

**AN EVALUATION OF THE INTEGRATED SUSTAINABLE RURAL DEVELOPMENT
PROGRAMME HIGHLIGHTING STAKEHOLDER MOBILISATION AND
ENGAGEMENT**

by

Nelly M Kole

Submitted

In partial fulfilment of the requirements

for the degree

M.Inst Agrar (Rural Development Planning)

in the

Department of Agricultural Economics, Extension and Rural Development

Faculty of Natural and Agricultural Sciences

University of Pretoria

2004

ACKNOWLEDGEMENTS

The journey I undertook during the writing of this study has been very long and taught me a lot about perseverance.

I would like to confer my gratitude to the South African Government, especially the Department of Provincial and Local Government (DPLG), for providing me with the financial means to further my studies and for providing me with most of the technical information. A special word of thanks to the municipal officials and members of the Maluti-a-Phofung and Kgalagadi/Kalahari communities for their willingness to share information about rural development activities in their respective areas.

I would also like to express my gratitude towards my mentors Prof Johann Kirsten¹, Mr Masilo Mabetha² and Ms Busi Mdaka³. Your encouragement, guidance and patience has helped me a great deal.

To my family, Kani, Mama, Lasa, Naledi, Mamane, Mme le Ntate thanks for always being there when I needed you the most and for providing joy when I thought it was all gloomy. This M. Inst Agrar degree is dedicated to you.

Most importantly, the Lord Almighty, your wonders never cease and I thank you!

Nelly Kole

Pretoria

October 2004

¹ Department of Agricultural Economics, Extension and Rural Development, University of Pretoria

² Development Consultant

³ Chief Director for Rural Development Monitoring, Department of Provincial and Local Government

ABSTRACT

**AN EVALUATION OF THE INTEGRATED SUSTAINABLE RURAL DEVELOPMENT
PROGRAMME HIGHLIGHTING STAKEHOLDER MOBILISATION AND
ENGAGEMENT**

by

Nelly M Kole

Study Leader: Prof J. F. Kirsten

Department: Department of Agricultural Economics, Extension and Rural Development

Degree: M. Inst Agrar (Rural Development Planning)

The contribution of government, non-governmental organisations and the private sector towards rural development has surfaced in many forms during the different rural development experiences since the 1950s. The South African Government's Integrated Sustainable Rural Development Programme (ISRDP) is characterised by a notable emphasis for intensified stakeholder participation in rural development. The ISRDP established certain principles that impact on the level of stakeholder mobilisation for the programme.

This study aims to explore the level and nature of stakeholder engagement in the implementation of the ISRDP. The experiences by selected nodes (municipalities) on these stakeholder relationships are explored. The involvement of the three spheres of government, the private sector, the community, funders and other partners is also discussed.

The results of the study indicate that stakeholder mobilisation for the ISRDP in the nodal municipalities has not reached its maximum level in terms of the integration of existing rural development projects, resource mobilisation, community participation, and communication. Arguments of why this is happening and recommendations to improve the situation are provided.

TABLE OF CONTENTS

Acknowledgments	ii
Abstract	iii
Table of Contents	v
Annexures	viii
List of Tables	Viii
List of Figures	ix
List of Boxes	ix
Abbreviations	x
Chapter 1	
INTRODUCTION	1
1.1 Background	1
1.2 The political context of rural development in South Africa	2
1.2.1 Rural development during the Apartheid era	2
1.2.2 Progress during the post-Apartheid era	3
a. The Reconstruction and Development Programme (RDP) (1994)	4
b. The Rural Development Strategy (1995)	5
c. The Constitution of the Republic of South Africa, (Act 108 of 1996) and its impact on rural development	6
d. The Rural Development Framework (1997)	7
e. The ISRDS	7
1.3 Problem statement and research objectives	9
1.4 Rationale	10
1.5 Methodology	11
1.6 Outline	12

Chapter 2

THEORETICAL UNDERPINNINGS OF RURAL DEVELOPMENT	13
2.1 Introduction	13
2.2 Modernisation theories	13
2.3 Rural development through efficient small-scale farming	14
2.4 Process approaches to rural development	15
2.4.1 Participatory/Community development approaches	15
2.4.2 Integrated rural development approaches	16
2.5 Sustainable livelihoods approach to rural development	18
2.5.1 Decentralisation and local governance institutions	18
2.6 Summary	19

Chapter 3

AN OVERVIEW OF THE INTEGRATED SUSTAINABLE RURAL DEVELOPMENT STRATEGY AND PROGRAMME	21
3.1 Introduction	21
3.2 The ISRDS	22
3.2.1 ISRDS elements	23
a. Rural Development	23
b. Sustainability	23
c. Integration	24
d. Growth Dynamics in rural areas	25
e. Rural safety net as an integral part of the ISRDS	25
3.2.2 ISRDS objectives and principles	26
3.3 Implementation of the ISRDP	27
3.3.1 Institutional arrangements and capacity	27
a. Office of the Presidency	27
b. The DPLG	28
c. National and Provincial government departments	29
3.3.2 Stakeholder mobilisation	29

3.3.3	Co-ordinated service delivery	30
3.3.4	Knowledge management and long-range planning	30
3.4	Experiences with the ISRDP implementation plan measured against the ISRDS principles	31
3.4.1	Improved co-ordination and integration across government	32
3.4.2	Targeting poverty, poverty alleviation and LED	32
3.4.3	Decentralisation of the decision-making process	32
3.4.4	Partnerships	33
3.4.5	Community participation and the Demand-Driven Approach	33
3.5	Summary	34

Chapter 4

INTERGOVERNMENTAL RELATIONS AND THE INTEGRATED SUSTAINABLE RURAL DEVELOPMENT STRATEGY AND PROGRAMME		35
4.1	Introduction	35
4.2	IGR values	35
4.3	IGR “organalysis” of the ISRDP	37
4.4	The roles and responsibilities allocated to the different spheres of government in terms of the ISRDS and its “organalysis”	40
4.4.1	National Government	40
4.4.2	Provincial Government	40
4.4.3	Local Government	41
4.5	Summary	41

Chapter 5

**NON-GOVERNMENTAL STAKEHOLDER INTERACTION WITHIN THE
INTEGRATED SUSTAINABLE RURAL DEVELOPMENT PROGRAMME 43**

5.1	Introduction	43
5.2	Stakeholder engagement within the ISRDS	45
5.2.1	The leadership and the executive	45
5.2.2.	Traditional leaders	46
5.2.3	Beneficiaries and instigators	47
5.2.4	Service providers	49
5.2.5	Private-sector initiatives	52
	a. The Mineworkers Development Agency	52
	b. The Rural Economic Development Agency (REDI)	52
5.2.6	Funders	53
5.3	Stakeholder Engagement Strategy	53
5.4	Summary	54

Chapter 6

**CASE STUDY ANALYSIS OF STAKEHOLDER MOBILISATION
IN SELECTED NODES 56**

6.1	Introduction	56
6.2	Maluti-a-Phofung Node	56
6.2.1	ISRDP implementation in the node	57
	a. Anchor Projects	58
	b. Stakeholder engagement in Maluti-a-Phofung	63
6.2.2	Challenges	65
6.3	Kgalagadi/Kalahari Node	66
6.3.1	ISRDP implementation in the node	67
	a. Anchor Projects	67
	b. Stakeholder engagement in Kgalagadi/Kalahari	70
	c. Institutional arrangements for co-ordination and mobilisation	70
6.4	Summary and Conclusion	71

Chapter 7

CONCLUSION AND RECOMMENDATIONS 77

7.1 Summary and Conclusion 77

7.2 Recommendations on improving stakeholder engagement in the ISRDP 80

REFERENCES 82

ANNEXURES

ANNEXURE A Summary of the IDP process 87

ANNEXURE B List of interviewees 88

LIST OF TABLES

Table 1.1 Presidential Lead Projects related to rural development 4

Table 2.1 Rural development paradigms and practices from the 1960s to the 2000s 20

Table 3.1 The roles and responsibilities of the IDT and the DPLG as co-ordinating agents in the implementation of the ISRDP 29

Table 6.1 A summary of selected anchor projects in Maluti-a-Phofung 59

Table 6.2 Summary of Stakeholders in the Maluti-a-Phofung Node 64

Table 6.3 Anchor project summary of the Kgalagadi/Kalahari Node 68

Table 6.4 Summary of stakeholders in the Kalahari- Kgalagadi Node 70

Table 6.5 Summary of the comparison between the two nodes 72

LIST OF FIGURES

Figure 4.1	Chain defining the relationship between the planning process of the by three spheres of government in the implementation of the ISRDP	36
Figure 4.2	ISRDS “organalysis”	39
Figure 6.1	Map of the Thabo-Mofutsanyane District Municipality	57
Figure 6.2	Stakeholder engagement in Maluti-a-Phofung	63
Figure 6.3	Map of the Kalahari/Kgalagadi District Municipality	66

LIST OF BOXES

Box 4.1	Box explaining Intergovernmental Planning	36
Box 5.1	Background to the National Coalition for Municipal Service Delivery	51

LIST OF ABBREVIATIONS

CBOs	Community-Based Organisations
CEO	Chief Executive Officer
CMIP	Consolidated Municipal Infrastructure Programme
DBSA	Development Bank of Southern Africa
DC	District Council
dti	Department of Trade and Industry
DG	Director-General
DME	Department of Minerals and Energy
DPLG	Department of Provincial and Local Government
DWAF	Department of Water Affairs and Forestry
FOSAD	Forum of South African Directors-General
HR	Human resources
HRD	Human Resource Development
IDPs	Integrated Development Plans
IDT	Independent Development Trust
IGR	Intergovernmental Relations
IRD	Integrated Rural Development
ISRDP	Integrated Sustainable Rural Development Programme
ISRDS	Integrated Sustainable Rural Development Strategy
KDM	Kgalagadi/Kalahari District Municipality
LED	Local Economic Development
MEC	Member of the Executive Council
MINMEC	Minister and Members of the Executive Council
MoU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
NDA	National Development Agency
NDT	Nodal Delivery Team
NGOs	Non-Governmental Organisations

PASASA	Paraffin Association of South Africa
PGDS	Provincial Growth and Development Strategies
PIMSS	Planning and Implementation Management Support Systems
RDP	Reconstruction and Development Programme
REDI	Rural Economic Development Initiative
SETA	Sector Education and Training Authority
SOES	State-Owned Enterprises
SONA	State of the Nation Address
SSA	Statistics South Africa
UNDP	United Nations Development Programme
UNHABITAT	United Nations Human Settlements Programme

CHAPTER 1

INTRODUCTION

“Development must be defined as an attack on the chief evils of the world today. These include malnutrition, disease, illiteracy, slums, unemployment and inequality”. Paul P

Streeten, Former Director, World Development Institute

1.1. Background

International development practitioners argue that for development to be effective, one of its central elements has to be community participation. South Africa has also acknowledged, through the development of the Integrated Sustainable Rural Development Strategy (ISRDS), that the success of development would be enhanced by local community participation. This type of community involvement draws local governance issues into the rural development arena in that the success of development at this level depends on, among other things, governance mechanisms (De Beer & Swanepoel, 1998).

South Africa, like other African countries, is faced with several rural development challenges. Numerous rural development initiatives have been undertaken in South Africa. These include policy developments⁴, programmes⁵ as well as strategies⁶. These initiatives were not efficiently implemented, hence the development of the ISRDS.

Unlike in many other countries, rural development in South Africa is influenced more by past politically motivated experiences than by rural-urban market economics. Rural development was and still is influenced by segregationist policies created during the Apartheid era.

⁴ Examples of which are the Reconstruction and Development Programme (1994) and the Development Facilitation Act (1997).

⁵ An example of which being the Land Reform Programme.

⁶ Including the Rural Development Strategy of 1995.

In mostly developed countries, market and class-related processes shaped rural development. The urban divide arising from unbalanced production-consumption factors creates divisions between classes and therefore differing levels of development between rural (country) areas and towns (Marx & Engels, 1976). They also argued that the bourgeoisie class subjected the rural to the rule and dependency on towns by establishing the means of production in urban areas, thus moving the population from rural areas to towns. These shifts resulted in production and consumption becoming urban phenomena, while poverty and stagnation became rural trends.

To illustrate how politics influenced rural development in South Africa's, rural development experiences during the Apartheid and post-Apartheid era are discussed herewith:

1.2 The political context of rural development in South Africa

1.2.1 Rural development during the Apartheid era

Between 1948 and 1976, South Africa's economic development is argued to have been influenced by the Group Areas Act of 1950, the Promotion of Bantu Homelands Citizens Act of 1970 and the general 'Grand Apartheid' Policy (Bannister, 2000). Due to the accelerating industrialization and mechanization at that time, the implementation of the "Bantustan" policy was facilitated (Aspirant, 2004). This was caused by developments drastically reducing the labour requirements of agriculture and industry. These Acts assigned the ownership and occupation of land and buildings according to racial divisions and compelled all black people to become citizens of a homeland that corresponded to their ethnic group. A Group Areas Board was also established to advise on the demarcation of group areas for the various racial groups. The Acts culminated in the forced removal of the majority of Blacks who were employed and lived in urban areas to rural areas. However, in some cases, people (especially farm workers and labour tenants) were forced to move from "black spot" rural farm areas to

undeveloped designated areas. These Acts, amongst others, resulted in an increase in the population of undeveloped rural areas.

Another factor that contributed to the development of rural areas during this period was the industrial decentralisation process of the 1970s. Through the process, industries located in or near the zones reserved for Blacks were highly subsidised. These 'balancing growth poles' (Cobbett, Glaser, Hindson & Swilling 1987) were used to draw investment away from established industrialised metropolitan centres to potential 'White' towns which were surrounded by rural homeland areas. These institutions led to 'superficial' rural development. Employment levels increased at the expense of sustainable economic development. Although people were employed, they spent most of their earnings on transport to their places of work, as the Group Areas Act determined that they were not allowed to live near these industries.

After the repeal of certain pieces of legislation regulating residential rights, the 1980s and 1990s was characterised by an influx of people to urban areas. This resulted in the creation of what is termed 'urban poverty pockets'⁷, thus creating the need for improved sustainable rural development efforts so as to balance the urban-rural divide.

1.2.2 Progress during the Post-Apartheid era

With the repeal of most Apartheid legislation, rural development in South Africa occurred within a context of the need to generally improve the living standards of the majority of the previously disadvantaged, who mostly resided in these areas. Although the programmes of this period were not specifically targeted at rural areas, they had an impact on the level of development in these areas.

⁷ These are referred to as pockets since they were located in certain parts of the community or the spatial parts of urban areas.

a. The Reconstruction and Development Programme [RDP] (1994)

Following the election of South Africa’s democratic government in 1994, rural development was mostly addressed based on the main challenge the country faced at the time, namely addressing inequalities created during the Apartheid Era. This led to rural development becoming part of the general development programme, the **RDP**, which also dealt with general urban economic development. Ultimately, the RDP programme sought to overcome the overall service-delivery imbalances created by Apartheid.

The RDP was a blueprint development policy introduced by the ruling party, the African National Congress, to guide it in developing policies and especially in reshaping the state of affairs in South African at the time. The **RDP** was based on the following key principles:

- Meeting basic needs
- Building the economy
- Developing infrastructure
- Promoting peace and stability
- Promoting human resource development (HRD).

