TOWARDS A STRATEGY FOR POVERTY ALLEVIATION
IN MASHAU

Thinandavha Derrick Mashau, BA; MA (Dogmatics);
PhD (Missiology)

Mini-dissertation submitted in partial fulfilment of the requirements for the degree
Master of Development and Management at the North-West University

Supervisor: Dr. JF Cronjé

2006
Potchefstroom Campus
## CONTENTS

Abbreviations and Acronyms
Foreword
Executive Summary

### 1. INTRODUCTION
1.1 Keywords 1
1.2 Orientation and Problem Statement 1
1.3 Objectives 4
1.4 Central Theoretical Argument 5
1.5 Research Methodology 5
1.6 Chapter Layout 6

### 2. THE CORE EXISTING VARIABLES FOR MEASURING LEVELS OF POVERTY IN SOUTH AFRICA
2.1 Introduction 7
2.2 Defining poverty in South Africa 7
2.3 Poverty and inequality in South Africa 10
2.4 Poverty and employment 11
2.5 Urban and rural poverty in South Africa 12
2.6 Measuring indicators of poverty 13
2.7 Characteristics of poverty in South Africa 20
2.8 Conclusion 21

### 3. CURRENT STRATEGIC INITIATIVES FOR POVERTY ALLEVIATION IN SOUTH AFRICA
3.1 Introduction 22
3.2 Current strategic initiatives for poverty alleviation 22
3.2.1 Reconstruction and Development Programme 22
3.2.2 Growth, Employment and Redistribution (GEAR) 25
3.2.3 Privatization 26
3.2.4 Black Economic Empowerment 28
3.2.5 Land redistribution 29
<table>
<thead>
<tr>
<th>Abbreviations and Acronyms</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANC</td>
<td>African National Congress</td>
</tr>
<tr>
<td>BEE</td>
<td>Black Economic Empowerment</td>
</tr>
<tr>
<td>BMR</td>
<td>Bureau for Market Research</td>
</tr>
<tr>
<td>COSATU</td>
<td>Congress of South African Trade Unions</td>
</tr>
<tr>
<td>CPM</td>
<td>Capacity Poverty Measure</td>
</tr>
<tr>
<td>DPLG</td>
<td>Department of Provincial and Local Government</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GEAR</td>
<td>Growth, Employment and Redistribution</td>
</tr>
<tr>
<td>HDI</td>
<td>Human Development Index</td>
</tr>
<tr>
<td>HDR</td>
<td>Human Development Report</td>
</tr>
<tr>
<td>HEL</td>
<td>Household Effective Level</td>
</tr>
<tr>
<td>HSL</td>
<td>Household Subsistence Level</td>
</tr>
<tr>
<td>HSRC</td>
<td>Human Science Research Council</td>
</tr>
<tr>
<td>IDP</td>
<td>Integrated Development Plan</td>
</tr>
<tr>
<td>ISRDS</td>
<td>The Integrated Sustainable Rural Development Strategy</td>
</tr>
<tr>
<td>LED</td>
<td>Local Economic Development</td>
</tr>
<tr>
<td>MLL</td>
<td>Minimum Living Level</td>
</tr>
<tr>
<td>NEPAD</td>
<td>The New Partnership for Africa’s Development</td>
</tr>
<tr>
<td>NGO</td>
<td>Non Government Organization</td>
</tr>
<tr>
<td>PDL</td>
<td>Poverty Datum Line</td>
</tr>
<tr>
<td>PFMA</td>
<td>Public Finance Management</td>
</tr>
<tr>
<td>PPA</td>
<td>Participatory Poverty Assessment</td>
</tr>
<tr>
<td>RDP</td>
<td>The Reconstruction and Development Programme</td>
</tr>
<tr>
<td>RDF</td>
<td>Rural Development Framework</td>
</tr>
<tr>
<td>SALGA</td>
<td>South African Local Government Association</td>
</tr>
<tr>
<td>SATS</td>
<td>South African Transport Services</td>
</tr>
<tr>
<td>SLL</td>
<td>Supplementary Living Level</td>
</tr>
<tr>
<td>SMME</td>
<td>Small, Micro and Medium Enterprise</td>
</tr>
<tr>
<td>SOE</td>
<td>State Owned Enterprise</td>
</tr>
<tr>
<td>UBN</td>
<td>Unmet Basic Needs</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>UPE</td>
<td>University of Port Elizabeth</td>
</tr>
</tbody>
</table>
I feel greatly indebted to the following people and institutions for their support and encouragement during the process of writing this mini-dissertation:

- The Almighty God who gave me the necessary gifts and strength to complete this piece of work.
- My study leader, Dr. Freek Cronje, for his guidance and encouragement in the entire process of writing this work.
- My wife, Tshifhiwa, for her unwavering support.
- My children, Mulanga, Rivhusanae and Muzwali.
- The librarians of Ferdinand Postma Library for their untiring assistance when looking for various sources in the library.
- Language editor, Mrs. Cecilia van der Merwe.
- All the Mashau people who participated in the interviewing process; I owe them this piece of work.

Thinandavha Derrick Mashau

Potchefstroom 2006
TOWARDS A STRATEGY FOR POVERTY ALLEVIATION IN MASHAU VILLAGE, LIMPOPO PROVINCE

The main aim of this study is to investigate the poverty situation and outline a strategy for poverty alleviation in the rural area of Mashau. Mashau is one of the villages in the Limpopo province of South Africa and it forms part of the 70% of the country’s most poor people who are in the rural areas. Chapter 1 of this study presupposed by way of a central theoretical argument that community based job creation projects that ensure the participation of all stakeholders, community members, government, traditional leaders, non-government and faith-based organizations and business people, can be a useful poverty alleviation strategy in general and also in Mashau. This should be implemented in line with the human centred approach. Each of the four objectives (1.3) comes under scrutiny in Chapters 2-5 respectively.

The quest to investigate and assess the poverty situation at Mashau and to come up with a relevant strategy required a broader understanding of the economic and demographic context of the entire Republic of South Africa. That is why Chapter 2 of this study mainly focused on identifying the core variables that are used to measure levels of poverty in South Africa, whilst Chapter 3 focused on current strategic initiatives for poverty alleviation on the part of the government.

Chapter 4 paid attention to the scale, manifestations and causes of poverty in Mashau. It became clear that the majority of people in Mashau are unemployed, lack the basics of life and are unable to access services. They depend mainly on government social grants and natural resources (small-scale farming) for subsistence. Although South African policies and frameworks for poverty alleviation are among the best in the world, they have failed the country’s people regarding implementation. Mashau village is one of many examples of this neglect. The government has succeeded in building a small number of RDP houses and providing other services at a very low pace. But further than that, the Mashau people cannot experience and
enjoy the beauty of South African economic policies and strategies for poverty alleviation.

Chapter 5 suggests a relevant strategy for poverty alleviation at Mashau. The strategy proposed affirms the central theoretical argument outlined in Chapter 1. It may be concluded that the suggested strategy can only succeed if the implementation plan or program is put in place together with monitoring and evaluating systems.
1.1 KEYWORDS

[Keywords: Poor, Poverty, Alleviation, Strategy, Mashau, Rural Area, Limpopo Province, South Africa]

1.2 ORIENTATION AND PROBLEM STATEMENT

The quest to investigate and assess the poverty situation at Mashau requires a broader understanding of the economic and demographic context of the entire Republic of South Africa. The Republic of South Africa is a democratic country with a population of more than 46 million. The demographic indicators of this country predict a population growth of up to 56 million by 2010. Despite the celebration of a decade of democracy in 2004, after a successful and peaceful political transition from the demise of apartheid in 1994, one of the major challenges facing the present regime is the fight against poverty (Motloung & Mears, 2002:531). Unemployment and wide social and economic gaps are clearly visible in this country.

According to Chikulo (2003:1), the problem of poverty in South Africa is there partly because of the inheritance of the past, ranging from colonial to apartheid economic policies which were characterised by sharp socio-economic inequalities. The socio-economic inequalities were particularly marked by affluence in white communities and the backwardness of the former native reserves and homelands inhabited by the majority of blacks. This duality is still visible today. In his speech, in the opening of the third democratic parliament in May 2004, president Mbeki noted that there are two economies in South Africa, i.e. developed economy and informal economy (Seepe & Mkhabela, 2004:17). There is a slow pace of change for the nation’s poor, as well as the lack of job-creation. In his interviews with Lynne Duke of the Sowetan, Murphy Morobe (Deputy Director-General for communication in the presidency) noted that the economic policies of this country are internationally lauded for their standard, and yet the high unemployment rate, estimated between 30% and 40%, is a threat to the new democracy. He also noted that South Africa’s straits are a troubling
reality. In a nation of more than 46 million, where the white minority of 9.6% still largely controls the economy, there is also a widening gap between the new black “haves” and “have-nots” (Duke, 2004:19).

As already noted, statistically the majority of people, especially those in rural areas, are living in extreme poverty conditions. About 70% of people living in rural areas are living in poverty, compared to about 30% of people in urban areas (Pieterse & Van Donk, 2002:4). Mashau village is one of such rural communities to be investigated in this research. This is a village found in the Limpopo Province, which is one of the poorest provinces of the Republic of South Africa. According to the Local Government demarcations, Mashau area is part of ward 16 of Makhado Municipality in the Vhembe district. It is a village with more than 13 000 people. This village is under the control of the traditional chief T.R.V. Mashau who works with the Royal Council in cooperation with the civic leaders as democratically elected by the people. Economically, like many Vhavenda villages, Mashau area is very agrarian (Mashau, 2004:74). Some households mainly depend on maize for subsistence, which is cultivated in large quantities to the present day (Wessman, 1908:9; cf. Burnet-van Tonder, 1986:9).

In the democratic South Africa, there are significant initiatives to provide solutions to the problem of poverty as experienced by the majority of this country. Solutions initiated by the government and non-government organisations and structures include among others the following:

- **The Reconstruction and Development Programme (RDP),** meant to bring about the social upliftment of the poor (Motloung & Mears, 2002:234).
- **Growth, Employment and Redistribution (GEAR)** was introduced in 1996 by the Ministry of Finance in order to provide the South African government with a document with a comprehensive and well-integrated macro-economic strategy (World Bank, 2002a:270).
- **Privatization** of the major economic sectors of this country with a view to efficiency and service delivery. The results thus far prove to be disastrous in a sense that privatization has succeeded in putting many South Africans out of work.
In actual fact privatization is perceived by many as a new kind of apartheid that separates the rich from the poor (Thompson, 2003:2).

- **Black Economic Empowerment (BEE)**, aimed at bringing more blacks to participate in the mainstreams of the economy of this country (Lebelo, 2004:1).
- **Land redistribution** as part and parcel of the redistribution of wealth to the most disadvantaged and those who were marginalized during the apartheid era (Sibanda, 2001:5).
- The government also drew up policies on urban and rural development strategies to speed up the process of economic development. Efficiency and accountability were the major priorities of these strategies.
- **Local Economic Development (LED)** is one of the key features of the South African economy as much as it is to the rest of the world. It seeks to bring the local communities, government and the business sector to work in partnership in the efforts to improve local socio-economic conditions.
- Every municipality in South Africa is required by the government to prepare a strategic development plan, which came to be known as Integrated Development Plan (IDP). It is a municipality's principal strategic instrument to map out its future plan in addressing issues of planning, management, finances and investment, performance targets and economic development, taking into account the input from all the stakeholders (http://www.joburg.org.za/city_vision/idp.stm).
- The **Integrated Sustainable Rural Development Strategy (ISRDS)**, designed to realize a vision that will attain socially cohesive and stable rural communities with viable institutions, sustainable economies and universal access to social amenities, able to attract skilled and knowledgeable people, who are equipped to contribute to growth and development (Neto, 2004:51).
- The **New Partnership for Africa’s Development (NEPAD)** is a strategic initiative by African leaders like President Mbeki of the Republic of South Africa to spearhead the renewal of the socio-economic and political life of Africa. Poverty eradication is, among others, an aim of NEPAD as a development framework (Lesufi, 2004:809).

The above-mentioned solutions can only serve as an illustration that the war against poverty is very complex and at the same time it is an ongoing war that we must strive
to come up with a relevant strategy if we are to win. In an effort to re-emphasize its commitment to poverty alleviation and rural development, the government produced the "Thriving Rural Areas: Rural Development Framework" in 1997, which was basically an attempt to provide a national rural development strategy (Chikulo, 2003:4). The question is: How far did these solutions offered by the government reach the plights of rural areas like Mashau? The only program of service delivery that proved to have benefited the people of Mashau is electricity, water and housing. In terms of poverty alleviation, little has been done thus far. The question is: What can be done to alleviate poverty in the rural area of Mashau? The main research question therefore is: What elements should be included in a comprehensive strategy for poverty alleviation in the rural area of Mashau? The specific research questions are:

- What are the core existing variables for measuring levels of poverty in South Africa?
- What are the current strategic initiatives for poverty alleviation in South Africa?
- What are the manifestations and causes of poverty in Mashau?
- What should be included in a strategic framework to address poverty in Mashau?

1.3 OBJECTIVES

The main aim of this research is to investigate and outline a strategy for poverty alleviation in the rural area of Mashau. The objectives of this research therefore are to:

- Outline the core existing variables for measuring levels of poverty in South Africa.
- Outline the current initiatives for poverty alleviation in South Africa.
- Determine the manifestations and cause of poverty in Mashau.
- Outline a strategy for poverty alleviation in Mashau.
1.4 CENTRAL THEORETICAL ARGUMENT

Community based job creation projects that ensure the participation of all stakeholders, community members, government, traditional leaders, non-government and faith-based organisations and business people can be a useful poverty alleviation strategy in general and also in Mashau. In his findings, Mokoena (2004) also noted that community-driven development projects are a useful tool towards poverty alleviation in South Africa. However, all proposed projects as well as existing policies and strategies for poverty alleviation will be in vain unless an appropriate implementation strategy is followed.

1.5 RESEARCH METHODOLOGY

A literature study was done to determine the scale and manifestations of poverty in the context of rural areas. Census data with macro and micro-economic statistics of South Africa was consulted, analyzed and interpreted (http://www.statssa.gov.za). The same research methodology was also used to determine the core existing variables for measuring levels of poverty in South Africa.

An empirical study was conducted, not only to determine the manifestations and causes of poverty in the context of the rural area of Mashau, but also to establish and outline the causes, the needs and a relevant strategy to win the war against poverty within this community. Mashau area or village is a vast area with 12 residential zones, i.e. Misevheyambwenda A, B, and C, Thondoni, Magweni, Mukhoro, Doli, Thenga, Madzhiga, Mathothwe, Mavhina and Tshivhade. For the purpose of data collection and sampling, focus group interviews were conducted in the following manner:

Unstandardised interview and open-ended questions were used for the interviews conducted with focus groups within the Mashau area. For purposes of this study, interviews were conducted with the following focus groups:

- The Royal Council of Mashau. It is composed of the Chief of Mashau village and his respective headmen of the 12 residential areas or zones.
• 4 groups from the civil leaders of Misevheyambwenda A as a sample for other residential zones were interviewed. Each group should consist of at least not less than 8 people, with the representation of the working and non-working men and women – both the poor and the affluent within the society.

