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ABBREVIATIONS

ACAT	Africa Cooperative Action Trust
ANC	African National Congress
ASGISA	Accelerated and Shared Growth Initiative for South Africa
BRAC	Bangladesh Rural Action Committee
CASAC	Council for the Advancement of the South African Constitution
CBO	Community-Based Organisation
CDD	Community-Driven Development
CFW	Community Field Worker
CIP	Community Investment Programme
CoGTA	Department of Cooperative Governance and Traditional Affairs
COSATU	Congress of South African Trade Unions
dplg	Department of Provincial and Local Government
EPWP	Expanded Public Works Programme
EU	European Union
GCM	Gcilima (community in KwaZulu-Natal)
GEAR	Growth, Employment and Redistribution Plan
HDI	Human Development Index
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
IDP	Integrated Development Planning
IDT	Independent Development Trust
IFIs	International Financial Institutions
ILO	International Labour Organisation
IMF	International Monetary Fund
LED	Local Economic Development
MDGs	Millennium Development Goals
NATO	North Atlantic Treaty Organisation
NCIT	National Community Investment Trust
NDP	National Development Plan
NEF	New Economics Foundation
NGO	Non-Governmental Organisation

NGP	New Growth Path
NOS	Nositha (community in Kwazulu-Natal)
NPC	National Planning Commission
NZK	Kwanzimakwe (community in Kwazulu-Natal)
PGS	Participatory Guarantee System
PRP	Poverty Relief Programme
PRSP	Poverty Reduction and Strategy Paper
RDP	Reconstruction and Development Programme
SACP	South African Communist Party
SCIP	Sustainable Community Investment Programme
SDC	Siyavuna Development Centre
SETA	Skills Education Training Authority
TMCC	uThukela Mzinyathi Christian Council
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Programme
US	United States
WST	World System Analysis

ABSTRACT

This thesis describes the Community Investment Programme (CIP) and investigates its practicability in three pilot projects in South Africa where it was implemented.

CIP is a community development programme that was conceptualised by Dr Norman Reynolds, a development economist. From 1994 onwards, he became disillusioned with the fact that the new democratic government did not address the structural problems in the South African economy, which left the majority of the poor trapped in the so-called second economy of South Africa. He conceptualised a programme, CIP, which aims to develop this second economy so as to ensure that all South Africans may participate meaningfully in the economy.

CIP is advocating a people-centred development approach, where communities themselves take the lead in their development. Communities make their own decisions and decide how to use community development budgets, called 'rights programmes' in CIP, which are spent to stimulate the emergence of working local economies. The implementation of CIP should be a learning process, where the community gets the space to learn, make mistakes and rectify them. In addition, CIP aims to address all aspects of human development, not only economic development. Hence, if CIP is implemented by communities, it will contribute to the self-esteem and dignity of individuals and communities.

The three pilot projects encountered a number of issues in the implementation of CIP, as described in theory by Reynolds. After analysing those, this research reaches a number of conclusions that should be taken into account when implementing CIP in a community. CIP is seriously needed in South Africa and if the recommendations of this research are taken into account, it could be very powerful in addressing the underdevelopment characterising so many areas in South Africa.

1: INTRODUCTION

Background, problem statement, methodology and ethical considerations

1.1 Background to the research proposal

The late Dr Norman Reynolds, a development economist who worked in several countries and global institutions[1], developed a programme called the "Community Investment Programme" or, in short, CIP. The programme has its roots in the structural problems of the South African economy, caused by colonisation, apartheid and globalisation. According to Reynolds, CIP contains a strategy that could bring development and ensure economic liberation for all South Africans.

Why is Reynolds saying that economic liberation should be brought to all South Africans?

Today, South Africa is an upper-middle-income country (World Bank 2013), along with countries such as Brazil, China, Malaysia and Mexico, with one of the highest Human Development Indices in Sub-Saharan Africa (UNDP 2013). Despite this relative wealth, large numbers of the country's population is trapped in endemic poverty[2]. The National Development Plan, Vision for 2030, compiled by the National Planning Commission in the Presidency and launched in 2011, states (National Planning Commission 2011b:1):

> …for many poor South Africans, there is still much that looks the same, highlighting serious shortcomings in our development path. While we have made some progress in reducing poverty, poverty is still pervasive and we have made insufficient progress in reducing inequality.

[1] He worked in Zimbabwe, India, the United States and South Africa, amongst others, for the World Bank and the Ford Foundation.

[2] According to Statistics South Africa, 39% of people in South Africa are poor. Here 'poor' means living below the national poverty line, which is R418 (using 2009 prices) per person per month (National Planning Commission 2011b:3). Reynolds said poverty lines were indecent in any case as no person could live a decent life on an amount specified by a poverty line and indeed, R418 per person per month is not sufficient for a decent life. In addition to the 39%, many other people have only marginally more than R 418 per month. Is, for example, R800 per month enough for a decent life?

To understand why so many South Africans are still poor, 20 years after apartheid, we should look at the structural economic problems created by South Africa's history, the worst of these being the emergence of a 'dual economy'.

Since 1652, South Africa was colonized first by two European countries, Britain and the Netherlands, and afterwards by European settlers (apartheid or internal colonisation). From the beginning, these Europeans followed the global economic trends, which in the 17th century meant expansion of the own territory with the aim of enriching the nation by exploiting new territories, including the people living in these new territories. This first wave of globalisation was followed by a call for free trade after the independence of the United States in 1776[3], which was not necessarily looking to expand its territory, but rather to find markets for its produce. After World War II, the US and newly created institutions like the International Monetary Fund (IMF) and the World Bank called for free capital flows, to increase the US borrowing capacity. The push for more trade liberalisation and free capital flows succeeded further when the oil crisis hit the world later in the 20th century (Korten 2006, part III)[4].

This colonisation of South Africa (before and during apartheid) resulted in exploitation and oppression of its population[5] and resources, resulting in the fact that blacks could not participate meaningfully in the economy. The majority of South Africans were kept out of the mainstream of the economy by means of inferior education, restricted opportunities for self-development and restrictions on movement and trade. They were controlled and marginalised, so that a small minority could reap the profits and benefits of the resources of the country on the back of cheap and unskilled labour. Land was taken intentionally with the aim of destroying traditional income systems from agriculture and cattle herding, so that, in the end, there was no other means to make a living but to work for the Europeans (Macozoma 2003:12;

[3] http://www.ushistory.org/declaration/timeline.htm (accessed on 2 July 2013)
[4] See more detail in the literature review in chapter 2.
[5] Before Europeans came to the territories that are now called 'South Africa', the population was black people, san people and khoikhoi people. With the Europeans also came slaves from Asia and elsewhere, resulting in a mixed population. For ease of reference in this research, when I speak of 'blacks', I speak of all non-white South Africans. When I speak of 'whites', I speak of white South Africans who came to South Africa from 1652 onwards.

Reynolds 2005a:iv).

During apartheid, this situation was intensified as blacks had to live in certain areas where business activities were restricted. Outside these designated areas blacks were not allowed to trade, nor could they own commercial property or run more than one business in the designated areas (Green 2008:402). All local markets were forbidden and only a few government-controlled wholesale markets were allowed, excluding blacks. Blacks had to travel to areas where white people lived to buy necessary products. Local production died due to a lack of local demand and entrepreneurship was erased. Education was offered in the Bantustans, but on a low level as the apartheid government would not invest in decent education while only low-skilled workers were needed for the mines (Reynolds 2004b:5-7).

This led to, firstly, the emergence of the so-called dual economy, with one developed, so-called 'first' or 'modern' economy and one underdeveloped, marginalised 'second' economy (Reynolds and van Zyl 2002:4-19). Others refer to just one economy, with a more developed and a more marginalised part (Frye 2006:8). This type of economy emerged during colonisation and apartheid and persists to the present day. In fact, the policies of the South African government perpetuate the situation. It is not the purpose of this research to discuss the concept 'dual economy', so the concept is used as a metaphor for the so-called two economies, either seen as two separate economies or as one economy with a developed and marginalised sector.

Secondly, this situation led to the loss of competence and self-esteem amongst black people, as they had to live in marginal areas with inferior education and health services, resulting in a further lack of competence. Blacks could not meaningfully take part in a working economy. However, they were part of the economy as providers of cheap labour and buyers of products and services, so the first economy was dependant on blacks. The areas where blacks lived in the so-called second economy were in turn dependent on the first economy for products and services, resulting in limited local production and job opportunities in the areas where they lived. Apartheid also caused a loss of social fabric in the black communities due to migrant labour (Nuttall, 1997:20).

In 1994, when apartheid ended, the new South African government's main task was to eliminate remaining discriminatory practices, including promoting the participation of blacks in the economy. But, 20 years after apartheid ended, so many black people are still poor and living in the so-called second economy under marginal conditions. *Why is this the case?*

Since 1994, the new South African government has developed and implemented economic strategies and programmes like the Reconstruction and Development Programme (RDP), the Growth, Employment and Redistribution Plan (GEAR), the Accelerated and Shared Growth Initiative for South Africa (ASGISA), Local Economic Development (LED), the National Growth Path (NGP) and the National Development Plan (NDP) in order to address the structural problems of apartheid and to bring economic development to all South Africans[6]. Some successes were achieved, especially with regard to improving South-Africa's global competitiveness and macro-economic stability, improving access to water, electricity and housing for the poor. But, with regard to the reduction of poverty and inequality, the picture looks less positive – with the levels of poverty, unemployment and inequality increasing in the period 1994-2000. From 2001 onwards, poverty levels were slightly reduced, but the inequality gap keeps on growing and people stay jobless (Bhorat *et al.* 2006:1; Leibbrandt *et al.* 2009:14-18)[7].

The first socio-economic policy of the post-1994 government was the Reconstruction and Development Programme (RDP). It had two main objectives, namely to address socio-economic injustices of the past and to alleviate poverty (ANC 1994:1.2.9):

> No democracy can survive and flourish if the mass of our people remain in poverty, without land, without tangible prospects for a better life.

The RDP was based on the Freedom Charter and influenced by different stakeholders, including a report from the ANC's macroeconomic research group (MERG) called

[6] I focus here on the *socio-economic* measures the post-apartheid government took, as these are most relevant for this research.
[7] The percentage of South Africans living below the national poverty line was 40.6% in 1993, 41.3% in 2000, 33.2% in 2004 and 39% in 2011 (Leibbrandt 2009:14-18; National Development Plan 2011:3).

'Making democracy work[8]', the ANC's alliance partners (COSATU and the SACP), the Independent Development Trust (IDT) and the ANC's department of economic planning, which was then headed by Trevor Manuel (Davis 2003:35; Green 2008:353; Visser 2004:6). In the transition period, many discussions took place on the economy, but by 1994 a consensus had formed that it should be a mixed economy based on the models followed in Scandinavia (Green 2008:339-341). The RDP was a compromise between the neoliberal strategy of the former apartheid government, the wishes of the private sector, who wanted a more market-led economy along neoliberal principles, and the socialist orientation of the ANC and its alliance partners, the SACP and COSATU[9]. The RDP stressed that development should be people-driven, meaning that communities should drive development and have a say in policy development and the implementation of projects relating to them (ANC 1994: principle 1.3.3; Pieterse 2003:124-125). The new South African nation was to become a developmental state, focusing on the redistribution of economic power to the benefit of all South Africans (ANC 1994; Gevisser 2009:249; Macozoma 2003:15; Visser 2004:6-8).

It is important to note the role of the IDT. The idea of people-driven development came from the IDT under the then leadership of Wiseman Nkuhlu. However, the IDT talked about 'people-centred development' meaning that people would drive their own development. The new South African government, however, changed it to people-driven, meaning that the government would drive development as it was given the mandate 'by the people' in the democratic elections. Government members believed that, now that they were in charge, they, the government, would help the people and therefore there was no need for NGO's, CBO's and direct participation by communities in development. The IDT implemented very innovating development programmes in the period 1990-1994, where people participated directly in management and in planning, and where they had access to resources. The IDT was transformed into a government body after 1994, implementing government

[8] MERG was established in 1991 and launched an Economic Framework for South Africa in 1993, called 'Making Democracy Work'. The Framework suggested that the state should play a large role in the economy, to ensure both sustainable economic growth and a better quality of life for the majority of the population. It advocated a mixed economy, with a strong but slim state apparatus. A lot of resistance came from the business community, but the Framework had considerable influence on the RDP (Davis 2003:35).

[9] During apartheid, many ANC activists spent time in communist countries such as the Soviet Union, Cuba and Eastern Europe, with the result that many ANC politicians are influenced by socialist/Marxist thinking (Johnson 2009:74-75).

programmes and abandoning its innovating development programmes (interview Respondent 5; Jagoe 2012:1; Nuttall 1997:166-167, 207).

The RDP office, led by Jay Naidoo, was closed down in 1996. Many thought it was closed because of the introduction of the Growth, Employment and Redistribution (GEAR) programme, a neoliberal macroeconomic policy accepted by the South African government. However, the ANC said it had never wanted a separate office for 'a government strategy', which is what the RDP was, but preferred it to be executed by a government department. It was a separate office only because COSATU had insisted on it, as they feared the RDP would otherwise be forgotten (Green 2008:394). The transitional finance minister, Derek Keys, allocated a budget to the RDP office to pacify COSATU and other stakeholders, but he knew that the RDP would be incorporated in an existing government department (Green 2008:418). Mandela said in 1996, when he announced the closure of the RDP office, that the RDP was not the responsibility of some specialised department but the compass which guided all government activities (Green 2008:425). The RDP was then placed under the Department of Land Affairs. Manuel said that the RDP was the vision and GEAR was the instrument to implement it. The success of the RDP would depend on the successful implementation of GEAR (Green 2008:453, 457).

GEAR's main focus was economic growth, with a reduced role for the state in the economy, reduced government spending, privatisation of state assets and a more flexible labour market (National Treasury 1996:2, 4-5). GEAR was produced by a team of economists who started working on it late in 1995 under the guidance of Thabo Mbeki, then deputy president and responsible for economic policy. The ANC had called for the formation of a single, central, macroeconomic policy in 1995, to pacify investors, guide the economy of South Africa and ensure that the RDP could be implemented. The thinking behind GEAR was that the market would maximise growth, which would trickle down to the poor and make resources available for the government to redistribute. With GEAR, South Africa moved away from being a developmental state. The injustices of the apartheid era had to be addressed within the

paradigm of globalisation[10]. Trevor Manuel, who became finance minister in 1996 and was then tasked with the implementation of GEAR, was part of this team (Everatt 2003:83; Green 2008:432-441). In 1996, when the rand crashed and markets lost confidence in the South African economy, the ideal opportunity was presented to launch GEAR (Gevisser 2009:249-251; Macozoma 2003:19). The policy shift was not discussed with the unions in advance; it was presented to Parliament as a fait accompli. This, combined with the closure of the RDP office and the later non-delivery of GEAR on poverty and inequality, has caused fierce and lasting criticism against GEAR (Green 2008:441-445, 446-447).

GEAR did bring macro-economic growth and stability (however, only after a few years), but it did not create enough jobs, did not improve living conditions for poor South Africans and actually increased inequality. The extra tax income from improved economic growth was used to provide more services, infrastructure and programmes like the Public Works[11] Programme, the Integrated Development Planning process[12] and others, but Reynolds argues that these do not necessarily lead to local economic development as poor areas have little local demand. It did not succeed as a growth and development strategy and it did not undo the structural injustices of the past, a goal which could at any rate not be expected of 'the market' (Hoogeveen *et al.* 2006:60; Mhone 2003:45-46; Reynolds 2005a:iv-v, 22). The reasons are as follows: Firstly, the South African borders were opened for products and services from more advanced economies, resulting in job losses as South African industries could not compete (e.g. the textile industry). Secondly, by creating a more liberal, global and service-orientated economy, more workers with high skills and

[10] I shall not discuss here why the ANC government moved to a neoliberal economic policy. The aim of this background is to show that many South African blacks are, 20 years after apartheid, still not 'economically free' and remain or became even poorer. The government's economic policies failed to address the poverty situation and unemployment adequately. The reasons are that the ANC government inherited a weak economy, was challenged by a new international context where socialism had collapsed and neoliberalism was on the rise, as well as internal ANC politics (those in powerful positions wanted a neoliberal economy) (Davis 2003:44-48).

[11] The Public Works Programme (later called the Expanded Public Works Programme) is a government programme aimed at providing poverty and income relief through temporary work for the unemployed to carry out socially useful activities. The Expanded Public Work Programme was launched in April 2004 to promote economic growth and create sustainable development. The immediate goal of the first phase of the programme was to help alleviate unemployment by creating at least 1 million job opportunities (http://www.epwp.gov.za/, accessed on 22 September 2013).

[12] IDP is a local planning instrument from the government; it gives effect to the Agenda 21 principles, namely involving the local community in development planning. Municipalities are responsible for the IDP and should, through consultation, prepare such a plan on an annual basis.

fewer with low skills were needed. Jobs were lost in manufacturing and agriculture, where many low-skilled and semi-skilled workers were employed. These workers could not readily find other jobs as they were unemployable in the service economy. Unskilled workers are in abundance in South Africa due to the historical imbalances. Thirdly, many jobs that were created, pay such low wages that a family cannot live on them. Fourthly, the people themselves were not invited to participate in development planning as the government thought they could do everything themselves (interview Respondent 5). It is known that the non-participation of beneficiaries in development projects contributes to the failure of projects, waste of resources and non-development. Lastly, and maybe the worst result of GEAR, is that the system of cheap labour created under apartheid has persisted, now not to serve the interests of the white minority, but those of the market (Aliber *et al.* 2006:2-5; Frye 2006:6-9; Macozoma 2003:26; Pieterse 2003:126).

The government has made a structural mistake by focusing on the development of a service-orientated economy, which left the poor high and dry. The expected trickle-down effect did not materialise. Legum (2003:2) says that GEAR served capital markets rather than the South African economy. Also Reynolds and van Zyl (2002:4-5, 34) say that the structural imbalances in the South African economy have not been recognised in policymaking after 1996, causing another round of marginalisation.

Thabo Mbeki never really admitted the failures of GEAR but, from 2003 onwards, he started using the concepts ‘dual’ and ‘second’ economy more frequently (Neves and du Toit 2007:1). Mbeki presented the dual economy as a double-storey house where the rich live on the upper floor and the poor on the lower floor – with no ladders to get upstairs (Reynolds & van Zyl 2006:1). The first floor, or first economy, is the global, international, competitive economy which creates growth for South Africa and where very little state intervention is needed. The lower floor, on the other hand, is marginalised, has little economic activity and is home to people with low skills levels. These people are dependent on the first economy and the government for jobs, goods and services.

With this reasoning, Mbeki argued that GEAR actually worked very well for the South African first economy, but not for the second one. He was, of course, under

pressure from the ANC's alliance partners and international agencies to admit that GEAR did not work, and this reasoning gave him a clever way out (Neves and du Toit 2007:3). He argued therefore that GEAR worked, but that some changes were needed for the second economy. Mbeki advocated a developmental role for the state in the second economy, focusing on delivery and investment in education and skills so as to create the ladders for the poor to advance to the upper floor. This thinking was reflected in the Accelerated and Shared Growth Initiative for South Africa (ASGISA), an economic policy which followed GEAR and stayed mostly loyal to GEAR. ASGISA addressed some of the weaknesses of GEAR, again recognising the role of the state, state-owned enterprises and state investment (Gevisser 29:310; Gumede 2007:113, 140). More infrastructural and social spending and the promise to improve the capacity of local governments were to result in better job creation and, in this way, poverty reduction. Another way used by Mbeki and the then government to credit GEAR, was to refer to problems of 'incapacitated local governments', who did not know how to spend their funds and so failed to deliver services to their constituencies. There is some truth in this as local governments did (and do) often struggle to get their acts together. Local government does have a critical role to play in local development and service delivery to the people (Gevisser 2009:310; South Africa 2006a).

There are a number of problems with Mbeki's and ASGISA's reasoning. Firstly, the functioning of the first economy itself and the nature of GEAR, which created many problems, were never questioned. For example, the first economy will never create enough jobs for all. A service-orientated economy was established with GEAR, borders were opened for cheap products from elsewhere and the manufacturing industry declined. Also, new technology and capital-intensive mass-production methods replaced manual labour. In this way, the first economy actually caused serious job losses. Secondly, teaching people skills in the second economy is not going to help if those skills will not gain them jobs. And not everyone will be able to move to the first economy, due to inability or unwillingness. As long as no changes occur in the first economy, there cannot be changes in the second economy as the nature of the first economy reinforces the problems. Thirdly, the interventions government made in the second economy from 2003 onwards were ad-hoc, ill-designed 'projects' spread over the country, such as the Public Works Programme.

There never was a structured, well conceptualised programme put in place (Aliber *et al.* 2006:14-15; Reynolds and van Zyl 2002:12). Even the NDP, which accentuates the failure of government to create jobs and reduce poverty, makes no mention of GEAR causing the failure. Instead, it mentions the failure of government capacity and coordination, along with external shocks such as the financial crisis, as the reasons for failure (National Planning Commission 2011b:4).

Besides these 'larger' development policies of the government, there were also smaller projects which directly targeted the poor. One of these was the Poverty Relief Programme (PRP) of the Department of Social Development. This project disbursed funds to community-based projects, but the project failed as government officials remained in control of implementation and disbursement (Everatt and Gwagwa 2005:28).

When President Jacob Zuma took office in April 2009 another framework for economic development was launched, namely a framework for the New Growth Path (NGP), which could be seen as the government's new economic policy. This document outlines strategies on how decent jobs, growth and equity may be created. However, it does not propose major economic changes, focusing instead on increasing infrastructure development, skills development and ease of doing business, all in line with ASGISA (Economic Development Department 2010). Besides the NGP, government also instructed a newly created body in the Presidency, the National Planning Commission (NPC), to diagnose the socio-economic state of the South African economy and to come up with a plan to address the identified problems. The diagnosis was very frank: since 1994, government has failed to overcome poverty and inequality. The remedy, proposed in the NDP, is refreshing and, in fact, it embodies many elements of CIP. Trevor Manuel, the NPC chairperson, said in his launch speech:

> There will be a paradigm shift from a delivery model to a capabilities approach. Development is about creating the conditions, opportunities and capabilities that enable people to lead the lives they desire. Communities take ownership and are active in their own development (Manuel 2011).

The National Development Plan (NDP) specifically says that a new approach is needed, one that moves away from a passive citizenry receiving services from the state to one where people are active champions of their own development, and where government works effectively to develop the capabilities of people to lead the lives they desire (National Planning Commission 2011b:2-3). The NDP was launched in August 2012 and endorsed by the ANC at its 53rd national conference in Mangaung in December 2012. However, it remains to be seen if its implementation will bring change. The NDP objectives are long-term, with results expected by 2020 and others by 2030. In any case, CIP perfectly fits this new NDP approach and it would be an ideal programme to roll out community development and fight rural poverty.

Why would government suddenly suggest such a new approach? Because they have realised that they, the government, cannot solve poverty and service delivery on their own. They tried very hard for many years, and still people are frustrated, now turning against the ANC and the government itself, as witnessed by the many service-delivery protests by ordinary citizens since 2010. So, government realises it should involve communities in their own development. If that fails, they have only themselves to blame – providing an incentive to keep each other accountable. The government's role should be to facilitate.

But the good news for the poor since Zuma assumed office is perhaps lost in the growing government corruption during the same period. The president seems to endorse corruption by making statements such as that there is nothing wrong with a ruling party doing business with the state. At an ANC birthday dinner early in 2013, he even said that business has to invest in the ANC if it wants to prosper (Mail & Guardian 2013a). This could imply that businesses who invest in the ANC could be rewarded, which is clearly unacceptable. Zuma was also indirectly responsible for the replacement of the Scorpions by the Hawks, who are less independent and not as well equipped for corruption investigations (Mail & Guardian 2008). Some commentators even opine that Zuma has 'corrupted the soul of South Africa' (Mail & Guardian 2013b). There is a direct link between corruption and poverty as corruption diverts resources from the poor to the pockets of a few. It leads to further inequalities and increasing poverty. According to the Council for the Advancement of the South African Constitution (CASAC), 30 billion rand is lost to corruption on an annual

basis. The only way, CASAC argues, to stop corruption is to let the people govern and decide on resources so that corrupt officials cannot divert the funds (CASAC 2011:1-8). A similar opinion is shared by interview Respondent 5, who says that communities should be involved in their own development and decision-making so that they can keep themselves accountable and that money is not disappearing through corruption. And, of course, Reynolds says the same, arguing that people should take the lead in development.

This brief socio-economic history of South Africa brings us to the Community Investment Programme or CIP. Dr Norman Reynolds, who developed CIP, claimed that it was the ideal programme to develop the economy of South Africa: counter-balancing globalisation with greater localisation initiatives, focusing on the domestic economy and allowing people to participate meaningfully in the economy (Reynolds 2007:5). Reynolds, a development economist and former chief economist in Zimbabwe under Robert Mugabe from 1980 to 1986, came to South Africa in 1991, where he immediately started playing a role in socio-economic policy-making. He was a member of the steering committee of the National Consultative Forum on Drought under the IDT, which designed and overviewed the implementation of the Relief and Development Programme for the drought years in the beginning of the nineties[13]. This programme, executed under the IDT, was a pioneer development programme that saw the drought as an opportunity to also develop the rural communities. It gave each participating community a budget and the freedom to decide what to do with it. This led to immediate local ownership of projects, and real participation and freedom for black communities[14]. The drought programme influenced the post-apartheid RDP. 'Putting budgets on offer to communities' is one of the main principles of CIP, and I shall come back to some examples later in this research (interview with Respondent 5; Jagoe 2012:1-2).

It is clear from the philosophy and modus operandi of the IDT that Reynolds was influenced by their approach. The IDT was established in February 1990 by then President De Klerk and started under the leadership of Jan Steyn. The purpose of the

[13] Minutes of the first meeting of the steering committee of the National Consultative Forum on Drought, 24 July 1992 (available in Reynolds's library)
[14] (Author unknown), Drought Relief and Poverty Alleviation, draft for comment, 1991

trust was to increase socio-economic development in the country. From the start, the IDT operated in the spirit of Another Development Theory (see 2.2.5). For example, the rural development programme initiated by the IDT focused on moving communities from dependency towards self-reliance. The IDT genuinely wanted to involve communities in decisions about their own future and they were breaking new ground in this regard – this was never done before in South Africa. Budgets were put on offer to communities and local trusts were established in the IDT's school programme, which would own schools and development projects. The drought programme and the role Reynolds played also fitted this philosophy (Nuttall 1997:49, 75, 89).

After 1994, Reynolds was advisor to the South African government on the rural development framework. He worked for several years with local government all over the country, monitoring the impact of GEAR. He saw that the poor could not participate in the economy and that GEAR did not substantially reduce poverty and inequality. Over the years, Reynolds's thinking culminated in CIP. In 2004, when Mbeki's second term had started and there were no signs that he would consider another economic policy, Reynolds launched 'the People's Agenda'[15]. This was a South African think-tank advocating alternative economic policies, including CIP, that would include the poor. The then national department for provincial and local government (dplg[16]) appointed Reynolds in 2005 as advisor to rewrite the South African Local Economic Development (LED) Policy and Programme (interview Respondent 3). In line with ASGISA, the dplg was tasked to look at how local government could improve and assist in reducing poverty in South Africa. As indicated above, Mbeki saw the failure of local government as one of the reasons for continuing poverty. He thought that by improving the capacity of local government and developing a shared framework for local economic development (LED), poverty would be reduced significantly (South Africa 2006a). Reynolds wrote parts of the new LED white paper in 2005 and his biggest influence in it is the fact that CIP was included in the white paper as one of the four strategies for LED, under the name

[15] The concept of 'People's Agenda' features also outside South Africa, amongst others in the US and in Thailand. In this research the People's Agenda refers to the South African think-tank established by Reynolds to advocate pro-poor participative economic policies for South Africa.
[16] This national government department is now called the Department of Cooperative Governance and Traditional Affairs (CoGTA).

'Sustainable Developmental Community Investment Programme' (interview Respondent 3).

In 2006, the white paper[17] on LED for the period 2006-2011, was launched (South Africa 2006a:20-22, 29-32). To date, this white paper has been only partly executed and CIP has not yet been rolled out. The reasons are firstly that LED is located in the wrong department (dplg and now CoGTA) where no dedicated people are assigned to LED. Secondly, the budget provided for LED is very small and to execute the whole white paper would be impossible with dedicated resources. Thirdly, Reynolds's ideas were seen by some in the then dplg as controversial and he did not have much support within the dplg. Only a few understood his ideas and translated them into less controversial language to be able to include them in the white paper. And fourthly, the government then and now does not want to give substantial power away to the people. This was the opinion of Reynolds himself and it was confirmed later by interviews with respondents 3 and 5. Respondent 3, however, said that now that the government was aware that it could not develop the country alone, as is acknowledged in the NDP, it might allow projects where budgets are put on offer directly to communities, for example, and allow communities more responsibility.

At the same time the white paper on LED came out in 2006, a few CIP pilot projects started privately, aiming to show government that CIP actually worked. I was involved in the implementation of one of these pilots in 2006 and 2007.

After the launch of the white paper, a director in the dplg was assigned to come up with a plan to roll out CIP on a national level, starting in a few areas to pilot the model and assisted by Reynolds. In the midst of starting up this process, Reynolds passed away unexpectedly in December 2007. A few months later, the director in the dplg resigned. Another director took over and brought colleagues of Reynolds together to assist him with the roll-out of CIP on a national level. I was part of this team of colleagues who took over from Reynolds and advised the dplg.

[17] A white paper is the official predecessor of official government policy.

We know now that the socio-economic policies of South Africa post-1994 did not work well for the poor. We also know that Reynolds knew that and tried to influence the dplg and the South African government to do something about it, and that he succeeded with the new LED white paper in 2006. However, two problems emerged, one being Reynolds passing away the other being government politics, which bring us to the problem statement of this research.

Firstly, after Reynolds's passing in December 2007, the dplg and Reynolds's colleagues continued working on a national plan for CIP, as outlined in the LED white paper. However, the working group struggled to come up with a national action plan to roll out CIP. They did not seem to agree on what CIP was and everybody had different interpretations. Reynolds was not there anymore to bring clarification. There was also no document that described CIP in detail. In addition, some problems emerged in the CIP pilots. I was then involved in the implementation of one of the pilot projects and in close contact with the other one and both projects collapsed. Reynolds passed away in the middle of implementation and he could no longer advise and rethink the idea into a workable model. In the middle of 2008 another CIP project was started at the South Coast of KwaZulu-Natal. The implementers did not want to repeat the mistakes of the previous pilot projects, but how to achieve that?

Secondly, in September 2008 President Mbeki was recalled by the ANC and a number of ministers were replaced, including the minister of the then dplg, F.S. Mufamadi. He had supported the new white paper and CIP from the beginning, as he understood that existing government policies were not enough to include the poor meaningfully in the economy (interview Respondent 3). The newly appointed minister, Sicelo Shiceka, seemed not interested in the white paper and CIP (interview Respondent 3). In addition, the director in the dplg, which was responsible for the roll-out of CIP, resigned and another director that supported CIP was re-employed to another unit. Consequently, all efforts to implement CIP came to a standstill at the end of 2008.

1.2 Problem statement

This brings us to the problem statement of this research. Inspired by the first problem described above (no document available that described CIP in detail), I thought it would be useful to conceptualise CIP in an understandable document, which could assist practitioners with the implementation of CIP. Also, the problems that emerged in the collapsed pilot projects seemed to indicate that the implementation of CIP was very difficult, and perhaps not even feasible. But is this really the case? And could these problems not be overcome, or anticipated? Reynolds strongly believed that CIP worked and, knowing his experience and background, could he be so wrong? Therefore, during 2009 I identified the need to conceptualise CIP in an understandable document for implementation, and to indicate if CIP could actually bring economic development to all South Africans, as Reynolds claimed.