The *White Paper on Reconstruction and Development, 1994* identified Presidential Lead Projects that were specific to certain government departments. The lead projects that were relevant to rural development are listed in table 1.1.

Table 1.1 Presidential Lead Projects related to rural development

Project(s)	Department
Rural water provision	Water Affairs and Forestry
Land Reform pilots	Land Affairs
Land Redistribution and Restitution	Land Affairs
Small-Scale Farmer Development	Agriculture

The RDP resulted in various government departments and associated entities undertaking a multitude of sector-related programmes and projects. Although there was progress in terms of service delivery, it was not sustainable as there was no co-ordination and proper consultation with beneficiaries to ascertain their needs and in most cases, development efforts were duplicated. This situation resulted in what some viewed as 'competition' between government departments as the activities of the different departments undermined each other's efforts. Also of significance is the fact that as these programmes were being developed and implemented, other spheres of government did not actively support the local governance system, as local government was still in a **transitional phase**. Therefore national sector departments made no concerted effort to build and improve local government institutions.

Government then started engaging in various policy initiatives to improve on the momentum of service delivery in rural areas. These were:

- The Rural Development Strategy (1995)
- The Constitution of the Republic of South Africa, (Act 108 of 1996) and its impact on rural development
- The Rural Development Framework (1997)
- The ISRDS (1999) and are herewith discussed in detail.

b. The Rural Development Strategy (1995)

In 1995, government introduced a rural development strategy led by the Department of Land Affairs. The strategy aimed to "create greater equality in (the use of resources) rural areas, especially land, through tenure security, restitution and reform programmes. It is argued that this strategy dealt mostly with infrastructure components of rural areas". (Bannister, 2000).

c. The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) and its impact on rural development

In 1996, the South African Government adopted a constitution that outlines government's role and responsibilities in terms of people, human rights of citizens and government institutions. The Constitution allowed several groupings, political parties and government to realise that rural development needed to be highlighted if the majority of the previously disadvantaged were to benefit from the new dispensation.

This Constitution led to the establishment of the three spheres of government, each with its own set of responsibilities. However, all three are based on the principle of co-operative governance. National government was mainly assigned policy responsibilities, while provincial government became responsible for the monitoring and implementation of policy and local government was given developmental responsibilities, although it was still in a transitional phase.

The Constitution further provided principles for co-operative governance. These principles favour the viewpoint that all three spheres of government should, among other things:

- i. provide effective, transparent, accountable and coherent government for the Republic as a whole;
- ii. exercise its powers and perform its functions in a manner that does not encroach on the geographical, functional or institutional integrity of another government sphere; and
- iii. co-operate with all other spheres of government in mutual trust and good faith by
 - fostering friendly relations;
 - assisting and supporting one another;
 - informing one another of, and consulting one another in matters of common interest; and
 - co-ordinating their actions and legislation (Constitutional Assembly, 1996).

These constitutional principles lay the basis for the co-operative mechanism ultimately used to implement the ISRDS and later the ISRDP, by ensuring that rural development is implemented in a way that would not impact negatively on the country's governance system.

d. The Rural Development Framework (1997)

In 1997, the RDP office developed a more comprehensive strategy, known as the Rural Development Framework. The Framework attempted to incorporate other departments' rural development programmes. Government saw it as more of a *status quo* report than a new strategy. After the closure of the RDP office, this document was passed to the Department of Land Affairs for finalisation. The document was passed as a framework document without any legal status.

In 2000, the Presidency instituted a new governance system, the Integrated Governance System. In accordance with the System, government departments were teamed into Clusters⁸ that are expected to report to Cabinet in this collective way and not as individual departments, thus fostering intergovernmental and intra-governmental relations. This process assisted with the development of the ISRDS as it brought all departments with an interest in rural development together. It can therefore be argued that the Integrated Governance System was used as the basis for the development, implementation and monitoring of the ISRDP.

e. The ISRDS

In February 1999 during his State of the Nation Address, the President of the Republic of South Africa, Mr Thabo Mbeki, announced the creation of a new strategy to

⁸ The Clusters are the Governance and Administration, Social, Employment and Economic, International Relations, Peace and Security as well as the Justice and Crime Prevention Clusters. Issues of rural development are managed by the Social Cluster but are addressed by several.

supplement the RDP. (Mbeki, 1999). The ISRDS was based on the following key elements :

- Integration: The co-ordination of efforts at local government level through Integrated Development Plans (IDPs).
- Rural development: Multi-dimensional, including an improvement in the provision of services and enhanced local economic growth.
- Sustainability: This contributes to local growth and features local participation and ownership.
- The existence of growth dynamics in rural areas.
- The existence of rural safety nets as an integral part of the ISRDS (The Presidency, 2000).

The Strategy was developed to address the uncoordinated and unsustainable efforts launched under the RDP. Community and stakeholder participation was minimal. For example, lessons learnt⁹ as part of an analysis of rural development programmes in Bushbuckridge and Lusikisiki during the time of the RDP, indicated that apart from the fact that the programmes that were implemented were fragmented and uncoordinated; they could not be sustained because the communities did not have the capacity to manage and turn them into self-sufficient projects in the long term (ISRDS Secretariat, 2000). These projects resulted in what is referred to as 'White elephants' as the communities were not benefiting.

As part of attempts to solve the problems created by a lack of co-ordination in rural development; a task team consisting, amongst others, of representatives from government departments, development agencies (Independent Development Trust and World Bank) and academic institutions (University of Pretoria) under the leadership of the Presidency¹⁰ was set up in 1999 to develop an integrated rural development

⁹ These lessons were prepared as part of case studies in preparation for the development of the Integrated Sustainable Rural Development Strategy.

¹⁰ The Presidency is a government department which co-ordinates the activities of government as a whole. It also hosts the President and the Deputy President.

strategy. The task team agreed that local government should be central in planning, implementing and maintaining this new programme.

1.3 Problem statement and research objectives

Service-delivery backlogs are hampering South Africa's development. The factors contributing to this problem have to be explored, especially since the problem does not only lie in the unavailability of development mechanisms. Programmes, policies and legislation have been introduced to improve on government's service delivery, specifically in the area of poverty reduction. The quality of these development mechanisms are good in theory, but has proved difficult to implement in an effective way.

Through its new rural development programme, the ISRDP, government has changed its implementation approach from top-down to being more decentralised. With this decentralised service delivery mechanism, the opportunity for leveraging stakeholder engagement becomes the responsibility of the local sphere of government. Current experience with the implementation of the ISRDP, however, indicates that partnerships with the private sector, Non-Governmental Organisations (NGOs) and communities are not in line with the expected level.

In some cases, partnerships are formed without the necessary support from the other spheres of government. This causes unintended disruptions to the local governance system, whereas in some cases, the non-existence of these types of partnerships lead to poor service delivery.

The ISRDS indicates that stakeholder participation forms the cornerstone of the ISRDP's success, as the resources available for rural development are leveraged for a striking impact. This interaction can however only be successful if all spheres of government and the various stakeholders clearly understand their role and responsibilities. This study seeks to analyse the participation of different kinds of

stakeholders in the ISRDP, measured against the “organalysis” of Intergovernmental Relations (IGR) agreed to by the ISRDP managers and departments.

Critical questions this study will try to answer include:

- Who are the stakeholders who are supposed to participate in this programme?
- How important is their participation in ensuring an improvement in service delivery and poverty reduction?
- How are stakeholders enticed to participate in the programme?
- How are relationships with them maintained?
- What role are they assigned?
- Who plays the facilitating role to ensure their continued involvement and who maintains civil relationships?

1.4 Rationale

Analyses of current stakeholders and their involvement in the ISRDP is imperative for measuring the success of the programme’s goals of building partnerships with communities and ensuring the programme’s sustainability. It is argued that sustainability cannot be achieved without the buy-in of local communities, local business as well as other national and international partners.

For any development programme to succeed, partnerships that contribute technical resources, financial resources, local knowledge and ownership are crucial. The ISRDS highlighted the importance of partnerships in rural development in South Africa. Local experience with regard to these partnerships at the different nodes is imperative to assess, especially in view of the fact that the ISRDP is about to reach its mid-term and a review thereof is under way. This study could therefore assist the review as it alludes to one of the areas that the review must concentrate on.

1.5 Methodology

To analyse stakeholder involvement in the ISRDP, secondary research serves as the main method of gathering information, as the objectives and experiences of this programme are well documented.

The South African government's archives and past publications will serve as secondary data to extract the required information about the ISRDP. These publications include:

- *The Government Gazette*.
- Various government reports.
- The founding documents of the ISRDP.

The research process included the collection of primary data through personal, face-to-face and telephonic interviews with the relevant ISRDP role-players. They include:

- Programme managers from the Independent Development Trust and DPLG.
- Private sector organisations, namely the Rural Economic Development Initiative (REDI) of The Old Mutual Foundation, TEBA, Eskom Enterprises and the National Coalition for Municipal Support Programme
- The Maluti-a-Phofung and Kgalagadi/Kalahari Nodal Municipalities
- Community representatives from the two above mentioned ISRDP nodes.

Two nodal¹¹ case studies were used to solicit results about the importance of stakeholder mobilisation in sustainable rural development. The quantitative, economic and qualitative, institutional cost/benefit elements of stakeholder engagement in the two nodes were analysed. Field visits to these nodes were also undertaken to substantiate the information received from the interviewees and reports.

¹¹ Nodes can be regarded as potential economic hubs for rural areas. These nodes were selected due to their poverty levels and potential for ensuring socio-economic cohesion of small towns and remote communities (also see section 3.4 for additional rationale for having these nodes).

1.6 Outline

Chapter 2 of this mini-dissertation describes the general historical path that rural development has undertaken. Rural development theories that subsequently arose will be described, indicating how they influence or have influenced the current and past rural development systems in South Africa.

The report then goes on to describe the current rural development system in the country, the ISRDP, in Chapter 3. The objectives, principles and activities of this programme will be detailed to lay the basis for the analyses that will follow in the subsequent chapters.

Chapter 4 outlines the management approach of the three spheres of government as stakeholders in the implementation of the ISRDS. Chapter 5 analyses the participation of non-governmental stakeholders as outlined by the ISRDS, measured against the current practice. Specific emphasis is placed on governmental versus non-governmental stakeholder interaction and participation in the implementation of the strategy.

To clearly explain the intentions of the ISRDS as outlined in Chapter 3 and practice as outlined in Chapter 4 and Five, Chapter 6 investigates two ISRDP nodal case studies to test whether the ISRDS' goals are being realised at the implementation level, specifically with regard to stakeholder participation.

Chapter 7 then summarises the report, outlines the identified challenges, recommends a way forward in terms of policy formulation, implementation and research with regard to the ISRDP.

CHAPTER 2

THEORETICAL UNDERPINNINGS OF RURAL DEVELOPMENT

2.1 Introduction

South African rural development, although different in origin from other countries' rural development paths, is consistent with the development theories that influenced most countries and international development practices. Hewitt (1992) quoted Singer, arguing that development is not only about one thing leading to another in a process, but also about the actions and thoughts of development thinkers in the experiences of those decades. The regularity between these thoughts normally referred to as theories and the current rural development system in South Africa are examined in this Chapter. Emphasis is placed specifically on how current and past development theories relate to the ISRDP.

Research indicates that there is a constant shift of development paradigms, which also affect the methodologies for rural development. These paradigms often only get to gain momentum 10 years after they have emerged (Ellis & Biggs, 2001).

2.2 Modernisation theories

In the 1950s and early 1960s, development was viewed as a process consisting of stages of economic growth. It was expected that countries should go through these stages for modernisation to occur. These stages included the development of agriculture **in rural areas with intense industrialisation in urban areas** as well as expansion into the global markets.

These theories argued that underdeveloped economies should transform the focus of their economies from a heavy emphasis on traditional subsistence agriculture to a modern, urbanised, more **industrially diverse manufacturing** and service economy (Smith, 2003).

These theories were further actualised after the Second World War when the Bretton Woods Institutions were set up. These institutions offered financial assistance to developing countries through conditional grants and loans, for massive **industrialisation and mechanisation** to support the Green Revolution of that period.

2.3 Rural development through efficient small-scale farming

In the 1960's, a paradigm shift wherein small-scale farming was considered central to growth and development occurred. According to this theory small scale farming would improve rural development because of the relationship between farm size and economic efficiency (Berry and Cline, 1979). It is advocated that small farms advance more economic development than large farms because they are labour intensive, and therefore increase jobs opportunities.

Although this paradigm was not immediately popular it influenced rural development from then. The 'rural growth linkages' notion that arose from this paradigm has proved to be stable. This notion argues that with improved activity in small rural farming, growth in non-farm input to agricultural development is encouraged, this in turn improves overall economic activity, foreign exchange, and consumer markets (Ellis & Biggs, 2001).

There have however been limitations pointed out about this theory, these include the fact that, without secure land tenure and access to credit and new technology, small farmers are unable to effectively facilitate economic development (Berry and Cline, 1979).

The World Bank's lending strategies in the 1970s encouraged the setting up of a smallholder development strategy to attack rural poverty (Eicher & Staaz, 1998). Rural development was characterised by land tenure reform and an increased focus on the importance of agricultural extension to assist with technology transfer.

2.4 Process approaches to rural development

With the state involvement limited in driving development, a new model arose wherein it was important for local populations to become the central agencies of their own development. The role of the state was primarily limited to facilitating interaction and stakeholder relationships, especially with the private sector.

Contemporary development theories are based on the premise that development is best achieved through local planning and decision-making. Theories from this school of thinking include the participatory, sustainable, decentralised, as well as integrated rural development approaches.

2.4.1 Participatory/Community Development Approaches

In North-Eastern Brazil, Parker (1998) noted that although the resources allocated for rural development were substantial, rural poverty levels remained high. However, with the arrival of new development initiatives characterised by **decentralisation** and **participation**, there were signs of improvement in the reduction of rural poverty.

These approaches were developed in the early 1970s. Its development was based on the view that development that does not involve local communities is unproductive and unsustainable.

The participatory approach to development calls for development to be people-centred. Participation is seen as an ongoing process, through which communities are enabled to influence development activities that affect their lives (Kotze, 1997). In this approach, development could either occur from the top down, with people being informed of decisions made by the powers that be, or could take place bottom-up with communities involved in the decision-making process.

Ellis and Biggs (2001) list some of the characteristics of these approaches as follows:

- the importance of NGOs as agents for rural development
- research into farming systems
- the importance of indigenous knowledge and gender considerations in development.

The limitations of these approaches were that it considered communities as outsiders in the overall governance and decision-making system. **Governments were also not seen as central agents of rural development.** This resulted in communities' voices not being heard and/or included decision-making processes.

The South African process of designing the ISRDS drew the following lessons from these approaches:

- the importance of integrating community participation in rural development programmes.
- the importance of NGOs in assisting government with rural development
- Capacity building should be viewed as one of the first steps in ensuring that rural development succeeds.

2.4.2 Integrated Rural Development Approaches

The 1970s heralded the development of new approaches biased towards rural development. The Integrated Rural Development (IRD) approach was most widely promoted by donor agencies. Donors' position was that investments in rural areas were not having the desired impact as development was sectorally based (Uphoff, 2001).

The IRD approach was characterised by the following 'pillars':

- demand-led development
- resource mobilisation (money, HR (human resources), and material - including local communities)
- integration from below.