• 4 groups of about 8 people each from the non-working citizens in the vicinity of Misevheyambwenda A, who are not serving in any societal structure, were also interviewed.

• 1 group of about 8 local business people was also interviewed.

• 4 groups of about 8 people each from the Community Faith-Based Structures in the vicinity of Misevheyambwenda A were interviewed.

• Interviews were also conducted with the councillor of ward 16 and the mayor of Makhado municipality with a view to determine the role that the local government is playing in the fight against poverty in Mashau area.

• Interviews were also conducted with the committee of ward 16 of the Makhado municipality.

To avoid the researcher's biases in determining the needs and a strategy for poverty alleviation in the rural area of Mashau, the representative of the traditional and civic leaders were requested to comment on the researcher's findings, interpretation and evaluation.

1.6 CHAPTER LAYOUT

Chapter Two: The core existing variables for measuring levels of poverty in South Africa
Chapter Three: Current strategic initiatives for poverty alleviation in South Africa
Chapter Four: The scale, manifestations and causes of poverty in Mashau
Chapter Five: Towards a strategy for poverty alleviation in Mashau
Chapter Six: Conclusion
CHAPTER TWO
THE CORE EXISTING VARIABLES FOR MEASURING LEVELS OF POVERTY IN SOUTH AFRICA

2.1 Introduction

The main objective of this chapter is to identify the core existing variables that are used to measure levels of poverty in South Africa. This will form a framework within which poverty and poverty alleviation strategies should be understood and developed in Mashau. This chapter therefore seeks to answer the following questions:

- What is poverty in the South African context?
- Which criteria should be used to measure poverty in South Africa?

2.2 Defining poverty in South Africa

Poverty in the South African context is very complex because of its multidimensionality (Mokate, 2004:3). Its complexity is further compounded by the non-economic connotations that the word poverty has acquired. Poverty has been associated, for example, with poor health, low levels of education or skills, an inability or unwillingness to work, high rates of disruptive or disorderly behaviour, and improvidence. The definition of poverty has conventionally been located along a continuum ranging from 'absolute', to 'subjective' to 'relative' and its relativity is confined to time, place and culture. Broadly, the term poverty can be used and defined by many different approaches to monitor poverty (compare 2.6). The following can serve as typical examples:

- Traditionally, poverty has been defined as the lack of basic needs (Burkey, 1998:3; cf. PovertyNet, 2004:1). Poverty is hunger. Poverty is lack of shelter. Poverty is being sick and not being able to see a doctor. Poverty is not having access to school and not knowing how to read. Poverty is not having a job, is fear for the future, living one day at a time. Poverty is losing a child to illness brought about by unclean water.
In line with traditional definition, the United Nations Development Programme (UNDP) defines poverty as a denial of human rights to adequate nutrition, literacy and unemployment. Poverty is powerlessness, lack of representation and freedom. Accordingly, those who are experiencing poverty are denied various choices and opportunities basic to human development. This means the inability to lead a long creative and healthy life, to acquire knowledge, to have freedom, dignity, self-respect and respect for others and to have access to the resources needed for a decent standard of living (Bikam, 2004:2).

The World Bank (2000:15) outlines that to be poor is to be hungry, to lack shelter and clothing, to be sick and not cared for, to be illiterate and not schooled. But for poor people, living in poverty is more than this. Poor people are particularly vulnerable to adverse events beyond their control. They are often treated badly by the institutions of state and society and excluded from voice and power in those institutions (compare 2.6.2).

Poverty can also be described in both physical and monetary terms. May (1998:8) defines poverty as the inability to attain a minimal standard of living, measured in terms of body consumption needs or the income required to satisfy them. It is therefore conventional to draw up a 'poverty line', reflecting the monitory value of consumption which separates the 'poor' from the 'non-poor' (compare 2.6.1).

The Reconstruction and Development Programme (RDP) defines poverty as a large pool of unemployment (Motloung & Mears, 2002:534). That is why one of its objectives was to address the income inequalities that characterize the South African economy with any view to economic growth and job creation. That is why Agenda 21 on sustainable development noted among others that the South African Government has adopted a Reconstruction and Development Programme (RDP) as its national strategy to combat poverty and unemployment (Agenda 21, 2004:1).
In the South African context, the definition of poverty evolved with time. According to Everatt (2003:87):

- In the 1960s poverty was defined by income;
- In the 1970s, relative deprivation and the basic needs approach became dominant;
- In the 1980s, non-monetary concepts were added, including powerlessness, vulnerability, livelihoods, capabilities and gender.
- The 1990s saw the use of well-being and 'voice' in defining poverty, while the rights-based approach has dominated the first decade of the new millennium.

In addition to the definitions of poverty outlined above, Donnison (2001:89) noted that no matter how poverty is defined, *unacceptable hardships* lie at its core. The following diagram is a good illustration of this point and can also be applied to the South African situation:

According to Donnison (2001:90-92), different concepts of poverty can be categorized under the following conditions:

- **Material conditions**: lack of basic necessities (*need*), living below a poverty line (*standards of living*), and deprivation from housing, education, etc. (*multiple deprivation*). 

![Diagram showing the different concepts of poverty](image-url)
• **Economic position:** inability to access clean water for example (*inadequate command over resources over time*), inequality, and social class distinction.

• **Social position:** lack of entitlements, dependency on the state's social benefits, insecurity and vulnerability, and social exclusion.

It is very clear from the above-mentioned that poverty has many faces as determined by time, place and culture. According to Alcock (1997:9), the history of poverty exists within a dynamic and changing social order; to some extent it is created by, or at least recreated by, the social and economic policies that have developed over time to respond to or control it like the above-mentioned case of South Africa.

### 2.3 Poverty and inequality in South Africa

According to De Jongh (2002:444), poverty in South Africa is closely related to inequality. In South Africa deprivation has been exacerbated and reinforced by legislation which not only created an inequality greater than that of most countries in the world but also assailed the very humanity of millions of people. Poverty and inequality are two distinct concepts which are closely related or connected to each other. Poverty is a prescriptive concept whilst inequality should be seen as a descriptive concept. Ligthelm (1993:3) noted that "poverty is concerned with absolute standard of living of a part of the population, i.e. the poor who are not able to attain a minimum standard of living, whereas inequality refers to the relative standards across the whole population."

The South African economic context displayed a high degree of inequality among its population. Statistics show that there is a wide gulf between grinding poverty and massive wealth (Wilson & Ramphele, 1989:17). The gap between the rich and the poor is reflected along racial lines. The high rate of unemployment, cheap labour, exploitation, job reservation, and other South African labour laws of the period between 1902 to 1971 ensured that many blacks remained poorer, while many whites generally enjoyed a very privileged position economically. South Africa’s income disparities are extreme (see Lemon, 1976:43) and in economic terms they could better
be described in terms of poverty and wealth with the majority of poor people being blacks (Kritzinger, 1994:96).

According to the UNDP (2003:70), the growing income and wealth inequality, if not properly addressed in any given context, impedes sustainable development by contributing to a rise of poverty, distorting the utilisation of society’s productive resources, frustrating the growth potential of a country and jeopardising the sustainability of its environmental well-being. South Africa is no exception, when the rich gets richer the poor gets poorer. It is not surprising that Ligthelm (1993:2) noted with great concern that the extent of racially unbalanced income distribution (relative poverty) in South Africa is a highly contentious issue that merits serious attention.

2.4 Poverty and employment

According to the RDP (1995:4), poverty and employment status are closely linked: most of the poor do not have jobs and those who do, work for low wages – often far away from their families. This makes the poor very dependent on pensions and remittances, and hence vulnerable. Many of the poor live in substandard housing; most have no access to piped water, electricity or modern sanitation. As a result, they are afflicted with diseases of poverty, and have to spend hours every day fetching water and wood (see De Jongh, 2002:445).

Unemployment stats in South Africa are very rife¹ because of the high percentage of people who are not economically active. Forty one (41) percent of South Africans were considered to be unemployed in line with the survey conducted by Statistics South Africa. The largest number of these people is found in KwaZulu Natal and Limpopo, with the later being the most disadvantaged because they are more vulnerable to severe limitations on employment probabilities (Bhorat, 2004:15).

¹ The unemployed may be categorised as follows (Torres et al., 2000:83):
- Rural unemployed with almost no training (28%).
- Urban unemployed with almost no training (13%).
- Youthful unemployed with no labour experience (36%).
- Long-term unemployed with no labour experience (6%).
- Those with labour market experience and some training (15%).
- The poor who have good training (1%).
2.5 Urban and rural poverty in South Africa

Poverty in South Africa has two different faces, namely urban and rural poverty. The majority of poor people in South Africa are living in the rural area. While 50% of the population of South Africa is rural, the rural contain 72% of those members of the total population who are poor as compared to those in urban areas. The poverty rate (which is the proportion of people in a particular group or area falling below the poverty line, and which measured widespread poverty) for rural areas is 71% (May, 1998:8). This study therefore mainly focuses on rural poverty; hence the outline of the characteristics of the rural poverty is real. Some of the most prominent characteristics of rural poverty in South Africa are:

- Geographical isolation
- Alienation from kinship and the community
- Inadequate public services
- Lack of development infrastructure
- Food insecurity
- Use of basic forms of energy
- A lack of adequate paid, secure jobs
- Fragmentation of the family (Woolard, 2002:2), and
- Vulnerability which is not only characterized by a lack of assets, but also by inability to devise an appropriate coping strategy in times of crisis (May, 1998:7).

Consequently, specific indicators for measuring poverty will be looked at.

2.6 Measuring indicators of poverty

Poverty in the South African context falls under three categories, i.e. absolute, relative and subjective poverty (see 2.2). Absolute poverty refers to percentage of people who have to make ends meet with a wage that is below that required for a basic and

---

2 Absolute poverty is often known as subsistence poverty, since it is based on assessments of minimum subsistence requirements (Haralambos & Heald, 1985:140).
dignified existence whilst relative poverty\(^3\) refers to the inequality of wealth and incomes (Van Wyk, 2004:5; cf. Burkey, 1998:3). Subjective poverty\(^4\) refers to a systematic analysis of individual or household financial satisfaction without comparing it with others (Ferrer-i-Carbonell & Gërxhani, 2004:4). Almost half or more than half of the South African population live in absolute poverty. The question is: What are the criteria or indicators used to measure poverty in the South African context?

South Africa has no single standard procedure in measuring poverty. It is always very difficult to reach consensus on what constitutes a poverty line in South Africa. Some of the methods that can be used are the following:

2.6.1 The income or expenditure approach

Poverty line according to this method is drawn in accordance with one’s income or expenditure as being below a particular value or level. According to Ngwane et al. (2001:202, 203), the following are regarded as three types of poverty line (see also 2.2):

(a) Absolute poverty line

Individuals and households are said to be living in absolute poverty when they earn less than the agreed poverty line in monetary terms within the context of a specific country or region. Van Wyk (2004:5) noted that absolute poverty refers to percentage of people who have to make ends meet with a wage that is below that required for a basic and dignified existence.

According to the UNDP (2003:89), the estimation of the poverty line is based on (a) the calculation of the minimum dietary requirements of individuals, (b) the estimation of the share of food in total expenditure of the bottom 20 per cent of the South

\(^3\) Relative poverty is measured in terms of judgements by members of a particular society of what is considered a reasonable and acceptable standard of living and style of life according to the conventions of the day (Haralambos & Heald, 1985:142; Haralambos, Holborn & Heald, 2000:291-299).

\(^4\) Subjective poverty line provides individuals, households, and communities to define their state of affairs. According to Haralambos & Heald (1985:143-144), the concept of subjective poverty is important since, to some degree, people act in terms of the way they perceive and define themselves.
African population, and (c) the application of the Orshansky (1965) method of estimating poverty thresholds by dividing the cost of the minimum dietary requirement for a person (a) by the above share (b).

In the absence of the standard procedure in measuring absolute poverty line in South Africa, [http://www.natweb.co.za/DOCUMENTS/poverty1.pdf](http://www.natweb.co.za/DOCUMENTS/poverty1.pdf) presents the following diagram as representing different standards conventionally applied in South Africa by different institutions:

**Table 1**

**Standards conventionally applied in South Africa**

<table>
<thead>
<tr>
<th>Category</th>
<th>Norm</th>
<th>Abbreviation</th>
<th>Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Poverty Line</td>
<td>Poverty Datum Line</td>
<td>PDL</td>
<td>Food, clothing, fuel &amp; lighting, washing &amp; cleansing, rent, transport</td>
</tr>
<tr>
<td></td>
<td>Minimum Living Level(^5)</td>
<td>MLL</td>
<td>PDL plus: Tax, medical expenses, education household equipment replacement</td>
</tr>
<tr>
<td></td>
<td>Supplementary Living Level(^6)</td>
<td>SLL</td>
<td>Increased MLL provisions plus: Recreation &amp; entertainment, personal care, pension, UIF, medical/ burial contributions</td>
</tr>
<tr>
<td></td>
<td>Household Subsistence Level(^7)</td>
<td>HSL</td>
<td>As for PDL</td>
</tr>
<tr>
<td></td>
<td>Household Effective Level(^8)</td>
<td>HEL</td>
<td>HSL plus 50%</td>
</tr>
<tr>
<td>Other</td>
<td>Household Expenditure Datum Line(^9)</td>
<td>-</td>
<td>Household expenditure as defined in the October Household Survey(^10)</td>
</tr>
</tbody>
</table>

Failure to have one standard procedure in measuring absolute poverty in South Africa makes the task to measure the scope and nature of extreme poverty very complex. It is

---

\(^5\) Bureau for Market Research (BMR)  
\(^6\) Statistics South Africa  
\(^7\) University of Port Elizabeth (UPE)  
\(^8\) Bureau for Market Research (MBR)  
\(^9\) Statistics South Africa  
\(^10\) Statistics South Africa

University of South Africa  
Measuring Poverty (2000)

University of South Africa  
Measuring Poverty (2000)

University of South Africa  
October Household Survey (OHS:1996)
made difficult by the fact that consensus cannot be reached on what constitutes a poverty line. The following are typical examples of differences that exist:

- In 1994 terms, the Human Science Research Council (HSRC) used R840 per month per adult equivalent (a household of two adults and three children) as the poverty line in urban areas, and R740 per month per adult equivalent in rural areas (Naudé, 1997:44).
- Using the Income and Expenditure Surveys of 1995, a poverty line of R354 per month per adult equivalent was derived as the national poverty line for 1995 (UNDP, 2003:41).
- A ‘Living Standards Development Survey’, commissioned by the RDP office in 1996 and undertaken jointly by the World Bank and the Southern African Labour Development Research Unit, defined poor people as those whose cut-off expenditure level was below R301 per month per ‘adult equivalent’ and, for the poorest, R178 per month (De Jongh, 2002:445).

