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**APPROACHES TO RURAL DEVELOPMENT IN THE THIRD WORLD: LESSONS FOR
SOUTH AFRICA**

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CHAPTER 1

INTRODUCTION

The eradication of rural poverty has been a major concern of Third World governments and donor agencies for many decades. Various approaches have been used to eradicate rural poverty. Community Development (CD) emerged as the dominant approach in the early 1950s in many Third World countries, especially in Asia and Latin America. However, the CD movement declined in the 1960s when it was realized that it was not effective in reaching the poor. The French counterpart of CD, *animation rurale* (AR), was adopted in Francophone countries, especially in Africa in the late 1960s (Gellar et al., 1980). Disappointment with the results of CD and AR gave rise to Integrated Rural Development (IRD) and the Basic Needs (BN) approaches in the early 1970s. However, by 1980 many donors had retreated from IRD projects or had redesigned them to give greater attention to agricultural production.

A new government was installed in South Africa in April 1994 after more than four decades of apartheid rule. The new government is trying to repair the damage caused by the apartheid regime to the economy and the lives of the people of South Africa. A Reconstruction and Development Program (RDP) has been designed to address the economic, social, and political problems facing the country. The RDP is focusing on many of the same issues - rural poverty and underemployment - that gave rise to the CD and IRD

programs of the 1950s-1970s.

The purpose of this paper is to (a) evaluate the global experience with CD, AR, IRD and BN programs, including their weaknesses and strengths; (b) outline South Africa's RDP; and (c) draw lessons for South Africa from experiences with rural development in African and Asian countries.

The remainder of the paper is organized into six chapters. Chapters 2-5 examine Africa's and Asia's experiences with rural development. Chapter 6 outlines South Africa's RDP. Eight lessons drawn from the experiences of Asia and Africa with CD, AR, IRD and BN approaches are presented in Chapter 7. A summary of the paper is presented in Chapter 8.

[Eichen]

CHAPTER 2

COMMUNITY DEVELOPMENT

The term "community development" was first used officially in 1948 at the British Colonial Office's Cambridge Conference on the Development of African Initiative (Holdcroft, 1984). CD was aimed at helping British colonies in Africa prepare for independence by improving local government and developing their economies (Holdcroft, 1984). Thus, CD included economic, social and political development objectives.

In 1950 a number of modest national CD efforts were launched in the British colonies in Africa (Holdcroft, 1984). The first major CD program was launched in India in 1952 with support from the Ford Foundation and the United States foreign assistance agency. Similar programs were later established in the Philippines, Indonesia, Iran, and Pakistan. A successful post-independence project initiated in 1948 in the Etawah District of Uttar Pradesh, India, served as a prototype for India's national CD program and other early CD programs in the developing world (Dayal, quoted in Holdcroft, 1978; Ruttan, 1984). The Etawah Project employed multi-subject-matter Village Level Workers (VLWs) to act as village contact persons and to develop close personal rapport through frequent contacts with villagers. The VLWs were backed up by a staff of trained specialists in agriculture, engineering, village participation, staff training, and input distribution.

India's national CD program was comprehensive and intended to "affect every aspect of rural life" (Mosher, 1976:6). It covered agriculture, health, education, public works, and social welfare. Its initial emphasis was based on the assumption that widespread local participation was crucial to the success of the program and that to secure such participation it would be necessary to "awaken rural people to the resources already available to them and to induce them to begin to participate in local activities utilizing those resources" (Mosher, 1976:6). The purpose of India's national CD program was general rural development in which agriculture was recognized as essential.

The objectives of CD were to be achieved through active participation by village members and, where possible, through local initiative. Great emphasis was placed on building grassroots democratic institutions and improvement of the well-being of rural people. CD objectives were to be realized "without revolutionary changes in the existing political and economic order" (Holdcroft, 1978:14).

In the 1950s, United States viewed CD as a way to fight totalitarianism during the cold war era. Economic assistance to developing countries was provided with this objective in mind. However, it was realized in the late 1950s that although economic assistance was necessary, it was not a sufficient condition for achieving the economic, humanitarian, and national security objectives of United States foreign policy. Thus, the provision of military assistance in addition to economic assistance was regarded

as essential for countering both external military aggression and internal revolution (Holdcroft, 1978).

The central purpose of CD was stated as "to develop stable, effective, and democratic nations . . . " (Holdcroft, 1978:9). CD, a multidisciplinary approach to development, was expected to improve the welfare and increase the productivity of villagers. It was defined as "a process, method, program, institution, and/or movement which: (a) involves people on a community basis in the solution of their common problems, (b) teaches and insists upon the use of democratic processes in the joint solution of community problems, and (c) activates and/or facilitates the transfer of technology to the people of a community for more effective solution of their common problems" (Holdcroft, 1978:10).