Uphoff (2001) further argues that real integration in rural development efforts needs to be implemented by the end-users and local entrepreneurs. To be successful, IRD needs to operate more in a **programme** mode, with periodic reviews and revisions, rather than in a project mode (Chambers, 1986).

The World Bank, which in the 1970s started designing its rural development programmes according to this approach, developed guidelines that argued that rural development would succeed under the following conditions:

- stable macroeconomic and sectoral policies
- the encouragement of private agricultural growth
- public expenditure and investment that does not discriminate against the rural poor
- the promotion of access to land, land security and water rights
- the private and public sectors should complement one another by generating and disseminating knowledge and technology
- skills mobilisation and labour through decentralised processes
- full engagement of the rural poor in all steps of the programme.

The IRD failed in the 1970s because of various reasons. Its top-down approach led to its programmes becoming unpopular amongst its supposed beneficiaries. It also became too expensive to implement due to the many facets of rural development that one project had to address. There were, however other reasons not related to the approach as such. These included:

- an adverse policy environment
- lack of government commitment
- institutional development neglect
- co-ordination problems (Eicher & Staaz, 1998).

The development of the 1990s saw what could be argued as the modernisation of this approach. Integration was defined from a sustainable development perspective. It is

seen as promotion of the integration of environmental and agricultural activities, diversification of economic activities, as well as community development and social inclusion. The integration of central government strategic agendas and local influences are also central to this approach.

2.5 Sustainable Livelihoods Approach to Rural Development

As part of exploring the redesign of rural development, Johnston and Clark (1982) argued in favour of a **three-pronged approach** for successful rural development. This approach favoured the inclusion of production, consumption and organisational programmes in rural development strategies.

From the late 1990s to the early 2000s, sustainable development became the catchphrase in development circles. Sustainable development moved from being an environmental issue to a socio-economic balancing concept. This led to the realisation of an increased role for local governance institutions (communities, civil society and local government itself).

2.5.1 Decentralisation and local governance institutions

The sustainable livelihoods approach concentrated on the need to strengthen development institutions at especially the local level. Proponents of this theory argued for:

- the strengthening of government and private sector interaction to allow local development to be market-driven
- the need to improve NGOs' capacity to implement developmental programmes
- strengthening decentralised government institutions as a way of enhancing development.

It is assumed that rural areas are poor because they are marginalised in terms of politics and decision-making processes. It is also asserted that decentralisation increases accountability and responsiveness to local needs (Johnson, 2001).

Johnson also argues that economic development requires governance systems that favour planning and coherence rather than the demands of democratic representation. This point is important to note due to the founding basis of the ISRDP placing more emphasis on Integrated Development Planning process¹².

The decentralisation of rural development could also be argued to have an effect on global development (“think globally and act locally in rural development”). Uphoff, (2001) indicated that this concept applies to integrated rural development. This is because vibrant local rural economies are important for global economic activity.

Theories about the state’s involvement in development focus specifically on its involvement in economic and social development. In South Africa, the state (through local government) actively promotes economic and social development, whilst also acting as a catalyst of the two processes to ensure sustainable development. Sustainable development can be achieved by balancing socio-economic development through institutional development.

2.6 Summary

This Chapter outlined the schools of thought that influenced rural development over many decades. Classic, as well as contemporary theories of development, encourage certain elements of rural development, ranging from the modernisation of the economy to local governance. The elements of the various schools of thought are manifested in the ISRDP in different formats (see table 2.1). As an example, the ISRDP is based on the assumption that developing rural areas would improve the country’s overall economic performance as emphasised by the modernisation theories, whilst it is also

¹² See Annexure A on the Integrated Development Planning Process

premised on the importance of community participation and local decision-making as argued for by the process and sustainable livelihoods approaches.

Table 2.1 Summary of rural development paradigms and practices from the 1960s to the 2000s (Adapted from Ellis & Biggs [2001])

1960s	1970s	1980s	1990s	2000s
<p>Modernisation, Dual Economy Community development Social investment</p> <p>Efficient small-scale farming Agricultural extension Dynamics of growth in rural areas [LED]</p> <p>Process, participation and empowerment Integrated Rural Development IDP Process</p> <p>Sustainable livelihoods Governance, decentralization Role of local governance institutions</p>				
<p>Key:</p> <ul style="list-style-type: none"> • Paradigms • Rural development emphasis • Integrated Sustainable Rural Development Programme elements 				

CHAPTER 3

AN OVERVIEW OF THE INTEGRATED SUSTAINABLE RURAL DEVELOPMENT STRATEGY AND PROGRAMME

3.1 Introduction

Prior to the development of the ISRDS, government had attempted, through various departments and programmes, to address the challenges brought about by slow rural development. These programmes had a limited impact on rural development, as they were not totally rural-focused. It also lacked co-ordination, resulting in duplication and conflict at community level, and was assessed in terms of quantity rather than quality. In addition, rural development initiatives were mostly developed at national level with local government expected to implement it. Issues of unfunded mandates, limited capacity and even conflicting national and local priorities influenced the implementation of these rural policies.

The RDP, as already indicated in Chapter 1, provided a development agenda for South Africa. An RDP Office under the then Office of the President was set up to disburse and monitor RDP funds to government departments. Under this programme, government departments were 'conditioned' to spend a certain percentage of their budgets on specified development projects.

The Rural Development Framework (1997) published by the Department of Land Affairs after the closure of the RDP Office in 1996, sought to ensure that momentum gained in rural development would be maintained. This framework laid the basis for the principles and objectives of the current ISRDS, through its insistence on building LED and rural livelihoods, whilst also building infrastructure, social sustainability and local capacity.

To enhance its housing delivery mechanisms, the Department of Housing developed a document entitled *Towards Implementing an Integrated Rural Development Programme*

with an Urban-Rural divide purpose. This document provided a substantial foundation for rural development, by illustrating that rural development has to be undertaken in the context of increasing urbanisation. This document also focused on the strategic mining and energy areas of the Department of Minerals and Energy (DME). With regard to mining, the strategy was specifically aimed at rural areas affected by mining retrenchments. With regard to energy matters, the strategy explored the supply of affordable energy services to rural households.

Before the ISRDS, government had some success with rural development. This success included the targeted approach towards rural development. For example, support for small-scale mining, LED and the Community-Based Public Works Programme showed some success because they specifically targeted certain areas.

3.2 The ISRDS

In 2000, Cabinet approved a rural development strategy called the ISRDS. This strategy served as a blueprint for concerted efforts towards rural development in South Africa. The ISRDS was officially implemented with the announcement of the pilot nodes to be targeted during President Mbeki's State of the Nation Address in 2001. With the strategy as guide, anchor projects to kick-start implementation were instituted under the ambit of the ISRDP. It must be understood that the ISRDP was not meant to be a separate programme, but a new **integrated and co-ordinated** system of implementing programmes in rural areas. This form of Integrated Rural Development (IRD) is new in that although it utilises principles of the 1970s IRD¹³, it also features new principles, objectives and elements that address some of the 1970 IRD failures (these include Local Economic Development and targeting poverty, see section 3.2.2)

¹³ These include integration from the bottom, multi-sectoral involvement and utilisation of public, private and community resources

The ISRDP is to run for ten years with the following stages:

- 2001 - 2004: Programme design and piloting
- 2005: Mid-term review
- 2005 -2010: Communication of the exit strategy for agencies situated outside the nodes.

3.2.1 ISRDS elements

The ISRDS and its projects feature distinct elements that separate it from all other programmes within the RDP. These elements are:

a) Rural Development

The basic element of this strategy is its distinctiveness in specifically targeting rural areas instead of urban areas. Targeted activities are geared towards increasing the **economic development** of rural areas so as to lessen its dependency on urban areas. In this case, economic development not only refers to growth in per capita income but growth plus social change as argued for by Lemco (1988).

Socio-economic improvement in this strategy is facilitated more by LED through infrastructure provision, community mobilisation as well as capacity-building initiatives. These activities are aimed at advancing the activities of the poor and marginalised in reducing poverty levels.

b) Sustainability

According to the Columbia University's Biosphere Centre (2003), one of the important principles of sustainability is **social equity**. An underlying purpose of development is argued to be, benefit to the people and an improvement in the quality of their lives. The ISRDS is aimed at ensuring that the poor become catalysts of their own development.

With the ISRDP ultimately leading to LED and reduced poverty levels, rural development would be sustained.

With locally developed IDPs as the foundation for implementing ISRDP projects, the participation of local communities in the decision-making process is ensured. Local government institutions, such as municipalities, which play a central role in developing and managing these projects, are prompted to budget for the processes which are needed to sustain ISRDP projects. The projects selected should therefore create revenue for local municipalities. This would in turn result in local reinvestment, thus ensuring sustainability.

Social sustainability is also cited as an important element of the ISRDP (ISRDS, 2000). When the strategy was developed, it was hoped that it would not destroy existing social cohesion but rather enhance it. Projects implemented through the ISRDP are therefore aimed at achieving this.

The ISRDS aims to make rural development sustainable through economic improvement, the provision of social amenities and the establishment of viable institutions (ISRDS, November 2000).

c) Integration

One of the major reasons why the ISRDS was developed was due to the lack of project integration under the RDP, especially in rural areas. Integration is cited as a challenge for most development initiatives due to a lack of definition on who does what and when. The ISRDS developed an “organalysis” (to be explained in Chapter Four) to ensure integration by policy-makers, politicians, managers, communities and other role-players. The integration of stakeholder engagement as will be explained in Chapter Five, is also key to the success of this programme.

The integration element of the ISRDS not only refers to organisation, but also to the interrelatedness of its attributes. Improved standards of living and productivity to ensure mutually beneficial relationships with other parts, self-sustainability, and local autonomy, are some of the attributes that this strategy strives to link.

The integration of development at the local level would be undertaken by the municipality using its IDP (Integrated Development Plan) developed with communities. The IDP as a developmental tool for the municipality would then guide government, private, international and other funders with information on municipal needs for rural development to be realised.

d) Growth dynamics in rural areas

The declining or rather non-existent economic growth in rural areas were reason enough to establish a programme targeted at rural areas. To illustrate this point, Statistics South Africa (SSA) indicated in 2003 that the unemployment rate in the rural areas chosen as ISRDP nodes was 33,9% whereas the national figure was 26,4%. Sectors that contribute towards growth in rural areas were also a target for this programme. Facilitating and engaging in projects that would enhance these sectors was part of the programme's mandate.

This programme would also enhance the spatial dimensions of rural growth. Rural towns connecting hinterlands are promoted in this programme. Infrastructure and service provision to these areas are encouraged so that the ripple effect to the hinterlands becomes a possibility.

e) Rural safety net as an integral part of the ISRDS

Ensuring the realisation of benefit of social programmes in rural development was an instrumental reason for the development of the ISRDP. This was to ensure that

populations residing in the homelands during the Apartheid years would be included in the new social beneficiation programmes.

3.2.2 ISRDS objectives and principles

Linked to the abovementioned elements are the key objectives of the ISRDS. These objectives provide direction to the strategy and its programme. These are to:

- mount a sustained attack on poverty and underdevelopment
- champion, spearhead and showcase sustainable development in the nodes
- pioneer innovative modes of planning, budgeting and delivery
- demonstrate a new vision for developmental local government. (ISRDS, 2000).

These objectives are supplemented by the following principles. These principles were used to identify projects central to attaining sustainable rural development (ISRDS, 2000):

- targeting poverty and poverty alleviation
- LED
- improved co-ordination and integration across government
- decentralisation of decision-making
- demand-driven approach
- partnerships
- community participation.

It can be argued that the ISRDS bridges the rural-urban divide through its insistence on also encouraging non-traditional rural economic sectors (agriculture and tourism). Programmes that were historically specific to urban areas are now introduced as part of the strategy to ensure integrated development and to reduce the need for people to migrate to urban areas. These programmes include housing, improved health services, LED (including markets and bulk infrastructure), employment in other economic sectors, and education and transport.

3.3 Implementation of the ISRDP

The successful implementation of the ISRDP will require co-ordinated service delivery, good institutional arrangements and capacity, stakeholder mobilisation, knowledge management and long-range planning (IDT, 2003). Central to these activities and systems is the effective use of the IDP as an implementation tool of the ISRDP.

3.3.1 Institutional arrangements and capacity

Government laterally manages the ISRDP through its different spheres, departments and agencies, with each component having varied managerial responsibilities. The management, co-ordination and implementation responsibilities also shifted from the Presidency to the DPLG due to a change from development to an implementation phase of the strategy thus necessitating a different kind of intervention.

a. Office of the Presidency

During the development of the ISRDS (1999-2001), the Office of the Presidency, under the leadership of the Deputy President, led the development and consolidation of the ISRDS activities at the national level. The Presidency is centrally located to co-ordinate new initiatives that require all government departments' involvement. This is to allow progress without competition amongst departments. The Presidency does this through the Forum of South African Directors-General (FOSAD) and the Cabinet Cluster System it manages.

After the ISRDS was developed, the responsibility of co-ordinating the Programme's implementation was left to the DPLG. The reasoning behind this was that local government was to be the primary manager of the intended projects. The Presidency is still left with the responsibility of aligning the ISRDP with all other government activities through the Cluster System.

b. The DPLG

In 2001, as the lead national department in Integrated Development Planning, the DPLG was mandated to co-ordinate the ISRDP, with the IDT acting as the supporting agency. This was due to the DPLG's overall mandate of looking after and supporting provincial and local government matters. Since the ISRDS was premised on decentralised planning, implementation and co-ordination, local government was seen as the primary driver of development in rural areas. It was therefore appropriate that the DPLG become the lead implementation department. In February of the same year, President Mbeki announced the names of the 13 rural development (ISRDP) nodes in his State of the Nation Address.

This process coincided with the establishment of a new local government system that was introduced in December 2000 after the first democratic local government elections. This new system positioned local government as the central element in the planning, prioritisation, co-ordination and provision of services at the community level through the IDP process.

c. The Independent Development Trust

The IDT was appointed as a supporting agent for the ISRDS development and implementation phases (ISRDS Secretariat: 2000). Due to the cross-cutting responsibilities of the DPLG and the IDT, the two parties signed a Memorandum of Understanding (MoU) in 2002, outlining their respective responsibilities. Their responsibilities were defined as indicated in table 3.1 below.

Table 3.1 The roles and responsibilities of the IDT and DPLG as co-ordinating agents in the implementation of the ISRDP (DPLG and IDT, 2002)

IDT	DPLG
Develop a National Operation Plan	Overall responsibility for the design, planning, co-ordination, implementation, management, monitoring and evaluation of the ISRDP
Prepare nodal plans and ensure support to all the nodes	Liase with and report to Cabinet and its clusters
Facilitate the procurement of services provided by any state organ as required by the IDPs	Co-ordinate ISRDP resources at the three spheres of government
Assist with stakeholder mobilisation in each node	Develop and implement a communication strategy for the ISRDP
Develop and implement a monitoring, reporting and evaluation system for nodal IDPs	Ensure annual review of IDPs

The MoU was developed to clear up confusion that existed about the perceived ‘conflict’ of responsibilities between the two parties.

d. National and Provincial Government departments

Other government departments are responsible for assisting municipalities with the implementation of ISRDP sector projects. Support in this case refers to capacity-building, as well as financial and technical assistance. Through the **interdepartmental committees** that exist at both national and provincial level, co-ordination between these departments is achieved.

