

# Leading democratic

rural development

**Ben Turok** interviews **Gugile Nkwinti**

a new paradigm

Gugile Nkwinti, Minister of Rural Development and Land Reform, in conversation with Ben Turok, 4 June 2009

**Ben Turok:** What will this new department be dealing with and what is its policy platform? Is it the Polokwane Resolution on Rural Development?

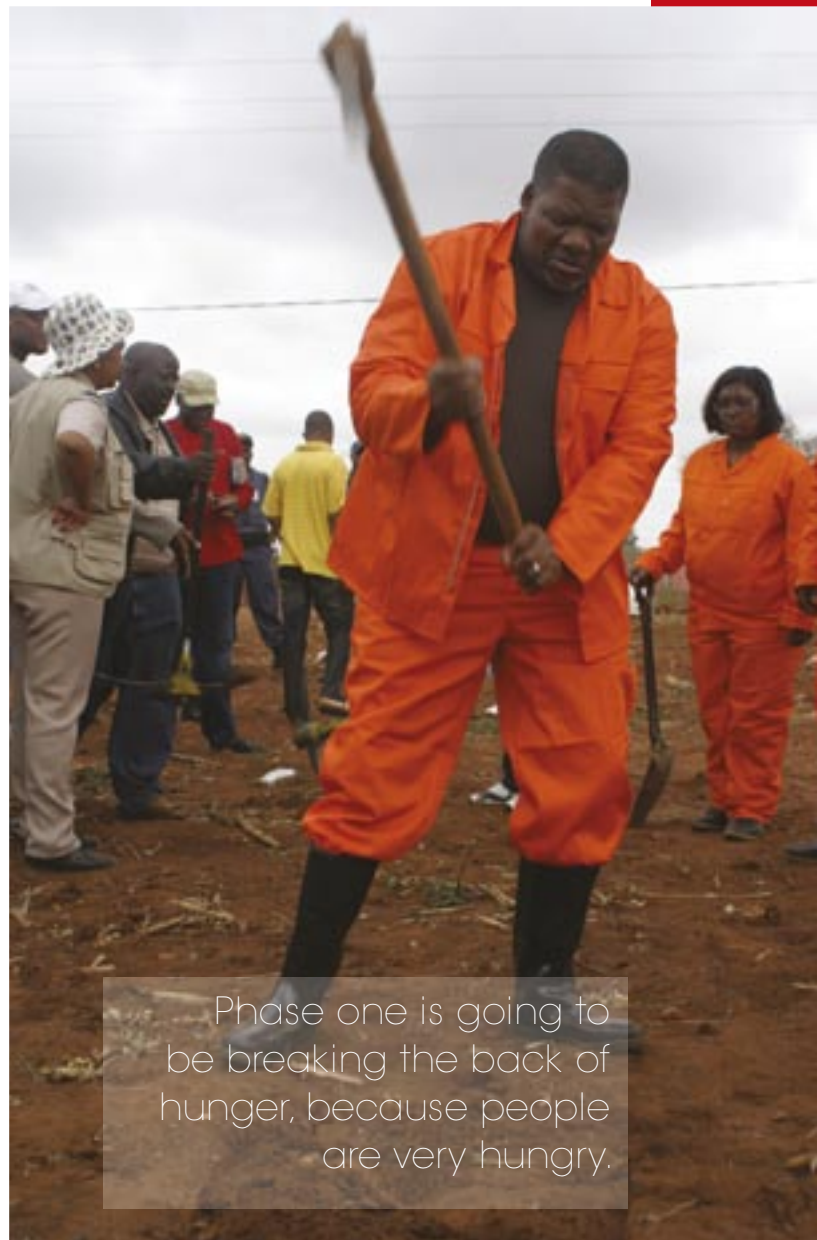
**Gugile Nkwinti:** Yes, that's actually the main issue. We conceive of the department of rural development and land reform as a triangle. At the apex I have agrarian transformation and at the base I have rural development and land reform. At the centre, we must have a rural development agency as a tool for co-ordination, learning, monitoring and evaluation, reporting and other things. Because rural development will cut across all departments, that agency will be very important.

