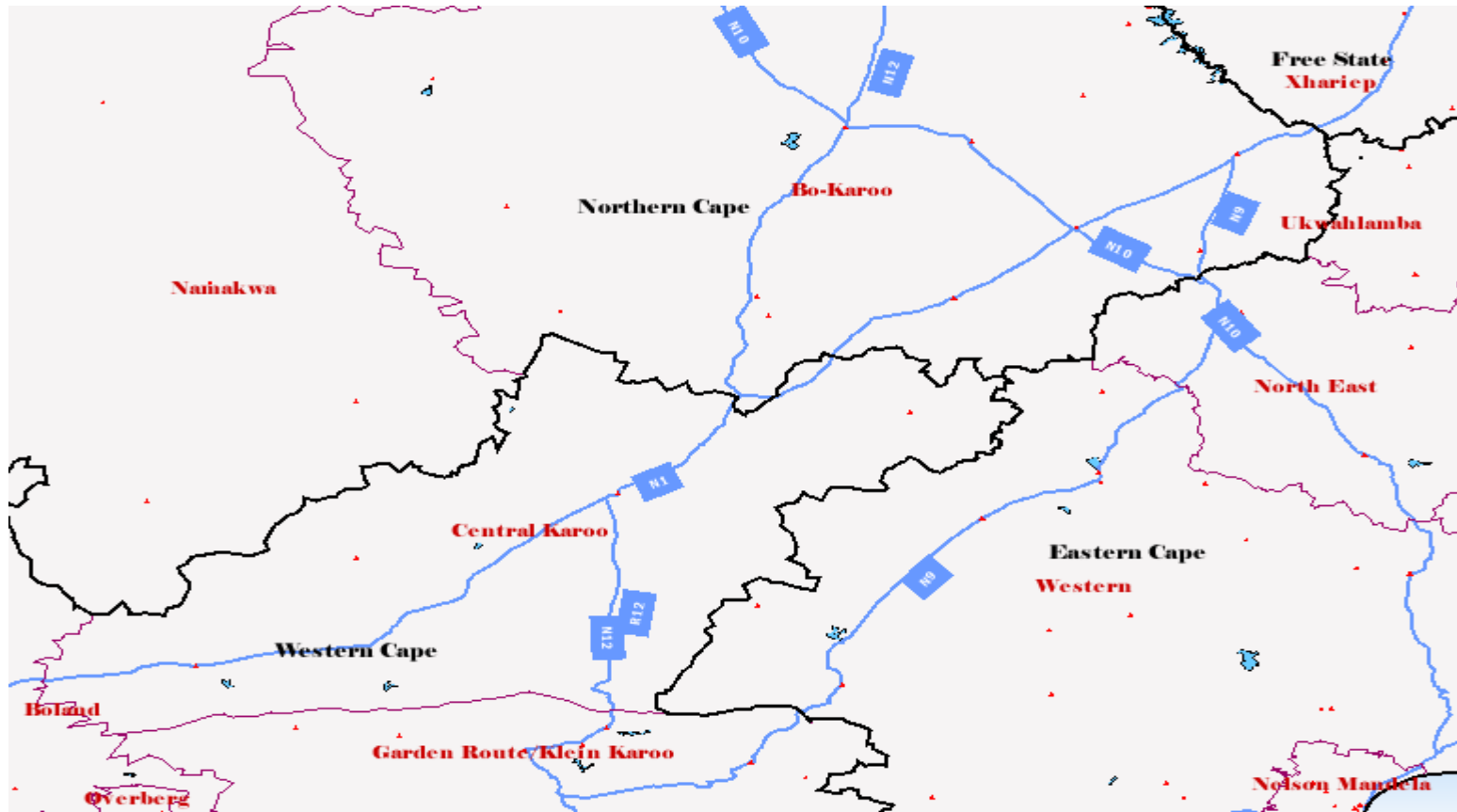


# Exploring South Africa's Outback: Impoverishment, causal spirals and institutional failure (and a research vacuum)

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# Karoo



# Institutional vacuum

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- ❑ No institutional coherence in the Karoo – 4 provinces
- ❑ Cinderella status at provincial and national level
- ❑ Weak municipal government
- ❑ Poor voting power
- ❑ Only one “rural node” (Beaufort West)
- ❑ Virtually no donor programmes
- ❑ No ethnic mobilisation (Afrikaans, Griqua, Sesotho, Xhosa, English).

