

Assessing the Impacts of Government Agricultural Projects
On Rural Economic Development in Ugu District Municipality

By

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Declaration

I hereby declare that the work contained in this study is my own independent investigation. All the sources used have been acknowledged by means of complete references.

I hereby certify that this dissertation has not been submitted for any other degree purposes.

Mbali Sinethemba

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Dedication

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List of Acronyms

AgriBEE	Agriculture Broad Based Black Economic Empowerment
AIDS	Acquired Immune Deficiency Syndrome
ANC	African National Congress
CASP	Comprehensive Agricultural Support Programme
CMIP	Consolidated Municipal Infrastructure Programme
CRDP	Comprehensive Rural Development Programme
DC21	Ugu District Municipality code
DLA	Department of Land Affairs
DSD	Department of Social Development
EU	European Union
FAO	Food and Agriculture Organisation
GDP	Gross Domestic Product
GEAR	Growth, Employment and Redistribution Strategy
GM	Genetically Modified
HFPFSSP	Household Food Production, Food Security and Starter Packs
HIV	Human Immune Virus
HIV/AIDS	Human Immune Virus/Acquired Immune Deficiency Syndrome
IDP	Integrated Development Plans
IFP	Inkatha Freedom Party
IRDS	Integrated Rural Development Strategy
ISO	International Organisation for Standardization
ISRDP	Integrated Sustainable Rural Development Strategy
LCP	Land Care Programme

LED	Local Economic Development
LRAD	Land Redistribution for Agricultural Development Programme
MDG	Millennium Development Goals
NASA	National Aeronautics and Space Administration
NDP	National Development Plan
NFP	National Freedom Party
NGO's	Non-Government organisation
NPO's	Non-Profit Organisations
OECD	Organisation for Economic Cooperation Development
RDP	Reconstruction and Development Programme
SABC	South African Broadcasting Cooperation
SDI	Spatial Development Initiatives
URS	Urban Renewal Strategies

Abstract

Rural economic development is a priority for every government in the world, whether the country is developed, developing or Third World.

In South Africa, 45.8% of the population lives in rural areas and are regarded as lower social class. Here unemployment is high and the educational level is low. As a result people rely heavily on government grants for their household income. Many factors contribute to this dependency, mostly the legacy of apartheid policies. The effect of the apartheid ideology tended to put economic development beyond the reach of black people through stripping them of resources and blocking advancement in their knowledge and capacities. Hence, the developmental efforts in the new democratic era has a focus on economic empowerment of women and people with disabilities, improvement of health standards in rural areas, bettering education using agriculture as the tool to achieve the proposed development. Many policies that are based on agriculture have been implemented to better people's situation in South Africa. They include Reconstruction and Development Programme (RDP), Growth, Employment and Redistribution Strategy (GEAR), Comprehensive Rural Development Programme (CRDP), Integrated Development Plans (IDP) and Integrated Sustainable Rural Development Strategy (ISRDS), to mention but a few.

The study aimed at assessing the impacts of government agricultural projects in rural economic development while identifying proper strategies for effective agricultural project implementation in the rural areas. The results revealed that there has been creation of additional employment opportunities in agriculture which have also contributed to improvement of household food security, infrastructural development, informal and formal education. Measures promoting smallholder agricultural growth can be an effective strategy to reduce rural poverty, income inequality and can contribute significantly to poverty alleviation by raising rural incomes through agricultural productivity. Investing in agricultural development benefits the communities through better roads, storage, transport and other marketing infrastructures which generate farm and non-farm employment thus benefiting not only the project participants but also the community as a whole.

However, the study concludes that local regional agricultural policies are needed for land access and use by women and youth especially, in order to enhance land market development and agriculture investment. These policies should include bettering financial credits available for project participants through simplifying the application processes and low interest payments.

Key Words: Rural Economic Development, Agricultural Projects, Policies, Contribution, Rural Areas

Chapter One

1. Orientation of the Study

1.1 Introduction

Rural economic development is a priority for every government in the world. It does not matter whether the country is categorised as developed or in the Third World. In every country, special efforts have been made, organisations have been formed and projects been implemented to improve the economic conditions of the people in rural areas. The South African government is no exception from the rest of the world. Since gaining freedom the slogan of the decade in South Africa has been rural economic development. The development has focused on economic empowerment of women and people with disabilities, the improvement of health standards in rural areas, the bettering of education and the use of agriculture as the tool to achieve the proposed development. Government, using its available resources has developed strategies, implemented projects and rejected other proposals, and changed its strategies in an effort to speed up rural economic development.

1.2 Background of the Study

In South Africa, 45.8% of the population lives in rural areas and are regarded as lower social class (Boschoff, Terblanche, Lamb, Hair and McDaniel, 2008). Unemployment is high while educational levels are low. Such people heavily rely on government grants for their household incomes. They spend at least 70% of income on food security which leaves only 30% for other essentials such as education, health care and housing. This is a disadvantage which hinders

development processes in these areas (Kirsten, May, Hendriks, Lyne, Machete & Punt, 2004). In 1994, the Reconstruction and Development Programme (RDP) was adopted as a national development framework to address the issues of poverty and inequality among white and black people in South Africa. This strategy was used by the post-apartheid government in an attempt to uplift the people in rural areas in the country and improve the economic status of the black race. This strategy targeted rural areas where minimal job opportunities exist. In addition poor infrastructure coupled with poor levels of education make people highly dependent on social grants to meet their basic needs. But, the government of the African National Congress (ANC) dropped the RDP strategy in 1996 since it was not reaching the poor people in rural areas. As a result very little progress was achieved in improving the life of the target group. After dropping the RDP strategy, in the same year a new plan was born, the Growth, Employment and Redistribution Strategy (GEAR). The back bone for the GEAR strategy was the liberalization of imports through tariff reduction and encouragement of export marketing assistance, with a special effort on agricultural products. However, the results were not as quick as the government had hoped. It added the Spatial Development Initiatives (SDIs), which targeted needy and potential areas. The Integrated Development Plans (IDP) was implemented on a district and municipal level. The Integrated Sustainable Rural Development Strategy (ISRDP) and the Urban Renewal Strategies (URS) were introduced simultaneously to coordinate rural and urban poverty reduction efforts (Manona, 2005).

All strategies adapted had a common theme, the improvement of agricultural engagement from people in rural areas, not just for their own consumption only but also for trading and the formation of agricultural co-operatives. In South Africa, agriculture and agriculture-related activities provide most of the employment in rural areas. Agricultural workers are poorly paid as

most of them are unskilled and often illiterate (Manona, 2005). Agricultural projects can play an important role in improving rural life, in different forms ranging from providing employment, food, education and social interaction centres.

1.3 Problem Statement

Agriculture is a key element of rural economic development strategies in South Africa. This can be attributed to the fact that people in rural areas possess land as the central resource of any agricultural production available to them. Even though they are poorly educated they follow indigenous production practices (Machete, 2004). However, people in rural areas still lack other agricultural resources for them to be competitive and survive the agricultural business world. This, together with emigration from rural areas has contributed remarkably to a decline in agricultural practice and the consequent loss of indigenous knowledge. Recently, it seems people in rural areas undermine the role of agricultural projects aimed for their economic development simply because they associate them with poor people (Kirsten et al, 2004). Government interventions through projects seem to favour people involvement in these projects. Yet the need to improve financial and resource management can never be overemphasised for these projects. As a result, agricultural projects have not completely achieved their main goal(s) as predetermined by the organisations involved in poverty alleviation. The impact of agricultural projects on rural economic development needs to be investigated and communicated to people in rural areas, as this may restore their self-confidence and improve their response to government agricultural interventions.

1.4 Motivation of the Study

The government of Ugu District has invested millions of Rands on rural economic development, through structural programs adapted from the national government strategies of RDP and GEAR, agricultural policies and agricultural projects implementation. Although an improvement in life of people in rural areas has been witnessed since the coming of the post-apartheid government, the improvement has not reached the pace the government is targeting. This slow pace has drawn attention from different research institutions and researchers who seek to contribute to rural economic development. The researcher conducted a research on food security in the area and concluded that the area needs high government agricultural interventions. This study was therefore motivated by the need to contribute to the improvement of economic development in the district.

1.5 Purpose/Aim

According to Creswell (2003) a purpose statement underlines what the researcher wants to do and what is to be accomplished at the end of the study. The purpose statement indicates the direction the research will take and most importantly it orients the reader to the central objectives of the study. This study aims to assess the impacts of government agricultural projects in rural economic development while identifying proper strategies for effective agricultural project implementation in rural areas.

1.6 Research Objectives

- 1.6.1** To identify government agricultural policies aimed at improving rural economic development.
- 1.6.2** To identify challenges facing government and agencies involved in agricultural development and economic development in rural areas.
- 1.6.3** To identify the holistic development opportunities offered by current rural agricultural development.
- 1.6.4** To determine the contribution of agricultural projects on food security in rural areas.

1.7 Research Questions

- 1.7.1** To what extent have government agricultural policies contributed to rural economic development?
- 1.7.2** What are the challenges facing the government and its agencies involved in agricultural development in rural areas?
- 1.7.3** What are the holistic development opportunities offered by current rural agricultural development policies?
- 1.7.4** To what extent is the contribution of agricultural projects on food security in rural areas?

1.8 Hypothesis

Creswell (2003) indicates that a hypothesis is a prediction the researcher holds on the relationship among the variables the research is investigating.

- 1.8.1 Current government policies have no significant relationship on rural economic development
- 1.8.2 Current agricultural development policies have no significant relationship on holistic rural development opportunities
- 1.8.3 The contribution of agricultural projects has no significant relationship on food security in rural areas

1.9 Definition of terms

1.10.1 Rural Area is defined as a large and isolated area of open country with low population density, under developed and often in poor infrastructure compared to those regarded as urban areas. The majorities of people living in these areas depend on social grants and are underemployed. Hence the level of poverty is high (Boschoff et al, 2008).

1.10.2 Economic Development is defined as an improvement of living conditions in the less developed countries. It involves an improvement in the quality of life of the majority of the population resulting from economic growth, reduction of inequality in terms of income distribution and the eradication of absolute poverty (Mohr & Fourie, 2008). According to this study a definition can be drawn to the effect that it is the improvement of the quality of life in rural areas through proper agricultural interventions and practices offered by government. The development includes the improvement of families as individuals and the changes in social decisions.

1.10.3 Impact is a result of any form of intervention or a change that results from any activity (Okafor & Fenandes, 1987). For this study impact provides an economic

difference that results after the agricultural projects have been implemented in a rural area.

1.10.4 Agricultural projects offer investment activities in which agricultural resources are expanded to create capital assets that produce benefits for identified parties over a determined period.

1.10 Research Methodology

Research methodology refers to the process of implementing a research design or research plan through the application of valid and reliable methods, techniques and procedures (Nqadala, 2008). It systematically solves the research problem and specifies the various steps to be adapted by the research to study the research problem along with the logic of the sequential application.

1.10.1 Research Design

Research design is the plan or the blueprint of how and where the research will be conducted. It focuses on the kind of study to be conducted and the kind of expected results. It is basically a plan to answer the research questions or to address the research problem as determined by the researcher (Babbie & Mouton, 1998).

According to Kumar (2011), research design is a procedural plan applied by the researcher to answer research questions validly, accurately and economically, where it economically signals the importance of time and resource application. The research design is a way of communication used by the researcher on what is the study design, how the data will be collected from the respondents, how the respondents will themselves be selected or what characteristics must the

respondents possess, how the data will be analyzed and interpreted, and how the findings will be communicated to the interested parties.

1.10.2 Evaluative Research Design

The study will adopt an evaluative research design. According to Kumar (2011), evaluative research design is a process of applying scientific procedures to gather reliable and valid evidence in the manner and extent to which specific activities produce particular predetermined outcomes. Also Rutman (1980) as quoted by Kumar (2011) defined evaluative research as the use of research methods to measure the impacts of operative programmes.

Evaluative methods are used in establishing the decision of areas of concern by selecting the relevant data, collecting it by using appropriate methods, analysing them with available methods or specially developed for the study and reporting the information as concluded by the results of the study stakeholders or decision makers. In government programmes, evaluation research helps to improve the management of programmes in the quest to meet its goals and objectives, and financial accountability to the required standard and control measures.

A combination of qualitative and quantitative research methods will be used to determine the relationship (impacts) between an independent variable (agricultural projects) and a dependent variable (economic development).

Qualitative methods have their origins in the humanities: sociology, anthropology, geography and history. They differ from quantitative methods in aiming, not primarily at precise measurement of pre-determined hypotheses, but holistic understanding of complex realities and processes where even the questions and hypotheses emerge cumulatively as the investigation progresses. The questions are broad and open-ended and change and develop over time to fill the

uncertainty of differing accounts of reality. While, quantitative methods are commonly conceived and derive from experimental and statistical methods in natural science, the main concern is on rigorous objective measurement in order to determine the truth or falsehood of particular pre-determined hypotheses. The main focus is on measuring 'how much is happening to how many people'.

The combination of these methods completes the exposition of the research problem so that the result can be useful in both qualitative and quantitative future studies.

1.10.3 Target Population

The research was conducted in the South Coast of KwaZulu Natal, under Ugu District. Ugu District consists of six local municipalities, Umdoni, Izinqoleni, Umziwabantu, Hibiscus Coast, Vulamehlo and Umzumbe. The areas along the coast have a well-developed infrastructure and market places, thus a reasonable economic growth, whereas the hinterland is characterized by a poor infrastructural provision and high unemployment levels. The research targeted people who are involved in agricultural projects in the district of the hinterland. It selected projects which were organised by the government and have more than ten direct beneficiaries or participants, but ignoring those which were organised by the people and the private sector.

1.10.4 Sampling Method

According to Creswell (2007), in a purposeful strategy the researcher selects the sites for study because they can purposefully inform the understanding of the problem and central phenomenon in the study. In this study, a purposeful sampling was used; every government project in the district could have been selected provided it had more than ten direct beneficiaries. Two projects were selected in each local municipality. The community members or beneficiaries were selected

randomly in the projects. A list of project participants was used as a sampling frame. A sample of twelve projects was obtained. The respondents are categorised as follows:

- Twelve organisers or management members of the projects. One from each project
- Thirty six beneficiaries. Three from each project

1.10.5 Data Collection Method

The researcher conducted face to face interviews, with one of the project organisers and three community members for each project. Observations were used where possible with a focus on the assets of the project and the daily settings. The time taken for each interview was not recorded as the interviews were sometimes on the fields so they were not in a controlled environment. The respondent did not necessarily need to be able to read and or write, as the researcher used isiZulu to interpret the questions, and the answers were translated into English.

1.10.6 Data Analysis Method

With the combination of qualitative and quantitative data analysis, the triangulation analysis was used in the research. The data was sorted to search for any sequences or themes, and to reconstruct the data into useful information as a tool for qualitative data analysis. Coding was used to pull together and categorise a series of discrete statements and observations identified in the data. The MoonStats data analysis tool was used for quantitative analysis. The data was presented by means of tables and themes.

1.11 Summary

This chapter gave the orientation of the study and investigated what tools were used in the execution of the study. A brief description of the characteristics of rural communities in South Africa was discussed as a background to identify the problem statement. The problem statement was identified in the chapter. A problem statement lays a foundation on the description of issues that need to be addressed in the study. The motivation and aim of the study were discussed based on how the researcher identifies the need for the study to be conducted in the targeted population and what to achieve after the completion of the study.

Research objectives and questions were discussed as instruments to be used to achieve the aim of the research. The hypothesis is used as a prediction of the outcome of the study.

The four definitions, rural area, economic development, impact and agricultural project that form the basis of the study were clarified with a focus on their relevance to the study.

The chapter concludes by discussing the research methodology focusing on the research design indicated as the evaluative research design. A summary of the targeted population is discussed as it gives an indication of the relevance of the sampling method, data collection method, and data analysis and presentation methods.

Chapter Two

2. Literature Review: Rural Economic Development Policies

2.1 Introduction

Literature review consists of a body of text that aims to review the critical points of current available information about a topic to be studied and lays a background on the importance of studying such a topic. It shapes the researcher's frame of reference. The researcher builds the theoretical basis by interpreting any available information to add value to the study. The literature review will help to show if a similar study was done and so what were the results. Ignoring literature review until later stages of a study can hinder the progress of the study, in the sense that the researcher will not benefit from previous successes and failures of others and might repeat already existing work (White, 2005). It is therefore, important to start a literature review immediately after deciding on a topic to be studied. This indicates the importance of the selected topic under review. It provides a considerable grasp the issues, dimensions and complexity of the topic, while the researcher is afforded the opportunity to learn more on the issues and successes of other researchers.

2.2 Rural Economic Development Policies

A rural community is composed of a group of people living in a specific locality, sharing a common belongingness because most members exhibit similar emotions, observe similar norms and preserve similar culture. Such communities are relatively more homogeneous and mainly

depend on agriculture for their productive economy, food security and related social connections (Manona, 2005). The living standards of people in rural areas are mostly poor and can be improved through strategies that improve their ability and capability to obtain food, shelter and job competitiveness. In South Africa such communities were ignored in the development processes. As a result they are underdeveloped. Poverty was allowed to escalate while their economic wellbeing dwindled to alarming levels.

In this chapter, the historical overview of rural economic development is analysed with a special focus on the Land Act of 1913 of the apartheid era. The said Act had a major impact on the economic development of people in rural areas. The nature and extent of democratic government strategies is analysed with expected outcomes of each strategy. This chapter attempts to identify how the post-apartheid government has structured its interventions in response to poor rural economic development which is notably worsened by a poor educational system, poor institutions and infrastructure, and consequent high unemployment. In this review the economic status, poverty and food security of people in rural areas in the province of KwaZulu-Natal is analysed to put the development need of rural communities into perspective.

2.2.1 Background

During the apartheid era, all pieces of legislation and policies in South Africa aimed to give the White people an economic advantage over the Black people. There were no governmental interventions aiming to better the lives of rural Black people. The focus of the apartheid government was to put economic advancement beyond the reach of black people through stripping them of resources and blocking advancement of their knowledge and abilities. The only development occurring was when the White government constructed railway lines for White

people economic benefit while the black people benefited only through job opportunities created in the construction industry. Rural communities were underdeveloped and exploitation of natural resources occurred as black people owned small land overburdened with high population densities.

Some of the impacts of the apartheid system have persisted into the current economic period where Whites still control the greater mass of agricultural productive land. White people still dominate almost every production and development activity because of the apartheid legacy. The effects of the apartheid policies were far reaching. They achieved at least 80% of their immediate and long term goals. Although partially reversed by the democratic government they are still felt and experienced by people in rural areas.

The democratic government has since struggled to reverse the trends left by the apartheid legacy. Since 1994, there have been programmes implemented to improve the lives of people in rural areas in South Africa. As much as some progress has been achieved, there is still a long way for the government to close the poverty gap between White and Black in rural and urban areas. The dual attempts made by government to tackle poverty and unemployment concurrently have resulted in slowed progress. There is a problem of monitoring and evaluation of the interventions in rural areas. However, the future looks brighter as the government has adapted a holistic approach to rural development with agriculture as the central focus. In addition, rural communities command the basic resources for agricultural production and indigenous knowledge to fall back on to improve agricultural practices. Hence, the governmental agricultural projects in rural areas have a visible advantage in improving the economic situation of people in rural areas.

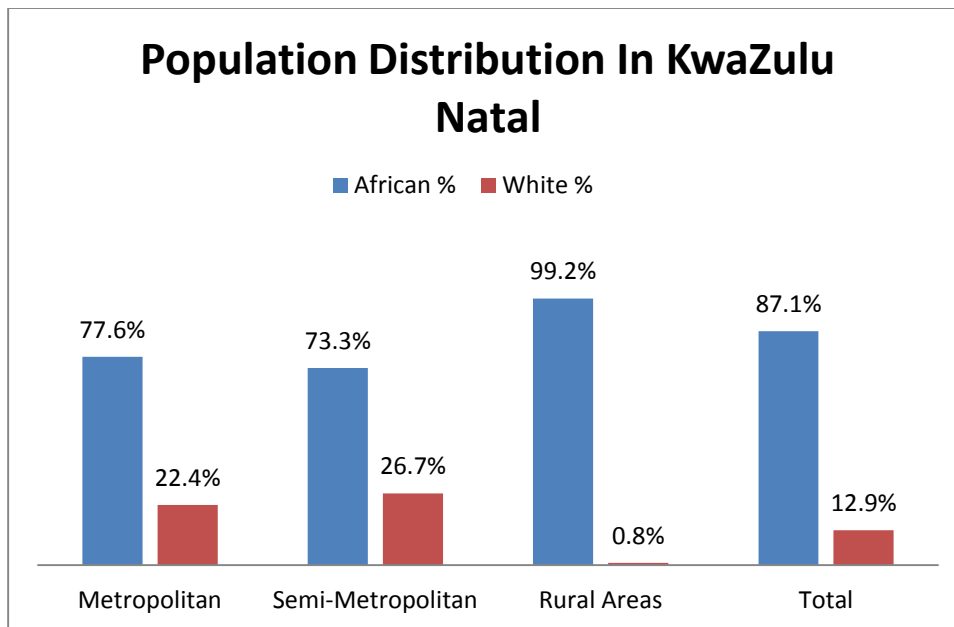
2.2.2 Rural Economic Development in the Apartheid Era

Under separate development in the apartheid era Blacks were given rural areas such as KwaZulu, Venda, Transkei and Ciskei because these areas were deemed agriculturally unproductive. At some stage black people were regarded as non-South Africans. The Constitution of that era was also oppressive to Blacks, not only in the rural areas but also those who were working in urban areas. There was no economic development for people in rural areas or any other form of development for them. Before, separate development and the notorious land Act in the early 1900s, rural communities depended on agriculture for their economic survival. It provided most employment opportunities for illiterate people in rural areas and trading was done through the use of agricultural produce. The larger portion of agricultural productive land was owned by Black people. To limit the production capabilities of Blacks, the Land Act of 1913 (also known as the Native Land Act) was passed by the apartheid government of South Africa. Its purpose was to stifle the acquisition of land by Blacks. The Act decreed that only 7 percent of land could be owned by Blacks even though the Blacks formed the majority of the population in South Africa. This Act was responsible for the core of rural underdevelopment in the apartheid era and was only replaced after 1994 by the post-apartheid policy of land restitution. The government of that time applied oppressive measures to make it difficult for black people to produce at optimum capacities. There were restrictions on the number of livestock a black person could keep and the size of product that could be produced. Black people were forcefully removed from productive land and had to dispose of livestock. The Land Act created a system of land tenure which undermined productive capacity of majority of South Africans and had massive impacts on the socio-economic development of rural areas. As a first step to stimulate rural development, the

democratic government focused on land redistribution. Yet the majority of black people still occupy underdeveloped rural land (Manona, 2005).

