Pro-poor rural development in South Africa?
Peter Jacobs and Tim Hart

The National Development Plan (NDP) boldly asserts that it seeks to contribute towards achieving the objectives of the Reconstruction and Development Programme (RDP). Invoking connections between the NDP 2030 and the RDP takes place amid ongoing debates about continuities and discontinuities in rural development policies nearly two decades since the end of apartheid in 1994 (Hebinck, Fay and Kondlo 2011; Jara and Hall 2009; Sender 2012). In the pre-1994 era, as has been widely acknowledged, rural South Africa was deliberately starved of adequate investment – especially in the former bantustans. Consequently, rural areas were entrapped in extreme underdevelopment and impoverishment. In the post-apartheid era, the volume and impact of investment for the eradication of rural deprivation and marginalisation thus became a focal point, irrespective of whether such investments would originate from government or non-state sources. However, commentary was not restricted to how much role-players were investing in rural areas. The type and form of such investment, ranging from land reform and smallholder farming, to education and skills development, to housing and social infrastructure, and to participatory forms of local governance, among other routes out of rural poverty, did not escape critical scrutiny.

These pathways through which rural living standards were to be raised have hardly altered over the last two decades even though under the presidencies of Thabo Mbeki and Jacob Zuma, respectively, intriguing variations in rural transformation perspectives are evident. Under the leadership of Thabo Mbeki, the notion of two economies became the conceptual anchor for defining the causes of rural underdevelopment and misery (Aliber et al. 2006; Du Toit and Neves 2007; Philip 2010). With the aid of this dualistic descriptive lens, society is seen to comprise an underdeveloped second economy that exists alongside a wealthy first economy, a legacy of apartheid impeding the transition to a more equitable society. Dualism became a lens to frame rural polarisation as well as the inequalities between commercial agriculture and subsistence farming. This conception also formed a basis for rationalising government’s rural programmes and projects, such as the Integrated Sustainable Rural Development Programme (ISRDP), for coordinating and targeting public investment in 13 rural nodes deemed to be the most deprived localities.

President Zuma elevated rural development to a position among the top five strategic priorities of his administration and established a new Ministry for Rural Development and Land Reform in 2009. Subsequently, the Department of Rural Development and Land Reform (DRDLR) adopted a Comprehensive Rural Development Programme...
(CRDP) as an overarching framework to improve social and economic well-being in rural areas, with special emphasis on reducing unemployment, poverty and food insecurity. Furthermore, participation to ensure partnerships with all those affected is a core stated principle on which the CRDP rests. A Green Paper on Rural Development was to be drafted and tabled in Cabinet before the end of the 2012/13 fiscal period (PMG 2012), but its substantive content and status remain under wraps. In October 2012, Parliament’s Portfolio Committee on Rural Development and Land Reform urged the DRDLR to align its strategic vision, plans and programmes to the NDP. The Portfolio Committee further reiterated the need for rural development issues to be solidly rooted in the development plans of district and local spheres of government (PMG 2012). This laudable recommendation should enhance the coordination and efficacy of various government interventions and foster tight and smooth intergovernmental cooperation for rural transformation.

This chapter examines key questions about the purpose, design, implementation and impacts of government initiatives in rural areas. How have rural transformation policies been conceptualised and what are the outcomes for those at the bottom of the rural socio-economic and political pyramid? While notions of participatory development continue to occupy a central place in rural development interventions after twenty years, the substantive content and ground-level implementation of government’s participatory approach need clarification. Moreover, considerable amounts of fiscal resources flow into rural areas, yet improvements in the quality of life of rural people remain limited.

Rural transformation: Vision versus reality

Over the last two decades, substantial changes have taken place in rural demographic patterns and the living conditions of rural residents. The drivers of these changes are to be found in complex political, sociocultural, economic and ecological forces that interact in multiple ways. Our brief overview of the demographic and human-settlement patterns of the population sheds light on salient rural realities, past and present. Before this glimpse into basic rural living conditions, we revisit the Reconstruction and Development Programme, given its ongoing popularity, but also as a reminder of early post-apartheid development visions and to retrace the route travelled to date.