The CD movement experienced rapid growth in the 1950s and by 1960 more than sixty countries in Africa, Asia, and Latin America had launched national or regional CD programs (Holdcroft, 1978; Ruttan, 1984). However, the CD movement lost momentum in the late 1950s and by the 1960s some of these programs collapsed. Most of these programs had been terminated by 1965. By the mid-1960s CD was being de-emphasized by both donor agencies and national governments (Ruttan, 1984).

The decline in support for CD was due to disillusionment with the effectiveness of CD programs in achieving their stated goals (Holdcroft, 1984; Ruttan, 1984). The CD approach was criticized for failing to build "grass roots" democratic institutions as well as to improve the economic and social well-being of rural people

(Holdcroft, 1984; Ruttan, 1984). Benefits from CD programs did not accrue to the rural poor and very little progress was made to narrow the income gap between the poor and the elites. In fact, in some cases the social and economic position of the elites may have been strengthened by the alignment of CD workers with the elites. CD programs also failed to contribute to the alleviation of food shortages and poverty. Holdcroft (1978) contends that CD expanded social services more rapidly than it enlarged the production of rural incomes.

Initially, United States assistance for CD emphasized the provision of supplies and equipment. The emphasis later shifted to the provision of technicians and participant training in addition to small amounts of supplies and equipment. United States aid declined sharply after 1959 as the foreign aid agency became concerned by (a) lack of support from the countries being assisted; and (b) internal conflict and animosity between the United States CD and technical services personnel, especially the agriculturalists whose concern was to increase food and agricultural production.

Some of the reasons for the failure of the CD approach can be understood by examining the history of India's CD program. Launched in 1952, the program failed to alleviate poverty and food scarcity. Disparities in the distribution of benefits of the program between different interest groups and between villages became more widespread. The program did very little to reach the poor in India and it was not accepted by people. One of the aims

of the program was to stimulate the initiative and action of communities at the village level but this was often not achieved. The VLWs worked closely with the elites and did not develop local leadership. The program was criticized for ignoring agricultural production and for failing to arouse popular participation.

Ruttan (1984) reports that CD programs were also criticized for setting in motion political forces that could not easily be controlled by authorities in cases where these programs were successful. Mosher (1976) states that criticisms of the CD program were based on criteria that were different from the initial objectives of the program. For example, the criticism that the program did not raise agricultural production rapidly was made even though it was stated in the beginning that this could be achieved in later stages.

The global food crisis, which was largely the result of crop failures in Asia in the mid-1960s, caused a shift in emphasis from CD to programs focusing on increasing agricultural production (Ruttan, 1984). Development assistance agencies redirected their support for institution building to efforts aimed at strengthening agricultural research, extension and input supply systems.

CHAPTER 3**ANIMATION RURALE**

AR was the counterpart of CD in French-speaking countries such as Senegal, Niger, Upper Volta, and Cameroon from 1959 to 1970 (Charlick, 1984). There are many similarities between AR and CD programs. For example, there is a belief that mass-based rural development could best be promoted by associating efforts of the state with those of the local community. AR may be conceived of as a set of non-formal methods involving the training of participants. Other theorists argue that AR should also involve organizational counselling, and non-coercive mobilization of the local people. AR may, therefore, be regarded as a set of educational and organizational techniques which attempt to stimulate local-level participation in development.

Charlick (1984) identifies three approaches to animation, namely, (a) technical - system maintaining approach, (b) structural reformist - system enhancing approach, and (c) liberationist - system transforming approach.

3.1 Technical approach

In this approach development is defined strictly in terms of economic productivity or enhanced access to services. It is based on the concept of diffusion and it assumes that development

requires a free flow of information from developed countries to developing countries and that producers in developing countries must be integrated into a larger market through participation in commercial exchanges.

In contrast to the views of many Anglo-American theorists that the state is neutral, French theorists view the state as playing a key role in the economy. Rural development projects that were inspired by the technical approach employed AR as (a) an educational tool "providing the necessary educational backing to technical and economic activities" (Goussalt, quoted in Charlick, 1984:7); (b) an educational process intended to promote three types of structural change embodied in the term *encadrement*; and (c) a process for promoting new technical methods and is called *vulgarisation*.

Encadrement means "preparing local people to work more effectively with the higher level authorities" (Goussalt, quoted in Charlick, 1984:8). Bingen (1985:68) describes *encadrement* as a "... distinctly unilateral, vertical, and paternalistic approach to extension." AR techniques are intended to support the development of a "progressive farmer" middle class (Meister, quoted in Charlick, 1984:8), promote technical change by organizing groups such as cooperatives, and help overcome resistance to the bureaucracy by training officials to be less authoritarian and directive (Schumacher, quoted in Charlick, 1984). The methods used to "decolonize" the bureaucracy include the employment of professional *animateurs* to interact directly with farmers or

recruiting paraprofessional or volunteer *animateurs* to serve as conduits for technical information provided by technicians.

