed path of highly developed industrial farm sector linked into supermarketdominated 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?

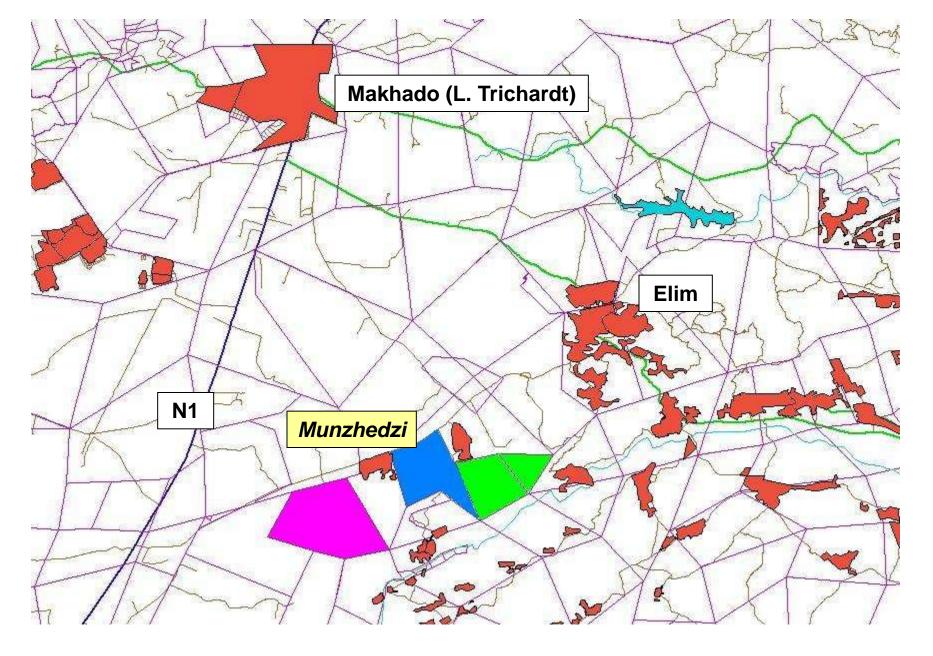
#### Possible clues to a different approach?

#### 1 Munzhedzi

- 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



- Why?
  - Good soil and rain
  - Location location! easy access to Elim and Makhado town
- Note: significant investment in own-built homes
- Meanwhile, Elim is a growing economic and service hub
  - Booming food trade
  - Booming informal sector
  - Rapid population growth facilitated by (mainly) 'customary' tenure system
- What happened at Munzhedzi complements what's happening to Elim, and vise versa: the 'Greater Elim Non-Metropolitan Area'!



What doesn't land reform aim to do this on purpose?

#### 2 The Elim food 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
- 2008: Spar's fruit & veg manager reduces orders from 'Spar central', and starts buying from local small-scale black farmers. Why? Freshness, appropriate scale and lower transport costs.

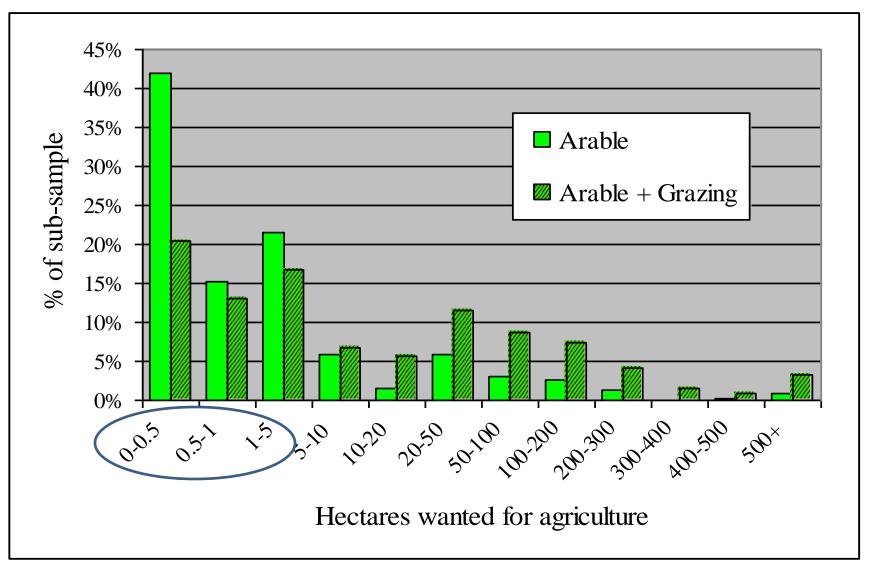
- 2009: 75% of Spar's fruit & veg bought locally,
   R5 million income to local black farmers;
   Elim now has a 'local food economy'
- Is the same thing happening in other 'boom towns' such as Nongoma, Engcobo, etc? If not, why not?