In 2011, when the NDP was launched, I was further inspired as CIP is a perfect fit with the philosophy of the plan, which is to make people champions of their own development. The relevance of having a document available conceptualising CIP became suddenly very relevant, as CIP could be presented to government as a programme to implement some of the ideas of the NDP.

And then in November 2013 Siyavuna Development Centre, the NGO facilitating the implementation of the CIP pilot project at the South Coast in Kwa-Zulu Natal, won the Mail & Guardian's annual 'Driver of Change Award'. This award acknowledges development projects that are innovative and have a real impact on the lives of the poor involved (Southern Africa Trust 2013). This award will attract a lot of interest to Siyavuna Development Centre and CIP, and hence, this research becomes even more relevant as it could be used when implementing new CIP projects.

1.3 Objectives and research questions

The two objectives of the research are as follows:

1. Conceptualise and analyse the critical characteristics of CIP

This research will analyse Reynolds's thinking with regard to CIP and, in addition, study CIP pilot projects. Currently, Reynolds's work on CIP is fragmented into many

short papers, articles, stories and the like. The idea is to conceptualise the way in which Reynolds envisaged CIP, obviously coloured by my own interpretation as the researcher, but staying as close to his thinking as possible. CIP as envisaged by Reynolds will be described in chapter 3. The feasibility of CIP will be informed by studying three CIP pilot projects, two that collapsed (chapter 5) and one that is still running (chapter 6). In chapter 7, I will then reconceptualise CIP based on the findings and analysis thereof in chapter 5 and 6.

The following research questions should be answered:

- In which development streaming does CIP fit, and why (see chapter 2)?
- Why is CIP proposed as a model for economic development in South Africa (see chapter 1 and 2)?
- Does CIP bring something new to the development debate (see chapter 2 and 7)?
- What are the characteristics of CIP? What is CIP (see chapter 3)?
- Why did two CIP projects collapse and why is the third CIP project still successfully running after three years? Was it because the CIP model was not viable, or because of implementation mistakes (see chapter 5 and 6)?
- Is CIP a realistic development programme for South Africa (see chapter 7)?

2. Conceptualisation of CIP in an understandable form as a basis for implementation

In chapter 7, I will reflect on the characteristics of CIP as how they turned out in the three CIP pilot projects. Hence, this chapter will compare the analysis and findings made in chapter 5 and 6 with CIP as conceptualised by Reynolds in chapter 3. The purpose of this is to see, firstly, if CIP as envisaged by Reynolds was fully implemented or tested in the pilot projects. Secondly, to determine which characteristics of CIP caused problems when they were implemented and why. Lastly, to indicate recommendations with regard the implementation of CIP to ease its implementation in future and hence conceptualise ‘a possible new model’ for community development, namely CIP (7.5).

1.4 Relevance for the discipline of development studies

CIP aims to bring development for all South Africans. It is therefore relevant to the discipline of development studies, which focuses on development. For CIP, 'bringing development' means to improve the livelihood of poor South Africans and make their lives more sustainable. This is done by not only improving their economic position, but also by looking at other aspects of human development such as taking their own decisions, regaining their self-esteem, managing their own resources and independence from government grants. It is about people developing to their full potential in respect of their own needs and interests. According to the Indian philosopher Amartya Sen, development is about enhancing 'human capabilities', namely that which people can be and can do (UNDP 2011b). CIP also stresses that people should 'take charge' of development and decide for themselves what they want and how they want to achieve it. This indicates that CIP relates to Another Development Theory and Community Development Practice, which is further discussed in chapter 2. CIP also links with the post-Washington consensus[18], which stressed, amongst others, that policy making should be much more flexible and dynamic by letting people affected by policies participate in the making of those policies (Geerts 2009:8).

CIP complements Alternative Development Theory and Community Development Practice as it proposes an innovative way of implementing 'development' in a community. This will be described in detail in chapter 3 and chapter 7.

The purpose of academic research is also to influence policy development in its expertise area. CIP is therefore relevant to the discipline of development studies as it tries to influence economic development policy in South Africa. Reynolds always hoped that CIP would become part of the economic policy of the South African government with regard to the development of the second economy. It is therefore hoped that this research will be used to influence the South African Government to

[18] The post-Washington Consensus is a development theory that emerged in the early 1990s as a critique of the Washington Consensus. Both these theories serve a particular way of thinking by the global elites, related to economic development and based on neoliberal economic ideas (Stewart 2007:9). However, the post-Washington consensus, influenced by this critique of development, recognised that developmental states and their people should play a bigger role in economic development, not leaving all to the market (Geerts 2009:8).

adopt CIP and use it as its programme to implement some of the objectives of the National Development Plan.

1.5 Methodology

1.5.1 Research paradigm

The aim of the research is to conceptualise CIP as a basis for implementation in South Africa. This was achieved by questioning the CIP model and observing practical applications. The research is concerned with the way in which the social world is interpreted, understood, experienced, produced or constituted. The research paradigm is therefore interpretative, meaning that the reality is interpreted, understood or experienced. I therefore interpreted the data I gathered to conceptualise CIP. I stayed as closely as possible to the data and to CIP as Reynolds had envisaged it. As the researcher, I was aware of and critical of my own role as researcher.

With regard to methodology, I used triangulation, meaning that I employed a combination of qualitative and quantitative methods. In human sciences research, qualitative methods are usually used because its methods of data collection are flexible towards the social contact present at data production and the data collection is richer, so that analysis and explanation are more holistic than in quantitative research. However, I believe that in some instances quantitative methods may enrich qualitative methods and, therefore, I used quantitative methods as well.

With regard to the type of study, it is a combination of exploratory research and explanatory research. The literature review is explanatory research so as to understand why many South Africans are still living in dire poverty and to help build my case for an alternative development model, like CIP. The exploratory research aims to understand the CIP programme by studying Reynolds's material and by searching for new information to complete the programme by interviewing his colleagues. CIP and the CIP projects have not been researched before and, after data collection and analysis, I questioned the CIP characteristics as envisaged by Reynolds (chapter 3) and formulated ways of implementing CIP successfully without falling into certain traps, as well as ways of making it more realistic (chapter 7). The CIP material from

Reynolds is new material that has never been published, but it is his intellectual property. I will acknowledge this throughout the research.

1.5.2 Brief description of CIP projects

I have conducted research on three CIP pilot projects. The first commenced in 2006 in Huntington, a small village near the Kruger Park in the province of Mpumalanga. This was the first CIP pilot project and Reynolds was himself involved in the implementation process. It collapsed at the end of 2007. In March 2007, a second CIP pilot project was implemented, in Tsakane near Ladysmith in the province of KwaZulu-Natal. This project was implemented by the uThukela Mzinyathi Christian Council (TMCC), assisted by two volunteers from Belgium (me and my husband). I was part of the implementation of the project during the first eight months and Reynolds acted as an advisor. My husband remained involved in the project until it collapsed at the end of 2008. A third CIP pilot project was started in the middle of 2008 near Margate on the South Coast of KwaZulu-Natal and is still running today. My husband became the main facilitator of this project.

A more detailed description of each project area will be given in chapters 5 and 6. It is important to understand the context of each project as this in some instances has played a critical role in the failure or success of the project.

1.5.3 Data collection and analysis

Data was collected by empirical and non-empirical research. The literature review and the first conceptualisation of CIP was done by non-empirical research, namely by studying available literature and information from Reynolds. The literature review gives an understanding of the issues and debates in development studies. It will help to explain why there is still so much underdevelopment in Africa and South Africa and build a case for CIP as an alternative programme for community development. Literature was also reviewed for the third chapter, namely documents from Reynolds to describe the CIP programme as he envisaged it. This chapter was enriched by empirical research in the form of semi-structured interviews with colleagues of

Reynolds. Afterwards, data collection took place in the existing CIP projects, by empirical research in the form of interviews, questionnaires and focus groups.

Data analysis was done in an interpretive manner, staying as close to the data as possible in the most objective manner possible. This process already started when data was collected and when interviews were transcribed. An interpretative framework was developed (see chapter 4) which is used to analyse the data from the interviews and the questionnaires.

I am aware of my own role as the researcher in interpreting Reynolds's documents, analysing data and conceptualising the CIP programme. Time for reflection was built in and also soundboard moments with relevant people (my supervisor, ex-colleagues of Reynolds, my husband and others). This aspect is even more important due to my personal involvement in the implementation of the CIP project in Tsakane, along with my husband. He was also involved in the implementation of the CIP project at the South Coast. Hence, critical reflection, objectivism and triangulation with other resources were used in this study.

1.5.4 Ethical considerations

Firstly, I upheld high ethical standards and full integrity of my own and research participants' work and research. I duly respected all intellectual property and provided adequate referencing where needed.

Secondly, the informants who were interviewed were informed about the purpose of the interview and the research I was initiating. They could voluntarily indicate their willingness to be interviewed. I also sent each of the informants an information note before the interview took place, and asked them to sign an informed consent note. All informants who were interviewed were ensured of full confidentiality.

When interviews were recorded, consent from the informant was sought before the interview commenced. The person who transcribed the interviews signed a confidentiality agreement with me to ensure that data would not be leaked or abused.

For the survey research, all participants who completed a questionnaire did so voluntarily, after they were informed in their own language (Zulu) about the purpose of the questionnaire and survey. Confidentiality was once again guaranteed and respondents were not required to mention their names on the questionnaire, so that not even the person who captured the data knew who had completed the questionnaire. All informants were asked to sign the questionnaire at the top, to indicate that they had participated voluntarily.

Overall, the research did not cause any harm to the research participants. The outcome of the research will not have any negative influence over the continuation of the existing CIP project at the South Coast. The shortcomings of CIP indicated in this research will rather be addressed by the facilitating organisation and the management of the project to obtain even greater success in future.

In addition, the research has a socio-economic value as it articulates an alternative for socio-economic development in South Africa. The research will be accessible to the public and relevant people may use it to convince the South African government to implement CIP nationwide and follow some of its principles when implementing the National Development Plan. The research findings and final dissertation will also be available to all research participants on request.

1.5.5 Quality of the research

Due to the interpretative nature of the research, and the fact that I was involved in the implementation of the CIP pilot project in Tsakane and my husband was the main facilitator of the South Coast CIP project, the research will have a high degree of subjectivity. However, I tried to stay as objective as possible, but I had to interpret Reynolds's documents and the information gathered from interviewees and observation; hence there will be some degree of subjectivity. This should be kept in mind when reading the conclusions of the research.

Most of the research will be qualitative. In this case, internal and external validity are important. Internal validity means that the findings of the research should follow from the methods and the research design, and should not be derived from other

considerations or hypotheses (Terre Blanche *et al.* 2006:163-164). This will be ensured by designing the interview questions in such a way that they directly address the research questions. With regard to the quantitative part of the research, sampling will ensure that the number of people interviewed ensures validity and reliability. Reliability relates to how a measurement is made. If reliability is good, there is an appropriate confidence and confidence interval during the sample design. The accepted international benchmark in social science research for confidence is 95% and for the confidence interval it should be ideally less than 5. In this research, I achieved a confidence level of 95% and a confidence interval of 6.5, which means the gathered data are valid. Validity relates to the extent to which the intended construct of measurement – in this research the viability of CIP – is indeed measured. As this is not easy, the accepted standard in social scientific research is 60%.

1.6 Chapter outline

The first chapter of this research gives the historical background of this research, the problem statement and research questions and a brief description of the methodology that will be used for this research, including the ethical considerations.

The second chapter gives a detailed theoretical basis for the model being discussed in this research, namely the Community Investment Programme. This literature review briefly describes the evolution of the academic discipline of Development Studies from its emergence until today. Afterwards, it is indicated in which sub-discipline of Development Studies CIP fits and why.

The third chapter will describe CIP as conceptualised by Reynolds and will outline the characteristics of the CIP programme and what should be done, according to Reynolds, to implement CIP. The description of CIP in this chapter might be utopian and does not yet take into account potential problems when CIP is implemented. The aim is to describe the CIP programme as theoretically conceptualised by Reynolds. The information in this chapter was used as a basis for collecting the data in the CIP pilot projects.

The fourth chapter will consist of the methodological procedures which I used for the research, for both the empirical and non-empirical research. For the non-empirical research, I have chosen to review mostly unpublished texts from Reynolds and other published literature related to the topic of this research, and to interview relevant key informants. For the empirical research, I chose to use a questionnaire, to gather quantitative data, and in addition to interview relevant key informants. The chapter also describes the method of analysis and says something about the validity and reliability of this research.

The fifth chapter is describing and analysing two CIP pilot projects, namely the one in Huntington and Tsakane, informed by available documents and information from interviews with key informants. Both of these CIP pilot projects have collapsed a few years ago, but their analysis is of high importance for answering the research questions.

Chapter 5 serves then also as a historical background to chapter 6, where the data and findings are presented related to the third CIP pilot project, at the South Coast in Kwa-Zulu Natal. The aim of this research is precisely to assess, by studying the CIP pilot projects, what potential problems with the implementation of CIP could occur, and how then CIP can be revised accordingly. Chapter 6 will present the findings from the questionnaire survey.

Finally, chapter 7 will answer the research questions. These can be answered by reflecting on the characteristics of CIP as how they turned out in the three CIP pilot projects. Hence, this chapter will compare the analysis and findings made in chapter 5 and 6 with CIP as conceptualised by Reynolds in chapter 3. The purpose of this is to see, firstly, if CIP as envisaged by Reynolds was fully implemented or tested in the pilot projects. Secondly, to determine which characteristics of CIP caused problems when they were implemented and why. Lastly, to indicate recommendations with regard the implementation of CIP to ease its implementation in future and hence conceptualise ‘a possible new model’ for community development, namely CIP (7.5).

Chapter 8 gives an overview of the bibliography and chapter 9 consists of four annexures.

2: LITERATURE REVIEW

Development theory in relation to the Community Investment Programme

2.1 Introduction

An overview of the evolution of theories on development is important for this research, to show where CIP fits into this evolution, how CIP was influenced by existing development theories and how CIP enriches the development debate. CIP is an example of a more recent approach to development that finds its roots in Alternative Development Theory and Community Development practice.

Development theory aims to explain how countries developed in the past and how they should, ideally, develop in the future. Over the years, adaptations were made to development theory because of changes in practice, as the 'predicted' development paths mostly did not turn out as it was thought they would. As a result, development theory underwent constant changes, but each new theory or practice would build on its predecessors (Potter 2013:67-68).

The academic discipline of development studies developed after World War II under the influence of two important sets of circumstances. Firstly, large parts of Europe needed development assistance to rebuild countries that were destroyed during the war. Secondly, the process of decolonisation started and former colonisers wished to assist the newly independent nations to develop. This does not mean that there was no development in the colonies before World War II as, for example, colonisers often had a philanthropic drive to develop the people living in the colonies, in addition to the economic drive. Also, we can already speak of 'development' in the context of nation building, as in the US after the civil war when large community development projects were rolled out (Swanepoel and De Beer 2011:34-35). Others like Reynolds and Eric Toussaient (Diaz 2008) argue that development already started in the 15th and 16th centuries in the European countries, but also in other parts of the world that were conquered by the Europeans, such as America, Australia and parts of Asia.

From 1945 mainstream development theory tried to answer the question, how to bring 'development' to all the people of the world, more specifically, to the so-called 'developing world' or 'third world' countries. Development was then defined as a middle-class lifestyle as it was lived in the so-called Western and modern countries of Europe and North America. These countries had gone through a 'development process' that resulted in an industrialised society where people had to work to live a decent life. Development was therefore an invention of the developed countries or the so-called West (Diaz 2008; Payne and Phillips 2010:56-57; Rist 2008:50-55; Sachs 2010:viii; Stewart 2007:4-5). Other countries, that had not yet gone through the 'evolution' of the US and Europe, should follow a similar path and 'develop'. Early development theory was then also called 'modernisation'.

Other development theories emerged afterwards, when it became clear that 'modernisation' would not necessarily bring development as envisioned. Dependency theory and world system analysis criticised modernisation and said that not all countries could develop to become 'modern, rich nations' as in Europe and the US, because these countries became rich on the back of poorer countries and needed them for their development. Alternative development was then formulated on the basis that development should be much more people-centred, focusing on what people want themselves, rather than prescribing the same development path as that followed by the US and Europe. At the same time, the modernists formulated a neoliberal development theory (STWR 2012, Stiglitz 1998:20, Payne and Phillips 2010:88-97) acknowledging some of the problems and mistakes made in modernisation theory, but maintaining that the focus of development should stay on sustaining economic growth that would trickle down to 'develop' the poor.

Reynolds was influenced by these developments and worked for the Ford Foundation and the World Bank in India in the 1970s, where he was implementing community development projects in rural areas. These projects were influenced by the ideas of Alternative Development (described more in detail in 2.2.5 and 2.2.7 below), namely to let people take part in their own development, let them take decisions and let them use their own knowledge when implementing development projects. Hence, CIP has its roots in these approaches that called for Another Development.

An interesting aspect of CIP is that it does not reject 'mainstream development' and neoliberalism as such, but prefers to rather work with it and ensure that the benefits are spread more equally, and that the disadvantages of the poor and marginalised are addressed. CIP is a programme to develop the marginalised part of the economy of South Africa (and could also be used in other countries), so that all people may become part of the economy. Besides economic development, CIP also pays attention to social, cultural and psychological aspects of community development, and sees development as a 'learning process'.

This chapter gives an overview of the evolution of development theory and how Reynolds and CIP were influenced by it.

2.2 A brief history of development theory

2.2.1 The early days of development and its underlying theories

In the early days, development theory was dominated by the ideas of economist John Keynes and modernisation. Keynes argued that economic growth, once achieved, was self-sustaining, but on condition that the state played a major role in the economy. He meant with this that economic development should not be left to the markets as the result could be economic depression, and that therefore the state should play a central role in intervening in the economy when necessary to ensure that economic growth is always sustained (Payne and Phillips 2010:57-60).

Modernisation theory argued that societies went through an evolutionary process from traditional or pre-modern to modern. Modernisation began in Europe and the US with the industrial revolution in the 18th century, followed by political revolutions, like the French and American revolutions, and resulting in the modern states of Europe and North America. Modernisation is characterised by free economic development (capitalism), democracy and the idea of progress. Therefore, the focus of development should be on the creation of a modern nation state with an efficient bureaucracy pursuing the achievement of economic growth, which would then automatically result in better life conditions for all. The best way to achieve economic growth was through industrialisation, urbanisation and capital investment. Progress was measured in terms

of ‘economic growth’, meaning the more growth a country experienced, the more development would take place. Rostow, an economist who advised the US Presidency in the late 1960s, argued that all states have to go through a staged process to become a modern state (Rostow 1960:4-16). Development is therefore a staged process of economic growth through which all societies should pass to become ‘modern’. These stages are called ‘the traditional society’, ‘presence of preconditions for take-off’, ‘take-off of the modern society’, ‘the road to maturity’ and ‘the age of mass consumption’ (Escobar 1997:86; Payne and Phillips 2010:59,178; Rist 2008:45; Shanin 1997:67-69; Zapf 2004:1-3).

So the majority of academics and policymakers in the early days of development believed that it was possible to follow this economic theory worldwide, that it was applicable to developing and developed nations alike, and that all nations had to achieve the same state of ‘development’ in the end, namely ‘the age of mass consumption’. Therefore, development was the achievement of modernisation, where developing countries would reach the same level as developed nations – politically, economically, socially and culturally. As a result, the newly independent states were expected to play ‘a developmental role’ and make progress along the same lines as the developed ‘modern’ nations, with the US and the West-European nations as example. Karl Marx said (Roxborough 1979:43) that the country that is more developed industrially only shows to the less developed the image of its own future. It is not surprising then that modernisation was seen by many as westernisation (as the nations in the west were already modern) and due to the existing power relations between nations, the developing countries in many ways accepted this. Zapf (2004:5) argues that early modernisation theory was especially designed with the non-western countries in mind, with the aim to develop them along western ideas of progress, including institutions and values, and to spread capitalist ideas worldwide. In this way, the newly independent states could be influenced and controlled after colonisation had ended. Rahnema says (1997: ix):

> … the former colonial masters were seeking a new system of domination, that would allow them to maintain their presence in the ex-colonies, to continue to exploit their natural resources, use them as markets for their expanding

economies or as bases for their geopolitical ambitions.

In summary, the concept of development was dominated by the ideas of the western or developed nations and capitalism from the start of the development age in 1945.

2.2.2 The political context of the first decades of development

The main drivers of this early development after World War II were the US, the International Financial Institutions (IFIs), namely the World Bank and the International Monetary Fund (IMF), and the United Nations (UN). The IFIs were formed at the end of World War II by the US and other Western countries and are still controlled by them.

In 1949, President Harry Truman launched the Point Four Programme, the first official development programme of the US, which focused on four points: the UN, the North Atlantic Treaty Organisation (NATO), the Marshall Plan and the development of underdeveloped nations. The programme rang in the development era. Truman said (Sachs 2010:1-2):

> we must embark on a bold new programme for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas…. our main aim should be to help the free peoples of the world, through their own efforts … by helping the least fortunate of its members to help themselves.

The use of the word ‘underdeveloped’ and the accompanying development discourse implied that suddenly, many people were labelled ‘underdeveloped’ and ‘poor’. This meant that people were now labelled poor if they did not earn enough money, or were not wearing the right clothes, or were not eating the right food, or were not living in a proper house, all judged according to the ‘standards’ and ‘norms’ in the developed countries. Therefore, Truman’s speech implied that underdeveloped nations should be given a blueprint on how to develop, based on how the US developed, and with a focus on economic growth. He launched a world view where the US was seen as the nation to follow, economically, politically and culturally, instead of the communist

world view or any other 'pre-modern' world view. In this way, the Marshall Plan and development aid was part of a political strategy used by the US, and later the European nations, to, on the one hand, continue dominating the former colonies, and, on the other hand, to guard against communism. Robert Calderisi, who worked for the World Bank for many years, says that the World Bank was only created for reasons of self-interest: to promote the expansion of world trade after World War II and improve safety and security for the US (Calderisi 2007:156). The issue of security was obviously about the threat of communism. Development was used to influence countries to remain in the sphere of influence of the US and Europe, and not turn to communism (Ekins 1992:8-9; Payne and Phillips 2010:68-71; Rist 2008:77-79; Sachs 2010:1-2).

Against the background of the Cold War the notion of 'helping underdeveloped nations to develop', as mentioned in the Four Point Programme, was never implemented – the political reasons were always more important. Huge bureaucracies were established in the US and Europe, on national and multinational levels and in conjunction with the IFIs, which set out development policies, strategies, procedures and activities, all to be implemented by 'experts' in the developing countries and without asking the opinion of the people and countries who had to undergo these policies and programmes (Ellerman 2005a:1-10).

2.2.3 The first critique on mainstream development theory: dependency theory and world systems analysis

From the end of the 1960s onwards, development theory and the development programmes used until then came under pressure as the expected results did not materialise. In addition, development caused some undesired side effects, such as increasing inequality between countries and within countries. That is inherent to capitalism: it is very innovative in finding solutions to problems, but these solutions often lead to new problems elsewhere. Therefore, academics and policymakers started to reconsider. Dudley Seers said in the early 1960s that the application of one economic model to the whole world may not be possible, because countries differ fundamentally from each other. He therefore argued that different economic models were necessary in different parts of the world. Another academic, Hans Singer, said

there were built-in, long-term inequalities between the developed and developing nations and, therefore, they should not follow the same development paths. He stressed that there was no blueprint for development, as development started with people and their capacity to create wealth – and that could not be steered by resources and economic growth (Shaw 2006:243-245). Also, Escobar said that economic growth, or economic growth alone, should not be the only standard for measuring development (Escobar 2006:224, 225). Chambers and Freire added that development was in most cases 'top-down' from a Western point of view, without recognising or taking into account the views of the people who are to be 'developed'. Hence, they called for 'participatory' development and research (Chambers 1992; Mohan 2013:45-46).

Further critique came from a group of Latin American academics called 'dependistas', hence the alternative they proposed was called 'dependency theory'. These academics tried to make sense of the reasons for the continuing 'underdeveloped' state of Latin-American countries after the colonisation period (Conway and Heynen 2013:92). They said the only reason Europe and North-America were more developed than other countries, was their exploitation of the developing world for their own benefit, due to their dominant position in world politics and economics since the 15th century. The world economy should be seen and studied as a whole, using the term 'centre' to describe the developed world and the term 'periphery' to describe the developing world. The centre keeps the periphery dependent on them so that, in fact, they are kept underdeveloped intentionally. The loan system to developing nations, which started immediately after decolonisation, kept developing nations dependent on the developed countries as all these loans had to be paid back to governments and banks in the developed nations. And, in many cases, the funds from the loans were used to pay firms and consultants in developed nations, with no local benefit or wealth accumulation. They also questioned whether the large infrastructure projects were for the benefit of local people in developing nations, or for the benefit of developed nations – so that cheap commodities could be exported efficiently to them (Diaz 2008; Payne and Phillips 2010:71-79; Salih 2006:20-24; Shaw 2006:242-245). Paul Baran (Conway and Heynen 2013:93) indicated in his work 'Political Economy of Growth' that underdeveloped countries stay underdeveloped deliberately as the rich nations form partnerships with the elite in

the underdeveloped countries to their mutual benefit, while excluding the masses living in the underdeveloped countries. So all benefits go directly to the elite and not to the underdeveloped country in general. In this way, the elite become part of 'the core' and the masses become part of the 'periphery'. Also, Frank said that the core – periphery concept not only played out between countries, but also inside countries (Conway and Heynen 2013:93). This is exactly what happened in South Africa during apartheid, but also from 1994 onwards. Addressing it is one of the building blocks of CIP (see chapter 3).

The alternatives suggested by the dependistas varied from quite radical ideas, like Paul Baran's suggestion that underdeveloped nations should break from the world system and pursue their own socialist economic planning, to more moderate ideas, such as protection against foreign competition, domestic production and industrialisation, local capital accumulation and greater state intervention to improve the domestic benefits of economic development (Baran 1957:10,11, 249, 250; Payne and Phillips 2010:71-79). However, dependency theory was in the first place a critique of modernisation theory. That is the perspective of its call on the periphery to 'claim' their space in the world system and to fight imperialism and neo-colonisation more rigorously (Conway and Heynen 2013:93; Hettne 2013:81).

World systems theory (WST) grew out of dependency theory and so there is conceptual overlap. It described the world as a system with different types of states which were all marked by a certain position of power, determining its economic development. WST's main contributor, Immanuel Wallerstein, divided the world into centre (developed countries), semi-periphery (semi-developed countries) and periphery (underdeveloped countries), where the semi-periphery acted as a buffer between the centre and the periphery. The power and economic development of a country depended on where the state was located in the centre, the semi-periphery or the periphery. Wallenstein's proposed solution was simple: developing countries should strive to become part of the centre (Rist 2008:106, 111). Another contributor to WST was Samir Amin, who said underdevelopment was the cumulative result of unequal exchanges between centre and periphery. Underdeveloped nations were kept underdeveloped for the sake of export to the centre. Underdevelopment was hence a product of how the neoliberal economic system was run. Amin's proposed solution

differed from Wallenstein's, namely that underdeveloped countries should 'delink' themselves from the economic system. Nations should have the option of following a different economic system, not necessarily capitalism, and they should not necessarily have to catch up and 'grow', but should instead find sustainable economic alternatives for themselves (Salih 2006:20-24). André Gunder Frank, also one of the dependistas, criticised Wallenstein's world system analysis as he argued that the world system went back much further then 1492, which marks the beginning of the world system for Wallerstein. Frank says the world system started more than 5000 years ago with shifts in the economic centre from East to West. In the past, other parts of the world than the west were in the centre, and so were pushed out by the west. This cyclical world system may once again be repeated in future and hence the centre might develop where we now have periphery (Frank 1993:29).

2.2.4 Mainstream development under revision: the rise of neoliberalism as the underlying economic paradigm

Influenced by the above critiques, and exacerbated by the crisis in Vietnam and the end of the Bretton Woods monetary system with the termination of the dollar-gold correlation in 1971, the IFIs and the developed countries acknowledged that the existing development policies were not working. In 1973, the then president of the World Bank, Robert McNamara, called for 'pro-poor' economic growth. A United Nations meeting in 1974 resulted in the Declaration of Cocoyoc, which called for 'a new world order' where the purpose of development should not be to develop things, but to develop people (Esteva 2010:11). The report inspired others and a year later, two more reports followed, namely a report from the International Labour Organisation (ILO) and a report from the Club of Rome, written by Jan Tinbergen. The ILO report launched the basic-needs approach to development (ILO 1999:3; ILO 1976:6-7; Swanepoel and De Beer 2011:36-37). The ILO said that the central objective of development should be the improvement of the well-being of people and hence development policy and programmes should in the first place focus on fulfilling the basic needs of people. So development should not focus only on economic growth, but also on the fulfillment of the basic needs of people, with the aim of reducing poverty. With basic needs was meant access to food, shelter, clothing, clean water, healthcare, sanitation, education and the need for people to be able to take their

own decisions. However, the basic-needs approach never really came up with a methodology for achieving its objectives and it quickly moved to the background. The 'Reshaping International Order' Report from Jan Tinbergen called for reshaping the international order so that the gap between rich and poor would be reduced (ILO 1976:7).

In the 1980s two reports by the Brandt Commission, 'North-South: A programme for survival', and 'Common Crisis' (STWR 2012), called for a review of the international development debate. They stressed the huge inequality between North and South and stated that it had to be addressed to reduce poverty and ensure growth for all in future, with a more equal division of benefits. Development was described as more than just economic growth and a rethink was advocated. This was in fact the first call for 'sustainable development', although it was not yet called that in the reports. Neither report was implemented (Desai 2013:5; Ekins 1992:23-29; Rist 2008:158-162). The intentions of all these reports were noble, but economic growth was still part of all the proposed solutions, and it was even indicated that economic growth in the South would be beneficial for the North (Chambers 1995:196).

Due to the economic crisis of the 1970s and the critique on development, Keynesian economics came under pressure. A new economic paradigm saw the light, called neoliberalism. It was in fact not a new paradigm as it was based on the classical liberal economic theory of Adam Smith and John Stuart Mill. Smith was the founder of liberal economic theory, which described the market as 'an invisible hand' that would correct all problems if any would occur. However, the state also had a role to play where the market could not reach or play a beneficial role. Liberal theory was the basis of neoliberalism but neoliberalism went further, saying that states should not play a role at all in the economy. In fact, it 'detached' ethics from economy. The regulation of the economy should be left to the market, without any state interference. The state should therefore not be the main actor in development, but rather the market. In addition, the focus should be on policies enhancing the 'free market', such as deregulation of the economy, privatisation of state assets, world-wide economic integration and trade liberalisation, free capital movement, reduction of public expenditure and independent central banks. Neoliberal thinking was dominated by the Department of Economics of the University of Chicago and its most influential

scholar in those days, Milton Friedman. Friedman became advisor to President Ronald Reagan in the early 1980s, and so neoliberal economic thinking became part of the policies of the US and the IFIs. It influenced world leaders such as Margaret Thatcher in the UK and Augusto Pinochet in Chili. Neoliberalism became known as 'the Washington Consensus', referring to the global elite who favored neoliberal economic development, driven by the US. They used their power to spread and force neoliberal ideas across the world. And again, US hegemony over the world prevailed, now in the form of neoliberalism (Payne and Phillips 2010:88-97).

Due to the critique of development and disillusionment with the slow pace of progress, the Washington Consensus had strong influence on development policies. Neoliberals in the north saw the slow progress of development as the result of internal problems in the developing countries, like too much state intervention, weak government institutions and corruption, and not as a result of the world system (Hettne 2013:9). Therefore, the solution would be to implement neoliberal programmes in developing countries and reduce state intervention. These programmes were called 'structural adjustment programmes', which developing countries were forced to adopt as part of aid programmes and loan conditions from the IFIs or developed countries. As in the beginning of the development era in 1945, once again the opinions of developing nations and their citizens were not required.