3.2 Structural Reformist Approach

Although this approach is similar to the technical approach in a number of respects, it relies on the French socialist notion of development as a movement toward human growth. It emphasizes the importance of growth in collectivities or "natural communities." Responsible participation is seen as a vital factor in human development and attitudinal change. Charlick (1984) notes that this approach was dominated by a group of theorists and practitioners from the Institut International de Recherches et d'Application de Methodes de Developpement (IRAM). They argued that to succeed in development, a new structural relationship of association would have to be forged between the state and the rural mass (Meister, quoted in Charlick, 1984). The IRAM version of structuralist development is generally regarded as being synonymous with AR in Francophone countries (Charlick, 1984).

3.3 Liberationist Approach

In this approach the goal is "the promotion of a process which makes the achievement of full human potential possible, and it is only by transforming existing power relations that this goal can be approached" (Charlick, 1984:20). It is argued that to become fully

human requires movement toward more self-reliance, more self-disciplining (Bookchin, quoted in Charlick, 1984), more responsible and more capable of making empowered choices in one's life, and more able to interpret one's own reality and to be rendered respect in that regard (Berger, quoted in Charlick, 1984).

In the liberationist approach, animation is regarded as an educational and organizational method. It is based on the belief that people need to change and be able to reflect on themselves so that they can improve their understanding of their obstacles and how these may be removed. Through this self-analysis people will be able to decide what is to be done. The formation of autonomous organizations is viewed as an essential element of this approach.

The three approaches described above differ significantly in how development is defined. In the technical approach, development is defined in terms of productivity or enhanced access to services. The reformist approach regards development as including not only improvements in economic well-being but also equity and participation. In the liberationist approach, enhanced local level capability to manage one's own affairs and address future problems is part and parcel of development.

Charlick (1984) reviewed information on thirty-one projects which employed at least one of the three approaches in Senegal, Niger, Upper Volta, Cameroon and Haiti and found that successful projects were accepted voluntarily by the people they seek to help ultimately. Since coercively-initiated projects had a disastrous record during the colonial era, animation techniques were developed

as an alternative. Some of the projects studied were introduced in a manner that did not secure local participation but changed their approaches over time to incorporate elements of participation. Several techniques for involving local people in the projects were employed, including what the French call *sensibilisation* and "conscientization." *Sensibilisation* refers to the "process of heightening the awareness of local people to the need to change" (Charlick, 1984:74). Conscientization is a technique (associated with Anglophone CD) that not only evokes awareness of felt needs but also assists local people to become aware of the social and political factors that may limit their development. Charlick's analysis confirms the view that better project results are achieved when local people are responsible for much of the analysis and decision making from the outset.

All animation approaches emphasize the need for local contribution although they differ in their degree of emphasis. The liberationist approach believed that local people will retain control and be less dependent on outsiders only when they contribute much of the costs. The nature of contribution varies depending on the type of animation emphasized but they tend to be in kind. In only fifty-two percent of the cases studied by Charlick were local contributions required and, overall, their levels were not very high. Projects that require modest local contribution performed better on measures such as participation in decision making and growth of managerial skills.

Charlick notes that AR's record of technical successes, and of

improvement of material conditions of the participants in the projects studied is not good. However, he concludes that if rural development is defined to include human development, animation techniques can make a significant contribution.

Based on the examination of evidence from Senegal, Gellar et al. (1980) conclude that AR failed to achieve many of its objectives. AR did little to stimulate the adoption of new agricultural methods and to increase agricultural productivity. During 1968-1973, AR's influence in shaping development policy in Francophone Africa declined rapidly.

CHAPTER 4

INTEGRATED RURAL DEVELOPMENT

The period 1955-70 has been characterized by an exclusive focus on economic growth and since 1970 the focus has been on equity income distribution (Mosher, 1976; Eicher and Staatz, 1990). There was pressure for poverty-focused IRD projects after it was realized that the green revolution and agricultural growth-oriented programs of the 1960s did little to improve the welfare of the poor. The focus of bilateral and multilateral development assistance shifted to IRD (Ruttan, 1984). Eicher and Staatz (1990) give 1973 as the date of the rise of IRD. In 1972, the then president of the World Bank, Robert McNamara, delivered a speech in Nairobi, Kenya, and urged African governments and donors to channel more resources to rural areas and the rural poor. McNamara's appeal led to a dramatic expansion of foreign aid for Africa with a focus on IRD and agricultural development projects (Eicher and Staatz, 1990). Cohen (1987) places the birth of IRD in the Ford Foundation's recommendations for responding to the 1966 Indian famine. In these recommendations it was argued that the key to improving the productivity of small-scale farmers and the promotion of more effective government support is a package of reinforcing activities (Cohen, 1987). These activities included the provision of farm credit, extension, agricultural inputs, reliable marketing facilities, assured agricultural product prices, rural public

works, and stronger village institutions.