Depending on how absolute poverty is defined, between 45 percent and 55 percent of all the people in South Africa presently live in absolute poverty. For purposes of this study, a diagram of trends in absolute poverty, as outlined by UNDP (2003:41), will be provided. This will serve as an illustration of the poverty gap within the South African society that continues to have gender, race, family-type and spatial dimensions.

Table 2

<table>
<thead>
<tr>
<th></th>
<th>National poverty line</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Population below the poverty line (%)</td>
</tr>
<tr>
<td></td>
<td>2002</td>
</tr>
<tr>
<td>National</td>
<td>48.5%</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>45.9%</td>
</tr>
<tr>
<td>Female</td>
<td>50.9%</td>
</tr>
</tbody>
</table>
According to http://en.wikipedia.org/wiki/Relative_poverty, relative poverty is a poverty measure based on a poor standard of living or a low income relative to the rest of society. Poverty in this regard is measured in terms of the inequality of wealth and incomes between people and groups in a country and between countries in the world.

Unlike absolute poverty, relative poverty does not necessarily imply that physical human necessities of nutrition, health and shelter cannot be met; instead it suggests that the lack of access to many of the goods and services expected by the rest of the contemporary society leads to social exclusion and damaging results for the individuals and families in relative poverty. A huge disparity between income and wealth distribution exists in the South African context. People of different races,
gender and localities can be compared (Van Wyk, 2004:43). This is illustrated in the diagram of the UNDP (2003:43) below:

### Table 3


<table>
<thead>
<tr>
<th></th>
<th>National poverty line</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Population below the poverty line (%)</td>
</tr>
<tr>
<td></td>
<td>2002</td>
</tr>
<tr>
<td><strong>National</strong></td>
<td>18.0%</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>17.8%</td>
</tr>
<tr>
<td>Female</td>
<td>18.2%</td>
</tr>
<tr>
<td><strong>Race</strong></td>
<td></td>
</tr>
<tr>
<td>African</td>
<td>21.5%</td>
</tr>
<tr>
<td>Coloured</td>
<td>11.6%</td>
</tr>
<tr>
<td>White</td>
<td>2.4%</td>
</tr>
<tr>
<td>Asian/Indian</td>
<td>4.4%</td>
</tr>
<tr>
<td><strong>Family type</strong></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>24.3%</td>
</tr>
<tr>
<td>Couple with no children</td>
<td>26.6%</td>
</tr>
<tr>
<td>Couple with children</td>
<td>11.8%</td>
</tr>
<tr>
<td>Single parents</td>
<td>20.7%</td>
</tr>
<tr>
<td><strong>Province</strong></td>
<td></td>
</tr>
<tr>
<td>Western Cape</td>
<td>8.5%</td>
</tr>
<tr>
<td>Eastern Cape</td>
<td>27.9%</td>
</tr>
<tr>
<td>Northern Cape</td>
<td>19.6%</td>
</tr>
<tr>
<td>Free State</td>
<td>20.3%</td>
</tr>
<tr>
<td>KwaZulu-Natal</td>
<td>18.9%</td>
</tr>
<tr>
<td>North West</td>
<td>21.9%</td>
</tr>
<tr>
<td>Gauteng</td>
<td>7.9%</td>
</tr>
<tr>
<td>Mpumalanga</td>
<td>20.0%</td>
</tr>
<tr>
<td>Limpopo</td>
<td>23.5%</td>
</tr>
</tbody>
</table>
Subjective poverty lines are based on households' perception of their needs. Those who use this method also use income as a monetary indicator of the scale of poverty within households, but they depend solely on the information provided by a particular household without using the equivalency scales with other households as the household itself takes size into account when providing the information on income.

2.6.2 The Unmet Basic Needs (UBN) method

This approach of drawing the poverty line inquires whether the household is actually satisfying the needs by asking about the products actually consumed, namely food, safe drinking water, health and education. These are essentials for one to survive and live long (see Marker, 2003:1). Those people who do not have access to the basics of life are therefore regarded as poor people.

2.6.3 Capacity approach

Accordingly, the Human Development Report of the United Nations Development Programme (UNDP, 1996) was the first to introduce the concept of Capacity Poverty Measure (CPM). They noted that this method is composed of indicators that reflect the percentage of the population with capability shortfalls in three dimensions, namely living a healthy and well-nourished life, having the capability of safe and healthy reproduction, and being literate and knowledgeable (Ngwane et al., 2001:203). If used, capacity approach can shed light on aspects of the human condition and their development within a particular context.

2.6.4 The human poverty approach

According to the UNDP (2003:43, 44), the human development index (HDI) is a measure of a country's economic and social well being, introduced by the United Nations Development Programme (UNDP). This approach in measuring poverty within the context of a specific society concentrates on deprivation in three essential dimensions of human life reflected in the Human Development Index (HDI):
longevity, knowledge and a decent standard of living. It is asserted that this indicator is constructed to determine the extent to which people live long, informed and comfortable lives, and which combines measures of life expectancy and education levels, and standard of living. According to the Human Development Index (HDI), South Africa has reached only a medium level of human development (UNDP, 1994:129-131). The country's Gross Domestic Product (GDP) per capita is also used in measuring poverty (May, 1998:7; cf. Bhorat et al., 2004:1).

According to the Human Development Report (HDR) statistics, South Africa ranks number 119 with the following figures in 2002:

- **Life expectancy at birth** 48.8
- **Adult literacy rate (% ages 15 and above)** 86.0
- **Combined gross enrolment ratio for primary, secondary and tertiary schools** 77
- **GDP per capita (PPP US$)** 10,070
- **Life expectancy index** 0.40
- **Education index** 0.83
- **GDP index** 0.77
- **Human development index (HDI) value** 0.666
- **GDP per capita (ppp US$) rank minus HDI rank** -66

### 2.6.5 Asset-based index

According to the World Bank (2001:11), asset-based approaches highlight the paucity of various kinds of capital as a major element of deprivation and as an indicator of vulnerability, since assets provide a buffer against adverse shocks. In the asset-based approach, poverty within households is measured according to the rates of ownership of individual households in comparison with others within a specified area. According to Bhorat et al. (2004:1), an asset index can be constructed using data on household durables (for example, owning a radio, refrigerator etc) and household characteristics (for example, the number of rooms in a house or sanitation facilities).
2.6.6 Approach to be used for this study

As already noted above, there are a number of documented measures of poverty that can be used in South Africa. A poverty line for household-level measurement of poverty will be used. Two development indices based on Census '96 will be used, namely:

a) The Household infrastructure index constituted by the following variables:
   - Living in formal housing
   - Access to electricity for lighting
   - Tap water inside the dwelling
   - A flush or a chemical toilet
   - A telephone in dwelling or cellular telephone
   - Refuse removal at least once a week
   - Level of education of household head
   - Monthly household expenditure

b) The Household circumstance index constituted by the following variables:
   - Unemployment rate (expanded definition);
   - Average household size; and
   - Children under the age of five years (Statistics South Africa, 2000:73).
   This will be coupled with "participatory poverty assessments" (PPAs) (see 4.4).

2.7 Characteristics of poverty in South Africa

According to the RDP (1995:3-4), poverty in South Africa has:

- One of the worst records in terms of social indicators (health, education, safe water, fertility) as compared to other middle-income developing countries.
- A strong race dimension. Nearly 95% of South Africa’s poor are African, 5% are Coloured; less than 1% are Indian or White. Africans have nearly twice the unemployment rate (38%) of Coloureds (21%), more than three times the unemployment rate of Indians (11%), and nearly ten times the unemployment rate of Whites (4%) (cf. De Jongh, 2002:444, 445).
A strong rural dimension. Compared to the poor in urban and metropolitan areas, the rural poor suffer from higher unemployment rates, lower educational attainment, much lower access to services such as water and electricity, as well as lower access to productive resources. In South Africa, 75% of the poor people are in the rural areas (De Jongh, 2002:445).

A strong regional dimension. Nearly two thirds of South Africa’s poor live in three provinces: the Eastern Cape (24%), KwaZulu-Natal (21%) and the Limpopo Province (18%).

A strong employment dimension. Unemployment rates among the poor stand at 50% compared to only 4% among the richest 20%. In addition, many of the poor are out of the labour force due to illness, disability, catching-up with education, or domestic duties.

A strong gender and age dimension. Female-headed households have a 50% higher poverty rate than male-headed households. A higher proportion of working-age women live in poor households; and a higher proportion of the poor elderly are women (61%).

2.8 Conclusion

It can be concluded that poverty in South Africa is linked to high unemployment, hunger and malnutrition, inability to pay for – or lack of access to - health care and basic services, disintegration of families, vulnerability, risk of homelessness, and sometimes despair. The burden is also heavier on women than on men; and children are the victims (see RDP, 1995:3). Poverty in South Africa has many faces, and the core variables to measure the levels of poverty in South Africa include social, economic and political indicators.

This chapter therefore forms the basis or framework within which poverty and poverty alleviation strategies in Mashau will be understood and developed. The definition of poverty and the core variables to measure the level of poverty in South Africa has direct implications for the definition and variables to be used in measuring poverty levels in Mashau. Subsequently, current strategic initiatives for poverty alleviation in South Africa will be analysed.
3.1 INTRODUCTION

At the core of South Africa’s development agenda is the eradication of poverty and inequality. Since the democratic government came into power in 1994, significant strides were made towards poverty alleviation in this country. Policies were and are still formulated in an effort to provide solutions to the problem of poverty as experienced by the majority of people in South Africa — the majority of which are in the rural areas (compare 2.5). It is therefore the objective of this chapter to study and outline current strategic initiatives for poverty alleviation in South Africa.

3.2 CURRENT STRATEGIC INITIATIVES FOR POVERTY ALLEVIATION

3.2.1 Reconstruction and Development Programme (RDP)

The Reconstruction and Development Programme (RDP) is an integrated, coherent socio-economic policy framework. It is a working document by the South African government in order to work out how best to deal with poverty and inequality in the South African context. It seeks to mobilize all South Africans and the country’s resources towards the final eradication of the results of apartheid and building a democratic, non-racial and non-sexist future for all. Accordingly, RDP is an integrated programme, based on the people that will provide peace and security for all and build a nation. It links reconstruction and development and deepens democracy (RDP, 1994a:2; cf. RDP, 1994b).

According to RDP (1994a:2), challenges facing the RDP are:

- To shift expenditure patterns to new priorities that meet RDP goals at national, provincial and local levels of government.

22
• New inter-government fiscal relations to improve transparency and accountability.
• To restructure and transform state and parastatal institutions to deliver the RDP.
• Restructuring of the civil service for optimal utilization of human resource.
• Fiscal discipline to reduce public debt and contain government consumption.
• Investment in our people through education and skills development.
• Partnership between government, business, trade unions and civil society.
• Return of law and order and creation of an environment for investment.
• Ushering in democratic local government structures to deliver RDP.
• Transforming society to take responsibility for its own development.

The RDP was to be implemented by the government in partnership with civil society. The implementation of the RDP had the following goals and objectives:

• To plan according to the needs of the people and involve them in decision making.
• To create jobs and transfer skills to people, thus integrating them with the economy.
• To get the best value for money, account for every cent and penalize corruption.
• To make the public service efficient, productive, transparent and accountable
• To transform government institutions and harness their energy to fulfil the RDP (RDP, 1994a:2-3).

Projects to be executed through the RDP were:

• Free education for 10 years,
• Rebuilding of schools,
• Free health care for pregnant mothers and children under six years,
• Electrification of 350 000 households in 1994/5,
• Rebuilding violence-stricken townships,
- Extension of basic services such as clean and safe water, adequate sanitation and refuse removal to rural and urban areas,
- Job creation and support for small and medium enterprises,
- Land reform and land restitution,
- A national literacy programme and
- Small scale farmer development.

**Stakeholders**, to ensure that the RDP becomes a successful government strategy for poverty alleviation include, among others:

- Business
- NGOs
- Civics
- Communities
- Politicians
- Mass organizations
- Trade unions
- Civic service
- Parastatals
- Local authorities

South Africa's **central goal for reconstruction and development** through the RDP was to create a strong, dynamic and **balanced economy** that will:

- Eliminate poverty, low wages and extreme inequalities in wages and wealth generated by the apartheid system, meet basic needs and thus ensure that every South African has a decent living standard and economic security,
- Address economic imbalances and structural problems in industry, trade commerce, mining, agriculture, finance and labour markets,
- Address economic imbalances and uneven development within and between South Africa's regions,
- Ensure that no one suffers discrimination in hiring, promotion or training on the basis of race or gender,
• Develop the human resource capacity of all the South Africans so that the economy achieves high skills and wages,
• Democratize the economy and empower the historically oppressed, particularly the workers and women and their organizations, by encouraging broader participation in decisions about the economy in both the private and public sectors,
• Create productive employment opportunities at a living wage for all South Africans,
• Develop a prosperous and balanced regional economy in Southern Africa based on the principles of equity and mutual benefit, and
• Integrate with the world economy in a manner that sustains a viable and efficient domestic manufacturing capacity and increase the potential to export manufactured products (Lefenya, 2002:43, 44).

3.2.2 Growth, Employment and Redistribution (GEAR)

The Growth, Employment and Redistribution (GEAR) was a macro-economic strategy presented by the Ministry of Finance in June 1996, after the RDP could not make inroads into bringing about the envisaged results of fighting against poverty by creating more jobs for the South Africans. GEAR’s main purpose was to provide the South African government with a document with a comprehensive and well-integrated macro-economic strategy. One of the major objectives of GEAR was to enhance the credibility of the South African government by signalling to the international investor community South Africa’s commitment to a stable macro policy. Moreover, the fiscal policy was designed to solve the employment crisis through significant growth increases (World Bank, 2002a:270).

Accordingly, GEAR envisaged creating 1.3 million jobs by 2000; the goal never being realized. This optimistic projection could only have materialized, according to the GEAR document, if the labour unions were prepared to give their co-operation in labour market reform and in wage moderation, and if almost a third of the additional jobs could have been created by infrastructural expansions in the public sector. The GEAR stressed the need for market-led growth, fiscal and monetary discipline, and
investor confidence. It depended mainly on foreign investment and flexibility of the labour market by encouraging a free market ideology (Terreblanche, 1999:5).

3.2.3 Privatization

According to Jonker (2001:263), privatization is a comprehensive economic, social and political strategy that is designed to increase competitive market forces. It is aimed at reducing or eliminating market imperfections by reducing that of the private sector in the ownership, control, and management of the economy’s productive resources. According to Pfiffner and Shwayder (Jonker, 2001:263-264), government privatization can take the following forms:

- Contracting out
- Deregulation
- Franchises
- Grants/subsidies
- Leasing
- Service shedding
- Managed competition
- Procurement
- Sale of assets
- Vouchers

A program of privatization was first launched in South Africa in 1987 by the then president, PW Botha (Johnson, 1990:1). Accordingly, it was meant to be an economic policy of the Republic aimed in providing economic stability and development. Private institutions were said to be useful tools in generating more wealth for the country. Consequently, state owned assets such as Iscor, Eskom, South African Transport Services (SATS), Telkom, hospitals, and many more were to be privatized.