3.3.2 Stakeholder mobilisation

According to the ISRDS (2000), a wide range of interest groups was to be mobilised around the strategy. These groups were arranged into the following categories:

- Politicians : leadership
- Government : operational
- Communities : beneficiaries and instigators

- Partners : service providers, funders etc.
- Media : communication.

These participants are required to ensure that the ISRDP is sustained through support from the respective communities, the private sector, government, and other development partners. The roles of governmental stakeholders are discussed in more detail in Chapter Four while the role of non-governmental stakeholders are discussed in Chapter Five.

3.3.3 Co-ordinated service delivery

The co-ordination of service delivery by all stakeholders (alluded to above) is another key element to ensuring the success of the ISRDP. Co-ordination to this effect requires interventions by the three spheres of government (as discussed in Chapter Four), as well as co-ordination between government, the private sector, development partners and the communities involved.

The role of the IDP process in ensuring co-ordination is key, in that the projects that are implemented are based on these plans. The five-year IDPs and their amendments are submitted to the National and Provincial Government on an annual basis, so that these spheres of government can budget effectively according to the needs of municipalities as indicated in the IDPs.

As indicated in Chapter Five, co-ordination between government and other role-players such as the private sector and civil society is minimal, resulting in resources from these organs not being maximally exploited.

3.3.4 Knowledge management and long-range planning

When the ISRDS was developed, the planners relied on statistical information related to poverty levels, economic activity as well as population development from various parts

of the country. With the implementation of the ISRDP, reliance on this kind of information did not decrease and the role played by the affected municipalities in this regard is considered very important.

To build on this body of information, SSA¹⁴ is engaged in a process to build municipalities' capacity to collect vital information through municipal programmes such as indigent household registration as well as primary health care provision. These activities would allow the country to successfully plan over the long term and to monitor the impact of the ISRDP. This process is, however, not discussed in detail in this study, as it is an activity planned for the future.

3.4 Experiences with the ISRDP implementation plan as measured against the ISRDS principles

According to the ISRDS, the ISRDP would be a 10-year programme aimed at ensuring that by 2010, rural areas would have attained the internal capacity to ensure integrated and sustainable development (ISRDS, 2000).

Specific municipalities were to be targeted according to geographical imperatives such as poverty levels, access to economic infrastructure and other measures. Three nodes were initially identified as pilots for the implementation of the ISRDP. These nodes were gradually increased to make up the current 13. The rationale for having a small number of nodes at first was to ensure that management, implementation and other lessons from the programme are easily extracted so as to have an improved system when additional nodes are selected.

Funding for the ISRDP in these municipalities would be sourced from national and provincial governments, municipal budgets, donors, NGOs, the private sector and the Intergovernmental Fiscal Revenue Base. The implementation of the ISRDP is primarily

¹⁴ Statistics South Africa is a government agency responsible for the collection and management of statistical information.

guided by the Intergovernmental Relations (IGR) system in the country, in that it is based on the IGR principles of consultation, co-ordination and co-operation.

3.4.1 Improved co-ordination and integration across government

During the compilation of this research report, it became apparent that the implementation of the ISRDP is still marred by co-ordination problems that it intended to avoid in the first place. For example, although the co-ordination of expenditure and the involvement of national and provincial departments in the nodes is being addressed, the integration of the ISRDP into municipal systems seems to be a challenge for some nodal areas (for more detail refer to the Maluti-a Phofung case study in Chapter Six).

3.4.2 Targeting poverty, poverty alleviation and LED

In its assessment of the IDPs in 2003, the DPLG concluded that the thrust of IDP implementation in municipalities is geared more towards 'the technical' and 'service delivery'. There is a bias towards bulk infrastructure projects. Implementation of 'soft projects' such as those related to LED and HIV and AIDS is not sufficient. This therefore leads one to conclude that poverty alleviation will not be achieved under the current ISRDP project plan, as the projects that require long-term effort are not being implemented effectively.

3.4.3 Decentralisation of the decision-making process

The reliance on guidance from municipal IDPs rather than the centrally-decided upon services, indicate that the decentralisation of decision-making in terms of which projects are funded, is improving within the ISRDP. This funding model based on municipal IDPs has ensured that both provincial and national government departments do not fund projects they would prefer to, but rather the projects as indicated by the relevant communities in their IDPs.

However, municipalities are still experiencing a shortage of resources due to its reliance on national and provincial funding. Insufficient fiscal decentralisation is a major problem that hampers the maximum, efficient implementation of projects in accordance with the ISRDS. To illustrate this problem, in his May 2004 SoN address, the President announced that government would develop a Financing Protocol for the ISRDP to curb this problem.

3.4.4 Partnerships

Partnerships at the local level, especially with NGOs and the private sector, are the pillar of the ISRDP's success. It was mentioned above that the programme is currently faced with financial and technical limitations. However, these partnerships have not been forthcoming as should be expected due to reasons ranging from municipalities' lack of capacity to the management of these stakeholder relations and ultimately to the private sector not making rural development a priority as part of its social responsibility programmes.

In carrying out this study, it was discovered that only two private sector companies were engaged in structured rural development programmes in the case study areas. Considering the number of private sector organisations that are benefiting from providing services, labour and finance to rural areas, this disjuncture needs to be addressed. This weakness could be argued to be related to the fact that municipalities as already mentioned in 3.4.2 are concentrating on infrastructure projects whilst these companies are more interested in wealth generating projects that would be an investment for them.

3.4.5 Community participation and the Demand-Driven Approach

Through the IDP process, communities are enabled to voice their views about local development priorities. This process has, however, been criticised, with some critics stating that IDPs are still consultant-driven and do not reflect the views of communities.

In the assessment of IDPs, government realised that community participation has not reached its maximum level. This leads one to conclude that community participation in the ISRDP has also not been achieved. The statistics of project types in the ISRDP also indicate that more infrastructure-based projects rather than direct socio-economic projects are being implemented. There is thus the question on whether the projects currently being implemented are really demand-driven.

3.5 Summary

This Chapter explored the critical paths that led to the development of the ISRDP. Rural development in the early 1990s was driven by the RDP. Within the RDP, sector departments implemented various projects targeted at rural areas (e.g. the Department of Agriculture's Land Care Programme).

This practice led to duplication, uncoordinated government activities, and some communities suffering from consultation fatigue. To avert these problems, a better-coordinated effort at rural development was developed through the ISRDS. This strategy centred more on co-ordination to ensure, among other things, sustained LED, community participation as well as value for public money.

The ISRDS saw all government departments targeting their resources at projects based on locally developed IDPs. The implementation of this strategy is envisioned to take place over ten years. The Chapter ended by discussing the current rural development experience as measured against the principles of the ISRDP.

CHAPTER 4

INTERGOVERNMENTAL RELATIONS AND THE INTEGRATED SUSTAINABLE RURAL DEVELOPMENT STRATEGY AND PROGRAMME

4.1 Introduction

The rural development process in South Africa has added an important dimension to development theories. The importance of an Intergovernmental Relations (IGR) system in rural development is a relatively new phenomenon in the history of rural development. Scholars of rural development had not before emphasised the importance of cooperation between different levels of government when intervening in rural development.

IGR in the South African context refers to relations between the three spheres of government as defined by Chapter 3 of the Constitution. This definition is further enhanced by various pieces of legislation such as the National Environmental Management Act, 1998 (Act 107 of 1998), development programmes and other measures that defines government's activities.

IGR defines how the spheres of government should co-operate, communicate, share information and collectively implement the developmental priorities as defined either by national policy or local development plans (IDPs). This Chapter explores how this system manages government stakeholder relations in the implementation of the ISRDP.

4.2 IGR values

The principles and objectives of IGR are enshrined in Chapter Three (Co-operative Governance) of the Constitution. The values of IGR are:

- interaction

- co-ordination
- co-operation
- consultation.

Since these values are central to the implementation of the ISRDP, it can be argued that it is one of government's programmes that clearly implements these values. The following diagram indicates the process:

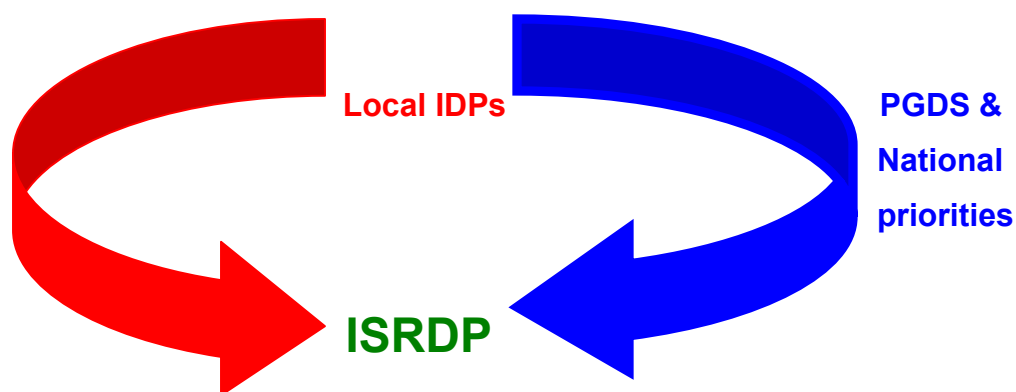


Figure 4.1 Chain defining the relationship between the three spheres of government in planning the implementation of the ISRDP

This diagram indicates that **IDP**-defined priorities inform the **Provincial Growth and Development Strategies (PGDS)** as well as **national priorities**. These priorities in turn define the nature of provincial and national input into the **ISRDP**. Since the ISRDP is implemented at municipal level, municipalities, acting as project managers in the identified nodes, can also directly influence the **ISRDP** through their IDPs in their requests for financial assistance.

This illustrates the importance of differentiated responsibilities and co-operation between the three spheres of government in accelerating service delivery and reinforcing rural development.

Key:

IDP: A strategic five-year multi-sectoral development plan developed by municipalities in consultation with the community with sustainable development objectives in mind.

PGDS: Developed with the same objectives as an IDP, but at provincial level to ensure synergy and long-term benefits.

Box 4.1 Box explaining Intergovernmental Planning

4.3 IGR “organalysis” of the ISRDP

To operationalise the ISRDP with limited conflict regarding roles and responsibilities assigned to the different spheres of government, an IGR “organalysis”¹⁵ was developed to assist with the management of these relationships (DPLG, 2001).

This “organalysis” (diagram 4.2) describes the roles and responsibilities of line-function (national and provincial) departments as well as that of local government. Different roles are assigned to political and technical operators at national, provincial and local government spheres (see Section 4.3.1 to 4.3.3).

The horizontal axis of the table outlines the different government role-players at the political, operational, co-ordination and management support levels. The vertical axis explains the roles and responsibilities assigned to them. The roles and responsibilities defined by the “organalysis” have to be reviewed from time to time, based on the progress made in implementing these responsibilities. The defined roles and responsibilities are:

- (i) ISRDS policy alignment
- (ii) Submission of annual reports to Cabinet
- (iii) Analysis of needs identified in the IDPs and response to recommendations about the integration of resources
- (iv) Recommendations on the alignment of national department programmes to focus on nodes
- (v) Review of national resources in accordance with the Medium Term Expenditure Framework (MTEF) cycle
- (vi) Recommendations on the alignment of provincial department programmes to focus on nodes
- (vii) Review of provincial resources through the MTEF cycle.

¹⁵ An Intergovernmental Relations (IGR) organalysis is a tool used to measure the synergy and opportunities for interaction between various intergovernmental stakeholders so as to evaluate the overall value of the IGR system as if it was an organisation. It was developed by the DPLG and IDT Programme implementation team.

The numbers, one to seven in the diagram, indicate the level of involvement as follows:

- 1: Approve recommendations
- 2: Approve content
- 3: Review content
- 4: Co-ordinate content
- 5: Submit content
- 6: Receive information
- 7: No specific role in this activity.

However, it must be noted that since this is an IGR matrix (note the definition of IGR in 4.1), it does not describe the roles and responsibilities of non-governmental stakeholders such as the private sector and NGOs.

The “organalysis” is illustrated in a diagram as follows:

Figure 4.2 ISRDS “organalysis” (DPLG, 2001)

AGENCY ACTION	NATIONAL SPHERE											PROVINCIAL SPHERE								LOCAL					
	Cabinet	President's Co-ordinating Council	Joint Cabinet Committees: Social & Economic Clusters	Minister for Provincial & Local Government	Minister of Finance	DG: Provincial & Local Government	DG: National Treasury	DG's Clusters of Joint Cabinet Committees: Social & Economic	FOSAD Management Committee	Inter-Departmental Co-ordinating Committee	IDT CEO	Premiers	Local Government MINMEC	Provincial Cabinet	MEC Local Government (IDP's)	MEC's Social, Economic & Development Functions	MEC: Finance	Provincial DG's	Provincial HOD's: Social, Econ. & Devel. Functions	IDT RGM's	District Council Executive Mayors	District Council CEO	Municipal Mayors	Municipal Managers	NODAL SUPPORT TEAMS
ISRDS policy alignment	1	3	3	2	7	2	7	5	3	3	4	2	3	6	3	3	6	5	5	4	6	6	6	6	4
Annual report	1	6	3	2	7	2	7	5	3	5	4&5	2	6	6	3	3	6	2	5	4&5	6	5	6	5	5
IDP resource needs and integration recommendation	1	3	3	2	7	2	3	3	3	3&5	4&5	3	3	1	2	3	3	2	5	4&5	2	5	2	5	4
Alignment of national govt programmes	1	6	3	2	6	2	3	5	3	5&4&3	4&5	6	3	6	6	6	6	5	6	6	3	6	3	6	6
National MTEF alignment review	1	6	3&5	3	2	3	2	3	3	5	4&5	6	6	2	3	3	6	3	5	4	6	6	6	6	6
Alignment of prov. govt. programmes	6	6	6	5	6	5	3	6	6	6	4	6	3	1	3	5	2	2	3&5	4&5	3	5	3	5	4&5
Provincial MTEF alignment review	6	6	6	3	6	3	3	6	6	6	4	6	3	1	3	5	2	2	3&5	4	3	5	3	5	4

4.4 THE ROLES AND RESPONSIBILITIES ALLOCATED TO THE DIFFERENT SPHERES OF GOVERNMENT IN TERMS OF THE ISRDS AND ITS “ORGANALYSIS”

4.4.1 National Government

According to the ISRDS “organalysis”, national government would mainly be responsible for service delivery in the nodes, pooling resources for implementation, facilitating a shift from centralised to decentralised delivery processes, collecting data and reporting to Cabinet (ISRDS, 2000).

A core group of ministers from the Joint Social and Economic Task Team provide leadership and ensure that co-ordinated and integrated delivery occurs horizontally and vertically between the three spheres of government in accordance with the ISRDS. Cabinet members were also allocated nodes to champion, (see Annexure A). All Cabinet Clusters have to ensure that line-function departments prioritise the identified projects in their nodes and budgets and that they operate within identified IDPs.

4.4.2 Provincial Government

Like national departments, provincial departments also act as agents of service delivery in the nodes. Their responsibilities are also based on responsibilities as provided for by the Constitution. These departments are further required to channel their resources through the ‘basket of services’ to the different nodes. The Premiers are responsible for the approval of the content of reports and recommendations, with the relevant Members of the Executive Council (MECs) responsible for reviewing the actual content.