The RDP lays out a multifaceted vision for rural transformation (Hall 2007). Moreover, in terms of its fundamental conceptual principles, strategies for rural development were conceived to be consistent with development thinking entrenched in the RDP as a whole. Any ambitious development plan, such as the RDP, which is conceptually disjointed, fragmented and divergent is not only a recipe for policy misunderstandings and confusion, but such incoherence almost certainly dooms any big socio-economic transformation plan to failure at the outset. The theory of development embedded in the RDP, as well as how it became translated into government policy as the RDP White Paper in the first five years after 1994,
stimulated profound criticisms of its weaknesses and limitations as an appropriate pro-poor development plan (Adelzadeh and Padayachee 1994; Bond 2000; Fine 1995). Notwithstanding these criticisms of the RDP, recapping its stated intentions, particularly its rural transformation agenda, should be in order at this point. The idea to simultaneously ‘build the economy and develop the country’ foregrounds the RDP’s detailed interventions. Growing the economy and making it more efficient with better developmental outcomes meant reducing poverty and improving human well-being. It promises all people the ‘opportunity to shape their own lives and make a contribution to development’ (ANC 1994).

Under the programme to build the economy, the RDP reiterates the need to improve the working and living conditions of rural people and it critiques the migrant labour system as a cause of rural impoverishment. The subsection on agriculture, fisheries and forestry asserts that land reform will be used to change ownership patterns in agriculture, and to support the growth of smallholder farmers for affordable food production to meet the needs of all South Africans. Farm workers are promised an extension of full worker rights, including better working and living conditions. Land reform, which appears as a sub-programme of the ‘Meeting basic needs’ programme of the RDP, is clearly an important intervention to transform rural areas, largely through two broad mechanisms: land redistribution for those who cannot afford land for settlement and production – including security of tenure; and land restitution for those who lost land through apartheid legislation. Nutrition is also viewed as a basic need, with land reform allocated a top role to ‘wipe out malnutrition and hunger in a three year programme’ (ANC 1994). Even though rural development has often been limited to land reform (Hall 2007), the RDP projects an orientation towards all-round and holistic rural transformation.

Censuses and General Household Surveys data that cover nearly two decades since the mid-1990s show a steady decline in the share of households residing in rural areas alongside rapid urbanisation – as displayed in Table 8.1. A headcount of households reveals that in 2012, slightly more than 4.6 million households or nearly 18 million people resided in rural areas. Between the mid-1990s and 2012, the absolute number of rural households increased by about 1.12 million households compared to an expansion of 4.5 million urban households during the same period. The number of rural households has grown, but this is taking place at a much slower pace than urbanisation for reasons that merit deeper investigation and analysis, far beyond the scope of this rapid snapshot. At the same time, the average size of a rural household appears to be shrinking (from 4.7 members in 1996 to 3.8 members in 2012) much faster than the average urban household (from 3.6 to 3.2 members), making this ‘household formation’ dynamic a plausible cause for the expansion in the numbers of rural households over time.

Table 8.1 also summarises information about rural and urban human-settlement patterns, using the shares of households that self-reported dwelling type as a proxy indicator. A larger share of households reportedly lived in formal brick dwellings in 2012 than in the mid-1990s, with striking improvements noticeable in rural areas.
Roughly two in every three rural households lived in formal brick houses in 2012, whereas one in two did so two years after 1994. Reasons why larger shares of rural households now live in brick dwellings range from better access to government housing subsidies, to private wealth accumulation among rural households, to urbanisation; however, establishing robust causal relations needs richer panel-data. Similarly, there is a lack of credible evidence for any definitive conclusions about the quality of housing infrastructure linked to water, sanitation and energy services. Nevertheless, the sense that rural households might be increasingly better off in terms of dwelling types is also evident from the 20 percentage points decline in the shares of rural households who had lived in ‘traditional huts’ over this time frame. The share of rural households resident in squatter settlements in 2012 (5.65 per cent) is slightly bigger than in 1996 (4.4 per cent). In rural areas, the shares of backyard shack dwellers fluctuated between 1 and 2 per cent, whereas a marginal upward trend is discernible in urban areas.