## GOING TO GIYANI

**BT:** What is the main purpose? Is it jobs? To create incomes? Infrastructure or markets or production? Which is the priority?

**GN:** It's actually all of those things, in hierarchy.

Let me tell you a very nice story. On the 11th of May, I was flying from Port Elizabeth to Pretoria to be sworn in as minister and I was reading *The Star* on the plane. I saw a picture of a woman feeding a child *stywe pap*. The theme of the article was that Giyani, in Limpopo, is a very poor place. So immediately this is where I began to plot out the meaning of this rural development programme. After I was sworn in, I went to the department and I said to the guys there, "Look, this is what I read on the plane. This is where we



Phase one is going to be breaking the back of hunger, because people are very hungry.

should begin and we want to start tomorrow". And indeed these people went to Giyani, and on the 22nd of May, I was there myself. I went to visit the place and to see a couple of households.

I know there are many theories about rural development and I didn't want to get bogged down with theories. I wanted to have a place where I can test those theories, even those theories that people will come up with. And I've got my own ideas about rural development, but all those ideas must be tested there. When I got there, I conferred with my team and the premier there, Cassel Mathale, and the director-general with his officials. They are all excellent people, and working very well.

We said phase one is going to be breaking the back of hunger, because people are very hungry. We must energise them, using the homestead gardens, the communal gardens. We should give them the fencing material and equipment, the implements, the seeds and so on – the basic things so that they can be energised, and then we can begin to move into the things you are saying.

We should help them develop production discipline through these homestead gardens to go to phase two, which is enterprise development. Phase three is to deal with issues that relate to village markets. People have got these things: they've got livestock, and they've got the land. All they need is support so that they can create the kind of enterprises that can lead – in the long term – to small, micro and medium industries in the communities.

Ground it with the people there. Use the little that they have, and just train them. Get people to look after themselves. It's going to be slow to take off, but you can be sure it is going to sustain – because it is done by them, on the ground.

In short, rural development refers to economic infrastructure, social infrastructure, public amenities and facilities. Rural development is to be carried on the back of agriculture. Agriculture is going to have to play a very important role.

**BT:** But agriculture in the former homelands is a disaster. They've been so neglected. There's no irrigation, and people don't have seeds. Have you got enough resources? It seems the key is prioritisation.

This thing has actually mobilised people – the chiefs, the old people, the young people.

**GN:** We have to prioritise together with the people. That is why I went there. We opened a satellite office in Giyani. We have a team there, working with the premier's team as one team that serves the people. We asked, "What is it that you think should be done first?" And they said water. They said houses: some of the RDP houses are uncompleted. They said roads, both access roads and inter-village roads, in decent condition.

And they said, look, we also want pre-schools and crèches for our children. They even started these things themselves, but they need support from the government. They said they must have shops. These areas are far-flung. Take Giyani. This village we are working at, Muyeshe, shares a boundary with the Kruger National Park, and the distance between it and the town is 15 kilometres. It may sound a short distance, but it's very difficult. So, public transport. These are the things that people are looking for. And they say they want to plough something, "so that we can feed ourselves".

**BT:** Distance is a very big factor in the rural areas. Is there a priority to create transport for these people? Not only for Giyani, but across the board?

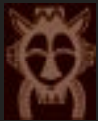
**GN:** The Giyani project was initiated by us, the department of rural development, but remember that rural development has been set up as a cross-cutting function. In parliament, the president refers to Giyani to keep drumming into our minds that it's not just the department of rural development and land reform that's got to go there. It's all departments, all of them.

I've just got a report ready now that will go to all ministers. And all the ministers are eager to get it, because it will reflect what people have prioritised, as far as their own departments are concerned, such as transport.