## 3 The under-recognised nature of land demand – hh survey conducted in Limpopo, FS, and EC (HSRC 2006)

'What would you say is the most important reason for your household to have more land?'

	Farm dwellers	Comm.	Urban formal	Urban informal
To grow food	58%	69%	51%	54%
To generate income	17%	12%	14%	13%
To have a secure place to stay	14%	12%	32%	32%
To use as collateral	0%	1%	0%	0%
To get back what was taken	1%	4%	1%	0%
Other	11%	2%	2%	1%
Total	100%	100%	100%	100%

#### Distribution of demand for agricultural land

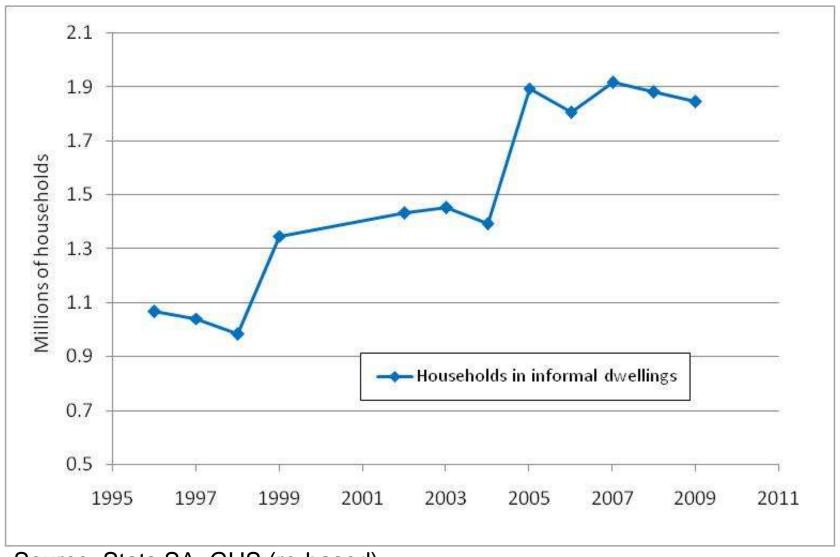


Source: HSRC, 2006

#### So?

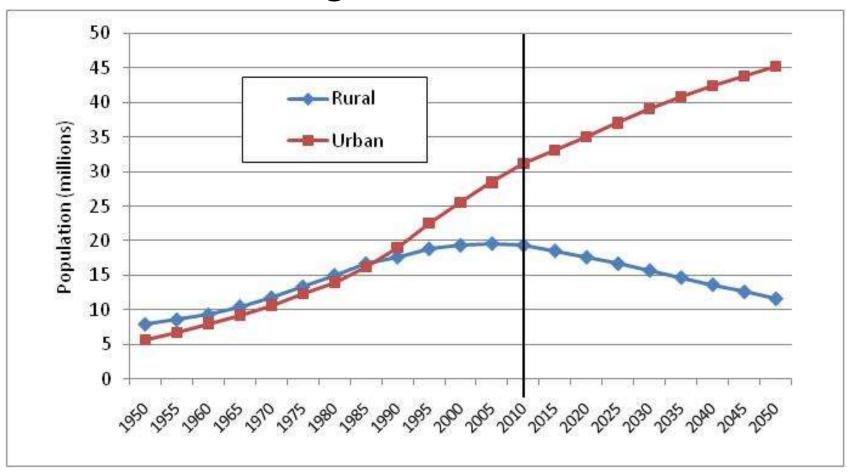
- Predominant demand for land is consistent with what we saw at Munzhedzi – small plots for food and tenure security
- Complements idea of densifying settlement around dynamic towns

#### 4 'Informal settlement' – here to stay



Source: Stats SA, GHS (re-based)

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



UN, 2009, World Population Prospects 2008

- Major question/challenge: assuming we can't keep up with well-planned RDP settlements, how do we prefer to accommodate this process?
  - Dense extra-legal informal settlements on fringes of cities and towns?
  - Peri-urban settlements which allow for tenure security and multiple-livelihoods?

#### **Tentative conclusions**

- Maybe we can't stop rural-to-urban migration, but probably we can 'distribute' it better:
  - building on processes already under way (at least in some places)
  - through an intelligent use of space
  - with an appropriately designed land reform
- Small towns in ex-Bantustans are a key feature of this possibility

#### Research/policy questions

- How does the configuration of space influence the rural economy and the opportunities for promoting inclusive rural development?
- What is the current impact of government policy and programmes (eg agric, land reform, etc.), and what considerations govern how policy and programmes are implemented in specific sites?
- How can the local agricultural sector be developed so as to provide more opportunities for local farmers and improved access to adequate diets for local consumers?
- How can land reform be used to re-engineer space in a manner that stimulates the rural economy in a manner that is sustainable and inclusive?