### Table 8.1 Rural household demographic trends and dwelling types, 1996–2012

<table>
<thead>
<tr>
<th>Variables</th>
<th>1996 Census</th>
<th>2001 Census</th>
<th>2002 GHS</th>
<th>2012 GHS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of households (million)</td>
<td>Urban</td>
<td>Rural</td>
<td>Urban</td>
<td>Rural</td>
</tr>
<tr>
<td></td>
<td>5.42</td>
<td>3.58</td>
<td>7.32</td>
<td>4.44</td>
</tr>
<tr>
<td>Share of households</td>
<td>0.6</td>
<td>0.4</td>
<td>0.62</td>
<td>0.38</td>
</tr>
<tr>
<td>Average household size</td>
<td>3.6</td>
<td>4.7</td>
<td>3.5</td>
<td>4.4</td>
</tr>
<tr>
<td>Dwelling types (shares of households)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Formal brick dwellings</td>
<td>73.22</td>
<td>49.18</td>
<td>75.54</td>
<td>56.97</td>
</tr>
<tr>
<td>Traditional dwellings (huts, etc.)</td>
<td>2.00</td>
<td>42.62</td>
<td>2.58</td>
<td>35.0</td>
</tr>
<tr>
<td>Backyard shack</td>
<td>6.17</td>
<td>2.03</td>
<td>5.35</td>
<td>2.05</td>
</tr>
<tr>
<td>Informal settlement shack</td>
<td>16.57</td>
<td>4.4</td>
<td>16.08</td>
<td>5.63</td>
</tr>
<tr>
<td>Other dwelling type</td>
<td>2.04</td>
<td>1.78</td>
<td>0.44</td>
<td>0.35</td>
</tr>
</tbody>
</table>

Note: GHS = General Household Survey

Overall, the relative share of rural households and the average number of members per rural household have steadily declined over the last two decades. This demographic trend is bound to influence service delivery to rural residents, especially growing demands for decent dwellings and enhanced access to water and sanitation, clean energy and road infrastructure.

Redressing the legacies of unequal spatial engineering during the colonial and apartheid regimes has been a major commitment of the post-1994 government (Aliber et al. 2006). Space-bound development strategies targeted the most historically neglected localities and regions. Thus from the outset, emerging spatial development policies adopted a sensible approach: focus on overcoming extensive infrastructural deficits and poor human well-being indicators in the most underdeveloped rural areas. In addition to tackling pressing socio-economic inequalities, the new spatial policy landscape also grappled with participatory planning approaches in setting local development priorities and in implementation (Cohen 2010).
Following in the footsteps of other developing countries, South Africa, since the mid-1990s, has embraced the use of participatory approaches, especially as numerous multilateral, bilateral and national donors and government departments increasingly highlight people’s participation as one, if not the primary, method to be adopted in the planning, implementation and evaluation of development interventions (Emmett 2000; Nel and Rogerson 2009; Rogerson 2010).

President Mbeki introduced the ISRDP in 2000, premised on the notions of decentralised targeting, participation and community empowerment, along with integrated and coordinated governance. Without a ring-fenced budget it had to rely on the allocations from individual line departments, including agriculture and social development. Many ISRDP projects were often reported under other programmes, leading to ‘double counting of achievements’, and thus making it difficult to measure the impact. This was further compounded by the fact that comprehensive and reliable indicators of the costs and benefits of integrated and coordinated service delivery are not easy to derive, making it difficult to estimate their overall impact on rural development (Jacobs et al. 2008).

**Making a living in rural South Africa**

In this section we concentrate on dominant livelihood strategies of rural households, bearing in mind the contextual evidence discussed earlier. To this end, Table 8.2 compares General Household Survey data for 2002 and 2012 across three categories of information: main sources of household income, access to state subsidies and the food-security status of rural households. Flagship rural development initiatives, like the CRDP, often measure their successes or failures against these indicators, and this serves as added motivation for an analysis of pertinent facts and figures. This helps to sketch a picture of rural realities that the CRDP has ostensibly been designed to transform for the better.