## EMPLOYMENT CREATION

**BT:** What can be done to generate incomes for rural people?

**GN:** We realised that incomes have got to come through employment. So we have developed, in our department, an employment creation model for those areas. This thing has



actually mobilised people – the chiefs, the old people, the young people. You should see the interest in mobilisation and their level of expectation! We’ve had to respond to that.

So when the president says 500 000 jobs are to be created, we ask ourselves: how many jobs we are going to contribute? There are 2 500 to 3 000 households in Muyeshe Village alone. So, fine, we should develop a job creation model. We will be there for two years, minimum, and during that period we will contract young people to work in these programmes. In terms of the contract, we say, “50 percent of the money you’ll be getting must go to assist the household, and the other 50 percent is yours”. Secondly, they will be going through training.

**BT:** How much are you paying them?

**GN:** We have not decided. We are just laying down the principles, but that is an important aspect. We are talking about 3 000 households, saying that one person per household must be contracted to do work and be trained and get some money. And 50 percent of that must go to helping the family.

We are trying to test this idea that social grants are creating dependency. Can’t we create work opportunities, and pay and train people so that they can sustain this programme when we leave after two years? We will train and employ them for two years. And after, they will maintain these boreholes, these fences, roads, electricity, or whatever.



We took a decision to build one million houses. It wasn’t development; it was building houses. Now we are talking human settlements, we are beginning to talk development.



We want to get the nearby FET colleges to train them – on the spot, where they stay, not to ask them to go the colleges. This is a programme that I think will assist a great deal in turning things around faster. They won't have to go away to schools first of all, but will be able to start work, to be trained practically as well as theoretically.

We are trying to deal with the question of unemployment. So when the president asks me what I am going to contribute, I can say, "We've got 2 500 households in Muyeshe, we've done the work on the ground, and here's the report."

**BT:** Have you got a budget for this?

**GN:** Well, government can't create a department and not make money available. The money has got to be there. In our policy speech, we made the point that we need to get 25 percent of the land affairs budget, which is R505 million. We want to allocate it for rural development, and this pilot programme I am talking about will be funded from there.

Agrarian transformation refers to four things: land, livestock, cropping and community.

## LAND OWNERSHIP

**BT:** If we talk more generally about the rural areas, especially the former homelands, is your intention to keep people in the rural areas and to stop migration?

**GN:** Exactly. People don't go to urban areas because they like it. I said to the minister for arts and culture, what's holding us from building a cinema in a village? Why must young people to go to a city to see theatre? We all agree that development should be partially blind: what's good for the goose in an urban area must be good for the gander in a rural area. That's my motto.

**BT:** You are thinking of transforming the rural areas into a kind of city life? That's a huge programme!

**GN:** Not city life, but a better life. For me, agrarian transformation refers to four things: land, livestock, cropping and community. Transformation means a rapid and fundamental change. In terms of community, we are talking economic transformation, and social change in relation to the basic human needs there, and the infrastructure – economic, social and public facilities – to carry that through. That's it.

And land also, the ownership issues, so that we don't have this land that's lying there in the former homelands. Most of the time, it belongs to people who were running the homelands, who were chiefs, and they're not using the land. We must find a way.

**BT:** This is so controversial. Contralesa [the Congress of Traditional Leaders of South Africa] defends the rights of the chiefs to control the ownership of land and to distribute it. What is your view?

**GN:** The Communal Land Rights Act is stalled because there's a court action. The chiefs don't want that land carved into individual household titles.

**BT:** Which will be registered as ownership?

**GN:** Exactly. They want it to be kept communal.

**BT:** Because they control it.

**GN:** Correct. But, if it's communal, the chief cannot stop people using the land for production. If it is communal, it does not belong to them. They are holding it in trust, on behalf of the people.

**BT:** But they allocate pieces of land.

**GN:** That's because we have not democratised those processes. That's my target.

**BT:** Are they not going to resist you?

**GN:** Well, I'm going to engage them. In Limpopo, I met with the deputy chairperson of the house of traditional leaders and we agreed. What we are doing there, the chief has approved it. You should see the picture of the chief, sitting with his people and signing the land over for development.