These structural adjustment programmes caused many problems in developing countries. For example, the reduction of state income due to the privatisation of state assets, which resulted in reduced state spending on education and health and increasing levels of unemployment, poverty and inequality, high inflation, economic crises and increasing debts. Additionally, it did not bring the promised economic growth and, in fact, some countries became more underdeveloped and poor. Neoliberal policies also caused inequality within nations. The gap between poor and rich grew larger and larger – South Africa is a good example[19]. So, the side effects of

[19] South Africa has one of the highest Gini coefficients in the world. The Gini coefficient measures the extent to which the distribution of income among individuals or households within an economy deviates from a perfectly equal distribution. Perfect equality is a coefficient of 0, which means all people have the same income, and perfect inequality is a coefficient of 100. South Africa's current coefficient is 63.1, which means there is high inequality between the incomes of people (World Bank 2013). Despite the introduction of neoliberal policies (GEAR and ASGISA) since 1994, the Gini coefficient or inequality gap has not been reduced.

neoliberalism were not taken adequately into account by the IFIs and the global elite when developing nations had to adopt neoliberal policies. However, in a number of nations, mostly in Africa, the slow pace of development also had local reasons, namely the looting of state resources by the local elite and corruption on a large scale (Onis and Senses 2007:266-267; Taylor 2007:454-455).

Due to the above-mentioned problems and the growing influence of alternative approaches (see 2.2.5), the developed countries, the UN and IFIs reflected further on development. In 1987, the UN General Assembly appointed the Brundtland Commission, ten years after the Brandt Commission, to look into development problems, including environmental problems. Its report described development as human development with attention for human rights, democracy and the environment and introduced the term 'sustainable development' (Ekins 1992:30-33). The sustainable development agenda and the term 'sustainability', and the fact that community participation in planning for development would be critical to reach the objectives, was formally endorsed at the Rio Summit, or Earth Summit, in 1992 (Reynolds 2005a:26). The World Bank launched Community-Driven Development (CDD) from the end of the eighties onwards. It refers to projects where the community is directly involved in the planning and implementation, including the management of funds, but with World Bank experts running the projects (Korten 1980:482-483; Mansuri and Rao 2004:1-3). Maybe the most interesting result was the launch of the annual Human Development Report with a Human Development Index (HDI) in 1990. Influenced by Amartyra Sen (see below 2.2.5), the HDI combines three dimensions to measure development instead of one, namely living standards (economic growth), health and education (UNDP 2011b).

However, once again the possibility that neoliberal economic principles and the focus on economic growth could perhaps be the problem, was never questioned by the global elite. The reason for this, according to Chambers, is because economists dominate the development discourse and the Northern countries are the ones that define concepts like 'poverty', what it is and how to address it (Chambers 1995:180). Esteva (Esteva 2010:13) also said that the attempts of the developed world to bring

change were just ‘window dressing’ and that it was business as usual in the interests of the developed world. He used the HDI as an example, saying that developed countries would obviously be ranked higher and developing countries lower, with the message that developing countries should try to ‘achieve’ the same high rankings as the developed countries (Payne and Phillips 2010:136 and Rist 2008:178-183, 205-210). This might be true, but what is wrong with calling for higher life expectancy and adult literacy rates? This should be encouraged and by measuring these rates, countries could keep track of their progress.

In 1992 Francis Fukuyama, an American political scientist, published a book, ‘The End of History’, claiming that the ideological battles in the world had now come to an end, with political and economic liberalism (capitalism) as the winner. Due to the fall of the communist world since 1989, the ideas of neoliberalism had spread to the former Soviet Union as well and became accepted as the best and maybe last model of economic development in the world. Communism, as an alternative to Keynesian and neoliberal economic development, had obviously failed. (Desai 2013:5; Payne and Phillips 2010:86-98; The Economist 2006; Willett 2007:1154-1158).

In 1998 however, a critical voice came from within the World Bank itself, namely from Joseph Stiglitz, then chief economist at the World Bank. He said that the side-effects of the Washington Consensus were never taken into account. Stiglitz therefore called for an end to the Washington Consensus and the need for a new development paradigm with a larger role for the state. He called this new paradigm ‘the Post-Washington Consensus’. The IFIs then dropped the structural adjustment programmes. They recognised that the state and its institutions do have a role to play in the economy. Therefore, the state and its institutions should be strengthened, with a better legal framework, capacity building and good governance, as they are accountable to their citizens. The term ‘ownership’ came to the fore, which meant that developing countries and their citizens should have a larger say in development aid programmes, instead of the IFIs or developed nations dictating the terms (Payne and Phillips 2010:146-150; Stiglitz 1998:20).

The global elite launched two new policies to spread their new agenda over the world: the Poverty Reduction and Strategy Papers (PRSP) and the Millennium Development

Goals (MDGs). The PRSPs had to be prepared when developing countries wanted a loan from the IFIs. Also, when developed countries gave development aid to developing countries, they did so in line with the strategies of the PRSP of the respective country. The PRSP should be compiled by developing countries themselves, in consultation with their citizens.

The World Bank, however, had to approve the PRSP before any loans would be approved. More discretion was applied but, again, developing countries had to adjust their strategies to fit the World Bank's neoliberal paradigm, which was not abandoned. Also, while the MDGs were noble in matters such as fighting back diseases like HIV/Aids and malaria, making sure all children go to school and reducing absolute poverty, other vital issues such as the inequality between and within countries were not addressed (Payne and Phillips 2010: 149, 162-164). So, the new ideas were welcomed, but they were in fact more of the same. The Post-Washington Consensus was rather a 'new packaging' of the neoliberal paradigm, and some ideas of the alternative approaches and the reports from UN bodies were included. The belief in neoliberalism and economic growth remained untouched, and the structure of the global economy, favouring the developed nations in many ways, did not change.

John Perkins (Diaz 2008) says that poverty persists because of the system that has been created over centuries, and therefore, the system has to change for poverty to be reduced or eradicated. However, the developed nations and the IFIs never openly questioned the system and still believed that the failures of neoliberalism in developing countries were not caused by neoliberalism itself, being the incorrect developing paradigm. Rather, they saw the causes as social and political problems in the countries themselves, or the incorrect or insufficient implementation of neoliberal measures. This may be partly true since the leadership in a number of developing countries did abuse their power and looted state funds, but even this was in many cases supported by the global elite in order to retain certain political or economic benefits (Payne and Phillips 2010:97, 146-151; Pieterse 2000b:28; Rist 2008:211-214).

2.2.5 Alternative development

After the dependency theory and WST, more alternative voices emerged, simultaneously with the neoliberal thinking on economy and development as described in 2.2.4. Alternative Development Theory, which consists of different approaches going from sometimes very radical to more moderate views, further criticized mainstream development and influenced, to a certain extent, the changes in the policies of the developed nations and the IFIs. CIP is influenced by Alternative Development Thinking and its approaches, most clearly Community Development, which I elaborate on in 2.2.7 below.

In 1975, the Dag Hammarskjöld Foundation, based in Sweden, launched the concept and name 'Another Development' in a report, called 'What now' (Dag Hammarskjöld Foundation 1975:12-14):

> Another Development is people-centred, geared to the satisfaction of basic human needs – both material and, in its broadest sense, political; it is self-reliant, endogenous, ecologically sound and based on democratic, political, social and economic transformations, which alone will make possible the attainment of the other goals.

One year later, and also with the support of the Dag Hammarskjold Foundation, Manfred Max-Neef launched the Human Scale Development Approach in 1991. This approach holds that development is much more than economic development. The economy should be at the service of people and life and not people and life at the service of the economy (Max-Neef *et al.* 2009:3). Max-Neef said:

> the approach is focused and based on the satisfaction of fundamental human needs, on the generation of growing levels of self-reliance, and on the construction of organic articulations of people with nature and technology, of global processes with local activity, of the personal with the social, of planning with autonomy and of civil society with the state (Max-Neef 1991:8).

Other academics, like David Korten (1980) and Robert Chambers (1983) also started advocating for 'putting the poor' first in designing development policy and implementing projects. The characteristics of Another Development Theory were

summarised in 1992 by Paul Ekins in his book 'A New World Order'. Another Development does not reject development as such, but calls for other ways to enable development – where people conceptualise and control their own development process, using their own knowledge and resources and with a focus on self-reliance and the satisfaction of their own material and non-material needs, in an environmentally sustainable way and based on political, economic and social transformations (Ekins 1992: 19, 99-100).

Immediately, some tried to give expression to the ideas of Another Development. The Zapatista movement in Mexico were one of the first when its members took development literally into their own hands in 1994. On 1 January 1994, when the North American Free Trade Agreement between Canada, Mexico and the US came into effect, the Zapatista movement started a revolution against the Mexican government. The Zapatistas called for Another Development as they did not want free trade, globalisation, bureaucracy and development aid to further destroy the lives of the indigenous people of Chiapas, a province in the South of Mexico where many indigenous people live. They wanted to live together in a way that protects them from 'development', relying on their own forms of governance, their own life-support systems, information and management tools. They established an autonomous area, governed by the people themselves, rather than by the central-led government of Mexico. Villages started running their own affairs, taking decisions by unanimity or consensus in group discussions. Also, the villages established their own local economies where the Chiapas people could trade with each other. The Chiapas population knew exactly how they wanted to live, what to do and how to survive, but lacked the means to do so as they did not have land and benefits like other Mexicans. They wanted to run their own affairs, without being told how to live by the Mexican government, transnational corporations or other aid organisations (Esteva 1997:302-304; Tormey 2004:131-135).

The Indian philosopher Amartya Sen (Payne and Phillips 2010:121-122; Robeyns 2005:94-96) further contributed to the debate and launched the concepts of 'human development' and 'capability approach' and contributed to the development of the Human Development Index (see 2.2.4). He argued that development cannot be measured in terms of economic growth alone as people cannot be labelled poor by

only evaluating their economic and monetary positions. Rather, the well-being of people could be measured by evaluating their capabilities to achieve human development. He meant with this that people should have the freedom to be able to be and to do what they want. People themselves should be the primary agents of their development.

Also the practice of Community Development, which implemented projects from the early days of development, changed their method from the seventies onwards under the influence of 'Another Development'. Community Development practice as such dates back to before the 1900s, but was influenced by the different development theories that came along and was hence used to implement development projects that followed modernization and neoliberalist ideas (Korten 1980:481; Swanepoel and De Beer 2011:34-38). Hence, when the critique on mainstream development emerged as described earlier in this chapter (see 2.2.3), Community Development also embraced the ideas of Alternative Development since the 1970s and became a practical expression of it. Community Development practice stressed that people should 'participate' in development projects, have decision-making power and should manage the resources of the project. The role of institutions, or facilitators, should change to 'empower' people to develop rather than to dictate what should happen (Swanepoel and De Beer 2011:36-39). Contemporary community development is still embracing these principles of participation and ownership, stressing that any development project should be people-centred and empowering for the community involved. Community development practitioners play an important role in making this happen, by acting as collaborators (not experts) and refraining from organising the community into formal organisational structures (Yachkaschi 2010:194, 198-204; Chile *et al.* 2006:400). Yachkaschi (2010:202-203) and Westoby and van Blerk (2012:1085) further indicate that ensuring ownership is not easy, due to the current power imbalances caused by donors who insist on timeframes, deliverables and professionalisation. Ownership will result only if the community is allowed to 'form' itself, along its own timelines and using its own language. As the involvement of community development practitioners can make or break a project, the issue of whether 'the community development practitioner' should be recognised as a professional, is currently being considered (Chile 2006:420; De Beer 2011:402-414). Westoby and van Blerk (2012:1084) also maintain that a failure to educate the

community development practitioner will ensure the failure of the community development project. All community development practitioners should be trained – in terms of community development as well as in the contextual setting of the project. And, practitioners should get refresher courses and on-site training during the process, as they will learn more by 'doing'. However, this should be guided and contextualised (Westoby and van Blerk 2012:1084-1086).

Some scholars however, like Arturo Escobar and Majid Rahnema (Ekins 1992:9-10; Payne and Phillips 2010:138-139; Pieterse 2000a:285-293; Pieterse 2000b:22; Rist 2008:259; Stewart 2007:4-5) wanted to go further than Another Development. They believed development as we know it should be ended in favour of a movement to 'post-development'. Post-development argued that development had not at all contributed to the improvement of the quality of life of the majority of the people of the world, but had only brought marginalisation and dependency for the so-called poor. It also argued that, for the whole world population to attain a middle-class lifestyle is socially, ecologically and economically impossible. Development was a project by the powerful countries to control the less powerful ones, exploiting them and westernising them. Post-development suggests an end to development as we know it, and hence, a focus on people's development on a local level, where people use their own indigenous knowledge, traditions and cultural beliefs. A strong emphasis and responsibility is placed on local grassroots organisations, which should take the lead by organising themselves, identifying their own needs and problems, addressing them, and taking accountability themselves. However, the ideas of post-development never came off the ground.

2.2.6 The influence of neoliberalism and alternative development in South Africa

The post-apartheid South African government had to address the injustices of the past and reduce poverty, but at the same time become a globally competitive nation within a neoliberal paradigm. As mentioned in the introductory chapter, the Reconstruction and Development Programme, the first economic programme of the new government, was still loyal to Keynesian economics, stressing that the government had to play an active role in the economy and that people should participate in decision-making and implementation (ANC 1994: principle 1.3.3; Pieterse 2003:124-125; Schenck and

Louw 1995:82). In 1996 however, the RDP was side-lined as GEAR was launched. This new economic development policy was loyal to neoliberalism and the Washington Consensus. The RDP office was cut down to size and incorporated in the Department of Land Affairs, as GEAR promised development for all with the market maximising growth, which would trickle down to the poor and make resources available for the government to redistribute. In this way, South Africa was one of the few countries that voluntarily moved to neoliberal policies, without having a structural adjustment programme imposed on it.

With GEAR, South Africa moved away from being a developmental state, assuming that the trickle-down effect caused by economic growth would emerge and thus lift all South Africans out of poverty. However, GEAR was in many respects a failure and did not bring development to all South Africans. The South African government implemented the wrong policy with GEAR (see 1.1 for detail). A country with structural inequalities and mass poverty should not leave the economy to the market, but control the market to ensure that the poor do not get poorer and that structural injustices are reduced. The ANC knew this, and also that neoliberalism could bring a number of negative consequences. The RDP literally mentioned some of the negative impacts of neoliberalism. The RDP was therefore formulated as an alternative, as a growth and development strategy with a clear developmental role for the state and stressing the importance of people's participation in policymaking (ANC 1994: principle 1.3.6 and 1.4.17). When GEAR was launched and the government was asked why they adopted a structural adjustment programme inspired by neoliberalism, they mentioned the changed international economic environment, the absence of a clear macroeconomic policy for South Africa in the RDP and the depreciation of the rand. A clear macroeconomic strategy for South Africa was needed to attract investors, but also to make it financially possible to implement the RDP (Manuel 1997: part 1 economic overview; Mhone 2003:21-24).

The question is, would it have been possible to avoid following a neoliberal policy in South Africa, with the Washington Consensus dominating the world? Reynolds and Van Zyl (2002:13) say that, in a world dominated by the Washington Consensus, the freedom of a government, certainly of a developing country, to address domestic economic issues is obviously limited, but it is not impossible. They suggest a

combination of localisation and globalisation policies, as CIP also does. This is explained further in chapter 3. The East-Asian countries[20] actually did this, by following some neoliberal economic policies but with much stronger state interference than the IFIs were advising. The East-Asian countries instead played the role of developmental states, interfering in the economy where appropriate to stimulate certain industries, protect certain markets, stimulate other markets as well as the economy to attract greater investment (Payne and Phillips 2010:102-105). When, in 1997, Asia was hit by an economic crisis and they then allowed the IMF and World Bank to assist them to solve it, the neoliberal advice they received worsened the crisis (Geerts 2009:5; Stiglitz 2002). This happened only one year after the implementation of GEAR, thus South African politicians could have known that neoliberalism would not necessarily bring the necessary economic change for all.

In the early days of GEAR's implementation, Reynolds was a member of the Rural Development Task Team in the Department of Land Affairs, writing a rural development framework. When GEAR was launched, the former RDP office was disbanded and what remained, like the Rural Development Task Team, was placed in the department of Land Affairs. The rural development framework, which was launched in May 1997, was inspired by the RDP and alternative development thinking. This can be seen in the framework's main aspects, namely to 'restore basic economic rights' to marginalised rural areas so that these areas may become economically active, with reduced dependency on urban areas, and secondly, to create an economy of participation where citizens may become part of an active economy in rural areas and regain access to land. A very clear inspiration from Alternative Development is the framework's desire to involve rural people in decisions affecting their lives through participation (Department of Land Affairs 1997:1, 9, 21). The main aspects of the framework are also to be found in CIP, but in more detail (see 2.2.7). Today, the Rural Development Framework has been replaced with the Comprehensive Rural Development Framework. This has the vision to create vibrant, equitable and sustainable rural communities through participatory approaches. The framework is clearly inspired by the earlier Rural Development Framework and RDP,

[20] Ten East Asian countries experienced sustained economic growth since the 1960s, namely the Philippines, Thailand, China, Indonesia, Japan, Malaysia, Hong Kong, Singapore, South Korea and Japan. The latter four experienced exceptional growth of more than six per cent annually over a 30-year period and are called the 'East-Asian Tigers' (Sarel 1996:1-2)

but it has not (yet) lifted the rural areas out of poverty as it has not been duly implemented.

In South Africa, the critique on neoliberalism and GEAR led towards the Accelerated and Shared Growth Initiative for South Africa (ASGISA) in 2006, a new macroeconomic government policy years after the first critique on neoliberal policies emerged. From 2003 onwards, then president Thabo Mbeki started using the concepts 'dual' and 'second' economy more frequently (Neves and du Toit 2007:1). Mbeki presented the dual economy as a double-storey house where the rich live on the upper floor and the poor on the lower floor, with no ladders to get upstairs (Reynolds and van Zyl 2006:1). The first floor, or first economy, is the global, international, competitive economy which creates growth for South Africa and where no state intervention is needed. The lower floor, on the other hand, is marginalised, with little economic activity, where people with low skills levels live. These people are dependent on the first economy and the government for jobs, goods and services.

With this reasoning, Mbeki argued that GEAR actually worked very well for the South African first economy, but not for the second one. So GEAR did work, according to him, but some changes were needed for the second economy (Neves and du Toit 2007:3). These changes were reflected in ASGISA and ASGISA recognised that the free market should be 'adjusted' by the government as the market would not solve all problems but, in fact, could even contribute to more problems. The state should play a developmental role in the second economy, focusing on delivery and investment in education and skills so as to create the ladders for the poor to advance to the upper floor. The development state moved to the front again. However, ASGISA stayed loyal to GEAR in many respects, and so also to the Post-Washington Consensus (Gevisser 2009:310; Gumede 2007:113 140). Once again Mbeki was wrong. While he did recognise that there was a second economy in South Africa, he wanted to solve its problems by hoping to absorb all South Africans into the first economy, rather than by developing the second economy – which is what CIP proposes.

When the Zuma government came to power in 2009, it became clear that his government wanted to bring some changes to economic development policy in the

country, with first the launch of the New Growth Path and later the launch of the National Development Plan (NDP). The New Growth Path is a framework for directing the economic policy of South Africa by 'restructuring the South African economy to reduce poverty and inequality'. The focus of the New Growth Path is on the creation of more and better jobs to achieve this (Economic Development Department 2010). It is the first time that a South African government document mentions that the economy has to be 'restructured'. The NDP was informed by a 'National Diagnostic Review', which set out the shortcomings of the government since 1994, mainly in terms of fighting poverty and reducing inequality (National Planning Commission 2011a:1). To address these shortcomings, the NDP proposes 'a new approach', one that moves away from a passive citizenry receiving services from the state to one that systematically includes the socially and economically excluded – where people are active champions of their own development, and where government works effectively to develop people's capabilities to lead the lives they desire (National Planning Commission 2011b:2). It is obvious that the Planning Commission, which compiled the NDP, found inspiration in the Alternative Development approaches described above, as Alternative Development also calls for 'people-centred' development, where people lead the lives they want and take decisions themselves. The facilitating organisation, in this case the South African government, should play a supporting role. There is, however, no reference as such in the NDP to Alternative Development Theory. The NDP was launched in August 2012 and endorsed by the ANC at its 53rd national conference in Mangaung in December 2012. However, it remains to be seen if the NDP will be fully implemented and, if so, if it will bring change. The objectives of the NDP are long-term with some results expected by 2020 and others by 2030. In any case, CIP fits perfectly into this new approach from the NDP and would be a useful model to roll out community development in South Africa and fight rural poverty.

2.2.7 How Alternative Development Theory and Community Development practice are the roots of CIP

As stated above, CIP has its roots in Alternative Development Theory. But also, CIP resembles to a certain extent Community Development practice as it was used to implement community development projects from the 1970s. Reynolds, who

conceptualized CIP in the early 2000s, was influenced by the ideas of Alternative Development and Community Development. In the late 1960s already, he had experimented with concepts of participation, ownership and the creation of vibrant local economies when he completed a doctoral degree in economics, investigating the resettlement on farms of previously disadvantaged farmers in Zimbabwe and taking these principles into account (Reynolds 1968). Afterwards, in the 1970s, he worked in India – in rural community development projects that used Community Development methods, initiated by the World Bank and the Ford Foundation. He therefore had direct experience of Community Development and its practical implementation. Reynolds was clearly inspired by these projects as in the 2000s, when he told stories or argued the feasibility of CIP, he often referred to the projects he had encountered in India in the 1970s (personal interviews with Reynolds).

To show that CIP indeed has its roots in Alternative Development Theory and Community Development practice, some of the main principles of each are discussed and considered below. The main principles shared by CIP, Alternative Development and Community Development are that development should be 'a learning process'; development should be 'people-centered' with 'participation and ownership' of the involved beneficiaries; and development should include 'all aspects of development', not focus only on the economic aspect but also on the social, psychological, cultural and political aspects so that development leads to the increased self-esteem of the involved beneficiaries (hence holistic development). If all of these are sufficiently taken into account, the chances of success for development projects are better, and hence the sustainability[21] of the project is enhanced.

Reynolds's definition of development is similar to that of Hans Singer, one of the early Alternative Development thinkers (see 2.2.5), namely that people are the starting point of development and that development cannot be 'engineered' (Shaw 2006:243-245). Development starts with people, happens in the minds of people, over unpredictable periods of time. Hence there is no blueprint for development as it takes different shapes in different contexts. Chambers (1992) said all development should be 'participatory', with input from the people participating in development projects

[21] Here 'sustainability' means 'project sustainability', meaning the project will continue when the facilitator withdraws.

(Mohan 2013:45-46). David Korten, one of the first leading Community Development thinkers, says a community development project cannot succeed if it follows a blueprint approach (Korten 1980:480). He stresses that the implementation of a community development project or programme should be 'a learning process' allowing for error, learning from mistakes and renewed action based on the new knowledge gained (Korten 1980:498). He further stresses that *projects* are therefore not necessarily suitable, as they are bound in time, have to adhere to project deliverables and have 'an end point, or goal'. This aspect is still emphasised by contemporary community development academics such as Chile (2004), Yachkaschi (2010) and Westoby (2012). Westoby and Ingamells (2012:384) say community development is a concept that cannot be objectivised. It has no 'best' or 'right' way and each time community development takes place, it is different. Community development should rather implement *programmes,* which are not necessarily bound in time and which are more flexible, both in terms of deliverables and budget (Westoby and van Blerk 2012:1085). Yachkaschi (2010:200-204) believes donors should not impose timelines on communities as these will undermine sustainability and ownership. Swanepoel and De Beer (2011:46; 56-57) say only community development projects where learning takes place can lead to real change. Schenck and Louw (1995:84) stress that the implementer of a community development project should facilitate a process that should lead to learning, growth and development of people, not of things. So, when a clinic is constructed in a community and the people were not involved in the management and the building of the clinic, there was no development and, consequently, no learning. Chambers adds that not only the community should experience learning, but also the facilitating organisation (1995:197-198). Yachkaschi (2010:195-204) further stresses that facilitators of community development projects should not develop, but should rather capacitate individuals ánd organisations to develop, by being collaborative instead of imposing. Facilitators (or community development practitioners) should hence be trained to understand this (Westoby and van Blerk 2012:1084-1086). Reynolds believed that CIP could not be a blueprint for the development of all the communities in South Africa as communities differ and have their own dynamics. CIP is offered as a method for development, which should be guided by a facilitator and take shape over time. Which shape it takes, will depend on the involved community. He further stresses that therefore, the implementation of CIP should be 'a learning process' and

that the community implementing CIP is ‘a learning society’. There should be space for learning and, consequently, making mistakes. Reynolds advises in some of his many papers on the ways of building a learning society and I elaborate on this in chapter 3 (Reynolds 2005a:29). From the outset, Reynolds called his idea for community development a ‘programme’ (community investment *programme*). Chapter 7 will look at the ‘learning’ that CIP itself, as an alternative approach to development, has undergone when it was implemented in the three different pilot projects that were studied. For example, the mistakes that were made in the first CIP pilot project (Huntington), were avoided in the second (Tsakane) and third (South Coast). Also, the CIP programme as such was adapted in the process, to suit the needs of the beneficiaries better and to become more responsive. This indicates the learning that CIP itself underwent, and the flexibility that CIP inherently possesses to adapt to the context where it is implemented.

As mentioned, Reynolds worked in India in the 1970s. So did David Korten and for a period both worked for the Ford Foundation. It is not clear whether or not they ever met, but the similarities of their ideas are obvious. The rural development projects they both encountered were examples of community development projects allowing space for learning and where the project facilitators were critical of themselves, were open to learning from their mistakes and accepted input from the project beneficiaries. The projects implemented by the Bangladesh Rural Action Committee (BRAC) provide a good example, as these projects went through different stages of learning, influenced by what was happening on the ground and guided by people themselves. Hence, BRAC itself kept on renewing its approaches and thinking, which led to huge successes over time (Korten 1980:488-490). Another example is the small farmer dairy projects in India, which were promoted by the Indian Government and consisted of establishing village cooperatives where all farmers could bring their milk to a collection point daily. There they could sell any quantity of milk, even the milk from only one cow. The farmers got immediate cash for their milk to empower them on the spot with opportunities to spend the cash on other products and services (Korten 1980:485). Reynolds used the example of small farmer dairy projects often and saw it as a useful project to drive the local economy. Both Korten and Reynolds were hence influenced in terms of what a successful community development project should be. Korten’s thinking culminated in the 1990s in what he calls the ‘Earth Community’. In

such a community, people live in healthy relationships with one another and the earth, the market serves the interests of the people and it is based on equality (Korten 2011). Reynolds's thinking culminated in CIP, a new approach for implementing community development projects, but inspired by Community Development practice.

Alternative Development Theory and Community Development stress that all developmental efforts should focus on the satisfaction of basic human needs, both material and non-material (Ekins 1992:99-100, Chambers 1995:191-194). An integrated approach should be followed when implementing community development projects, where economic, social, political and cultural aspects should be addressed together, in a coordinated way (Chile 2006:420; Swanepoel and De Beer 2011:41). That is exactly what CIP aims to achieve, namely focus on the satisfaction of all human needs, like experiencing happiness, improving self-esteem, achieving potential – not only the physical needs such as food and shelter. If people are happy, reach their potential and become more self-reliant, amongst others, their self-esteem and dignity will be improved in any case (Swanepoel and De Beer 2011:47-50). Also, CIP wants to focus on the collective level, for example by strengthening social cohesion, and not only on the individual level (Reynolds 2005a). Swanepoel and De Beer (2011:41-42) say that community development occurs when action is taken by a number of individuals who share a mutual problem and want to solve it together. However, participation should be voluntarily and not all people living in the community will participate in the project, only those who are committed. Cooke and Kothari (2001:9) say that, rather than a community participating, it will always be individuals in the community who decide voluntarily to participate in a project or not. They have to see the benefit for themselves and for the group, before they will participate. Yachkaschi (2010:195) mentions the importance of investing in the organisational development of the community to ensure sustainability. CIP is a development approach that aims to put people at the centre, involve them in planning and decision-making and focus on self-reliance. This is how people develop self-esteem and reach their potential. Community development projects that focus on improving only the income of beneficiaries do not do enough. Such projects might also improve the self-esteem of the beneficiaries, but the bigger picture should be taken into account. That does not mean that community development projects should specifically focus on 'improving self-esteem', for example, but the improvement or enhancement of non-physical

human needs should flow from the project and each project should therefore pay attention to those aspects (Chile 2006:420; Swanepoel and De Beer 2011:48-49).

As does Alternative Development Theory (Ekins 1992:99-100) and Community Development (Chambers 1995:200; Chile *et al.* 2004:321-322; Swanepoel and De Beer 2011:50-52; Yachkaschi 2010:200-204), CIP stresses that people themselves should take the lead in decisions affecting their lives, focusing on fulfilling the needs they find important. To achieve this, local communities should organise themselves, identify their problems and solve them, with or without the help of non-community members, but with the community always deciding and if possible, using their own knowledge, whether traditional and/or indigenous or not. Development should be a bottom-up process where people themselves make the decisions – not the government, the foreign development organisation or the NGO (Chambers 1995:200; Schenck and Louw 1995:85; Swanepoel and De Beer 2011:44; Yachkashi 2010:200-204). This focus on participation flows naturally from the fact that both Alternative Development and Community Development want to be 'people-centred'. Without people participating in their development, there can be no mention of being 'people-centred'. Desai (2013:115) even says that people have the right to participate in all decision-making that affects their lives, so all types of development should always be people-centred. Reynolds stressed the importance of democratic decision-making when CIP is implemented, with a government or NGO playing merely a facilitating or supporting role. This condition for people-centred development was already stressed by Korten, Ekins and Chambers in the 1980s (Korten 1987:146; Ekins 1992:99-100, Chambers 1995:202-203).

Participation means that the people (involved in a project or programme) are fully involved by taking part in the planning of the project, by making decisions related to the project and by taking part in the implementation of the project. They take responsibility for the project which goes further than just being involved (Chile *et al.* 2004:321-322; Schenck and Louw 1995:85; Swanepoel and De Beer 2011:50-52; Yachkaschi 2010:202). The participation of beneficiaries is important as it increases the chances of success. This is because, firstly, there is a better 'fit' between the needs of the beneficiaries and the outputs of the project when the beneficiaries are involved in the planning. They know best what they need and what they want. Secondly,

because of the potential for learning and the space for local initiative. And thirdly, because of local accountability through the governance structures set up for the management of the project. All of these contribute to the relevance of the project for the involved beneficiaries. So participation reduces the chances of collapse when facilitating organisations withdraw ánd enhances ownership and sustainability (Chambers 1995:200-204; Cooke and Kothari 2001:1, 5-6; Desai 2013:115; Korten 1980:496; Korten 1987:146; Westoby and van Blerk:1092-1083; Yachkaschi 2010:202). Mohan (2013:46) states that the key question that should be asked in terms of participation in development is what the people, who are expected to participate, will gain from participating. If people do not see, or do not understand, why they should participate – what they or their community will gain – they will not participate, or at least not meaningfully. Facilitators should take this question into account when they start implementing a community development project. For example, the facilitators of the CIP project at the South Coast were indeed aware of this question and deliberately worked on showing the people how they would benefit if they participated (see chapters 6 and 7).