Most rural households rely on wage employment as the main income source. Forty-two percent of rural households reported salaries and wages as their main income source in 2002, compared to 38 per cent in 2012. The 4 percentage points decline in the share of households predominantly reliant on income from rural labour-market participation translates into a substantial headcount of 300 000 households. Aliber, Baiphethi and Jacobs (2009) and Hall et al. (2013) offer some reasons for the changing role of rural wage employment in household livelihood strategies which suggest that trends cannot simply be explained in terms of subjective and behavioural arguments, common in abstract microeconomic equations. Generalisations about rural labour supply or demand are not enough. Realistic storylines about the weight of labour-market incomes in rural living standards must carefully interrogate structural forces over which the average rural household rarely exerts any influence, let alone control. Systematic analyses of the logic inherent in the workings of policies, structures and power-relations in rural labour markets (Aliber, Baiphethi and Jacobs 2009; Sender 2012; Hall et al. 2013) and accelerated urbanisation ought to be prioritised.
Table 8.2 Main income sources, housing/land subsidy access and food-security status of rural households, 2002 and 2012

<table>
<thead>
<tr>
<th>Variables</th>
<th>2002</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household main income source</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>2 083 500</td>
<td>1 780 272</td>
</tr>
<tr>
<td>Remittances</td>
<td>1 121 378</td>
<td>621 928</td>
</tr>
<tr>
<td>Social grants</td>
<td>1 413 381</td>
<td>1 707 886</td>
</tr>
<tr>
<td>Farming (primary agriculture)</td>
<td>67 345</td>
<td>5 535</td>
</tr>
<tr>
<td>Other income sources</td>
<td>217 833</td>
<td>495 440</td>
</tr>
<tr>
<td>No income</td>
<td>69 440</td>
<td>51 983</td>
</tr>
<tr>
<td>Housing and land subsidies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RDP housing subsidy</td>
<td>123 173</td>
<td>270 919</td>
</tr>
<tr>
<td>Land-grant beneficiary</td>
<td>34 466</td>
<td>97 132</td>
</tr>
<tr>
<td>Food-security status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No hungry adults</td>
<td>3 161 356</td>
<td>3 658 644</td>
</tr>
<tr>
<td>Moderate (seldom/sometimes)</td>
<td>1 375 924</td>
<td>785 695</td>
</tr>
<tr>
<td>Severe (often/always)</td>
<td>386 296</td>
<td>153 944</td>
</tr>
</tbody>
</table>

Source: Based on General Household Surveys of 2002 and 2012 (Stats SA 2003, 2013)

Table 8.2 also shows that in the decade from 2002 to 2012 there has been a dramatic rise in the number and share of rural households dependent on social grants as their primary income source. Children and pensioners make up the bulk of social grant recipients. However, the wide gap in monetary values between these major grant categories complicates their respective impacts on household socio-economic well-being. This means that expanded access to child-support grants, which is around a quarter of the monetary value of an old-age grant, and holding everything else constant would not automatically translate into a substantive rise in the living standards of rural households. What the statistics show is that increasing access to social grants alone (reaching an additional 300 000 rural households) was not a safety net for at least 800 000 rural households whose livelihoods were no longer primarily anchored on either wages and salaries or remittances.

Rural households that primarily rely on remittance incomes are falling fast. By the end of the period from 2002 to 2012, about half a million households no longer depended on remittances as their primary income channel. Only 13 per cent of all rural households reported private income transfers from outside their locality as the main source in 2012 compared to nearly 23 per cent a decade earlier. Those who survive without any primary income have declined, but forecasting the fate of this category of households is difficult given the fragility of rural economies mixed with high and sticky rates of long-run joblessness. In 2012, some 52 000 rural households did not report any income source, a decrease from the 69 440 households reporting no income source in 2002.
More rural households enjoy access to state-subsidised housing and land-reform grants, undoubtedly reflecting achievements across recent presidencies and different spheres of government. Limited information in the 2002 and 2012 General Household Surveys underscores that the number of rural households that have received RDP housing subsidies more than doubled from 2002 to 2012 – increasing from about 123,000 households to 271,000 households. Despite this achievement, this high-level survey does not reveal how well government has been responding to genuine housing needs in rural localities, an issue revisited later in this chapter. Rural household beneficiaries of land grants have almost tripled over the decade ending 2012, but this broad official national survey might be underestimating the number of land-reform beneficiaries. Addressing the National Council of Provinces (NCOP) in June 2013, rural development and land-reform minister Gugile Nkwinti reported that since its inception, at least 137,000 female-headed households have benefited from land restitution alone. However, it is unclear how many of these households opted for financial compensation instead of land as their claims settlement award. In the same speech, Minister Nkwinti also said that ‘almost a quarter million people have benefited’ from redistributive land transfers (Nkwinti 2013). Notwithstanding the discrepancies between administrative and official survey data, land reform continues to underperform in terms of the ambitious RDP goal to transfer 30 per cent of white-owned land to black owners within the first five years after 1994.