IRD, thus, became one of the major approaches for addressing the problem of rural inequality in the 1970s because of the growing realization that rapid economic growth does not necessarily guarantee the availability or equitable access to social services and amenities (Cohen, 1987). There was a realization that the achievement of rapid growth in agricultural production and the improvement of rural welfare require an integrated program implementation (Ruttan, 1984). Mosher (1976:10) notes that "there has been a growing espousal of 'integrated projects and programs for rural development' based largely on the argument that no one development (e.g. the Green Revolution) is a panacea; what we need are integrated projects and programs dealing with a number of different aspects of rural well-being." It was accepted that in addition to increasing agricultural production, increasing efforts are required to address the basic needs of the population. IRD projects that combined activities for increasing agricultural production with social activities aimed at providing basic human needs started to emerge. Since the early 1970s, rural development projects became more complex and multi-sectoral. Lele (1979) notes that some of the targets which these projects were supposed to achieve were often ambitious and that successful projects were not easily replicated.

A specific IRD strategy was implemented when the widely publicized Comilla Project was established in Bangladesh (formerly Pakistan) (Khan, 1974). The project was located at the district or

thana level and centered on four major components: (a) a training and development center; (a) a public works program; (c) a small-scale irrigation program; and (d) a two-tiered cooperative system. The project's objectives were to "modernize agriculture and improve the quality of rural life through formation of farmers' cooperatives and promotion of more responsive government services" (Cohen, 1987:14). The Comilla strategy attacked agricultural production constraints through the promotion of diverse but reinforcing activities such as credit, farm inputs, farmer training, irrigation promotion, and embankment construction. The Comilla IRD-type model was widely adopted in many other developing countries such as Mexico, Ethiopia, Malawi and Kenya.

The Comilla program was successful in the diffusion of more productive technology, in the mobilization of local resources for village improvement and in the development of cooperative institutions (Ruttan, 1984). However, the successful image of the project was questioned when it became evident that richer farmers benefited more than the poor ones and that the project could not be easily replicated as it was too costly and management-intensive. Furthermore, the project did not make much progress in overcoming the problems of co-ordination among the major components of the program or in establishing it on a sustainable basis (Khan, 1977; Khan, 1979; Blair, 1978; Cohen, 1987).

It is evident from the Comilla experience that successful pilot and small-scale projects are difficult to replicate on a regional or national level. Ruttan (1975) suggests that we examine

three models or theories of agricultural development to understand the reasons for this failure to replicate pilot projects. These are (a) the urban-industrial impact model; (b) induced technical change theory; and (c) models of institutional change.

According to the urban-industrial impact model, geographic differences in agricultural production are explained in terms of the level and rate of urban-industrial development (Ruttan, 1990). Rural development efforts are likely to be successful in those areas that experience rapid urban-industrial development. Ruttan (1975:12) states that "Even the most intensive rural development efforts are unlikely to succeed if rural development is viewed as an alternative to urban-industrial development." The adoption of a strategy implied in the urban-industrial impact model is, however, likely to result in differential rates of development and may be accompanied by intensification of social and political stress (Ruttan, 1975).

The theory of induced technical change provides guidelines in answering the question of what needs to be done to gain access to efficient sources of economic growth (Ruttan, 1975). Increased agricultural productivity is dependent on achieving rapid technical change. Since agricultural technology is location-specific, it cannot just be transferred from developed areas to less developed ones without being adapted to local ecological conditions. Research and extension institutions that will make this adaptation possible are, therefore, required. The achievement of rapid agricultural growth is dependent on choosing a technological path

that results in the substitution of relatively abundant factors for relatively scarce factors (Ruttan, 1975).

Ruttan (1975) states that models of institutional innovation are helpful in answering the question of how to organize rural institutions which will take the best advantage of human and physical resources available to rural communities. Improving the welfare of the rural poor requires institutional innovations that effectively link urban and rural areas through a series of nonmarket and market relationships (Ruttan, 1975). There is a need for institutional innovations that will (a) increase the efficiency of resources devoted to education and health; and (b) make the markets more efficient (Ruttan, 1975:13).

Heyer et al. (1981) argue that rural development in tropical Africa has, with a few exceptions, achieved its ostensible goals. They attribute this failure to (a) incompatibility between different goals; and (b) incompatibility between goals and means to achieve rural development. Differences of interest exist between national governments and international agencies. Furthermore, it is not always easy to reconcile the differences of either of them with those of the rural population. National governments may regard enhancing the contribution of the rural poor to the national economy as the means by which rural development is to be achieved. This is not necessarily compatible with the interests of the rural population. Outsiders' attitude that they know better than the local population has not helped the rural poor to improve their well-being. Chambers (1983) notes that rural people's knowledge is

often superior to that of outsiders.

A review of the World Bank's experience with rural development indicates that there has been a concentration of rainfed export crop projects in Africa and of irrigation projects in Asia. Many of the cotton projects in Africa, especially in Francophone countries, have been successful as have been other projects where only a single crop was involved. The review indicates that half of audited projects in Sub-Saharan Africa failed (World Bank, 1988).