Many black politicians, including the current president of South Africa, Thabo Mbeki, and the Congress of South African Trade Unions (COSATU) were very sceptical about this policy. It was seen as an effort by white South Africans to remain in the very core of South African economy, because it is only the white elite who are in the
position to purchase all the state owned assets that were to be privatized. Accordingly, it only favoured those South Africans who already enjoy economic advantage (Johnson, 1990:4-5).

It was without doubt that the African National Congress was at this stage very much in favour of nationalization, the acquisition by the state of property previously held by private persons or companies (Van Niekerk, 2001:309). This was one of the fundamental principles enshrined in the Freedom Charter as adopted at Kliptown in 1955 by the ANC where it was clearly indicated that the national wealth of our country, the heritage of South Africans, shall be restored to the people. Among others, this included the mineral wealth beneath the soil, the Banks and monopoly industry (Spindler, 2004:v).

It was in 1996 that the ANC-led government decided to endorse the macro-economic policy documents that support the sale of state assets. In a document published at the end of August 2000 the government indicated its willingness to push ahead on privatization. The major state-owned enterprises (SOEs) in 2002 were still ESKOM (energy sector), TRANSNET (transport sector), TELKOM (telecommunications sector) and DENEL (defence industry) with each dominating its sector. They also comprised 91 per cent of estimated total state assets and 77 per cent of all employees in the top 30 SOEs (OECD, 2002:275).

The adoption of privatization by the ANC-led government, as one of the economic policies of South Africa alongside nationalization, marked a major shift from its earlier stance. Accordingly, the idea of privatization in South Africa was born as a reaction of the failed promise of nationalization in combating the massive poverty in the country (Spindler, 2004:xi). The adoption of privatization is therefore an effort by government to create some form of competition, efficiency, service delivery and job creation in the mainstream of the South African economy. It is seen as both an essential source of income for government and a tool of competition policy aimed at improving productivity in the former state-owned enterprises (OECD, 2002:275).

According to Rowless and Bradberry (2004:45), since the adoption of privatization, it has made inroads at the local government level – carried out by ANC-dominated local
councils. The local councils have since privatized water, electricity, garbage collection, policing, and many other services.

In conclusion, the World Bank (2002a:261) provides the following summary of privatization of public enterprises in South Africa:

- Sixteen transactions had gone through by 2000, six in manufacturing and ten in the services sector.
- The total sales value of these transactions amounted to 2,461 US$m.

3.2.4 Black Economic Empowerment (BEE)

The Black Economic Empowerment (BEE) is an economic strategy by the South African government aimed at bringing more blacks to participate in the mainstreams of the economy of this country. Since 1994, the ruling African National Congress (ANC) and the government have implemented a variety of programmes to foster the emergence of a black bourgeoisie as a crucial component of the government’s policy of ‘black economic empowerment’ (Iheduru, 2004:2).

Strategically, the black middle classes, especially an entrepreneurial bourgeoisie, would become the vanguard of black integration with the economic mainstream. The empowerment of an entrepreneurial black bourgeoisie will in itself create a major fighting force against poverty in South Africa; hence the BEE is regarded by the government as a nation building strategy. The South African government has also used privatization to advance BEE goals by requiring bidders for divested state assets to satisfy minimum ‘empowerment’ equity ownership/participation in the privatized company. The government’s main push centred on procurement policies favouring firms that had women as well as black and disabled people as partners, and consequently affirmative procurement was born (Dludlu, 2005:34; cf. Iheduru, 2004:11).
The Black Economic Empowerment is not without its flaws. It is struggling to move beyond the few black elite it has created. It has turned former politicians into businessmen, i.e. Matthew Phosa, Tokyo Sexwale, Cyril Ramaphosa and Sakumzi Macozoma. By so doing it has failed to benefit the majority of the poor people of South Africa (Dludlu, 2005:34).

Furthermore, BEE has been abused in a number of ways. Among others, Dludlu (2005:34-36) noted the following:

- Some white companies use blacks as fronts to win government tenders.
- In some cases, white businessmen have registered their black gardeners as company directors without the employees' knowledge.
- Some opportunist blacks are also participating in these kinds of appointments which are just tokenism.
- Some white companies see it as a risk to their companies and therefore they hesitate to employ blacks in top managerial posts.

Without any doubt, BEE has not done enough in terms of promoting faster economic growth, or substantially cut poverty and unemployment. According to Dludlu (2005:36), black ownership of listed companies is still less than 10% of all publicly quoted companies on the national bourse.

3.2.5 Land redistribution

Land redistribution is part of the land reform strategy by the South African government as part and parcel of its effort to redistribute wealth to the most disadvantaged and those who were marginalized during the apartheid era (Sibanda, 2001:5).

Land redistribution is part of the government's effort to redress the social injustices of the past forced removals. The overall picture regarding land redistribution is that it is aimed at poverty reduction, justice for those who were dispossessed of their land, food security for the rural poor whose economic means is still agrarian, to provide rural transformation and economic growth (Walker, 2004:1).
When the government started the land reform programme, it adopted the market driven policy of willing-seller, willing-buyer approach. This approach failed to deliver land to the masses of the poor people in South Africa. Deputy President Phumzile Mlambo-Ngcuka believes that this approach to land reform should be changed for the benefit of the poor. These are the words that she uttered during the national land summit in Nasrec, Johannesburg, at the end of July 2005. According to Molefe (2005:21), opposition political parties, except the Freedom Front-Plus and African Christian Democratic Party (ACDP), concurred that the current market-driven land reform programme is slow and will not transform the racially unequal land ownership patterns or contribute towards sustainable livelihoods.

3.2.6 Urban Development Strategy

In 1996, the government issued the *Urban Development Framework* as an effort to redress and undo apartheid-induced segregation, certain fragmentation and inequality in South African cities. The Reconstruction and Development Programme (RDP – compare 3.2.1) form the basis of this strategy. The RDP is the basis of the policy framework for the government's Urban Development and Rural Development Frameworks aimed at promoting sustainable human settlements in South Africa (Government, 1997: 19).

According to Chikulo (2003:4, 5), the Urban Development Framework seeks to undo the injustices of apartheid by setting down programmes for restructuring the apartheid city as follows:

- Integrated planning that targets the poor through less rigid zoning, more flexible planning mechanisms, etc;
- Planning higher-density land-use through densification and enhanced public transport;
- Reform of the urban land and planning system;
- Development of coherent strategies for inner-city redevelopment, township upgrading, urban infill, the reintegration of apartheid buffer zones, and provision of open space for recreation;
• Developing effective urban transportation and restructuring commuter transport subsidies;
• Establishing sound environmental and disaster management, particularly concerning dangers facing settlements of the urban poor such as fire and flood.

The policy document on Urban Development Strategy was also aimed at poverty alleviation among the urban poor, the majority of which are Africans. According to Agenda 21 – South Africa, investing in Urban Development involves upgrading and the construction of new housing, restoring and extending infrastructure services, alleviating environmental health hazards, encouraging investment, and providing job opportunities and social and community development. Accordingly, promoting Urban Economic Development and Creating Institutions for Delivery requires significant transformation and capacity-building. Consequently, Urban Strategy has seven strategic goals:

• To create efficient and productive cities with less poverty and sustained by dynamic economies;
• To reduce existing infrastructure and service disparities;
• To provide better housing and shelter and greater security of tenure for urban residents;
• To encourage affordable growth of local economies;
• To tackle spatial inefficiencies, especially the mismatch between where people live and work – to improve the quality of the urban environment;
• To transform local authorities into effective and accountable local government institutions;
• To establish safe and secure living and working environments (http://www.polity.org.za/html/govdocs/rdp/urban1.html?rebookmark=1).

3.2.7 Rural Development Strategy

The Rural Development Strategy of the Government of National Unity is the first document that directly addresses issues of rural development. The Ministry in the Office of the Presidency released the Rural Development Strategy as a discussion
document in 1995. This was followed by the publication of this document as the Rural Development Framework by the Department of Land Affairs in May 1997. The Rural Development Strategy is one of the government’s economic policies aimed at providing a vehicle for more efficient, speedy and accountable rural development with a view to poverty alleviation. The Rural Development Framework (RDF), the government’s policy document based on the RDP, addresses the issues of how to involve rural inhabitants in decisions affecting their lives. Rural people are given the opportunity to set their own priorities in this regard. To achieve this, rural people need good information, increased capacity to evaluate, and access to planning, implementation and monitoring support. The government is the key partner in this regard (Chikulo, 2003:4)

According to http://polity.org.za/html/govdocs/rdp/rural1.html, some major goals of Rural Development are:

- Helping rural people set the priorities for development in their communities, and supporting their access to government and non-government funding in promoting local economic development;
- Creating greater equality in resource use in the rural areas, especially
  - land, through better security of tenure, restitution and reform programmes, and farmer support to all producers,
  - water, through extension of services, extension of rights, changes in the Water Act,
  - financial services, for production inputs, infrastructure development, and access to land, through extension of services, through appropriate policy development following the report of the Commission of Inquiry into the Provision of Rural Financial Services,
  - management, through training and capacity building.
- Increasing access to services through the provision of physical infrastructure and social services such as water and sanitation, transport, health services, and schooling;

Rural areas are those areas that have lowest level services, and the longest average distance to the nearest service points. They include large scale farming areas, much - but not all - of the ex-bantustan areas, and small municipalities with little potential to raise taxes sufficient to meet the costs of services (http://polity.org.za/html/govdocs/rdp/rural1.html).
- Increasing farm and non-farm production in poor rural areas, increasing the incomes of poor rural men and women;
- Improving the spatial economy of rural South Africa, including through coordination and cooperation with the Southern African region;
- Ensuring the safety and security of rural people.

Land reform, farmer support, Small, Micro and Medium Enterprise (SMME) development and job creation schemes are among specific strategies for Rural Development, as proposed by various government agencies. According to http://polity.org.za/html/govdocs/rdp/rural1.html (2004:2,3), the following rural development strategies will be implemented:

- **Creation of the structures of local government and local coordination** that will allow rural people to set the local development agenda, influence development in the district and province, influence the infrastructure investment programme and maintain the assets created, and access and control service delivery.

- **The use of the state's commitment to rural infrastructure development and the improvement or rural services** as the spur to developing local government through national and provincial departments' insistence on involving communities in planning and managing projects and their budgets, and maintaining the assets created.

- **The use of the capacity building programmes** which are available through various government departments and the Transitional National Development Trust to assist local government and community organizations in the development process.

- **Creation of access to information** for planning and implementing development projects and programmes at local level. This will allow communities to set priorities, measure progress and ensure that they meet the requirements of government programming.

- **Appointment of Community Development Facilitators** with skills in mediation, participation, facilitation, project management, bookkeeping, and in gender issues to be employed by rural councils. They will be responsible
for carrying out the state’s commitment to local level facilitation and mediation, and for bringing the concerns of the poorest, less organised groups in the community on the policy agenda.

- **Ensuring fair and equitable access to social welfare**, especially for those who have rights to pensions, but have so far not obtained access to the system.

### 3.2.8 Local Economic Development (LED)

According to Mufamadi (2000:1), Local Economic Development (LED) is an outcome based local initiative and driven by local stakeholders. It involves identifying and using primarily local resources, ideas and skills to stimulate economic growth and development. When the government initiated Local Economic Development (LED), it was aiming at creating employment opportunities for local residents, alleviate poverty, and redistribute resources and opportunities to the benefit of all local residents.

Accordingly, LED is an ongoing process in addressing identified socio-economic needs in a given community. There is no single approach to LED which will work in every local area, because each local area has a unique set of opportunities and problems and must develop an LED strategy (or combinations of strategies) that is specific to the local context. But it should be noted that Local economic development initiatives always take place in the context of the regional, national and global economies (Mufamadi, 2000:1, cf. Nel, 2000:1010).

The government encourages the municipalities to play a significant role in promoting local economic development by ensuring that they seek means and ways of addressing poverty, joblessness and redistribution in their local areas. This is basically because the concept of “developmental local government”, as encouraged by the South African government, encourages local government to work with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs, and improve the quality of their lives. Municipalities in South Africa are therefore required to participate in various economic development programmes of provincial and national government (Mufamadi, 2000:2).

34
Direct roles of municipalities in LED are:

- **Policy formulation and leadership** in integrated development planning and spatial planning, including the formulation of Integrated Development Plans (IDPs) and Land Development Objectives (LDOs), procurement policy, etc.
- **Collation and interpretation** of economic intelligence, for example conducting research and maintaining data bases and city indices.
- **Co-ordination** of local initiatives and other government LED programmes.
- **Provision of business infrastructure**, particularly in previously disadvantaged areas.
- **Development initiatives** for inward investment (Mufamadi, 2000:27).

Indirect roles of municipalities in LED are:

- **Creation of an enabling environment**, including rendering better services.
- **Improvement of operational efficiency**, for example quicker processing of licensing applications.
- **Attraction of development funding** for the locality.
- **Dissemination of information** on LED, in conjunction with Department of Provincial and Local Government (DPLG), South African Local Government Association (SALGA) and other stakeholders (Mufamadi, 2000:27).

The DPLG has been pivotal in transforming the apartheid machinery by establishing state institutions and meeting basic needs. From 1999 the priority of DPLG was to build a new developmental system of local government as the platform for service delivery, development and local democracy. Between 2004-2007, the DPLG works closely with national government departments, provincial governments, the South African Local Government Association (SALGA) and other key partners and stakeholders to realize the following strategic objectives:

- Ensure stability, predictability and efficiency of the governance system;
- Strengthen provincial governance and accountability;
- Ensure effective functioning and sustainability of local government;
- Monitor performance and evaluate delivery; and
- Strengthen the DPLG corporate capacity (DPLG, 2004:1,2).

According to the Minister of Provincial and Local government Fholisani Mufamadi, DPLG is committed to inspire a higher economic growth rate, reduce unemployment and poverty by half by 2014, provide skills required by the economy, build capacity and provide resources across society to encourage self-employment (DPLG, 2004:2).

The South African Local Government Association (SALGA) is an integrated, sustainable organized local government association with a mission to:

- Act as the voice of local government in provincial, national, regional and international relations;
- Strengthen the capacity of municipalities;
- Serve as a centre for knowledge and information management by the provision of professional, value adding products and services (GAFFNEY GROUP, 2004:16).
3.2.9 Integrated Development Plan (IDP)

The Municipal Systems Act (South Africa, No. 32 of 2000) requires every municipality in South Africa to prepare a strategic development plan known as Integrated Development Plan (IDP). IDP is at the heart of the business of local government. This applies to municipalities in all three categories: Metropolitan (Category A), District (Category B) and Local Municipality (Category C) (Mulaudzi, 2002:11).