Food insecurity in South Africa is prevalent across urban (especially in informal settlements) and rural areas, but the breadth and depth of household food insecurity is worse in the rural parts of the former bantustans (Altman, Hart and Jacobs 2009). Fewer rural households self-reported experiences of hunger in 2012 than in 2002: those ‘without hunger’ in the 12 months prior to the survey increased from 3.2 million to 3.6 million households, in 2002 and 2012 respectively. The decline in the share of rural households going hungry was more pronounced in the category of ‘severe hunger’ (falling from 8 per cent of all rural households in 2002 to less than 3.5 per cent in 2012) than in the ‘moderate’ group (falling from 28 per cent of all rural households in 2002 to 17 per cent in 2012). This subjective indicator ignores the multidimensionality of household food-security status, such as validated evidence about the quantity, diversity and quality of foods accessed; how households have obtained the foods; and improved nutritional status (‘hidden hunger’ eradication). Fragmented packages of state-sponsored food-security interventions exist. Yet there is no holistic monitoring-and-evaluation toolkit for understanding how the policies, programmes, ad hoc projects and fiscal resources have improved the food-and-nutrition security status of rural households.

The CRDP is considered different from previous government initiatives in rural areas, such as the ISRDP (the nodes of which are included in the CRDP), because it is based on proactive and participatory community-based planning (DRDLR 2009). It has been four years since the conceptualisation of the CRDP and now is an opportune moment to take stock of its achievements in the context of efforts to
craft an effective rural transformation agenda over the last two decades. A key thrust of the CRDP’s framework is an integrated programme of rural development, land reform and agrarian change:

- Broad-based agrarian transformation – increasing and improving all types and scales of agricultural production, optimal and sustainable use of natural resources, the adoption of locally appropriate and sustainable technologies, improving food security and improving the quality of life of each rural household.
- Strategically improved rural development – the improvement of economic and social infrastructure along with increased quantity and quality of public amenities and facilities, necessarily complemented with improved institutional infrastructure.
- Improved land-reform programme – inclusive of restitution processes, redistribution and reform of land-tenure arrangements.

Unfortunately, tracking government’s progress within the CRDP sites is extremely challenging given the apparent unwillingness to make recent data and reports relating to progress publicly available. Few informative, updated documents and ward/site reports are available on the website or from the department. Those that are available appear similar to the original spatial and demographic reports written when sites were identified, and no updates are included.

The date for completion of the CRDP is set for 1 April 2014. By the third quarter of 2009, the DRDLR had identified nine CRDP pilot sites, consisting of a total of 20 wards, with the village of Muyexe in the Greater Giyani Rural District Municipality, Limpopo province, as the flagship (DRDLR 2010). At the end of the 2009/10 financial year, the number of wards was increased to 29. However, most intervention activities remained in the original nine sites and continued to do so for the next period. During the course of the 2010/11 financial period, another 45 wards were added to the CRDP. By the end of the 2011/12 period, a further 13 wards and five entire local municipalities were added, bringing the total number of wards and local municipalities included in the CRDP to 92 (or 58 per cent) of the intended target: to reach 160 of the poorest rural wards in the country.

Very little service delivery has been done in these areas, while the primary activities are the identification of the wards, discussions with traditional leaders or ward councillors and the rolling out of ward-level household profiling, using the War on Poverty questionnaire. The DRDLR Strategic Plan for 2011–2014 (DRDLR 2013), amended in February 2013, confirms the rather limited progress. Of the 92 wards and local municipalities, only 60 have been profiled along with 90 land-reform farms in these areas (DRDLR 2013: 36). More worrisome is the fact that only 25 status quo reports have been ‘more or less’ completed, as some are still awaiting finalisation of the identified interventions (DRDLR 2013: 36), indicating that not even the preliminary scoping, planning and mobilisation work for the first 29 wards, identified in 2009, has been completed. Acceptance of plans takes place at the ward-level Council of Stakeholders meetings, attended by government officials and civil
society and community representatives, mainly comprising councillors, traditional leaders and school governing bodies. This process appears weighted in favour of the elite and seems to be an activity that simply ratifies government-proposed plans. A more transformative approach, in which change is driven locally and government and civil society provide the resources and framework for transformation, would be more appropriate.