**BT:** Without ownership transfer?

**GN:** That's a second point. Transformation is a strategy.

**BT:** Let me be clear. The chief allocates a piece of land to somebody to farm, and there's no transfer of ownership. You are saying you want to go beyond that.

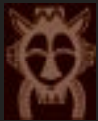
**GN:** I'm saying that allocation for farming itself must be a democratic process.

**BT:** Which means what?

**GN:** Which means the chief and the people must agree that this is what we want.

**BT:** So it's not just the chief alone?

**GN:** No, it's not just the chief alone. All of them must sit and agree. It's essential, because the rural people themselves believe in their chiefs. Bear that in mind. We always think that the chiefs are running the show, but there's a belief system behind the chief.



**BT:** Okay. So you are saying that the chiefs must implement a democratic institutional system for the allocation of land.

**GN:** Precisely.

**BT:** Leaving aside the ownership question.

**GN:** They own it communally. Once they've achieved the democratic allocation of land, the question of ownership is not an issue. It is owned by all of them.

## FUNCTIONS OF A RURAL DEVELOPMENT AGENCY

**BT:** Can we talk about development agencies? Do we need them?

**GN:** Yes, we do. Let me speak of the Eastern Cape where I was MEC. In the department of agriculture, there is the Eastern Cape Rural Finance Corporation, trading as Uvimba Bank. This is a bank; it is supposed to be a development bank. That's fine. However, it does not have a development arm or agency of its own. When I first got to the department in 2005, one young woman said in a workshop that Uvimba is like a sheriff: they give you money, they turn their back on you. And the next time you see them, they've come to repossess your properties, because you haven't paid.

Once they've achieved the democratic allocation of land, the question of ownership is not an issue.

I've heard, and they said it was true. I said that we must have a development agency to do four things. Follow the rand: in other words, make sure that what the person says they wanted to do is done. You don't only want that development, you also want your loan to be serviced. It's in our interest. This is a weakness of the Land Bank as well. They give money to people but they don't have that kind of platform for follow-up.

The second function of the development agency should be able to warehouse land that the bank wants to auction. You see, a lot of people who are given land by government go to the Land Bank and ask for a loan to develop the land, and then they cannot service the loan. We create an institution so that we can ourselves warehouse the land the bank wants to take over. Then we talk to the same people, we develop them and use those people to produce so that we can pay back the loan. When their loan is serviced, we give them the land back.

The third thing is to be able to act in a strategic land reform intervention: to buy land, as an agency, as part of the land reform process, but at a provincial level. The fourth is to have strategic institutional partnerships with the Land Bank, with DBSA [Development Bank of Southern Africa] and other institutions, even commercial banks, for that matter.

So, those are the four functions I created. The hard thing is that I left it while it was still young. But the Land Bank called to say they want to meet with me. I was the only provincial MEC who took an interest in what the Development Bank has done, and in creating institution processes to support it. So let us discuss this at a national level.

## SIYAZONDLA: WE WILL FEED OURSELVES

**BT:** What else were you involved with in the Eastern Cape?

**GN:** In the villages, I piloted a phase one programme called Siyazondla. The reason why both the statistician-general and the Presidency have picked up growth in the last two years – including aggregate growth in employment in the informal sector – in the Eastern Cape was because of this approach of getting to the villages. Just for the food they can grow in their communal and homestead gardens.

**BT:** Is this food for consumption or for sale?

**GN:** Everything.

**BT:** Where do they sell it?

**GN:** They sell it among themselves.

**BT:** What kind of food?

**GN:** Beetroot, spinach, cabbage, carrots... Some fruit, but mainly vegetables.

We piloted the programme in Mbhashe municipality in 2005–06. We gave them tractors, water tanks, seeds and everything in the first year. In 2007, they had enough money. And they have never asked for money again.