However, Cooke and Kothari, Korten and Chambers advise caution as participation is sometimes abused (consciously or not). For example, sometimes community development projects collapse and 'lack of participation' is indicated as the reason for this collapse. However, this lack of participation is caused by the facilitating organisation following too much of a 'blueprint' approach, or keeping too much control and refusing beneficiaries the opportunity to participate. They sometimes give 'token' participation to beneficiaries by, for example, asking their opinions when the decisions have already been taken, or by just informing them, or by creating a governance structure which, in reality, has nothing to say. The facilitators could do this, for example, to achieve the project goals more quickly, or to stick to timelines prescribed by the donor, or just to keep a certain bureaucracy in place and protect their own jobs (Cooke and Kothari 2001:9, Korten 1980:483, Chambers 1995:197-198). Therefore, to always ensure real participation by the beneficiaries of a community development project, the facilitators should be flexible, pro-active and self-reflexive to ensure they never control the project. The facilitating organisation, even if it is a government institution, should give control to the people and it is not really important whether participation is initiated from the top or comes from the

bottom, as long as the people have the power to influence the development process and make their own analysis (Cooke and Kothari 2001:4-6; Desai 2013:116; Mohan 2013:46-47; Swanepoel and De Beer 2011:50-52; Chambers 1995:1997-204). The facilitator should understand the local context and adapt the project accordingly, which means the facilitator should be close to the community and be capable of constantly learning and so improve the approach (Korten 1980:484; Chambers 1995:198). The CIP pilot project in Huntington is a good example of why this is indeed important and what went wrong when the facilitator was not close to the community (see chapters 5 and 7). Another warning by Cooke, Kothari and Korten to ensure real participation deals with the existing power relations in the applicable community. These should be thoroughly studied by the facilitating organisation when a project or programme is started up. Power relations are often not visible or formal as such, but if ignored, they may sink the project (Cooke and Kothari 2001:14). Once again, the CIP pilot project in Huntington is a good example. The existing power relations in the community were not sufficiently understood by the facilitators and this was one of the main reasons for the collapse of the project (see chapters 5 and 7). Korten mentions that a community mapping exercise before implementation can be useful to avoid this problem. Mapping should be done by the community members themselves and can guide the facilitator to ensure a responsive action plan for implementation (Korten 1980:490). Also Chambers mentions that local people should make their own analysis of the situation before a development project can start to ensure sustainability (Chambers 1995:201). But again, mapping and identifying needs with the community could still lead to traps as this type of exercise raises expectations with the community. These expectations should be managed well to avoid disappointments, which many communities experienced when well-intended development projects collapsed (Swanepoel and De Beer 2011:43).

The question of participation is, in theory, addressed in CIP by the arrangement that a representative and inclusive community trust (or other representative vehicle) should take all decisions related to the project. A facilitating organisation is merely there to provide support if and when required. Reynolds argues that ideally the state should play the facilitating role and put budgets on offer to communities. However, that is the ideal, and it does not mean that the facilitating organisation would not fall into the traps described above. The pilot projects that will be discussed in chapters 5 and 6

will indicate that these traps were also experienced by CIP facilitators, including Reynolds himself.

Participation gives people the opportunity to bring in their own knowledge, which is not possible when the facilitation organisation comes with 'a blueprint' that is designed by some 'professionals' in an office far away from the community where the project has to be implemented (Cooke and Kothari 2001:5). Ekins refers to the importance of the contribution of 'own knowledge' when he sums up the characteristics of Another Development (Ekins 1992:99-100). Also Chambers (1992:6) says that rural people are themselves knowledgeable about things that are important for their lives. Korten (1980:499) says that projects should build on what people already know as they will then participate more readily and the risks will be lower. It is important to mention here that the existing assets in a community should be used as much as possible. These may be natural resources like water, rivers and soil, but also the roads that exist in the community, the town hall perhaps and the electricity lines. The people living in the community are also an asset as they bring in their own knowledge (Swanepoel and De Beer 2011:44). Chile *et al.* (2006:400-401) also say that respect for local habits and knowledge has a huge impact on the success of a community development project and should therefore always be taken into account. In Reynolds's view, if you are poor, illiterate and uneducated, it does not mean that you do not know things and that you do not know how you want to run your life. Hence, it is important to let poor people have their say when projects are designed and implemented. That does not mean that other knowledge is not important. Specific education of the community may be required for the project. There should be a balance and no naïve assumptions should be made about any knowledge, as all knowledge should be relevant for the project. Facilitators should always be realistic (Cooke and Kothari 2001:12; Reynolds 2005a:28, Schenck and Louw 1995:88).

Another Alternative Development approach grew out of an emphasis on the importance of local assets, namely Asset-Based Community Development. In this approach, an analysis is made of what the community or involved beneficiaries already have, and how this can be used to build the community, or what opportunities for local economic development this brings. So it is a more positive approach to

community development. Rather than focusing on needs that still need to be addressed, it focuses on what is already there and how it can be used more effectively. An appreciative enquiry may determine what present assets already exist in the community, including existing social relationships, networks and associations (Mathie and Cunningham 2002:1-2; Chambers 1995:195). As described in chapter 3, one of the ways Reynolds would enter a community when introducing CIP is to ask them three questions, namely 'who are you?', 'what resources do you have?' and 'what do you want to do?' Reynolds stressed that existing resources in the community should be used when starting a CIP project. One of the important assets he said a community had was the huge amount of 'unused' labour that existed in communities. Many unemployed adults live in these communities, but they do have the capacity to work. If this 'unused labour' could be used by the community for the benefit of the community, what an opportunity it provides for community development (Reynolds 2005a:34-36).

The way participation is described above is the same as what would be meant with 'ownership'. In most literature on participation, this meaning applies (like in Cooke and Kothari 2001:1; Korten 1980:480-499; Swanepoel and De Beer 2011:50-52). In this research, the word 'ownership' is also used, which then means the same as 'participation' as described above. Participation could also mean just being 'involved' in the project because of some benefit, but there is no real interest in taking part in the project planning, decision-making and in sustaining the project. Just being 'aware' of the project, and knowing that it exists in your community, is not yet participation. In chapter 6 where the CIP pilot project at the South Coast is discussed, this distinction between participation and ownership applies, as some of the beneficiaries are merely 'involved' in the project without taking part in the planning and decision-making, while others are truly participating and do take part in the planning and decision-making of the project. To promote ownership, it is important to build independent member-controlled local organisations capable of managing the community development project, whether CIP or not, while working closely with the facilitating organisation (Korten 1980:482; Yachkaschi 2010:195-204). Once again, in CIP it is proposed that a community trust plays this role and represents all beneficiaries of the project.

Alternative Development Theory stresses the importance of the development of people leading towards self-reliance without being dependent on, for example, governments or donors (Ekins 1992:19, 99-100). Community development also shares this belief that development creates dependency from which it is difficult to escape (Chambers 1995:202-203; Korten 1987:146, Yachkaschi 2010:202-204). And CIP warns about dependency and the 'wait and see' attitude it creates with citizens. Reynolds argues that current social grants in South Africa foster dependency and passivity as they do not tackle the underlying causes of poverty and so keep people poor (Reynolds 2006:Annex 2). The long-term vision of CIP, therefore, is to transform the situation where poor citizens depend on social grants for their survival into a situation where social expenditure is redirected into activating budgets (as part of the rights programme as explained below and in detail in chapter 3) that citizens may access directly. This will transform them from passive grant receivers, depending on the state, into active citizens at the local level, providing for their own needs and so becoming more self-reliant. This would not only put development into the hands of people, but it would also liberate people economically and improve their self-esteem, which is once again an important aspect of real human development. CIP proposes to enhance this self-reliance of communities by starting with local production to ensure local capital and wealth accumulation. A vibrant local economy will be able to complete, or rather complement the global economy, so that both economies strengthen each other rather than undermine and destroy each other, which is happening still today. Also, on a macro scale, Alternative Development and CIP warn about dependency: dependency on the first economy or globalisation, or dependency on the so-called 'centre'. The dual economy described in CIP, namely the first, globalised economy and the second, marginalised economy, may be compared with the centre-periphery concept of World Systems Analysis, where the marginalised, second economy is dependent on the developed, first economy. The first economy is using the cheap labour of the second economy to further develop and become richer, just like the centre was and is using the periphery to become richer. Reynolds, however, does not suggest breaking with the first economy, unlike Escobar, or becoming part of the first economy (or centre), unlike Wallerstein. Reynolds says you cannot simply 'stop' globalisation and neoliberalism and/or break with it. He proposes rather trying to work with globalisation and neoliberalism and ensure that the benefits are spread more equally and that the disadvantages are addressed. He

pointed out that the majority of South Africans live in marginalised areas like townships and rural areas (the second economy), characterised by non-working local economies, high dependency on the 'global' South Africa for jobs, goods and services, and an inability to participate in the economy. To bring these marginalised areas into the economy, CIP suggests a balance between globalisation and localisation, calling for a set of 'localisation policies' for the South African economy (Reynolds and van Zyl 2006:2). 'Localisation policies' means policies that help communities to create a working local economy and hence, become more self-reliant as described above. Communities should own their productive assets and production and trading should take place as much as possible within the community. This will improve the local money circulation and, therefore, wealth can be created within the community. The more the local economy is capable of providing local needs, the less dependence there will be on the global economy. Reynolds often used the example of the Indian dairy cooperatives, which contributed to the self-reliance of many Indian villages (Korten 1980:485). Max-Neef also argued that self-reliance of communities was the only way to promote real development. Local self-reliance will stimulate regional and national self-reliance, so the process is bottom-up and not top-down (Max-Neef 1991:57-58). Chambers said (1995:194-495) that, to create a sustainable livelihood for the poor, they should be paid immediately for the products they produce. On the other hand, not everything can be produced and traded locally, so the global market remains necessary.

To enhance the creation of a local economy, CIP proposes the allocation of 'activating budgets' to communities in the form of 'rights programmes'. Rights are accompanied by budgets, which a community may use to address its needs. These rights budgets should be allocated by the government (national, provincial or local) in the form of child rights, investment rights, health rights and other rights (see chapter 3 for a detailed explanation of rights programmes). This rights-based approach of CIP resembles the basic-needs approach and the capability approach of Sen (Robeyns 2005:94-96). The rights budgets within CIP focus on the fulfilment of basic needs, like food, education, work and health. These rights budgets should be offered by the government to the people (organised in for example a community trust) and people themselves should implement them, if they like, as they want them. The basic-needs approach said exactly the same, namely that there should be a focus on the fulfilment

of the basic needs of people to eradicate poverty, in the short term (Swanepoel and De Beer 2011:36-37). Sen says that people should have 'the capabilities', or opportunities, to deal with their needs as they see fit. The government should create the environment to make this possible (Robeyns 2005:94-96). For example, Sen says that if a person wishes to be healthy, that person should have the capability to access clean water, a doctor and nutritious food, as all of these contribute to health. A person should hence have 'the capabilities' to access these. CIP says the same, as people should have the means to live a healthy life. CIP offers a concrete method to achieve this, which the basic-needs approach and Sen's ideas do not. Governments should put 'health budgets' on offer to communities. The community may then decide how to spend this budget, based on programme rules but also based on the needs of the community. In the Busiesvlei example (described in chapter 3), the community decides that there is a need for a local clinic, and that is what they achieve with the budget that is put on offer to them. Chile (2004:318) also mentions the importance of community access to community resources to ensure well-being.

To summarise, CIP is clearly inspired by Alternative Development Theory, and by its practical expression in Community Development. Just as Community Development, CIP stresses the importance of participation and ownership; that development should be a learning process where the focus is on self-reliance and human development leading towards improved self-esteem. If these aspects are taken into account, this will automatically lead, in most cases, to an improved likelihood of sustainability. Hence, CIP builds upon Community Development and adds some important factors which will be studied in the CIP pilot projects in chapter 5 and 6, and reflected upon in chapter 7.

2.2.8 The future of development

Poverty and inequality remain part of the world, also in South Africa. The rich keep on exploiting the poor, the poor keep on supplying cheap labour to the rich and the developing countries remain largely dependent on the developed countries for aid, food imports and manufactured products. The meaning of the concept 'development' is also still largely dominated by the ideas of the Western countries, the IFIs and UN institutions. The meaning of development for them was, and still is, economic growth

as a way to reduce poverty and inequality and, eventually, the same way of development for all (Berthoud 2010:74-76; Payne and Phillips 2010:178; Sachs 2010:x). The political will to focus on development and alleviate poverty in the world is also absent. The focus of the rich countries is currently on 'the war on terror' and ensuring safety and stability for their countries (Dodds 2013:4).

However, just like before, there are also now dissident voices proposing alternatives – mainly 'development' that is less focused on economic growth and more on promoting fair and equal relations between developed and developing countries. These alternatives are influenced by the ideas of Alternative Development. One of the most radical suggestions in this regard is the call, by some European scholars, for a period of 'degrowth' in the developed world (Viellard 2002). Reducing poverty worldwide cannot be achieved without reducing growth in the developed world. This would also result in less pressure on the environment and the poor. Developing nations should aspire to economic growth, but in ways that are not compromising the environment and with respect for people (Viellard 2002). The current pace of economic growth in the world is incompatible with sustaining the environment. If, for example, the EU economy should grow consistently by 3% per year, which the EU officially aims to achieve, the EU economy would double in 25 years (Kenis and Lievens 2012:103). Imagine how much energy such an economy would need. And that is only the EU – economic growth in regions such as China, India and Africa is higher than 3%. Also, the conditions that were present when Europe and the US started on their growth paths in the 1800s are not present today. Therefore, a new development paradigm based on equity, community and respect for the environment becomes inevitable. A solution in this regard could be a '*steady-state-economy'*, which would use energy only according to what the environment and society can carry (Kenis and Lievens 2012:103-105). We produce what we need, not more. Economies should localise to reduce transportation costs and reduce work hours per individual to provide more time for doing other things and so that more jobs are available for the many unemployed. People should work the number of hours necessary to provide for their needs, not work to make as much money as possible. Local economies, factories and individuals should share resources rather than all buying what they need for themselves (Kenis and Lievens 2012:104-114). However,

such an economy would be rather utopian and many people, also in the developing countries, would prefer growth as in the developed countries.

A less radical suggestion is to address the unequal power relations between nations, with a view to implement a new development paradigm. For example, the power held by the US and Europe in the IFI's and the UN has been a point of discussion for a long time, but reforms that would give equal power to all nations have still not been achieved. They are put forward by developing nations, but vetoed by developed nations. Neves and du Toit (2007:28-29) argue that any new development paradigm should first focus on addressing the unequal power relations – between nations and between people – as change will not happen otherwise. World trade rules and procedures should be fair and equal to all nations, without benefitting the developed countries. But, once again, this might also not happen soon as developed nations will not easily give up their power. The alternative suggested by Thomas Friedman, namely 'the green economy', might perhaps fit here as it does not require developed countries to give up their power. Green economy is a form of 'green capitalism' which will use the flexibility and innovation of the market to move towards a 'greener' and 'more equal' economy, however still based on private property, the accumulation of capital, productivity and cheap labour (Kenis and Lievens 2012:115-122). The market has always been innovative to solve the problems of humanity, so why would the market not be the solution this time? It is basically more of the same but packaged nicely as neoliberalism did before (see 2.2.4).

More concrete and realistic alternatives are fortunately also suggested by, amongst others, David Korten, the New Economics Foundation, the Open Development movement and, of course, Reynolds with CIP. These alternatives are briefly described below.

Korten's alternative for a new world is called 'the Earth Community'. In this community, people live in healthy relationships with one another and the earth, while the market serves the interests of the people and is based on equality. He stresses the importance of choosing our own future, not dictated by the market, states and corporations, as well as strong, organised communities (Korten 2011). The New Economics Foundation and its local branch, South African New Economics, is a

think-tank challenging mainstream economic and development thinking and suggesting a new way of thinking, where economic wellbeing is pursued, and people and the planet are considered first (NEF 2011). It is important that these alternatives all call for a 'natural move' towards another, more sustainable society, which grows over time and which cannot be 'managed' – communities are not companies. It will take some time to move to this more healthy way of living, but it will be worthwhile.

'Open Development' is a new, still emerging concept, overlapping substantially with Alternative Development. According to Matthew Smith (Smith *et al.* 2008:1) of the International Development Research Centre, Open Development is about making data and information available between developed and developing nations, between governments and citizens and between the citizens of developed nations and those of developing nations. This would improve fairness, but also, citizens would know which resources are available to them. They would therefore be in a better position to keep their governments and also the donors (mostly from developed countries) accountable. Secondly, Open Development calls for more participatory development processes and, thirdly, more inclusive, collaborative and bottom-up development, which are two ideas taken over from Alternative Development. Lastly, Open Development calls for horizontal knowledge sharing between developing nations rather than with developed nations, to share experiences and overcome problems (Gigler 2012).

As the alternatives mentioned above, CIP is also a concrete alternative for development and it obviously overlaps with these. CIP shares Korten's ideas that strong, organised communities should be in charge of development, and not markets. It shares with the NEF the idea that people should be considered first instead of profit, and CIP also challenges mainstream development and acknowledges that we cannot carry on like we do today. A new economy is needed, with a focus on allowing people to lead their own lives and take decisions on public funds. Real change can only happen when it comes from the bottom. The concept of Open Development overlaps with CIP in that 'knowing the resources available' is one of the main characteristics of CIP. If people are to choose their own development, they should know the resources that are available to them. Planning is done bottom-up and public institutions should assist and facilitate the execution of community planning. So

development planning becomes totally decentralised as people themselves decide, instead of government officials in the capital, or worse, officials from developed countries or IFI's. Reynolds says that if the objective of an economy is to create maximum profits and value for money, then the viewpoint of economic growth as efficient as possible should underpin the economy. But if the objective of an economy is to reach non-materialistic goals for citizens, such as stable living conditions, fairness, sustainability and dignity for all, then the economy should be underpinned according to these objectives, which are the key targets of communities and citizens (Reynolds 2005a:vi).

Will the above alternative development approaches and CIP have a chance in this unequal world? I believe so, as the poor demand changes. The rulers will have to address their demands to keep their votes, at least in democracies, and the multinationals will have to pay higher wages as delocalising their businesses to 'cheaper' places will become unviable in the long run. CIP, however, also calls for the development of the local economy, where people produce and buy local products as far as possible. If law and policy makers would start to draft legislation to promote a local economy, people would have to follow and it would become more viable than now as cheap imports would be kept to a minimum. However, until that happens, there is nothing stopping the poor to start producing and selling locally.

2.3 Conclusion

The Community Investment Programme is an alternative for mainstream development thinking. It is a programme that may be classified as an approach of Alternative Development, calling for community-driven development where people themselves take the lead in their own development, using their own knowledge and resources, and assisted by government. CIP has synergies with the basic-needs approach, the capabilities approach of Sen, the ideas of Ekins, Chambers, Manfred Max-Neef, David Korten, community development practice and others.

In South Africa, the neoliberal development paradigm is still dominant. However, some positive changes are mentioned in the new NDP. It is not yet clear whether these will bring the needed transformation. However, it is encouraging to see that CIP

would fit nicely into the NDP:

> Communities, in partnership with government, will develop the capabilities to improve their own lives… we have to forge an active citizenry that takes ownership of the solutions… we therefore launch a paradigm shift from a delivery model to a capabilities approach where communities are active in their own development (National Planning Commission 2011b)

The fact that CIP could be used as a model for local economic development in the NDP increases the relevance of this research, because if this research could prove that CIP is indeed an alternative approach to local economic development in South Africa, it could be incorporated as a new approach in the NDP and rolled out nationwide.

3: THE COMMUNITY INVESTMENT PROGRAMME (CIP)

The Community Investment Programme as conceptualised by Dr N. Reynolds

This chapter will describe CIP as conceptualised by Reynolds and will outline the characteristics of the CIP and what should be done, according to Reynolds, to implement it. The description of CIP in this chapter might be utopian and does not yet take into account potential problems with implementation. The aim is to describe CIP as theoretically conceptualised by Reynolds. The information in this chapter was used as a basis for collecting the data in the CIP pilot projects. The aim of this research is then precisely to assess, by studying the CIP pilot projects, what potential problems with implementation could occur and how CIP may be revised accordingly. The main questions are: Does CIP, as conceptualised by Reynolds, work? And: How can CIP be adapted to contribute meaningfully to local economic development in South Africa? In chapter 7 I reflect on the characteristics of CIP as revealed in the pilot projects. Recommendations will be put forward, for use as a basis when CIP is implemented.

This chapter is based on documents written by Reynolds, discussions with him and interviews with his colleagues. As indicated in chapter 2, CIP is based on Alternative Development Theory and related practices, hence many of the ideas of CIP may be attributed to one of those.

3.1 Understanding CIP: the Busiesvlei case study

As a starting point to conceptualise CIP, I describe below an example of a community development programme, executed from 1992 to 1994 as part of the Independent Development Trust's (IDT) drought programme. This programme was conceptualised by Reynolds and is the predecessor of CIP, containing a number of CIP characteristics (Jagoe 2012:1).

The example of Busiesvlei was related to me by Reynolds. He was asked by the IDT to conceptualise a drought relief and development programme that would provide a

quick response to the problems caused by the drought and, at the same time, provide a model to serve as a platform for sound socio-economic development (Jagoe 2012:11). The IDT was asked by the government to assist communities hit by the drought – mostly communities living on farms, where many had lost their jobs. According to Respondent 5, then a board member of the IDT and later its CEO, the approach of assisting drought-hit communities had to be inclusive and people-centred. The IDT wanted to ensure that communities had full ownership of the development projects they were implementing. Also, as the drought project was happening in the political transition period in South Africa, trust levels towards outsiders were low. The IDT wanted to achieve legitimacy for its projects and believed it could only be done by ensuring full ownership. Therefore, communities affected by drought were given access to 'budgets', to invest in whatever they deemed important, under certain rules. For the first time in South African history, communities had direct access to such funds through signatories elected by the community.

One of the communities that received such a budget was Busiesvlei, a labour township located between farms in the North West Province. It received a grant of R40 000 as part of the drought relief programme. Before the grant was allocated, Reynolds visited the community and had a brief meeting with some community leaders. After the visit, a letter was sent to the community to explain the grant opportunity and what they had to do as a community to receive the grant. The community then had to come together and democratically decide if they wanted the grant and, if yes, what to do with it. It was presumed, and later confirmed in practice, that a public letter placing funds on the community table would unite and mobilise the members of a community. Reynolds visited Busiesvlei several times after that to explain the use of the grant. According to Respondent 5, the facilitators had to identify the leaders of the community and let them bring together the community to identify spending priorities and appoint signatories for the account. The Busiesvlei community was initially upset that they received only such a small grant – they wanted a clinic and how could they build a clinic with R40 000? But Reynolds explained during his sessions with them that much could be done. After five months of interaction with Reynolds and internal debate, things started happening. Community representatives visited the Provincial Health Department, who could not help with a clinic, but they referred them to a nearby clinic for assistance. They then

visited this clinic and explained their wish for a clinic in Busiesvlei. One of the doctors at the clinic was impressed by the pro-activeness of the community and he arranged an ambulance service between Busiesvlei and his clinic. However, the town clerk where the clinic was located objected to the ambulance service. In his opinion the clinic was already overstretched. The doctor and one of the sisters of the clinic then offered to come to Busiesvlei twice a week if the community could cover their transport costs and arrange for a place that could be used as a clinic. The community got frustrated as they did not have a place that could be used as a clinic in Busiesvlei. Again, Reynolds said they had to be creative. The community members then went to the Ditsobotla Local Municipality, which had Busiesvlei under its jurisdiction, and were offered an old house for R1 040. The community renovated the building, paying for the labour from the grant, and they had a clinic! The doctor and sister visited the new clinic twice a week. After the clinic was ready, R27 000 from the R40 000 was left. The community then identified further uses for the money and in the end a youth centre was established and a partnership was arranged with two commercial farmers nearby. Community members could use some of the farmland to grow vegetables and, in return, they offered their labour to the farmer concerned. Also, part of their production was bought by the farmer and in this manner they established a connection with the South African economy and benefited from it (Discussions with Reynolds; Interview with Respondent 5; Jagoe 2012:1-2; Massingham 2009:1-2).

This case study illustrates the main characteristics of CIP, which overlap with the characteristics of Alternative Development Theory and Community Development Practice, as described in chapter 2:

- *People-centred development* where intended beneficiaries take the decisions, are *involved in planning* and *participate* in the project implementation. The Busiesvlei community decided themselves what to do with the grant after identifying the most urgent issue for them, namely a clinic. They planned the entire establishment of the clinic themselves, including renovating the building and conducting all communication with relevant stakeholders (municipal authorities, doctors, etc.).

- The community went through *a learning process* with Reynolds as a facilitator, but they were left to take their own decisions. If mistakes were made, the grant was not taken away from the community, so the flexibility existed for them to learn from mistakes and to 'develop'.
- The focus of the programme was on *all aspects of human development*, including *self-esteem*. Self-esteem, Reynolds argues, was lost through years of colonisation and apartheid. Black communities had lost their freedom in so many ways, and by giving them access again to budgets and decision-making about their own development, they regain the freedom to decide about their own lives (Jagoe 2012:3). The community's involvement in the renovation of the clinic building and the negotiations with relevant stakeholders, contributed to the improvement of their self-esteem.
- The project also focused on communities becoming *self-reliant*. The Busiesvlei community started developing a local economy by hiring their own labour whenever possible, or sourcing services locally. They also negotiated to use the land of the commercial farmer, in this way growing their own food and selling their surplus, thereby creating better food security and a small income.
- The Busiesvlei Community knew which resources they had available *before* they commenced to identify their needs. In most community development projects led by a government or a donor, the funds available are not known to the community (or project beneficiaries) and the community cannot take decisions about funds. Projects are based on the expertise of the NGO or government body, and sometimes do not even address a community need. By having direct access to the budget, the prospects of the community taking ownership of the project are much higher. Respondent 5 and Jagoe both confirmed that the IDT hardly ever lost money by giving communities direct access to the account, even when working in very difficult environments. Checks and balances were in place and 7% of every budget allocated was set aside for financial mentoring and regular checks by an audit firm (Interview with Respondent 5; Jagoe 2012:2).

What follows is an in-depth description of CIP as Reynolds conceptualised it.

3.2 What is CIP?

CIP takes the approach that the South African economy consists of a first (developed) economy and a second (marginalised) economy. Hence, CIP is aimed at developing the second economy in such a way that the South African economy will benefit all South Africans, instead of mostly those working in and benefitting from the first economy. As the first economy is unlikely to achieve the sustained high levels of growth to create jobs for all and ensure stable development, the second economy has to become developed. The first economy cannot realise its full potential, nor guarantee the social stability needed, unless the state helps to ensure that the majority of South Africans – now living in the second economy – become economically and socially active within working local economies. The better the second economy functions, the better will be the overall performance of the national economy (Reynolds 2005a:ix-x, 25).

CIP wants to transform the second economy by focusing on localisation policies which will create local economies where decentralisation and the self-reliance of citizens are of key importance. Hence, CIP may be viewed as a programme for local economic development. Proven globalisation and localisation policies should become interdependent rather than compete against or undermine each other. Reynolds therefore does not want the current first economy to change drastically – it is a dynamic, existing system and cannot simply be 'stopped'. He does, however, want the second economy to be developed as well, so that the two economies will strengthen each other, in the process creating economic opportunities for all SA citizens. Strong local economies should emerge, capable of competing in certain areas with the national economy and providing economic and social security.

Implementation of CIP in South Africa would mean a refocus of government economic policy from a centralised, supply-side approach towards a decentralised, demand-side approach, led by people themselves. Reynolds states that the supply-side approach of the government (and development agencies) has led to frustration and tension; it leaves people inactive as it is presumed that they will pay for what is provided, but they are not asked to provide themselves. The only role that government or a development agency should play, is support for local planning, a budget and

facilitation (Reynolds 2002:3-9). Once again, it is clear that CIP has synergies with Alternative Development Theory and Community Development Practice (see 2.2.7).

CIP is not yet a proven programme for development. At this stage, it has been used as the intellectual basis for implementing development projects (in the three pilot projects studied in this research and in the Khulumani[22] support group villages and to a certain extent in the IDT drought projects as described under 3.1) but the programme as such has never been studied and proven viable. Hence, this research aims to do that. Before the CIP pilot projects are studied, this chapter will explain in detail what CIP is all about, according to Reynolds. Once again, this description of CIP might seem utopian and unrealistic, however, this chapter describes CIP theoretically and it is exactly the aim of this research to reflect on CIP after the CIP pilot projects have been studied, and, in doing so, indicate if it is indeed utopian or if it can work.

3.3 Characteristics of CIP

3.3.1 People-centred development: participation and ownership

The implementation of a CIP programme should be people-centred. Firstly, CIP should be implemented by 'a group of people' with a common purpose so as to ensure participation and ownership by the involved community. The extent to which the beneficiaries of the project own the project is called 'ownership'. This means that the beneficiaries should know about the goal(s) of the project, be involved in the planning of the project, make vital project decisions and act on their own behalf (Reynolds 2004c: 3-6; Swanepoel and De Beer 2011:53). It is important to ensure a governance structure of the project is in place, to ensure the total involvement of the beneficiaries. As most community development projects, whether CIP or not, are implemented by a facilitating organisation (government, NGO, foreign development agency), a lot depends on the way the facilitation is done, and if the community members are in fact allowed to participate in the project and take ownership.

[22] Khulumani is a social movement in South Africa that was established to assist survivors of apartheid-era gross human rights violations. The movement has branches countrywide and is still trying to get justice for human rights violations not addressed by the Truth and Reconciliation Commission (http://www.khulumani.net/aboutus).

In CIP, such ‘a group of people’ is called a community. The understanding of the concept ‘community’ is manifold, from a ‘locality’ or ‘neighbourhood’ to ‘a group of people sharing a common interest’. A conceptual discussion of ‘community’ is not the purpose of the research. The focus here is on what Reynolds meant with the concept. In Reynolds’s view, a community can be any group of people, but structured in a legal entity and with the objective of developing ‘their community’ (Interview Respondent 3; Reynolds and Drew 2005c:4-30). These communities could be existing urban or rural communities, or parts of them, or certain groups such as ‘farmers’ – as long as there is a common purpose and the willingness to work together to achieve this purpose. This ‘community’ can be created just for the implementation of the project, as long as there is a common goal and some individual reward (Chile *et al.* 2006:400; Swanepoel and De Beer 2011:62; Yachkaschi 2010:196). If an existing community is involved, the existing power relations and purpose should be taken into account. Existing power relations are often not visible to facilitators and can therefore create problems (Cooke and Kothari 2001:14).

Reynolds argues that the community should be run according to democratic principles. To organise the ‘community with the common purpose’, Reynolds proposed a vehicle called ‘the community trust’. In such a trust, each member of the community has equal democratic, social and economic rights. The formation of the trust should not be just a legal exercise; the members have to apply their minds by asking themselves three vital questions: ‘who are we?’, ‘what resources do we have?’ and ‘what do we want to do?’ (Reynolds and Drew 2005c:4-30; Reynolds 2005f:2-3). Community trusts are governed by elected trustees and a management committee, who are trained to play this role and are accountable to the other community trust members. Annual community meetings will elect or re-elect trustees and managers. The community trust places the responsibility for development in the community. Decision-making, planning and management of resources is put in the hands of the people. Each member of the trust (adult men and women) enjoys an equal share in the resources and assets of the community trust and all have a vote. All land, water, trees, roads, public schools, gardens, fencing, etc. become communal resources, owned by the community trust. They are assessed to determine the total value of the community’s resources and assets and also to determine the value of ownership for

individual community members. A community trust is not a political body, but a body to ensure community development (Reynolds and Drew 2005c:4-30).