In the graph below, two variables of race and place are shown. The metropolitan areas are the most developed places. By contrast the degree of development decreases as one move from metropolitan to rural areas. According to this graph there are almost no Whites living in rural areas while most Whites live in semi-metropolitan areas. Unfortunately the graph does not show what people are doing in that area. In metropolitan areas, 77.6% of the population composed of black people expectedly works in these areas. By implication black people do not reside there permanently but are largely domiciled in rural areas.

Figure A: Indicates Population Distribution in KwaZulu-Natal under the Democratic Government



Source: Pauw, 2005

- *The Africans include Coloureds*
- *The Whites include Asians*

2.2.3 Rural Economic Development and Disparities

Development in the apartheid era and the earlier stages of democracy in South Africa was largely concentrated in urban areas. The consequence of such economic development was the widened gap between urban and rural economies to an unacceptably high disproportion (Munro, 1996). Other factors that contributed to the widening gap between urban and rural areas in economic development were:

- Emigration of skilled man power to urban areas for better paying jobs.
- Unequal cash flows to urban regions attracted by higher demand, availability of infrastructure, services and potential markets. This meant there is a better environment for firms to operate in urban as compared to rural areas.
- The apartheid government allocated a large share of public investment finance to urban development which lead or forced the democratic government to do the same to maintain existing facilities in urban areas.

Over time the process of inequality exacerbated regional disparities within South Africa until negative factors such as overcrowding and loss of jobs worked in the opposite direction:

- There was no further job creation in the urban sector especially for unskilled labour. Job opportunities in the agricultural sector in rural areas were still available. This trend explains why migration to the cities in search of job opportunities diminished.
- Reduced attraction for business opportunities in the urban areas due to the saturation of the markets and physical congestion with the consequent prohibitive costs of land and a fall in the profit rate.

- More people continued to migrate to urban areas. However most of them were inactive economically. This population shift caused problems for government in urban and surrounding areas.

As a result of the factors enumerated above, the government was therefore forced to increase public investment in rural areas with the aim to improve the rural production systems especially in agriculture by local people other than external investors. This investment was to cater for previously disadvantaged people as the government sought to implement policies with a bias to enhance economic opportunities and social investments rural areas (Munro, 1996).

2.2.4 Re-structured Economic Development

It is almost two decades since democracy substituted apartheid in South Africa. Yet the legacy of apartheid is still visible in rural areas. This is evident in the fact that 70% of people in South Africa who are poor are located in rural areas. However, the democratic government has dedicated a large portion of its available resources to reverse the inconsistencies that exist in rural communities. It has identified rural areas as the engine of development for the envisaged future economic development (Manona, 2005). According to Manona (2005), the success of the interventions depends on a flexible and well trained workforce, access to credit coupled with technology facilities in rural areas, cultural and natural facilities, the public infrastructure, relationships that foster problem-solving and collective action within the rural communities and their neighboring areas.

Although the national government has hugely financed rural economic development, some of the above mentioned factors pose a huge obstacle to rural development. It is people in rural areas's creativity that determines whether government innovations, investments and interventions can

guide development towards the creation of new industries, agricultural markets, generates high value, high paying jobs and fuel widely shared wealth in rural areas. Therefore, the development of rural competitiveness and skills base needs special attention in order for rural areas to progress at optimum level.

The different strategies should have well-defined and attainable shared goals for individuals. The objectives of the strategies are to create an enabling environment for people in rural areas to take a central role in their economic development. The strategies should include building and revitalizing the rural infrastructure to speed up economic development and educate people to use the opportunities optimally. They attempt to involve people in decisions affecting their lives, to increase employment opportunities and promote economic growth in rural areas, provide affordable infrastructure and better service delivery in these low potential areas where people deprived of the opportunity to own land in the apartheid era (Gwanya, 2010).

2.2.4.1 Reconstruction and Development Programme (RDP)

Immediately after coming into office in a democratic South Africa, the ANC government put measures to address the economic and social problems left by the legacy of apartheid. The main policy implemented to address such disparity was Reconstruction and Development Programme (RDP). The objective of the RDP was to get the support of all the nations' people in the attempt to reverse the impact of apartheid while promoting a democratic, prosperous and non-discriminatory society. The programme aimed at equaling service delivery and addressing the legacy of injustice in South Africa. It noted the need to have an integrated, well-coordinated and sustainable strategy with the emphasis on the importance of people's participation in economic development (Gwanya, 2010). The programme combined growth, development, reconstruction,

redistribution and reconciliation into an infrastructural programme with a focus on creating and enhancing services in the electricity, water, telecommunications, transport, health, education and training sectors. It put an enormous emphasis on strategies that promoted social infrastructure and human development, hence eradicating poverty. But it did not recognize the agricultural capabilities and economic opportunities of people in rural areas. The programme did not last long as economic problems emerged with investors and international financial institutions demanding a clear fiscal policy. Hence, in 1996 a new strategy of development with economic stability was implemented known as Growth, Employment and Redistribution (GEAR) (Mokwena, 2009)

2.2.4.2 The Growth, Employment and Redistribution (GEAR)

In June 1996, the Department of Finance adopted the Growth, Employment and Redistribution (GEAR) as a five year macroeconomic policy. The basic goals were to promote economic development, broaden equal employment opportunities, and redistribute income and socio-economic opportunities in favour of the poor people in rural areas. There were defined economic targets for this policy. Aiming to achieve an economic growth of 6% in the year 2000, decrease inflation by less than 10% and increase the employment rate. However, these goals were frustrated by world economic challenges as a result only 3% growth was achieved in the predetermined period. The criticism of GEAR were that it focused on stringent monetary and fiscal policy which conflicted with the RDP targets of job creation, poverty reduction and income distribution in favour of designated groups. The GEAR targets limited the budget to meet social development goals for RDP. As a result the Integrated Rural Development Strategy (IRDS) was implemented in year 2001 (Gwanya, 2010).

2.2.4.3 Integrated Rural Development Strategy (IRDS)

The objective of this strategy was to intensify the sustained attack on poverty and underdevelopment in rural areas. The main aim of the strategy was to ensure food security and contribute towards economic growth in rural areas through decent job creation and facilitate development of agribusiness in rural areas. This strategy recognised that agriculture is the main economic activity in rural areas. It strove to transform rural areas into socially cohesive and stable communities with viable institutions, sustainable economies and universal access to amenities. The main advantage of this intervention was that it targeted former homeland areas and attempted to introduce the spatial focus to deal with poverty and underdevelopment. It also defined how integration would happen through structured services, anchor projects that emphasise linkages and multiple spin-offs and the financing protocol. The programme was subdivided into rural sanitation, rural transport and rural housing. Other implementations such as a comprehensive social security programme, social wage, free basic services, no fee paying schools and subsidised housing had a major an impact on the lives of people in rural areas. However, there was a failure to coordinate projects and activities that would provide integrated service delivery, actual eradication of poverty and promotion of sustainable development. The interventions for this programme were implemented at district level which caused failure to target local municipalities and poor villages. Although the target were people in rural areas, youth and women, these groups were only involved as beneficiaries of the programme rather than involvement and capacity building right from the planning stage (Gwanya, 2010). As a result it lacked sustainability in its impacts.

2.2.4.4 Comprehensive Rural Development Programme (CRDP)

The vision for this strategy was to create vibrant, equitable, sustainable rural communities and food security for all citizens of the Republic. The vision was to be achieved through a coordinated and integrated broad-based agrarian transformation, rural development infrastructure and an improved land reform programme (Gwanya, 2010). The strategy aimed at intensifying the land reform programme so as to ensure that more land is distributed equally to the poor people in rural areas. Under the strategy, the rural communities were to be equipped with productivity, financial and management skills necessary to create decent work opportunities and sustainable livelihoods in rural areas. The agrarian reform programme would be expanded with a focus on systematic promotion of agricultural cooperatives through the value chain including the agricultural processing sector (The Concept/Vision of a Comprehensive Rural Development Programme, 2009).

From the RDP strategy to the CRDP, it is clear that agriculture has been given the central role in people in rural area's development. Though, the government agricultural projects have been promoted at village level, they need to be combined with long term strategies because, often these projects fail to produce the required sustainable results when people receive little progress.

2.2.5 Agricultural Development Policy

The implementation of the agricultural development policy potentially attracted new business and investment from domestic and foreign investors into commercial agriculture and related fields. This policy improved the confidence that foreign and domestic investors had in the South African agricultural industry. It is obvious that investors would not have invested if they perceived the risk of investment in the country in general to be too high. The policy formulated a

system of guaranteed markets and the reduction of import protection which resulted in the change of farming systems. There has been a considerable shift to higher value commodities in the commercial level, which however has suppressed the progress and survival of subsistence farming because of this policy. It also can partly be ascribed to the removal of guaranteed prices in, especially, the grain and oilseeds markets and perhaps also to the opening of export opportunities for higher value commodities. The policy seemingly is catering for commercial agriculture, which only contributes in terms of jobs to rural economic development. It does not specify clearly how it is going to help those people in rural areas who are in agriculture to survive. Nor does it encourage emerging farmers to participate actively in the agricultural industry.

2.2.6 Land Tenure Reform

The then Ministry of Land Affairs planned legislation and began to implement a complex package of land tenure reform measures under the democratically elected government. The programme was based on the fact that people cannot be developed economically and agriculturally without land and other agricultural related assets (Zodidi, 1999). The Department of Land Affairs (DLA) initially focused the land tenure reform programme to redress the apartheid legacy of land dispossession which was imposed on rural Blacks. Hence, the DLA concentrated on the alleviation of poverty and the improvement of household welfare. The programme was introduced because government was aware of the certainty of traditional forms of land forms and magistrate's court practice on land transformation and its corrupt selling. An Interim Protection of informal Land Rights was passed to protect the poor rural residents from the unfair practices. A bill was passed to transfer land from the state to people. But the DLA challenge was not to change its focus from its apartheid era mandate, but to employ staff who

would be seen to be delivering and able to identify the target groups so that the poor people in rural areas would accept them and participate in the programme. Therefore, the first two years of the programme were dedicated to policy development or betterment and capacity building of the human resources to implement the programme. The result was the slow start in delivery in all the land tenure reform programmes and the economic development of the people in rural areas. The policy was developed on the bases of the RDP policy (Zodidi, 1999). The main objectives of land reform were to address:

- The injustices of racially-based land dispossession of the past
- Equitable distribution of land ownership
- Reduce poverty and contribute to economic growth and
- A system of land management which supports sustainable land use patterns and rapid land release for rural economic development.

2.2.7 Land Restitution

The Restitution programme was designed to restore land ownership and or provide compensation to those who were forcefully removed from their land without compensation by racially discriminatory practices of the apartheid government. The legal basis for restitution was provided by the 1993 interim Constitution, Section 25 (7) of the 1996 Constitution, and the Restitution of Land Rights Act 22 of 1994 as amended in 1997 (Zodidi, 1999). This Act established a Commission on the Restitution of Land Rights under a Chief Land Claims Commissioner and Regional Commissioners. This Commission was established as semi-autonomous from DLA, but received funds, support and policy direction from the DLA. A separate court (the Land Claims Court) was also established to deal with land related matters and

in an effort to speed up the process of land claims. The Land Claims Commission was there to investigate the validity of each land claim and recommend its resolution to the Land Claims Court. But the progress of delivery was generally very slow nationally up until 2001 when the then president of the Republic, Mr. T. Mbeki, instructed both the commission and the court to finish all the claims by 2005. Although the process accelerated, however, most claims processed were urban. This resulted in the target date of settling the claims being shifted from 2005 to 2008. Other reasons were the complex challenges in the processes of settlement of claims that were encountered by the human resources and the unofficial total number of claims that were made. The government might be creating dumping fields rather than contributing to rural economic development because people, who claimed the land, did not have clear and easy access to agricultural farming support. As a result the vast tracks of land claimed ended up being expanses of vacant land. The realization that beneficiaries of land claims needed to be trained in agricultural productions brought a new dimension to land claims.

2.2.8 Land Redistribution

The goal of the Land Redistribution Programme was informed by the RDP in 1994. The RDP was later translated into the White Paper of South African Land Policy to provide the disadvantaged, poor and landless labour tenants, farm workers and emerging farmers, and women with access to land for residential and productive purposes in an effort to improve livelihoods and general quality of life. The programme was also informed by Settlement/Land Acquisition Grant which required that for any individual to qualify they must have a maximum monthly income of R1500 to receive a minimum R16000 grant per beneficiary. The primary objective was to solve the problem of landlessness in the country through equitable distribution of land, which would in turn contribute towards national reconciliation and stability, enhance

household income security, employment and economic growth so as to improve conditions of settlement in rural and urban areas and reduce land related disputes (Songelwa, 2009). The Land Redistribution Programme was conceived as a means to effect a social and economic transformation of society through a range of measures, including the transfer of property rights from Whites to Blacks. The transfers were envisaged to result in a significant improvement in the economic status of the poor rural. The farmers would get a grant to purchase land for their agriculture, but, the land redistribution programme paid less attention to people who wanted land for non-agricultural purpose on restitution. It was away from poverty alleviation and group settlement in favour of settling prospective farmers (Zodidi, 1999).

2.2.9 Agriculture Broad Based Black Economic Empowerment (AgriBEE)

The AgriBEE policy framework was launched in July 2004. The policy targeted organised agriculture, commercial and non-commercial and related businesses. AgriBEE applies to the entire value chain in the South African agricultural sector, including all economic activities relating to provision of agricultural inputs, services, farming, processing, distribution, logistics and associated activities that add value to agricultural products. It includes the primary and secondary agriculture (Mdluli, 2011). AgriBEE means the economic empowerment of all black people involved and those interested in agriculture including women, workers, youth, people with disabilities and people living in rural areas through diverse but integrated socio-economic strategies that include, increasing the number of black people that manage, own and control enterprises and productive agricultural assets; facilitating ownership and management of enterprises and productive assets by communities, workers, cooperatives and other collective enterprises; human resource and skills development in relation to agriculture and more investment in agricultural enterprises that are owned or managed by Black people. The

department of agriculture and other interested parties recognized the need to involve women and disabled people in decision making structures and adopted the national strategy; the Agri-Black Economic Empowerment (AgriBEE) Charter to open opportunities for women and people with disabilities to enable them to actively participate in agricultural development. However, the charter does not have specific targets which present challenges on the measurement of its progress (AgriBEE, 2005).

2.2.10 Summary

This chapter has provided a background to understanding the economic situation of rural communities in South Africa. It reviewed the trends in rural economic development in the apartheid era and further clarified how poverty and under-development affected people in rural areas and their capability to develop economically. The results of underdevelopment in rural areas of KwaZulu-Natal are explained with the bases of population distribution. After analysing the impacts of apartheid, the chapter discussed the measures that have been put in place by the democratic government in its attempts to develop rural areas economically. Although the land tenure reform, land redistribution and land restitution policies are often presented as one policy. In this study they were separated to analyse their individual objectives, the link between them and ultimate value in the agricultural sector.

The communication of these policies to people themselves is not clear. As a result people often fail to clarify the role of commercial farmers. Most of these policies have focused on giving asset ownership to people in rural areas without proper education on the productive use of the newly acquired asset. But, the government adapted the trial and error approach so as to learn from experience which has benefited to better these policies over time. The goals and objectives have

been reshuffled consistently to adapt them to changing rural economic needs. The most recent policy which shows the balance between asset ownership, commercial mentorship and productivity is AgriBEE, forces commercial farmers to promote or let some percentage of their productive farms to emerging Black farmers. The government has implemented this policy by giving some status to those commercial farmers, who participate in AgriBEE, giving subsidies to produce and opening markets for them.

Chapter Three

2. Literature Review: Economic Development

3.1 The Concept of Rural Economic Development

Rural economic development is a demand driven, inclusive and sustainable economic growth. It focuses on rural wealth creation through increasing the vigour, resilience and adaptive capacity of rural communities in relation to developing the economic performance of rural markets. Because of the dependence of people in rural areas on agriculture, it is used as a driving force in their development. This incorporates the sustainable livelihood approach, developing people in their comfort zone through what matters to them and based on their strengths and capacities. Rural economic development does not only focus on agriculture, but includes social development policies and employs a flexible approach to rural development.

3.1.1 Approaches to Rural Economic Development

Myint (1980), as quoted by Szirmai (2005), identified two approaches to development in general. They are also applicable to rural economic development, the fight against poverty and the analysis of long-term economic and social development.

3.1.1.1 Fight against Poverty

The fight against poverty approach focuses on eradicating poverty, hunger and misery in poor rural communities and developing short-term solutions. This approach is strongly linked with development policies and strategies at international, national, regional and local levels. It encompasses many strategies that have been proposed and implemented to speedup rural development, strategies such the great green revolution of agricultural development, the concept

of community development, improving self-reliance and the promotion of the informal economic sector which is dominated by poor people and characterised by unsustainable livelihoods. Most of these strategies aim at short term goals of not more than a decade. But they are still useful in conditioning people to fight poverty.

3.1.1.2 Long Term Economic and Social Development Analysis

The analysis of long-term economic and social development concentrates on comparing development in different countries, regions and historical periods in order to gain a clear understanding of the factors that have long-term effects on socio-economic development (Szirmai, 2005). This approach tries to identify the factors that may help explain different patterns of economic development. It emphasises the need of economic growth as it achieves long term holistic development.

3.2 Poverty Status in Rural Areas

Poverty is a state where people lack access to financial abilities to afford basic human needs such as clean freshwater, nutritious food, health care, education, clothing and shelter. But it can be more than a lack of money and income, more than lack of access to facilities and services such as water, roads, education or clinics. It is also the result of poverty of spirit that exists in rural areas. These places are characterized by an attitude of hopelessness, an ignorance of available resources, a dependence upon others, lack of confidence, discouragement, lack of skills, lack of trust, lack of integrity and lack of effective sustainable organisation, in short, lack of good management. Poverty is a social problem, and calls for a social solution. Poverty can be reduced by organising and guiding poor people towards helping themselves, and by getting stronger

empowerment strategies as a result of engaging in struggles and meeting challenges through community projects (Mjonono, Ngidi & Hendricks, 2009).

Poverty is measured by the poverty datum line which sets a daily average income, which is \$1 (R8-00) currently, on which a family can survive. If a family or community has an average income below this standard, they are classified as living in poverty. The second measure is the poverty gap which shows the depth or degree of poverty by explicating how far the community is below the poverty datum line. People may be below the poverty datum line but not too far from it. The worse affected people in situations of extreme poverty are women, children, people with disabilities and the elderly people. In South Africa, women are the most affected by poverty because historically they have had less access to education which is the gateway to adequately paying jobs. Many South African women have always performed unpaid or low paying jobs such as being housewives or employed as domestic workers.

Most of the poorest households in the country are child headed because of numerous social causes. Even in families which are not child headed, malnutrition is high among children between six months and two years, which make them susceptible to diseases at an early age. The most affected provinces are Eastern Cape and Limpopo with 70% and 74% respectively.

