

# “Upping the game?”

## A response to the WIPHOLD CSR initiative

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*Any development intervention in South Africa’s rural areas must be applauded, especially when the focus is on assisting women and children and their immediate families. The interview with Gloria Serobe raises some interesting general points about development approaches in rural South Africa, particularly around food security and agricultural development.*

It also raises a host of questions for us.

- Why was such a large single piece of land lying fallow? Is it simply to do with a lack of livestock herders and the inability to secure some areas of this land for production undisturbed by livestock? Lack of fencing is a common but unsubstantive excuse for not farming. Why are some people farming in this particular area and others not? Unemployment statistics show high rural unemployment, so why are unemployed youths in this area not herding the livestock in exchange for food or wages?
- Is a profit of R100 000 (including food for the 220 households/families) a good return on the investment of at least R3 million? Maybe so, if you have nothing and the investment is a hand-out, but what if you want to continue this type of enterprise at this scale in the future? If this R100 000 is to be used for reinvestment the next year, are the beneficiaries getting any income from the sales or even from supplying labour?
- Where is this project site? How far from the nearest town or local municipal offices? What is the market (supermarkets, informal traders, fresh produce markets, surrounding villages, government procurement) for this produce, and where? Is there integrated infrastructure (from input markets, access roads, storage facilities, agro-processing, etc.) to support all the value chain activities for this project?
- How diverse is the group of women in the project: are they all very poor? Will there be further follow-up on discussions with traditional leaders about young women’s property rights?
- Can cattle really be used as collateral? They have significant socio-cultural meaning and use in many rural areas, and cattle and sheep are generally male-



owned assets in male-headed households. How can produce be used effectively as an asset?

We don’t know the specific conditions here, but they are multiple and complex in other areas across South Africa (Aliber et al, 2009), including changing livelihood needs, household composition and limited finances, along with structural challenges (Aliber and Hart, 2009).

The limited information provided prevents us from commenting substantially. Broadly speaking, there are some very positive approaches adopted by the WIPHOLD corporate social responsibility initiative (WIPHOLD CSR), but we also have grave concerns about these types of agricultural production initiatives in general. We raise some of these concerns before highlighting the positive aspects of this initiative, as described by Serobe.

### **RURAL DEVELOPMENT REDEFINED**

Can food security be equated with rural development? While food security is a fundamental building block for human physical and mental development, it must be integrated with other development requirements. Government programmes for integrated development



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in rural areas have performed dismally, especially the national Integrated Strategic Rural Development Plan (ISRDP) and the more recent Comprehensive Rural Development Programme (CRDP), suggesting that integration is a costly and difficult task (Jacobs and Hart, 2014).

Food security can be a useful entry point for rural development initiatives, but it is not simply about producing and accessing food. It also includes a diet that is nutritionally balanced, which is largely dependent on income, nutritional foods and knowledge (Wenhold and Faber, 2008; Chitiga-Mabugu et al, 2013). However, the WIPHOLD CSR initiative, as described, seems to ignore this broad-based understanding of food security or the need to integrate food production activity with broader development requirements. It is not clear how the beneficiaries or project participants benefit from any new skills development or the inclusion of local enterprises into the initiative. Furthermore, there appears to be no business model for the commercialisation of the farm produce that will create or support enterprises that contribute towards local economic growth, poverty reduction, revenue generation, and employment and wealth creation. Without a sustainable business model, this project is heading towards failure, just like many others funded by the government that have focused on the same issues.

In addition, it seems that only unskilled labour is required (save for managing the profits) and that local enterprises are ignored. If they don't exist, this intervention could at least consider catalysing their existence. Clearly, the food produced does not form part of school and pre-school feeding schemes, nor does it reach rural clinics and HIV/AIDS-afflicted residents. Government representatives are not involved in any way (except for their purchase of cattle feed in an emergency) and Serobe herself

acknowledges that there is no link to those afflicted with HIV/AIDS. Is this narrowly focused large-scale food production activity really rural development, let alone “upping the game”?

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### **SUSTAINABILITY ISSUES Economic**

Capital-intensive, large-scale mechanised projects, such as this initiative, do not seem to last or contribute meaningfully to the requirements of smallholders or backyard producers. There is no need to consider the applicability of this type of model because it can be replicated as long as there is a continual cash flow. There is no indication of how long WIPHOLD CSR will continue to support the project and fund the input and other high costs that are outside the scope of most rural communities. Serobe says that WIPHOLD CSR will move to other areas; it is already engaged in three other provinces. The real question is about sustainability and the internal operation of the project after the external funds dry up.

Several years ago, the Eastern Cape government introduced the Massive Food Programme (MFP) to boost maize production and increase food supply. Although it did not focus exclusively on women, it



was similar to the WIPHOLD CSR initiative in that it also concentrated on the mechanisation of maize production, the outsourcing of land preparation and harvesting services, subsidisation of inputs, and the distribution and sale of the harvest (Aliber et al, 2010: 46). Its dismal performance was related to the prices received for harvested products and re-investment of profits (Monde, 2011). It is important to work with the farmers along the whole agricultural value chain from inputs, production, output storage, processing and marketing. Nhemachena and Chakwizira (2012), for example, find that local prices for maize are not competitive.