The trust has to decide on new members (people who move into the community or marry a community member) as well as members who leave the community or are away for long periods of time, such as migrant workers. If outsiders wish to use community resources, like mineral-rich land, the outsiders have to negotiate the terms and conditions for such 'use' or 'extraction' with the community trust. The ownership of the land always remains with the community trust. Ideally a partnership is put in place with the outsiders, with the community benefitting from the use of its land and resources. The community trust may also attract investors from outside the community if there is a need for extra funds to develop certain needs (Reynolds and Drew 2005c:4-30; Reynolds and van Zyl 2002:29). Community management of resources is the basis for economic freedom, as people can only be economically free if they own the basic assets on which their lives depend. If the land that people live on, and the house they live in, is not theirs, there is no economic freedom. It also moves from a supply-side delivery model to a demand-side model, where the community trust can decide which programme rights with budgets to access and what to do with it (see 3.3.2 below). There will be certain rules, and facilitation workers will be available for the community to call upon (not to compulsory receive), but the final decision about what will happen, and how it will happen, remains with the community trust (Reynolds and Drew 2005c:4-30; Reynolds and van Zyl 2002:29; Reynolds 2005b:6).

The community trust partners with the government to ensure local development in the community. According to set rules, the community trust will receive annual budgets from the government in the form of imaginative programme rights (see 3.3.2 below for a detailed explanation of programme rights) which can then be used to satisfy the needs of the community. It is the responsibility of the trust to manage the resources and assets of the community and the annual budgets they receive from the government.

In practice, to run the different responsibilities of the community trust, management committees should be formed, as well as community companies and cooperatives. For

example, another characteristic of CIP is for a community to become as self-reliant as possible and establish a working local economy by producing food locally (see 3.3.2), so a community cooperative may be formed to produce the food, using land from the community. Small businesses may be formed under the trust, and the trust can provide the start-up budget for these businesses. In this way, the trust gets shares in the community businesses and receives an annual return on investment and, later, new cash to assist other businesses. Such a relationship between trust and business in the community promotes sustainability and accountability (Reynolds and Drew 2005c:4-30; Reynolds and van Zyl 2002:29; Reynolds 2005b:6).

However, the use of community trusts in development projects is not without problems. The ownership and management of common resources implies collective decision-making by the 'trustees' and the involved community and this often presents challenges in terms of accountability, abuse of common resources, conflicts about what to do with the common resources and so on (Tshikululu 2013:10,11). As will be described in chapter 5, the community trust in Huntington, one of the three CIP pilot project, was hijacked and abused by the 'elite' of the community trust. Some of these elites even believe that they are 'entitled' to certain benefits, even if these are communal, just because they are part of the 'elite'. A good example here is the principal of the crèche in Tsakane (see chapter 5), the second CIP pilot, who assumed that communal resources could be spent for her own personal benefit. Respondent 4, who was involved in setting up community trusts, indicates that forming a community trust is the most difficult aspect of implementing a CIP project, even in a homogenous rural community where people know each other. Jealousy and distrust are very difficult to overcome, and then there are the 'hidden' power relations unknown to a community development worker that could affect the good working of a community trust. Respondent 7 also indicated that when setting up a trust in a rural community, facilitators are often confronted with elderly people, women and young, unemployed adults who are uneducated. Those with education have left the rural area. So, from the group of people who 'stayed behind' in the rural area, trustees should be appointed to manage communal resources. However, they mostly have no relevant experience and they are uneducated about financial management, for example. Here, open and transparent communication is the key to success, as indicated by Reynolds,

Respondent 4 and Ostrom (2008:3), who did a lot of research on common resource management in communities.

To summarise, CIP suggests a well-organised governance structure to implement CIP, preferably a community trust. This trust should be governed according to democratic principles and partner with the government to ensure development of the community. Only then will there be real prospects of participation and ownership by the involved people.

3.3.2 Becoming self-reliant: knowing the resources available and a working local economy

3.3.2.1 Knowing the resources available

Another important characteristic of CIP is that known budgets should be made available to community trusts. Giving decision-making power to communities should be accompanied by resources. Communities should know what budgets are available to invest in their communities, and they should have the power to, firstly, decide what is to be done with the money, and secondly, play a part in the spending of the money. In principle, the budget should be known to the communities before they start organising themselves as the availability of potential resources will give them opportunities and trigger processes that otherwise might not happen. This would require a mind shift from the government regarding the management of community development – from 'beneficiary management' to active community participation. Citizens will become active and decide for themselves. Many, including the current South African government, who hear about 'putting budgets directly on offer to communities' comment that people will not take responsibility for their own development, that they cannot be trusted with budgets (the government does not trust its own citizens) and ask: "How would they do it?" But such assumptions are wrong. Rather, many South Africans have lost their self-esteem and became rather passive citizens due to the history of South Africa. The post-1994 government believed they could 'solve' everything now that they were in power. People should wait and receive – an attitude which has become a barrier to participatory governance and planning. However, this can be rectified as people know what is needed to improve their lives

and now they also know that you cannot wait forever for the government. Not that the government does not want to help, but it requires huge resources and skills to do so and the government has now realised they cannot manage it on their own (National Planning Commission 2011b:2-3). To tackle huge problems like poverty and unemployment, different stakeholders have to work together. So, why not partner with the people themselves? The example of Busiesvlei, and the many other projects that were run under the Independent Development Trust in the period just before 1994, prove that communities can manage budgets, if the government needs examples. Internationally there are other examples, such as northern Uganda, where young people organise themselves in groups to get access to budgets (direct cash with no conditions), which can be spent individually or collectively. Research conducted in this project has shown that these direct cash grants have a positive effect on employment, the creation of new businesses and the reduction of poverty. The research also shows that grants (like the child support grant and old age grant in South Africa) do usually not lead to investments as the cash is directly spent on consumable goods (Blattman *et al.* 2013:2, 19, 20). Hence, this research, and others that Blattman *et al.* mention, argues for making direct cash accessible to the poor, as the availability of direct cash, with no conditions attached, gives the freedom that makes success possible. Reynolds said exactly the same and added that if you give people access and control over budgets, it will lead to poverty reduction and improved self-esteem (Everatt and Gwagwa 2005:ex summary; Interview Respondent 3; Interview Respondent 5, Reynolds and van Zyl, 2002:15-16).

CIP proposes that budgets should be put on offer to community trusts in the form of 'rights programmes', a term used by Reynolds for such budgets. These are made available to communities to pursue public goals under programme rules. CIP suggests four different rights programmes, namely investment rights, child rights, health rights and use rights. More rights programmes could be conceptualised if needed. As an example, all community members have the right to ensure a proper education for their children. And budgets are available under child rights for that. The community decides what to do with the child-rights budget – for instance, build a pre-school, send the pre-school teacher on training or buy lunch for every child at school – as long as the decision fits the child-rights concept. The community trusts, who know the rules and sizes of available budgets under each rights programme, may in this way become

major players in local economic development and service delivery, as partners of the government. For Reynolds, budgets should be given to communities and they should decide how to spend the money. The rights programmes are available on an annual basis and, subject to proper accountability to the community and the government; each trust may claim more funds.

The rights programmes should be ideally funded by the government. See below under 'implementing rights programmes' for more detail.

Investment rights

Investment rights are funds the community trust receives from the government, on an annual basis, per adult who is part of the community. These funds are equally owned by all the adults and used to develop and manage the community. On the annual general meeting of the community trust, *the community decides what will happen* annually with the investment funds, in consultation with the municipality, the ward councillor, the traditional leadership and other relevant stakeholders. The integrated development plans of every municipality should be revised to suit the community and discussed at these annual meetings to decide the focus in the community. As there will be funds that have to be spent in the community, it will create a labour market for the many unemployed community members.

As a priority, the investment rights should be used to increase the local circulation of money. For example, some of the funds may be invested in local food production and processing. The local food production will be stimulated by the child rights programme (see below) as funds will be available to buy food for the children in the school. Food production should focus on what the community needs and what can be produced locally, which in most cases is fruit, vegetables, bread, milk, meat, biltong, jams, cheese, yoghurt, butter, dried fruits, etc. As much local production as possible should be done, without inputs from the first economy. It is of course not possible to produce everything locally so, firstly, shops selling goods from the first economy, like tuck shops, should at least be owned by locals. Secondly, when certain resources are not available in the community, like fabric, but the labour is available to make clothes, the fabric should be bought in the first economy but the clothes should be made in cooperatives or businesses supported by the community trust. Obviously, it is

very difficult to compete with retailers, but school uniforms, nurses' uniforms, church uniforms etc. are exclusively needed in a particular community. Also, when infrastructure projects take place in the community, local people should take part as far as possible. The community may even decide to support the start-up of a business to do the task. Or the community may decide to buy expertise outside the community, for example if it is a once-off project, but on the condition that the outside company uses local labour where possible (Reynolds 2007a:8-12).

Local businesses should run, if possible, according to the principles of democratic employee ownership. Reynolds saw this as a vital component of CIP, namely that employees working for a company owned by a community trust, should own part of or the whole company. Workers should own at least 20% of the shares, preferably more. This gives the workers a bigger voice, but also makes them less vulnerable and makes them owners, rather than just workers selling their labour. This will improve company performance (Reynolds and Drew 2005c:4-30; Reynolds and van Zyl 2002:29; Reynolds 2005b:6).

To stimulate local production and make it viable, the prices for local products should not necessarily equal commercial prices. In many cases, products and services cannot be produced cheaper locally and competition will be difficult, as in the end, poor people buy where it is cheapest. But, this is the conventional market approach which says that the price of a product is equal to its value in economic terms. Now, if we look at the value of a product from another perspective, for example having more job opportunities and living a more sustainable life, people might argue that the price of a product should be decided according to these factors and not according to the market. So, CIP argues that the local market has to be protected from outside products, where possible. Also, a locally produced product may even be able to compete in price as there are no high distribution costs. Wages may also be lower for local production than in the first economy, giving a competitive advantage to small local producers. It is conventional wisdom that people value their jobs more if these give them satisfaction and if they are being acknowledged for what they are doing. If the worker knows that, because he accepts a lower wage, he can get a job, sustain his family better, give back to his community (as he will produce for his immediate community

members) and buy products in the community rather than having to go to ‘town’, he might prefer a lower wage to no job at all (Reynolds 2007a:8-12).

Putting the decision-making power and the funds for community development in the hands of the community is a big change from the current delivery model of the South African government. The resources for providing each community trust with annual funds are already available in the funds that municipalities receive every year for service delivery. For example, if a municipality receives funds for building sewerage in a particular community, these funds will go directly to the community trust and they will decide what to do with the funds, in consultation with the municipality.

Child rights

The second rights programme under CIP is called ‘child rights’. Children are the future of our society and many children live in dire poverty. Focusing one of the programmes directly on children, Reynolds argued, would force the attention of the community and the government on its children. These child rights also come in the form of funds to the community trust as per the amount of children living in the community. With these funds – the annual community child budgets – the community will look after the welfare of all its children.

Firstly, the trust has to feed its children by making use of the schools in the community (pre-school, primary and high school). So, if people know the trust will buy locally produced food from them, they will be encouraged to do produce. Demand will create the supply. As the community trust is the major buyer of this food, it can set the prices and reward local food production so that this expenditure stimulates the local economy. Due to the availability of investment rights budgets, funds are available to start food production and processing businesses. The community trust buys as much as possible locally and distributes the food to local schools where community members are employed to cook the food (Reynolds 2007a:1-7).

In addition, payments for locally produced food are taxed and this tax money is used to pay part of the school fees of the children, as in many cases poor parents cannot afford to pay the school fees, resulting in dysfunctional and under-resourced schools.

A certain percentage of the child rights budget, to be decided upon by the community trust, should be used to improve the school infrastructure, buy educational tools and send unschooled teachers for training. Pre-schools are not part of the government's education policy and therefore many pre-school 'teachers' are untrained. By giving them the opportunity to go for Early Childhood Development Training, their teaching skills will be greatly enhanced – to the benefit of the physical and mental development of the children. Also, pre-school teachers do not receive a salary from the government. By improving the school fees and having better payment rates, the salaries of pre-school teachers can be improved, which encourages them to become better teachers (Reynolds 2007a:1-7).

The advantages of child rights are there for the parents, the children and the community. Unemployed parents get a job, or at least some income, by producing food for the schools in the community, they save on food expenses as their child gets a healthy breakfast and lunch at school, their child gets a better education and they pay less on school fees. In one of the CIP projects, in Huntington, the community trust agreed that the payment parents receive for produce they sell to the schools, should be divided as follows: 25% to pay for the school fees of their child, 65% to the parent and 15% to the community trust for agreed common purposes. As parents may sell their produce daily to the community trust, and can get paid daily, they earn cash locally, which they may spend locally on the products that are available. This will increase the local income multiplier, which will increase wealth in the community. Parents will also buy produce from other parents (Reynolds and Swi ta Lunga Trust 2005e:6-7). It should be noted that all the above are suggestions that Reynolds made in terms of what could be done with the child rights budget. In essence, it remains the decision of the community what indeed will happen with the available child rights budget.

In 2007 Reynolds suggested an annual child grant of R1 500 per child living in a community. The resources should come from the government's existing School Feeding Scheme budget and, more controversially, the child support grants. As he was aware that this was controversial, he suggested that, as a start, only the School Feeding Scheme Budget could be used. If the community is successful in using these

funds to feed their children, they could ask for a larger amount (which could then come from either the child support grant or other budgets). In this way, the government becomes 'a financier' rather than 'a spender'. It is investing in its citizens, rather than keeping them dependent on government grants. Another suggestion by Reynolds is that parents receiving a child support grant should agree to give a certain percentage to the community trust (for example 25%) so as to increase the available child rights budget. In the end, this money will go to the improvement of the schools, which will benefit all children in the community. However, asking part of a cash grant from parents is problematic and they might only agree when they have clearly seen the advantages of giving a percentage of their grant to a community body so that their children may have better schools (Reynolds 2007a:1-8, Reynolds 2005g:11-13).

The child rights model would look as in the illustration below:

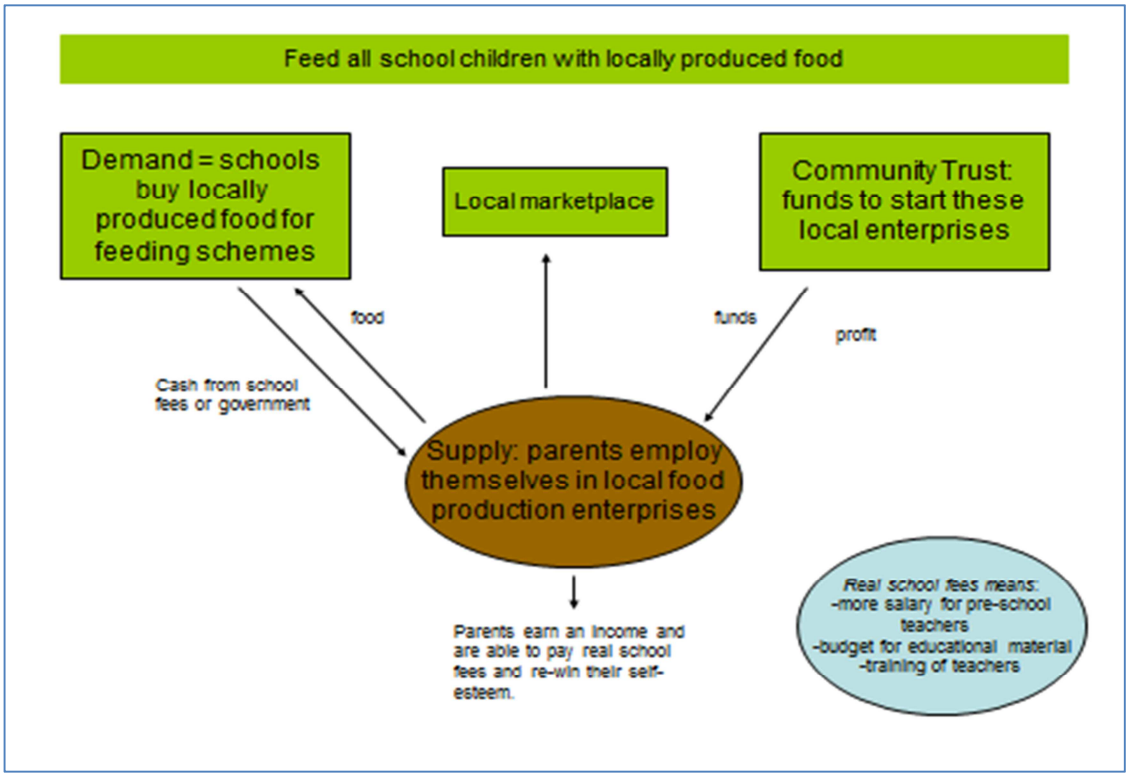

Figure 1: Child rights model (Geerts 2008)

Reynolds made the following calculations to prove the relevance of child rights (Reynolds and Swi ta Lunga Trust 2005e:13-15):

Model School 1 (present – no child rights)

The typical community-based pre-school operation today is 30 pupils, one or two 'teachers' and a cleaner and/or cook. The pre-school uses one of the teachers' home and outdoor shack.

School Fee Income

Fee is R30 per month x 30 children = R900. It should be noted that families who cannot afford the fee, about half, do not send their children to pre-school or do not pay the fee.

School expenditure

Expenses: Principal's salary = R900

Model School 2 (with child rights)

The community ensures that all children attend well-supported schools where children are also fed. Community ensures that all teachers are fully trained and supervised.

School Fee Income

1. School fee is R30 per month, 50 children attend. Monthly fee is paid by parents, the ones who cannot pay get community bursary support (so more children will attend the pre-school due to the bursary) = R1 500

2. From the child rights grant, levy for administrative costs and cook's salary = R1 500

Total monthly school income = R3 000

Monthly school expenditure

Salaries of teacher, assistant teacher and cook = R1 200 + R900 + R700 = R2 800

Electricity and materials = R200

Monthly Expenditure Total = R3 000

In summary, child rights are very powerful and feasible. Which parent does not want to improve the chances of their children to become better educated and live a better life?

Health rights

Thirdly, CIP suggest the introduction of health rights. Health security is too expensive for most South Africans and the available government facilities are often under-

resourced. Reynolds states that government is responsible not only for the 'delivery' of health, meaning the infrastructure and certain services, but also for the 'means', meaning people becoming responsible for their own health. The legacy of the past, poverty and the HIV/AIDS crisis have intensified the health crisis so that the majority of South Africans do not have access to good and easily available healthcare. Healthcare does not mean medical care, as this is reactive – the person is already sick. Healthcare is making sure that people do not fall sick, meaning prevention by ensuring clean water, hygienic sanitation services, good nutrition and an income to buy medical services and a doctor's visit when needed. So, people who have the right to live a healthy life do not have the means to actually do that. If preventive health issues are not addressed, the pressure on the state can only increase. Access to clean water, good nutrition etc. prevents illness and so investing in these services will be more rewarding in the long term than investing in medical infrastructure and services (Reynolds, 2004a:3-8).

To achieve this, Reynolds suggests the introduction of health committees on community level to manage an annual health budget for the community. They focus on healthcare, namely ensuring there is free clean water, good sanitation and sewerage, access to nutritious food, safe roads to prevent road accidents, training for citizens about their own responsibility towards health, etc. So, the local health service is placed in the hands of the community, with the funds, called health rights. The local health committee appoints its own medical staff and runs its own clinics (or communities may partner when there is only one clinic to serve a number of communities), first sourcing available trained health professionals in their own community before sourcing from elsewhere (Reynolds, 2004a:3-8).

Each committee registers the people from its community and the annual health budget is based on these numbers. Of the available budget, 80% should go to the provision of healthcare for the community and 20% to overhead costs and support services like research, training, regulation, etc. The budget is adapted for 'vulnerable members' (like children, HIV/AIDS patients, etc.) and poor conditions of sanitation and drinking water facilities. Budgets are increased if a community has to deal with many vulnerable members and poor conditions. The health budget comes from the normal health budget of the government earmarked for that area, increased with money from

public works and water affairs to upgrade poor facilities. The local health committees offer basic medical aid schemes, which can be run by private medical aid schemes with the local health committee as a go-between and manager. (Reynolds and van Zyl 2002:49; Reynolds 2004a:3-8).

The introduction of health rights to communities in this way is very idealistic and the three CIP pilot projects saw no experiments in this regard. Hence, it remains to be seen if the implementation of health rights is realistic.

Use Rights

Lastly, Reynolds argues that, in more traditional communities with communal land under traditional leadership, *use rights* may be introduced. These are different from the programmes mentioned above, as no funds are directly attached to use rights. In pre-capitalist societies, all land was communal, or at least not 'owned' by private persons, and everybody had free access to what nature provided. The concept of private land ownership and private ownership of common resources, like nature, was introduced in South Africa by the colonialists (Kenis and Lievens 2012:93). However, things like nature, the air, the sea, rivers, water and mineral resources are 'commons' that should not belong to anybody.

Reynolds argues that people living in areas with grazing land, or mineral resources, or large rivers, should decide what happens with these and how, and not market. However, this is not easy as most natural resources are already privatised and mineral resources 'licensed' to companies. Therefore, in CIP the remaining communal land under custodianship of chiefdoms and all other natural resources not yet 'privatised' should be seen as a free good accessible to all people living in the community. Therefore, it should become an asset for the community trust (not property). In this way, all adult community members have an equal right to use it, and not only, for example, the few cattle farmers that actually use it. Also, the farmers who use it, use it for free, while the whole community is owner. Therefore, Reynolds suggests introducing use rights, which makes each community member and owner of the land. Each community member receives use rights once a year, which they can buy and sell amongst themselves so that a price arises. Each community member has the right to use the land, but if not needed, the member can sell that right to other community

members who need it, for instance for gardening or cattle farming. As ownership brings a dividend, the use right can stimulate local production (as now you have to pay for land if you want to use it) (Reynolds and Van Zyl 2002:46-47; Reynolds 2007a:9-12; Reynolds 2005a:14).

The value of a use right can be determined by the value of the land. For example: Suppose a village has 100 adult members and one grazing area. The technical carrying capacity of the grazing land (how many animals can graze on the area) is set by the members at the annual general meeting of the trust. Assume that there is grazing for 1 000 animals. So each member will receive ten units for that year, so ten use rights (100*10 = 1000). During the next month, the members can exchange, buy and sell use rights as per their need. For instance, the cattle farmers may want to buy all grazing rights from the other members, who get paid for selling their use rights and then have cash available. This process only happens once a year, but it does stimulate the local economy (Reynolds and Van Zyl 2002:46-47; Reynolds 2007a:9-12; Reynolds 2005a:14).

Implementing rights programmes

Firstly, rights programmes are on-going, meaning a community trust may apply every year for a new portfolio of rights programmes (in the form of budgets), after the evaluation and audit of the previous rights-programmes budgets. Secondly, 'experiential learning' is possible, meaning that failure is allowed as part of the learning process (see also 3.3.4). If, for example, an investment is made in a community business and it fails, this does not mean that the community trust loses its investment rights the next year. Of course, mitigation measures have to be put in place and the community facilitator should organise workshops with the community trust to learn from the mistake(s) and avoid more failures.

The most important question is, how should these rights programmes be financed? Reynolds argues for redirection of current social grants, especially the child support grant. As this is highly controversial, CIP suggests three other means of financing, namely increasing VAT on luxury goods, introducing a corporate tax of 1% and introducing a Tobin tax (tax in capital movement) within South Africa. They are all controversial, but not impossible. Introducing a 1% corporate tax would be possible if

the income would exclusively go to the financing of rights programmes, and companies could claim it against their Broad-Based Black Economic Empowerment scorecard (Reynolds 2007b:1-5).

Reynolds was aware that the re-allocation of child support grants would be very difficult. How can you take away the little income that poor people receive? However, Reynolds claimed rightly that the child support grant is paid out to adults who, in some cases, use the money without benefitting the child. If the child support grants could be paid out to a community trust, all this money would be spent solely for the purpose of improving children's lives. It would also enable the many unemployed in marginalised areas. In addition, it would improve local money circulation in the marginalised areas, improving wealth, as currently the largest part of the child support grant is spent outside the marginalised areas, in the shopping malls and towns nearby. As mentioned above under child rights, Reynolds suggests that parents who receive a child support grant should agree to give a certain percentage to the community trust (for example 25%) to increase the available child rights budget. But this can only happen once the parents have experienced the benefits of the child rights programme, so it cannot be introduced immediately. If parents are not willing to share their child support grants, the government could consider paying out the child support grant partly in the local currencies of communities, so that at least local money circulation will be stimulated (see below about local currencies) (Reynolds 2007b:1-5, discussions with Reynolds).

Besides the controversial financing methods above, the government could also look at its existing spending patterns and redirect funds directly to community trusts, for instance parts of the education budget, health budget, agriculture budget, economic development budget, social budget, etc. Also, in 2007 and 2008 a working group under the then dplg was discussing the implementation of a national CIP programme. It suggested the establishment of a National Community Investment Trust (NCIT), which would be initially funded by international donors, corporations and the government, and which would be the central body making funds available to community trusts. Under the NCIT, a National Community Investment Trust Fund would be established, where some of the funds from NCIT would be invested to

finance the programme in the coming years. This would become the funding mechanism for community investment initiatives (dplg 2008:8-9).

To conclude, there are possible ways of funding CIP, which are not all controversial. If initially rights programmes could be funded by donor money, the benefits could be shown to all involved, making it easier afterwards to re-allocate existing funds within the government for financing rights programmes.

3.3.2.2 The right to live in a working local economy

A next important characteristic of CIP is that every South African has the right to live in a working local economy. CIP therefore calls for the establishment of a working local economy where it is absent, which is mainly in rural areas and townships. A working local economy is an active economy at the local level, where production and selling takes place on a daily basis. It would stimulate the 'local income multiplier', which would create more local exchange leading to increasing wealth on the local level. Local income multiplier basically means 'the cash that circulates in a locality and how it multiplies its value' (Reynolds 2005a:1-14).

In the early 2000s Reynolds conducted a survey, measuring the local income multiplier in Sandton[23] and in a township nearby. He found that when you drop a R100 note in Sandton, it will circulate seven to eight times there, from one business to another, before it leaves Sandton. This means that the R100 note created seven to eight times extra value *in* Sandton, which benefits business owners in Sandton. In a township, the same R100 note would circulate 1.3 or 1.4 times, meaning that it does not even create double the value. People living in townships and rural areas do not buy in the area where they live as there is very little to buy. They take a taxi and go to the nearby town or shopping mall to buy their necessities. There might be tuck shops in their area, but the tuck shop is also stocked with items bought in town, which the tuck shop sells at a higher price (Reynolds 2005a:14). The fact that buying locally contributes to local money circulation and local wealth creation is confirmed by

[23] Sandton is an upmarket suburb north of Johannesburg where many large companies (local and multinational) have located their SA headquarters.

research by others, such as the New Economics Foundation (2013), Richard Douthwaite (1996) and Browne *et al.* (2007).

Reynolds's point is that, when you create demand locally, it will pool the supply locally, so that local production can start and stimulate local money circulation and so create local wealth. Browne *et al.* (2007:567) did research at the South Coast of Kwazulu-Natal in an area bordering the area where a CIP pilot project was implemented (see chapter 6) and is similar in climate, population and culture. Browne *et al.* found that when you stimulate local production, you get more local demand as people get more income that they also spend partly locally (Browne *et al.* 2007:567). Through investment rights, community members will have the cash to start local production. However, people will only start with local production if they have some guarantee that their produce will be bought. This can in turn be stimulated by targeting produce which can supply the local school feeding schemes, or the local fresh produce market, or the school uniform market, etc. If the sale of local produce can be guaranteed, it stimulates production and demand.

Reynolds illustrated this point with the case study of the AMUL Dairy Co-op in India and the other Indian dairy projects (see 2.2.7). The AMUL Dairy Cooperative started in 1946, when local farmers got frustrated with the 'middlemen' who took the profits of the milk trade. AMUL introduced a system whereby farmers could bring milk to the cooperative collection point twice a day and get paid cash immediately. Every village had a collection point. Any amount of milk could be sold, so people with only one cow could also become part of the co-op. Around the milk collection points, small businesses emerged where the farmers could spend their cash. So the farmers created demand for local products, which they could buy in the village. This ensured constant money circulation in the community and the creation of local wealth. AMUL is now one of the largest cooperatives in the world, offering many other products. In South Africa, milk production is usually in the hands of large commercial farmers, who keep the milk in big tanks which are collected by trucks and the farmer is paid once a month for his milk (AMUL 2013; Reynolds 2007a:15). The fact that the creation of local demand will pull local supply is also confirmed by Respondent 4, manager at the South Coast CIP project. He says it is very powerful to improve local money circulation.

To further stimulate a working local economy, CIP suggests the implementation of three additional measures: a periodic, rotating market system, community banking and the introduction of a local currency.

Periodic market system

Before the National Party came to power in 1948, there were more than 500 markets in South Africa, usually in or around white towns, forming trading hubs countrywide. After 1948, the government stopped supporting all these markets and identified 13 wholesale markets countrywide. This move led to the collapse of the other markets and destroyed the livelihood of many small farmers and producers who depended on selling their products at these local markets (Respondent 5). According to Reynolds, markets are the heart of a working local economy and they can hardly be found in South Africa, certainly not in marginalised areas, hence they should be re-introduced (Reynolds 2007a:12-17).

With a 'periodic market system' is meant a system of small, local, periodic markets in each community, operating at least two or three times per week. The introduction of a marketplace in all townships and rural areas would increase the local income multiplier. The market should be open every day (or at least two to three times per week) for every person who wants to sell something. Community members may sell their produce to their fellow community members or to the community trust for the school's feeding scheme or for export. For example, a community cooperative may buy all excess local produce and sell it elsewhere, maybe at another regional market. In this way, community members are guaranteed that, every two or three days, they are able to present their produce (even if it is only one bunch of carrots) to buyers and use the cash immediately to buy something else they need at the market. Thus money circulates IN the community. This has been introduced by the CIP project at the South Coast (see chapter 6) and has proven to be very successful.

In addition, once a week, there should be a 'market day' where outsiders come to offer other services like municipal services (pension payouts, registration for elections, home affairs, etc.), community trust services (selling of bulk items like seeds, gardening tools, etc.) post office services, library services and banking

services. Also, at these weekly market days, traders from nearby villages with other products than those available locally may come and sell them. In larger markets, artists may be invited to perform over lunchtime or in the late afternoon to close off the market day. In this way the market becomes, besides a trading place, also a place of entertainment and social exchange. Spread over an area, there could be a market day on every day of the week in a different village. Traders with a lot of produce will be able to move from market to market to earn a living. A transport network between markets in neighbouring communities, where other products might be produced, could be established. The result will be regional trade. So, by introducing a market, people do not have to take taxis any more to go to town for food and services – once a week, most goods and services they need are available at the local market (Reynolds 2004b:4-10).

The periodic market system could be organised on the community level, the regional level and the national level. On the community level, where the markets are run, market committees are formed under the Community Trust. On regional and national levels, market societies are formed to support the market committees. The market societies advise the market committees on setting up the market, assist with building the market, facilitate external services like the post office and pension payouts, organise the market days in the region, etc. The market committee runs the marketplace as a cooperative under the community trust. Market stalls at the market are free for locals but will be rented out for a small amount to external traders and service providers (government, post office, banks) so that the trust can afford to maintain the marketplace and ensure that water and electricity is available. A number of jobs can be created to run the marketplace. All regional market societies are represented on the national market society, which is an overseeing body dealing with policy issues, national planning and assistance with creating economies of scale (Reynolds 2004b:19).

Reynolds has written a manual on setting up such a periodic market system in an area.

Local currency and community banking

When the rights programmes and local markets are introduced, there will be a significant increase in local money circulation. Therefore, CIP proposes a community

banking system and a local currency. This would again stimulate local money circulation. Often, money entering communities (through salaries or trading) quickly disappears again into the formal economy. Hence, to create local wealth, it could be beneficial to introduce a local currency and local banking system to keep money circulating locally.