Integrated Development Planning is a municipality's principal strategic instrument to map out its future plan in addressing issues of planning, management, finances and investment, performance targets and economic development, taking into account the input from all the stakeholders (http://www.jorbug.org.za/city_vision/idp.stm). Integrated Development Plans of different municipalities should therefore include:

- The municipal council’s vision of the long-term development of the municipality, emphasizing its most critical development and transformation needs;
- An assessment of the existing level of development in the municipality;
- The municipality’s development strategies;
- A spatial development framework for the municipality;
- The municipality’s operational strategies (i.e. how the necessary institutional, organizational and financial capacity and resources will be mobilised); and

Having mentioned the above, it should be noted that there is a close relationship between LED (see 3.2.8) and Integrated Development Planning. A municipality can use LED strategies to achieve its developmental objectives. During the IDP planning process, municipalities will identify a number of socio-economic needs in the community that can be addressed through LED initiatives and other strategies. According to Mufamadi (2000:28), the municipality should then:

- Determine what role it can play in those LED initiatives;
- Decide how municipal structures or agencies will participate in the LED activities;
- Budget funds for the LED activities of those municipal structures;
- Decide on how to co-ordinate the LED activities with the rest of the municipality; and
- Decide how to co-ordinate the LED activities with organizations at other levels of government and in the rest of society.

By drawing together the municipality’s developmental objectives, priorities, strategies and budgets in this way, the IDP helps to ensure co-ordination between LED and other initiatives of developmental local government, as well as co-ordination with the initiatives of agencies in other spheres of government. Consequently, the effective integration of local economic development and poverty alleviation requires that:

- Local governments must ensure effective alignment between macro and local-level policies.
- The impact of macro-economic and sectoral policies on the local economy and on vulnerable groups must be well understood.
- An early warning system for identifying sectors in decline in particular areas and developing appropriate measures has to be implemented.
- A monitoring and evaluation system to assess the impact of national, provincial and local policies on poverty and inequality has to be developed and implemented (Mokate, 2004:15).

3.2.10 The Integrated Sustainable Rural Development Strategy (ISRDS)

President Mbeki announced the programme of Integrated Sustainable Rural Development Strategy (ISRDS) during the State of the Nation Address in February 2001. ISRDS is designed to realize a vision that will attain socially cohesive and stable rural communities with viable institutions, sustainable economies and universal access to social amenities, able to attract skilled and knowledgeable people who are equipped to contribute to growth and development (Neto, 2004:51).
ISRDS is another effort by the South African government in its attempt to improve opportunities and well-being for the rural poor. A strategic objective of the ISRDS is to ensure that, by the year 2010, the rural areas would attain the internal capacity for integrated and sustainable development (World Bank, 2002b:15). According to Pieterse and Donk (2002:10), this strategy is anchored in the generation of local economic development (LED), which is targeted through nodal development. It has been designed to promote the systematic coordination of current government initiatives and programmes within specifically identified spatial nodes, namely OR Tambo, Alfred Nzo, Chris Hani and Ukhahlamba in the Eastern Cape; Ugu, Umzinyathi, Umkhanyakude and Zululand in KwaZulu-Natal; Central Karoo in the Western Cape; Maluti-A-Phofung in the Free State; Kgalagadi in the Northern Cape/North-West; and Sekhukhune and Bohlabela in Limpopo/Mpumalanga (http://www.dplg.gov.za/html/progs/ISRDP.htm).

According to http://www.dplg.gov.za/html/progs/ISRDP.htm, the core principles of the ISRDP are:

- To promote participatory development in an integrated manner by ensuring that appropriate decision-making involves local communities and three spheres of government;
- To promote co-operative governance across all three spheres of government;
- To promote the values of the Constitution and the principles of Batho Pele\textsuperscript{14} (People First);
- To integrate various government rural development initiatives;
- To develop the capacity of local government to effectively implement the ISRDP;
- To adhere to the principles of good governance and the Public Finance Management (PFMA);
- To target the rural poor, women, youth and disabled in particular.

\textsuperscript{14} Batho Pele (People First) is a relentless search for increased efficient and effective delivery of services to the people by the people (SAMDI, 2004:19). In essence, the concept of human development and human centred approach to service delivery and sustainability is the integral part of Batho Pele.
3.2.11 The New Partnership for Africa's Development (NEPAD)

NEPAD was born on 23 October 2001 in Abuja, Nigeria. Countries that are said to have initiated or founded NEPAD are five, namely South Africa, Nigeria, Algeria, Senegal and Egypt (see Da Costa, 2005:20; cf. Kanbur, 2002:87, Makgetlaneng, 2003:46). It is a strategic initiative by African leaders like President Mbeki of the Republic of South Africa to spearhead the renewal of the socio-economic and political life of Africa. It is therefore the tactical means by African political leaders to have access to the socio-political and economic resources of developed countries (G7/G8) to achieve the strategic objectives of socio-economic development of the African continent. Its proponents therefore hope that, on the strength of its advocacy and in the spirit of the ‘new partnership’, levels of official aid and private capital flows to Africa will increase and be sustained (Da Costa, 2005:18).

Poverty eradication in Africa, South Africa included, is high on the agenda of NEPAD. According to South African Government (2001:17), NEPAD is a pledge by African leaders, based on a common vision and a firm and shared conviction, that they have a pressing duty to eradicate poverty and to place their countries, both individually and collectively, on a path of sustainable growth and development, and at the same time to participate actively in the world economy and body politics. Without any doubt it is anchored in the determination of Africans to extricate themselves and the continent from the malaise of underdevelopment and exclusion in a globalising world. In this regard, Africa recognizes that it holds key to its own development. NEPAD is therefore based on the principles of good governance, African ownership and leadership, and broad participation by all sectors of society (http://www.acops.org/Nepad.htm).

Since its inception, NEPAD is not without challenges. Among others, Da Costa (2005:18-20) includes the following:

- Criticism by many civil society activists in Africa who are blaming African leaders for caving in to 'neo-liberalism' by accepting the principles and policies underpinning the much-vilified structural adjustment programmes (SAPs) of the 1980s and 1990s. NEPAD is accused of having internalized
privatization and private sector-led growth, liberalization, and the inevitability and desirability of globalization.

- The growing perception among Africans that NEPAD is a Trojan horse for South Africa's expansionist economic ambitions. South Africa's pre-eminence is manifested in many ways - on the shelves of African supermarkets, in mediation efforts from Democratic Republic of Congo (DRC) to Côte d'Ivoire, in stewardship of NEPAD and in moves to reform the UN security council as well as the Bretton Woods institutions. These are said to be efforts by President Thabo Mbeki to annex Africa in the name of the 'African renaissance'. In this regard some argue that for NEPAD to become a regional hegemon is South Africa's manifold destiny.

- The growing rivalry between NEPAD and the African Union (AU). There certainly appears to be a conflict between NEPAD's promotion of the idea that more developed countries must take the lead, and the solidarity model inherited by the AU from the Organizations of African Unity (OAU), which puts each of its 53 member states on an equal footing and insists that none must leave the other behind.

- NEPAD's patent lack of participation. As already indicated, NEPAD was initiated by five countries that took it to the G8 and announced it as the plan that would save Africa, with no consultation among Africa's people. Consequently, many groups have written it off as a scion of the new global imperialism.

In conclusion, for NEPAD to make inroads into the African continent and reach its objectives, it must in the first place focus its strength and limited resources in delivering services to those countries that it has access to or have the comparative advantage. And in the second place it should start engaging African countries to understand and join hands in what it stands for (Da Costa, 2005:20).

3.3 CONCLUSION

The challenge to fight poverty in South Africa is a daunting one. Despite its shortcomings, the democratic government of South Africa is committed to fight
poverty and ensure equality for all its citizens. In his "State of Nation Address" on 25 June 1999, President Mbeki re-iterated his government’s commitment to poverty and inequality alleviation through his challenge to the nation to create “a caring society” and strongly emphasizing that local economic development was crucial to urban renewal and an integrated rural development strategy (Chikulo, 2003:5).

The above-mentioned economic policies and strategies of the government in the effort to alleviate poverty is a clear indication that the issue at stake is at the very core of the government’s development policy and strategy. The question that remains to be answered by this research is: How far did these solutions offered by the government reach to the plights of rural areas like Mashau?
CHAPTER FOUR
THE SCALE, MANIFESTATIONS AND CAUSES OF POVERTY IN MASHAU

4.1 INTRODUCTION

The objective of this chapter is to determine the scale, manifestations and causes of poverty in Mashau. The quest of determining the scale and manifestations of poverty in Mashau will be done within the entire South African context. For that reason, this chapter will mainly focus on outlining the poverty situation in macro, meso, and micro spheres of the South African context. Having done that, the manifestations and causes of poverty in Mashau will be outlined. The descriptive method of recording the outcomes of the unstandardised interviews, used in compiling the information forming the better part of this chapter, will be used. This will be integrated with the government statistics of 2001 regarding ward 16 of Makhado municipality in the Limpopo Province.

4.2 A PROFILE OF MASHAU

4.2.1 History

Mashau village derives its name from the Mashau clan and is under their chieftainship. The current chief of the Mashau village is Khosi vho-TRV Mashau who is the 14th generation of the Mashau dynasty. According to the results of the unstandardised interviews conducted with the Royal Council as led by Mr GS Mashau (chairperson), there is a hierarchy of traditional structures at Mashau, namely:

(a) The Task Team of the Royal Family

Top of the hierarchy is the Task Team of the Mashau Royal family. It consists of the sisters of the chief's father (vhomakhadzi), the chief's sisters (dzikhadzi) and the chief's father's brothers (vhavenda). The chief is not a member of this committee, but
he is always consulted when serious decisions are to be made. These people deal with issues of:

- The appointment of the heir to the throne. The chief has a say in who is to be his successor, but the Task Team has the final say. They can as well decide to topple the chief if he is not ruling according to the clan’s stipulations and statutes passed through oral tradition from one generation of the clan to the next.
- The marriage of the chief, especially with regard to the wife who should give birth to the chief’s successor to the throne. Traditionally the chief can marry many wives, and therefore it is up to the task team to decide which house will give birth to the chief’s heir (ndu ya vhuhosi).
- The clan’s veneration to the ancestors (thevhula).
- The initiation of the youths into adulthood, which is male and female circumcision (murundu for the male and vhusha for the female). They also organise the snake dance (omba).

(b) The Royal Council

Second from the top is the Royal Council. This council consists of the headmen (magota) from the royal family, the chief’s father’s brothers (vhavenda and makhotsimunene). The chief is the president of this council. They focus on issues of governance and also act as advisors to the chief.

(c) The Territorial Council

Territorial Council is third from the top. It consists of 1 representative of the residential zones and their headmen. This is in line with the local government statutes. The secretary and the treasurer in the Tribal office also serve in similar portfolios in this structure. These people nominate the executive committee consisting of three headmen, 4 representatives of the community, the secretary and treasurer. The chief serves as an ex officio in this council. They deal specifically with administrative issues of the community, namely:

- Customary fees – paying fees for stands.
- Issues of land distribution.
o Fines given to those who are found guilty of minor offences that the Territorial Council is allowed to deal with.

o Organises traditional dances, such as Tshikona, Tshigombela, Matangwa, Tshifasi, and Malende.

Because of the political landscape of South Africa, the Royal and Territorial Councils are now obliged by the government to work in cooperation with the ward councillor\textsuperscript{15} and committee\textsuperscript{16} as representatives of the mayor of the municipal council of Makhado. The ward committee of ward 16 consists of representation from the business people, traditional structures and the vulnerable groups of the society, i.e. youth, people living with disability and women. The traditional structures of Mashau village should also work with the Civic Committee that represents the community at large. For the sake of the social and human development of the village, these structures should work hand in glove with one another to guarantee success. The results of the interviews conducted with all the structures mentioned above point to the fact that there is cooperation and respect within all these structures. They are able to consult one another in a harmonious way without causing any confusion among the citizens.

4.2.2 Location

Mashau village is situated in the Limpopo Province and, according to the Local Government demarcations, is part of ward 16 of Makhado Municipality. Ward 16 excludes Thondoni, Tshivhade and Mavhina\textsuperscript{17} which belongs to Mashau village, but integrated Tshiphuseni which is under Masia. For purposes of this study, the government statistics of 2001 will be used for sampling purposes to give us a picture of how poverty manifests itself at Mashau.

Mashau village is located in a distance of 50 km from the city centre of Makhado Municipality which is known as Makhado. Mashau village is situated to the East of

\begin{footnotesize}
\begin{itemize}
\item[\textsuperscript{15}] The ward councillor is democratically elected to be the ward councillor by people who vote during the local government elections.
\item[\textsuperscript{16}] The ward committee mainly focuses on issues pertaining to service delivery and human development from the municipality or local government level.
\item[\textsuperscript{17}] Thondoni, Mavhina, and Tshivhade are under ward 17 which also include part of Bungeni and Nwaxinyamani.
\end{itemize}
\end{footnotesize}
Makhado City, formerly known as Louis Trichardt. Mashau borders Levubu on the southern side, Masia on eastern side, Bungeni on the south east side, Valdezia on the north and Nwaxinyamani on the south west. Mashau village consists of more than 13 000 people who are distributed in 15 residential zones (mivhundu), namely:

- Misevheyambwenda A
- Misevheyambwenda B
- Misevheyambwenda C
- Magweni
- Thenga
- Madzhiga
- Mukhoro
- Doli
- Mathothwe
- Mavhina
- Tshivhade
- Thondoni
- Tshilaphala
- Lwalani
- Mukhoro

4.2.3 Ethnic and language composition

The Mashau people are part of the Vhavenda people who are a more composite people with basically one language, 'Tshivenda'. According to Van Warmelo (1935:117), "...the people of Venda division form a culture complex of exceptional homogeneity." Their language has slight dialectic differences, i.e. Tshilafuri, Tshironga, Tshiphani (which is considered the standard form), Tshinia, Tshimbedzi, Tshitavhatsindi and Tshilembethu. This is due to the fact that the Vhavenda tribe is composed of different sibs (mitupo), i.e. Vhatavhatsindi, VhaKwevho, VhaDau, Ndou, VhaMbedzi, Vhafamadi and so on. The sib of Mashau people is Vhafamadi and they speak Tshironga. They have had linguistic influences from Tsonga (Shangaan) and Sotho (the Pedi) neighbours (see Stayt, 1931:9; cf. Burnett-van Tonder, 1987:3; Mashau, 2004:63).
4.2.4 Vegetation

Mashau village is a valley with mount Mashau separating Lwalani and Thondoni from the other residential areas or zones of Mashau. Mashau village can be categorized as a savannah and grassland; it is an area exposed to draught. Its temperatures range from 9—27 degrees Celsius in winter and 27—39 degrees Celsius in summer. Rain is normally expected during summer time.