Most rural development projects in Africa were financed with foreign aid. Lele (1991) notes that eight foreign donors provide approximately sixty percent of the aid flowing to Africa¹. Foreign aid has, generally, not covered recurrent costs and problems have been experienced in sustaining projects after foreign is phased out. Lele (1991) observes that governments and donors placed too much emphasis on physical structures but too little on providing for their operation and maintenance. Road and irrigation projects financed by the United States Agency for International Development experienced recurrent problems and large losses (Wunsch, 1991)

Limited planning and implementing capacities exist in African countries (Lele, 1979). The World Bank has financed projects aimed at addressing this problem at the national level in Kenya, Tanzania, Malawi, and Lesotho (Lele, 1979). Dantwala (undated:3), based on the Indian experience, states that ". . . even the most

¹ These are the World Bank, the United States Agency for International Development, the Swedish International Development Authority, the Danish International Development Agency, the United Kingdom Overseas Development Administration, the Commission of the European Communities, and the governments of France and Germany.

well-conceived and well-designed schemes flop at the implementation level."

As criticisms were levelled against the IRD development model, major multilateral and bilateral donors lost confidence in the IRD strategy in the early 1980s. The World Bank retreated from IRD projects to subsector-specific programs or projects such as those dealing with agricultural extension, small-scale irrigation, primary education or health, etc. (Binswanger, 1994).

After a decade of rapid buildup in the seventies, IRD was in decline by 1980. Cohen (1987:15) argues that the decline of IRD is, to some extent, attributable to "the failure of professionals, donors and governments to think carefully through the underlying strategy of the innovation. More importantly, it was due to governments and donors pushing the scope and the size of these interventions beyond the knowledge base needed to guide their design and implementation and to increase the probability of their successful execution. These mistakes were compounded by the rapid proliferation of such projects, resulting in their tendency to outstrip the capacity of development ministries and donors to finance, manage, and coordinate them." Binswanger (1994) concludes that IRD failed because of (a) adverse policy environment for agriculture; (b) failure of governments to provide counterpart funding for implementation of programs; (c) lack of appropriate agricultural technology especially in dryland areas; (d) lack of beneficiary participation arising from the top-down approach which was adopted in the design of programs; and (e) the coordination

problem which was a consequence of delegating the execution of sub-programsto highly centralized bureaucracies or parastatals.

In the mid-1980s several comparative studies of IRD projects concluded that much had been learned about IRD project design and implementation and that under the right conditions the strategy had much to offer (Cohen, 1987). Cohen concludes that the results of his study of the Chilalo Agricultural Development Unit challenge the criticisms against the IRD approach².

² This conclusion is, however, questionable in light of the withdrawal from the project by its co-sponsors, the Swedish International Development Authority, after supporting the project for seventeen years. It is also unlikely that such a costly project can be replicated in Third World countries. The cost over a period of seventeen years is estimated to be \$41.5 million (Cohen, 1987). As Cohen suggests, more empirical research on effective IRD projects that have operated over an extended period are required before generalizations can be made from the results of one study in a single country, Ethiopia.

CHAPTER 5**BASIC NEEDS STRATEGY**

The focus of development assistance shifted from CD programs in the 1950s and early 1960s to IRD and BN programs in the early 1970s (Ruttan, 1984). The shift in focus resulted from the awareness that the benefits of economic growth were not "trickling down" to the masses and reducing poverty and unemployment. In the 1950s and 1960s, development objectives were expressed in terms Gross National Product (GNP) per capita without paying much attention to the alleviation of poverty. The use of GNP per capita as the major performance criterion was questioned when it became evident that the benefits of growth did not "trickle down" as was envisaged. For example, in 1971 Dudley Seers (quoted in Mosher, 1976) suggested that the concept of development be redefined because GNP or average per capita income was an inadequate measuring rod.

In the early 1970s governments and development agencies became concerned about the distributional impact of economic growth, unemployment among the poor, and the meeting of their basic needs. The United States decided that development assistance should be directed toward meeting the basic needs of the poor (US House of Representatives, 1973). The International Labor Organization (ILO) launched the World Employment Program in 1969 which focused on employment generation (ILO, 1976). The World Bank supported

programs that emphasized redistribution with growth (Streeten and Burki, 1978). The meeting of basic needs became the central focus of development planning and policy.

The concept of basic needs entails two elements, namely, (a) minimum requirements for private consumption such as adequate food, shelter, clothing, certain household equipment and furniture; and (b) essential services provided by and for the community at large. These include safe drinking water, sanitation, public transport, and health and educational facilities (ILO, 1976).

The BN approach requires a departure from the "top-down" approach which characterized central planning to participation by the people in the decision-making process. Such participation is essential especially in the determination of basic needs (ILO, 1976). However, reconciling the objectives of (a) mass participation in local decision-making and building local institutions with (b) achieving measurable improvements within a short period of time has been a major problem (Ruttan, 1984).

A BN strategy incorporates both a rapid rate of economic growth and improvements in the quality of employment or conditions of work (ILO, 1976). Not only should output rise over time but the structure of production must change. Streeten and Burki (1978) argue that the structure of ownership and power, and government policies prevented the poor from benefiting from growth. An increase in production may be achieved from making use of existing underemployed and unemployed labor resources combined with better allocation of capital; and partly through the redistribution of

productive resources such as land. A BN strategy should aim at increasing and redistributing production in such a way that deprivation arising from lack of basic goods and services is eradicated (Streeten and Burki, 1978).