Alternative currencies or systems or community banking to stimulate local or community development have been used for thousands of years. One example is the highly popular Local Exchange Trading System (LETS), which was created in Canada in 1983. LETS is a mutual credit system where members list goods and services they offer in LETS currency. The system expanded over the world and remains in use (Quintiliani 2002). Another example is the use of Ithaca hours in Ithaca, a poor neighbourhood of New York, where products and services may be bought with Ithaca hours (Quintiliani 2002). A South African example is the Ora, a local currency introduced in 2004 in the small village of Orania in the Northern Cape. The village was established in 1991, mainly to preserve Afrikaner culture. They experimented with local economic development and found that the introduction of a local currency contributed strongly. The Ora is on par with the rand and villagers can buy Ora at the local bank for rands, which are then saved. Interest on the savings is used to cover the costs of running the local bank (Lembethe and Mears 2006:1-2, 8-9; Steyn 2004:10-15; Respondent 8). Also the use of micro-credits and voluntary savings-and-loan systems is a form of local currency (CARE 2013; Grameen Bank 2013). Much more can be said about local currencies and there are thousands of other examples. However, this is not the purpose of this research. The point Reynolds wants to make is that local currencies and community banking may be used to enhance community development.

Reynolds envisaged community banking as follows. Community members may open an account at the community bank to save money and where the community trust can pay them (the principle of immediate payouts remains as the community bank is in the community). The community bank should negotiate a relationship with one of the large commercial banks, which would be in their interest as they could access a larger market and, through the increased money circulation in communities, people will have more cash to save. These savings will be a guarantee for the commercial bank.

The community bank can also become an agent for small loans to the villagers, either from the savings of other community banks or from the commercial bank (a credit union system where the savings of people are used for loans). The community banks, assisted by the government, may also stimulate local business by providing loans at lower interest rates to businesses producing and selling locally. This is another advantage for local producers, to make them more competitive with the national economy (Reynolds 2005a:14; Reynolds 2005b:2-11).

The community bank may introduce a local currency, or a voucher system, to further stimulate local money circulation. The local currency may only be used to pay for goods and services within the community. The value of the currency is on par with the South African rand. Economic activity is measured by the amount of money circulating in the area. A local currency will increase local circulation, as it can never leave the local community. It cannot escape to the malls; it stays to circulate between local people and create local wealth. It could be exchanged at the community bank for rands, but why would you do that if you can use it buy most goods and services in the community? Reynolds suggests that the local currency will be strengthened if the government pays out a certain percentage of pensions and grants in the local currency, or even part of salaries of government employees. However, this would be highly controversial as the government would impact on the freedom of choice of its citizens. Also, the community trust, when buying produce from community members, could pay partly in the local currency (Reynolds and van Zyl 2002:24-26; Reynolds 2005b:2-11).

3.3.3 A learning process with attention for all aspects of human development

Reynolds mentioned that CIP could not be a blueprint for the development of all communities in South Africa as they all differ and have their own traditions and dynamics. CIP is offered as a programme for development, which should be guided by a facilitator and take shape over time. Which shape it takes is up to the involved community. Hence, implementing CIP is ‘a learning process’ and the community which implements CIP is ‘a learning society’. This is an important characteristic of CIP. There should be leeway for learning and, consequently, making mistakes. As

mentioned in chapter 2, Alternative Development and Community Development Practice also advocate development as a learning process.

Reynolds expressed ideas on the building of a learning society in some of his many papers (Reynolds 2005a:29). He stressed that development should be a bottom-up process, where the community is assisted by a facilitator and not told what to do. The development of the programme is a learning process – mistakes should not be covered up, as often happens, but should be discussed and addressed before moving on. Also, mistakes should not result in giving up on existing projects for new projects. Rather, the mistakes should be addressed and reflected upon by the community and the donor or the government agent.

In addition, social aspects should be included in the learning, for example how the trust is governed, how feedback is given to the members, what to do if community members are not happy with the management of the trust. These are processes the community has to follow and from which it should learn. It is also important that the facilitating organisation undergoes 'a learning experience'. Facilitators should be trained, in terms of community development as well as in terms of understanding the local context. Chapters 6 and 7 will indicate the 'learning' that CIP and SDC have experienced during implementation in the three pilot projects that were studied – indicating the flexibility of CIP.

Respondent 6, a former board member of the People's Agenda and colleague of Reynolds, mentions that Reynolds was one of the few academics who really understood the bottom-up approach and how communities operate. In South Africa, policymakers are often remote from the grass roots. Reynolds understood communities and how to develop them, making CIP such a powerful programme for development. Choices and decision-making power make people participative citizens who can grow, learn and reach their potential. This is often not understood by the government and other development agents, who seem to doubt the capability of their own citizens and who seem not to trust them (interview Respondent 6).

Trust is the key to community development because people who are not trusted will not reach their potential or the full goals of a development process. Reynolds stressed

that CIP was not just an economic development programme, but a programme also dealing with the social, cultural and psychological aspects – all the aspects of human development. This is one of the features of Community Development as explained by De Beer and Swanepoel (2011:41):

> ... the most fundamental characteristic of community development is that it follows an integrated approach to the problems of poverty and development ... problems of development are multifaceted and that they should be tackled together ... It emphasises the fact that social, political and cultural aspects should be treated together with the economic aspects, because they are all interrelated.

CIP wants to focus on all aspects of human development, like experiencing happiness, improving self-esteem, achieving potential; not only the physical needs like food and shelter. If people are happy, reach their potential and become more self-reliant, amongst others, this will improve their self-esteem and their dignity (Swanepoel and De Beer 2011:47-50).

Reaching potential, on an individual or collective level, contributes to the development of self-esteem, which is what CIP advocates. Trusting each other and the facilitator is therefore very important. If the government, or an NGO, enters a community to start a development project but they do not trust the community from the start, the success of the project is compromised. Firstly, development agents (government, NGO or others) should trust the community members with whom they are going to work. The government should trust its own citizens, who vote for them. This is a precondition for any development effort to succeed. Secondly, community members should also learn again to trust each other. To work with each other without being jealous of what the other has, or has achieved, and even help to develop other community members. This trust between people is to a large extent lost in South Africa, and Reynolds argues that CIP could build trust again over time – between community members, but also between the community and the development facilitators. To start a community trust, for example, means trusting each other to jointly develop the community (interview Respondent 2).

If people are able to take decisions about their own lives and become more self-reliant, they will reach their potential and their dignity will be enhanced (Swanepoel and De Beer 2011:50). If people cannot participate meaningfully in the development of their own lives, as is often the case in marginalised areas of South Africa, they will not be able to reach their potential or, in this way, regain or develop more self-esteem. For example, a CIP project could expose community members to a new way of farming, as in the CIP South Coast project, which gives them new confidence to farm and, over time, increases their self-esteem. Some community members get the opportunity to become involved in the management of the trust, or a community income-generating project, for the first time. They learn how to negotiate and manage and might even discover talents they did not know they possessed. Over time, they could reach their potential. Reynolds says that if you allow people to become dependent on the government, which the South African government is continually encouraging by handing out grants, it will be very difficult for them to reach their full potential. Such funds should rather be used to enable people to reach their potential.

3.4 Implementation of CIP

CIP was never implemented as envisaged by Reynolds. In principle, CIP should be rolled out by the government, but this has not happened. Reynolds argued in a paper delivered to the then dplg in 2005 how CIP could be implemented nationwide. He suggested that the unit of Local Economic Development (LED), located in dplg and now CoGTA, should take the lead. LED should become the coordinating CIP body. The dplg adopted CIP as a developmental strategy in its 2006 – 2011 white paper on local economic development. A working group was established, under the leadership of the dplg, to roll out CIP nationwide. This working group met often in 2007 and 2008. A working paper was developed which outlined CIP, its implementation and governance, and how it should be resourced. The figure below illustrates the outputs of the government. Most importantly, no extra resources from the government would be needed, as a national CIP fund would be established from international donor funds, to be invested for renewing resources (Working Group SDCIP 2008:5-8).

As indicated in chapter 1, the process came to a halt in September 2008 when the then minister responsible for the dplg was dismissed. The next minister did not believe that

CIP could succeed and stopped implementation. Also, the director in the dplg section of the working group resigned shortly afterwards, resulting in a complete breakdown of the process. It is possible that CIP might be seen as a threat to power due to its decentralising nature. Under CIP, community trusts are expected to have direct access to government-funded budgets, with decision-making and implementing power. This could be a reason for not implementing CIP (Interview Respondent 3).

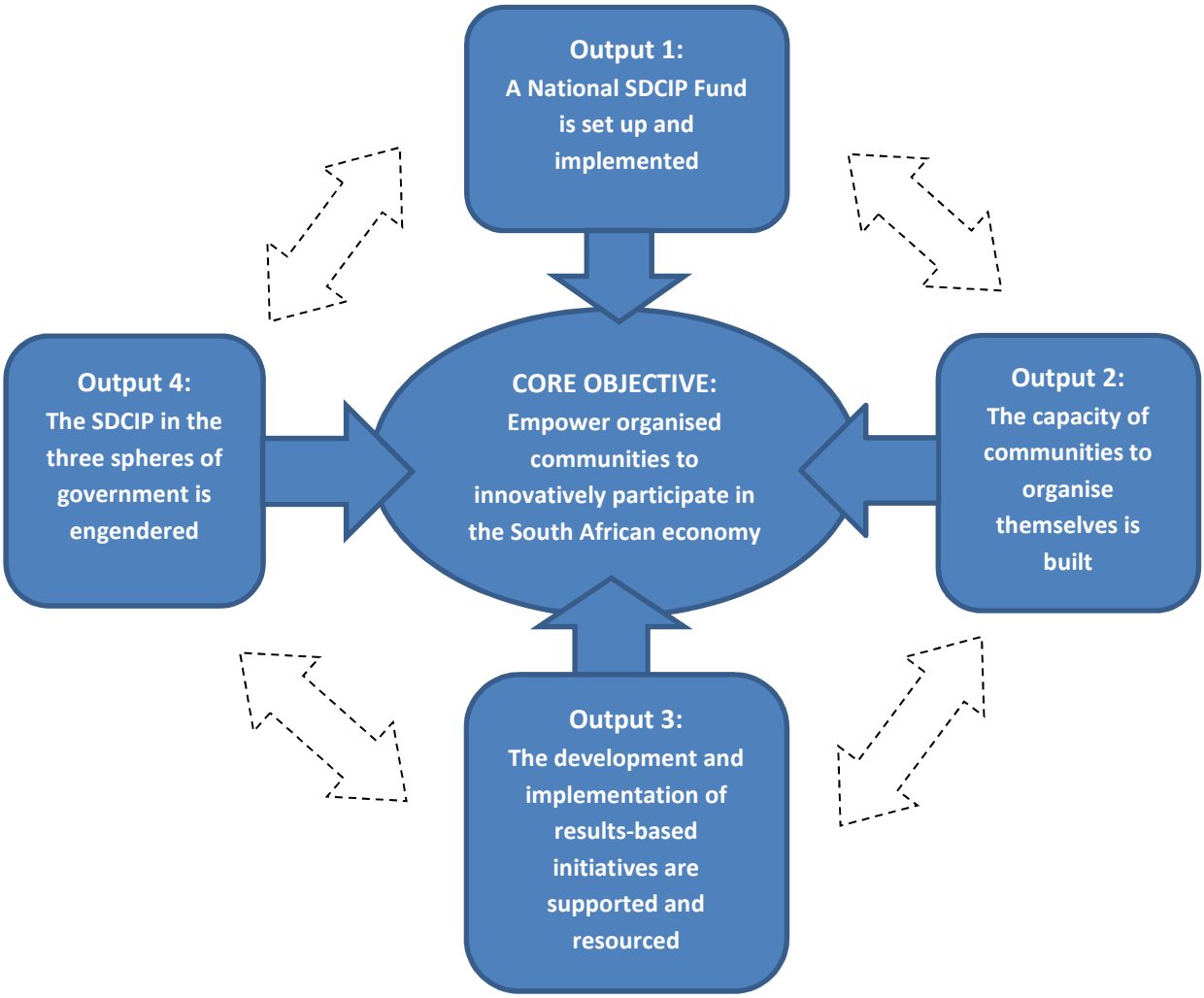

Figure 2: Outputs of the implementation of CIP by the South African government (Working Group SDCIP 2008:7).

Due to the failure to implement CIP, it has to date been rolled out only in small donor-funded projects. CIP was rolled out in Huntington, Hazy View in 2006 - 2008; in Tsakane, Ladysmith in 2007 – 2009 and at the South Coast, Port Shepstone since 2008. Due to the limited available funds, not all characteristics of CIP as mentioned above could be implemented. However, most could to a certain extent, hence I have studied all three projects and collected data to analyse if CIP could be viable as a

development programme. The CIP pilot projects in Huntington and Tsakane are analysed in chapter 5 and the CIP pilot project at the South Coast in chapter 6.

3.5 Conclusion

This chapter attempted a concise description of CIP as Reynolds conceptualised it. By exercising objectivity and verifying information with his former colleagues, I believe I stayed close to what Reynolds had in mind and did honour to his great thinking.

The Busiesvlei case study provides a fair idea of what CIP is all about. Firstly, CIP is a programme to develop the second economy of South Africa, or marginalised areas with little or no economic activity. Secondly, CIP is a programme that should be implemented by the people themselves, with assistance from the government or other stakeholders, but driven by the people. They should be organised to a certain extent, for Reynolds preferably in a trust, with an efficient governance structure. Companies and cooperatives could be started under this trust, to the benefit of the trust and its members. Thirdly, communities should become as self-reliant as possible. To achieve this, all resources available to the trust should be made known up-front. If people know what funds are available to them, it could serve as a powerful incentive to get them active and organised around a common purpose. Funds should be allocated in so-called rights programmes. These come in different forms, namely: investment rights, which are funds to invest in income-generating projects for the community; child rights to ensure schooling and to buy the products of income-generating projects in the community to a certain extent (for the school feeding scheme and school uniforms); health rights, which are funds to localise health facilities and let the community ensure these; and use rights, which are not funds on offer to communities, but a form of management of joint community assets, like grazing land, to ensure fair use. It is important that rights programmes are ‘on offer’ to community trusts. Reynolds suggested that the rights programmes could be funded by increasing corporate taxes, increasing VAT on luxury goods, establishing a Tobin tax or re-allocating current social grant spending or other spending by the government.

Another way of achieving self-reliance would be to develop ‘working local economies’. These are economies at the local level where production and buying

happens locally to a degree. Local trading will increase the local income multiplier and so increase local wealth creation. The local economy may be further enhanced by introducing periodic markets and a local currency.

Lastly, CIP wants to be a development programme that is implemented in a community as 'a learning process' for all involved, including the facilitators, with attention to all aspects of human development, like experiencing happiness, improving self-esteem and achieving potential; therefore not only the physical needs, like food and shelter. If people are happy, reach their potential and become more self-reliant, amongst others, their self-esteem and dignity will improve.

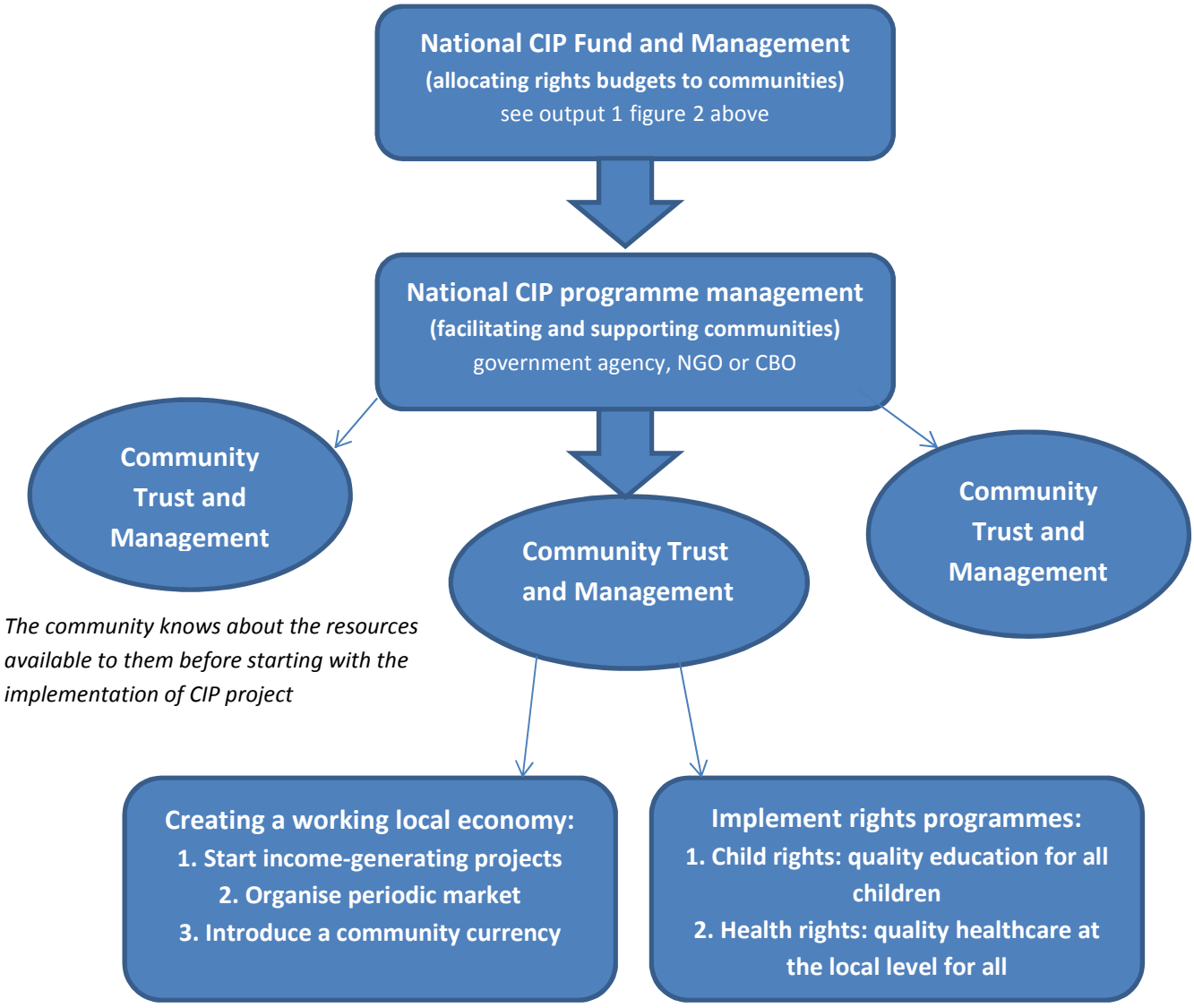

Figure 3: Schematic view of CIP as envisaged by Reynolds (own design).

4: METHODOLOGY

4.1 Introduction

This chapter deals with the methodology I used for my research, both empirical and non-empirical. For the non-empirical research, I engaged with mostly unpublished texts by Reynolds and other published literature related to the topic of this research. For the empirical research, I firstly engaged with former colleagues and friends of Reynolds, so as to better understand CIP. Secondly, I engaged with beneficiaries and key informants of past and current CIP pilot projects.

Firstly, I discuss the rationale for choosing the data collection methods that I have chosen. Secondly, I elaborate on the review of documents and literature that I had available. Thirdly, I discuss how I conducted interviews, both with colleagues of Reynolds to understand CIP better and with key informants of the CIP pilot projects. Fourthly, I elaborate on the survey I conducted in one of the still existing CIP projects, at the South Coast in KwaZulu-Natal. Lastly, I say something about the validity and reliability of this research and the ethical considerations I took into account.

4.2 Rationale for the data collection methods

As I wanted to know, in the first place, what Reynolds meant with CIP and how he envisaged the programme, I started with collecting all available documents related to CIP in his personal library and on his computer. I had full access to these. In addition, I interviewed some of his colleagues and friends who were well informed about CIP. The interviews indeed did give me a better understanding of CIP, but also triggered new thoughts and interpretations I did not have before.

To gather information about the CIP pilot projects, I used mixed data collection methods. This allowed me to gather more diverse data, to get a better understanding and to have more reliable and valid data. Besides the interviews, I developed a questionnaire informed by the interviews. Interviews were conducted with key

informants to assist me in designing the questionnaire and after completion of the data collection and data analysis. This was very valuable as new insights were gathered, the questionnaire could be revised after the pilot interview round and information was either gathered anew or better understood.

The use of a questionnaire allowed me to systematically ask the same questions from a larger number of respondents. The type of questions asked where both quantitative and qualitative. For the quantitative questions, I used matrix questions with uniform answering options (Babbie 2011:252-253). The first set of questions has a yes and no answering option and the second set has index scale questions. The reason for using matrix questions was to make the questionnaire as easy as possible to complete. Many of the respondents are illiterate or partly literate and having the same answering options assisted them to complete the questionnaire. Once again, the purpose of the mix of different questions is to increase the validity of the data. The yes/no as well as the index questions enquire about similar concepts.

As I wanted to know whether or not CIP is implementable, I did an analysis of the project implementation of CIP pilot projects in three different localities, in light of CIP as described in chapter 3. This was done to find out which aspects of CIP were implemented and which not, and also to determine if implemented characteristics of CIP worked and made an impact (and why or why not). I used both deductive and inductive analysis. Deductive, because a practical theory (CIP) is surveyed and I investigated whether or not the application of the theory indeed confirmed the practical theory. CIP can in principle not yet be called ‘a theory’. CIP is not yet a proven theory that is used widely. Because I am testing ‘CIP’ by looking at its applications and doing research, I am executing deductive research (Babbie 2011:58). Inductive, because from analysing the data, I suggested changes to CIP (see chapter 7), recommended aspects to be taken into account which were not included by Reynolds and advised the exclusion of other aspects as they were unworkable (Babbie 2011:58).

I should also mention that I was involved in the implementation of the CIP project in Tsakane, the second CIP pilot project, as a facilitator. I was not involved directly in the CIP project at the South Coast, but my husband was the main facilitator. I also

spent about nine months with Reynolds, when he shared much information with me and took me to projects, meetings with dplg and others. Hence, my involvement will also colour the research analysis.

4.3 Review of documents

I did not follow a specific design when I considered data collection from documents in relation to CIP and the pilot projects. I decided to go through all Reynolds's documents and books, both electronically and on paper, and select information relevant to my research. I kept the different categories in mind when selecting and coding documents, as used in the survey research, namely people-centred development (ownership, participation), becoming self-reliant (knowing the resources available, creating a working local economy) and the project as a learning process with attention for all aspects of human development (learning society, self-esteem). In terms of the collapsed CIP pilot projects, some information was available on Reynolds's personal computer and I requested other documents from the managers of the CIP projects, Respondent 7 and 4. From the still existing project at the South Coast, I gathered strategy documents, minutes of board meetings and impact reports to make myself familiar with the context of the project. It was a lot of work to go through all the information, but it was easy to select the relevant documents as I was familiar with the CIP concept and could assess the relevance of particular documents.

The review of documents helped me to conceptualise CIP and answer crucial research questions, such as: What are the characteristics of CIP? And: Why did two CIP pilot projects collapse?

4.4 Interviews

4.4.1 Sampling and population

For the description of CIP as well as for studying the CIP projects, I interviewed a number of people, targeting key informants who would have relevant information and so sampling purposively.

For the description of CIP, I interviewed:

- *Respondent one*: Reynolds's wife, who also worked with him on CIP projects and applied some of the CIP characteristics in her own work;
- *Respondent two*: a friend of Reynolds who had a keen interest in CIP and hosted CIP workshops;
- *Respondent three*: a colleague and former dplg employee who worked with Reynolds to include CIP in the LED framework of the dplg;
- *Respondent four*: co-facilitator at the Tsakane CIP project and lead facilitator of the South Coast CIP project; respondent four is also my husband;
- *Respondent five*: a colleague of Reynolds at the Independent Development Trust in the early 90's;
- *Respondent six*: a colleague and friend of Reynolds and board member of the People's Agenda in South Africa;
- *Respondent seven*: the former manager of the CIP project in Huntington; and
- *Respondent eight*: Frans de Klerk, chairman of the Orania-beweging. Mr de Klerk agreed to be named in the research.

In addition, for the study of the CIP projects I interviewed the following people before and after developing the questionnaire and once again after collecting data, in order to gather data from the existing CIP project:

- *Respondent four*: co-facilitator at the Tsakane CIP project and lead facilitator of the South Coast CIP project; respondent four is also my husband;
- *Respondent seven*: the former manager of the CIP project in Huntington;
- *Respondent nine*: the manager of the Kumnandi Cooperative at the South Coast project;
- *Respondent ten*: a colleague of Respondent four at Siyavuna Development Centre and co-facilitator at the South Coast CIP project; and
- *Respondents 11, 12 and 13*: leaders of the farmers' association in sub-communities at the South Coast CIP project (chairperson and secretary in Kwanzimakwe and chairperson in Nositha).

4.4.2 Structure and content of the interviews

I used semi-structured interviews to gather more information about CIP from Reynolds's colleagues and about the CIP projects from relevant key informants. Hence, the interview questionnaire is open to give the interviewees the opportunity to influence the interview event. The sequencing of questions is not fully structured to allow space for probing and discussion and to have interaction with the interviewed people. I prepared some questions around key topics. However, I did not necessarily stick to the questions and did not ask all the questions identically from person to person (Terre Blanche *et al.* 2006:297-298). The semi-structured interview is so named because it lies between a very structured and an open interview. This option allowed me to have some questions prepared going into the interview, while also leaving leeway for the research participant to be spontaneous and bring up other thoughts that might not be related to a question. It was also the preferred option because key informants interviewed to assist in conceptualising CIP might have forgotten certain aspects of CIP, and sometimes they added a new dimension unknown to me. This also applies to the key informants of the collapsed projects as these projects collapsed at least four years ago.

All interview questionnaires consist of three parts. The first part consists of an introduction of me and the research participant, an explanation of the research and the terms and conditions that applied to the interview – like giving informed consent, transcription of the interview and confidentiality issues. All participants received an explanation note and an informed consent note before the interview took place, which they had to sign. A copy of the consent note may be found in annexure three.

The second part consists of a number of research questions. These questions differ, depending on whether I interviewed the research participant for the description of CIP or in relation with a CIP pilot project. The different questions may be found in annexure one.

The third part is the conclusion of the interview, when I asked the research participants if they had any questions or final comments to make. I thanked the

research participants and explained to them that they could access the research data by contacting me if they wished.

The interviews with Reynolds's friends and colleagues took place after I had reviewed the documents between August 2011 and September 2012.

Most of the interviews were recorded. If the situation did not allow this, for example when we were at a busy café, I did not record the interview but took notes. With respondents one, four and ten I had numerous discussions about CIP and not all of them are documented. The transcription of the recorded interviews was done partly by me and partly by a professional in that field.

4.4.3 Analysis of the interviews: interpretative framework

The underlying research paradigm for the analysis of the data, both for analysing the interviews and the data from the survey research, is interpretative. Information was gathered and interpreted with the aim of conceptualising and understanding CIP. Terre Blanche *et al.* (2006:6-9 and 274-277) describe interpretative analysis as 'studying the reality through the subjective experiences of respondents'. Interpretative research relies on information gathered by the researcher, which informs the researcher to describe something, interpret it and then present the findings.

Two factors are important in interpretative analysis – firstly, my role as the researcher and, secondly, understanding the context in which the research is taking place. Terre Blanche *et al.* (2006:274-277) say that the researcher has to exclude any subjective biasing in describing and interpreting the results. In addition, the research should be conducted while understanding the social, political, cultural and economic context of the area where the data are gathered. The broad context for this research is described in chapter 1, and the specific context of the areas where the CIP pilot projects were implemented (and where the data were collected) is described in chapters 5 and 6. To learn more about the context, I visited the areas and the project. For the South Coast CIP project, I lived in the area for six months during the data collection period.

For the analysis of all data (interviews as well as findings of survey research), I created an *interpretative framework* corresponding with the characteristics of CIP as described in chapter 3.

The interpretative framework is as follows:

Category	**Level of implementation of each category**	**Level of success of implementation of each category**
A. People-centred development	1. No implementation 2. Partly implemented with description of what is implemented 3. Almost full implementation 4. Full implementation	5. Very successful 6. Successful 7. Neither successful nor unsuccessful 8. Unsuccessful 9. Very unsuccessful
A1. Participation		
A2. Ownership		
B. Becoming self-reliant		
B1. Knowing resources available		
B1.1 Investment rights		
B1.2 Child rights		
B1.3 Health rights		
B1.4 Use rights		
B2. Creating a working local economy		
B2.1 Local production and selling		
B2.2 Market		
B2.3 Local bank and currency		
C. A learning process with attention for all aspects of human development		
C1. Learning process and society		
C2. Self-esteem and dignity		

Figure 4: Interpretative framework

The categories in the interpretative framework are as per the CIP characteristics described in chapter 3:

- **Category A**: People-centred development. This category has two sub-categories, namely participation (A1) and ownership (A2).

- **Category B**: Becoming self-reliant. This category has two sub-categories, namely ‘knowing the resources available’ (B1) and ‘creating a working local economy’ (B2). Each sub-category also has ‘sub-characteristics’.
- **Category C**: A learning process with attention for all aspects of human development. This category has two sub-categories, namely ‘learning process and society’ (C1) and ‘self-esteem and dignity’ (C2).

The concept of ‘sustainability’ is not a separate characteristic of CIP and is hence not included in the interpretative framework. The idea of CIP is that, if the other characteristics are met, sustainability will follow. In chapters 5, 6 and 7, where the pilot projects are discussed, the ‘sustainability’ of these projects will be discussed by analysing the different CIP characteristics as mentioned in the interpretative framework.

For every CIP pilot project – in Tsakane, in Huntington and on the South Coast – I looked at each of the categories and firstly described whether or not it was implemented, how it was implemented and what the problems were with implementation (column two). Secondly, I looked at the level of success of the implementation (column three), based on the interviews and survey research findings. The evidence was either provided by the survey findings or the interviews. So, for example, A1 (participation) was fully implemented (4) and it was successful (6).

In chapter 7, I am using then the interpretative framework to compare CIP as conceptualised by Reynolds and how CIP turned out when implemented in the pilot projects. This then made it possible to make recommendations. One of the objectives of my research is to look at the practicability of CIP once implemented and to suggest changes if needed for successful implementation so as to come towards a new model for implementing CIP.

For analysing the interviews, I immersed myself in the interview data (transcriptions or notes) focusing on the categories as described in the interpretative framework and putting the corresponding letter (A, B, etc.) in the margin of the text. This identification of the categories corresponds with the practice of ‘identifying themes’

in qualitative research. Terre Blanche *et al.* (2006:322-327) mention that once themes are identified, they should be 'coded'. Marking the relevant information with the letters (A, B, etc.) is exactly this. I also coded information relating to the level of engagement and level of success by putting the corresponding number in the margin of the text (1, 2, etc. until 8). When this was done, I started interpreting the data as per the interpretative framework, considering the different levels of engagement and success.

4.5 Quantitative research: survey

I used questionnaires to gather information from the participants (or beneficiaries) of the CIP project at the South Coast of KwaZulu-Natal.

4.5.1 Sampling and sample validity, data collection and processing

The people participating in the CIP pilot at the South Coast are all farmers and, therefore, I took a random sample amongst all the farmers who are part of the project, spread over the different villages where the project is active. So the population for the questionnaires are farmers who are members of the CIP pilot project, from Nositha, Gcilima or Kwanzimakwe. All the farmers participating in the project have membership cards, thus simplifying the determination of their numbers and locations. Before the data collection in August 2012, the total farmer population with membership cards was 230. I planned a sample with a confidence interval of 5 and a confidence level of 95%, which would require 144 farmers to fill out the questionnaire. Due to time constraints only 116 questionnaires were completed, which reduced the confidence interval to 6.5. The confidence level remained on 95%, which means that the data are 95% valid.