4.4.3 Local Government

Local government, as mandated by the Constitution and other pieces of legislation related to development, is the primary service provider to communities. This is performed with national and provincial government support. Local government is also required to develop IDPs to assist with the identification of projects as well as with the sourcing and prioritisation of resources.

Through the IDP development process, it can subsequently be argued that this government sphere would also be required to act as a catalyst for the involvement of other stakeholders. This process requires that all local stakeholders become involved in identifying and prioritising the needs of the community members living in their locality.

District Executive Mayors are responsible for reviewing the alignment of local policy with the ISRDP, whilst also playing an important ceremonial role in attracting resources to the nodes.

4.5. Summary

This Chapter explained the function of IGR within the ISRDP. By making use of the organisational analysis model, the interaction between the three spheres of government was defined. Their roles, inputs and outputs in realising the smooth operation of the ISRDP, are summarised in the “organalysis” table.

The importance of the “organalysis” has been emphasised by partners involved in the management of the ISRDS. These partners described it as of paramount assistance as it helps to minimise possible conflict.

The “organalysis” also confirms the IGR functions of the different spheres of government in development programmes and as such could be emulated for implementation of other programmes besides the ISRDP. As an example, national

government is responsible for approval and review, provincial government for functions that support national priorities whilst local government is responsible for coordination. The role of the IDT as a support agency to the DPLG of the implementation of the ISRDP, is also confirmed by the fact that its role only centres around coordination and submission of information to DPLG which in turn submits it to government decision making structures

The omission of non-governmental stakeholders (including State-Owned Enterprises [SOEs]) from the “organalysis” can be argued to be a stumbling block to the implementation of the ISRDS. It led to misconceptions about the implementation of the strategy by these stakeholders. As indicated in Chapter 2, the reason for developing the ISRDS was to collate resources being spent in rural areas so as to target the areas most in need. The above-mentioned “organalysis”, although it assists with the coordination of government activities within the ISRDS, does not assist with the coordination and collation of resources from the private and NGO sectors so as to link them with government initiatives in the identified rural nodes.

CHAPTER 5

NON-GOVERNMENTAL STAKEHOLDER INTERACTION WITHIN THE INTEGRATED SUSTAINABLE RURAL DEVELOPMENT PROGRAMME

5.1 Introduction

The ISRDS and the associated ISRDP is based on the notion that government will lead and create an enabling environment for rural development (Africa, 2003). This makes the complementary role of other development stakeholders central to the success of the strategy. Several documents, including the ISRDS, indicate that the shortcomings of programmes aimed at rural development during the pre-ISRDS period were the result of poor co-ordination and inefficient government expenditure in rural areas.

The same can be argued with regard to stakeholder involvement. Before implementation of the ISRDP, each government department engaged its own stakeholders. This resulted in what is commonly known as 'consultation fatigue' in South African development circles. For example, the DME roped in Eskom and several mining groups in its programmes while the departments of Trade and Industry and Public Enterprises also worked closely with the same stakeholders. This duplication of work also created confusion in terms of stakeholder mobilisation.

It is argued that the ISRDS is sustainable to the extent that it establishes a major role for local government in the co-ordination of the participatory development process and in the mobilisation of resources (ISRDS, 2000). The ISRDS goes on to argue that one of its main structuring mechanisms to be used to drive the initiative would be the development of institutional capacity at the local level, based on the fostering of partnerships between local government, public entities, NGOs and the private sector. This indicates the key role that local government is expected to fulfil in attracting or

mobilising the participation of other stakeholders in the development and implementation of the strategy.

Shepherd (1998) also argued that rural development thinking and practice is shifting its focus from a technical quick-fix scientific solution to a more holistic, participatory and adaptive approach - from a state-driven top-down approach to the building of sustainable local institutions. He goes on to further argue (1999) that this shift revolved around government's reduced role and the increased role of other role-players such as civil society, collective institutions and the private sector.

The development and roll-out of the ISRDS has proven this true. The design and elements of the ISRDS as mentioned in Chapter Two point to a move from **government** to **governance** whereby all entities contributing towards the well-being of the public have to co-operate.

Institutional reform, as one of the major themes for development in the 1980s and 1990s, also redefined the role of the state in development versus that of the private sector and civil society. Writers such as Patrick Bond (2000) argue that "greater participation, by definition, is vital to the enhancement of 'social capital', which could... prevent social exclusion".

Development scholars have argued that for every development programme to succeed, the participation of the relevant community is required. In the development of the ISRDS it was realised that the participation of communities on their own will not be enough but that there are other stakeholders that are equally important to the success of this programme.

This Chapter interrogates stakeholder mobilisation in terms of the private, non-governmental and international partners that participate in the ISRDP. The Chapter also tests to what extent the following ISRDS statement is implemented:

“...the widest range of interest groups possible will be mobilised around the ISRDS, ranging from the targeted rural poor communities or the beneficiaries on the one hand, and service providers and policy makers on the other. The roles of stakeholders will differ at various points of implementation, as will the number of partnerships and participation arrangements that will evolve. A broad range of stakeholders has been identified, and will be targeted to balance spatial or sectoral requirements” (ISRDS 2000).

The opportunities for forging partnerships and stakeholder engagement provided by the ISRDS, will also be discussed.

5.2 Stakeholder engagement within the ISRDS

According to the United Nations Human Settlements Programme [UNHABITAT] (2001), stakeholders are those people:

- whose interests are affected by the issue or those whose activities strongly affect the issue
- who possess the information, resources and expertise needed for the formulation and implementation of strategy
- who manage the relevant implementation instruments.

The activities, roles and experiences of these types of stakeholders are discussed in the following section

5.2.1 The leadership and the executive

As already mentioned in the previous chapter, the IGR “organalysis” defines the level of interaction between the leadership and the operation. Cabinet and the Directors-General Clusters introduced by the Presidency also assist with this process.

The process includes sensitising departments about the need to integrate their resources in the quest for rural development by means of Cabinet decisions and the formation of interdepartmental task teams at all spheres of government. Although the involvement and impact of these interdepartmental teams is questionable in that planned meetings do not always attract the necessary actors, mobilisation was however undertaken.

These stakeholders ensure that government's development objectives are realised through the ISRDP. Their role mainly lies in providing direction to government priorities, facilitating financial assistance either directly from government or from international partners as well as monitoring implementation measured against set priorities.

5.2.2. Traditional leaders

The involvement of traditional leaders in the development and implementation of the ISRDS and ISRDP has been a matter of great debate and tension between government and these leaders. It is argued that the establishment of developmental local government in rural areas has been the main source of tension between these two institutions (Ntsebeza, 2004). The role of traditional leadership in developmental local government, land administration and rural development specifically, are the main elements of this tension.

In the ISRDS traditional leaders are classified as some of the stakeholders that have a role to play but their specific role is not outlined. The lack of consensus about the role of traditional leaders led to their limited involvement in both the development and implementation of the ISRDS. However, in the nodes where these leaders are participating, their involvement has been valuable and forthcoming. In nodes such as Bohlabela and Maluti-a-Phofung, traditional leaders play a critical role in the implementation of ISRDP mainly through their participation in elected local government structures.

According to the Communal Land Rights Bill of 2004, traditional leaders have a responsibility of land allocation in rural areas. This responsibility makes cooperation with them central to the success of the ISRDP as most of the projects need land allocation to be implemented. Some of the other roles these leaders can fulfil in rural development include assisting with land claims cases, land allocations for rural development projects and general planning (DPLG, 2003). To ensure the sustainability of the ISRDP, traditional leaders also have an important role to play in ensuring the moral regeneration of the community.

It should be noted that there is no specific framework for engaging traditional leaders in the ISRDP. Their engagement is locally based and depends on local relations and is influenced by national policies such as the Communal Land Rights Bill and the Traditional Leadership and Governance Framework Act of 2003.

5.2.3 Beneficiaries and instigators

The IDP process manages the beneficiary and instigator role of communities in the ISRDP. According to the Municipal Systems Act, 2000 (Act 32 of 2000), municipalities should mobilise the participation of local communities, including business and Community-Based Organisations¹⁶ (CBOs) when developing the IDPs. The IDP assessment undertaken in June 2002, pointed to the fact that public participation in the development of IDPs is still a major challenge (DPLG, 2002). International researchers such as Pycroft (2001) have also alluded to the limited success of integrated development planning due to the little engagement it solicits from communities. There are, however, notable community stakeholders who, even before the development of the ISRDP, were actively involved in rural development.

The South African NGO community has been on the forefront pushing for rural development to become a government priority. For example, in April 1999, the NGO

¹⁶ For the purpose of this research the term Non-Governmental Organisations (NGOs) is all encompassing to include Community-Based Organisations and organisation traditionally referred to as NGOs.

community, through the Rural Development Initiative, gathered at a conference in Bloemfontein to define South Africa's need for rural development. The main outcome of the conference was the Rural People's Charter that, among other things, called for work to be undertaken in the following areas:

- Rural Economic Development
- Clean water for all
- Dignity and freedom for women
- Opening the doors of learning and culture
- Land and agrarian reform support to emerging farmers
- Security for farm workers
- Sustainable Environmental Management
- Combating violence through empowerment
- Building leaders
- Health care
- Governance by the people
- Land to the landless.

(derived from the Rural Development Initiative, Rural People's Charter, 1999, unpublished).

The principles and elements of the ISRDP as identified in Chapter 2 clearly illustrate that the above-mentioned Charter was taken into consideration when the ISRDS and the ISRDP were developed. However, the question that remains is whether the advocacy of the NGO community for the development of the ISRDS is being utilised to ensure its success.

The other big question in this case is whose responsibility is it to bring these partners on board? Researchers such as Pycroft (2001) argue that due to the diminishing role of civil society as a watchdog and critic of government, the points of access for local communities and their influence on government programmes has been diminished. This scenario therefore defeats the principle of community participation envisaged by the ISRDP (Chapter 3).

One can try to answer the above question by arguing that the role of national and provincial government in bringing these partners on board is only limited to the development and strategy phase so as to solicit the input and views of the NGO community. However, in practical terms and in accordance with constitutional and legislative provisions, local government should be playing a major role in ensuring the involvement of NGOs in the implementation of the ISRDP. Several tools and enabling mechanisms have been put in place to facilitate this. These include IDP processes and provision for public-private partnerships in local government legislation.

This responsibility does not however only lie with local governments. NGOs also have a proactive role to play as local government is sometimes limited by government regulations in terms of the level on which it can engage with these communities. An example of this is the tender procedures provided for by the Municipal Systems Act (2000). It stipulates that if a municipality requires the services of an outside agent, it should advertise and preference should be given to agencies that have good corporate governance mechanisms in place. This process in itself makes it difficult for municipalities to engage the services of its local partner NGOs, whom could have been involved during the design phases. NGOs therefore have a responsibility to ensure that it operates in such a way that would enable it to tender for municipal services.

It must be highlighted that the interests of rural development instigators and beneficiaries lie in the need to be empowered economically and educationally. They also have a vested interest in ensuring that the programme is sustainable to ensure that they benefit in the long term.

5.2.4 Service providers

This sector of stakeholders is faced with a variety of opportunities to become involved (i.e. at the national, provincial and local government level). However, the ISRDS saw their role as mainly locally-based. The ISRDP does not specifically identify their role as

social developers but as providing services for financial return. This situation led to SOEs (State Owned Enterprises) grouping themselves into a coalition operating at the three spheres of government so as to leverage resources and become social partners (see box 1).

The ISRDP service providers are mostly providers of basic services (water, electricity and sanitation) and professional services (e.g. planning and project management). The influence that they have on the development of IDPs, the management of programmes as well as the quality of basic services has an influence on the ISRDP's ultimate success. It is also quite notable that in the two case studies used, these service providers are mostly SOEs.

THE NATIONAL COALITION FOR MUNICIPAL SERVICE DELIVERY

In 2002, parastatals formed a partnership to leverage resources for rural development and urban renewal at local government level. The partnership was formed because although resources were being pumped into the nodes, municipalities' capacity to utilise these resources were limited. This necessitated interventions different from that of government. This initiative, although developmental in origin, should not be regarded at face value. Some of its origins were market-based as these institutions expect returns from municipalities in terms of service-provision perks. However, it should be commended for the values and progress it has made in ensuring the success of the ISRDS.

COALITION STRUCTURE AND MECHANISMS

The Coalition evolved from the Municipal and Utilities Capacity- Building Programme initiated by Eskom Enterprises (NCMSD, 2002). It operates at the local government sphere, where public and private institutions meet according to developmental clusters to define structure and negotiate their involvement in development together with the municipality concerned. The Coalition has been operational in one node but the success experienced in that node warrants this as a case study for further advancement of the ISRDP. According to the terms and reference of the Coalition, it seeks to

- leverage resources
- build partnerships
- promote a co-ordinated approach to local government.

The Coalition places a strong emphasis on **holistic** economic development. Although the ISRDP seeks to promote economic development, since it is driven by government departments, economic development is not looked at holistically enough as each department contributes only a certain portion of the 'pie'. There is however, no agency responsible for advising and enticing municipalities to use the provided resources (infrastructure, HR development and social services) for integrated economic development.

Box 5.1 Background to the National Coalition for Municipal Service Delivery

5.2.5 Private-sector initiatives

Although most private sector organisations have **social** programmes, rural development has in most cases not been included as one of these programmes' key components. In cases where the private sector has launched rural development initiatives, the ISRDP reports indicate that the linkages have been weak.

a) The Mineworkers' Development Agency

In 1998, the National Union of Mineworkers negotiated with the mining sector and government for the establishment of a social plan to curb the effects created by job losses on the mines. This plan saw the development of LED and skills development centres in areas where retrenched miners came from and in the mining towns themselves. Experiences and partnerships developed through these centres can prove to be valuable to the ISRDP. The work of the departments of Trade and Industry, Minerals and Energy, organised labour and the private mining sector is an example of this. This initiative also saw the provision of financial services through TEBA cash, technical training schemes and raw material-buying agencies for small producers.

b) The Rural Economic Development Initiative (REDI)

Old Mutual, through its Foundation for social development, developed the REDI. It was set up to implement projects in rural areas. The projects initiated range from social (support to schools) to economic (support to small business development). Rural development scholars could argue that the types of projects supported by the REDI are unsustainable due to the following reasons:

- they are not integrated as part of the whole institutional arrangements in the localities where they are implemented
- they are based on corporate social responsibility rather than a general sustainable development process.

Although the shortcomings of these projects were identified above, the lessons learnt and the partnerships formed through them cannot be ignored. The role of ensuring that these projects are integrated in the overall institutional set-up, therefore becomes crucial. Government also has a responsibility to supplement these projects through other partnerships or government initiatives to ensure that the REDI projects are sustainable and beneficial.

5.2.6 Funders

The ISRDS has managed to rope in an array of private and public funders. These stakeholders' involvement also varies, depending on the nature of the work that they assist the ISRDP with. For example, being a policy-related organisation, the United Nations Development Programme (UNDP) is more involved in assisting nationally than in the implementation of the ISRDS (per node).

It should also be realised that some stakeholders that can be classified as service providers are actually funders. For example, Eskom provides the electricity services in rural nodes, but it has in some instances funded these services. The ISRDP Anchor Projects Report indicates that this was the case in the Kalahari/Kgalagadi Node.