4.3 DEFINING POVERTY IN MASHAU

For purposes of this study, poverty in the rural area of Mashau is defined as a multidimensional phenomenon, encompassing the inability to satisfy basic needs; lack of control over resources; lack of education and skills; poor health; malnutrition; lack of shelter; poor access to water and sanitation; vulnerability to shocks, violence and crime; and the lack of political freedom and voice (compare 2.2). The results of the interviews conducted with all the stakeholders indicate that people at Mashau also perceive poverty as:

- Lack of income
- Lack of jobs
- Food insecurity
- Lack of proper housing
- Lack of sanitation
- Access to electricity
- Access to proper health care
- Unavailability of land for agriculture
- Availability of clean water
- Lack of education
- Lack of parents or family

4.4 MEASURING POVERTY IN MASHAU

For purposes of this study, “participatory poverty assessments” (PPAs) will be used to measure poverty at Mashau. This approach is based on community-level discussions intended to elucidate local perceptions of the nature of poverty, the assets of the poor,
the constraints they face and the influence of the household dynamics (World Bank, 2001:11). Government statistics of 2001 will also be used.

4.4.1 Scale of Poverty in South Africa: Macro-context

An overwhelming majority of black South Africans share an immediate experience of poverty on a daily basis. According to the Committee of Inquiry into a Comprehensive System of Social Security for South Africa (the Taylor Committee), between 20-28 million South Africans [45-55% of the population] are living in poverty, depending on which poverty line is used (Pieterse & Van Donk, 2002:3; cf. May et al., 2000:48).

The majority of the poor people in South Africa live in rural areas (Statistics South Africa, 1999:6; cf. 2.6.1, 2.7). That is why De Jongh (2002:442) noted, among others, that the underlying issue here is that the young South African democracy has thus failed to deliver the full benefits of the citizenship to large numbers of people, but conspicuously to local communities in the rural areas. He notes with great concern that less attention is given to people who reside in the former ‘homeland’ areas¹⁸ and on commercial – and, for the most part, still white-owned-farms.

4.4.2 Scale of Poverty in Limpopo Province: Meso-context

Limpopo Province is one of the nine provinces of South Africa situated in the Northern part of the Republic. It lies within the great elbow of the Limpopo River and is a province of dramatic contrasts from true Bushveld country to majestic mountains, primeval indigenous forests, latter-day plantations, unspoilt wilderness areas and a patchwork of farming land. The province’s capital city is Polokwane and it has a population of 5.5 million people. The main languages spoken are Sepedi, Xitsonga, Tshivenda and Afrikaans. [http://www.southafrica-newyork.net/consulate/provinces/northern.htm.](http://www.southafrica-newyork.net/consulate/provinces/northern.htm)

¹⁸ These areas also include Mashau village.
In 1995 the Limpopo Province was the poorest of the nine provinces of the Republic of South Africa. The economy inherited by the Limpopo Province in 1994 was the second smallest economy in the country in terms of Gross Geographic Product (GGP). In 1998, May (1998:8) as compared to 2.6.1 table 2 noted that the Limpopo Province was the 4th from the bottom among the nine provinces of the Republic. Provincial poverty rates are highest for the Eastern Cape (71%), Free State (63%), North-West (62%), Northern Province (Limpopo Province) (59%) and Mpumalanga (57%), and lowest for Gauteng (17%) and the Western Cape (28%). Poverty is deepest in the Eastern Cape, Free State and Northern Province, which together make up 36% of the population but account for 51% of the total poverty gap. Prior to and up to 1994, the unemployment rate in the Limpopo Province was growing at 16% per annum.

In spite of the smallest economy inherited, Limpopo Province has the potential and capacity of become an economic force to be reckoned with in the rest of the country and the continent as such because of its rich minerals (copper, asbestos, coal, iron ore, platinum, chrome, diamonds, phosphates and gold). There are also vast farming and agricultural opportunities. Investments in the mining, agriculture and the trade (tourism) sectors have the potential to take the economy of the Limpopo Province to greater heights.

Since 1994, the provincial government has adopted an integrated approach towards development as the growth strategy of the province. This effort paid dividends to date. For the first time in its history, the province experienced a positive growth rate in employment in the year 2000 (Budget Statement No.1 for the Limpopo Province in 2003/04). Despite this economic growth, the poverty rate in Limpopo is still very high. According to the report *Measuring Poverty in South Africa*, which was published by Statistics South Africa in August 2000, the Eastern Cape is the poorest in terms of average monthly household expenses, followed by the Free State and the Limpopo Province, with the richest province being Gauteng, followed by the Western Cape (Statistics South Africa, 2000. Executive Summary).
4.4.3 Scale of Poverty in Mashau: Micro-context

The rural areas of South Africa suffer from a legacy of inappropriate production and investment decisions by government and the rural population. The rural areas of South Africa have a population of about 16.9 million people — 45% of the country’s total population. Over 70% of rural African households live in conditions which are inadequate or intolerable in terms of their access to shelter, energy, water and sanitation and rural women are a particularly vulnerable group. This is also the case with people at Mashau. The majority of this people are poor because they live under the poverty line of 1$ per day and they have no access to basic needs nor do they own valuable properties (compare 2.6; 4.3).

4.5 MANIFESTATIONS OF POVERTY IN MASHAU

Poverty should therefore be understood as a condition that manifests itself in a number of ways, including the lack of income, insufficient resources and vulnerability to social, political, environmental and economic shocks (Mokate, 2004:3). Outcomes of the unstandardised interviews will be revealed and integrated with the information from the South African government statistics of 2001 to determine the manifestations of poverty in Mashau.

4.5.1 Demographic characteristics

The total population of Mashau is more than 13 000 with a total number of more than 2607 households. The household size ranges from 1 to 10 members and above per individual household. The 2001 statistics figures reflect the following:

<table>
<thead>
<tr>
<th>Household Size</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>177</td>
</tr>
<tr>
<td>2</td>
<td>246</td>
</tr>
</tbody>
</table>
4.5.2 Economic Characteristics

High levels of poverty prevail in Mashau because the majority of people who should be economically active are not. One thousand one hundred and seventy nine (1 179) people are employed compared to 1 275 unemployed persons, and 4 323 that are not economically active. The majority of people who are working are working as government employees in government institutions19 within Mashau and outside. The 2001 statistics highlights the following:

Table 5

<table>
<thead>
<tr>
<th>Industry</th>
<th>Persons 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture/Forestry/Fishing</td>
<td>180</td>
</tr>
<tr>
<td>Community/Social/Personal</td>
<td>273</td>
</tr>
<tr>
<td>Construction</td>
<td>72</td>
</tr>
<tr>
<td>Electricity/Gas/Water</td>
<td>18</td>
</tr>
<tr>
<td>Financial/Insurance/Real Estate/Business</td>
<td>69</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>96</td>
</tr>
<tr>
<td>Mining/Quarrying</td>
<td>0</td>
</tr>
</tbody>
</table>

19 Schools, post office, tribal office, and clinic
The majority of working people are earning less than R2 000 per month. The better part of their budgets is spent on transportation to work such as busses and taxis that ferry people to nearby farms in Levubu, industrial areas such as Makhado and Thohoyandou. Apart from the working few, a high percentage of people living in Mashau depend on social grants for the pensioners for subsistence.

The little income that different households receive is also supplemented by small-scale farming. Every household is normally expected to plough and plant maize and groundnuts at least once per year. There are also a number of households that grow vegetables such as tomatoes, onions, spinach, cabbage and so on for subsistence. There are also few individuals who grow vegetables to sell to the community at large.

Water is always a problem for everyone and therefore it is very difficult to grow these vegetables in large quantities except for the few who have boreholes in their backyards.

### 4.5.3 Social characteristics

The social indicators that are selected to measure the scale and manifestation of poverty in Mashau are access to health, education and shelter. The following can thus be mentioned:

#### 4.5.3.1 Shelter

Traditionally the majority of people living at Mashau reside in **thatch roof houses**. This state of affairs is changing rapidly because of the unavailability of grass to make thatched roofs or lack of money to buy grass for thatched roofs in the nearby farm areas where one still gets them in large quantities as compared to the village where...
they are very scares these days. Presently, a growing number of people are living in congregated or tile roof houses. Of course it is only those who are working or earning social grants that are able to improve their living conditions. According to the 2001 statistics, there are 1590 formal houses compared to 7 informal and 978 traditional houses. To date, the government has also built more than 249 RDP houses for some of the villagers with no or little income. According to the mayor of Makhado municipality, the ward councillor and the ward committee, it is on top of the government’s priority to allocate some of these houses to people living with disabilities. The government also promises to add more houses to the current number that they have already delivered.

The majority of households in Mashau have access to electricity. According to the government statistics of 2001, 1056 households had access to electricity as compared to 3 that used gas, 1020 that used paraffin, 519 that used candles, 6 that used solar, and 9 that used other source of energy for lighting. The number of households using electricity and solar have since increased rapidly. The interviews conducted with the mayor, ward councillor and committee points out that areas without electricity in Mashau include a small percentage of households from Thenga, Magweni, Doli, Mathothwe, Mukhoro and the whole of Madzhiga. The government is in the process of ensuring that before 2010 all these areas will be covered by electricity.

Households in Mashau do not have access to refuse removal by the local municipality structures. The majority of people have own dump within their yards. The 2001 government statistics indicated the following:

**Table 6:**

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Munic. weekly</td>
<td>6</td>
</tr>
<tr>
<td>Munic. other</td>
<td>6</td>
</tr>
<tr>
<td>Communal dump</td>
<td>3</td>
</tr>
<tr>
<td>Own dump</td>
<td>2025</td>
</tr>
<tr>
<td>No disposal</td>
<td>570</td>
</tr>
</tbody>
</table>
As for the sanitation, the majority of people in Mashau use pit latrine within their yards - the majority of which do not use chemicals in their toilets, with only a few middle class households that have access to flush toilets. Government statistics of 2001 indicated that there were 390 households that did not have toilets within their backyards.

With regard to access to clean drinking water, the majority of people do have access to water provided by the government. The interviews conducted with all the stakeholders, as outlined in 1.5, revealed that there are boreholes in all areas of Mashau except for Madzhiga where plans are under way to get them one. There are a few households (not more than 15) that have boreholes in their backyards.

The only problem with the water provided by the government is that those responsible for supplying water to the people can take longer going about it without really doing their task. Occasionally, they complain about the lack of diesel that the government should provide for the machines used to provide people with water. This condition makes life very difficult for those who would like to have vegetable gardens within their backyards. All stakeholders, as outlined in 1.5 agree that the provision of the electrified machines instead of diesel machines can solve this problem.

The majority of households in Mashau do not have telephones in their dwelling areas. In 2001, only 27 families had telephones in their dwelling areas as compared to 489 who had cell phones. Presently, many people have access to telephone via cell phones, public phones provided by Telkom, Vodacom, MTN and Cell C.

4.5.3.2 Education

At this present moment, the majority of young people have access to compulsory school education offered in government schools. There are 10 primary schools catering 13 zones of Mashau, as highlighted in Chapter One of this study. The following are the names of such schools and the areas that they are catering:
There are also 5 secondary schools in Mashau. These schools accommodate learners from all of the above-mentioned zones in Mashau without discrimination. These are the names of the schools and the areas or zones where they are situated:

**Table 8**

<table>
<thead>
<tr>
<th>Name of the School</th>
<th>Zone/ area where it is situated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vhafamadi</td>
<td>Magweni</td>
</tr>
<tr>
<td>Vhudzani</td>
<td>Thondoni</td>
</tr>
<tr>
<td>Nwaridi</td>
<td>Tshivhade</td>
</tr>
<tr>
<td>Kwara</td>
<td>Doli</td>
</tr>
<tr>
<td>Maligana Wilson</td>
<td>Misevheyambwenda A</td>
</tr>
</tbody>
</table>
Apart from these schools, some of the children from middle-class families attend private schools outside Mashau in the quest for better and quality education. These are children who board buses to independent schools such as Tshiveka Christian School in Thohoyandou (50 km from Mashau) and Theocentric Christian College at Matsila (15 km from Mashau). According to the 2001 government statistics, the highest education levels attained by over 20 year olds were as follows:

Table 9

<table>
<thead>
<tr>
<th>Persons</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>No schooling</td>
<td>2 319</td>
</tr>
<tr>
<td>Some primary</td>
<td>636</td>
</tr>
<tr>
<td>Complete primary</td>
<td>393</td>
</tr>
<tr>
<td>Secondary</td>
<td>1 506</td>
</tr>
<tr>
<td>Grade 12</td>
<td>645</td>
</tr>
<tr>
<td>Higher</td>
<td>345</td>
</tr>
</tbody>
</table>

The majority of these people will sight poverty as the root cause of their failure to continue with their education. They did not have money to pay school fees, stationary and school uniform. Currently, the majority of young people growing up in this vicinity can no longer raise such excuses, because the government has introduced free access to education to the poor and is also providing for the young ones through children social grants and a feeding scheme project in which primary school children receive food at school.

4.5.3.3 Health

In South Africa health hazards related to poverty and vulnerability to poor living conditions is one of the national problems facing the country. Health problems that are referred to here range from malnutrition, maternal and child-care, TB to HIV/AIDS. For instance, Lesch and Kruger (2004:464) noted with great concern that statistics indicate that HIV/AIDS and teenage pregnancies are prevalent among young
South African women. The rural poor are the most vulnerable to these types of conditions.

People living in Mashau have access to health service in the form of a public clinic that renders community service 24 hours per day. As part of the government policy, poor people are able to receive medical attention from nurses without paying a cent, so to speak. One thing good about the clinic in Mashau is that it has maternity facilities.

The only problem that the Mashau people are experiencing is overcrowding of patients because of understaffing and the non-availability of enough medication for all. Beside the clinic that is situated within the community, some people go to different traditional healers in the community. For Mashau people to access doctors, they must drive 20 kilometres to Levubu (where there is a general practitioner), 46 kilometres to Tshilidzini Hospital (near Thohoyandou), 27 kilometres to Elim Hospital (near Makhado - the former Louis Trichardt), and 56 kilometres to Makhado where there is a government hospital, clinic, private clinics and surgeries. For the poor people to see general and special doctors in the private sector, they must pay at least the consultation fee of not less than R120. Many poor people therefore settle for the government health institutions, which occasionally do not provide a service of good quality.

4.5.3.4 Security

Criminal cases and violence at Mashau are very sporadic, but statistics are on the rise because of criminal activities and fights that are started by desperate young people who start drinking in their teens. Consequently, the local policing forum requested the local government to provide a satellite police station, which is situated in the premises of the local traditional council.