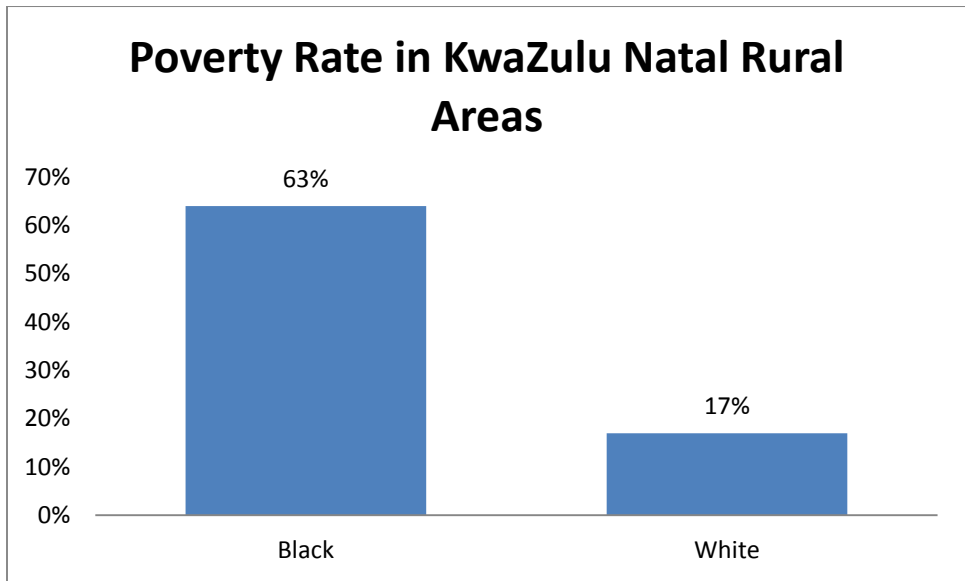
Although the South African government gives social grants to people with disabilities, most of these people live under the double burden of poverty. About 5% of the people are disabled in South Africa and only less than 1% of them is employed which leaves the responsibility for the survival of the many to a few employed family members. A facility such as public transport is not friendly to these people. Without any government support their access to education and adequate job opportunities is hampered.

The province of KwaZulu-Natal is home to at least 21% of the South African population and is the third richest province in the country. However, the province is characterised by uneven economic benefit distribution, unemployment and persistent poverty, 54.3% poverty rate with 78% being people in rural areas and 98.1% of the people in rural areas strictly depending on agriculture which provides employment for more than 90%, and 81% of the rural population depending on agriculture lives below the poverty datum line and are illiterate. Also poverty varies greatly on racial bases in the province. There is almost no poverty for the Whites and Asians while Coloureds and Blacks are deep in poverty, 17.2% and 64.3% respectively. This statistics vividly demonstrates that poverty and unemployment in the province characterises the life of black people and is a rural phenomenon (Pauw, 2005).

The graph below shows the poverty distribution rate in rural areas of KwaZulu Natal based race. Where Blacks include Coloureds and Whites include Asians.

According to Pauw (2005), in KwaZulu-Natal 78% are rural areas where 63% Blacks are in poverty and only 17% Whites where they mostly occupy commercial farms.

Figure B: Poverty rate in KwaZulu-Natal Rural Areas based on Race



Source: Pauw (2005)

Ugu District Municipality is the third largest municipality in the province with 8.6% people living in the area and the majority of them being poor people in rural areas who contribute to the district being among the poorest in the province. Given the capabilities and knowledge of people in rural areas for agricultural activities the government can rightfully focus on agriculture for rural economic development. If properly practiced and managed government agricultural projects can have a major contribution towards mitigating poverty in rural areas in the Ugu District. Food Agriculture Organisation (FAO) (2007) as quoted by Mjonono et al (2009) indicates that agricultural projects indirectly contribute to social welfare but their mechanisms are not well incorporated and rarely reflected in national and rural development policy strategies. Therefore the ultimate goal for government agricultural projects is to provide rural economic development policy makers with the vital information to create other agricultural incentives,

make rural economic investments and societies which are conducive to development and thus ultimately poverty eradication.

The South African government has to address the links between sustainable development, poverty reduction and food security. The principle of self-reliance in poverty reduction should be the main focus for the government agricultural projects. These activities should be designed specifically in the short term for food security purposes according to provinces and regional priorities (Aliber & Modiselle, 2002). Strategies may include alleviation of poverty through improving physical and economic access of people in rural areas to sufficient, nutritionally adequate and safe food. Ensure agricultural trade is encouraging food security for all, through an open market-oriented world trade system, and assist the poor communities to improve their agricultural productivity and infrastructure. The strategies must enhance women's access to agricultural credit, technology, and productive related information.

3.3 Food Security in Rural Areas

FAO (2004) defines food security as an access to food in terms of quality and quantity to meet the nutritional requirement of the human life from one year to the other and within the year. The South African Constitution provides that every citizen has the right to have access to sufficient food and water, and that, the state must by legislative and other means, take measures within its available resources to achieve the progressive realisation of the right to sufficient food. Of the South African population, 35% is vulnerable to food insecurity. The majority of these people is Black and lives in rural areas (De Klerk, Drimie, Aliber, Mini & Mokoena, 2004). A total of 45.8% of the South African population lives in rural areas and are regarded as the lower social class, underdeveloped and depend on agriculture for their food security (Boschoff et al, 2008).

They heavily rely on government grants for their incomes. While income is the principal determinant of household food security in South Africa, research has revealed the rural household's income is low and spends at least 70% on food security which leaves only 30% for other essentials such as education, health care and housing which negatively impacts on their economic development (Kirsten et al, 2004). The role of agricultural government projects in food security is recognized in other countries but in South Africa, people associate agricultural programmes with poverty and generally allocate a low value to it.

Food insecurity is usually caused by a number of combined factors, which contribute different and at different times of the year. These factors expose people in rural areas to high levels of risk and stress, and undermine their ability to cope with food insecurity. Millions of people in rural areas in South Africa do not have enough to eat which decreases their ability to look for formal employment and enjoy less health status. These factors render them less ready for economic participation. Inefficient agricultural policies, poor climatic conditions and the devastating impacts of HIV/AIDS are other factors which make the situation worse in South Africa (Shisanya, 2008). Inadequate safety nets, weak disaster management systems, weak support networks, inadequate and unstable household food production and lack of purchasing power were listed by the National Department of Agriculture and Land Affairs as major contributors to poverty in South Africa (National Department of Agriculture and Land Affairs, 2005).

In South African rural areas, 87% of agricultural land is occupied by large White commercial farmers while the remaining 13% has to feed more than twenty million rural households which cause food insecurity among the rural households (Aliber & Modiselle, 2002).

The ever increasing food prices in the world cannot be ignored in identifying the causes of food insecurity. Although, the rise in prices is usually gradually in a way that the public does not often notice, food price increases have a significant effect on the ability of people in rural areas to purchase food, especially in lower income families. However, the increase in food prices that took place in 2002, had such a negative effect that the public noticed before the government launched programs to try mitigate the effects (Kirsten et al, 2004). But, the rising trend in food prices continued, and even accelerated in 2008. This was mostly influenced by international high prices of wheat. The predictions were that the increase in food prices was not a short-term phenomenon but was likely to continue in the medium term, which made people even in rural areas more susceptible. The effect of high prices of staple foods reverses all that had been done in the preceding decade to decrease poverty and reduce food insecurity. As people continue to starve they opt for non-nutritional foods which increase the problem of malnutrition in rural areas. Lastly, another negative effect has been the high job loss in the agricultural sector and a decline in productive levels of small scale and subsistence farmers.

Over time people in rural areas have tended to adapt some techniques to decrease food insecurity and its effects. A common social trend is to move from rural areas to urban areas where food markets are easily accessible and food help often comes in aid of poor urban communities. Those remaining in rural areas abandon agricultural practices because it consumes more of their time while the little income they get from it has to be used in agricultural production (Aliber & Modiselle, 2002). Agricultural projects in different forms such as credit accessibility, management training and cooperatives offer a better solution for people in rural areas. The recent trend by government Departments to focus on agriculture to holistically improve the socio-

economic status of people in rural areas has yielded the desired outcomes but the problem of sustainability still exists.

3.4 The Role of Agriculture in Rural Economic Development

Agricultural processes are designed to maximize agricultural supply and demand, and provide additional opportunities for employment, therefore increasing the purchasing power of people in rural areas. Augmentation of the purchasing power means an improved economic status for people in rural areas (Mukhoti, 1985). It seeks to increase the agricultural productivity and capabilities of the people in rural areas through adoption of practices that maintain the long term ecological and biological integrity of natural resources. On the negative side some new methodologies such as genetic modified crops and reckless use of chemicals threaten the environment.

In most rural communities agriculture provides much of the employment. In addition high percentage of the national income (GDP) is derived from the agricultural sector (Norton et al, 2008). As more people are employed in the agricultural sector, their income increases and their food demand increases with the production (supply). In this manner the livelihood of both the agricultural producers and consumers is improved. The agricultural sector contributes food, labour and capital expansion to economic development. It also provides educational and training development for the people. The focus on agriculture encourages proper formal and informal educational development while incentives are created through changes in institutions such as land tenure systems, input and credit policies and pricing policies for rural areas (Norton et al, 2008).

People in rural areas engage in agriculture for various reasons; the diversity and staggered planting increases the likelihood of indigenous crop survival by taking advantage of inhibitions of pests and disease. In rural communities agricultural operations are easily integrated into daily household tasks, helping people to earn needed additional income while undertaking household tasks. During the period of agricultural harvest, households tend to reduce their food purchases, particularly in terms of staple foods such as maize products. Money saved in this way is then available to satisfy needs that are not necessarily food related such as shelter, health and education.

Income is the most important determinant of household food security in rural areas but monthly household incomes are inadequate to maintain adequate household food requirements in terms of quantity with social grants being the main stable source of income (Kirsten et al, 2004). This increases the contribution of their agricultural produce, especially the poor households. Aliber & Modiselle (2002) concluded that in 2002, KwaZulu-Natal rural households with members involved in agricultural community projects experienced improved dietary diversity through growing a variety of crops in their community gardens and the sale of livestock.

An additional minus factor is that agricultural development can also negatively affect the economic wellbeing of people in rural areas. The structural changes taking place in agriculture in South Africa have resulted in a decline in total employment in the sector. This is a process that started in the middle to late 1960s, when most agricultural practices became mechanized as a result of technological development. There is considerable evidence that the growth path followed in agriculture during that period, where capital was substituted for labour, resulted in a shedding of labour. In this sense it can be argued that agriculture played a distorting role in the economic development of South Africa. Most of these distortions have now been removed by

democratically implemented strategies. Nevertheless, it is clear that the commercial sector will not employ more labour than at present. Whether this trend can in future be turned around through the encouragement of a small-scale commercial farming sector and community projects under the land reform programme is still being debated.

Study done by Johnston and Mellor (1961) adopted an approach that examined the interrelationship between agricultural and industrial development and analyzed the nature of agriculture's role in the process of rural economic growth.

Although the role of agriculture often differs from region to region, but certain aspects appear to have a high degree of generality because of special features that characterize the agricultural sector during the course of development of its stages. The nature of agriculture's role is highly relevant to determining the appropriate balance between agriculture and other sectors with respect to (1) direct government investment or aids to investment in agriculture and other sectors (2) budget allocations for publicly supported research and education-extension programs (3) investment in skills development.

Furthermore, they concluded that agricultural development should take priority over industrial development as people in rural areas possess the basic knowledge of agriculture.

Machete (2004) did a study on agriculture and poverty in South Africa (can agriculture reduce poverty). The study concluded that poverty and income inequality persist in South Africa despite efforts to eliminate them. Notably this is largely a rural problem. Measures promoting smallholder agricultural growth can be an effective strategy to reduce rural poverty and income inequality. Smallholder agriculture can contribute significantly to poverty alleviation by raising agricultural productivity therefore rural incomes.

In South African rural communities farming constitutes a major source of income. Therefore, it plays a major role in poverty alleviation and by extension economic development. These investments may effectively contribute to improving smallholder agriculture and lead to great growth even in the commercial sector.

In a study by Ndimande (2008), shows that gender inequality is still an inhibitive factor for the development of rural KwaZulu-Natal. She focused on the inequality created by development in the rural areas. She concluded that rural KwaZulu-Natal women face a number of underdevelopment issues including a high level of unemployment, high poverty rate, low educational qualifications, insufficient and inadequate provision of basic needs services and are limited in most decision and policymaking structures in their communities.

Her study recommended that women empowerment through stimulation of their economic, social, political, and environmental dimensions of development should play a crucial role in the future development of the rural areas. Women empowerment will obviously reduce gender inequality, improve the lives of the people living in rural areas especially women and youth. A second spin-off is that it would provide markets for both local factor inputs and locally produced goods and services, redistribute national income not only between rich and poor but also between men and women, reverse rural-urban migration by providing employment opportunities in the rural areas, and in general stimulate the rural economy. In this way holistic development of the rural areas in practically all venues needs immediate attention.

3.5 Challenges for Rural Economic Development

As much as government has put emphasis on agriculture as a core intervention for rural economic development, research continues to conclude that poverty eradication in rural areas is

at a very low pace. The challenges can be divided into two: (i) *Internal Challenges*, these are challenges which are believed to be the responsibility of government to fulfill in light of the constitution, e.g. sanitation and electricity (ii) *External Challenges*, these are the challenges which are believed to be the responsibility of an individual who needs to be developed. They are often influenced by their level of education e.g. seeking information and exploiting available opportunities. There are some obvious challenges to rural economic development in rural areas such as poor extension services, poor soils, poor access to water, lack of markets and management capabilities. The lack of or inadequate accessibility to production resources has been viewed as a major constraint in rural economic development. However, there are many other socio-economic factors. According to Manona (2005), the double barrel approach of poverty reduction while commercialisation, used by the government is not working and government strategies under implementation need stringent monitoring and evaluation.

3.5.1 Population Growth

South African rural communities are mostly characterized by rapid population growth which greatly influences all aspects of rural economic development. Population distribution and low population density discourage large scale investment in infrastructural development while the large population size influences the absolute volume of required investment and size of domestic markets. Coale and Hoover (1958) as quoted by Szirmai (2005) warned about the consequences of population explosion on rural economic development and pleaded for vigorous family planning programmes for people in rural areas. However, other authors argue that once rural economic development accelerates population growth will decrease as this was evident in countries in Western Europe. Furthermore, the constraint on rural economic development is not the population size but the uneven distribution of resources among the population. The

relationship between population and rural economic development is not always negative but can be positive. Population growth supplies the labour for rural economic development if with improved educational qualifications and considerable health inputs it influences the society's ability to adapt to change and be an agent of change (Szirmai, 2005). A growing population can also stimulate the growth of production by providing a mass market for producers and can create opportunities for productive investment, increasing the savings of the people in rural areas. But the negative effects somehow offset the positive. Population growth increases pressure on scarce production resources and greatly contributes to the unemployment problem. As the world is already experiencing food shortage, population growth increases famines and malnutrition. Also rural population growth is always associated with high percentage of children who do not contribute to the development process while they contribute to the consumption (Szirmai, 2005). Policy makers for rural economic development need to integrate all these efforts to have effective strategies to better the lives of people in rural areas.

3.5.2 Educational Structures

Education is a basis for any development regardless whether it is of formal or informal educational type. Improvement in education results in better human resource which is pivotal for economic development. The challenges posed by education might not be realised in the short term but the effect in the long term is enormous. The apartheid government in South Africa deprived black people of the right to proper education. As a result people in rural areas are still illiterate and poor after more than a decade of democracy. South African rural areas are characterized by high illiteracy among adults and a high number of school dropouts among scholars. Even those students who do remain in school, the grade repetition is very high. Furthermore those who finish school in time, their level of literacy remain doubtful. The

government continues to formulate strategies and promises to better the situation, but their rhetoric is not matched by implementation. The learning facilities in rural areas are poor compared to adjacent urban areas which encourage rural migration while in turn hindering rural economic development.

According to Szirmai (2005), at least 40 percent of the population needs to be properly educated for rural economic development to be effective and successful. With regard to education among South African Blacks Census (2001), revealed that 22.3% of Blacks aged twenty and over had received no schooling, 18.5% had some primary schooling, 6.9% had completed only primary level, 30.4% had some high education, 16.8% had finished only high school, and 5.2% had an education higher than the high school level. Census (2001), indicated that only 4.8% of KwaZulu Natal's population of people over the age of twenty were adequately educated and had skills to compete in the international economy.

The income elasticity of education is 1.4 that is if the national income rises by 1 percent, expenditure on education rises by 1.4. This emphasises the mutual relationship that exists between economic development and education development. Increasing the number of primary schools in rural areas, whose children are able to master the core knowledge and skills of the curriculum, is necessary for rural economic development in the long term. Proper educational practices are much more important at primary level as children develop their basic attitudes and approaches to learning and socio-economic trends. However, even the secondary education needs to be improved in South Africa to achieve rural economic development. Also, inequalities in schooling and strategies to promote equitable access to quality and well equipped schools with educational resources needs to be improved in South African rural areas. The number of schools still needs to be increased, especially in line with the population growth. In rural areas the

teacher to class ratio is so disproportionate that the teacher is unable to manage the class (Szirmai, 2005). Unmotivated and under qualified teachers who are unable to practice teaching at optimum are a huge challenge for the South African government to better the situation in rural education.

The importance of informal education needs to be more visible in formal educational structures. Informal education includes all educational activities that are not part of the regular schooling system; adult education, education for dropouts, agricultural extension or information, occupational training, in-firm training, health programmes and family planning education (Szirmai, 2005). This type of education offers opportunities to integrate education into wider development strategies. The challenge for educational policy makers in South Africa is to develop educational system that is both relevant to the life situation of the people in rural areas as well to provide meaningful entry into the modern international world of science and technology.

Against the above background it becomes clear that the provision of free education for the poor in rural areas will go a long way in correcting the challenge of educational cost and investment in rural cooperatives. But still, the increase in expenditure for rural education does not match the demand for it. As the rural population grows rapidly the cost per student is much higher compared to already developed urban areas. Another factor is the effectiveness of expenditure as some funds are wasted on unnecessary activities which further demonstrate that the South African government lacks monitoring and evaluation plans.

3.5.3 Infrastructure and Technology

Immediately after 1994 democratic elections, the government of the African National Congress promised to implement strategies to improve rural infrastructure. It has been more than seventeen years now but rural communities are still frustrated by poor infrastructure as little progress has been witnessed to improve the situation. Infrastructure needs to be corrected if these communities are to achieve economic development. For rural communities to achieve economic development there needs to be intensive investment in infrastructure including roads, water, telecommunications, educational and financial institutions. South African rural communities need well-functioning savings clubs and cooperatives to drive economic activities, wealth creation and productive use of available assets. The access to health facilities in South African rural areas is below acceptable standard, communal sanitation and adequately resourced clinics need to be integrated with rural economic development strategies. These areas need improved access to libraries, rehabilitation and development centres, sport and recreation facilities especially for women, youth and children (The Concept/Vision of a Comprehensive Rural Development Programme, 2009). The problem of illiteracy in South African rural communities hinders their abilities and negatively affects their response to technology adaptation. Illiteracy has resulted in little progress, sometimes negative growth of agricultural production in such communities. Rural communities still prefer their indigenous practices as compared to utilizing available modern technologically driven resources.

3.5.4 Institutional Access

Institutional access is the most important factor of rural economic development as institutions manage funds, develop strategies and monitor the process of development. Well-functioning institutions are a prerequisite for rural economic development. Donations form the backbone of

funding for rural economic development projects. Projects cannot be successfully established and run without them. Institutions conduct research, generate information and disseminate knowledge to support projects for rural economic development (Policy on Agriculture in Social Development, 2002).

There needs to be means of strengthening institutional capabilities to overcome constraints on managerial and institutional effectiveness in rural economic development. Strategies necessary for rural economic development recommend that every rural area should have effective access to democratic institutions, clean and efficient state administration and judiciary, protection of property rights, good corporate governance institutions, mature financial and public finance institutions and well developed social welfare and labour relations. However, it is unrealistic to adapt high quality institutions in a short period as the development of these institutions is a long, slow process which varies from community to community. Institutions comprise all types of financial services for the community individuals, micro, small, medium and large business in rural areas. They include providing credit, savings, insurance, transfer payments and other financial services to the rural communities at affordable fees and chargeable interest (Galvin, 1999). These institutions must be reliable sources of quick credit to people in rural areas especially the youth and women, promoting entrepreneurship and empowerment by providing additional sources of income. Well-functioning institutions provide free training to people at lowest fees in order to enhance credit management through donor costs or providing it to many people at the same time thus decreasing costs (Munro, 1996). The institutions create long-lasting bonds among community members which contribute remarkably to social harmony also considered necessary for rural economic development.

3.5.5 Women and Disabled People's Economic Development

Women and people with disabilities are often the poorest in rural areas. But, many rural households are headed by women and who often are the ones to seek food, health care, clothing and shelter for their families. Both women and people with disabilities in rural areas are destined to tolerate life in poverty and are often viewed as less capable in society and even by their own families. These people are not deemed capable to contribute to their communities' economic development. The assumption degrades their morale and dignity. In rural areas women and people with disabilities are rarely represented in civil society organisations, even those participating their contribution in decision making is minimal. Their needs are undermined, as a result. Laws protecting such people are often not enforced. Because they are not enforced people gradually ignore them thus making it difficult for these people to actively participate in government agricultural projects. Their low morale and diminished social confidence limit their abilities to seek formal employment and to compete with men (George, Gow & Thurlow, 2009).