Despite the limited financial figures presented here, it is unlikely that the participating households could continue this project into the future. For one, the fencing will not last forever and will need to be repaired or replaced at some stage. Serobe indicates that everything, from negotiation to financing, is currently done by WIPHOLD CSR. Would Barloworld and other service suppliers provide such costly services to the local committee without the presence and backing of WIPHOLD CSR? Probably not. Does the committee have the skills to negotiate with these service providers?

### Environmental

Agricultural systems need a transition to meet people's agro-food needs that simultaneously overcomes hunger and nutrition deficits without undermining natural assets (environmental goods and services). Towards this end, how farmers expand agro-food output and adopt sustainable farming practices is vital. The following key principles underpin a more sustainable agricultural system:

- minimise the use of harmful non-renewable inputs
- effectively and efficiently tap the knowledge and skills of farmers
- make productive use of people's collective capabilities to solve common agricultural and natural resource problems
- integrate biological and ecologically processes into agro-food production systems. (Pretty, 2008:451)

Despite current national concerns with environmental sustainability, adaptation to climate change and the promotion of a "green economy", this initiative follows an industrial approach to agriculture. It is heavily mechanised and uses agrochemical inputs, which are not only expensive, but harmful to the environment. If completely organic or permaculture type approaches were not initially possible, could integrated pest management and soil fertilisation approaches, along with no- or low-till soil preparation practices, not have been introduced? Over the medium term, the current farming practice effectively places this land out of any form of production activity that requires organic certification.

### Social

A new social structure, or committee, has been created as part of the project. It is not clear how this structure will function in the future, and what social skills have been imparted to ensure its ability to take over the existing role played by WIPHOLD CSR, for example of managing profits and organising unskilled labour. No skills transfer is mentioned, but it seems that it will need to continue to negotiate relationships with both traditional leaders and outside service providers. How will the expectations and networks created be maintained when WIPHOLD CSR departs?

### OPTIMISING HAND-OUTS?

Serobe suggests that WIPHOLD CSR's approach is better than the typical hand-out, because the villagers are in charge. But it is unclear what they are in charge of, besides providing unskilled labour and managing the profits. It seems that this project creates dependency: for without continual financing it will close. This is no different from many CRDP projects (Hart et al, 2012).

Other South African women who have encouraged rural women to make effective use of land have adopted agro-ecological and small-scale self-production approaches to ensure sustainability, and have combined agricultural knowledge with social upliftment skills (Hart, 2010). In our view, organisations should not attempt rural development interventions on their own, especially if this is not their core activity and area of experience. As this example illustrates, they avoid or overlook the experience and knowledge of crucial actors in agricultural production who are more familiar with the intricacies of rural development. Consequently, common oversights are repeated.

### POSITIVE ASPECTS

On the other hand, WIPHOLD CSR has highlighted some interesting ideas on which others can build.

### Working with and challenging tradition

Despite wanting to focus exclusively on women and children, WIPHOLD CSR quickly listened to the voices of rural women and adopted a household approach. Even if we assume that they only interact with female household members, they appear to include women from male-headed households. WIPHOLD CSR has also sought to engage the chiefs and obtained from them a greater awareness of local agricultural activities. At the same time, it also challenged traditional male-inheritance practices in the Eastern Cape; this institution may be revised, should the necessary support and pressure continue. Young rural women probably do not get married as early as they used to (if at all), and the need for the security of land should not be denied. WIPHOLD CSR needs to





continue this dialogue with the traditional leaders or make sure that others take it up. Otherwise it might result in having raised expectations unnecessarily.

### Optimising rural assets

Serobe clearly understands the importance of land as a “productive” rather than a “bankable” asset that can be used as collateral for a bank loan. She is at pains to emphasise that such land must never be taken away from rural people and acknowledges that land is of great social importance beyond its role in agricultural production. Alternatively, she suggests that intended produce be used as collateral. It is a pity that she does not elaborate on how this could be done, as we hope it is not simply the attempt to take up the contract farming model, which has proved problematic in rural areas (Aliber et al, 2010), the most notable case being cotton farming on the Makathini Flats in KwaZulu-Natal.

### CONCLUSION

We agree with Serobe that unused agricultural land should be used productively where possible. But this can be done in a more integrated and developmental manner: one that has greater spin-offs, is more inclusive, provides for other local needs and stimulates the local economy. Even if the land is simply to be used for income (that is, to produce crops for sale), the required cash flow must be sustainable over the medium to long term. In our view, the current model, as described, does not ensure this, and is a rather simplistic intervention, which may well have raised local expectations unnecessarily.

The key contributions in our minds are the willingness to hear local voices, including traditional leaders, and look beyond exclusively working with female-headed households; the striving for recognition of young rural women’s rights to access land outside of marriage; the realisation of the importance of land as a productive and social asset; and the suggestion of possible alternative types of collateral for rural people, although this needs to be clarified.

It is disconcerting, to say the least, that Serobe concludes the interview by saying she is making “a mess”. Doesn’t she mean “a success that cannot be easily undone?” Or perhaps she is trying to usurp the status quo anyway she can.

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