All farmers had an equal chance of being selected, depending however on whether they attended farmers' association meetings or visited vegetable collection points. 100 questionnaires were completed during three farmers' association meetings and 16 during one-on-one sessions. All farmers who attended the farmers' association meetings during September and October 2012 were selected to fill out the questionnaire, so they had a 100% chance of being asked to participate in the

research. The farmers did not know before the meetings that the survey would be done. They attended at random, meaning their selection remained random. Afterwards, the remaining part of the sample was completed by randomly selecting other farmers who visited the vegetable collection points. Some appointments were also made to visit farmers at home.

The questionnaires were facilitated by an interviewer who asked the questions orally in Zulu (the mother tongue of the farmers). This method increased the quality of the data as the interviewer ensured correct completion of the questionnaire. If questions were not understood, they were explained.

A pilot of the questionnaire took place on 28 September 2012 at a farmers' association meeting in Nositha. A group of 12 respondents was present at the meeting. A staff member of SDC (Respondent 10) explained the purpose of the questionnaire and the answering options to all participants. Afterwards, he went through the questions one by one to ensure that all concepts and answering options were understood. The participants ticked the boxes and it was arranged that a literate person was seated next to a non-literate person to ensure correct completion of the questionnaire. I was present during this meeting to assist the staff member when necessary. A volunteer at SDC was also present to assist the farmers with the completion of the questionnaire.

I chose to use staff members of SDC to assist with the data collection and the interviews as they are known to the farmers, who trust them. I believe this increases the validity of the data. The staff members involved familiarised themselves with the questionnaire before the meetings/interviews took place and I had a session with them to explain that they should be objective and not push their opinions on the respondent, be open and honest and create an environment where the respondent would feel comfortable to answer. The staff member of SDC was the interviewer during the larger meetings and the volunteer did the one-on-one interviews. I had weekly sessions with both of them to follow up and check if all went well and to answer their questions.

After this pilot, the questionnaire was slightly adapted (see detail in 4.5.3). Further data was then gathered at two other farmers' association meetings, one in Kwanzimakwe and one in Gcilima. The remainder of the questionnaires were collected by means of one-on-one sessions with farmers. The volunteer went to vegetable collection points, where farmers came to sell vegetables, and visited farmers at their homes. She attended all farmers' association meetings and was present when I had a one-on-one session with an English-speaking farmer.

The volunteer and I captured the data on an Excel spreadsheet. I explained the Excel file and capturing method to the volunteer and verified the first batch of data she entered for correctness. I could not find a single mistake. Afterwards, I did sample tests to ensure all data were captured correctly. The volunteer is a graduate who was preparing herself for an honours degree and wished to expand her knowledge of research. She was keen to learn and read some initial chapters of my research to familiarise herself with the research and the methodology.

The data was captured in the Excel sheet per respondent by coding each question (1, 2, 3 etc.) and writing the answer to the question underneath (yes, no, agree, disagree, 45 years, etc.). This Excel sheet was the basis for further data processing, namely the development of a 'Pivot table'. This is a data summarisation tool in Excel to automatically sort data, provide tables and provide other information related to the data. The data were sorted in the Pivot table under demographics, yes/no questions and interval questions. Under these three options, the data may be sorted per community, per age group, per gender, per education and per employment situation. Also, under the yes/no and interval questions, the data may be sorted per category (working local economy, participation, ownership, etc.) and per question. The Pivot table can also generate tables, and colour codes are allocated as per the Likert scale mentioned below.

The Pivot table was designed by a data specialist on my instructions about the kind of data sorting I would require. Specific knowledge is required to enter the different functions and formulae to develop the table. The Pivot table is available on request.

The one open question on the questionnaire was translated first by the staff member and the volunteer of SDC into English and afterwards captured in a word document.

4.5.2 Structure of the questionnaire

A number of questions are measured on a nominal scale and a number of questions on an interval scale. Both scales are used to increase the validity of the data. Scales are often used to measure abstract concepts like 'beliefs', 'knowledge' and 'sentiments' regarding an issue, in this case the CIP project (Terre Blanche *et al.* 2006:155-156). Each question refers to an indicator of a variable about which I wish to gather more information. See below under 'content of questionnaires' (4.5.3) for the variables I have identified which questions/indicators.

Questions 1 to 5 are related to demographics, namely gender, age category, level of education, employment situation and grant income – to provide an understanding of the group of research participants. Questions 6 to 29 are yes/no questions where respondents could answer 'yes', 'no' and 'don't know' by ticking a box. Questions 30 to 46 are interval-scale questions where respondents could answer 'strongly agree', 'agree', 'neither agree nor disagree', 'disagree' or 'strongly disagree'. This is known as the Likert Scale – standardised response categories ranked on a scale (Babbie 2011:164) – and is often used to measure attitudes and opinions. Question 47 is the only 'open question' on the questionnaire.

The interval scale questions lead to index scores which express an average on a numeric scale of 0 to 100. It is not a percentage, but numerically expresses an average disposition towards an indicator. So an index score is recognisable as a statement with agreement scales and each scale corresponds with a score and a condition. A five-point Likert scale was used with scores as per the table below. Colours were added to make the tables in the Pivot table easily understandable.

Strongly agree	Agree	Neither agree, nor disagree	Disagree	Strongly disagree
100-80	**79.9-60**	**59.9-40**	**39.9-20**	**19.9-0**
Strongly believe – very successful	Believe - successful	Not sure, doubt	Disbelieve - Unsuccessful	Strongly disbelieve – very unsuccessful

To give an example: if the majority of the respondents 'strongly agree' that the chairperson of the Farmers' Association has been democratically elected, than we can strongly believe that this is indeed the case.

When a first draft of the questionnaire was ready (after discussions with my supervisor), it was shared and discussed with the management of SDC on 27 July 2012. During this meeting, a number of questions were changed so as to make them clearer and straightforward. The staff member of SDC who would be used as interviewer suggested reducing the Likert Scale answering options from five to three as some of the illiterate farmers might have difficulty in grasping the detail of five options. However, after further debate and consultation, we decided to retain the five answering options for the sake of more reliable data and so a better research result. The staff member agreed and explained the five answering options in detail before farmers completed the questionnaire. The staff member also translated the questionnaire in Zulu (he is a native Zulu speaker).

4.5.3 Content of the questionnaire

The purpose of the questionnaire is to find out if CIP, or at least the characteristics of CIP that have been implemented in the project at the South Coast, are working. The following categories were identified, and questions were allocated to each category as described in the table below. The questionnaire can be found in annexure two.

Category	Variables (questions)	Percentage
1. Demographics	1, 2, 3, 4, 5	10.87%
2. People-centred development: participation and ownership	6, 7, 8, 9, 10, 11, 12, 30, 31, 32, 33, 34, 35, 36, 37	32.61%
3. Becoming self-reliant: working local economy	15, 16, 17, 18, 26, 38, 39, 40	17.39%
4. Becoming self-reliant: knowing the resources available	19	2.17%
5. Learning process: learning society, self-esteem and dignity	20, 21, 22, 23, 24, 25, 29, 41, 42, 43	21.74%
6. Sustainability and success of the CIP project	13, 14, 27, 28, 44, 45, 46	15.22%

Figure 5: Categories and variables

The first version of the questionnaire, used for the pilot (see 4.5.1), contained five questions in addition to the 46 mentioned in figure 4 above. Four of these questions concerned the board of the cooperative (were they democratically elected, are they known, are they trusted and do they act in the interests of farmers), but the farmers indicated that they could not answer these questions as they indeed did not know the board members of the cooperative and had no idea whether or not they were democratically elected or were acting in the interests of the community. So, these questions were taken out as they become irrelevant when the board members are not known to the farmers. These questions were put to the local chairperson and secretary, in an interview (respondents 11 to 13), as they are seated on the board of the cooperative and were able to provide answer.

A fifth question was taken out after the pilot phase, namely 'Do you have more income since you are selling to the cooperative'. Of course, all farmers selling to the cooperative gain income from doing so, so it would be an irrelevant question. Some farmers would answer 'no' if, for example, some household income had fallen away for reasons unrelated to the project. This question would dilute the data and was therefore removed.

An explanation of the different categories and how they related to the concepts about which I needed more information follows below. The category 'demographics' (category 1) is not discussed here as it is self-explanatory.

- ***Category 2. People-centred development: ownership and participation***

Participation in this context refers to the degree to which the beneficiaries are participating in the project. Participation is different from ownership as people might participate by selling vegetables, without taking part in the management of the project and having no idea of how the project works and what its goals are. Ownership in this context refers to the degree to which the beneficiaries of the project own the project. This means that the farmers should know about the goal(s) of the project, be involved in the planning of the project, make the vital project decisions and act on their own behalf (Reynolds 2004: 3-6; Swanepoel and De Beer 2011:53).

The questions aim to confirm that the community is participating and that the farmers, to a certain extent, own the project. One of the main characteristics of CIP is the active participation of the community and the ownership of the project by the community. Good participation and ownership increase the chances of success.

Ownership and participation are measured by questions 6 to 12 and 30 to 37.

- ***Category 3. Becoming self-reliant: working local economy***

A working local economy in this context means whether or not the CIP project is creating or is contributing to a working local economy. With local is meant 'in the community where the farmers live'. Does the fact that the farmers are paid out cash immediately contribute to this working local economy? And do the farmers have more disposable income since they are selling to the project? Does that contribute to them being more self-reliant?

'Working local economy' is measured by questions 15 to 18, 26 and 38 to 40.

- ***Category 4. Becoming self-reliant: knowing the resources available***

Knowing the resources available in this context means whether or not the farmers who participate in the CIP project know which resources are available for the project and whether or not they take part in deciding what is done with those resources.

'Knowing the resources available' is measured by question 19: 'Do they have something to say on how the resources are spent?' It is irrelevant to ask whether or not they know how much resources are available as I know from interviews with SDC staff members that this is not the case.

- ***Category 5. Learning process: learning society, self-esteem and dignity***

CIP aims to be a 'learning process' for the involved community. Did the community and farmers learn something from participating in the project? Was the programme

flexible enough to be adapted or reviewed, if this was found to be necessary? And how does the learning contribute to the improvement of the self-esteem and dignity of the farmers? Self-esteem in this context means how farmers' perceptions about themselves have improved due to their participation in the project. Do they feel better about themselves? Dignity in this context means how the farmers, by taking part in the project, have fulfilled their lives and whether or not they have been given the opportunity to reach their potential (or approach it), besides the monetary benefits of being part of the project.

Learning society, self-esteem and dignity are measured by questions 20 to 25, 29 and 41 to 43. Questions to measure self-esteem and dignity are difficult to formulate. After discussions with my supervisor and Prof Willem Landman, an ethicist, I concluded that, if I wanted to know whether or not people's feelings of dignity and their self-esteem have improved, I had to find out whether or not they could reach their potential, or were invited to do so, whether or not they were given recognition, whether or not they could participate in decision-making and whether or not they became more self-sufficient. If the answers to these questions were positive, I could conclude that their sense of dignity and their self-esteem have improved. However, it would still be a perception.

- ***Category 6. Sustainability and success of the CIP project***

This is a large concept to measure, but in this context it means whether or not the project is sustainable in the long term. The idea of CIP is that, if there is participation, ownership, more self-reliance, learning taking place and increasing self-esteem, then sustainability will follow. The farmers will be able to live a more sustainable life. Whether or not the CIP project at the South Coast as such is sustainable financially without the assistance of SDC is another question and it will be addressed as well.

Sustainability is measured by questions 13, 14, 27, 28, 44, 45 and 46. Question 47 is the only 'open question', asking respondents why they think the project is a success or not.

4.5.4 Validity and reliability of the information gathered through the questionnaire

How do I know the answers given by the respondents are valid and reliable for measuring the concepts I want to measure? How do I know the respondents are honest when they answer? How trustworthy are the answers? These questions are not easy to answer. The assumption is made that the respondents are answering the questions in good faith and truthfully. To ensure this, the interviewer (a staff member of SDC) was selected with this in mind. The respondents know him well and he is trusted. The respondents probably found it easier to answer him and ask him questions in their own language than if I had to conduct the questionnaires. The management of SDC also said that the farmers were generally truthful – that was their experience when they conducted other surveys, such as a baseline survey and impact surveys. The respondents are therefore also used to completing questionnaires as they did that before.

In the end, the answers the respondents give are a perception of how they see and experience the CIP project. So, in the respondents' view, this is the reality and the truth. This 'reality' is then verified by the follow-up interviews I did with key informants like the chairpersons of the farmers' associations and SDC staff members.

The findings are reliable as they can be repeated for other farmers who are part of the project. For example, the majority of respondents get a number of benefits out of the project and it can be assumed that other farmers who are part of the project, or are joining the project at a later stage, will also experience these benefits. In terms of CIP, the findings confirm that the project does contribute to the creation of a working local economy, so we can assume that the project, if replicated in other areas with other farmers, will do the same (see chapter 7).

4.5.5 Analysis of the data gathered through the questionnaire

The survey findings were firstly presented in a separate chapter (chapter 6) per category. I decided to have a separate chapter on the CIP pilot project at the South

Coast as I could gather much more data there than in the projects in Huntington and Tsakane. The data from Huntington and Tsakane were gathered merely by means of document review and interviews, not by means of a survey. The data from Huntington and Tsakane are analysed in chapter 5, and provide an additional background to chapter 6.

Before presenting the findings from the survey in chapter 6, the categories (e.g. participation) were explained in detail in relation to the context of the project. In each category, the applicable questions were presented separately, indicating the score (percentage or agreement score) and an interpretation was made based on the score. After the presentation of all questions within a certain category, an overall analysis was made of the category as per the interpretative framework (see figure 4). This information was repeated in chapter 7, where these findings were interpreted in relation to the objectives and research questions.

In the Pivot table, the questions were already grouped per category so there was no need for further coding.

To discover patterns (Babbie 2011:391-392), for example whether or not the project had an impact on the lives of the farmers, I looked at the answers and at how many farmers confirmed a certain question (frequency). For example, many farmers said that the income they earned by selling to the Kumnandi cooperative was not much, so I could say that the impact of the project was not big. However, I then had to interpret the question in relation to others, and in relation to the interviews, as I later discovered that even a little bit of extra cash income may make a huge difference in the life of a farmer and his/her family. So the impact of the extra cash is significant and it does have an impact on the household.

4.6 Ethical considerations

During the total duration of the research, I ensured adherence to basic ethical principles. Chapter 1, under 1.5.4, describes this in detail.

5: THE BEGINNING: ANALYSIS OF THE CIP PILOT PROJECTS IN HUNTINGTON AND TSAKANE

5.1 Introduction

The information in this chapter is based on non-empirical and empirical data, namely available documents from the two CIP pilot projects in Huntington and Tsakane and interviews with a few key informants who were involved in the projects.

When the dplg included CIP as one of the four strategies for LED in 2005, Reynolds started searching for a donor to sponsor CIP pilot projects, so as to prepare the ground for nationwide roll-out of CIP as part of the new LED framework. He found two donors, the Sabi Sabi private game reserve in Mpumalanga, and Broederlijk Delen, a Belgian development NGO. Each of them would fund a CIP pilot project in the areas where they were present.

For Sabi Sabi, this was near their game reserve and the Kruger Park in the province of Mpumalanga. Huntington was chosen, a small rural community bordering the Sabi Sabi Game Reserve. It is also one of the communities from which Sabi Sabi sources staff. As part of its corporate social responsibility strategy, Sabi Sabi wanted to do something structured and sustainable to assist the bordering communities. Sabi Sabi saw an opportunity with CIP to contribute more than hand-outs. Huntington was the first place in South Africa where a CIP pilot started, in 2006.

The other CIP pilot project started in Tsakane, a township of Ladysmith in northern KwaZulu-Natal. Broederlijk Delen had a long relationship with an organisation based in Ladysmith, the Uthukela Umzinyathi Christian Council (TMCC) – a regional council of the KwaZulu-Natal Christian Council[24]. TMCC had received funding from Broederlijk Delen for some years for an economic empowerment programme to address the massive poverty in the rural areas surrounding Ladysmith. However, this programme was not a great success and, therefore, Broederlijk Delen and TMCC

[24] The regional councils are sister organizations of the KwaZulu-Natal Christian Council (KZNCC), formed and supported through KZNCC (www.kzncc.org.za)

opted for CIP in the hope that this programme would be more successful. Tsakane was identified as the preferred community for the pilot. TMCC had already worked there as part of its economic empowerment programme and was well-known in the community. Tsakane is a township about 12 km outside Ladysmith, established in the early nineties during the drought, when large numbers of farm workers moved there in the hope of finding work. The township is characterised by high levels of poverty, unemployment, HIV/AIDS and violence (TMCC). The pilot project in Tsakane started in March 2007.

Both CIP pilot projects collapsed quite quickly, that in Huntington in mid-2008 and the Tsakane pilot by early 2009.

Each project is described separately below, using the categories of chapters 3 and 6 and as mentioned in the interpretative framework (see chapter 4), namely: people-centred development (with participation and ownership), establishing self-reliance (working local economy, knowing the resources available), a learning process (learning society, self-esteem) and then to conclude, sustainability. Per category, a description is made of the implementation of aspects and whether or not it was successful – based on my own knowledge, interviews and a document review.

5.2 Huntington

5.2.1 People-centred development: ownership and participation

The CIP pilot project in Huntington was facilitated by Reynolds himself. He was the main facilitator, assisted from time to time by a colleague and friend of his who is specialised in management and bookkeeping. The project was started by forming a community trust, which would own the project and all its assets. Reynolds facilitated this process and an election was held in the community to elect trustees for the trust. The process of forming a trust took more than a year and a lot of effort was put in, so as to ensure that the governance was solid and that there would be participation in and ownership of the project. Reynolds and his colleague trained the elected trustees with regard to their responsibilities as trustees and the management of the community trust's accounts. The trustees had direct access to the account of the community trust.

A project manager was appointed from year two, who would live in Huntington to assist the community with the implementation of CIP. Reynolds lived in Johannesburg and only occasionally visited Huntington (see 5.2.3).When the project manager arrived in Huntington, he noticed a number of problems that slowly but surely led to the collapse of the CIP pilot project.

Firstly, the project manager became aware that the trustees were also the political leaders of the community. No assessment was made by the facilitator of the existing power relations in the community and how this played out when the community trust was formed. Existing power relations, even if not visible or formal as such, can make or break a project (Cooke and Kothari 2001:14). The existing power relations in Huntington were not sufficiently considered when the trust was formed. The project manager, who was from the same area, thought from the outset that a community trust was not necessarily the right vehicle for the CIP pilot project. The elected trustees were also political leaders or other existing leaders in the community. Those who already had power were once again elected. The project manager indicated that Reynolds was probably not aware of this as they were duly elected by the community and, even if he was, the facilitator could not interfere in the community election. According to the project manager, the election of these political leaders as trustees was a major problem as they were corrupt and would not be accountable. They had power and the project manager even thinks that they persuaded or 'bought' the community members to vote for them. He also mentioned that the local people were influenced by issues of witchcraft and family history. Once you were a leader in the community, you would remain a leader as nobody would challenge you. Therefore, ordinary members of the community were not represented in the trust, only the existing powerful elite. The political leaders/trustees did not see the trust as a body for community development, but rather as a body for personal enrichment. This implied that there was no real participation from the community for the CIP pilot project from the beginning (interview Respondent 7).

Secondly, besides the training that Reynolds and his colleague provided for the trustees regarding their responsibilities as trustees, the project manager claims that they did not understand, or did not fully grasp the extent of the responsibility on their

shoulders as trustees. He says:

> They gave these people so much responsibility that they did not even understand what it meant. To understand the CIP concepts, you need some educated ones to take the decisions. These have long left rural marginalised communities and the ones that remain take the power, mostly for their own gain. However, I believe that any community member, educated or not, knows the value of money, and when asked to manage money on behalf of the community, that is very clear. The problem lied with the fact that the trustees, or at least the majority, had the wrong intention from the beginning. They became a trustee as they saw personal enrichment opportunities and not because they wanted to develop the community as a whole (interview Respondent 7).

Hence, the trustees had the intention of abusing the trust funds from the start. This obviously jeopardised the project from the outset, while Reynolds remained unaware of it. This jeopardised real participation and ownership.

The project manager also indicated that better results could have been obtained if other aspects of the CIP project were introduced before the community trust (process before structure). It was done to ensure participation and ownership from the beginning, but that might not have been the best strategy for achieving these results. For example, better results may have been obtained by starting income-generating projects first, as part of promoting a working local economy. Community members would have been able to see the value of the project and how they could benefit from it. This would have encouraged their willing participation. Once these projects were working, the introduction of governance and management bodies could have followed. Community members might then have been eager to run the projects as well as the management as they had seen the added value. Such an approach was followed when the CIP project at the South Coast was introduced. The facilitators anticipated that, once the benefits of community development had been clearly demonstrated, community members would want to become involved in the management (see chapter 6). Also, Swanepoel and De Beer (2011:41-42) and Cooke and Kothari (2001:9) believe it always boils down to individuals participating voluntarily. People should be

able to see the benefit of participation for themselves, the community or both. Mohan (2013:46) indicates that if people do not see, or do not understand, what is in it for them, they will not participate, or at least not meaningfully. The project manager indicated that community members did participate in the income-generating projects introduced by the CIP pilot project (see 5.2.2 below), as they did see opportunities. But involvement remained superficial as decision-making was in the hands of the trustees. As indicated in chapter 3, Reynolds wanted CIP to use a community trust to ensure participation and ownership. However, that approach might not always be feasible. Hence, deviations should be possible when implementing CIP (see chapter 7).

Lastly, Reynolds envisaged the CIP project to be implemented for the whole geographical community of Huntington. As Swanepoel and De Beer (2011:62) indicate, it is very difficult to target a whole community with a community development project. Why would all community partners line up to participate in a community development project which has not yet proven anything? It is better to start with a smaller group, demonstrate the benefits and so grow the group from the inside out. This correlates with the above-mentioned point of first implementing other aspects of CIP to demonstrate benefits, before organising the community.

From the above, it may be concluded that there was no participation or ownership by the Huntington community. Not because they did not want to participate or take ownership, but because the trustees, or the 'powerful in the community' prohibited them from doing so. The trustees took ownership of the funds of the trust, literally, and not of the project. The dynamics of the community, like witchcraft, traditional power structures and politics, prohibited the community from taking ownership of this project. The Induna tried to mediate between those in power and the community, but he also failed due to the power structures.

In addition, we may conclude that participation and ownership is a very important aspect of a community development project, which will make or break the project. However, if the intentions of some community members are not honest, how is a facilitator to know this? It is not a simple matter to discover such influences during a feasibility study or when inviting the community to become part of the project. The

project manager only made his analysis after he became part of the project. He believed another governance structure would have been wiser. For example, a structure representing not only the community, but also outsiders with voting rights such as a representative of Sabi Sabi, a consultant, the facilitator etc. This could have prevented powerful community leaders from 'hijacking' the community trust. On the other hand, such a structure could introduce the danger of 'the outsiders' taking ownership and dictate to the community, with 'token participation/ownership' as the result. However, having community members and outsiders as part of the decision-making body has been used for the CIP project at the South Coast (see chapter 6), and there it has been successful so far.

It is therefore important to make a proper analysis of the area where a project is introduced before commencing, as well as doing a community mapping exercise to understand the dynamics in the community. The facilitators should take the time to get to know the community before starting a project there (as was the case in Tsakane, see 5.3 below, and at the South Coast, see chapter 6).

5.2.2 Becoming self-reliant: Knowing the resources available and a working local economy

As explained in chapter 3, CIP argues that it is very important to ensure that the community knows which resources are available to them when a CIP project is introduced. This will enable the community to think about ways of implementing the project, which will trigger more action and, according to Reynolds, ensure greater participation, ownership and sustainability of the project. Therefore the Huntington community was told upfront, when the project was explained to the community, that R150 000 was available as a starting budget for the community trust. This amount was provided by the Sabi Sabi Trust and had to be invested by the community trust for the benefit of the community.

The project manager (interview Respondent 7) argues that the fact that everybody knew there was R150 000 was a problem from the start. Everyone wanted a piece of the pie. He said the trustees abused the funds from year one. As mentioned above, the trustees received training from Reynolds and his colleague on how to manage the

accounts. Three of the trustees were the signatories of the community trust account. According to the project manager, these three trustees were friends before the trust was formed and made sure they were elected as trustees so as to access the money. The powerful community members, who manipulated their own election, made sure they would be able to access the money, not for helping the community, but for helping themselves. The trustees were both mismanaging the funds and stealing the funds, said the project manager. For example, they would buy tools for the gardening project but not provide receipts, so the real costs of the tools was never known. Then some of the funds disappeared and they claimed not know where it went. However, they were the only signatories; nobody else could access the account. Reynolds, in the spirit of 'learning' gave the trustees more than one chance. More training was organised on how to manage the account, the importance of receipts, etc.

The project manager in this case argued that it would be better not to inform the community about the available funds before the trust had been formed and the trustees had received training. This approach would improve the prospects of community members making themselves available as trustees for the right reason, and not for personal enrichment. Once they were trained and knew that money had to be invested for the benefit of the community, funds could be released and made known to the trustees and the community. Also, a smaller amount could be made available initially. More could be released when accountability had been demonstrated, for example by returning receipts. However, it is a core element of CIP that the community has to know about the resources from the start. Hence, this could be an area where CIP should be adjusted. This will received further discussion and reflection in chapter 7.

In terms of introducing rights programmes (investment, child and health rights), this was not done in the Huntington CIP pilot project. Existing income-generating projects were identified in year one, when the trust was established. Each project was promised that they would benefit from the trust and that the trust would assist the projects where and when possible. However, some projects received funds from the trust to invest in their business, while others did not. The absence of proper criteria for receiving funds created conflict in the community from the beginning of the CIP project. The project manager also indicated that the assistance given to some projects was in the form of hand-outs, unsupported by a strategy. Preferably trust funds should

be ‘invested’ in the community, with a return for the community, rather than being disbursed as hand-outs which don’t become investments (interview Respondent 7). So, an attempt was not made by the trustees to create ‘a working local economy’. Most of the existing income-generating projects did not make money, and this was known. In year two, the project manager attempted to change this by mapping all existing projects, but by then the funds of the trust were spent.

Under the community trust, only one new project was implemented, namely ‘the bicycle project’. It was started in year two (2007) and was introduced by Reynolds and a friend of his. All children in Huntington attending high school walked long distances to attend school in a neighbouring community. They had to get up very early for the long walk, causing many of them to become tired early in the school day. Providing all of them with bicycles would solve this problem. Special bicycles were designed, suitable for the gravel roads. But, in the spirit of CIP, these would not simply be handed over to the children. Those who wanted a bicycle had to sign a contract with the trust, through the bicycle project manager, agreeing to ‘work’ for the bicycle in a community garden after school. This garden was especially established for the project, and each child had its own plot. The produce of the garden would firstly be sold to the schools and crèches in the area. If any produce remained, it could be sold to other community members. Also, a bicycle maintenance shop was started, where children had to go to repair their bicycles themselves. A person from the community was appointed to manage this project and report back to the trustees and the project manager of the CIP project. He also received training in bicycle maintenance, so that he could assist the children in the maintenance shop.

The CIP project manager indicated that the bicycle project manager took this position with abuse in mind. He was the son of a sangoma in the community and had a highly respected grandfather. He could therefore abuse his position as he knew he would be untouchable. Nobody would dare to hold him accountable. He allegedly misused the resources of the bicycle project from the outset, for example by selling some of the bicycles intended for children. Bicycles were for children in high schools, but children of trustees not yet in high school also received bicycles from the bicycle manager. Funds that had to be used for the maintenance shop were allegedly used for personal enrichment (interview Respondent 7).

It can be concluded that the introduction of a working local economy as part of the CIP project in Huntington was not a success. Informing the community of the funds available to them when introducing the project, might also not have been the right thing to do. However, it is an important characteristic of CIP to do so. Nevertheless, it led to the wrong expectations amongst trustees from the outset. This does not mean that, if this approach was repeated in other communities, the funds would also be abused. As described in chapter 3, informing the community of the resources available upfront may also lead to success. This will receive further reflection in chapter 7.

5.2.3 Learning process: self-esteem and dignity

As Huntington was the first CIP pilot project, much learning could have taken place. This has happened to a certain extent as the facilitation of the project was adapted along the way. More importantly, the facilitators of the CIP pilot project in Tsakane, and later the South Coast, took the mistakes made in Huntington into account when implementing the CIP pilot projects in their areas.

Firstly, both Reynolds and his colleague lived in Johannesburg and travelled down to Huntington from time to time (a five-hour drive). At other times the management of the trust and the project was left to the community. The irregular presence of the facilitators was a mistake. Forming a trust is one thing, but executing all tasks related to the management of funds, is a different matter. It is surprising that the facilitators did not anticipate this problem, as it was known that the proximity of the facilitator was crucial to the implementation of a community development project, as also mentioned by Korten (1980:484). The absence of the facilitator negatively influenced learning opportunities for the community members (and probably the facilitator), as mistakes were not seen by the facilitator, or often seen late. The emerging problems – the misappropriation of funds, for example, or the fact that the elite was capturing the trust – could have been noticed earlier if a facilitator had been more involved. Only from the middle of year two did Reynolds realise that his occasional visits were insufficient to support the trustees and the community, at least at that stage of implementation. This realisation only came when the bookkeeping was found to be

incorrect, creating a suspicion that funds were being misappropriated by the trustees. As a result, a project manager was identified to go and live in Huntington and further facilitate the project. The project manager was a Master's student in Social and Economic Transformation and originally from a neighbouring community in the area. He therefore understood the language, culture and social fabric of the region (interview Respondent 7).

The project manager indicated that his appointment was problematic from the start (interview Respondent 7). The trustees had agreed with Reynolds that a project manager would be appointed to assist them and that he would be paid from the trust funds. The trust had to pay the project manager's salary, but at the same time he had to check the books and confront the trustees with the mismanagement of the trust funds. He had the best intentions and wanted to make it work, but it was impossible to play a facilitation role and a policing role at the same time. To exemplify this, he told the following story (interview Respondent 7): When the bicycle project was introduced, he found out that the project's bicycles were probably stolen by the trustees themselves and sold elsewhere. He then called a meeting with the Induna, who was highly respected in the community. The Induna tried to be objective, but he could not report the incident to the police as his brother was a trustee. The project manager could not act without the support of the Induna. Also, the grandfather and father of the manager of the bicycle project were known for witchcraft practices and the project manager got death threats when it was known he wanted to report the stolen bicycles.

While there was learning by the facilitators resulting in the appointment of a project manager, the intervention came too late and the position of the project manager was difficult from the start. He could not address the problems that were already there.

Due to the presence of private game reserves in the area, many community development projects have been implemented there. Consequently the local communities, including Huntington, were familiar with such projects. For example, Sabi Sabi Game Reserve had given hand-outs to the Huntington community for many years, such as drip irrigation systems, gardening tools, seedlings, etc. No capacity building, however, or assistance in using the hand-outs. So when the CIP pilot project

was introduced, community members might have thought, 'hey, now they give us R150 000 instead of tools or whatever and we can decide what to do with it'. It was not seen as the beginning of a community development project, but again as a hand-out from the same donor (interview Respondent 7). A lesson here is that a community's perception of 'donors' is crucial in the expectations they have or develop of a project. In this case, the community had the expectation that they would 'receive' something, as had happened in the past. Perhaps they did not understand that the facilitators had a different expectation, namely that the community would start running a community development project, including the management of its funds. This might also explain why the trustees, from the beginning, used the funds for their own gain; they did not realise the money was for community development. It is, however, not clear if, by the time the CIP pilot project collapsed in Huntington, the trustees and community members involved had learned anything. The facilitators in Tsakane did learn this lesson, but only later, not during the time when the project in Huntington collapsed. The facilitators of the CIP pilot at the South Coast, however, were aware of this issue and took it into account.