According to Census (2001) for every 100 females in South Africa there are 90 males. It is estimated that the number of people with physical and mental disabilities is 8.5% of the total population or approximately 3.4 million people and only 1.6% of these people receive a disability grant. The median annual income of Black working adults aged 15–65 is ZAR 12,073, Black males have a median annual income of ZAR 14,162 compared to a very low median annual income of ZAR 8,903 for Black females and ZAR 4,234 for disabled people. According to Pauw, (2005) the Department of Agriculture and Environmental Affairs had only fourteen women employed in forty senior positions while only 0.23% disabled people were actively involved in the department processes. Even in community projects disabled people are not catered for. People with disabilities in South Africa face extreme levels of inequality and

discrimination. Various social, economic and political factors interact to create underdevelopment, marginalisation, unequal access to resources and a lack of service provision for these people. The South African government has provided grants for disabled citizens but it is not enough for them to employ professional caregivers and still survive on it, even worse in some instances they have to provide food for their families. These grants do not improve human independence and self-reliance but only help them merely survive a day or two in a month. Women and people with disabilities face many challenges such as unemployment women and people with disabilities. Very few are employed in the open labour market. Although the employment opportunities of women have improved, the improvement has not extended to rural women. For those who are employed, the average income is extremely low (Songelwa, 2009). A significant cause of unemployment is the low level of skills and training among the majority of rural women and people with disabilities. The lack of access to education among persons with disabilities, particularly in rural areas, has contributed to their resultant unemployment. More than half of the children with disabilities at present are not in school. Nationally, there are 92 schools for disabled Black children. Less than one third of these are secondary schools. Insufficient educational facilities have resulted in children being cared for only at home. The lack of educational facilities prevents mothers from seeking employment, which in turn affects household incomes and increases stress in the family. Such deprivation and stress are especially relevant in cases where people with disabilities cannot live independently by themselves but require care. Furthermore, adult illiteracy is high among people with disabilities. Most existing adult education programmes are inaccessible to persons with disabilities.

3.5.6 Community Participation in Agricultural Projects

Rural development programmes bring much needed social and economic change to rural masses. Rural development can be accelerated by involving people at the grass level to take ownership of their change. Community participation is the key to building a progressive and empowered community. All groups in the community should be involved in such a way that responsibilities are divided along individual capacities so that the special talents and interest of the contributing individuals are met and utilized effectively. Responsibilities and powers must be decentralized in rural development interventions. This engages the natural enthusiasm and talents of the poor rural citizens to develop higher rates of resource acquisition and better results. With community participation the problem of people not being responsive to government agricultural projects can be eliminated so that many rural development programmes can be completed in time. The strategies for rural development should promote people or give them a more equitable role to meet basic needs of the poor (Dhimole and Tobiyo, 2007). However, community participation is often limited by a limited project budget.

3.5.6.1 Ways of participation

Different types of participation in government agricultural projects can be distinguished: people can participate by giving land. By doing so, they contribute the production resources which are pivotal for development. People participate by supplying labour in big government agricultural projects. In the planning phase there is a consultation phase where people participate by being consulted on different issues regarding the community social behavior and by joining external professionals in the analysis of their situation and formulation of plans to change it. People in rural areas also participate by taking their own initiative independent of external professionals to change their challenging health, social and economic situations,

3.6 Opportunities for Rural Economic Development

South Africa has a unique opportunity to use its impressive agricultural adaptation and Black discriminatory history to uplift the poor people in rural areas. This upliftment can only be easily achieved by increasing people involvement in their development.

A study was done by Organisation for Economic Cooperation Development (OECD) in countries committed to democratic government. The countries included China, Brazil, India and South Africa (BRICKS). The report indicated that although South Africa has policies and programmes to economically develop rural areas, it still faces a challenge in incorporating these strategies to social needs involving the poor people of the Republic. But, as the study insisted agriculture presents an ever increasing opportunity for South Africa. Although further interventions are required to tackle the problems of high unemployment, especially for the youth, women and people with disabilities agricultural development has an important role to play amidst the negatives of social division, illiteracy and devastating HIV/AIDS impacts,.

3.6.1 Investment and Growth

Although the South African economy has had a positive growth from the early years of democracy, investment and growth output are low to greatly impact the income distribution so as to improve people in rural areas's economic status. The economy has been growing at the rates of between 3.5 and 6 on average even when the global economy remained stable. The OECD report estimated that a 50% cut in trading tariffs amongst the G13 countries, together with a 50% increase in agricultural support to people in rural areas would benefit South Africa R1.5b yearly through higher incomes for consumers and producers. This will also benefit other developing

countries and improve South Africa's trading relations (Organisation for Economic Cooperation and Development, 2006).

South Africa's main agricultural exports wine and fresh fruit currently face relatively low tariff increases from importing nations because of bilateral agreements. But the European Union (EU), South African agriculture's largest export market, raises its fruit import tariffs during the harvesting season to protect its own produce, hindering South African exports. This is exactly what South Africa should do for people in rural areas produce compared to commercial produce. Big foreign owned firms and domestically owned products should be restricted by a certain laws to ensure that rural producers produce enough to meet the stipulated productivity targets.

3.6.2 Land Reform

The land reform programme should remain a priority for rural economic development, coupled with agricultural education and other productivity initiatives. The acquisition and resettlement procedures need more improvement (Organisation for Economic Cooperation and Development, 2006). For commercial farming not to collapse land reform beneficiaries need to be equipped in farm management, financial relations, marketing management and technology usage in farms. Because of the constraints on land and water use and scarcity, agricultural policies need to target quality and productivity improvements to boost the national and international competitiveness of rural agriculture.

3.7 Summary

This chapter started by explaining the concept of rural economic development, developing from a brief definition offered in chapter one. The two most common and effective approaches to rural

economic development were discussed to enhance the understanding of the concept. Poverty status and food security for people in rural areas in South Africa, particularly in KwaZulu-Natal were also discussed to give clarity to the question what can rural economic development programmes and policies change. The role of agricultural policies and programmes in relation to rural economic development were examined to show the benefits of agriculture in economic development. As it was shown in the chapter policies and programmes are faced with various challenges which can be controlled by numerous government policy interventions. As was noted, the greatest challenge is the involvement of women, youth and people with disabilities. The chapter concluded with discussing the opportunities that agricultural development could bring for rural economic development. It made some suggestions towards bringing needed improvements to the current government policies for land reform and agricultural development.

Chapter Four

3. Community Profile

4.1 Introduction

Ugu District Municipality code DC21, is one of the eleven districts of KwaZulu-Natal. Ugu district covers the four sub-regions of the former Ugu Regional Council and a portion of Umbumbulu sub-region, which operated under the command of the former ILembe Regional Council. The district consists of six local municipalities which also incorporate a number of obsolete Transitional Local Councils starting from Scottsburg to Umzinto in the north to Port Edward in the south, as well as from Port Shepstone in the east to Harding in the west. The district is dominated by Zulu speaking people residing mostly in rural areas. Before the 1994 democratic elections and in the early years of democracy, the area experienced political unrest between the Inkatha Freedom Party (IFP) supporters and the African National Congress (ANC) followers. The area where political conflict was high is Izinqoleni, KwaShobashobane. However, as the democratic process unfolded a political solution was brokered and the violence between the parties eventually ceased.

Now, Ugu District Municipality incorporates some of the best examples of unspoiled sub-tropical bush land and forest in KwaZulu-Natal, as well as cultivated land and small rural villages, contrasted by bustling urban centres and major industrial complexes. The availability of housing, education, health and recreational facilities all contribute to an improved lifestyle in urban areas. But the rural areas of the district still lack basic services such as sanitation, electricity, roads and proper housing. Even where they are available, they are often not enough

for the communities. Hence, the rural communities rely heavily on government grants and their abilities to produce their own food.

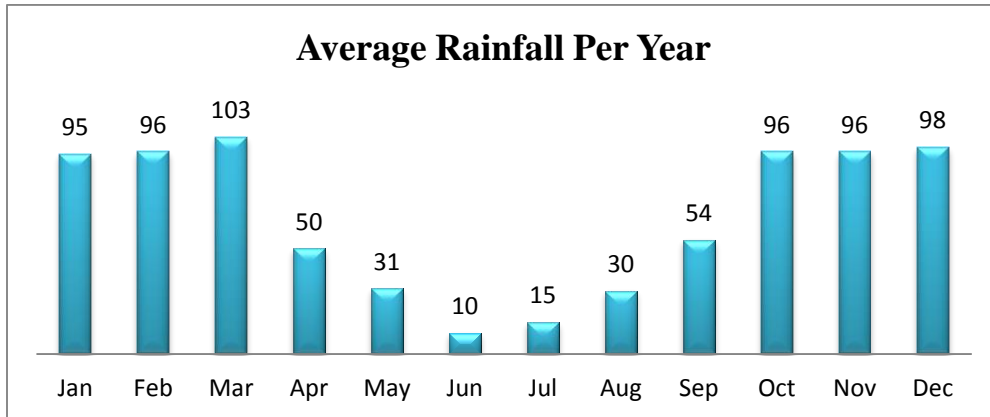
In this chapter, an in depth description of the study area is viewed with special reference to the nature and extent of government agricultural intervention, economic status and demographic information of the area.

4.2 Geographic Information

The district is located on the south coast of KwaZulu Natal. The area is bordered on the north by eThekweni Municipality, on the western side by the uMgungundlovu and Sisonke Municipalities, in the south by the Eastern Cape Province and in the east by the Indian Ocean. The overall district municipal area is 5866 km² in extent. The north inland part is Vulamehlo, the coastline side is Umdoni, the central part of the district is Umzumbe and the south part of the district is Umuziwabantu on the west. The centre part of the south is Izingolweni and the coastline municipality is Hibiscus Coast.

Ugu normally receives about 774mm of rain per year, with most rainfall occurring mainly during mid-summer. On average, it receives the lowest rainfall (10mm) in June and the highest rainfall (103mm) in March. The monthly distribution of average daily maximum temperatures ranges from 18°C in July to 27°C in February. The average night ranges from 10°C in June and July to 19°C in January and February. The regional climate boasts rich natural vegetation, diverse agricultural product and is the second highest rainfall area.

Figure C: Ugu District Municipality average rainfall per annum

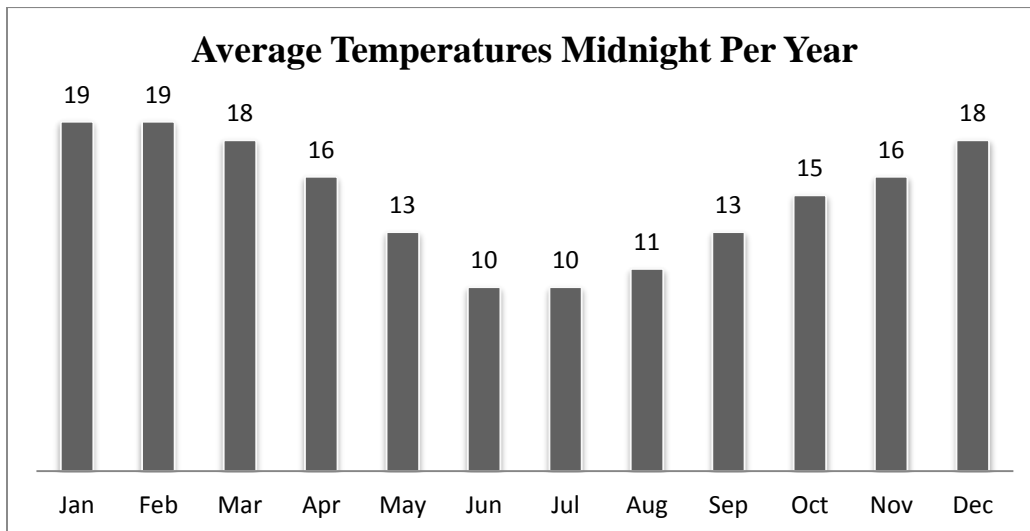


Source :

http://www.saexplorer.co.za/southafrica/climate/port_shepstone_climate.aspwqerfwqerfwe

Accessed on 15/06/11

Figure D: Ugu District Municipality average night temperatures per annum

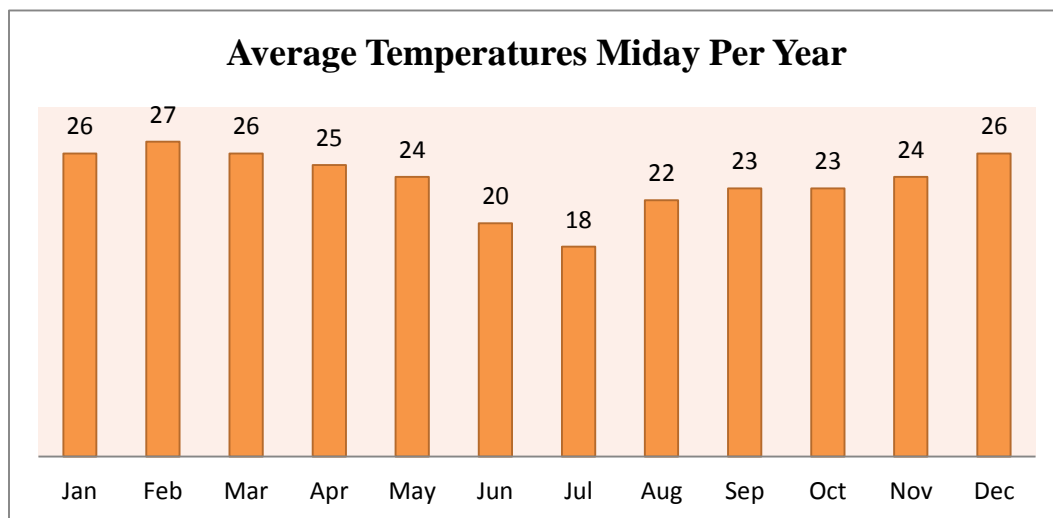


Source :

http://www.saexplorer.co.za/southafrica/climate/port_shepstone_climate.aspwqerfwqerfwe

Accessed on 15/06/11

Figure E: Ugu District Municipality average mid-day temperatures per annum



Source :

http://www.saexplorer.co.za/southafrica/climate/port_shepstone_climate.aspwqerfwqerfwe.

Accessed on 15/06/11

4.3 Population Dynamics

Table 4.1: Population distribution in Ugu District Municipality

Local Municipality	Population Number	Contribution %
Hibiscus Coast	218 168	30.99
Umzumbe	193 764	27.52
uMuziwabantu	92 322	13.11
Vulamehlo	83 045	11.80
uMdoni	62 290	8.85
Ezinqoleni	54 427	7.73

Source: http://en.wikipedia.org/wiki/Ugu_District_Municipality#Geography, accessed on

27/06/2011

Table 4.2: Gender distribution in Ugu district Municipality population

Gender	Population Number	Contribution %
Female	383 663	54.50
Male	320 338	45.50

Source: <http://en.wikipedia.org/wiki/UguDistrictMunicipality#Geography>, accessed on 27/06/2011

*Data for gays and lesbian not reliable for printing

Table 4.3: Racial distribution in Ugu District Municipality population

Ethnic Group	Population Number	Contribution %
Black African	645 985	91.76
White	28 740	4.08
Indian/Asian	24 058	3.42
Coloured	5 218	0.74

Source: http://en.wikipedia.org/wiki/Ugu_District_Municipality#Geography, accessed on 27/06/2011

Table 4.4: Age distribution in Ugu District Municipality

Age	Population	Contribution %
000-015	261691	37.17
016-025	151063	21.46
026-040	127460	18.11
041-060	101672	11.72
061-080	54881	7.8
081 +	7234	1.11

Source: http://en.wikipedia.org/wiki/Ugu_District_Municipality#Geography, accessed on 27/06/2011

Table 4.5: Rural and Urban Population Distribution in Ugu District Municipality

Local Municipality	Urban Population (%)	Rural Population (%)
Hibiscus Coast	27.9	72.1
Umzumbe	0.1	99.9
uMuziwabantu	7.3	92.7
Vulamehlo	No urban	100
uMdoni	44.3	55.7
Ezinqoleni	No urban	100

Source: Ugu District Municipality LED Poverty Reduction & Eradication Strategy (2006)

Approximately only 16 percent of the population is located within the urban coastal areas which are distributed within a 30km boundary from the sea. The remaining 84 percent resides in the rural areas. Hence they are characterised by low population density, 139.5/km² (361.3/sq mi) and dispersed settlement pattern. In some of the municipalities there is absolutely zero urban settlement. This factor limits the employment opportunities and hinders development in these areas.

51.29 percent of the population falls between the age of 16 and 60, which reflects a legion that is more vulnerable to HIV/Aids, crime and violence. With a gender distribution of 54.50 females and 45.50 males, most households are headed by poor single women. Thus analysis of these figures calls for vigorous strategies to improve the living standard of females in the district. There is a population growth rate of 0.8; which can be attributed to many factors such as emigration and the impact of HIV/Aids. As a result of distribution of natural and economic

resources among the population there is a noticeable uneven development within the district, in terms of comparison rural areas to urban areas and women to men respectively.

4.4 Health

HIV and AIDS is a critical issue throughout South Africa, including Ugu, since it exercises a significant impact on the welfare of infected and/or affected individuals and households in communities. Their participation in agricultural activities is greatly reduced and somehow determined by the severity of the health status. Besides dying or becoming incapacitated to work, sick or convalescing individuals often have to care for someone else infected by the disease. As a result if one adult of the family is infected, at least another one should be free to offer home based care, which they are not trained to provide even in the best of times.

Vulnerability to poverty increases for households where an income earner dies, or is too ill to work, or must care for someone else. This can easily result in household's welfare dropping below the poverty threshold. General negativity may affect those communities where a significant number of people have died, or are ill, affecting productivity of these workers, which may lead to investors disinvesting from the area. Such situation also exacts a significant impact on other government services, as resources are diverted to reduce the impacts of HIV and AIDS.

It is estimated that just less than 100,000 people in the Ugu district municipality were HIV positive in 2004. The average growth rate of people infected between 1996 and 2004 was about 13% per annum but slowing over the last few years, resulting in the percentage of the population infected in Ugu increasing from just over 5% in 1996, to over 13% in 2004 and 15% in 2008. Within Ugu, there were very little differences in HIV infections between the various municipalities. In Vulamehlo the average annual growth rate in HIV infections was just over

10%, compared to between 13% and 15% in the other municipalities, with the percentage of the population infected in 2008 ranging between 13% and 15%.

AIDS related deaths in Ugu increased at an annual rate of over 30% between 1996 and 2008, from just 12% of all deaths in 1996 to over 54% of all deaths in 2008. AIDS has become the leading cause of death in Ugu, as it has done throughout KwaZulu-Natal, where 57.6% of all deaths in 2008 were AIDS related. During the same period, 1996 to 2008, there was virtually no increase in non-AIDS related deaths in most of the municipalities in Ugu, as well as in the rest of KwaZulu-Natal and South Africa.

Other causes of death in the district may be related to crime, accidents and natural causes. However, overall it is noteworthy that their percentage contribution is very low.

The provincial Department of Health data shows that only 65% of the area was covered by health facilities in Ugu in 2005 i.e. is within 5km radius of provincial health facilities. Nearly 80% of Hibiscus Coast areas have provincial health facility coverage, while Vulamehlo and Umuziwabantu are less than 60% covered. These statistics under-estimate the percentage of the population with access to health facilities, as it is based on the percentage area not population size, especially since health facilities are mostly located in more densely populated areas. However, it does not take topography into account, and thus could overestimate population coverage (Ugu District Municipality LED Poverty Reduction & Eradication Strategy, 2006).

4.5 Education

In 2005, more than 20% of the population in the Ugu district municipality had not received any schooling, which is higher than the average for KwaZulu-Natal and South Africa, which stands at 18.2% and 15.8%, respectively (Ugu District Municipality LED Poverty Reduction & Eradication Strategy, 2006). A further 38% have only received some primary school education, but has not completed primary school. This means nearly three out of every five persons in Ugu have no or incomplete primary school education which is significantly low region to for any develop region. As Szirmai (2005) indicated, at least 40% of the population must be educated for development to take place, although this conclusion does not clarify the factor of levels of education.