Minimal financial support has been received from other international, private sector funders. Contributing factors range from a lack of government lobbying to potential funder apathy.

5.3 Stakeholder engagement strategy

A stakeholder mobilisation strategy has not been put in place for the implementation of the ISRDP (Africa, 2003). Processes to engage and structure the participation of these stakeholders have, however, been undertaken. These processes include organised meetings with parastatals organised by the IDT as well as *ad hoc* meetings, which in most instances was held at the request of the stakeholders. A short-term framework for

stakeholder participation, co-ordination and integration was developed by the IDT. A medium-term mobilisation towards a shift away from a centralised nationally-driven and owned process to a decentralised, locally-owned and driven process was also expected to be developed.

5.4 Summary

This Chapter has indicated that non-governmental stakeholder engagement in rural development existed even prior to the ISRDP. This programme has, however, not been able to fully mobilise these stakeholders to reach their full potential in ensuring successful rural development.

The co-ordinated engagement of stakeholders has not been forthcoming from the national, provincial and local government spheres. Each sphere would engage stakeholders as and when it regards necessary, a factor that could result in the duplication of stakeholder relationships to address the same issues.

A national strategy for stakeholder mobilisation has not been developed although it is part of the ISRDP work plan. This has led to the following lessons being learnt that are important for development paradigms:

- The voluntary involvement of private sector organisations and parastatals, resulting in improved service delivery, is possible
- unorganised and unguided stakeholder involvement could, in some instances, result in chaos that could undermine the ISRDS' co-ordination efforts.

A positive experience that came about as a result of the stakeholder apathy and lack of co-ordination was that some started organising themselves in a way that would assist in engaging with the ISRDP. Various stakeholders also continued to participate in rural development projects located within and outside of the ISRDP nodes.

It was foreseen that the stakeholder mobilisation and partnerships that would evolve during the course of implementation, would evolve with time (IDT, 2003). This therefore means that stakeholder participation in the ISRDP will vary from time to time, depending on the stage of implementation. The evolving nature of stakeholder involvement in the ISRDP also creates co-ordination challenges, owing to the changing role of these engagements.

CHAPTER 6

CASE STUDY ANALYSIS OF STAKEHOLDER MOBILISATION IN SELECTED NODES

6.1 Introduction

To test the success of the ISRDS, government identified and established 13 nodes as pilots over a period of time. Expectations exist that government will increase the number of nodes. The nodal areas were chosen based on their poverty levels as indicated in various studies such as *Poverty and Inequality in South Africa (1998)* and other SSA products.

Owing to the qualitative nature of this dissertation, only two nodes were used as case studies, namely the Maluti-a-Phofung and the Kgalagadi/Kalahari Nodes. The nodes were chosen because of their different stakeholder engagement experiences. Government institutions support the one node more, whilst the other enjoys some unique parastatal support. Interviews were carried out with members of the nodal delivery teams, managers at national level as well as representatives from some stakeholder groups. Other information was extracted from reports submitted to the DPLG on the implementation of the ISRDP.

6.2 Maluti-a-Phofung Node

This municipality is situated in the Free State, in the Thabo-Mufutsanyane District Council (DC), which includes the major town of Harrismith. This DC has the following characteristics:

- A population of about 730 000 people with 43% living in rural areas.
- About 54% of the population living in Maluti-a-Phofung are in QwaQwa, a former homeland.
- 50% of the population does not have access to potable and safe, clean water.

- More than 75% of households do not have proper sanitation facilities, electricity and telecommunication services.
- Some 38% of the school-going age population does not attend school.
- The economically active part of the population features an unemployment rate of between 65% and 70%.
- The average income of a person living in Maluti-a-Phofung is approximately R1000 per month.
- The area is a mixture of rural and semi-rural patches with most households dependant on urban services and activities for jobs. Rural development activities include cultural tourism and limited subsistence farming.

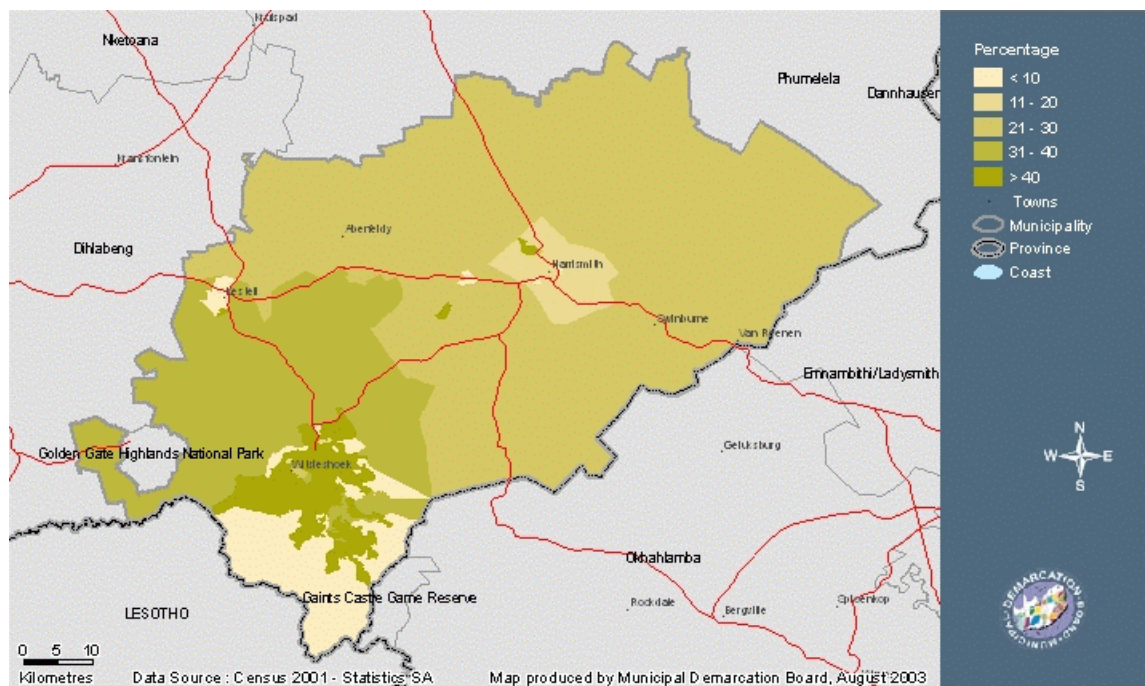


Figure 6.1 Map of the Thabo-Mofutsanyane District Municipality

6.2.1 ISRDP Implementation in the node

This node features many of the ISRDP’s building blocks as identified by the ISRDS document. These ‘building blocks’ include **anchor projects**, a variety of **stakeholders** from different sectors, and mechanisms to build **local decision-making capacity**.

a) **Anchor Projects**

The projects implemented in this node between 2001 and 2003 were mainly of a social and economic infrastructure origin (Refer to table 3.1). In a way, these anchor projects addressed the ISRDP principles as mentioned in Chapter 3. The projects are initiated through the IDP process as required by the Municipal Systems Act (2000)¹⁷. A discussion on the supplementary system used in this node is discussed in Section 6.2.1b.

¹⁷ See Annexure A for the guidelines emanating from this Act.

Table 6.1 A summary of selected anchor projects in Maluti-a-Phofung

Cluster	Project	Budget & source/	Local Employment (full/ & part time)	Outcome	Stage of implementation
Municipal infrastructure					
	Clinics		16 878 employed part time	Access to primary health care improved	Operational
	Sanitation	R4.5 million DPLG R4 million – Province R350 000 – DBSA R1 million - DWAF R1.5 million-DBSA		13 970 connections	Design stage 66-100% construction 66-100 construction 0% - -33% construction Masterplan
	Access Roads	R 4,5 million- DPLG R 4.4 million- DC R2 million-Local Municipality R1.3 million- DBSA		Opening up of markets for economic and social contact improved.	About 50% of construction completed
	Road safety infrastructure	R350 000, Department of Road and Public Safety	5 employed full time	Effective road management	Speed-checking equipment bought Pound building in a planning stage

LED and tourism					
	Setsing shopping complex	R46 million Free state Development Corporation Department of Finance and Private Enterprises	1 845 jobs created, with 724 of them being permanent	240 000 shoppers expected	
	Tourism Route	R 1.5 million Transnet Foundation District and Local Municipality			Funds approved and service level agreements signed.
	Cultural Village	R 200 000 DFID Department of Sports, Arts and Culture			Operational
	Purification dam and a reservoir	R25 million DPLG DWAF		Supply of potable water to QwaQwa and Kestell	100% operational
	Agricultural production farm (dairy, asparagus, apple and hydroponics tunnel farming)	R25,4 million Departments of Public Works and Agriculture			100% operational

Cluster	Project	Budget and source	Local Employment (full/ part time)	Outcome	Stage of implementation	
Community and Social Services			6355 people employed part-time during construction			
	Primary and secondary health care for the next 10 years.	+_R46 million Departments of Health (national and provincial)		Ongoing		
	Libraries	R6,5 million Carnegie Foundation Department of Communication Municipality		10 service outlets established	Operational	
	Construction of two schools	Approximately R19 million Department of Education		100 % complete		
	Sports facilities	R2,9 million Department of Sports, Arts and Culture		100% complete		
	Local parks	R120 000 Municipality		Would depend on the size	Increased recreation amenities	Planning stage
	Cemetery	R1 million, Municipality		22 temporary jobs created	Improved maintenance of infrastructure	85% of the fencing completed
	HIV/AIDS orphans and the Vulnerable Children Support Programme	R139 280.00 Department of Social Development	10 care-givers appointed	Provide support to children affected by HIV/AIDS	Caregivers trained. Database developed.	

Development Planning and Housing			6520 temporary jobs created		
	Housing projects	About R20 million Department of Local Government and Housing		5000 houses to be developed	Building in progress
Corporate Services					
	Skills development	SETA, DBSA R 62 700.00	None	All Municipal Employees	Ongoing
	Community-Based planning	R 500 000 DPLG,SALGA,GTZ		Support to Ward based planning systems	Ongoing
	Maluti IT company		15 full time jobs created	Increased job opportunities for the youth	Fully operational

b) Stakeholder engagement in Maluti-a-Phofung

This section describes how the stakeholders identified priorities and projects. It also explains how these stakeholders assist with the institutional and technical implementation of these projects. The node interacts with its government and non-governmental stakeholders through various intergovernmental and other co-ordination structures as depicted in Figure 6.2.

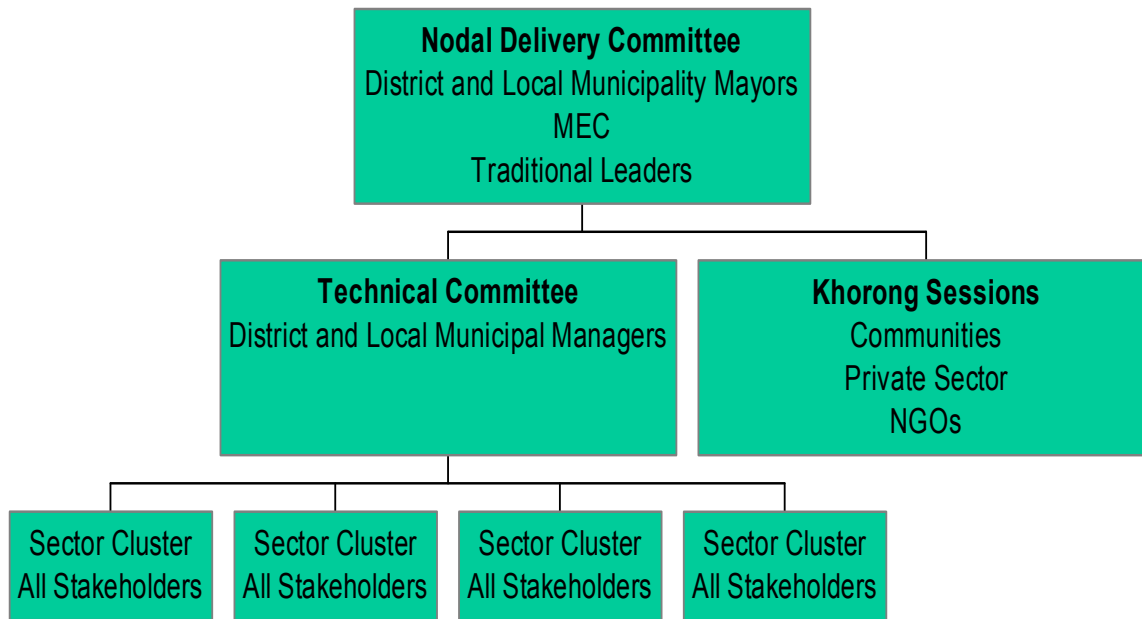


Figure 6.2 Stakeholder engagement in Maluti-a-Phofung.

The **Nodal Delivery Committee** provides political and strategic direction to the ISRDP. It comprises the Free State MEC of Housing and Local Government, the District Executive Mayor, the Local Municipality Mayor, traditional leaders and the district and local municipality councils. This committee meets once every month to discuss and assess the Nodal Technical Committee's report.

The **Nodal Technical Committee** is an administrative team that ensures the integration of projects between municipal departments and ensures the implementation of the IDP. It consists of the provincial champion, municipal directors, and the district and local municipal managers. The Committee meets once every month.

The **Khorong¹⁸ Session** is a monthly political meeting chaired by the speakers of the district and local municipalities and is attended by ward councillors, ward committee members and traditional leaders. It aims to keep the wards and traditional councils abreast of developments regarding the ISRDP. It was indicated during the interviews conducted with the NGOs located in the node that they are only invited to meetings to be informed about what the council is doing, rather than to discuss what the council needs them to do. Some even indicated that they had only been invited to one meeting.¹⁹

The Development Clusters, chaired by municipal directorates, co-ordinate municipal activities as well as that of the ISRDP. These clusters are comprised of CBOs, NGOs as well as community members. They ensure stakeholder mobilisation and community participation. There are seven clusters structured according to municipal directorates, namely- LED and Tourism, Infrastructure, Community and Social Services, Public Safety, Transport and Emergency Services, Development Planning and Housing as well as Financial Services.

Table 6.2 Summary of stakeholders in Maluti-a-Phofung

Political stakeholders (Leadership)	Partners (Service providers, funders, etc.)	Government (Operational)	Communities (Beneficiaries and instigators)
Minister Jeff Radebe Minister Manto Tshabalala-Msimang Deputy Minister L Hendricks MECs L Tshenoli and I Khutsoane ²⁰ Executive Mayor, Ms L Mopeli	National Coalition for Municipal Service Delivery- SOEs (e.g. Eskom, Transnet, DBSA etc.) Free State Development Corporation	Departments of Land Affairs Health Social Development Public Works Local Government and Housing Education Labour Water Affairs and Forestry	Women groups Youth groups Free State House of Traditional Leaders

¹⁸ Khorong is a Sotho word for Council.

¹⁹ It was not possible to access the official records of these meetings to confirm this allegation.

²⁰ The Champion MECs changed after the 2004 elections. The information concerning political champion

6.2.2 Challenges

It became evident during the gathering of information for the study that the involvement of the political champions in the node, especially those from national government, has been weak. Some national political champions have not visited the node or have only visited to engage in areas that their departments are involved with.