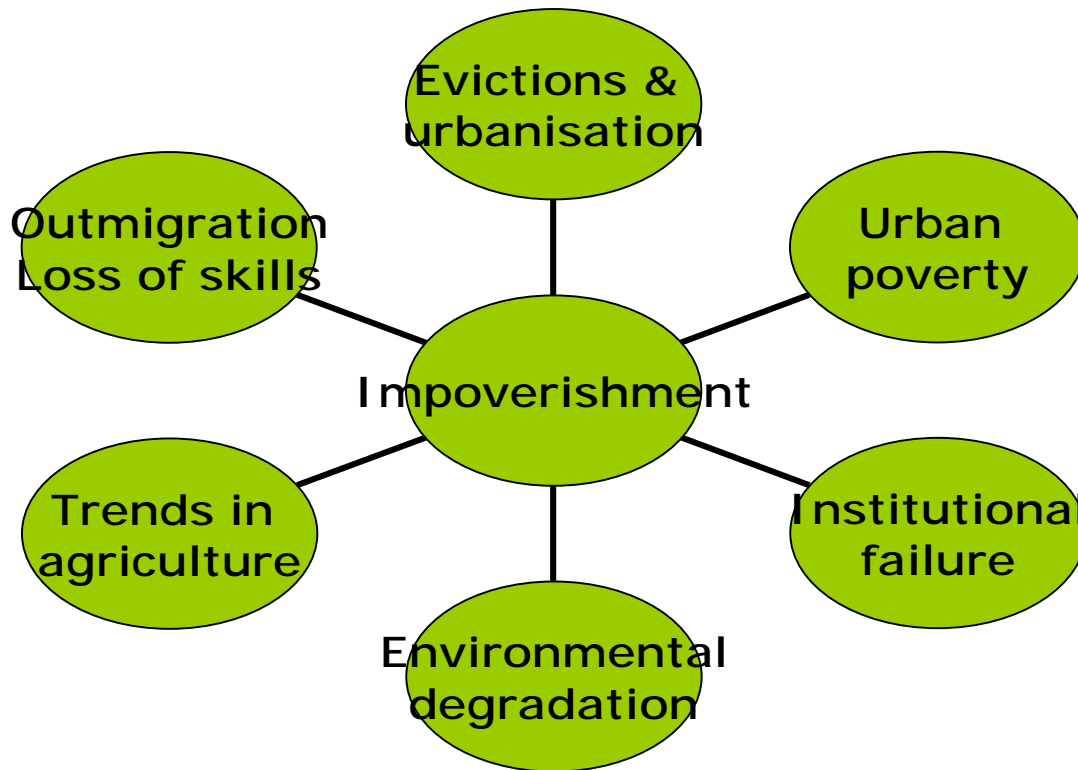
# The Karoo outback

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1. Remote towns (50-100 km apart)
2. Agriculture: Sheep/goats/game
3. Fragile ecology
4. Tourism: Heritage (architecture, fossils), adventure tourism
5. Low crime rate, except family-based crime
6. High poverty level
7. Rapid urbanisation
8. Rapid social change
9. Institutional challenges
10. No university!

# Impoverishment: Reinforcing causal linkages

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# Institutional frailty: Local government system

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- ❑ Weak local government – 3 transformations and boundary changes
- ❑ Political transition and loss of skills
- ❑ Weak leadership class (local political party branches)
- ❑ New developmental role & unfunded mandates
- ❑ Powers and functions unclear - IGR
- ❑ Inappropriate organisational structures
- ❑ Non-existent rural administration
- ❑ Overcentralisation of municipal establishments
- ❑ Virtually no rates base
- ❑ Equitable share, poverty and indigent subsidies

# Causal spirals (1): The farm economy

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Paternalism – inequality and the moral economy