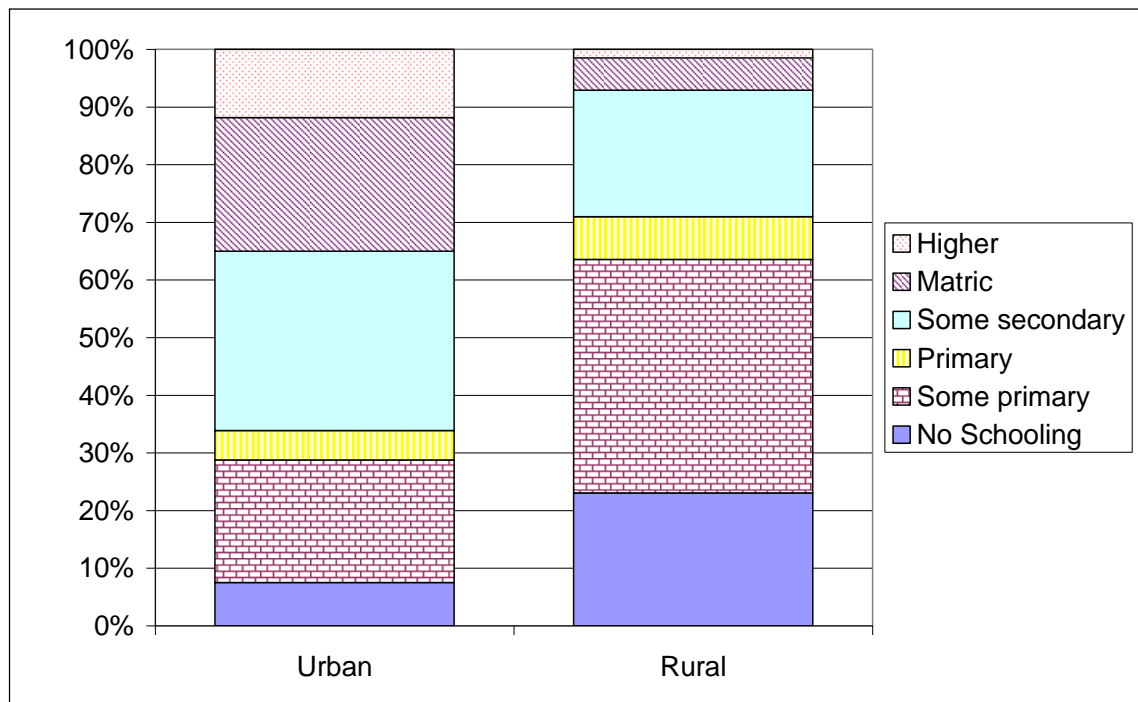
In the district, significant differences exist between the municipalities, with less than 8% of the population in Vulamehlo, Umzumbe, Umuziwabantu and Ezinqoleni having matric or higher levels of education. In contrast, 16% of the population in Hibiscus Coast is dominated by urban areas and 20% of the population in Umdoni holds a matric or higher level education. The difference is mostly explained by the differences between urban and rural areas of Ugu, as shown in Table 6.

Table 4.6: Educational level in Ugu District Municipality in 2005

Local Municipality	No Education	Some Primary Education	Primary Education	Some Secondary Education	Metric Level	Tertiary Level
Hibiscus Coast	17.4	32.1	6.9	26.4	12.4	4.8
Umzumbe	22.7	42.6	7.4	21.2	4.6	1.5
uMuziwabantu	22.1	43.9	7.6	20.2	4.2	2.0
Vulamehlo	25.7	38.3	6.8	21.5	6.4	1.3
uMdoni	17.2	29.7	6.4	27.0	14.2	5.6
Ezinqoleni	23.4	42.2	7.0	21.1	4.8	1.6

Source: Ugu District Municipality LED Poverty Reduction & Eradication Strategy (2006)

Figure F: Urban and rural differences in education levels in Ugu District Municipality



Source: Ugu District Municipality LED Poverty Reduction & Eradication Strategy (2006)

No reliable data is available for changes in educational level in Ugu since 2005. However, a conclusion can be drawn from provincial trends in education levels obtained from national household data. Between 2005 and 2009, the percentage of the population in KwaZulu-Natal with no or some primary schooling has decreased, while a greater percentage of the population in KwaZulu-Natal has completed some secondary and Grade 12 education. There has been little change in the percentage of the population with primary or higher education levels in both South Africa and KwaZulu Natal. The changes in Ugu between 2005 and 2009 can be concluded to be similar though to a lesser degree, since more educated people find it easier to migrate to urban centres where more employment opportunities exist.

But Ugu is relatively well serviced with schools, with about 450 schools in the area, or roughly 2 schools per 1,000 people of school going age. The challenge to government is to ensure all children of school going age actually attend school and receive good quality and equal education, which, ideally should be available all schools, regardless whether the school is private or public or whether the school is situated in rural or urban area. There is only one public higher education institution in the region, although it has at least four campuses. Private higher education institutions are located in towns where most people do not afford fees. This factor has also contributed to a lower higher education rate and consequently rural to urban migration.

4.6 Economic System

The major sectors in the district economy are agriculture, manufacturing, community services, construction, trade & tourism, transport and informal businesses. All these economic sectors have seen a reduction in their overall contributions while the informal sector and government services are increasing. Community services contribute 34%, trade 16.7%, manufacturing 12.8%,

transport 10%, finance 11.3% and agriculture 8%. There was a reduction from 15% to 12.8% in the manufacturing while agriculture decreased from 8.8% to 8% in the period from 1996 to 2002. Port Shepstone is the main commercial centre and a major area of formal employment. Tourism as a major economic activity in the district is maritime based and associated activities with most tourist facilities are found along the coastal corridor.

4.6.1 Agriculture

The Ugu district's climate is excellent for agriculture. Tea tree growing, cut flowers, nuts, sugar and banana cultivation are all diverse crop plantings in the area. There is beef, dairy and goat farming in the southern part of the district while bananas are commercially grown in the coast, Umzumbe and Hibiscus Coast. In the region trees grow four to eight times quicker than they do in other regions of South Africa due to a favourable climate. Expansion of the forestry and timber industry in the Ugu district and Harding area under Umuziwabantu Local Municipality, adds value to the manufacturing timber products such as doors, windows and furniture. There are a number of businesses successfully export timber products of high quality meeting ISO9000 standards and take advantage of the exchange rates. The Ugu district produces some 195 000 tons of pine a year in addition to the 1755 million tons of gum and wattle used by a major pulp mill. There are about 200 sawmills operating and producing approximately 6 000 tons of board a year (Ugu District Municipality IDP Review, 2008).

4.6.2 Manufacturing

The district is in close proximity to Durban which increases its market access and the neighbouring districts in the Eastern Cape offer an added advantage as a gateway to international markets. Ugu is the only place with a marble delta within the KwaZulu-Natal province, mined for processing cement and calcium carbonate. The region is also rich with firms which

manufacture clothing, textiles, metal products, food and beverages, animal feeds and wood products. The district municipality through local municipalities have a commitment to encourage investment, job creation and economic growth by giving and developing the rural areas so they can own and manage their own manufacturing firms (Raab, 2009).

4.6.3 Tourism

The coastline of Ugu is the second most popular tourism destination after Durban in KwaZulu Natal. It is even boosted by the showing of sardines in mid-winter and the divings in the Oribe Gorge Game Reserve. However, the tourism industry in the district is most concentrated on heritage and ecological tourism. The excellent sporting facilities such as the golf courses situated in the urban area of the districts are internationally known and successfully host international events (Raab, 2009).

The municipality established a tourism authority that markets the entire district as a package, rather than municipalities doing their own marketing individually. The Ugu Tourism Marketing Association is an invention of this initiative by which many activities have been organised, including week long coverage of the entire district on SABC2's Morning Live programme in respect of the Sardine Run.

4.6.4 Employment and Income

The infrastructural backlogs in the area are very high. The most affected people are the rural communities. There is lack of access to economic opportunities due to slow delivery of social services in these communities worsened by a high level of unemployment. The unemployment level within Ugu District municipality is currently estimated at 30%, with 21% contributed by

rural areas and only 9% in urban areas. The majority of the people within this region are employed in the domestic, tourism industries as well as sugarcane and banana farms in the area.

The majority of the people in the region is unskilled and only has primary education which greatly affects their ability to seek formal employment. Professional people tend to be only teachers, doctors and people employed in the business industry. Agriculture, tourism and manufacturing offer the most common employment for semi-skilled and unskilled workers. However the trend of semi-skilled and unskilled work is found in people over the age of 30 while, the majority of people under this age are still in school.

Table 4.7: Percentage of working age population in Ugu that is employed, unemployed and not economically active in 2005

Local Municipality	Employed	Unemployed	Not Economical Active	Unemployment Rate
Hibiscus Coast	33.0	23.7	43.3	41.8
Umzumbe	9.3	23.8	66.9	72.0
uMuziwabantu	16.6	19.8	63.6	54.5
Vulamehlo	12.5	24.2	63.3	65.9
uMdoni	33.1	24.1	42.7	42.1
Ezinqoleni	15.3	24.4	60.4	61.5

Source: Ugu District Municipality LED Poverty Reduction & Eradication Strategy (2006)

There were about 68,000 formal employment opportunities in Ugu in 2004, more than half of which was located in Hibiscus Coast. Agriculture was the biggest employment sector in Vulamehlo, Umuziwabantu and Ezinqoleni, while in Umdoni and Hibiscus Coast it was Community Services, and in Umzumbe it was Government Services.

Table 4.8: Skills level and compensation of employed persons living in Ugu in 2005

Local Municipality	Employed Population	Highly Skilled Labour (%)	Skilled Labour (%)	Unskilled (%)
Hibiscus Coast	37343	15.5	35.3	49.2
Umzumbe	7498	16.6	33.6	49.8
uMuziwabantu	6187	19.6	23.3	57.1
Vulamehlo	4982	9.6	30.7	59.8
uMdoni	12121	14.5	39.3	46.2
Ezinqoleni	3161	8.6	27.2	64.1

Source: Ugu District Municipality LED Poverty Reduction & Eradication Strategy (2006)

About two in every seven households in Ugu were reported to earn no income in 2005, 27.8%, which is slightly higher than the percentages of KwaZulu-Natal and South Africa, which had 27.0% and 23.4%, respectively. In the district a further 36% reported total household income levels to be below R800 per month. About 2% of households in Ugu earned more than R12 800 per month. About 90% of households in Umzumbe, Umuziwabantu, Vulamehlo and Ezinqoleni reported income levels below R1 600 per month in 2005. The percentage of households with no income should have decreased significantly since 2005 with the large increase in welfare grant recipients throughout South Africa. However, research has shown that welfare grants are not lifting recipient households out of poverty but merely giving them a reliable source of income and ensuring their survival. But households with a large number of members don't even share the income evenly as the grants do not incorporate the factor of dependents. A five member family will receive the same amount as a fifteen member family.

Table 4.9: Household income per month levels in Ugu in 2006

Local Municipality	No Income	R1 - R400	R401 - R800	R801 - R1 600	R1 601 - R3 200	R3 201 - R6 400	R6 401 - R12 800	R12 801 or more
Hibiscus Coast	19.5	10.0	21.6	15.9	12.9	9.9	6.5	3.8
Umzumbe	38.0	9.7	28.4	14.0	5.9	2.6	0.9	0.5
uMuziwabantu	38.0	9.7	28.4	14.0	5.9	2.6	0.9	0.5
Vulamehlo	35.7	8.8	28.1	15.6	7.5	2.6	1.1	0.7
uMdoni	18.5	9.5	18.9	15.9	15.3	10.9	6.9	4.1
Ezingoleni	29.7	13.7	28.6	16.4	6.7	3.3	1.1	0.5

Source: Ugu District Municipality LED Poverty Reduction & Eradication Strategy (2006)

4.7 Leadership in the District

The district experienced political unrest in the introductory stages of democracy. The conflicting parties were the ANC and IFP. However as the democracy took root people adapted a more tolerant political attitude. In the early years it was the IFP which dominated the district with party cohorts approximately 60%, the ANC and other parties enjoyed only 40%.

But in 2011 elections the district was completely dominated by ANC, 64.9%, IFP was even less than their runaway party, National Freedom Party (NFP) with 7.1% and 11.3% respectively. Towards the 2011 election independent candidates were believed to be strong and analysts went on to predict that they would occupy at least 10% of the district. However the results reflected otherwise. The ANC became totally dominant in rural areas while the urban areas were

weakened by more parties as the results were scattered. This confirmed that people in rural areas have grown to trust the leadership of the ANC. All the municipalities in rural areas are headed by the ANC.

As much as the municipalities control the resource allocation in the area, people in rural areas are still loyal to traditional forms of leadership.

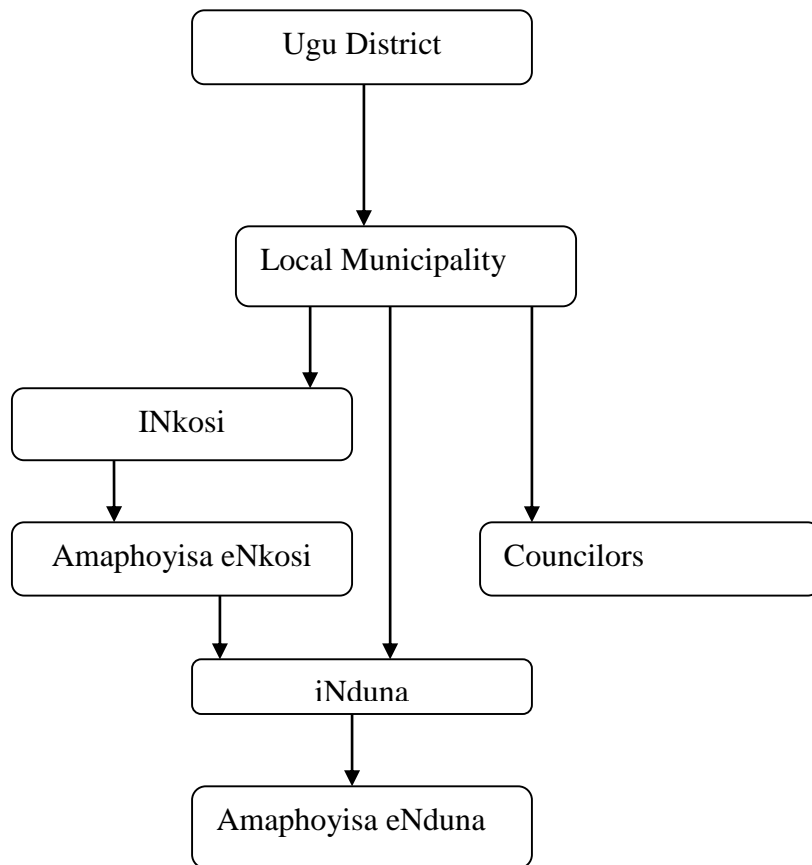


Figure G: A diagrammatic representation of Ugu District Municipality organogram

4.8 Service Delivery in Ugu District

The Ugu District Municipality is responsible for providing water services in all six of the local municipalities within the district. It is currently providing water to 60% of the population and the

district has made R124 million to increase community access to water, and the infrastructure extension rate currently stands at 6% per annum (Ugu District Municipality IDP Review, 2008).

It only took over sanitation from 2003 and only 40% of the population enjoys access to Reconstruction Development Programme (RDP) standard sanitation. It is also responsible for providing the related infrastructure to extend this service. In the district only 20% have access to basic electricity with a budget of R16 millions allocated to improve electricity. In its Community Based Public Works programme during the year 2002/2003, Ugu developed five access roads, community halls, informal trading stalls in all towns of the district, a multi-purpose centre, three taxi ranks, a sports field and an arts and crafts centre (Raab, 2009). Some of the funding for infrastructural development comes from the Consolidated Municipal Infrastructure Programme (CMIP). Other CMIP-funded projects were street lighting in three areas, four cemeteries, four access roads, a service centre, an access bridge and a taxi rank.

4.9 Recommendations

The community profiling explicitly disclosed the need to speed up service delivery for rural areas scaled according to their vulnerability. The community lacks NPO's for youth development and people with disabilities and the least available are located in urban areas while youth development is much needed in rural areas.

- For the IDP plan to be successfully implemented the district municipality and local municipality need to resolve the shortage of human capital and build capacities for the already employed staff.

- There is a communication barrier between the municipalities, councillors and community members as community members are often reluctant to take the initiative for their development as they don't know who to talk to and where to find the leader. In other municipalities there are no ward committees and other relevant structures that could be used to communicate information to ordinary community members. This leads to a situation where the needs of the ordinary community members are not well articulated in development initiatives.
- Some development projects are governed by provincial departments and other development agencies but they do not communicate effectively with local municipalities, hence, there is repetition of projects such as Poultry Projects
- Most long term economic development projects are biased in favour of educational achievement. As a result, people who are illiterate are not included in multimillion rand projects.
- Development plans of the district need to have a rural bias so that disabled people, women and youth can also benefit.
- In order to create employment within the Ugu district municipality, strong emphasis must be placed on the sustainability of programme implementation. The district should utilize the Preferential Procurement Policy framework in order to ensure preference is given to historically disadvantaged and local service providers and people.

4.10 Chapter Summary

Chapter four focused on defining the current living situation of the people in the rural areas of the Ugu district. The climate and geographic location of the region were discussed to show what agricultural products are suitable in the region. The population dynamics of the region were discussed and analysed with a view to identifying what challenges its distribution presents. The economic opportunities of the people in rural areas are viewed with a special focus on opportunities available for the unskilled people. The chapter further indicates the way in which social, educational and economic needs of the people are satisfied through the provision of services. At the end of the chapter recommendations were made based on the information presented about the social, educational and economic trends in the district.

The district is in need of government interventions to improve the lives of the people in rural areas. There is a shortage of service delivery in rural areas compared to urban areas of the district. As a result life in rural areas is expensive and unreliable, while the health social system allows the poverty to flourish in the district. Every development initiative is frustrated by poor infrastructural development and therefore, for the rural areas development initiatives should strategically include infrastructural development. The district municipality has clear policies and implementation plans to develop the area. However, its application remains slow and unreliable

CHAPTER 5

5. Research Methodology

5.1 Introduction

The aim of this research was to assess the impacts of government agricultural projects on rural economic development in Ugu District Municipality.

This chapter aims to elaborate on the research method followed in this study. Clark & Creswell (2008) indicated that the major issue facing all researchers is to select a clear and relevant research method. This chapter focuses on the research methodology used to conduct the research as per proposed in chapter one. According to Sibiya (2010), research methodology is the way in which research is conducted and it is the philosophical assumptions and principles of the researcher that determine this stance on how to do research. Kumar (2011) defined research methodology as a way to systematically solve the research problem. It may be understood as a science of studying how research is done scientifically. It studies the various steps that are generally adopted by a researcher in studying the research problem along with the logic behind them.

This chapter includes also a brief description of the population, the method used in sampling the required sample, an indication of where the pilot study was conducted and concludes by explaining the sorting and presentation of the data.

5.2 Research Design

A research design is a plan of how the research will be conducted. The plan guides the research from start to conclusion of the research. According to Kruger & Welman (2002) research design states the conceptual structure within which the research will be conducted. It facilitates the research to be as efficient as possible yielding maximal information. Sibiyi (2010) indicated that the function of the research design is to provide for the collection of relevant data with minimal expenditure of effort, time and money. The aim of research design is to guide the researcher through the process of collecting, analysing and interpreting data.

According to Mouton (2006) there are two major aspects of research design, firstly the researcher specifies what needs to be investigated and secondly determine how best to do it. This should be done depending on the purpose and orientation of the study, either qualitative, quantitative or a combination of methods may be applied.

In this study, mixed methods were used with the evaluative research method used as primary method. The combination of qualitative and quantitative methods compensates for the weaknesses in individual methods and improves the validity and reliability of the study findings. According to Mouton (2006) this research design is most appropriate for research that does not require either extensive, deep analysis of qualitative data or multivariate analysis of quantitative data. Buber, Gardner, & Richards (2004) articulated that mixed methods often combine nomothetic and idiographic approaches in an attempt to serve the dual purposes of generalisation and in-depth understanding to gain an overview of social regularities from a larger sample while understanding the other through detailed study of a smaller sample. Mixed methods design provides pragmatic advantages when exploring complex research questions. Mixed methods take advantage of both the textual and numeric information of the problem studied.

5.3 Evaluation Research

According to Buber *et al* (2004) the underlying evaluation research method is to determine the impact of an intervention in a society. Evaluative research method seeks to analyse the impacts and propose strategies to better the implementation of social programmes. The programmes might be technological intervention or agricultural projects that are to improve the living standards of the society.

Mouton (2006) indicated that evaluative research methods focus on already existing knowledge and are useful in appraising the effectiveness of social development interventions. An evaluative research examines social programmes from a number of different perspectives and looks for casual linkages between programme activities. Evaluative research methods were used as primary methods in the study.

Mixed methods were adapted in data collection. Qualitative methods focused on the in-depth description of attitudes, opinions and behavior of the respondents towards the impacts of government agricultural projects on economic development while the quantitative methods focused on the numeric demographical trends of the respondents on the impacts. The qualitative data provide a deep understanding of the responses, and quantitative analysis provides detailed assessment of patterns in responses.

Qualitative methods are multidimensional; they provide insights into a host of interrelated conceptual themes or issues during analysis, (Clark & Creswell, 2008). The mixing of methods allows the codes to be revisited during analysis in an iterative analytic process to allow for the recognition of emergent themes and insights.

Kumar (2011) explained quantitative methods as fixed and one-dimensional. They are composed of a single set of responses prospectively representing a conceptual category determined prior to data collection. They cannot change in response to new insights in analysis.

5.4 Target Population

Kumar (2011) defines the population as a set of elements sharing a particular interest for the researcher. The target population represents an identified element to be studied. The characteristics of the elements are limited to the researcher's choice of study and chosen based on the methods used in data collection. However, the population is not limited to people. The researcher might choose from different entities ranging from animals, trees, towns, books, town depending on the field of research under which the study is carried.