The institutional structures of ISRDP implementation in the Maluti-a-Phofung Node are problematic for effective local service delivery. Too many consultation processes affect the level of service delivery. For example, most of the committees are supposed to meet monthly. Taking into consideration that these are not the only committees operational in the node, the quality of stakeholder consultation is compromised.

During interviews with the nodal team, it was indicated that partnerships with service providers, especially SOEs, are very good, although improvements could be made with regard to private sector engagement. It was also indicated that the lack of private sector involvement is not the result of a lack of effort on the part of the local municipality. Poor support from national government to entice the private sector to get involved and the fact that local private companies rely on decisions from their head offices, were cited as contributing factors.

This node also experienced violent complaints from community members living in Intabazwe township next to the nodal main town of Harrismith. In the development of the ISRDP in this node, the township was not prioritised as one of the targeted communities. This resulted in service delivery discrepancies between the township and QwaQwa, a former homeland area. The Sunday Times (5 September 2004) reported that Intabazwe residents complained of non-delivery of services and lack of feedback by the municipality whilst development was progressing in Qwaqwa.

participation is largely based on activities before the 2004 elections

6.3 Kgalagadi/Kalahari Node

This node is a cross-border municipality between the North West and the Northern Cape. The district has three local municipalities. Settlement patterns in this municipality are marked by sparse population.

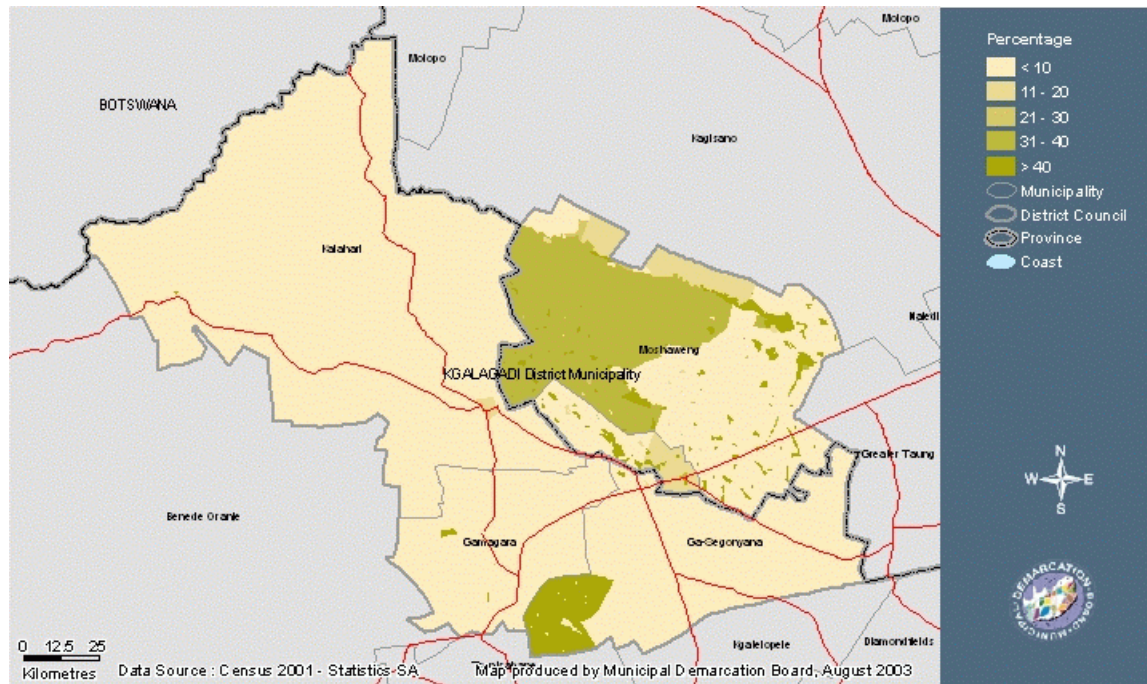


Figure 6.3 Map of the Kalahari/Kgalagadi District Municipality.

The municipality has the following demographics:

- A population of 181 000.
- An unemployment rate of 53% .
- A total of 89%of the people have no access to land for agricultural purposes.
- Some 68% of households have no access to piped water .
- Some 63% of households have no access to hygienic sanitation facilities.
- It is primarily a very rural area situated in a former homeland of Bophuthatswana.
- Families in this node mainly rely on stock farming and subsistence farming for income.

Owing to the area being dry, the main threat to the environment and the well-being of residents is the lack of access to water.

6.3.1 ISRDP implementation in the node

The DC also identified **anchor projects during the implementation of the ISRDP**, introduced **local decision-making processes** and involved stakeholders. An interesting element in the implementation of the ISRDP in this node is that co-ordination involves both the North West and the Northern Cape, as it is a cross-border municipality.

a) Anchor projects

The choice of projects in this Node indicates a focus on economic development, basic services, and institutional development. Like in Maluti-a Phofung, the anchor projects are chosen through the IDP process depicted in Annexure A.

Table 6 .3 Anchor project summary of the Kgalagadi/Kalahari Node

Cluster	Project	Budget and Funding Sources	Local Employment created	Outcomes	Stage of implementation
Economic					
	Livestock improvement	R3,77 million allocated by the Department of Agriculture, KDM, Office of the North West Premier and Eskom	92 Women employed on a temporary basis 30 men employed on a temporary basis	Products to the value of R 198 000 have already been sold.	Training undertaken. Boreholes drilled. Fire belts created.
	Goat Farming enterprise	R12 million Department of Agriculture, Conservation and Environment, KDM, Office of the North West Premier, Eskom	17 women employed on a temporary basis	102 beneficiaries	Infrastructure provided. Board constituted. Market linkages being created.
	Poultry and Abattoir	R1,2 million allocated by the Department of Social Services, Arts, Culture and Sports, Transnet, KDM, and the Department of Labour	50 temporary jobs created. 45 women project owners.	Access to job opportunities improved.	Abattoir being constructed. Beneficiaries are receiving training. Crèche established.
Social					
	Housing	R20,.5 million provided by the Department of Local Government and Housing and the, CMIP	Not recorded.	1000 household beneficiaries	Township register opened. Tenderers briefed.
	Water reticulation	R71,8 million provided by DWAF, CMIP, Eskom and Kumba Resources	713 temporary jobs created.	Access to clean running water for households realised.	One village's water project completed.
	Electrification programme.	R40,2 million provided by Eskom	300 temporary jobs created.	Access to energy sources. improvement of prospects for economic growth.	Some 90% of the villages electrified.

Institutional					
	Municipal Offices	R12,5 million the Department of Local Government and Housing	53 temporary jobs created.	Efficient running of council systems.	Construction underway with electricity and water already provided..
	Municipal Support Programme: Capacity building	R2 million Department of Local Government and Housing	None.	Councillors and municipal staff capacity built.	Training ongoing.
Infrastructure					
	Integrated Energy Centre	R2,5 million provided by the DME, Sasol, Total, National Development Agency (NDA) /, KDM, PASASA	13 permanent jobs created. 36 vendors.	Access to energy sources and increased economic opportunities.	Operational, with staff members and vendors undergoing ongoing training.
	Roads and clinics upgrade	R35,3 million allocated by the Departments of Health and Public Works	110 employed.	Communities	Eleven access roads created and six clinics completed.

b) Stakeholder involvement in Kgalagadi/Kalahari

This Node features a variety of stakeholders that are engaged in the ISRDP implementation. However, just like in the case of Maluti-a-Phofung, private sector involvement is minimal. With regard to this node, it is imperative to note the role played by industries related to the portfolio of the national political champion.

Table 6.4 Summary of Stakeholders in the Kalahari-Kgalagadi Node

Political stakeholders (Leadership)	Traditional Leadership	Private Sector	Partners (Service providers, funders etc)	Government (Operational)	Communities (Beneficiaries and instigators)
Minister P Mlambo-Ngcuka Minister E G Pahad Deputy Minister DC du Toit MECs Dikgetsi and Selao MECs Africa and Vilakazi Executive Mayor OC Mogodi	They are represented in the Council. They participate as members of steering committees and projects.	Kumba Resources Total Sasol Eskom	Eskom NDA Transnet Foundation	Departments of Public Works, Water Affairs and Forestry, DPLG, Local Government, Housing and the DME.	Good public participation in forming IDPs, community involvement therefore identified as good.

c) Institutional arrangements for co-ordination and mobilisation

A **Political Forum** chaired by the National Political Champion meets four times a year. It consists of the North West and Northern Cape Premiers and the MECs responsible for local government, as well as the respective mayors and councillors. The Forum monitors progress and identifies needs for political intervention.

A **Cross-order Technical Forum** meets monthly to discuss implementation processes, needs and methodologies. It consists of municipal officials, provincial departments, national departments and associated government entities.

Ward committees and **traditional leaders** are also engaged through meetings and workshops, although the frequency thereof is not set. It is argued that good political mobilisation in this node also encourages **community engagement** as some of the political meetings are held as *Imbizos*²¹ where the community members are invited to discuss issues face-to-face with politicians.

This Node has also been identified as a pilot for a rural municipal involvement in the New Partnership for Africa's Development (NEPAD). This process is expected to lead to partnerships with international organisations in the near future.

6.4 Summary and Conclusion

This Chapter explored the implementation of the ISRDP with a special focus on stakeholder relations in two of the 13 nodes and also considered the types of projects implemented, the funders, as well as institutional arrangements for implementation. When comparing the two nodes the following key characteristics as documented in Table 6.5 were observed:

²¹ An Imbizo is a Zulu name for an interactive meeting. It is an open meeting held between politicians and communities these parties interact openly

Table 6.5 Summary comparison between the two nodes

		Maluti-a Phofung Node	Kgalagadi/Kalahari Node
Stakeholder Involvement	Political	Provincial and local interaction with political champions on a quarterly basis, although it was initially envisioned to be monthly.	Political championship with the three spheres of government. Also takes place quarterly.
	Traditional leadership	The involvement of traditional leaders in this programme is made easier by the close proximity of their offices to those of the district municipality and the fact that the Executive Mayor is the traditional queen in the area.	They are represented in the Council. Take part as members of steering committees and projects.
	Technical	A Nodal Delivery Team was set up and is operating in close co-operation with the PIMSS Centre in the area.	A nodal delivery team is operational in co-operation with the PIMSS centre.
	Communities	Participation through the Cluster system and the Khorong Session.	Participation through the IDP consultation process.
	Private Sector	Very good parastatal involvement. Poor private sector involvement.	Minimal parastatal involvement. Improved private sector involvement.
	Other partners	Not involved.	Not involved.
	Funding	National and Provincial Government	Fifteen projects
Municipality		Four projects.	Four projects.
Donors		Three projects.	None.
Private sector		One project.	Four projects.

	Parastatals	Seven projects.	Six projects.
Types of anchor projects		Twelve social projects (of which seven are infrastructure-related).	Four social projects (all infrastructure-related).
		Six economic projects (of which five are infrastructure-related).	Five economic projects (of which one is infrastructure-related).
		Two institutional projects.	Five institutional projects (of which one is infrastructure-related).
Institutional arrangements		Cluster System outside of IDP processes.	IDP system and quarterly <i>Imbizo</i> with national, provincial, and local political champions with community members and other stakeholders.

This table points out interesting scenarios that have an impact on the types of stakeholders that the municipality needs to engage with at a certain stage of the implementation of the ISRDP. Experience from these two case studies also indicates that although local situations differ, the existence of a detailed strategy led to implementation patterns that are comparable (see Table 6.4 above). This point needs to be further investigated as it makes it clear that although implementation is supposed to be a local government responsibility, there is a lot of reliance on national parameters. With a non-existent stakeholder relations framework at the national level, it is not surprising that stakeholder engagement at the local level is very poor.

With regard to stakeholder involvement and funding, there is a lot of government related involvement including parastatals. This scenario could leave some nodes comfortable with the idea that government is all they need to implement the ISRDP thus distorting the partnerships objective of the programme. This also affects the types of projects implemented in that projects with readily available funds (i.e. infrastructure grants provided by national and provincial government and parastatals) are implemented. National and provincial government's interaction with and support for the nodes seem to be working well, with the exception of the Northern Cape in the Kgalagadi Cross-Border Node. Involvement of the political champions from these provincial government's is still lacking.

The interpretation of who are ISRDP stakeholders also led to the emergence of the fact that not all stakeholders are regarded as primary stakeholders and are as such not reported upon. As an example, the Mineworkers' Development Agency indicated during interviews that it has a close working relationship with the nodes for skills development in mining. The nodes, however, indicate their relationship with the SETAs when reporting on skills development programmes, leading one to conclude that municipalities see government-related stakeholders as the 'worthy to report on' stakeholders.

In a recent review of the ISRDP by Everatt (2004), it was found that 89% of the mayors, municipal managers, planning directors and IDP managers in all the nodes experience stakeholder relationships as good while 11% indicated that it is poor. In this assignment, the study of stakeholder relationships was limited to inter-sphere engagement. This point indicates that, as alluded to in Chapter 3, enough groundwork has been laid to ensure intergovernmental stakeholder engagement although there is room for improvement. Therefore the need still exists for more work to be undertaken by the national ISRDP managers in the area of non-governmental stakeholder engagement.

It is also worth noting that partnerships built by especially national government with the international donor community did not materialise in the ISRDP. Although national government had engaged the UNDP on the ISRDP, the two nodal case studies indicate poor direct donor involvement. Donor assistance reported by Maluti-a-Phofung are “blanket” projects initiated by national government for the country as a whole and not only for nodal municipalities.

With regard to Institutional arrangements to implement the programme, during interviews with selected NGOs²² in these nodes, the lack of knowledge about the ISRDP was evident. As an example, Ms Mazibuko from Maluti-a Phofung indicated that they were only invited once to an IDP process. They, however, have not been informed how the municipality is implementing the identified activities (as an example, through the ISRDP and what this programme affect the Plan of the municipality). Although it could be argued that this is not a general view, the fact that some NGOs involved in community development do not know of the ISRDP, indicates that nodal stakeholder mobilisation is not effective.

With regard to communication, the nodes’ ISRDP communication plans, although comprehensive, do not manage to attract the necessary national or even provincial media publicity. Although it seems trivial, this could be argued to be one of the contributing factors that led to poor stakeholder mobilisation. Popular media is known to

²² See Annexure B for a list of interviewees.

entice the private sector, communities and other important stakeholders to engage in programmes where they are needed.

CHAPTER 7

CONCLUSION AND RECOMMENDATIONS

7.1 Summary and Conclusion

Current rural development theories as described in Chapter 2 indicate that more emphasis is being placed on the development of local governance institutions as a prerequisite for successful rural development. South Africa's ISRDP is also based on these premises, while at the same time not undermining or downplaying the contribution of other non-local government stakeholders towards development.

The development and implementation of the ISRDS and the ISRDP as explained in Chapter 3 is based on the principles of integration, partnership and bias towards rural areas. These principles assume that rural development is the responsibility of government, civil society and the private sector.

Chapter 4 indicated how government organises its integration mechanisms through the IGR system or "organalysis". This system co-ordinates the activities of the three spheres of government in the implementation of the ISRDP. These activities include planning, budgeting and implementation. Exactly how this system did not incorporate the possible roles of non-governmental contributors, is alluded to.

On the other hand, Chapter 5 points to the fact that stakeholder mobilisation and management in the implementation of the ISRDP has not reached the desired impact. Programmes such as the Mineworkers' Development Agency and the Old Mutual Foundation-REDI, which are already performing rural development work, are not mobilised to support nodal activities. The integration principle of the ISRDP calls for all rural development players to get involved. Partnerships with funders and instigators such as business, donors and NGOs are weak.