The ILO outlines two alternative approaches to meeting basic needs. The first approach stresses rapid economic growth. This approach requires high levels of investment and it is unlikely that most developing countries will be able to achieve and sustain such high levels of investment. The second approach involves increasing the income of the poor faster than the average. This may be achieved through growth and redistribution of income. Although lower rates of investment would be required, there might be political and other difficulties in implementing policies for redistribution.

A high per capita level of income is not essential for achieving basic needs. Countries such as China, Cuba, and Sri Lanka are often mentioned as successful examples of cases in which the achievement of basic needs was possible at low per capita income levels (Ruttan, 1984). It is also not always true that growth is opposed to egalitarian income distribution which results in the achievement of basic needs. In Taiwan and South Korea, growth was combined with increasing equality of incomes (Chenery et al., 1974).

An analysis by Boutros-Ghali and Taylor (1980) indicates that a BN strategy would be less capital- and import-intensive than policies which were followed in Egypt. It is further pointed out

that achieving basic needs in rural areas would be less capital- and import-intensive than in urban areas. Evidence from modelling the implications of BN strategies in the Philippines and Korea shows that better results may be achieved in efforts to redistribute income and consumption in favor of the poor by improving the domestic terms of trade for agriculture than by more direct consumption interventions (Adelman et al., 1979).

The BN and IRD approaches came under severe questioning in the early 1980s (Ruttan, 1984). The failure of BN and IRD programs to solve one of the most fundamental rural development problems - achieving a reliable food surplus - is the major reason for the decline of BN and IRD in the early 1980s (Eicher and Baker, 1982).

To summarize, the review of literature on approaches to rural development in the Third World confirms that rural development is a complex process whose objectives are not easily achieved. These approaches, namely, CD, AR, IRD and BN, were all aimed at improving the welfare of rural people. Despite their good intentions, very little progress has been achieved from 1950 and 1980. Except with a few exceptions, programs and projects that were inspired by these approaches have not been successful in reducing poverty and in improving food security. Many people in Asia, Latin America and Africa still experience acute food shortages and absolute poverty.

One of the most important lessons emerging from the experiences of Third World countries with rural development is that the top-down approach is not appropriate for improving the welfare of the rural poor. CD, AR, and IRD were all top-down approaches

and their failure provides sufficient evidence that centralization does not work. Binswanger (1994:14) regards IRD as the "last bastion of central planning, swept away by reality like all other central planning schemes." Rural people should be empowered to decide for themselves what is good or bad. Rural development projects that are imposed on rural people will be resisted in many ways; the most visible one being the refusal to participate in such projects. Lack of participation has been cited above as one of the reasons for the failure of some of the projects. It would be incorrect to conclude from the above that decentralization is a panacea. As Binswanger (1994, quoting Crook and Manor; and Meenakshisundaram) points out, decentralization has had its failures in countries such as India, Brazil, Ghana, and the Ivory Coast.

Another lesson emerging from the rural development experiences of Third World countries is that complex projects, often with ambitious targets, should be avoided. Co-ordination and replication of such projects is difficult. Projects focusing on specific elements such as primary health, education, agricultural extension, etc. are likely to be more successful. It has been indicated above that these are the projects that the World Bank is now financing instead of the IRD projects of the 1970s.

The high failure rate of rural development projects in Africa is largely attributable to limited planning and implementation capacity and to high human capital and recurrent costs. Building the capacity to plan and implement rural development projects in

Third World countries should be an important priority of governments and donors committed to the improvement the welfare of the rural poor. Third World countries need to devote more resources to human resource development so that they can be less dependent on expatriates for the planning and implementation of rural development projects.

The achievement of a reliable food surplus should be an important goal of any rural development program. The failure of IRD and BN approaches to achieve this goal is largely responsible for their decline.

CHAPTER 6

SOUTH AFRICA'S RECONSTRUCTION AND DEVELOPMENT PROGRAM

South Africa is classified as an "upper-middle-income" country and is ranked 44th out of 132 countries in terms of GNP per capita in 1992 (World Bank, 1994). The total population of South Africa is estimated at 39.8 million and the average annual growth rate for the period 1980-92 is 2.5 percent per annum. Half the total population was urbanized in 1992 (World Bank, 1994).

Agriculture's contribution to the Gross Domestic Product (GDP) in 1992 was four percent (World Bank, 1994) and a large proportion of this was generated by commercial agriculture. Lipton and Lipton (1993) note that the country has a lower proportion of GDP derived from agriculture than is typical of countries at its level of development. Several explanations may be offered for the small contribution of small-scale agriculture to the GDP but the most important is the adverse effect of the apartheid policy on this sector. Small-scale agriculture has been discriminated against in terms of access to production resources and agri-support services.