The target population for this study was the rural community of Ugu District Municipality. In the community, the study targeted the community members which are actively participating in the government agricultural projects.

5.5 Sampling Method

Sampling method is a procedure applied in the total population to select a manageable sample. Sampling method can be defined as a definite plan determined before any data is actually collected for obtaining a sample from a given population (Buber *et al*, 2004).

A sample is defined a representative of the total population where the data for the study is collected to save time while being able to generalise the result. It is a segment of the population selected to represent the population as a whole and allows the researcher to make accurate estimates of the thoughts and behaviour of the larger population. The researcher applies a

sampling method which allows a selection of a sample that possesses similar characteristics as the total population (Mouton, 2006).

Clark & Creswell (2008) identifies two types of samples as probability and non-probability samples. With probability samples each element has a known probability of being included in the sample but the non-probability samples do not allow the researcher to determine this probability. The use of probability sampling in evaluative research ensures the generalisation of results.

In the study projects were selected using a purposeful random sampling strategy which ensured that the appropriate information can be drawn from the projects.

According to Kumar (2011) a purposeful sampling means that researchers intentionally select participants who have experience with the central phenomenon or the key concept being explored.

In the study, two projects were selected from each local municipality in the district. The total sample of the projects was twelve. The projects were purposefully chosen to be different in terms of activity, number of beneficiaries and location to ensure that the views of participants reflect the difference and provide a good qualitative study. The project managers were selected as the managers of each project selected. The number of project managers was twelve.

According to Clark & Creswell (2008) stratified random sampling is where the elements are selected from each stratum based on simple random sampling. This method follows a process of first the stratification of the elements and then simple random sampling in each stratum.

Stratified sampling is a technique where the population is stratified into a number of non-overlapping subpopulations or strata and sample elements are selected from each stratum. This technique is most applicable where there is a characteristic in the population that might influence the research findings.

The project participations were first stratified to stratum based on age, youth and adults. The stratum of adults was further divided into sub-strata based on gender, males and females. This was to ensure that in projects where youth and males were present, they were selected for the study.

A simple random sampling was used in selecting the participants from each stratum. Kruger & Welman (2002) defines simple random as sampling method where every member of the population has a known and equal chance of being selected. The names of the participants were obtained from the projects records as a sampling frame and were used to select the participants randomly. Three participants were selected from each project so the total sample for project participants was thirty six.

5.6 Data Collection Method

Kruger & Welman (2002) identifies two types of data sources, primary and secondary sources. Primary source provide the data that is collected the first time and directly from the sample being studied while the secondary sources provide data that has been collected and analysed by other researchers. Secondary sources normally lay a background and inform the hypothesis for the study before the primary data collection.

There are several available instruments for collecting the appropriate data. These instruments differ considerably in context of money costs, time and other resources at the disposal of the researcher. The instruments used in data collection are as important as the research methods and are informed by the research methods chosen for the study.

In this study the collection of quantitative data used a structured questionnaire while the collection of qualitative data used a combination of structured questionnaire and observation

5.6.1 Primary Sources

Primary data is usually collected either through experiment or through field research. In the field research instruments such as questionnaire, observations, focus groups and surveys are normally used to collect the primary data.

In this study, questionnaires and observations were used to collect primary data.

5.6.1.1 Administration of Questionnaires

According to Kruger & Welman (2002) a questionnaire is a list of questions compiled by the researcher to gather information on the main research objectives. The questions can be open or closed-ended. In qualitative methods, open ended questions are preferred as they allow the respondent to elaborate on the specified subject while quantitative methods use close-ended questions as they aim to major precisely the amount of the phenomenon. Mouton (2006) stated that a poorly assembled and long questionnaire distract the respondents and does not get the required information.

In the study the questionnaires were divided into two, questionnaire for the project managers and questionnaire for the project participants. Both questionnaires were separated into section A, B, C and D. Only section A of both questionnaires had close-ended questions. Section A of both questionnaires focused on the demographic information of the participants, section B of the project participants questionnaire focused on information about the formation, goals and activities of the project while that of project managers also included information about the policy under which the project was formulated. Section C of both questionnaires focused on the participation of the community members in the projects and section D focused on the benefits and challenges for the projects.

Questionnaires were administered by the researcher in order to explain the purpose of the study to the respondents and use observation while the respondents were filling the questionnaires. The respondents were filling the questionnaire in the presence of the researcher and clarity was provided where required. Kruger & Welman (2002) states that self-administered questionnaires provide the researcher an opportunity to observe the environmental settings where they are answered and are by far the cheapest data collection instrument.

5.6.1.2 Observations

According to Mouton (2006) observation method implies the collection of information by way of investigator's own observation, without interviewing the respondents. The information obtained relates to what is currently happening and is not complicated by either the past behaviour or future intentions or attitudes of respondents. However, the researcher might opt to use this method to compare the respondent's answers to what is observed in evaluative research.

In the study, the researcher used observations to observe the programme activities and compared to the respondents answers.

5.6.2 Secondary Sources

Secondary data sources provide information already existing and being used by other researchers. They are usually consulted immediately after deciding on a topic to be investigated and can be accessed through internet, libraries and other sources of information.

In the study the secondary sources used were text books, legislation, policies, previous research papers and data from unpublished sources such as dissertations on contribution of agriculture to rural economic development.

5.7 Ethical Considerations

White (2005) defines ethical consideration as the rules that prevent the researcher from manipulating or misleading the respondents to participate in the study. Each and every research institution has clear standards and values which guides the research on their research ensuring ethical consideration.

Before the study was conducted a letter requesting permission to undertake the study in Ugu District Municipality was sent to the LED Manager. Each and every questionnaire had a cover letter clearly stating that the information they provide was for study purpose only and would not be used for any other activity or provided to anyone else without respondent's permission. The respondents were assured of their anonymity and freedom to withdraw their participation at any time.

5.8 Pilot Study

According to Creswell (2003) a pilot study is where by the research design is tested to determine if it yields the required results. The pilot study involves the distribution of questionnaires to the different group of population from that to be studied. Pilot study allows the researcher to identify the shortcomings of the research design. It provides an opportunity for the researcher to asses if the questionnaire generates the information as per intention.

In preparation for the study a pilot study was conducted in the Ugu District Municipality. The research design for the main study was used in two projects. Three respondents from each project were than selected and the manager. The questionnaires and observations were used to collect the data. The pilot respondents were also asked to comment on the length, structure wording of

the questionnaire, then the questionnaire was altered according to the respondent's suggestions. The two piloted projects were then eliminated in the main study.

5.9 Data Analysis and Presentation

According to White (2005) the analysis of data requires a number of closely related operations such as establishment of categories, the application of these categories to raw data through coding, tabulation and then drawing statistical inferences. In the data analysis the bulky data is condensed into a few manageable groups and tables for further analysis. The researcher classifies the raw data into some purposeful and usable categories.

In the study coding, editing and tabulation were done to make the data more manageable while improving the quality of the information and creating informative tables useful in presentation. The Moonstats computer software was used in analysing the data in terms of tables for quantitative data while themes were used in presenting the qualitative data.

5.10 Validity and Reliability of Data

According to White (2005) validity refers to the degree to which a study instrument accurately reflects or assesses the specific concept that the researcher is attempting to measure while reliability is concerned with the accuracy of the actual measuring instrument or procedure. Sibiya (2010) indicated that the relationship between validity and reliability is that, if the research design used in the study is valid then the instrument used in data collection is reliable.

5.10.1 Validity

Validity is concerned with the study's success at measuring what the researchers set out to measure. Creswell (2003) indicates that researchers should be concerned with both *external* and *internal* validity. External validity refers to the extent to which the results of a study are generalisable while internal validity refers to the rigor with which the study was conducted and the extent to which the designers of a study have taken into account alternative explanations for any causal relationships they explore.

For the study findings to be generalisable the research design need to be valid. The research design is valid if it can be justified that it will result in best possible results.

The research design used in this study was justified to be valid because the result obtained were what the research intended to measure.

5.10.2 Reliability

Reliability is the requirement that the application of a valid measuring instrument to different groups under different sets of circumstances should lead to the same research findings. Reliability measures how well the instrument used in research would produce similar results on repeated trails, White (2005).

Mouton (2006) defined reliability as an extent to which an experiment, test, or any measuring procedure yields the same result on repeated trials. Without the agreement of independent observers able to replicate research procedures, or the ability to use research tools and procedures that yield consistent measurements, researchers would be unable to satisfactorily

draw conclusions, formulate theories, or make claims about the generalisability of their research, Creswell (2003).

In this study a pilot study was conducted to test the reliability of questionnaires and observation instruments. The instruments tested were deemed reliable by the researcher when the main study produced similar results from pilot study without the inclusion of the piloted sample.

5.11 Chapter Summary

This chapter elaborated on the research design, methodology, data collection instruments and source. The execution of the pilot study was also explained in the chapter and it concluded by examining the validity of the research design and the reliability of the instruments used in the research.

Chapter 6

6. Results and Findings

6.1 Introduction

This chapter describes and analyses the data as collected from the respondents on the impacts of government agricultural projects in the Ugu District Municipality. The chapter comes in two sections. The first section mainly focuses on presenting and interpretation the data. The first section reflects the demographics of the respondents and their interpretation.

The second section dwells mainly on themes as analysed from the data. The themes discussed include the contribution of government policies to rural economic development, the impact of policies on agricultural projects as they relate to food security, the challenges faced by the policy implementers and opportunities presented by the policies to the holistic development of the people.

In this study, a purposeful simple random sampling was used to select projects and the respondents were selected randomly within a selected project. Eight managers participated in the study and thirty respondents participated.

6.2 Demographic Data

Demographics tend to describe the trends found in the population to be studied on a histological perspective and current situations. The most investigated demographics in social research are gender, race, age, disability, mobility, employment status, monthly household income and the location. They provide enough information to create an imaginary picture of the respondents and

help in creating classes or categories in data analysis and representation (Gjonça, 2004). They were collected and analysed to give an economic picture of the people in rural areas in Ugu and to provide a basis to compare the region with other places in KwaZulu-Natal.

6.2.1 Project Managers

Of the twelve project managers contacted only eight provided responses. The project managers were interviewed based on race, sex, age, language, educational level, work experience in the field and disability.

Table 6.1: Demographic Data on Project Managers

Race	N	%
Black	5	63
Coloured	3	37
Total	8	100

Sex	N	%
Male	5	63
Female	3	37
Total	8	100

Age	N	%
20 to 35	2	25
36 to 50	5	62
More than 50	1	13
Total	8	100

Language	N	%	
Zulu only	2	25	
Xhosa only	1	12	
Z and E	3	38	
Z,E and X	2	25	
Total	8	100	*Z=Zulu, X=Xhosa and E=English

Education	N	%	
Primary	1	13	
Secondary	3	38	
Tertiary	4	50	
Total	8	100	

Work Experience	N	%	
Less than 5	2	25	
6 to 10	3	38	
More than 10	3	37	
Total	8	100	

Disability	N	%	
Yes	2	25	
No	6	75	
Total	8	100	

Source: field work 2012

The table above illustrates the demographic variables of project managers as employed by the department of agriculture working in the Ugu District Municipality. From the eight managers interviewed five were Black (63%) and three were Coloured (37%), using the scale that Blacks

include Coloured and White include Asians, it will mean the managers are all Black. The gender was also distributed as five (62%) to males while females accounted for only three (37%). Using an own formulated age scale, it was grouped into four groups. Managers in the 20 to 35 age group totaled two and represented (25%). Those in the 36 to 50 years totaled five and represented (62%) while managers which are more than 50 years represented (13%). Only one manager was over 50 in the interviewed groups.

As far as language, only two managers (25%) were Zulu speaking. Xhosa speaking was only one (12%). Zulu and English speaking totaled three (38%). Zulu, Xhosa and English speaking were two (25%).

The educational level of the managers was categorised as Primary, Secondary and Tertiary education. One manager (13%) had primary education. Three managers (38%) achieved secondary education while four managers (50%) had tertiary education, which included post graduate degrees up to master's level.

As far as work experience, two managers (25%) had less than 5 years. Three managers (38%) fell within the bracket of 6 years and 10 years' experience. Managers who had more than 10 years work experience were three (37%).

Disabled managers were two, representing (25%) and they were both visually impaired while able bodied managers totaled were six (75%).

Table 6.2: Educational level and Work Experience for Project Managers in Ugu District

Primary Education Level		
Work Exp	N	%
Less 5	1	100
Total	1	100

Secondary Education Level		
Work Exp	N	%
6 to 10	1	33
More than 10	2	67
Total	3	100

Tertiary Education Level		
Work Exp	N	%
Less 5	1	25
6 to 10	2	50
More than 10	1	25
Total	4	100

Source: field work 2012

The above table illustrates the relationship between the educational level and work experience of the project managers. This variable greatly affected service delivery in terms of policy implementation. Workers with higher educational levels and with more work experience performed their duties better than new workers. Maturity comes from years of work experience and makes managers less rattled when problems occur. Experienced managers command better communication skills. They know when and how to communicate as they develop that skill through years of experience. Experienced managers understand social differences and know how to diplomatically convey their ideas to the targeted people (Seasonal Worker Safety, 2010).

One worker indicated that he/she has primary education and has less than 5 years working experience. Workers with secondary education were three; one of them had 6 to 10 years experience which is (33%). The other two had more than 10 years experience (67%). The last four workers indicated they had tertiary qualification. One had less than 5 years experience (25%). Two had 6 to 10 years experience (50%) while the last one had more than 10 years experience (25%).

6.2.2 Project Participants

The sample size for the project participants was thirty six but only thirty provided responses. The project participants were viewed based on their race, sex, age, language, educational level, work experience in the field and disability.

A table of determining the poverty susceptibility was constructed using the income for participants and the universal poverty line.

Table 6.3: Demographic Data on Project Participants

Race	N	%
Black	24	80
Coloured	6	20
Total	30	100

Sex	N	%
Male	9	30
Female	21	70
Total	30	100

Age	N	%
Less than 20	2	7
20 to 35	7	23
36 to 50	11	37
More than 50	10	33
Total	30	100

Language	N	%
Zulu only	8	27
Xhosa only	7	23
Z and X	6	20
Z and E	3	10
X and E	3	10
Z,E and X	3	10
Total	30	100

*Z=Zulu, X=Xhosa & E= English

Education	N	%
None	7	23
Primary	11	37
Secondary	11	37
Tertiary	1	3
Total	30	100

Disability	N	%
Yes	7	23
No	23	77
Total	30	100

Monthly Income	N	%
Less than 1000	17	57
1100 to 2000	10	33
2100 to 3000	3	10
Total	30	100

*Monthly income is in Rands

Dependents	N	%
Less than 5	8	27
6 to 10	12	40
More than 10	10	33
Total	30	100

Source: field work 2012

The table above illustrates the demographic variables of project participants within the district. Of the thirty interviewed, twenty four categorised themselves as Black (80%) and six as Coloured (20%). The gender was distributed as nine (30%) males while females accounted for

only twenty (70%). The participants were divided into four groups according to their age. Participants with less than 20 years were two (7%). Those falling within the age 20 to 35 were seven and represented (23%). Participants with the age 36 to 50 years were eleven and represented (37%) while participants who are more than 50 years were ten and represented (33%).

As far as the language of the participants, Zulu speaking were eight (27%), Xhosa speaking were seven (23%), Zulu and Xhosa speaking were six (20%), Zulu and English were three (10%), Xhosa and English were three (10%) and Zulu, Xhosa and English were three (10%). The educational level of the participants was categorised as None, Primary education, Secondary education and tertiary education. Seven participants never attended school (23%). Eleven participants had primary education (37%). Eleven participants had secondary education (37%) while one participant had tertiary education (3%).

The disabled participants were seven representing (23%) and five (71%) were visually impaired while the other two (29%) were crippled. Able bodied participants were twenty-three (77%).

The participant's monthly income was categorised as equal to or less than R1000, R1100 to R2000 and R2100 to R3000. Seventeen participants had income equal or less than R1000 (57%). Ten participants had income of R1100 to R2000 (33%) and lastly three participants had an income of R2100 to R3000 (10%).

The dependents of the respondents were categorised as less than 5, 6 to 10 and more than 10. Eight participants had less than 5 dependents (27%). Twelve participants had dependents between 6 and 10 (40%) and those with more than 10 were 10 (33%).

Table 6.4: Monthly Income and number of Respondents

Income equals or less than R1000		
Dependents	N	%
Less than 5	4	24
6 to 10	7	41
More than 10	6	35
TOTAL	17	100

Income is between R1100 and R2000		
Dependents	N	%
Less than 5	3	30
6 to 10	3	30
More than 10	4	40
TOTAL	10	100

Income between R2100 and R3000		
Dependents	N	%
Less than 5	1	33
6 to 10	2	67
TOTAL	3	100

Source: field work 2012

The above table illustrates the relationship between income and number of dependents for each respondent interviewed. The dependents were categorised as people living with the respondents on a full time basis with board and lodging under the same roof. Of the seventeen respondents who had equal or less than R1000, four had less than 5 dependents (24%), seven had 6 to 10 dependents (41%) while the remaining six had more than 10 dependents (35%).

Using the measure of \$1 or R8 a day income per individual as determined by Food and Agriculture Organisation (FAO) to measure poverty (Mjonono et al, 2009). The seventeen living

on R1000 or less, the four that have 5 or less dependents live on R6.45 per day at a minimum. The seven respondents living with 6 to 10 dependents live on R5.37 per day at maximum while the last six living with more than 10 dependents live on R3.22 at maximum. As can be seen R3.22 is below the poverty datum line of R8 per day per individual. The respondents living on a monthly income of between R1100 and R2000, the three living with 5 or less dependents, live on R12.90 per day per individual at maximum. The three living with between 6 and 10 dependents, live on R6.45 per day per individual at minimum and the four living with more than 10 dependents, live on R6.45 per day per individual at maximum. The respondents living on between R2100 and R3000, only one respondent is living with less than 5 dependents and therefore lives on R19.35 per day per individual and the last two live with 6 to 10 dependents, is living on R9.67 per day per individual.

Table 6.5: Susceptibility of Respondents to Poverty

Income(R)	N	%	Susceptibility (I-8)
3.22	6	20	-4.78
5.37	7	23	-2.63
6.45	11	37	-1.55
Total	24	80	
8	*Poverty datum line*		(I
			Actual income per day per individual)
9.67	2	7	+1.67
12.90	3	10	+4.90
19.35	1	3	+11.35
Total	6	20	

Source: field work 2012

The susceptibility is measured by the level of the income between the actual income per day per individual and the poverty datum line (8). 1. If the difference is negative, it means they are living below the poverty datum line and are therefore susceptible to poverty. The smaller ($-1 > -5$) the difference the more susceptibility the people. 2. If the difference is positive, it means people are living on the poverty datum line or just above it. The bigger the difference the better for the people.

Table 6.5 above shows the susceptibility to poverty of the people in rural areas in the region. The respondents' data show that twenty-four 80% of the total population live below the poverty datum line. According to Pauw (2005), there is 53.4% poverty in rural areas of KwaZulu-Natal while Ugu District Municipality LED Poverty Reduction & Eradication Strategy (2006), indicated that in Ugu Municipality, there is 40.22% poverty. Of the respondents who lived below the poverty datum line, six are living on R3.22 per individual per day which is 20% of the people living below the poverty datum line while their susceptibility equals -4.78, which means that they are deep in poverty and will require immediate short term assistance to survive the next five years. Seven of the respondents 23% live on R5.37 per day per individual with their susceptibility equaling -2.63. The last eleven live on R6.45 per day per individual and have susceptibility of -1.55. The poverty level of this group is moderate. However, they would require immediate assistance although they can be expected to eradicate poverty by their own efforts in the long term.

6.2.3 Themes

The policies were indicated by the project managers. The policies were discussed based on their objectives and the impact they would have had on the projects being executed. The policy

challenges and suggestions to improve them were taken from the managers, as they were executing them.

These questions were asked in their order, *Under what government policy (ies) for agricultural development was the project established? What advantages does the policy have for the project?, Were there any challenges encountered in the establishment of the project under this policy (ies)?, In your opinion, are there any necessary changes needed to make the policy (ies) more suitable?.*

The first question was understood and managers answered with clarity. The managers mentioned different policies for different projects. Respondents confirmed that some projects were established under two or more policies combined. The policies mentioned were 1. Comprehensive Agricultural Support Programme (CASP), 2. Land Care Programme (LCP), 3. Land Redistribution for Agricultural Development Programme (LRAD), 4. Household Food Production, Food Security and Starter Packs (HFPFSSP).

Secondly, managers were asked what are the advantages of each policy so as to establish if the managers were aware of the full benefits of the policies. The managers mentioned the advantages as goals of the policy. This shows they had assessed if the policies would succeed to improve the economic wellbeing of the people.

In response to questions about CASP and LRAD, the Thuthukani Community Project manager indicated the advantage as, *“Project finance support is specially designed to fund agricultural activities and provide the required institutional and technical support while LRAD helps previously disadvantaged people in rural areas to improve their living standard, by enabling them to run their own large or small projects effectively and broaden the opportunities available*

to young women and disabled people who live in rural areas. LRAD is specifically designed to improve the economic participation of the people through their involvement. It allows the people to drive their own development as it focuses on sustainable development”.