The experiences depicted in Chapter 6, however, paint a picture that indicates that local institutions are not fulfilling their expected roles as set out in the rural development theories and the ISRDS. The two case studies indicate that there is still a lot of local reliance on nationally set parameters. This leads one to argue that although stakeholder engagement in the implementation of the ISRDP is ideally a local government responsibility, it needs to be initiated and guided nationally. Current experiences indicate that parastatals are still the major funders, beside government, that contribute to rural development. The non-governmental sector, including private-sector organisations, are not yet contributing enough to ensure that rural economic development actually occurs.

Weak private sector involvement can be attributed to the following factors as mentioned by some interviewees in the case study nodes:

- The ISRDP document does not provide implementation guidelines and no other document to provide this, exists.
- Owing to rural development programmes not normally having immediate positive outcomes for business, it is difficult to convince private sector organisations to become involved in the ISRDP. The private sector requires project plans with definite projected outcomes. This requirement is usually difficult to satisfy when applying for development programme funding.
- The geographical location of the nodes makes it difficult for the municipalities concerned to attract the private sector. Local businesses are dependent on their head office for decisions. Since these headquarters are in most cases situated in big cities, there is a bias towards social development programmes that benefit the majority of their clients who live in urban areas.

Recent debates between government and research institutions have also highlighted the growing importance of private sector engagement at the local level:

“ Local Economic Development is failing in non-metropolitan areas because of lack of co-operation between the private sector and municipalities ”BusinessDay (1 October 2003).

“ Misleading that government had little regard for the private sector and that the economy of the country was not growing because the state was not creating conditions in which the private sector could grow the economy” BusinessDay (6 October 2003).

These debates indicate that although government is trying to engage non-governmental stakeholders (in this case the private sector), the impact of these types of engagements are still poor, especially at local government level. This scenario could dampen sustainable rural development efforts as local economic growth would ultimately ensure the ISRDP's success.

An assessment currently being undertaken by the IDT and DPLG probes, among other things, the municipal managers' and mayors' knowledge of partnerships formed in their nodes and the roles that these partners are playing. Responses from this assessment indicate that the respondents feel that that stakeholder interaction in this programme has not reached the expected level.

An important lesson from the Maluti-a-Phofung community reaction case is the importance of continuous community engagement and feedback by political champions in the implementation of the ISRDP as well as proper usage of IDP processes by municipalities. As argued by Minister Mufamadi²³ in his speech to the South African Local Government Association National Conference on the 27th of September 2004,

“Our local government legislation visualizes the establishment of institutional arrangements that will give effect to a contract between government and the people. If we are doing our work in this regard, there would be no need for the police in the Free State to advise a councillor (an elected representative of the people), that it is too

²³ Minister Mufamadi is the Minister responsible for Provincial and Local Government.

dangerous to meet with the people. Why should it be dangerous to sit down with the people who elected us and formulate Integrated Development Plans in order to give yourselves tools for effective and sustainable service delivery?"

Linked to this is also the importance of the need for municipalities to spread development resources to other areas that are not central ISRDP targets. As such other programmes must continue to benefit all members of the communities (these programmes include Free Basic Services, Housing, other social programmes). ISRDP targeting should therefore not result in non-target areas being totally ignored.

7.2 Recommendations on improving stakeholder engagement in the ISRDP

To improve stakeholder (especially private sector) involvement in the ISRDP, the following short-term actions are recommended:

- National government should organise a Forum with the private sector to encourage involvement in the ISRDP.
- Internal private sector policies must be formulated through a quota system that allocates social responsibility funds to branches in rural areas.
- The participation of especially national political champions must be further encouraged through Media and Cabinet *Lekgotla*²⁴ reviews.
- Donors: National government should assist local government in mobilising the involvement of donors, especially since most of the agreements with the donor countries have conditions for national government involvement before agreement is reached to assist municipalities.
- Measures to strengthen community participation and feedback to communities must be implemented; these include specialised communication drives by concerned municipalities.

²⁴ A Lekgotla is a Sotho word for a Forum. Cabinet holds this meeting twice a year to outline strategies for the year in January and Review progress in July.

In the medium to long term, it is imperative for national and provincial government to decentralise their stakeholder relationships to align with the ISRDP activities in the nodes.

REFERENCES

Africa, E. 2003. Background on the ISRDP. Personal Interview

African National Congress (ANC). 1994. *Reconstruction and Development Programme*. Umanyano Publications, Johannesburg.

Aspirant, K. H. 2004. *The Internally Displaced in South Africa*. www.law.kuleuven.ac.be

Bannister, S. 2000. *Rural Development Planning: Context and Current Status*. Unpublished.

Berry, R.A and Cline, W.R. 1979. *Agrarian Structure and Productivity in Developing Countries*. Johns Hopkins University Press, Baltimore.

BusinessDay 1 October 2003. *Lack of Cooperation Hampers Development*.

BusinessDay 6 October 2003. *Government not ignoring Private Sector*.

Bond, P. 2000. *Social Capital and Social Exclusion in Southern Africa: Participation as Double Edged Sword*. Unpublished.

Chambers, R.1986. *Managing rural development: ideas and experiences from East Africa*. Kumarian Press, West Hartford, CT.

Clark, C. and Lemco J. 1998. *State and Development*. Leiden, The Netherlands.

Cobbett, W Glaser, D., Hindson, D. and Swilling, M. 1987. South Africa's Regional Political Economy: A Critical Analysis of Reform Strategy in the 1980s. *Regional Restructuring under Apartheid: Urban and Regional Policies in Contemporary South Africa*. Eds Tomlinson, R. and Addleson, M. Ravan Press, Johannesburg.

Columbia University's Biosphere Centre (2003),
<http://www.eeexchange.org/sustainability/content/a2.html>

Constitutional Assembly. 1996. *Constitution of the Republic of South Africa*, Pretoria.

De Beer, F. and Swanepoel, H. 1998. *Community Development and Beyond: Issues, Structures and Procedures*. Van Schaik Academic, Pretoria.

Department of Provincial and Local Government (DPLG). 2001. *Discussion Memorandum on Intergovernmental Relations Organanalysis for some key actions*. Unpublished.

Department of Land Affairs. 2004. *Communal Land Rights Act*. Unpublished.

DPLG.2002. *Report on the Assessment of IDPs - February 2002*. Unpublished.

DPLG and IDT. 2002. *Agreement with regard to the Integrated Sustainable Rural Development Programme*. Unpublished.

DPLG. 2003. *White Paper on Traditional Leadership*. Unpublished.

Eicher C. K. and Staatz J. M. 1998. *International Agricultural Development*.3rd Edition. The Johns Hopkins University Press, London.

Ellis, F.and Biggs, S. 2001. Evolving Themes in Rural Development 1950s-2000s in *Policy Development Review*, vol 19 no 4, December, 437-438.

Everatt, D. 2004, *Integrated Sustainable Rural Development Programme Phase 1 Evaluation: Nodal Review*. Unpublished.

Hewitt ,T. 1992. Developing Countries: 1945-1990. *Poverty and Development in the 1990s*. Eds Allan, T. and Thomas, A. Oxford University Press, Oxford, United Kingdom.

Independent Development Trust. 2003. *Integrated Sustainable Rural Development Programme Design Document*. Unpublished.

ISRDS Secretariat. 2000. *Development of the Integrated Sustainable Rural Development Strategy*. Unpublished.

ISRDS Secretariat. 2001. *Status Quo report on development in respect of the Integrated Development Sustainable Rural Development Strategy*. Unpublished

Johnson, C. 2001. Local Democracy, Democratic Decentralisation and Rural Development: Theories, Challenges and Options for Policy. *Development Policy Review*, Vol 19 No 4, December, 521-532.

Johnston, B.F. and Clark, W.C. 1982. *Redesigning Rural Development: A Strategic Approach*. John Hopkins University Press, Baltimore.

Kotze, D.A. 1997. *Development Administration and Management*. Van Schaik Academic, Pretoria.

Marx, C. and Engels, F. 1976. *Collected Works*. Volume 6. International Publishers, New York.

Mbeki, T.1999. *State of the Nation Address*, Unpublished.

Mufamadi, FS. 2004. *Speech delivered on the occasion of the third national conference of the South African Local Government Association*. Unpublished.

National Coalition for Municipal Service Delivery Programme. 2003. *Discussion Documents*. Unpublished.

Ntsebeza, L. 2004. *Rural Development, Traditional Authorities and Democracy in South Africa*, paper presented at the University of KwaZulu-Natal's 50th Anniversary Conference Reviewing the First Decade of Development and Democracy in South Africa, 21-22 October 2004.

ISRDS Secretariat. 2000. *The Development of an Integrated Sustainable Rural Development Strategy: Report to the Core Group of Ministers*. Unpublished.

Parker, A.N. 1998. *Decentralisation, Rural Development and Local Government Performance: A case study of Rural Municipalities in North East Brazil*, PhD in Agricultural Economics, Extension and Rural Development, University of Pretoria.

Presidency. 2000. *The Integrated Sustainable Rural Development Strategy (ISRDS)*. Unpublished

Pycroft, C. 2001. *Decentralisation and Service Delivery: Lessons from South Africa for the Region*, unpublished paper presented at the Development Southern Africa Symposium, 11-12 September 2001.

Rural Development Initiative 1999. Rural People's Charter. Unpublished.

Shepherd, A. 1998. *Sustainable Rural Development*. Macmillan, London.

Shepherd, A. 1999. *Rural Development and poverty reduction at the end of the century: lessons for South Africa*. Paper presented at the Conference on "Land and Agrarian Reform: Successes, Problems and way forward". Pretoria.

Smith, T. 2003. *Classic Theories of Development: A Comparative Analysis*, www.aw.com/info/todaro_smith.

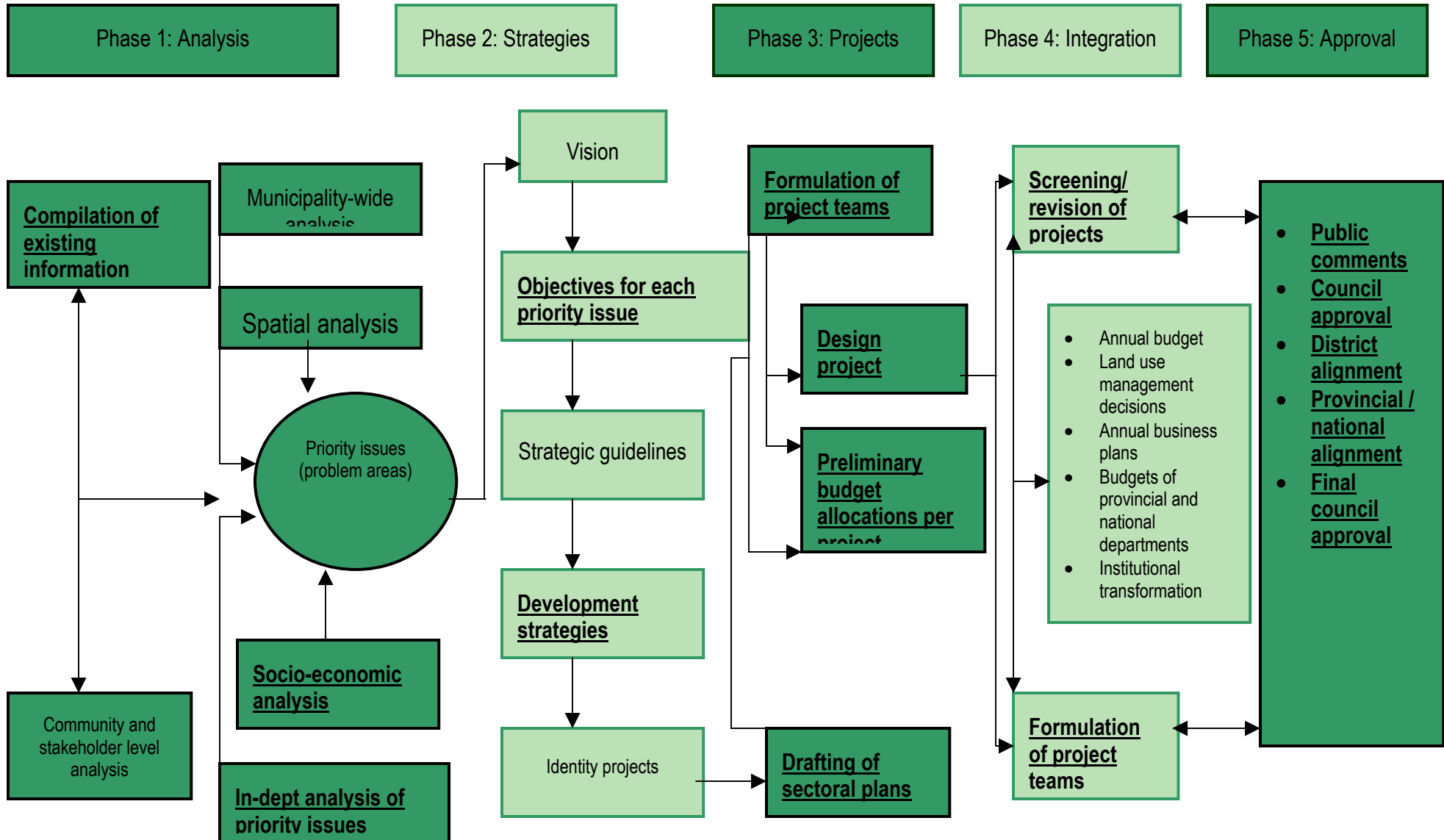
Statistics South Africa. 2002. *Measuring Rural Development: Baseline Statistics for the Integrated Sustainable Rural Development Strategy*. Statistics South Africa, Pretoria

Sunday Times 5 September 2004. *In the eye of the storm*.

UNHABITAT. 2001. *Tools to Support participatory Urban Decision Making*. Urban Governance Toolkit Series. Unpublished

Uphoff, N. 2001. *International Experiences of Rural Development in Contributions Towards the Knowledge of Rural Development*: Edited proceedings of the Conceptualisation of workshop on the Integrated Rural Development Initiative of the WK Kellogg Foundation in Southern Africa, edited by Del Lange, A, Swanepoel, F, Silaula, S and Mugabe, P. University of Pretoria.

ANNEXURE A: IDP PROCESS



ANNEXURE B: INTERVIEWEES

NAME	DESIGNATION	ORGANISATION	LOCATION
MR E Africa	Deputy Director-General	DPLG	Pretoria
Mr David Millard	Fund Manager	REDI (Old Mutual Foundation)	Johannesburg
Ms Mamello Masipa	Programme Manager	Mineworkers' Development Agency	Johannesburg
Ms Malekula Melato	ISRDP Nodal Office	Maluti-a-Phofung Municipality	Maluti
Mr Thabo Mathabathe	Nodal Office	Kgalagadi Municipality	Kgalagadi
Mr S Mashigo	ISRDP Programme Manager	IDT	Pretoria
Ms Mocwagole	Representative	Africa Rescue Mission	Kgalagadi
Ms Mazibuko	Representative	Tsoha O Iketsetse projects	Maluti
Ms Lithabe	Representative	Naledi Youth Community Development Project	Maluti