South Africa has one of the most inequitable income distribution in the world. McGrath (1990) estimates the country's Gini coefficient for 1975 at 0.68 although recent indications are that it has declined since then (Fallon and Pereira de Silva, 1994). Income inequality exists between urban and rural areas but the most disturbing is that between different racial groups. The

per capita income of whites is more than nine times that of Africans (Fallon and Pereira de Silva, 1994). The struggle against apartheid has been very difficult but the eradication of poverty and the closing of the income gap between racial groups may prove to be more difficult to achieve.

The realization of the need to alleviate poverty and deprivation has led to the design of the RDP by the African National Congress (ANC). The RDP has been accepted, with some revisions, by the new government of national unity.

The RDP is described as " . . . an integrated, coherent socio-economic policy framework. It seeks to mobilise all our people and our country's resources toward the final eradication of apartheid and the building of a democratic, non-racial and non-sexist future" (ANC, 1994:1). The RDP is, therefore, neither a program that is specific to the rural sector nor is it aimed solely at addressing the economic problems of the country. The RDP has some similarities to IRD and CD because it is comprehensive and covers areas such as agriculture, health, education, public works and social welfare. However, the inclusion of both urban and rural sectors distinguishes RDP from IRD and CD.

The aims (referred to as "policy programmes" in the ANC's publication) of the RDP may be described as follows:

6.1 Meeting Basic Needs

Wide disparities exist in access to basic services such as

clean water, sanitation, electricity, education and health. Services available to whites compare favorably with those in developed countries while those for blacks are comparable with those in poorer countries in Africa. Expenditures on basic services by the previous government favored whites.

The RDP aims to meet the basic needs of the people as soon as possible. It is intended to improve the quality of life of all South Africans with emphasis on improving the welfare of the poor. However, the trade-off between improving the well-being of all South Africans and that of the poor could make it difficult for the RDP to achieve these aims simultaneously. The RDP will adopt a bottom-up approach to encourage participation of the people in all matters affecting their lives. It is hoped that basic needs will be achieved by:

- (a) creation of job opportunities through public works programs;
- (b) land reform which will involve both redistribution and restitution;
- (c) provision of housing which will involve government subsidies;
- (d) provision of clean water and sanitation;
- (e) supply of energy and electricity to households, schools, and clinics;
- (f) provision of telecommunications services;
- (g) provision of safe, convenient, and affordable transportation;

- (h) utilization of natural resources in a sustainable manner;
- (i) ensuring that nutritional requirements are met through food security and other measures;
- (j) development of a national health system that will offer affordable health care; and
- (k) provision of social welfare services.

6.2 Developing Human Resources

Education is one area in which the apartheid policy has been successful in ensuring that blacks remain subservient to whites. The apartheid government has provided inferior education for blacks and has done too little to develop their human resources. The result is that the majority of black workers are unskilled and approximately twenty-five percent of black children have never attended school (Fallon and Pereira de Silva, 1994).

The RDP aims to develop human resources by providing access to both formal and non-formal education, arts, culture, sport and recreation. Youth development will receive special attention and free and compulsory education will be provided for all children. School curricula will be revised so that they can prepare students for the challenges of reconstruction and development. The RDP will endeavor to make all children and adults literate.

6.3 Building the Economy

South Africa's real GDP has been declining over the past thirty years (Fallon and Pereira de Silva, 1994) and the unemployment rate is high. There are massive inequalities in wealth and incomes created by the apartheid system. The economy is controlled by one section of the population, namely, whites.

The 1983 and 1993 recessions are attributable to (a) the global economic recession; and (b) political events in the country that adversely affected investment by both domestic and foreign firms. The ANC believes that neither a central planning system nor a free market system can provide answers to the economic problems facing the country. Therefore, government will have to play a "leading and enabling role in guiding the economy and the market toward reconstruction and development" (ANC, 1994:80). The creation of a strong, dynamic and balanced economy is a central goal of reconstruction and development. The mutually reinforcing nature of urban and rural development is clearly recognized.

6.4 Democratization of the State

The apartheid policy has denied black people their right to participate in governing the country. An undemocratic government has been running the country for more than forty-five years and was replaced by a government of national unity in April 1994.

The RDP aims to extend democracy to all South Africans. It

intends to provide access to power and the right to exercise this power. The ANC believes that the aims of the RDP cannot be achieved unless the population is "empowered through expanded rights, meaningful information and education, and an institutional network fostering representative, participatory and direct democracy" (ANC, 1994:120).

CHAPTER 7**SOME LESSONS FROM THE CD, AR, IRD AND BN EXPERIENCES FOR SOUTH AFRICA**

As South Africa attempts to address the problems of low rates of economic growth, poverty and income inequalities, it is important to look back at what other countries have done to overcome similar problems rather than reinvent the wheel. The review of rural development approaches in this paper was carried out with a view to drawing some lessons for South Africa. Eight lessons emerge from the review of Asia's and Africa's experience in designing and implementing various village upliftment programs over the past forty years.