Third, the managers were asked which challenges they experienced as pitfalls of the policies and how they hindered the development of the people. The manager of the Bhubhoyi GM Garden indicated that *“The Land Care Programme is challenged by the inability of the current status of income- generation projects to permit a lasting exit by funding institutions from unsustainable projects and the fact that it requires illiterate people to take the central part”.*

The Household Food Production, Food Security and Starter Packs is the most challenged according to the manager of Zibambele Poverty Alleviation Community Project *“Most people don’t want to get involved in projects under this policy because they feel like, it is a programme for failures. People involved in these programmes are often marginalised in the communities”.*

The last question under policies was to find out what solutions were forthcoming from the people themselves. According to Pauw (2005), social challenges can be easily solved by the people involved in them, other than the policy makers. The manager of Zuzimpilo Farming Co-operative indicated that *“The policies need to promote partnerships between the communities, the private sector and government in the management of the projects, focusing on factors of production such as natural vegetation, water, capital investment and the human capital; policies, actions and measures that provide short-term relief to poor individuals and households to mitigate the short-term effects of poverty are very important for people in rural areas. They need to be educated about them. The agricultural policies need to be incorporated in school syllabuses from grade 8. Policies with medium-term goals to enhance the potential of the poor*

people in rural areas to participate in economic activities, thus increasing their income and welfare, developing them holistically and increasing their self-reliance before they can participate in big and long term projects need to be undertaken”.

Further questions that were posed to project managers were inter alia the following, 1. *Is the project contributing to economic development?*, 2. *Are there non-agricultural development opportunities offered by the projects?*, 3. *Is the project contributing to food security?*, 4. *Are there any long term benefits expected from the project?*, 5. *As government will you provide any support after the end of your direct involvement in the project?*

Table 6.6: Numerical Presentation of Responses from Project Managers with a Sample size of 8

Question No.	Yes		No		No Response	
	Number	%	Number	%	Number	%
1	8	100	0	0	0	0
2	8	100	0	0	0	0
3	6	75	2	25	0	0
4	4	50	4	50	0	0
5	8	100	0	0	0	0

Source: Field work 2012 (see the above paragraph for questions)

All eight managers answered the first question with a yes (100%) so clearly all managers agree the projects are contributing to rural economic development.

To the second question, all managers answered with a yes (100%). The projects are contributing to other forms of development as it is evident by the answers of managers.

The third question was also answered by all managers but they gave different answers. The ‘yes’ responses were (75%) while the ‘no’ responses were (25%)

The fourth question was also answered by all managers. Answers were divided (50%) gave ‘yes’ response and (50%) gave a ‘no’ response.

All managers answered question five with a ‘yes’ (100%)

Other questions asked from project participants were the following: *1. Is the project contributing to your economic development?, 2. Are there non-agricultural development opportunities offered to you by the project?, 3. Do you expect any long term benefits from the project?, 4. Is the project contributing to your food security?.*

Table 6.7: Numerical Presentation of Responses from Project Participants with a Sample size of

30

Question No.	Yes		No		No Response	
	Number	%	Number	%	Number	%
1	25	83	5	17	0	0
2	15	50	13	43	2	7
3	15	50	5	17	10	33
4	30	100	0	0	0	0

Source: field work 2012

In the first question all thirty selected participants responded and twenty five answered the question with ‘yes’ (83%) while the other five (17%) answered ‘no’.

For the second question, only twenty eight respondents answered. Fifteen answered with a ‘yes’ (50%) while the other thirteen answered with a ‘no’ (43%). The rest seemed confused at the question.

Only twenty respondents answered the third question. Fifteen answered with a ‘yes’ (50%), five answered with a ‘no’ (17%). The other ten did not answer the question. To the last question, all participants answered with a ‘yes’ (100%)

6.2.3.1 Policy Contribution to Rural Economic Development

Agriculture’s contribution to the overall economy is much greater than is suggested by the quoted figures of its share in the GDP. A closer examination of agriculture's role, especially during droughts or periods of exceptionally favourable rainfall, suggests that its contribution is more complex (Songelwa, 2009). Specifically with reference to people in rural areas families survive on agriculture through all seasons. This data is not incorporated in the GDP counts. The established policies ensure that agriculture contributes to the national economic policy objectives as articulated in the RDP, GEAR, MDG 2015 and now the new NDP 2030. To sum up the objectives behind agricultural policies simply boil down to economic growth; reduction of income inequalities, especially along racial lines; eliminating poverty with a special focus on rural poverty. The agricultural project aims to increase agricultural productivity and output to enhance the sector's contribution to regional, provincial and eventually national economic growth. With all the policies in place in South Africa, one can choose the most suitable to the project.

- **Comprehensive Agricultural Support Programme (CASP)**

The Thuthukani Community Project was established under Comprehensive Agricultural Support Programme (CASP). The project was planned and started by the community with the government at the planning phase. The programme is about growing vegetables and selling them to local people, providing fresh and nutritious food. The beneficiaries acquired land on their own before the government injected support.

The policy aims to benefit the hungry, increase subsistence and household food producers, farmers and enhance agricultural macro-systems within the consumer environment. The criteria for projects to qualify for funding or any assistance under this policy are that target beneficiaries should be from the previously disadvantaged Black communities.

The Thuthukani Community Project was established by Black women and youth in the community. The household food security and economic wellbeing of the beneficiaries was improved by the project.

One of the respondents in the project indicated that, *“Since I joined the project, which was at planning phase, at first financial problems were experienced, but six months into the project we had our first profit and surplus. More food and healthier food was produced than the food we had before. Also more money was available to sustain the family for longer days. Another respondent concord stating, “The project offers us employment and with the financial training we receive our general financial management has improved to such an extent that we can no longer regard ourselves as without direction”*. All three respondents in the project agreed that, the

household food security and economic wellbeing of the beneficiaries has been improved by the project.

The manager of this project stated that, *“When we first came to assist the people, they had gone a long way though still confused about management methods and the creation of viable target markets. So they had to attend classes with the assistance of eSayidi FET. The people displayed positive attitude towards learning. Working with older women was good as it guarantees food in most households”*.

He continued, *“The policy is challenged by the fact it pays a once-off grant and does not commit the Government to any form of direct recurrent operational or maintenance project grants”*.

Other respondent indicated that in 2010 they had suffered huge losses due to bad weather when the government could not intervene. This meant that the project could cease to exist or they had to apply for other funding from the Department of Social Development (DSD) which took almost two years to be processed. The delay meant they would start the project from scratch.

Another project under this policy is Siyathuthuka Poultry Project. Its main activity is buying day old chicks and growing them till a sellable size, which is normally from two to four weeks. The government intervention came in after the project participants had been struggling to maintain financial viability and to break into the markets.

One respondent said, *“We would buy the chicks, grow them and sell, only to have a shortfall. The shortfall made it difficult to order the next stock from Pietermaritzburg. This meant we couldn't service our debt which damaged our credit credibility”*.

At this time the project participants decided they needed government or NGO's assistance. They consulted the Department of Agriculture and Environmental Affairs. The government assisted them with a once off grant under the CASP policy.

The manager indicated that, *“As much as this was an already existing project, of which the policy does not dwell much on them. The department chose it because these people came from a disadvantaged background. As a result of their profit level they fit well under subsistence producers”*.

When asked about the project impacts, the respondents agreed that it brought hope into their life as it was their only source of income. The trainings they had received from the government guaranteed them growth in agricultural production more especially in poultry.

- **Land Care Programme (LCP)**

Land Care is a community-based and government supported approach to the sustainable management and use of natural agricultural and other natural resources. The goal of the Land Care Programme (LCP) is to develop and implement integrated approaches to natural resource management in South Africa, that are efficient, sustainable, equitable, and consistent with the principles of ecologically sustainable development.

Bhobhoyi GM Garden was established under this policy. It is based on growing genetically modified vegetables. There is a special focus on green leafy vegetables in the project.

One respondent indicated that, *“The project skills development programme under this policy has benefited us, to such an extent that we can start our own enterprises along the supply chain of*

agriculture. Our relationships as community members have improved as we now spend more time planning our production and there is hope for our future well-being. There is a market for our products as the Ugu Fresh Produce Market enhances the long-term productivity of the project and guarantees its long-term success”.

The manager stated, *“The policy has encouraged production skills development for the respondents and improved their business competencies. They now can arrange their seminars and also educate other community members about genetically modified crops”.*

The respondents indicated that they had created numerous job opportunities especially in the weeding and harvesting seasons. The project employs five temporal-permanent workers at R30 per day, working days of a month. They indicated that during weeding and harvesting seasons they employ up to ten workers at R25 per hour, fourth hours per month, including temporal-permanent staff.

The Asakhane Sustainable Livelihoods Project was also established under this policy. This project is for people in rural areas who make craft work using beads and grass (ilala).

Project manager said, *“Before the government intervention they were making their crafts as individuals. However the main constraint was a lack of a stable market for their work as most the raw material was starting to deplete because they were not harvesting it in a sustainable way”.*

One respondent said, *“We were really struggling to procure the raw material and had our works all season. We would take the craft to Port Shepstone once finished on a daily basis to sell at taxi*

ranks. So the income was really unstable and the crafts would be damaged while being transported by taxi”.

The manager continued, “*A local market was created and training on natural resource management and team work was offered to them”.*

Another respondent indicated that, “*Since the establishment of the market and the trainings we received, we have customers from all over South Africa and even abroad. Some have made us their shop suppliers, something we couldn’t achieve as individuals”.*

- **Land Redistribution for Agricultural Development Programme (LRAD)**

The Sizuzimpilo Agricultural Co-operative was formed through voluntary association, on Registration and training support committed by SEDA. The co-operative was formed to assist emerging farmers to participate in a Tea Tree project which also involved White commercial farmers. There are two categories of community participants; small-scale producers on Ingonyama land and emerging farmers on freehold land. Both groups used their own structures to participate in the project.

The project was formed under the LRAD policy which provided a grant to access land for agricultural purposes. These were previously disadvantaged people in rural areas taking action to improve their living standard through land ownership.

One respondent indicated that, “*We had the passion and love for agriculture but lacked land. The policy provided us with the land and now our lives have changed”.*

A second respondents indicated, *“I’ve been involved in agriculture and my for bears did the same but the land we were using was small and no longer as productive as before, so intervention gave us the much needed relief from poverty and ensured a sustainable future”*.

The manager indicated that, *“The policy has yielded good results, not only for this project but most South Africans have benefitted. However, it is still challenged by the fact that the participants often receive training based on subsistence farming even if they are given a commercial farm. Another challenge was that people who were getting land under this policy are often old and difficult to educate for commercial farming. Lastly, some of the beneficiaries indicated that the policy of allocating land to them on a 99-year leasehold basis acts as an impediment for investment in the land. They said that they would prefer to be given full ownership which will pose a problem of land being sold by the beneficiaries.”*

The process of acquiring and distributing a particular piece of land is lengthy. As a result the cost of redistribution escalates because the former owners stop investing in the land. Sometimes they apply methods which deplete the environment and stall the productivity of the farm. The cost of re-investing in these projects therefore becomes high while the grant paid is small.

- **Household Food Production, Food Security and Starter Packs (HFPFSSP)**

Zakhele Community Project was established under this policy. The project provides interim relief measures for households and beneficiaries severely affected by food insecurity and the escalation of prices of basic food items. The project is basically on growing vegetables in schools, community gardens and encouraging people to grow vegetables in their back yards. The project participants also incorporate helping poor people with food packs from donors to supplement their garden harvest.

One respondent indicated, *“As this is a non-profit project, the agricultural input and equipment provided for production is very important”*.

Another respondent stated, *“The project provides much needed relief to poor families in the community. The vegetables produced also provide the diversity which often lacks in these family diets”*.

The manager indicated, *“The policy provides agricultural input and equipment to the existing food security campaign and Special Programme for Food Security Projects (SPFS) and the National Food Emergency Scheme (NFES) beneficiaries”*.

“It is challenged by the fact that many are applications were received, few of them made the final selection”.

Another project established in this policy is the Zibambele Poverty Alleviation Community Project. The main activity of the project is growing vegetables in community gardens and providing food packs to families identified for poverty assistance by the municipality.

One respondent indicated, *“We also promote home backyard mix farming, we mostly focus on food production and where appropriate, school gardens, using affordable and sustainable technologies such as organic farming and encouraging sustainable utilisation of unused or underutilised resources”*.

Another participant indicated, *“This project is not for our benefit but provides means for the poor people in the community to survive”*.

The manager indicated, *“The project encourages household food production through improvement of crop intensification, diversification, adoption of simple and affordable technologies and has as a result improved the lives of the people”*.

6.2.3.2 Challenges facing Government Representatives in Project Implementation

Policy implementation is the stage in the policy process where policy action occurs to address a recognized policy problem. At this stage, the design of a policy proposal is put into effect by respective administrative agencies and project managers. The policy implementers select instruments to best achieve the goals of each policy being implemented which are also suitable for specified target populations and the society.

Lot of challenges are encountered in policy implementation. If addressed properly these challenges in turn become opportunities to better the policy. Effective and efficient policy actions require consideration to be given to the constraints and challenges of implementation preferably even as the policy is formulated. How well a policy is implemented and its challenges dealt with has much to do with determining if it is successful or not.

- **Timely funding**

In most projects in the region, the major sources of funding and financial support for agricultural project are the national government, or the provincial or municipal government level where decentralisation is implemented. Generally, government agricultural institutions operate on the basis of an annual budget. For a project to be considered for the budget, project participants should apply timely before the budget is drawn. The waiting period is two or more years if the grant is to be big.

One manager indicated, *“You find that the application was sent 3 years ago but when it is granted, the prices for inputs have gone up significantly, making the grant small by that time”*.

One respondent indicated, *“We have no time to go through all the stressful ups and downs required to apply for funding. It is better if we stay with this small garden and wait for government to see that we are doing something so that they will come with help faster”*.

According to Guy, Blaise, Ignacio & James (2011), nearly 75% of agricultural project managers indicate that funding instability was among the most significant challenges to project management. Funding instability includes situations in which a project receives less money than planned or funds are disbursed on a schedule different from that planned. Funding instability normally results in inefficient management practices that contribute to poor cost, schedule and low performance outcomes.

Inadequate funding in the early phases of a project’s life cycle decreases the team’s ability to identify and address key risks at project inception. Moreover, in the absence of sufficient funding, project managers may have to defer the development of critical technologies to a time when integration of those technologies may be more difficult and inefficient (NASA’S Challenges to Meeting Cost, Schedule and Performance Goals, 2012).

- **Establishment of Partnerships**

An even bigger challenge in the region is to encourage entrepreneurship, particularly amongst all subsistence farming households that will progressively lead to profitable farming enterprises. This initiative will contribute to employment opportunities and more equitable income distribution.

One manager stated, *“Due to historical differences between community members (including political and other social conflict) bringing them together is very difficult and would take more than a year to resolve. Even when they have started to work together a small issue escalates and destroys the entire project”*.

One respondent stated, *“Due to the 1994 political unrest, it is still difficult for people from eNkulu to work with people from kwaShobashobane”*.

Among project participants good relationships are important as lack of interest and focus result in errors and delays in the task performed in the project. Participants involved in constant disputes tend to spread negative messages around and spoil the ambience of the project. Participants start treating their participation in the project as a burden and thus quitting the project as convenient escape route (Kim& Kim, 2012).

Another participant indicated, *“We once had conflicts in the project and nobody bothered to follow the rules and regulations of the project. It was a complete mess. The project failed to make profits and was in a situation where it needed to be shut down. People even resorted to thieving for personal benefit”*.

When partnership is not promoted among project participants, participants became reluctant to share their workload and are thus always overburdened and unhappy. They fail to accomplish tasks within desired time frames and hence the project suffers (Kim & Kim, 2012).

- **Knowledge and Adoption of Technology**

The knowledge and adoption of technology in the development of people in rural areas is important as it improves the output produced, specifically the project productivity, output per

unit of input increases. According to Savastano, Anriquez, Alfani, Paolantonio (2011), adoption of new knowledge and technology is directly proportional to the level of education of an individual. Also the economic status of the people will affect their attitude towards learning and seeking information. People in poverty devote their attention and available resources to finding survival means. The study indicated that there is an 80% poverty rate among the respondents in spite of the easy access to primary and secondary education in the district.

The manager indicated, *“Despite the potentially positive impact of any project, rural communities have a lot of social, cultural, political and historical baggage that tends to slow down the pace of adoption of new ideas and technologies. Consequently, visible impact may not be realised in a short time. Community attitudes are one of the biggest challenges associated with slow adoption of technologies. A number of people living in poverty feel marginalised and think that there is nothing much that they can derive from the project to change their living conditions”*

Savastano *et al* (2011) stated that the adoption of new technology and knowledge has the potential of increasing agriculture income and welfare. Studies suggest that more than 70% of people in rural areas are reluctant to adapt to new forms of production. In addition lack of adoption of new technologies reflected in their collective lack of investment in agriculture exacerbated by insecurity of tenure.

- **Land Tenure**

Since 1994, South Africa has embarked on a multi-faceted programme of land reform including land tenure, land restitution and land redistribution. They are all designed to redress the racial imbalance in land holding and to secure the land rights of historically disadvantaged Black

people. Land tenure reform in rural South Africa refers to both the protection and strengthening of the rights of occupiers of privately-owned farms and state land and the reform of the system of communal land tenure prevailing in the former homelands (Lahiff, 2006). However progress in all areas of the programme is generally considered to have fallen far behind the expectations of official targets. Due to this high-profile projects have effectively collapsed including Elandskloof in the Western Cape, and Komani-San in the Kalahari Gemsbok National Park in the Northern Cape (Lahiff, 2006).

The people in rural areas in the Ugu District are faced with similar challenges as those faced by other people in rural areas in South Africa. Most people in rural areas do not own land. If any, it is small and productivity is poor due to lack of investment. This phenomenon is even worse for women, who are dominant in terms of project participation. As the findings of the study revealed, 70% are female and 30% are male. In African culture property belongs to the man, who is regarded as the head of the household. In African society, the land and other valuable property belong to the man and must reflect his name even if it was bought by a woman's effort (Majali, 2012).

On respondent indicated, *“It was very difficult to purchase land because collateral security is required. For one to purchase a piece of land, one must have collateral security which may include cattle, sheep and goats, all which are owned by men in rural communities. Even if the men die in a particular household, still his brothers will come and claim his livestock and land”*.

Too many procedures and protocols frustrate and discourage people against acquiring land. In some instances the procedures can drag on for a long time delaying the start of a project and straining the relationships in the community. The other issue working against the right to own

land amongst people in rural areas is the lack of education and formal employment. As a result, it is difficult for them to meet all the requirements needed to purchase land.

- **High Mortality Rate**

The age of project participants tends to present a problem for most managers. In the projects nine participants were found to be less than 35 years (30%) while twenty one were 36 or more (70%). Using the total population the life expectancy in South Africa is 49.41 years. For females it is 50.34 years while for males it is 48.45 years (South Africa Life expectancy at birth, 2012).

One manager indicated, *“Old people have a lot of health problems and almost every year there’s death among participants. This results in new members being required or a sudden change of positions, resulting in new staff training needs”*

A high death rate leads to declining levels of productivity leading to declining profits or income in general, while production costs are not declining at an equal or higher rate. Additionally, with declining and fluctuating productivity, the ability to meet supply demands from consumers and buyers (reliability) decreases resulting in the project not meeting its goals. Rising production costs for projects not only have the effect of directly impacting negatively on current income margins but also on future profits by reducing the investment capacity for increasing productivity, expansion, research and development, and workforce training and support (Impact of HIV/Aids on a company, 2012)

According to Bradshaw, Pillay-Van Wyk, Laubscher, Nojilana, Groenewald, Nannan, & Metcalf (2010), the death rate varies among age groups in South Africa. In every 100 000 people of the same age per year, people of age between 20 and 34, the death rate is 2700 (2.7%). For the age

group between 35 and 49 years, the death rate is 4900 (4.9%). For people over the age of 50 years the death rate is 8700 (8.7%).

Taking the death rate for people over the age of 35, the death rate in the projects can be expected around 13 600 (13.6%) per year. This pattern means that for every ten projects participants over the age of 35, two (1.36%) will die every year.

6.2.3.3 Opportunities of Holistic Development

There is a pervading climate of physical and psychological insecurity that limits life's energies and narrows humanity's conception of itself to a minimal existence among people in rural areas. Poor people in rural areas tend to adapt strategies to organise activities at a basic level that permits survival. By contrast holistic development presents an opportunity to remove all these obstacles. Once better in their poverty deepness these people view life as offering narrow opportunities for self-initiative and accomplishment. But they are encouraged to organise their energies and activities at a level that permits expansion of existing organisations to provide greater success, security, abundance and sustainability.

One manager indicated, *“It not only about food to eat, but income, education (formal and informal) and self-reliance are all the mandate for our project, the project present an opportunity for infrastructural development”*

One respondent indicated, *“The income generated by the project is very useful, we use it for different things, shelter security, education for our children and buying other foods such as meat”*.