According to the interviews conducted with the Royal Council, the enforcement of the traditional law or protocol of reporting cases is still very much in place. The traditional structures headed by the representatives of the Mashau royal family still have power to listen and prosecute some of the cases that are reported to them. Many
of the cases reported to them pertain to family issues and the disturbance of communal life within the community. Serious cases such as fights between two people who also hurt each other badly are reported to the satellite police station. The traditional structure does not handle criminal cases.

### 4.5.4 Political characteristics

Information from the outside world is always communicated through the traditional, civic and ward committee structures, which should from time to time liaise with each other. The community should always be informed about all job creation and service delivery opportunities coming their way through these structures.

According to the results conducted with all the stakeholders, there is good cooperation between each one of them. They do not undermine one another and they always make sure that they work in harmony. Whenever the headman and the chairman of the civic are to address people in the same gathering, during the funeral service for instance, they always speak through the mouth of one person (either the headman or the chairperson of the civic). Whenever there are issues concerning service delivery to be communicated to the citizens, the distribution of the RDP houses for instance, the mayor will always consult with the local structures via the councillor. Cooperation of different structures within Mashau is a positive thing in the effort to combat poverty within this village.

In conclusion, poverty in Mashau manifests itself mainly in the deprivation of housing, source of water, toilet, sanitation, electricity, education, better roads and so on. Lack of access to services is a main factor in this regard. Women and children in this area spend quality time fetching water and collecting firewood (see De Jongh, 2002:445).

Having defined poverty and outlined the scale and manifestations of poverty in Mashau, it is now imperative to outline some of the causes of poverty within this village.
4.6 CAUSES OF POVERTY IN MASHAU

As already noted in Chapter Two, the quest to understand and determine poverty in Mashau must be viewed within the context of poverty in South Africa. Effort to determine causes of poverty in Mashau requires a broader understanding of poverty within the entire South African context. Poverty in South Africa is influenced by inequality, unemployment, geographical isolation, lack of access to infrastructure and services, among others (compare 2.3, 2.4, 2.5 and 2.6). As for Mashau in particular, the following causes of poverty can be outlined:

4.6.1 Poverty and inequality

Any analysis of the causes of poverty in South Africa, and Mashau in particular, cannot ignore the consequences of a systematic and prolonged bias of racial inequality by the apartheid regime. This bias has been apparent for long in many areas, notably education, housing, health, agriculture, job-creation, and energy (De Jongh, 2002:444).

4.6.2 Inadequate access to employment opportunities

The majority of people interviewed complained that there is inadequate access to employment opportunities within the village, its neighbouring surroundings, Makhado municipality and the entire Limpopo Province. The local business people indicated that they are struggling to make means end, and therefore it is very difficult for them to create more employment opportunities. They also complain of Indian dealers whom they have accused of stilling their businesses by providing cheap goods to the local consumers. Some of the local business people like Ratshivhombela and Ramuhashi have resorted to rent out their trading stores to the Indian traders.

Rural areas like Mashau are geographically isolated from the mainstream of the country’s economic activity. Many of them are situated in a low resource base, low rainfall, and other inhospitable climatic conditions and therefore geographical isolation constitutes one of the major causes of poverty in most of the rural areas in South Africa.
4.6.3 Lack of proper education, qualifications and necessary skills

As already noted in 4.5.3.2, the majority of those who constitute the labour force at Mashau did not receive proper education. The results of the interviews conducted with a group of business people point out that lack of proper education, qualifications and necessary skills are some of the causes of poverty within the village. The mayor of Makhado municipality echoed the same words when he indicated that whenever job opportunities are available within the local government, they first look at the pool of people who are better qualified for the jobs. This leaves out those with little or no education.

4.6.4 Lack of access to information and expertise

The majority of people interviewed did not know much about government’s policies of service delivery and poverty alleviation's strategies. Some of them are still living in the RDP era with little knowledge of other government initiatives that are to follow the RDP era. Blame is given to the mayor and the councillor for not consulting enough with the local community regarding developments within the government on policy issues regarding rural development. Apart from the election campaigns in which the ward councillor appears prominently in the effort to lure people to vote for him or her, they do not hold consultation sessions with the people so that people in the grassroots level can set their own agenda based on current government policies on poverty alleviation.

It was only during the month of June 2005, when the MEC for public works of the Limpopo Province Mr. Thaba Mufamadi visited Mashau village for his department’s imbizo with the local people regarding service delivery that somebody from the government could inform the Mashau people about what the government can do and cannot do for them. He indicated that the slow pace of electrifying their households is mainly because the government is still guided by its priority list (http://www.zoutnet.co.za/news/details.asp?StoNum=3341).
4.6.5 Access to infrastructure

Many rural areas and informal settlements in South Africa are poor because they lack access to infrastructure such as paved roads, proximity to large markets, availability of schools and medical aid in the area. This also includes long distances to be covered before they reach local administrative centres like the municipal city council. Land redistribution is also an area of major concern.

The royal council of Mashau also indicated that the land which is ear-marked for providing plots for farming is still in the hands of white people in the vicinity of Tshilaphala, Luangavhuwa, Tshiapule, and Tshikumbuni which are part of land claims by the Mashau people to the government. The white owners of this part of land have already developed them into farms that are contributing meaningfully into the economy of this country, hence the Mashau people feel they should be compensated for the use of their land so that they can in turn use the money to develop their community.

4.6.6 Lack of access to services

The majority of Mashau people are poor because they lack access to service delivery by government. They lack the basics such as housing, water, electricity, medical attention, education, and so on. They also lack access to government and non-government funds intended for poverty relief and alleviation strategies and programmes.

All the groups consulted pointed out that service delivery on the part of the government to the Mashau people is very slow. During the imbizo with the MEC for public works Mr. Thaba Mufamadi in June 2005, the people of Mashau complained, among others, about the slow pace of electrification of their households, poor road conditions, shortage of water, sanitation, land claims and poorly built RDP houses. They also complained that the better part of the village is inaccessible as a result of the bad conditions of the gravel roads (http://www.zoutnet.co.za/news/details.asp?StoNum=3341).
4.6.7 Implementation

As noted in Chapter Three, the South African government has developed excellent economic policies and strategies to combat poverty, but the main problem lies with the interpretation and implementation of those policies and strategies by those who should execute them. People at grassroots are in most instances not consulted when these policies and strategies are to be implemented. This is also one of the causes of poverty in Mashau.

4.6.8 Individual deficiency

As for individual deficiency, reference is made to poverty caused by individuals, families, and communities who project behaviours towards their development. These are people who fail to pursue education, lazy to work, abuse drugs and alcohol, commit crimes, and do not exercise birth control. Their norms, values and behaviours subject them to extreme poverty because the culture of learning and working to provide for their needs is not encouraged (Mamburu, 2004:59). Some of the people within Mashau are poor because of this condition – individual deficiency.

4.7 DEVELOPMENT AT MASHAU

In terms of government service delivery and human development, there are positive signs at Mashau. The mayor, ward councillor and ward committee indicated that sporadic community based projects are undertaken at Mashau, namely:

- Sewing project with only about 10 women;
- Poultry farm;
- Garden project;
- 1 Piggery project;
- More than 15 orchards;

The government is also giving food parcels to a very small number of households on a monthly basis. These are the poorest of the poor. This is, however, just a drop in the ocean because they only distribute these food parcels to 7 households per residential zone. However, a serious backlog is experienced in terms of more job creation
opportunities. A large number of people remain unemployed and something must be done to help these people.

4.8 CONCLUSION

The purpose of this chapter was to study and outline the scale, manifestation and causes of poverty in the rural area of Mashau. The majority of people living in Mashau village are severely affected by both monetary and non-monetary poverty in that they have low levels of literacy (though there is some improvements in this regard), low wages, less access to land or equal employment, lack of infrastructures to be able to create more jobs and so on. The majority of people depend on social grants and small scale farming for subsistence.
5.1 INTRODUCTION

As already noted in previous chapters, Mashau is one of the villages in the Limpopo Province of South Africa with the majority of people living in poverty. Many people are unemployed and therefore many households mainly depend on government grants for living. A strategy for poverty alleviation within this village is long overdue. The objective of this chapter is to outline a strategic framework to address poverty at Mashau. This study notes with great interest efforts by government in providing policies and strategies in the fight against poverty in South Africa (see Chapter Three), but not every one of them are applicable to Mashau. The question to be answered then is: What should be included in a strategic framework to address poverty in Mashau? According to the World Bank (2002b:13), the strategic interventions fall into four broad categories, namely:

- Making governments and institutions work better for the rural poor
- Promoting widely-shared growth
- Enhancing management of natural resources
- Reducing risk and vulnerability

The application of strategic interventions differs depending on circumstances of individual countries and regions. Against the above-mentioned background, a poverty alleviation strategy - specifically aimed at the Mashau area - will be offered.

5.2 A POVERTY ALLEVIATION STRATEGY FOR MASHAU

The quest to outline a poverty alleviation strategy for Mashau is viewed within the framework of community development based on a people-centred approach. This is also embedded in the South African government's approach to emphasize the principle of "Batho Pele" (People First) as one of the core principles of the Integrated Sustainable Rural Development Strategy (IRDS) (compare 3.2.10).
A people-centred approach is an approach to development suggested by Coetzee (2001:120). In the midst of all definitions of development, this study mainly focuses on a people-centred approach because the introduction of other intervening variables alone, i.e. industrialization, new agricultural techniques and so on, will in itself not solve the problems of poverty in Mashau. Human capacity and development should form the core of all intervening variables that can be suggested and introduced at Mashau. People should be encouraged to appreciate their worth and the contribution that they can make to alleviate poverty in their midst. This calls for a holistic development strategy — ‘whole community strategy’.

Through skills development training, people at Mashau can be encouraged to rely not only on their resources, but on their abilities as well. If properly trained, mentored, and monitored, people of Mashau can contribute meaningfully towards the better and meaningful life of their community at large. People at Mashau should therefore be encouraged to build self-confidence and courage to face their challenges head-on with the assistance from government, non-government organizations and community faith-based structures. This is based on the assumption that people can surpass themselves if they share a common vision for a better life for all and participate in partnership strategically with other stakeholders in developing self-reliance community projects (cf. Coetzee, 2001:124, 125).

5.2.1 COMMUNITY BASED PROJECTS

In his research findings, Mokoena (2004) arrived at the conclusion that community-driven development projects are a useful tool towards poverty alleviation in South Africa. The goal of the community driven development approach is to build capacity

---

20 Coetzee (2001:120) gives about 10 different definitions of development of the past ages that evolved with time. 1. A concept carrying with it the connotation of a favourable change: moving from worse to better; evolving from simple to complex; advancing away from the inferior. 2. A form of social change that will lead to progress. 3. An increase in ability to control transformation of the social structure. 4. A process of directed, determined, or controlled change, leading to some form of economic growth, political autonomy, and social reconstruction. 5. A process that includes all aspects of life within a community and of people’s relationships with other people. 6. The mechanism for people to become more than they are. 7. The process of enlarging people’s choices, acquiring knowledge, and having access to resources for a decent standard of living. 8. A complex fusion of goods, services, information, and, particularly, symbols and meanings, that make it impossible to predetermine its ultimate destination. 9. The creation of a condition for the realization of each individual’s personality. 10. A vision of transformation and salvation, becoming the focus of the aspirations of people, and representing the direction defined as the one which is seen to be the most desirable.
of local governments concurrent with community capacity, so that local governments can gradually take over the responsibility of distributing funds to communities and overseeing their use. Government’s resources can in this regard be marshalled through its Integrated Sustainable Rural Development Strategy (ISRDS, see 3.2.10). When community development is undertaken, with a human-centred approach at the core of its service delivery, it also provides rural voices in the effort to attend to their own plight, alleviate poverty and encourage local economic development (World Bank, 2002b:16, 17). The same strategy should be applied at Mashau. Poverty can be alleviated at Mashau by introducing and implementing community based job creation and development projects. There are at this stage one sewing project, one poultry farm, one garden project and more than 15 orchards at Mashau (see 4.7), but this is just a drop in the ocean. It is imperative that more and more community driven projects should be initiated because the few that are there have only managed to absorb less than 50 people. Continuous sustainable projects that generate local employment are thus crucial. The entire Mashau village should at least have a minimum number of 15 community gardens, 15 poultry farms, 15 sewing projects, 4 brick laying projects, 4 piggery projects, 2 bakery projects and many more.

In the effort to introduce more community based development projects, stakeholders at Mashau and the government should take into consideration broader principles that are applied worldwide when such initiatives are undertaken. According to the World Bank (2002b:16), successful community development projects often embody the following principles:

- **Start small and grow gradually**, so that experiments that fail will not be costly. Grants as small as US$5,000 – 10,000 per community are enough to get started with. Build in processes for learning and adapting programmes according to emerging lessons.

- **Government must be prepared to provide technical and mechanical support** to communities and local structures that request them.

- **Create ex post accountability mechanisms** to assure that communities have used funds as intended.
- Include safeguards in project rules to ensure that all community groups are able to participate in project decisions, including ethnic and religious minorities, women, the handicapped, the poor and other groups that are normally excluded.
- Provide incentives to communities to select projects that address central government and international priorities, such as preventing HIV/AIDS and caring for its victims, protecting the environment, and providing safety nets for and reducing poverty among the poorest.

For the community projects to succeed, government and all stakeholders involved should make provision for **training** which should take the form of **in-service** and **mentoring** in different life skills\(^{21}\) (skills development). This should not be a once for all experience, it should be an **ongoing process**. Ongoing training should also pay attention to the question of ensuring that the small entrepreneurs that will emerge out of this initiative are in the position to create **marketing strategies** and **comprehensive business plans** for their projects. This will without doubt ensure **sustainability** and also attract **funding** from commercial banks and other financing institutions for small, medium and micro enterprises (SMMEs), government\(^{22}\) included. Ongoing training in work habits and the strengthening of values such as **productivity**, **reliability** and **self-development** are an integral part of sustainable community based projects, and their worth cannot be overemphasized.

### 5.2.2 COMMUNITY PARTICIPATION

Success can be attained in alleviating poverty at Mashau by ensuring community participation. The business plan for the community based development projects, the erection of a central community shopping complex (see 5.2.5), recreational and sporting facilities (see 5.2.6) should be a joint venture by community members. Local communities are critical to the planning and decision-making processes for social infrastructure delivery. The strength and sustainability of any economic activity

\(^{21}\) Life skills training should give training on how to handle personal and business funds (financial management), issues of self-worth (esteem), problem solving, negotiating skills, etc.

\(^{22}\) According to strategy (South Africa - the National Small Business Act, No 102 of 1996) the government has responsibility to support the development of small, medium and micro enterprises (SMMEs).
is without doubt largely dependent on the human resources driving and participating in such activities. Besides being the target users of infrastructure and services, they have the local knowledge and experience to support and even direct the policy, planning and delivery processes. Community ownership of projects and infrastructures developed is crucial (UNDP, 2003:114).