7.1 Rural Development Requires the Support of the Local Community

Rural development projects should be implemented in a manner that will secure the participation of people that these projects are intended to benefit. Participation should not mean getting local people to co-operate with outsiders. Local people should be involved right from the start of the project until the end. Involving local people in all the stages of the project will instill a sense of belonging and the project will be regarded as the property of the local community rather than something that is

imposed upon them. There are many cases in South Africa in which local people became involved in rural development projects when outsiders felt that it was appropriate for them to participate. The attitude has been that outsiders know when and how local people should become involved in these projects. It should be recognized that projects that are imposed on rural people are most likely to be rejected.

Care should be taken to ensure that local people participating in rural development project decision making represent the interests of the majority of the rural population. It is not unusual for the elites in a rural village to claim to represent the interests of the rural population when they are actually participating in decision making to ensure that they appropriate the benefits of rural development projects.

The central planning, five-year plans orientation of the 1950s and 1970s promoted top-down solutions to local problems. Decentralization is now sweeping Latin America and it is slowly spreading in Sub-Saharan Africa. The World Bank has finally discovered decentralization and is recommending it for South Africa.

7.2. Rural Development Programs should have an Income-generating Component

One of the criticisms of the CD approach is that it promoted social services rapidly without devoting enough attention to increasing

agricultural production. For example, schools, clinics, and sanitation were provided without an income-generating component. Critics of the CD approach argued that this encouraged consumption and population growth. They further believed that a successful income-generating component could finance an expanded array of social services. The RDP appears to devote more attention to the provision of social services than income-generating activities. There is a danger that the RDP may suffer the same fate of the CD approach of the 1950s.

7.3. Rural Development Requires an Efficient Choice of Technology.

An efficient technological path is one that will result in the substitution of a relatively abundant resource for the one that is relatively scarce. In South African commercial agriculture, an inefficient choice of technological path has been made. Labor is relatively abundant in the country yet labor-substituting technology has been employed.

7.4. Rural Development must Benefit the Rural Poor

Experience from other countries indicates that unless deliberate measures are taken to ensure that the benefits of rural development projects go to the rural poor, the richer and more powerful members of the local community will capture many of the

benefits. Many of CD projects of the 1950s and the IRD projects of the 1970s fell into this trap. It should be accepted that local power structures may have to be changed for the rural poor to benefit from rural development programs.

An important objective of rural development is to alleviate rural poverty. This objective cannot be achieved unless measures are taken to ensure that the rural poor benefit from rural development programs. Rural people are not a homogeneous group. This implies that target groups should be clearly identified. A social poverty map that categorizes the poor by access to land and by sources of income may be helpful in this regard. One way to ensure that rural development benefits flow to the poor is to encourage and support the formation of organizations that are controlled by the poor.

7.5. Co-ordination of IRD Components is Difficult

IRD projects, by their nature, require the involvement of several ministries. Unless there is proper co-ordination among the activities of these ministries, rural development objectives will not be realized. Historically, there has been tension between agriculturalists in the ministry of agriculture who focused on food and agricultural production and advocates of equity who argued for improving the lives of the rural poor. Equity advocates were often outside the ministry of agriculture in separate CD, IRD and BN projects and, in some cases, new ministries such as the ministry of

CHAPTER 8

SUMMARY

Community development emerged in the early 1950s as an approach for promoting a better living for communities in the Third World. Community development programs employed village-level workers who were often biased in favor of the rural elite. It was hoped that community development objectives would be achieved without changing the existing power relations in the rural community. Instead, benefits from community development programs were channelled to the richer and the socio-economic status of the rural poor remained unchanged. The community development movement collapsed in the mid-1960s. The French counterpart of community development called *animation rurale* was adopted in many Francophone countries in Africa in the late 1960s. These approaches shared the view that mass-based rural development (RD) could best be promoted by associating efforts of the state with those of the local community.

Since the economic growth strategy of the 1960s failed to improve the well-being of the rural poor, development efforts shifted to integrated rural development (IRD) in the early 1970s and the basic needs (BN) approaches in the mid-1970s. The distributional impact of economic growth received attention after it became clear that growth did not necessarily guarantee the availability or equitable access to social services and amenities.

The IRD and BN approaches were considered to be more appropriate for addressing the problems of increasing rural production and attacking rural poverty. However, the IRD approach was phased out in many countries in the early 1980s for some of the same reasons that led to the demise of community development.

South Africa has recently embarked on a program to address the social, economic and political problems it faces. This program is called Reconstruction and Development Program (RDP). The RDP is outlined in the paper. Since many other countries in the Third World have had variable success with rural development programs, eight lessons have been drawn from this collection of experience for study and review in South Africa. These lessons are (a) RD requires the support of the local community; (b) RD programs should have an income-generating component; (c) RD requires an efficient choice of technology; (d) RD must benefit the rural poor; (e) coordination of IRD components is difficult; (f) local contributions are important; and (g) successful RD projects are difficult to replicate.

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