Youth employment is largely centred on the National Rural Youth Services Corps (NARYSEC). While these young people are supposed to receive training (including leadership skills development) as community development workers (CDWs) who will provide services to their wards for two years, most seem to have been quite simply employed as fieldworkers in the once-off household profiling, with a few being included in the Expanded Public Works Programme (EPWP) in some rural areas. By the end of 2010, a total of 9 949 rural residents had been employed through the EPWP and the local CRDP-linked interventions, such as infrastructure development and roads maintenance.

Despite the roll-out of the CRDP, in 2011 the DRDLR identified 24 Rural District Municipalities (RDMs) with significant infrastructure backlogs and low levels of human-development indicators. These RDMs are mainly located in South Africa’s former homeland regions and, consequently, have been included in both the CRDP and the former ISRDP. However, it is recognised that large-scale public investment would be a necessary, but far from sufficient, intervention to facilitate development in these district municipalities. Effective institutional coordination and community social interactions must also form part of a participatory approach to shift these municipalities onto a sustainable development path.

Government investment in rural development

Table 8.3 presents a high-level overview of audited government spending on rural development following the adoption of the CRDP as an intervention framework guiding the Ministry for Rural Development and Land Reform from 2009 onwards. Reported amounts give a sense of macro-level spending priorities rather than money invested in each CRDP project. Moreover, these figures do not reflect independent investments by other government departments, including provincial and local governments with relatively larger rural population shares. Notwithstanding these shortcomings, the overall picture which emerges from the composition and trends in ring-fenced spending for rural development is quite revealing. Over the first three years of the 2009–2014 administration, government has directly invested about R2.3 billion in rural development, through the DRDLR.

Without reliable project-level evidence, it is hard to assess improvements in the livelihoods of rural communities as a result of this amount of national fiscal spending. Based on the available data, almost 80 per cent of this spending took place during late 2011 and early 2013, pointing to a slow pace of implementation from 2009 to mid-2011. Over time, the share of rural development spending has expanded from
1.3 per cent of the overall departmental spending in 2009/10 to 11.6 per cent in the 2012/13 fiscal period. Slightly more than 11 per cent of the R9 billion expenditure of the department was committed to rural development, of which NARYSEC has been allocated the largest share.

Table 8.3 Direct fiscal spending on rural development, 2009–2013

<table>
<thead>
<tr>
<th>Sub-programme expenditure</th>
<th>2009/10</th>
<th>2010/11</th>
<th>2011/12</th>
<th>2012/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural infrastructure development</td>
<td>39 498</td>
<td>145 499</td>
<td>270 064</td>
<td>368 060</td>
</tr>
<tr>
<td>Social, technical, rural livelihood and institutional facilitation</td>
<td>32 619</td>
<td>211 969</td>
<td>420 352</td>
<td>259 246</td>
</tr>
<tr>
<td>NARYSEC</td>
<td>4 686</td>
<td>3 023</td>
<td>95 836</td>
<td>413 902</td>
</tr>
<tr>
<td>Total rural development spending (R'000)</td>
<td>76 803</td>
<td>360 491</td>
<td>786 252</td>
<td>1 041 208</td>
</tr>
<tr>
<td>Total DRDLR spending (R' billion)</td>
<td>5.86</td>
<td>7.12</td>
<td>7.99</td>
<td>8.97</td>
</tr>
<tr>
<td>Rural development spending (%)</td>
<td>1.31</td>
<td>5.06</td>
<td>9.83</td>
<td>11.6</td>
</tr>
</tbody>
</table>

Source: National Treasury (2013b: 13)

The creation of a dedicated ministry on rural development with a flagship intervention programme and funding streams did not turn off investments by other government departments in rural areas. On the contrary, available evidence shows that other departments might be pouring more funds into government priorities identified in rural areas. Moreover, some spin-off investments in rural localities are likely to flow from the Presidential Infrastructure Coordinating Committee (PICC) and government’s recently launched massive infrastructure drive. At this stage it is impossible to find accurate amounts of PICC funding earmarked for rural areas as well as to predict the nature and extent of social changes this might catalyse. There is merit in the idea of assembling a more comprehensive picture of total government investment in rural areas. However, piecing together a coherent account of rural public investment over the last two decades from fragmented departmental expenditures is a tricky undertaking which goes beyond the scope of this brief update on the status of key rural development interventions.