When I left, they had a function for me at the department. There was an area – as big as this – full of vegetables, even honey, all the produce they are doing. It was their way to say “well done, guys”. They were giving all of this to the premier to give to any charity organisation of her own choice. They gave it as a symbol, because when we started, I told them this is meant to build social cohesion, *ubuntu*. And now what do they do? I will give you two instances.

One of our officials, an extension officer, was killed by her boyfriend. These people who had worked with that official – she trained them in everything about the extension



services – they went to her family in Gumbu and said don't buy vegetables. They took a truck full to that place. That's the kind of thing they do there. They carry one another.

Then, they use the tractors to save money. They hire the tractor out among themselves for R400. They pay a tractor driver R50, and with R150 they buy diesel and other things. They save R200. Well, in February 2007, there was a lumpy skin disease breakout in the cattle. You know what they did? They collected R169 000 and they asked the department to give them a driver and a bakkie. They wanted this guy to go to Onderstepoort in Pretoria to buy vaccine. That's all they wanted.

**BT: That's self-reliance!**

**GN:** Yes. So, that is what we have to do to. Ground it with the people there. Use the little that they have, and just train them. Get people to look after themselves. It's going to be slow to take off, but you can be sure it is going to sustain – because it is done by them, on the ground.

**BT: You are talking of one or two case studies. They sound fantastic, but how do you get the word out?**

**GN:** You should go to some of the irrigation schemes...

**BT: Are you saying that this kind of approach is fairly widespread?**

**GN:** In Tyefu, we planted 100 hectares of pomegranates. We hired a company from Israel to train those people. We have an institution there on the ground and they are taking charge. In Shiloh, we hired a guy to revive the dairy and now they do more than any commercial farmer.

**BT: Do people have the capacity for this kind of thing?**

**GN:** You train them, you sit with them, you take your time with them. As government, all we did ourselves was to hire an extension officer to be there full-time, to work only there, as a manager. Then we have officials who are training them in institutional organisation. That's what you need. It takes time.

I don't worry when people talk about the irrigation schemes – when what they know is that you bring big machines and put everything there and then, when you go away, it's dead. But if you are slow, you can work with the people. They are local, they debate, they agree. It took me a year and two months in Ncora to get them mobilised. There is a village called Banti, which never benefitted from the old schemes, but today they have planted. They are benefitting because they sat together and established a democratic organisation, and the chiefs were there. We all agreed.

It can be done. We depended on allocations from national department. Now, we are allocating money. We will be able

to say that *this* money goes *there*, *this* training goes *there*, and those officials go *there*.

It all needs political leadership.

**BT: And this was a bit lacking in the past?**

**GN:** Homelands were never meant for developing people. They were meant for "separate development".

**BT: And then we went and built RDP houses without building any economic infrastructure.**

**GN:** Well, we took a conscious decision, maybe uncalculated, to build one million houses. It wasn't development; it was building houses. Now we are talking human settlements, we are beginning to talk development.

**BT: Because "human settlements" is not only houses, but also includes economic capability and social organisation.**

**GN:** That's right.

## SMALLHOLDERS NEED MARKETS

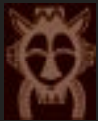
**BT: What is your view on smallholding agriculture? People have suggested doing forestry on smallholdings, or growing sugar cane.**

**GN:** I don't know, I haven't gone into that. However, you've got to be sure you have access to markets. In the Eastern Cape policy speech for 2007–08, we tried to address this question. Because the primary producer is always the guy who's going to suffer in the end, you must address that question.

An investor wants to come and grow something on your small piece of land. If you don't do that, they'll beat you in the market. But if you agree to a partnership in the primary sector, well, that's fine – but you must also have a hand in the secondary sector and the tertiary sector. You have to say, "I've got land – but what have you got?" There must be a real partnership. That's one model. When you are on your own, as a smallholder, it's very difficult because you don't have control over the market.