Another respondent indicated, *“This project is a place where we interact and experience different emotions with other people, it is like a second home for most of us”*.

And continued to say, *“The training we receive for project management has improved our decision making and confidence to present ourselves”*.

Investment in agricultural project improves rural infrastructure and generates positive externalities as authorities reach for the poorest. Project participants learn about new techniques of production from the experience of their neighbours and project managers. Since the majority of the poor in rural areas supply agricultural labour, development of the chain of value addition through better roads, storage, transport and other marketing infrastructure is likely to generate for them rural farm and non-farm employment, benefiting not only the project participants but the community as a whole.

Another respond indicated, *“The only road in the community was built so that the government cars can reach the project and municipality water tanks were put for project irrigation but also the community is using them as a water source now”*.

Agricultural projects help diversify income sources for agriculturally dependent people e.g. livestock and horticulture. Although in the field of agriculture, this helps the participants to manage risk and reduce their vulnerability to fluctuations of project incomes (Roles of Agriculture Project, International Conference, 2003).

6.2.3.4 Projects Contribution to Food Security

While South Africa may be food secure as a country, large numbers of households within the country are food insecure. In the Ugu region 32.1% of the households are food insecure because the majority resides in rural areas depending on agriculture (Ugu District Municipality LED Poverty Reduction & Eradication Strategy, 2006).

The South African government committed itself to halve poverty between 2004 and 2015. Achieving household food security is a critical component if that objective is to be met (Songelwa, 2009). The link between poverty, incomes and household food security is very clear. Consequently agricultural projects try to address them all.

In the study, 75% of the managers agree that these projects contribute to food security. To this all (100%) participants agreed. Projects such as the Zakhele Community Project established under Household Food Production, Food Security and Starter Packs are specifically targeted for food security through food starter packs and household gardens.

One respondent indicated, *“This project has lessened the burden of food insecurity in my family. We only had monthly government grants as our income. So we had to buy staple food only. Now green food is available to us and income generated most importantly”*.

The manager said, *“Most of the people in the project depend on these projects to access nutritious food, otherwise the observation is that failing the project most of their children would suffer from kwashiorkor”*.

Agricultural households which depend mainly on home grown produce have more diversified diets leading to more balanced intake of nutrients compared to households without home grown produce (Roles of Agriculture Project, International Conference, 2003).

Household food security is directly linked to economic well-being which in turn depends on agriculture for the majority of the rural population in the region. At the household level food insecurity is mainly due to lack of access to adequate economies for nutritious food, as a result of unemployment and underemployment.

Another manager indicated, *“The poor participants are the worst affected by food insecurity, which primarily exists as transient and chronic”*.

The longer-term problem related to malnutrition and poverty is chronic food insecurity, which is largely due to the continued lack of access to productive assets and employment. Agricultural projects play an important role in tackling the problem of chronic food insecurity by providing a livelihood to the poor and diverse nutrition.

The transitory or shorter-term food insecurity is associated with instability in food production and in projects or food prices in general. Among other observations agricultural households tend to cope with these uncertainties through eating less preferred foods. In severe cases adults skip meals so that the young can eat.

6.3 Research Questions Findings

The first question of the study was to identify government policies aimed at improving rural economic development. The following were the policies prevalently practiced in the region as indicated by the project manager (government representatives), 1. Comprehensive Agricultural

Support Programme (CASP), 2. Land Care Programme (LCP) 3. Land Redistribution for Agricultural Development Programme (LRAD), 4. Household Food Production, Food Security and Starter Packs (HFPPSSP). The study revealed that the policies have greatly influenced the agricultural practices in the region. The literature review in chapter two and three showed other policies that agriculture contributes to economic development.

The second question was, what are the challenges facing the government and its agencies involved in agricultural development in rural areas? Several challenges were identified by the managers. The first challenge was the formation of partnerships among communities. Due to different factors community members could not work together to form entrepreneurs. The second was timely funding. Managers indicated that when applying for funds from government, the department takes long to respond. In addition when it does the money is no longer adequate to cover all the project needs. Thirdly, land tenure is a problem to most rural South Africans. Most studies have indicated that this problem is more severe in respect of women. In rural areas women do not own any asset due to cultural beliefs and the fact that they are unable to secure collateral. The fourth challenge was revealed to be lack of knowledge and slow adoption of technology. People in rural areas are known to stick to tried and tested methods. With the present high rate of illiteracy in the region, one can expect that they find it difficult to absorb new knowledge. The last challenge was a high mortality rate among project participants. People interested in agriculture in the region are old. Among old people there is a prevalence of diseases and the healthier have to care for those who are ill in families, if there is any. Elders have too many household responsibilities which divert their attention from the project thus making them less productive.

The third question was what are the holistic development opportunities offered by current rural agricultural development policies? The study revealed that the project participants benefit holistically when participating in these projects. The income gained from the projects helps in other aspects of life such as paying for shelter and education.

The last question was to what extent is the contribution of agricultural projects on food security in rural areas? Project managers were divided in their view of the project's contribution to food security. However in general the participants agreed that the projects greatly contribute to securing food. The diversity provided by the project is the most important contributor which relieves both chronic and transitory food insecurity.

6.4 Hypothesis Testing

Three hypotheses that are to be confirmed or proved false by the research data appear below.

6.4.1 *Null Hypothesis:* Current government policies have no significant relationship to the improvement of rural economic development

***Alternative Hypothesis:* Current government policies do have a significant relation to the improvement of rural economic development**

The policies were identified by the eight managers who participated in the study. The literature review in chapter two and three revealed that the policies put in place by the government are improving the economic status of the people in rural areas. The findings of the study are also in line with the literature and the hypothesis that the policies are decreasing the poverty in rural areas. As one manager stated, people were making a difference as individuals long before the government intervention; they lacked a stable market for their products and most the raw

material was starting to deplete because they were not harvesting it in a sustainable way. But as the government intervened, markets were created and sustainability was ensured. A project participant supported this statement by stating that the project offers them employment. In addition with the financial training they received, their general financial management improved to such an extent that they no longer regard themselves as without hope and direction. The findings of the study support the literature review in rejecting the null hypothesis. The alternative hypothesis is therefore true.

6.4.2 *Null Hypothesis: Current agricultural development policies have no significant relationship to holistic rural development opportunities*

Alternative Hypothesis: Current agricultural development policies have a significant relationship to holistic rural development opportunities

The eight managers agreed that the projects developed under agricultural development policies contribute to holistic rural development opportunities. In the thirty projects participants involved in the study, two did not comment on the holistic development opportunities, fifteen indicated that the projects do contribute to holistic development growth while the last thirteen disagreed. The literature review in chapter two and three revealed that agricultural projects offer holistic rural development by contributing to education, infrastructural and institutional development.

One manager stated that the agricultural projects are not only about food to eat, but income generation; education (formal and informal) and self-reliance are the key deliverables for these projects. Thus the projects present an opportunity for infrastructural development for the people in rural areas. A project participant confirmed the statement in mentioning that the only road in their community was built so that the government cars could reach the projects and municipality

water tanks were put for project irrigation but also the community is using them as a source of water therefore indirectly benefiting from the project. The findings of the study support the literature review by rejecting the null hypothesis. The alternative hypothesis is therefore true.

6.4.3 Null Hypothesis: The contribution of agricultural projects has no significant relationship to food security in rural areas

Alternative Hypothesis: The contribution of agricultural projects has a significant relationship to food security in rural areas

Of the eight project managers in the study, six answered yes about the contribution projects make to food security while two answered no. All thirty project participants agreed that the project contributes to food security.

As a manager stated, most people in the project depend on agricultural projects to access nutritious food as they can't afford food diversity. They depend on staple food resulting in children suffering from kwashiorkor. One respondent indicated that the project had lessened the burden of food insecurity in the family.

The literature review in chapter two and three revealed that poor people in rural areas were reliant on agriculture for food security and income generation. The findings of the study support the literature by rejecting the null hypothesis. The alternative hypothesis is therefore true.

6.5 Summary

In this chapter the demographical information of the respondents as divided into managers and project participants was presented. This provided an insight into the well-being of the people

participating in the project. The exact questions that were asked in face to face interviews were also articulated. The answers quoted from the respondents clearly indicate the mood that existed in the interviews.

The findings provided themes by way of answers to the research questions. The themes were as follows; policy contribution to rural economic development, challenges facing government representatives in project implementation, opportunities of holistic development as well as project contribution to food security. From the study findings, it can be concluded that the community projects play more than the income generation function as envisaged in most cases.

The projects participants gave different views on the contributions. However all project participants was positive. As was observed the economic well-being and educational level of project participants seemed to greatly influence the people's attitudes towards learning and accepting new methods of production. But participation in these projects afforded people an opportunity of holistic development which in turn yields positive results with regards to their capacity for decision making and self-reliance. There was agreement among community members that projects contribute to improve physical and economic viability to access to sufficient, safe and nutritious food to meet their daily dietary needs and food preference for an active and healthy life. However from the responses the extent of such a contribution was not clear. The sum total of responses confirmed all null hypotheses being rejected in favour of the alternative hypotheses as supported by the literature review in chapter two, three and the study findings.

Chapter 7

7.1 Introduction

This chapter attempts to summaries the whole study by indicating how the research aim and objectives of the study were achieved. The concluding section of the chapter focuses on recommendations towards better agricultural contribution in the region and for future studies.

7.2 Aim and Objectives

This study aimed at assessing the impacts of government agricultural projects in rural economic development while identifying proper strategies for effective agricultural project implementation in the rural areas. The aim of the study was achieved by the literature review in chapter two and three. Also the findings of the study corroborated the preliminary assumptions presented at the beginning.

7.2.1 To identify government agricultural policies aimed at improving rural economic development.

This objective was achieved by means of literature review in chapter two and the findings of the study in chapter five. The historical background of agricultural development policies was laid, up to current policies. The policies discussed in the literature review were the Reconstruction and Development Programme (RDP), The Growth, Employment and Redistribution (GEAR), the Integrated Rural Development Strategy (IRDS), the Comprehensive Rural Development Programme (CRDP), the Agricultural Development Policy (ADP), the Land Tenure Reform, Land Restitution, Land Redistribution and Agriculture Broad Based Black Economic Empowerment (AgriBEE) plans.

The policies identified in the study were the Comprehensive Agricultural Support Programme (CASP), the Land Care Programme (LCP), the Land Redistribution for Agricultural Development Programme (LRAD), and the Household Food Production, Food Security and Starter Packs (HFPPSSP).

7.2.2 To identify challenges facing government and its agencies involved in agricultural development in rural areas, hence, economic development.

This objective was achieved by means of a literature review in chapter three and the findings of the study in chapter five. An overview of the challenges as found in other studies was laid in the literature review in chapter three. The challenges discussed in chapter three in were population growth, educational structures, infrastructure and technology, institutional access, women and disabled people's economic development as well as community participation in agricultural projects. The findings of the study revealed the following challenges; timely funding, establishment of partnerships, knowledge and adoption of technology, land tenure and high mortality rates.

7.2.3 To identify the holistic development opportunities offered by current rural agricultural development.

This objective was first achieved in the literature review in chapter three. The findings of the study supported the literature review conclusions. The opportunities discussed were; investment and growth, and land reform. The relationship between agriculture and education, infrastructure and institutional development was also discussed in an effort to clarify the opportunities agricultural development has for other aspects of development. The findings of the study indicated that agricultural projects contribute to holistic development by offering project participant's training thus their improving confidence in decision making and life styles. There

was evidence in the study to indicate that money earned from agricultural projects is sometimes deployed for other basic needs such as shelter and education.

7.2.4 To determine the contribution of agricultural projects to food security in rural areas.

This objective was also achieved through literature review and study findings. The literature supported the view that agricultural projects contribute to rural food security. Poverty status and food security in rural areas were discussed so as to lay the background of the situation of people in rural areas and to establish the relationship between them and agricultural projects. The role of agriculture in rural economic development was also discussed in the chapter to clarify the extent to which agriculture contributes to food security. The findings of the study supported literature review on the view that agricultural projects contribute to food security. This conclusion was confirmed by the participant's observations that agricultural projects bring food diversity.

7.3 Study Conclusion

The study revealed that people of the Ugu District live in poverty with high unemployment and underemployment rates. Illiteracy was found to be high, especially among old people. The dominance of older participants, most of whom had low levels of education presented challenges for projects implementation.

However, the Ugu District municipality has a dualistic production structure in the agricultural sector. Much effort is geared towards transformation and removing the bad stigma associated with agricultural participation. There has been empowerment of mainly subsistence farming in the agricultural projects, which are predominantly producing for household food consumption.

The integration of food value chains with commercial farmers producing for local and export markets is minimal. This results in them existing only in the short term while they are still receiving government grants. Their independence is hindered, profit made cannot finance other project needs. But still agriculture remains the largest contributor to the livelihoods of the people in rural areas in the region.

Agricultural projects in the region have offered people in rural areas an increase in incomes for the poorest groups in society, through the creation of opportunities for holistic development geared to increase production for own consumption and the created markets. The creation of additional employment opportunities in agriculture has also contributed to the improvement of household food security.

7.4 Recommendations from the Study

The Ugu District municipality and other rural municipalities in the country are faced with poverty. The study has revealed that agriculture presents a mechanism by which to fight this phenomenon. Although, the findings indicate a positive movement in economic development in the rural areas, the pace and challenges threaten this positive gain. Thus recommendations made might improve the contribution of agricultural projects in the region. The municipality might benefit in considering the following in their future agricultural planning:

- Local agricultural policies are needed for accessing and using land by women and youth especially, in order to favor land market development, and agriculture investment. These policies should include bettering financial credits available for project participants through simplifying the application processes and low interest payments.

- Given the current lack of access to land, generally, project participants can potentially produce food in their homestead backyard gardens for family consumption while the projects product will mainly serve for markets purposes.
- Agriculture in the Ugu District requires extension services, to help project participants to learn and adapt of new techniques and technologies geared to local environmental and social conditions.
- The project goals should stress the generation of equitable access and participation in globally competitive, profitable and sustainable farming activities. Delivery and implementation of programmes of action should be guided by fair rewards for innovation and risk taking, security of tenure, and market forces which are directing resource allocation in farming activities.
- The biggest challenge on the way of increased future food production in the rural areas of the region is investment in human capital and empowerment through knowledge that enables proper decision making and actions, not only in relation to agriculture but holistically. This empowerment is urgently required to respond to the widespread household food insecurity and under-nourishment currently experienced in rural areas. In future projects youth should play a pivotal role in investment to decrease the vulnerability of the people in the region
- The productive use of soil and water for improved agricultural practices depends on education, health and practical skills of the people so as to participate in agricultural activities. With generally low formal education levels among the participants (none, 23%, primary, 37%, secondary, 37% and tertiary, 3%), prioritising the provision of informal,

practical, hands-on training and skills improvement is absolutely essential but requires immediate action.

7.5 Recommendation for Future Studies

The study has revealed a need for further studies in the region on:

- Assessing the impact of youth participation in the agricultural projects. This will present the municipality an opportunity to understand why youth seem not interested in agriculture.
- Investigating the relationship between education and agricultural participation. This will help in improving the participation and impacts agriculture will have on economic development
- Investigating other ways of fighting poverty other than through agricultural projects. This will present an alternative to agriculture for development of the people.

7.6 Chapter Conclusion

This chapter has presented a conclusion on the study. The aim and objectives of the study were discussed based on how they were achieved. The chapter concluded by proposing some recommendations for the municipality to improve its agricultural sector.

Furthermore the study revealed that poverty and income inequality persists in the region despite efforts to eliminate it. However, promoting agricultural projects in the region can still yield even better results provided proper investment is made with the people taking the central part in economic development initiatives. The role that agriculture plays in economic development can

be enhanced through further investment in human capital, agricultural research, biophysical capital formations and access to institutions by people in rural areas as evidence from other studies shows that agricultural projects can contribute significantly to poverty alleviation when agricultural productivity and incomes are raised.

It must be clarified that as agriculture alone cannot solve the problem of slow rural economic development, attention should also be paid to the promotion of non-agricultural activities, particularly those that improve social development. A strategy that strengthens the agricultural and non-agricultural linkages is more likely to fast track economic development.

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Appendixes

Appendix A

Assessing the Impact of Government Agricultural Projects on Rural Economic Development in Ugu Municipality

By S.G. Mbali

Participant No: _____

Project Name: _____

Date:/... / 2012

DD/MM/YYYY

To the Respondent

I, S.G. Mbali, a student at the University of Zululand, would request your participation in my research. The information you provide is for study purpose only and will not be used for any other activity or provided to anyone else without your permission.

.....

Respondent Signature

.....

Researcher's Signature

1. Section A

Please mark with an **X** where appropriate.

- 1.1 Race : African Coloured Indian White
- 1.2 Language(s) : IsiZulu IsiXhosa English Other
- 1.3 Gender : Male Female
- 1.4 Age : <20 20 to 35 36 to 50 51>
- 1.5 Education : None Primary Secondary Tertiary
- 1.6 Do you have any disability? Yes No

If yes, please specify:

1.7 Do you have any other form of income per month?

Yes No

If yes, <1000 1100-2000 2100-3000 3000>

1.8 Does your family have any other form of income per month?

Yes No

If yes, <1000 1100-2000 2100-3000 3000>

1.9 Do you have any dependents? Yes No

If yes how many : <5 5 to 10 10 to 15 15>

2. Section B

2.1 The Project

2.1.1 When was it started?

2.1.2 Are there any disabled people involved in the project?

Yes No

Specify:

2.1.3 What is your role in the project?

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.....
.....

2.1.4 What is the purpose of your involvement in the project?

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.....

2.1.5 What is its main activity(s)?

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.....

2.1.6 What are the main objectives of the project?

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.....

2.1.7 Would you conclude that the objectives were achieved or atleast on schedule?

Yes No

If no, what is the problem:

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.....
.....
.....
.....
.....

3. Section C

3.1 Were you involved in the planning phase of the project?

Yes No

If yes, how,

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.....
.....

If no, when did you join the project?

4. Section D

4.1 Is the project contributing to your economic development?

Yes No

If yes, explain:

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4.2 Are there non-agricultural development opportunities offered by the project to you?

Yes

No

If yes, explain:

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4.3 Is the project contributing to your food security?

Yes

No

If yes explain:

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4.4 Were or are there any challenges you encountered (ing) in the project?

Yes

No

If yes, explain:

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.....

4.4.1 If yes, how were they resolved or being resolved?

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4.5 Are there any long term benefits expected from the project?

Yes

No

Explain:

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4.6 Will the government provide any support after the end of their direct involvement in the project?

Yes

No

If yes, what kind of support:

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.....
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.....

4.7 What would you suggest for the government to do in improving the project implementation?

Yes

No

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Appendix B

**Assessing the Impact of Government Agricultural Projects on Rural Economic
Development in Ugu Municipality**

By S.G. Mbali

Participant No: _____

Project Name: _____

Date:/... / 2012

DD/MM/YYYY

To the Respondent

I, S.G. Mbali, a student at the University of Zululand, would request your participation in my research. The information you provide is for study purpose only and will not be used for any other activity or provided to anyone else without your permission.

.....

Respondent Signature

.....

Researcher's Signature

1. Section A

Please mark with an **X** where appropriate.

7.8 Race : African Coloured Indian White

7.9 Language(s) : IsiZulu IsiXhosa English Other

7.10 Gender: Male Female

7.11 Age : <20 20 to 35 36 to 50 51>

7.12 Education : None Primary Secondary Tertiary

7.13 Do you have any disability? Yes No

If yes, please specify:

7.14 Do you have any other form of income per month?

Yes No

If yes, <1000 1100-2000 2100-3000 3000>

7.15 Does your family have any other form of income per month?

Yes No

If yes, <1000 1100-2000 2100-3000 3000>

7.16 Do you have any dependents? Yes No

If yes how many : <5 5 to 10 10 to 15 15>

8 Section B

8.1 The Project

2.1.1. When was it started?

2.1.2 Are there any disabled people involved in the project?

Yes No

Specify:

2.1.3 What is your role in the project?

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2.1.4 What is the purpose of your involvement in the project?

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2.1.5 What is its main activity(s)?

.....

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2.1.6 What are the main objectives of the project?

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2.1.7 Would you conclude that the objectives were achieved or atleast on schedule?

Yes

No

If no, what is the problem:

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3. Section C

3.1. Were you involved in the planning phase of the project?

Yes

No

If yes, how,

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.....

If no, when did you join the project?

4. Section D

4.1. Is the project contributing to your economic development?

Yes

No

If yes, explain:

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4.2. Are there non-agricultural development opportunities offered by the project to you?

Yes No

If yes, explain:
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4.3. Is the project contributing to your food security?

Yes No

If yes explain:
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4.4. Were or are there any challenges you encountered (ing) in the project?

Yes No

If yes, explain:
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4.7.1 If yes, how were they resolved or being resolved?

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.....

4.8 Are there any long term benefits expected from the project?

Yes No

Explain:

.....
.....
.....
.....

4.9 Will the government provide any support after the end of their direct involvement in the project?

Yes No

If yes, what kind of support:

.....
.....
.....
.....

4.10 What would you suggest for the government to do in improving the project implementation?

Yes

No

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