- ESTA: “The law as magical thinking” (DLA)
- Labour laws (DoL)
- Globalised economy
- Farm failure rate
- Pre-emptive evictions
- Decline in employment
- Rapid urbanisation & pressure on urban services
- “Urbanisation without urbanity”
- Failure to harness commercial agriculture as partner in change (DoA, DLA)

MAJOR CONTRIBUTOR TO IMPOVERISHMENT

# Causal spirals (2): Commonage management

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- Urbanisation and urban poverty
- Commonage land is only resource for township residents
- Poor institutional capacity of stock owners
- Overgrazing (“tragedy of the commons”)
- Institutional failure: Municipal management
- Institutional failure: Dept Agriculture
- Institutional failure: Dept Land Affairs
- Environmental degradation & desertification
- Further impoverishment of municipal users.

**POOR PEOPLE STAY POOR**

# Causal spirals (3): SMMEs and LED

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- Survival needs lead to hawking and spazas
- Lack of business skills, capital, infrastructure
- Institutional failure: No municipal support
- Poverty + political recruitment = anti-business political culture
- Institutional failure: Skills Development Fund
- Institutional failure of LED (DTI)
- Local poverty undermines local purchasing power
- SMMEs perish or remain survivalist
- Weak business sector entrenches anti-business political culture.

POOR PEOPLE STAY POOR

# Example of causal linkages (4): Schools & Migration

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- Small white/middle class population
- Education budgets cut – schools closed
- Institutional failure: Unintended consequences of sectoral departmental decisions
- Middle class people leave
- Few social prospects for black civil servants and professionals
- Quality of existing schools deteriorate
- Negative economic multipliers, no new investment
- Decline of rates base
- Loss of institutions (shops, banks)
- Decline into a rural slum – major challenges for municipalities = further out-migration.

# How do we turn this around?

## Research in the policy cycle

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- ❑ RESEARCH: Baseline studies to understand social conditions
- ❑ RESEARCH: Analysis of livelihoods, local assets and blockages
- ❑ RESEARCH: Analysis of market strengths and failures (capital/labour/goods)
- ❑ Define appropriate institutional roles and functions
- ❑ Determine institutional support required
- ❑ Local policy and programme choices
- ❑ Implementation strategies
- ❑ RESEARCH: Monitoring
- ❑ RESEARCH: Evaluation and feedback into design.

# Research needs: Commonage (1)

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Baseline: Need to know:

- ❑ extent and environmental condition of commonage
- ❑ Current use and management patterns
- ❑ Livelihoods of emergent farmers
- ❑ Knowledge base and development goals of farmers
- ❑ Municipal management capacity
- ❑ Local agricultural conditions and opportunities
- ❑ Linkages with other sectors (e.g. trade)

# Applied research needs: Commonage (2)

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Need to know:

- ❑ Municipal policy options (for survivalists, micro-farmers and emergent farmers)
- ❑ Linkages to other land reform strategies (e.g. LRAD) – “Stepping stone strategy”
- ❑ Peri-urban development options, e.g. smallholdings
- ❑ Training and support mechanisms, e.g. mentorships by commercial farmers
- ❑ Farming techniques for arid areas
- ❑ Future livelihoods and land hunger.

# Social science research vacuum

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- ❑ Few tertiary institutions in the region (Grootfontein Agric College)
- ❑ Few research-oriented NGOs (SPP)
- ❑ Lack of national/provincial support for research projects
- ❑ Need to create a “culture of research” in government institutions.

# International precedents

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- Arid areas: Australia, Mexico, US, India, Namibia, Botswana
- Canada – several rural development & small town institutes
- Linkages between rural research and rural development initiatives
- Partnerships with government at all levels
- Partnerships with private sector, e.g. mining industry.

# INTERDISCIPLINARY RESEARCH

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- ❑ Sociology – changing class/racial patterns, “culture of poverty”
- ❑ Development studies – policy options
- ❑ Anthropology – changing social relationships, e.g. paternalism; indigenous knowledge
- ❑ Geography – settlement patterns in arid regions, role of small towns
- ❑ Economics – changing production patterns, e.g. agriculture, SMMEs, LED, multipliers, globalisation
- ❑ Politics – municipalities, intergovernmental relations, civil society, political/institutional culture
- ❑ Environmental studies – arid zone, desertification.