Alongside the DRDLR, the Department of Agriculture, Forestry and Fisheries (DAFF) is also expected to invest a considerable share of its fiscal transfers in rural upliftment. Through its Food Security and Agrarian Reform sub-programme, DAFF spent about R4.6 billion from 2009 to 2012 on better food security and agricultural extension services (National Treasury 2013c). While this figure is double the amount of ring-fenced rural development expenditure over the same period, it is unclear how rural communities have benefited from these funds. A breakdown of investments in rural areas by the Department of Cooperative Governance and Traditional Affairs (CoGTA), through its Municipal Infrastructure Grants (MIG), is even trickier to achieve, partly due to the complex grant-allocation formula.

The Department of Human Settlements is yet another government agency that allocates money to deliver water and sanitation to rural municipalities through its Rural Households Infrastructure Grant. The total size of this grant has increased...
from R61.6 million in 2009/10 to R340.6 million in 2012/13 – a sixfold expansion – but it is less than 2 per cent of the total expenditure by the Department of Human Settlements (National Treasury 2013a). While the additional number of rural households receiving water and sanitation solutions has fluctuated over time, the cost per additional household has increased from R5 300 in 2010/11 to R58 500 in 2012/13. Multiple cost pressures in the construction sector appear to be the primary cause of this more than tenfold increase in the price tag for installing rural water and sanitation infrastructure. Even though the face value of fiscal spending on rural infrastructure has increased very fast, it has failed to keep pace with factors such as steep construction inflation. As a consequence, vital infrastructure tends to be delivered to fewer rural households than projected in strategic plans and departmental budgets, and this compounds delivery failures associated with inadequate capacity and institutional difficulties.

Government does not spend an insignificant amount of fiscal resources on a single programme and it needs to be spent wisely and effectively to ensure improvement in the lives of rural residents. Unfortunately, and despite the good intentions of the CRDP, it seems that the conceptualisation of local interventions, along with the identification of ward-level participants in these projects, is a concern and current practices seem to repeat many of the mistakes of previous programmes.

**Conclusion**

Two decades have passed since 1994, and during this time noticeable changes in the size, living conditions and experiences of rural residents have occurred. As recently as 2012, roughly 30 per cent of all households still lived in areas officially classified as rural, which represents a decline of almost 10 percentage points over 20 years. Although fewer members now live in the average rural household than at the dawn of democratic South Africa, on average the rural household remains larger than the urban household. According to the evidence discussed in this brief overview, these demographic shifts result from a combination of determinants, such as socio-economic circumstances and livelihood sustainability, better housing infrastructure and services, land and social policy actions, personal decisions, and so forth. The extent to which fragmented and ad hoc government spending on rural development projects has uplifted the living standards of rural residents, let alone catalysed sustainable and equitable social transformation, remains unclear. Escalating service-delivery costs beyond the control of the state, combined with institutional troubles that bedevil government departments, place formidable restrictions on the scale of pro-poor rural interventions.

A key livelihoods indicator, the distribution of primary income sources among rural households, is symptomatic and a signal of the trajectory and pace of rural transformation under way. In 2012, about 75 per cent of all rural households self-reported either labour-market incomes or social grants as the mainstay from which they were deriving an income. The substantial drop in households primarily
dependent on income from remittances is connected to major demographic transitions and urbanisation dynamics. Clearly, primary commercial agriculture has significantly declined as the anchor of livelihood sustainability in rural areas, although roughly 2 million households practise farming on a smaller scale (Stats SA 2013).

This chapter has also asked fundamental questions about the evolution and appropriateness of government’s pro-poor rural initiatives aimed at meaningful improvements in the living standards of those working and living in the countryside. What kind of development thinking informs the substance and practice of government’s rural transformation and agrarian change agenda? To what extent do these policy processes incorporate and empower rural residents in practice, rather than in fashionable rhetoric? At face value, the rural development chapter in the NDP 2030 extensively overlaps with similar themes in the RDP: land reform, smallholder farming, food security and rural infrastructure. What a substantive comparison underscores is that both the NDP 2030 and the RDP, at best, pay lip service to equitable social transformation given the widening spatial inequalities and social polarisation that flow from the increasing concentration of economic wealth and political voice among the elite.

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