Secondly, the processing – which is the secondary sector – is a real challenge in a smallholder arrangement, because processing requires volumes. If you don't have those volumes for the market – the tertiary sector – you are going to suffer. Because they have determined the terms all along. You'll have a *lot* of work to do to transform the terms themselves.

In that place we were talking about, Giyani, you could have something like that, provided you have the village market. If you have a village market? Then that's it, that's what we are aiming for. We want to test it there.



But going into the international market with smallholders? Never!

**BT:** I'm told that lettuce produced in Cape Town today is sold tomorrow morning to a hotel in London. It goes overnight, as quick as that.

**GN:** Look at Dutywa, where we are doing this pilot. We could see that this would need a market. We partnered with Fort Hare University, we got 35 hectares of land from the Presbyterian Church, and we built an agri-park. There was an old building and we renovated it for storage. We then built a fruit and vegetable processing plant. There they dry everything. When they can't sell – if they've got lots of spinach or cabbage, whatever – they send it there. There it's turned into powder. That's what we're doing. We launched it just a week before the election and handed it over to the community.

**BT:** You are doing your agrarian reform in conjunction with the downstream activities, at the same time. Otherwise, it won't work.

**GN:** It can't work. Because you need a market.

**BT:** In Thohoyandou, people told me you can grow anything in Venda, but the Johannesburg market is too far and therefore it didn't succeed.

**GN:** These people don't go to Johannesburg to buy. It is the village people. We're talking about creating markets, and that's what we've done in Dutywa. We even budgeted for a truck that collects the vegetables from all over.

## PARLIAMENT'S PLACE

**BT:** How can we encourage parliamentary committees to visit these areas? I served previously on the trade and industry committee. On many occasions, I suggested we go into the rural areas and ask the people about the presence of the DTI. It wasn't a very popular idea and we didn't do it.

**GN:** I'm very impressed with the pronouncement that was made in the very first caucus meeting, that this is going to be an activist parliament. I take it that a truly activist parliament is going to do just that. We'll go out there. Let's put it this way: we'll follow the rand and see that the rand is actually doing what it is supposed to do.

I like what the minister of finance said. All of my colleagues in cabinet have heard about what we're doing in Giyani, but the minister of finance said, "When you go back to Giyani, let's go together." (laughs) I'm happy, I'm inspired by that. So we will go.

**BT:** Are you enjoying your job?

**GN:** I am. I'm still inspired by that report in *The Star* on the 11th of May. At the end of this year, I think we will be able to ask the president to do an inspection there and see what's happening.

## NEW FENCING PROGRAMME

**GN:** We have also decided to have a joint programme with the departments of agriculture and water affairs and the environment – a national fencing programme. It is important to speak of this. We will have to work very closely together. And also with the department of co-operative governance and traditional affairs, but these three are critical.

Fencing will deal with two things – cropping and livestock, which you need particularly for enterprise development and food security. That's phase two of our programme. We are going to do it across all provinces this year.

We have said we must support the whole economic value chain for cropping and livestock. For livestock, you need fencing, dip tanks, shearing sheds, dams, abattoirs for meat processing, milk processing for dairy farms... all of those things must be there. And the same in terms of cropping. It's like the Dutywa experiment, you see? You produce, you process, so that you can create an internal market.

That's why we're targeting fencing. It deals with two things at the same time – both cropping and livestock, both enterprise development and food security.

**BT:** We've heard about co-operation between departments in the past, but very often it was just ministers and DGs drinking tea together. Are you going to take this more seriously?

**GN:** The president referred to this, both in the State of the Nation address and his reply, when he said *phezukomkhono, siyazondla*. The president is very passionate about this. It is in our programme, for all ministers, that we'll have presidential inspections in November. The reason is exactly that. When the president goes there, he must see us working together.

In the cabinet *legotla*, we said that we are not just piloting the work: we are piloting working together. Because we don't have that culture. So we are also piloting this thing called *working together*. 🇿🇦