Any development strategy that ensures participation of all stakeholders within a community is without doubt putting a community at the heart of its development. According to Coetzee (2001:122) such an attitude to development creates opportunities for increased 'humanness'\(^{23}\) within the community. Increasingly in Africa, resources to execute development projects are delivered through programmes that empower communities to pursue their own priorities for development by providing financial resources, facilitation and technical services (World Bank, 2002b:14).

A forum representing all stakeholders within the community should be created and given the mandate to formulate a relevant strategy and framework that can be useful in combating poverty at Mashau. This will entail a thorough study of all government strategies and policy frameworks on poverty alleviation, i.e. LED, IRDS, Land reform, etc., as outlined in Chapter Three. By so doing it will help them to:

- Make an informed decision on what can or cannot work in their context in terms of government policies and frameworks on poverty alleviation (see Chapter Three).
- Acquire knowledge on what the government is able or not able to do for them, especially in the areas of funding and service delivery.
- Strategize on issues of the manner in which they can cooperate with government in all three spheres of governance and non-government organizations in the effort to alleviate poverty in their vicinity. They need to

\(^{23}\) Increased humanness as the basic ideal for development will imply a striving for:
- Social justice;
- Comprehensive consultation and joint decision-making;
- The alleviation of all forms of suffering (the satisfaction of basic needs);
- Respect for the local ecosystem as well as the local social and cultural patterns; and
- The advancement of people through their own endeavours (freedom of expression and impression) (Coetzee, 2001:122).
come up with a clear plan on how best they can make use of the government’s Expanded Public Works Programme, especially in the area of infrastructure development (see 5.2.5, 5.2.6 and 5.2.8).

5.2.3 COMMUNITY BASED DEVELOPMENT PLANNING

For the community of Mashau to succeed in alleviating poverty in their village, it is also recommended that they organize a community strategic planning workshop. SWOT\textsuperscript{24}-analysis should be conducted in a meeting where all stakeholders are represented, i.e. the poor in the community, local leadership (traditional leaders included), women, youths and people living with disability, government, non-government and faith-based organizations. This will bring about efficiency in service delivery. It is asserted that development planning is unlikely to be effective in the longer term unless it operates within a truly domestically driven vision of the future – not imposed from outside, not tied to party, tribe or sect, but driven by the local people (Dalal-Clayton \textit{et al.}, 2003:185). The underlying principle of community based development planning is that the community itself should develop a development strategy that will ensure the sustainability of their livelihoods via short-term and long-term programmes, and that, at the same time, strategy should always integrate human development aspect – it should therefore be human-centred.

5.2.4 STRUCTURAL CHANGE

It was outlined in Chapter Four that there is good cooperation between societal structures at Mashau, but in the effort to speed up the process of service delivery and job creation within this community, a service delivery committee should be formed. This will serve as an institution to manage planning and implementation of local economic development at Mashau. This committee will have as its mandate among others the following:

\textsuperscript{24} SWOT = S for Strength, W for Weaknesses, O for Opportunities and T for Threats. This will help the entire community to have a good understanding of the strengths and weaknesses of their community. This will also enable them to come up with a clear plan on how best they can become resilient and determined to move away from a dependency syndrome and become self-reliance. This will also enable them to come up with a clear plan on how best they can deal with partners outside their community.
• Mobilization of the entire community to participate in the effort to fight against poverty;

• Mobilization of local resources – allocation of land for small farming in collaboration with the traditional authorities and also coming up with strategies to ensure that local revenues are collected lawfully and distributed accordingly. Fundraising and effort to access government and non-government funds for poverty alleviation will form the integral part of what they will be doing;

• Organize workshops in which information and expertise regarding government and non-government policies and frameworks for poverty alleviation are shared with the community. In this regard community empowerment and investment on humans is ensured;

• Develop the community coping strategies and frameworks for poverty alleviation;

• Liaise between the community and the municipal, provincial and national structures on service delivery;

• Put together a community development strategy business plan and also put together monitoring and evaluation systems to ensure sustainability.

The call for a better and improved **communication system** and clear **demarcation of powers** to ensure good working relations among all stakeholders is inevitable. A clear distinction of roles and power of all stakeholders should be made known to one another and consensus should be reached to avoid power struggle in the execution or implementation of the agreed strategy for poverty alleviation in Mashau.

### 5.2.5 COMMUNITY BASED SHOPPING COMPLEX

The building of a central community based shopping complex can also serve in the fight against poverty. This complex should be placed under the control of local entrepreneurs who will be encouraged to sell their commodities at affordable prices that compete with some of the shops in the nearby towns such as Makhado and Thohoyandou. The majority of people who depend on government grants can get the opportunity to buy whatever they want without spending more money on transport.
This initiative will not only serve as a coping measure, but it will create jobs for many people in the village. In the end, the local community should also be encouraged to purchase goods and services from local suppliers (cf. World Bank, 2002b:15).

5.2.6 ERECTION OF COMMUNITY RECREATIONAL AND SPORTING FACILITIES

The erection of the community recreational and sporting facilities, which includes a community hall and decent sports grounds for various sporting codes, will not only ensure job creation for a number of community members, but also human development of young people who are born and raised in this community. These facilities can generate revenue that can serve in the economic development of this local area. The community hall can be hired out to people with wedding, graduation and other ceremonies and festivities. Major sporting events can be hosted in the local stadium, hence the gate-takings will help to maintain the facilities and at the same time generate revenue to remunerate those who will be working to maintain these facilities.

5.2.7 LAND REDISTRIBUTION PROCESS

The Mashau people, especially the local traditional structures, should engage the government so that it can speed up the process of land claims. If all land claims are successful or people at Mashau receive compensation for their lost land, the community will have enough land for small farming and also revenue that can be used to open the Mashau community development trust fund, aimed at offering small businesses initiated by local people with funds to kick-off their businesses. In this regard, the government should treat the scarcity of land for farming at Mashau as a matter of urgency. This is because in rural areas, the role of micro-scale agriculture on community gardens offers similar livelihood opportunities to peri-urban agriculture (May, 1998:47).
5.2.8 IMPROVING WATER PROVISION SYSTEM

As noted in the previous chapter, water is one of the main problems causing a lack of development in Mashau. For community gardens and small farming to succeed, local people in cooperation with the government should ensure that they improve the system of water provision. Where there is water, there is life because people can cultivate and reap in large quantities. Consequently, if the Mashau people can have enough water for farming on a small scale, they can be in the position to cope with the massive poverty that they are experiencing. These can be complemented by introducing technological means such as micro-irrigation, surface storage, water harvesting, water conservation, collection and storage of rainwater and recession agriculture (World Bank, 2002b:25).

5.3 CONCLUSION

Despite all the problems that exist, poverty in Mashau can be alleviated. This can be achieved by creating more jobs through community-based projects for the people through applying a human-centred approach. The beneficiaries of development in this regard will also have to be its contributors. The Mashau people should appoint a service delivery commission, which on one hand should be formed by representatives of all stakeholders and on the other hand should ensure the participation of all stakeholders in strategic planning and all decision making processes, i.e. the poor within the community, women and youths, people living with disability, local leaders, government, non-government and faith-based organizations, as well as the local business people.

This research proposes a holistic development strategy (whole community development strategy), which will include not only community based projects, but also infrastructure and human capital development. It is a strategy to be driven by the Mashau people themselves in partnership with government, non-government organizations, faith-based organizations and whoever is willing to invest in these people. However, all proposed projects as well as existing policies and strategies of poverty alleviation in South Africa as well as Mashau will be in vain, unless an appropriate implementation-strategy is followed. A monitoring and evaluating
system should be put in place to ensure the sustainability of the livelihoods of the poor in Mashau.
Chapter One of this research serves as an introduction to the theme under reflection: “Towards a strategy for poverty alleviation in Mashau.” The main aim of this research was therefore to investigate and outline a strategy for poverty alleviation in the rural area of Mashau. It became clear in the findings of this research that a strategy for poverty alleviation in this area is needed because like many rural areas in the Limpopo Province of South Africa, Mashau is affected by a large number of people living under poor conditions. Many people within this community are unemployed and depend mainly on natural resources such as small-scale farming and government social grants for subsistence, hence the need to come up with a relevant poverty alleviation strategy for this area.

The presupposition of this study was that poverty in Mashau can be alleviated by introducing community-based job creation projects that ensure the participation of all stakeholders, namely community members, government, traditional leaders, non-government and faith-based organizations and business people. This can be successful if an appropriate implementation strategy is followed. In order to come up with a relevant poverty alleviation strategy for Mashau, a literature and empirical study were conducted. Unstandardised interview and open-ended questions were used for the interviews conducted with different focus groups in Mashau.

Chapters Two, Three, Four and Five deal with each of the objectives outlined in 1.3 respectively.

Chapter Two of this study mainly focused on outlining the core variables to measure levels of poverty in South Africa (Objective 1). Poverty in South Africa has many faces as determined by time, place and culture. In some instances it is created by, or at least recreated by, the social and economic policies that have developed over time to respond to or control it like the history of discrimination in South Africa. Poverty in South Africa is closely linked to inequality and unemployment. Poverty in South Africa can therefore be defined as a
multidimensional phenomenon, encompassing the inability to satisfy basic needs; lack of control over resources; lack of education and skills; poor health; malnutrition; lack of shelter; poor access to water and sanitation; vulnerability to shocks, violence and crime; and the lack of political freedom and voice.

The research findings of this study revealed that poverty in South Africa falls under three categories, i.e. absolute, relative and subjective poverty. Absolute poverty refers to a percentage of people who have to make ends meet with a wage that is below that required for a basic and dignified existence whilst relative poverty refers to the inequality of wealth and incomes. Subjective poverty on the other hand refers to a systematic analysis of individual or household financial satisfaction without comparing it with others.

It also became clear in this study that there is no single procedure that can be used to measure poverty in South Africa. Some of the variables that can be used include:

- The income or expenditure approach
- The Unmet Basic Needs (UBN) method
- Capacity approach
- The human poverty approach
- Asset-based index

A poverty line for household-level measurement of poverty was used for the purpose of study. Two development indices based on Census '96 were used, namely:

a) The Household infrastructure index constituted by the following variables:
   - Living in formal housing
   - Access to electricity for lighting
   - Tap water inside the dwelling
   - A flush or chemical toilet
   - A telephone in dwelling or cellular telephone
   - Refuse removal at least once a week
   - Level of education of household head
   - Monthly household expenditure
b) The Household circumstance index constituted by the following variables:
  o Unemployment rate (expanded definition);
  o Average household size; and
  o Children under the age of five years

It is the conclusion of Chapter Two that the definition of poverty and core variables to measure the level of poverty in South Africa has direct implications for the definition and variables to be used in measuring poverty levels in Mashau.

**Chapter Three of this study mainly focused on current strategic initiatives for poverty alleviation in South Africa** (Objective 2). It became clear that the eradication of poverty and inequality lies at the core of South Africa’s development agenda. Since 1994, the South African government has made great strides in developing policies and strategies for this cause. Among others, these include the following:

- Reconstruction and Development Programme (RDP)
- Growth, Employment and Redistribution (GEAR)
- Privatization
- Black Economic Empowerment (BEE)
- Land redistribution
- Urban Development Strategy
- Rural Development Strategy
- Local Economic Development (LED)
- Integrated Development Plan (IDP)
- The Integrated Sustainable Rural Development Strategy (ISRDS)
- The New Partnership for Africa’s Development (NEPAD)

It is the conclusion of Chapter Three of this study that, despite its shortcomings, the democratic government of South Africa has a number of best policies and strategies in the world and that they are committed to fight poverty and ensure equality for all its citizens.
Chapter Four of this study focused on the scale, manifestations and causes of poverty in Mashau (Objective 3). The quest to uncover the scale, manifestations and causes of poverty in Mashau was undertaken by using an empirical study and a literature study that included the use of government statistics of 2001 regarding ward 16 of Makahado municipality in the Limpopo Province. The descriptive method was used in order to record the outcomes of the unstandardised interviews with the focus groups mentioned in 1.5. To avoid the researcher's biases in determining the needs and a strategy for poverty alleviation in the rural area of Mashau, the representative of the traditional and civic leaders were requested to comment on the researcher's findings, interpretation and evaluation.

The outcomes of the research conducted revealed that, in the midst of all government strides to eradicate poverty in South Africa by providing policies and frameworks for this cause (see Chapter Three), a slow pace of service delivery is being witnessed at Mashau. As it had been noted in 4.5.3.1, the government had thus far managed to erect 249 RDP houses and had initiated a few self-help projects. There is a serious backlog in terms of the delivery of decent infrastructure, i.e. water, sanitation, transport, energy, telecommunications and information. A serious backlog is also experienced in terms of more job creation opportunities. A larger number of people remain unemployed, and therefore poverty in Mashau mainly manifests itself in the deprivation of housing, source of water, toilet, sanitation, electricity, education, better roads and so on. Lack of access to services is a main factor in this regard.

The research findings also revealed that poverty in Mashau is caused by, among others, the following:

- Poverty and inequality in South Africa
- Poverty and unemployment
- Lack of proper education, qualifications and necessary skills
- Lack of access to infrastructure
- Lack of access to services
- Implementation
- Individual deficiency
- Crime, corruption and inefficiency
Chapter Five of this study mainly focused on outlining a proposed strategy for poverty alleviation at Mashau (Objective 4). During this research it became clear that many people at this village are waiting for the government to provide them with jobs; they are not able to stand up for themselves and make strides to fight against poverty. This research is an attempt to come up with a relevant strategy that can help the community of Mashau to alleviate poverty in their midst. This study proposes that community based job creation projects that ensure the participation of all stakeholders, community members, government, traditional leaders, non-government and faith-based organizations and business people, can be a useful poverty alleviation strategy in general and also in Mashau. A human centred approach should be followed. However, all proposed projects as well as existing policies and strategies for poverty alleviation will be in vain unless an appropriate implementation strategy is followed. The findings of this study therefore affirm or assert the central theoretical argument as outlined in 1.4.

The proposal to have community based development projects as a solution to the problem of poverty in Mashau places the poor at the very core of local economic development strategy. Not only are they able to identify what their problems are, but they also plan, strategize and provide manpower in this regard. Their empowerment as a way of investing in people via workshops and meetings where they engage government ministers is inevitable.

For the people at Mashau to succeed in alleviating poverty in their midst, they need to have a service delivery structure in place in which all stakeholders will be represented, i.e. the poor, local leadership (civic and traditional), government, non-government and faith-based organizations, youth, women, and people living with disability. They must be able to draw not only a strategic planning on poverty alleviation, but also put together an implementation program which will also entail monitoring and evaluating systems. The issue of an implementation program cannot be overemphasized, because whilst we acknowledge that South Africa has some of the best policies and frameworks for poverty alleviation, it has failed dismally in implementing them.
ACTS see SOUTH AFRICA


RDP Challenges. 1994a. (Issued by The Minister without portfolio in the office of the President Republic of South Africa – 21 September 1994).


[Web:] http://www.statssa.gov.za [Date of access: 09 May 2004].