It is not clear what attention the facilitators gave to enhancing the self-esteem and dignity of the involved community members. The probable assumption was that enhanced self-esteem would result from the project after a while. However, most of the attention was given to setting up the community trust and nothing was really achieved besides that, for instance income-generating projects with real benefits for the people. The trustees were already powerful in the community and it is not clear whether 'being a trustee' improved their self-esteem further. In any case, it seems this would have been to the detriment of the other community members in any case, as the trustees acted as if they were untouchable. They did not act in the interest of the community. The bicycle project might have contributed to the self-esteem of students involved, who now had a bicycle to ride to school and were given the responsibility to take care of it, but this is an assumption.

It can be concluded that the CIP pilot project in Huntington went through a learning process and was flexible enough to adapt, but the facilitators started off wrongly and anticipated the necessary changes too late. The facilitators should have been closer to the community to better understand community dynamics from the start, to adapt the

implementation of the CIP pilot quicker and also, to make the trustees aware of the mistakes they were making, so that learning on their side could have taken place.

5.2.4 Project sustainability and conclusion

The CIP pilot project in Huntington came to an end when the project manager discovered that some of the bicycles of the bicycle project were stolen. On top of that, funds were being mismanaged, which Reynolds and the project manager could not resolve. The project manager felt responsible to the donor and reported all issues to the management of Sabi Sabi, with the consent of Reynolds. As a result, the provision of funds to the community trust was stopped immediately. Also, the arrival of a second batch of bicycles, for another group of high school learners in the community, was put on hold as the project manager believed they would again be misappropriated. He advised against the distribution of more bicycles. So 350 children did not get a bicycle and the big loser in all of this was the community. The misappropriated community trust funds and bicycles were never recovered. Reynolds and his colleague went back to Huntington to enquire about the misappropriation, but nobody ever spoke out. An audit was also started to find the 'lost funds', without success (interview Respondent 7, interviews Reynolds).

However, both Reynolds and the project manager believe the bicycle project was a real success. Besides mismanagement by the bicycle project manager, the project worked well and the children were really enthusiastic. The project was well planned, the trust was involved and proper training was done with the management and school children. It could have worked, but because the foundation of the CIP project in Huntington was not solid, and the wrong person was appointed as bicycle project manager, the project collapsed.

The project manager's final conclusion is that CIP can certainly work in a remote community like Huntington. The project in Huntington failed, not because of flaws in CIP, but because the wrong people managed the trust and facilitation was not up to standard from the outset (interview Respondent 7). This indicates the importance of making a proper assessment of a community, before commencing with a CIP project. People dedicated to the development of the community should become trustees and

not politicians and/or people who want to enrich themselves. This is of course not easy to determine. Also, facilitation is very important. It is a recipe for failure if a facilitator is absent from the community and visits only occasionally. There is no oversight and the trustees and community members cannot consult with the facilitators. The door to mismanagement is more easily opened in this way.

5.3 Tsakane

5.3.1 People-centred development: participation and ownership

TMCC was the organisation selected to facilitate the implementation of CIP in Tsakane. A budget was available, provided by Broederlijk Delen, and also two volunteers from Belgium were sent to assist TMCC with the implementation of the project[25]. TMCC is a regional council of the KwaZulu-Natal Christian Council and its main focus is to undertake religious work and support churches. So, there was no real capacity within TMCC for community development. The two volunteers had just graduated from university, one in a field related to community development. Both had never been to Africa and had no experience with development and implementation of development projects.

When the CIP pilot project started, Reynolds came to Ladysmith for two days and trained a TMCC staff member, the economic empowerment programme coordinator and the two volunteers on CIP implementation. It was decided that the TMCC coordinator would make the necessary contacts in Tsakane and introduce the project and that the volunteers would take care of the practical implementation of the project. No community members were involved in the training by Reynolds. This could have been a mistake, in terms of ownership by the involved community from the outset. However, TMCC had no idea yet of what CIP was and it is important that the facilitating organisation understands the project first, before attempting its facilitation. The two volunteers had a better understanding of CIP as they had lived and worked with Reynolds for a month before going to Ladysmith. The training was theoretical and on an academic level and not translated concretely enough. Consequently, when

[25] I was one of the two volunteers; the other was my husband, who later became the main facilitator of the CIP project at the South Coast.

Reynolds left, the next steps were not clear to TMCC and the volunteers. It was basically left to TMCC to develop an implementation strategy for the pilot project, based on the theoretical information received from Reynolds.

It was a major problem that neither TMCC, nor the volunteers knew how to implement the CIP pilot project. The volunteers had no practical experience with community development and the TMCC staff member was the project coordinator of the economic empowerment programme of TMCC – basically hand-outs. TMCC's experience was in receiving donor funds and taking responsibility themselves. For example, they would go to a community, ask where they could start a brick-making project, put all infrastructure in place, appoint workers and do the bookkeeping. TMCC felt responsible for the project, as they had received the money, and wanted to deliver to the donor as had always been expected of them. TMCC did not understand that in this case, the project had to be owned and implemented by the community, with TMCC as a facilitator.

During the training with Reynolds, it was calculated that the budget from Broederlijk Delen would allow a CIP pilot project for 100 adults and their children, also to a maximum of 100. TMCC proposed to run the project from a crèche in Tsakane, with the children and their parents as the beneficiaries of the project. It was also decided to involve the African Cooperative Action Trust (ACAT), a local NGO supporting community gardening projects. They would assist with the facilitation of income-generating projects in Tsakane. Hence, preliminary meetings took place with the principal of the crèche. She fully seemed to understand the project and agreed that the CIP pilot could be run from the crèche. It was indicated that the crèche belonged to the community of Tsakane, where all parents could bring their children. Consequently, a community meeting was called by TMCC at the crèche, where the purpose of the CIP project was explained, and that parents could voluntarily become part of the CIP pilot project on a first-come first-serve basis. A number of people signed up, but there were never 100 adult participants. Not all participants were parents of children at the crèche either.

Reynolds had instructed TMCC to ensure ownership by the community from the beginning. This could be done by ensuring that people would voluntarily form a

community trust, work on the trust deed and get involved with the project planning, decision-making, etc. Under TMCC guidance, a community trust, Qedusizi Trust, was established as the legal body of the project. Membership was free. Trustees were elected by the trust members and from the trustees a chairman, treasurer and secretary were appointed. The trustees drafted a trust deed, with assistance of TMCC. The principal of the crèche was appointed as trustee. From the start, there was a core group of about twenty trust members that would always show up at meetings and would participate in new income-generating projects. This core group included the trustees.

In the beginning, numerous meetings took place with the trustees and the trust members to explain the CIP concept and plan the income-generating projects (see 5.3.2). However, TMCC took full ownership of the CIP project and the lead in implementing it, as they were used to do. These actions made it difficult for trust members to see TMCC as a facilitator of the project, with the community running it. Trust members therefore had the wrong expectations of TMCC. The two volunteers were initially too inexperienced to notice this, and when they did understand, it was already too late. Reynolds, who did have the necessary experience and was the main facilitator in Huntington, was based in Johannesburg and no funds were available for frequent visits by him.

The facilitators' limited understanding of the CIP programme in Tsakane was a serious problem. How could the community be expected to understand CIP and its differences from 'hand-out' projects when TMCC did not understand themselves? The volunteers developed a board game to explain CIP to the trustees. However, it was in English and, given that both volunteers were academically schooled, the question could be raised as to how much of the game the mostly illiterate non-English speaking trustees understood. The game was played only with the trustees. The TMCC staff member was present when the board game was played, to translate into Zulu. The trustees could speak some English. However, could they understand the CIP concepts? Other members of the trust only received some information about CIP during the first community meeting. So, the members were insufficiently trained and it was unclear whether or not the trustees understood CIP. In addition, it might be that the introduction of CIP concepts was too 'theoretical'. Hands-on training would have

been preferable. It is in my view not necessary to give community members a theoretical background of CIP. They will get to know CIP by doing it, and benefitting from it. This assumption became more plausible when, during project implementation, some trustees began to understand CIP for the first time. Hence, over time they got frustrated with the leadership role TMCC took on itself, as the community should have taken responsibility.

It should be noted here that it is probably inappropriate and short-sighted of many Western development NGO's or government-bilateral development projects to send inexperienced academic graduates to developing countries to implement 'development' projects without proper guidance. If TMCC had been more experienced, it might have guided and trained the volunteers adequately, but that was not the case here. Also, the assumption that local NGO's in developing countries, like TMCC, which do not even work in development, are capable of implementing complicated projects like CIP is short-sighted. Reynolds should perhaps have known better, but he was probably just happy that he had at least found one donor to support the implementation of a CIP pilot project.

Another major problem was the fact that the CIP pilot project was run from the crèche, and that the crèche was seen as a community asset. When the project started, it was assumed by TMCC that the crèche belonged to the Tsakane community. The community trust assumed then that the crèche belonged to the trust. However, the trust represented only a small part of the community and a legal transfer of ownership was never initiated. The principal of the crèche also acted as 'the owner' and wanted a kind of 'veto' right over all trust decisions affecting the crèche. After about a year, it seemed that the crèche was no longer owned by the community but by the principal. The principal had ownership papers in her name. She had received the crèche from a German donor organisation years earlier. She did support the CIP pilot project from the beginning and allowed new investments and budgets to run projects from the crèche, like a community garden, brick-making project, hair salon and food kitchen (see 5.3.2 below). So basically, community budgets were turned into personal investments by her. When other trustees and trust members wanted to use the crèche and assets invested by the trust, she would act as if it all belonged to her and refuse the removal of certain items from the crèche. However, it should be added that the

nature of this woman and the respect she had in the community justifies the conclusion that she did not deliberately turn the community assets into personal assets. She had a lack of understanding of the CIP project and the community trust and, secondly, she had always been given 'hand-outs' from either TMCC or other donors, and probably assumed that this project wanted to upgrade the crèche and its surroundings.

The conclusions are that, firstly, sufficient training on CIP and ownership had not been conducted for the trustees and the principal; secondly, that the correct expectations were not raised by the facilitators; and, thirdly, incorrect expectations by the trust members were not rectified. The facilitators had not done a proper investigation into the ownership of the crèche – they simply assumed it belonged to the community. If a proper mapping exercise had been done in the community before the implementation of the project, this issue could have been avoided (interview Respondent 4, conversations with Broederlijk Delen).

When the CIP pilot was closed down in mid-2009, a TMCC staff member confiscated all assets from the different income-generating projects (e.g. sewing machines, hair salon equipment and gardening tools) as these 'belonged to TMCC'. However, in principle the assets belonged to the community trust. It was clear that the staff member never had fully understood CIP. There was no real ownership of the project and the community trust by the community or trust members. This is supported by the fact that the trustees did not come forward with any ideas on continuation of the project when this was requested by TMCC and Broederlijk Delen. A number of income-generating projects had started as part of the investment rights implementation (5.3.2 below). Within one year, most of these projects collapsed and none of them was sustainable in the longer term. The donor, Broederlijk Delen, asked the trustees to come up with a plan to sustain the projects and was willing to support such a plan. However, neither the trustees, nor the members of the trust came forward with a plan. As real ownership was never expected from the trustees in the past, it is of course no surprise that they did not come forward with a plan. They might have been unprepared for this task. The fact that Broederlijk Delen asked these questions when things started going wrong, is also not surprising. It is not that Broederlijk Delen knew from the outset how CIP worked and advised TMCC and the volunteers

accordingly; they also did not know. While implementing the project, it became clearer what CIP was and the donor learned step by step, as TMCC and the volunteers did.

It can be concluded that there was no participation and ownership from the start of the CIP implementation in Tsakane, as the control of the project was held and kept by the facilitating organisation. No real opportunity was given to the involved community members to participate and take ownership.

5.3.2 Becoming self-reliant: knowing the resources available and a working local economy

One characteristic of CIP well understood by the facilitators was that the local income multiplier in Tsakane should go up so as to improve wealth creation in the community. One way to achieve this was to create local production and local demand for the production.

The concept of ‘rights programmes’ was introduced in this regard, namely investment rights and child rights. Trust members did not know how much funds were available for the project in Tsakane. Neither did they know how much funds were allocated to the different rights programmes as described below. TMCC made these decisions after learning from the CIP pilot in Huntington that informing the community up-front about available resources and giving them access to it, could lead to problems. TMCC was not aware at that stage that ‘knowing the resources available’ was an important aspect of CIP. All funds were managed by TMCC, but the trust was involved in some planning and decision-making with regard to the spending of the money (e.g. a number of possible income-generating projects were put forward by TMCC after some feasibility study was done and the trust members could then decide which project to start).

The child rights evolved around the children of the crèche; they had to get healthy food and a good education. The crèche would create the local demand for food, so it was decided by TMCC and approved by the trust that a community garden should be established on the premises of the crèche and that members of the trust should work in

this garden. The produce from the garden would be sold to the crèche by the gardeners. The funds used to establish the garden were called ‘investment rights’. The other facilitating organisation came on board at that stage, namely ACAT (African Cooperative Action Trust), which was specialised in gardening. They gave free training to the selected trust members who became gardeners using organic gardening techniques and maintained the garden.

The gardeners were selected by introducing the system of ‘use rights’. As explained in chapter 3, these rights can be used when a community asset, in this case the garden, should be divided amongst, in this case, the trust members. Obviously, not everybody could work in the garden, but who would get the opportunity? As the majority of trust members were unemployed, each received ‘use rights’ to the value of R5 and it was explained to them that they could trade these amongst each other. The trust members who had the highest number of use rights after one week of trading had ‘bought’ the right to work in the garden. Each year, a new round of use rights would be undertaken, to give other people the opportunity of working in the garden. After a week, five people came forward to become the gardeners. It was not clear to the facilitators whether they had actually bought the use rights from others, or just asked them. It was afterwards believed the majority of the trust members did not understand the purpose of the use rights. In any case, ‘use rights’ were introduced in the Tsakane CIP project.

The idea of the community garden selling vegetables to the crèche did not go well, as no proper daily meals were cooked in the crèche. A kitchen was installed in the crèche with trust funds and a lady from the community was appointed as cook to provide the meals. Rather than using vegetables, the children often received a sandwich or pap. The gardeners tried to sell the vegetables in the community, but there was insufficient demand. The trustees negotiated with the local primary school and high school to provide the produce to the school feeding scheme, but the scheme was sourced out on an annual basis to large suppliers. Small community projects did not stand a chance. Hence, after a while, the gardeners abandoned the garden as they could not make much money from it. So no sustainable demand was created for the vegetables.

Besides the community garden project, a brick-making project had started behind the crèche, on crèche land, as it was decided that bricks were in high demand in Tsakane and there was no brick supplier in the community itself. TMCC had decided, even before the volunteers arrived and the CIP project officially started, that a brick-making project should be introduced. TMCC had done this in many other communities and believed it to be a good project. The brick-making project operated from the crèche premises as well and the community members working in it were selected by TMCC. When the trust was established, they became trust members. However, no business plans were made when income-generating projects were started. For example, the brick-making project made a loss from the start. But the demand for bricks did exist – in fact, the six people working in the project could not keep up with the demand. What was the problem? The input costs to produce the bricks, namely sand and water, were too expensive. The sand had to be bought in town and the water had to be bought from to the municipality. Water from the river in Tsakane could not be used as the river was mostly dry. The wages of the workers were very low, R30 per day, and wages were the least of the production costs. As more bricks were produced, more water and sand were needed, and this is where the problem was. This eventuality was not considered before the project started. The brick-making project was therefore closed down after six months. This caused much anger and frustration among the workers and the community trust. They did not understand why the project had to be closed as they did not see the losses – TMCC was handling the buying of materials and paid the bills and wages. The workers handled only the selling of the bricks and saw money coming in, but not going out, so they did not believe the project made a loss. As the ownership of the project was with TMCC, not with the trust and not with the workers, the question can be asked whether this was community development as nobody was developing and nobody was even learning.

A sewing project was also started, as was a hairdressing salon and a chicken project. These income-generating projects were identified by the members of the trust and would hopefully improve money circulation in Tsakane. The hairdressing salon was located on the premises of the crèche as well, the sewing project was located at the house of one of the ladies in the project and the chickens were held at trust members' houses. The trust paid for the equipment to start all these projects and each project

had to repay the trust in some way. This was agreed beforehand between the trust and the project owners on the suggestion of the facilitators. For example, the trust members participating in the chicken project got five chickens from the trust and they had to 'pay back' this investment by providing 100 eggs for free to the crèche. The hair salon and the sewing project had to pay a percentage of their income to the trust. The need for the products and services was certainly there, but the demand was stifled by competition from town. The sewing project, for example, could not make clothes cheaper than outlets in town. Only certain church uniforms or school uniforms, not sold in Pep and Jet, were making money. But that was not enough to sustain the project as these were often once-off needs. Also, new locally produced goods were not always trusted. Rather buy from a trusted brand than something from a community member whose products were unknown.

The interest of the community in the CIP project grew after the first visible results of the income-generating projects emerged. Community members who were in town would also pop in at the TMCC office (located in Ladysmith) to ask for more information about the project and how they could get involved. People could at any time become members of the trust as long as the total did not exceed 100. More people started participating in the income-generating projects initiated by the community trust, but rather because they saw the opportunity of making some money, not really because they were interested in CIP or in managing the project. This attitude could have been caused by the fact that the community members knew the crèche was owned by the principal. Hence they did not see the income-generating projects as 'community projects'. Also by the fact that TMCC was managing the project, obviously not expecting any real input from community members.

The facilitators fully understood that a market could enhance local demand. Tsakane had no market, but on pay-day, when pensions were paid out in the local community hall, many traders were seated near the hall to attract pensioners who just had been paid out. TMCC hence considered building a marketplace, or market stalls, near the community hall, where trading would take place weekly, not only monthly on pay-days. Negotiations were initiated with the municipality to build a marketplace in Tsakane where all community members could sell whatever they wanted. The marketplace would be managed by the trust. Negotiations got to an advanced stage

and plans were made available for a marketplace. These negotiations were once again conducted by TMCC and not by the trustees or members of the trust. The ownership of the marketplace was once again jeopardised. The marketplace never materialised as the entire CIP project collapsed (interview Respondent 4).

It does not follow from the failure of all income-generating projects in Tsakane that such initiatives will not succeed elsewhere. It rather indicates that a number of issues were not addressed when these projects were started. Firstly, demand for the products and services should be considered before starting an income-generating project. For example, to sell the vegetables, negotiations with the primary school should have started much earlier. The entire produce from the garden could never have been bought by a small crèche. Other buyers could have been sourced as well, like supermarkets in town, or old-age homes. Secondly, when local income-generating projects are started, a lot of awareness has to be created in the community about the availability of these goods, and also why buying them locally is creating economic growth in the community. Thirdly, the income-generating projects should receive management support from an NGO, in this case TMCC, for a certain period of time. TMCC gave some support, but the people themselves had to run the business. In principle, this is how it should be, but most of them had no relevant experience. When problems arose, they would come to TMCC to solve the problem, or ask for money. No proper training had taken place and TMCC was seen as the guardian angel 'who would come' and solve the problem. This underlines the participation and ownership issue as described in 5.3.1. The community was accustomed to TMCC taking the initiative and making the decisions.

We can conclude that the CIP pilot project in Tsakane attempted to implement the principle of 'a working local economy' and 'becoming self-reliant', with mixed results and mistakes made. Once again, these mistakes could be the source of learning, by the community as well as the facilitators.

5.3.3 Learning process: self-esteem and dignity

The CIP pilot project in Tsakane started when the CIP pilot project in Huntington was already showing some of the problems that eventually led to its collapse. As a result,

for example, the facilitators in Tsakane decided not to mention the available funds to the trust members, or to let them decide what to do with the funds, as there was a fear of misappropriation as happened in Huntington. So some learning by the facilitators did happen, but little learning by TMCC happened in terms of what CIP was all about, even when this became clear to the trust members who challenged TMCC in this regard. As mentioned in 5.3.1, there was learning among the trust members in terms what CIP was. Even though CIP was not well understood at the beginning, when the project started showing benefits and more discussions took place on CIP, some trust members 'learned' what CIP was all about. This resulted in these trust members getting very frustrated over time with TMCC as they realised that no ownership and responsibility was given to, or even expected of them. TMCC was taking all the decisions related to the project. They did ask trust members for input, but often just forced down the decision already taken beforehand by TMCC. Eventually TMCC also realised this was a problem and a member from the community was appointed as 'manager' of the project: somebody living in the community that knew everybody well and understood the local dynamics would be better positioned to continue with project implementation. However, the community manager they appointed was not the right person and her 'standing' in the community was not high enough for her to play a significant role. Also, the manager would just follow instructions from the facilitators and not take the initiative.

As mentioned in 5.3.1, the donor, Broederlijk Delen, did also not know what they were getting themselves into when they decided to fund a CIP pilot project. They were convinced by the enthusiasm of Reynolds and by the fact that the 'hand-out' type of community development project was not working. They were ready to try something new, but they had no idea what CIP was all about. Hence, Broederlijk Delen also learned along the road. For them, while implementing the project, it became clearer what CIP was and the donor learned step by step, as the volunteers did. The then representative of Broederlijk Delen in South Africa made his own analysis of the CIP pilot collapse in Tsakane. He mentions that the Tsakane community might have been too fragmented as a testing ground for CIP. Tsakane was only established after 1994 and people from all over, with different backgrounds, settled there (emails representative Broederlijk Delen). However, I do not agree with this assessment as the community trust was not for the community at large, but only

for the beneficiaries – the children of the crèche and the adults who signed up to become members. Any group of people can implement a CIP project, as long as the group is united into a common purpose and wants to work together (Reynolds and Drew 2005:4-30; Swanepoel and De Beer 2001:62).

CIP is a community development programme that is shaped over time and adapted and changed as per the community where it is implemented. So there is no 'practical' blueprint available for practitioners on how to implement CIP. This is what community development is all about, to let the involved community decide how the project is implemented and how it evolves over time. However, there should be some form of 'blueprint' or at least 'guidance' from the facilitators as to what should happen. In the case of Tsakane, neither TMCC, nor the volunteers knew much about community development and were hence incapable of giving 'guidance' to the community. TMCC implemented the project as they were used to do, by ensuring accountability to the donor. This once again indicates how important it is for the facilitator of a community development project to understand the project. Ideally facilitators should also have relevant experience.

In terms of the involved community members growing in self-esteem and dignity, no evidence was gathered in this regard. However, some trust members involved in the income-generating projects, like the sewing project, the hair salon and the food stall, did gain skills and were obviously very proud of the fact that they were now running businesses. This was obvious from discussions I had with them, and observations made. One lady who was part of the sewing project had sewing training and afterwards came to me and said she had learned to use scissors properly. For the first time, she said, somebody had taken the time to teach her how to cut and this made her feel acknowledged. She had also learned a new skill, sewing, which would help her take better care of her family. Also, one of the trustees had the opportunity to travel to Johannesburg a few times to address workshops on his experience with forming a trust and CIP. He had never before been asked to share his experiences about anything and said he felt hugely empowered and acknowledged by the fact that he was asked to go to Johannesburg to tell his story. So, it can be assumed that some community members involved did gain self-esteem due to the CIP project implemented in Tsakane. However, it was certainly not the case for all community members involved.

5.3.4 Project sustainability and conclusion

Due to the collapse of the income-generating projects and the absence of ownership taken by, or given to, trustees and the members of the project, the donor decided to stop the funding (interview Respondent 4). This was only a year and a half after the CIP pilot project started. The donor announced its exit, but an opening was given to the trustees as they were requested to submit a plan – how they saw the future of the trust and the project (see 5.3.1). However, the trustees never came forward with such a plan. Some trustees tried to mobilise the others, but there was not enough interest. Therefore, the donor withdrew completely and the CIP pilot project stopped.

As can be seen from the above, a number of mistakes were made in the implementation of the CIP project. However, all the mistakes are related to the facilitation of the project and are no indication that CIP as such is not viable. The fact that the trust members and trustees were not even given the chance to take ownership, jeopardised the project from the start. It was probably the biggest mistake made by the facilitators. The fact that the facilitators did not have the capacity to facilitate the project was another mistake. Therefore, these mistakes should be taken into account when other CIP projects are implemented in the future.

5.4 Conclusion

The analysis of the CIP pilot projects in Huntington and Tsakane are of the utmost importance for learning about the implementation of CIP. In December 2007, however, Reynolds passed away and could no longer reflect on the problems in Huntington, which was near collapse then, and the emerging issues in Tsakane. The project manager in Huntington had already resigned before Reynolds passed away, and the donor had already stopped funding the trust. The two volunteers, who at that stage were involved in the Tsakane project, had followed the developments in Huntington and had a meeting with the project manager of Huntington. Also, reports were shared.

This meeting and the reports were crucial for the CIP pilot project at the South Coast, where the implementation of the CIP project still had to commence. One of the two volunteers agreed to be the main facilitator for the CIP project at the South Coast and the lessons he took from the Huntington and Tsakane projects were crucial for the success of the CIP project at the South Coast. Broederlijk Delen had initially committed to fund two CIP pilot projects and they wanted to give a second pilot a chance, as they believed that CIP could possibly work if implemented under different circumstances. So the donor had also learned from Tsakane and did commit to fund another CIP pilot project. This was very open-minded of them as few donors are prepared to acknowledge their mistakes and invest again in a similar project.

The main facilitator (respondent four) took a number of general lessons into consideration when he started the facilitation of a new CIP pilot project at the South Coast:

- To very carefully select the community where the CIP project will be implemented. Proper consultations should take place with the applicable leadership structures, community members and outsiders, so as to determine the dynamics and decision-making structures in the community. Preferably full support should be ensured of all leadership structures before commencing with implementation; the underlying power structures, if any, should be known to the facilitators.
- The facilitators should study the area where the community is located. What are the market dynamics? Which income-generating projects could work and which not? Which are already present? What skills are available in the community? Which income-generating projects are present in the community? Who 'owns' them? Are they profitable?
- Facilitators should be open to setting up a governance structure for the CIP project only after the community has seen the benefits of the project. Communities may have seen many development projects in the past and their expectations may influence the success of the project. For example, if they expect a 'hand-out' project, where they 'get' something without doing anything in return, a CIP-type project might fail. Also, the community might

never have been asked to ‘govern’ a project before and they may be suspicious. By starting with an income-generating project, the right expectations could be created and a relationship of trust could be developed between the facilitators and the community. This may also help the facilitators to identify the ‘wrong’ people from a community that should not be involved in the governance of the project. However, it remains up to the community to decide who governs and who does not.

- To deliberately, from the start, take the role of facilitator – as opposed to owner – and let the community take ownership of the project.
- The most important lesson probably is that the facilitator who introduces a project in a community should be experienced, in terms of community development in general, but also in terms of relevant and sound knowledge of the project that has to be implemented, in this case CIP. The facilitator should not have preconceived ideas of how things should be done, but should have an open mind, be willing to learn and be willing to make adaptations along the way. This means that whoever pays the facilitator (a foreign donor or government) should also be flexible enough to re-allocate funds and deviate from pre-conceptualised budgets and project deliverables.
- To involve locals from the start in the facilitation of the project, people who know the local language and understand community dynamics. Gaining the trust of the community before starting implementation is crucial. Hence, the use of local staff and volunteers.

6: FINDINGS OF THE EMPIRICAL RESEARCH

Findings related to the CIP pilot project at the South Coast, Kwa-Zulu Natal

6.1 Introduction: description of the sample area

As discussed in chapter 4, empirical data were gathered of one CIP pilot project, namely at the South Coast of KwaZulu-Natal. This is the only CIP project still operating at the time of writing.

The beneficiaries of this CIP project are all smallholder farmers, living in a rural area at the South Coast of KwaZulu-Natal, in the Hibiscus Coast Municipality which is part of the Ugu District. The area is about an hour and a half's drive south of Durban. Due to its proximity to the Indian Ocean, the weather is wet throughout the year and very hot in the summer. The wet and warm climate allows vegetables to grow throughout the year and some crops can be harvested numerous times per year.

The identification of the relevant communities from this area was done very carefully, over a one-year period. The facilitator had gathered information about the Huntington CIP pilot project and brought some lessons from the CIP pilot project in Tsakane (see chapter 5). He visited a number of communities and had discussions with community members and NGOs about the most suitable community for a CIP project. Once a first community was identified, Nositha, the facilitator did a mapping exercise with a number of community members and obtained support from the traditional and political leadership of the community. He also decided that for now, he would not start with the creation of a governance structure, such as a trust, but would first focus on the creation of income-generating activities that would demonstrate the benefits of CIP and make the community members eager to become involved in its management. Later on, two other communities were added, Kwanzimakwe and Gcilima, and only then a governance structure was created (interview Respondent 4).

At the time of gathering the empirical data (August to October 2012), the total smallholder farmer population forming part of the CIP project at the South Coast was

230. Of course, there are more smallholder farmers in the area, but they are not members of the CIP project. From the 230, a total of 117 respondents participated in the survey. The participants were from Nositha (16 respondents), Kwanzimakwe (59 respondents) and Gcilima (42 respondents). Nositha is a rather small community while the other two are larger. Each community has a different traditional leadership. Farmers who participated in the survey were chosen randomly, depending on availability and presence at farmers' association meetings. This is why more farmers from Kwanzimakwe and Gcilima completed the survey questionnaire.

A sample of 117 respondents out of 230 means a confidence interval of 6.5 and a confidence level of 95%. A confidence level of 95% means that the sample represents the total smallholder farmer population. The confidence interval indicates the possible variance between reality and the measured results and in this case, 6.5 is a good interval for social science research, meaning that the results do reflect reality (Creative Research Systems 2013; Terre Blanche *et al.* 2006:235-238).

In total, 46 questions were asked, in the following categories:

Category	Variables (questions)	Percentage
1. Demographics	1, 2, 3, 4, 5	10.87%
2. People-centred development: participation and ownership	6, 7, 8, 9, 10, 11, 12, 30, 31, 32, 33, 34, 35, 36, 37	32.61%
3. Becoming self-reliant: a working local economy	15, 16, 17, 18, 26, 38, 39, 40	17.39%
4. Becoming self-reliant: knowing the resources available	19	2.17%
5. Learning process: learning society, self-esteem and dignity	20, 21, 22, 23, 24, 25, 29, 41, 42, 43	21.74%
6. Sustainability and success of the CIP project	13, 14, 27, 28, 44, 45, 46	15.22%

Figure 5: Categories and variables

As described in chapter 4, the data was captured in a 'Pivot table'. This is a data summarisation tool in Microsoft Excel to automatically sort data and provide tables and other information related to the data. The data were sorted in the above categories and so simplified the analysis. The findings in each category will be presented below. I used the scores for each question and an interpretative framework to analyse the data (see chapter 4 for more information).

It should be noted that the responses given in the questionnaires were all very positive for the CIP project. Hence, I reflected on why the farmers responded so positively. Could it be because they feared a negative answer might be detrimental to the funding? Could it be because of my husband's involvement in the project as the main facilitator? Or because they feared other negative consequences? There is no quantitative proof that the farmers were not influenced in this manner, but there is also no proof to the contrary. The following observations indicate that the farmers most likely answered honestly, without fear for negative consequences:

- The data was gathered in three farmers' association meetings and in a number of personal interviews. All the farmers gave positive answers on the different occasions. The communities are too far apart for the farmers to have spoken to each other or agree beforehand that they would all give positive answers. The fact that data were collected on different occasions in different circumstances (group and personal interviews) strengthens the likelihood that the farmers answered honestly.
- At the beginning of each meeting/interview, it was explained that I was doing a survey about the CIP project as part of a D.Litt. et Phil. dissertation for UNISA. That was the reason for gathering the data. It was never mentioned that the data were gathered for the purpose of providing donors with proof of success of the project, or that the data were gathered to see if the project was a success, and that if not, the project would be closed down. It was only mentioned that the survey might be used to convince the South African government to roll out the project in other communities.
- Siyavuna Development Centre (SDC), the NGO that started the CIP project at the South Coast, had conducted baseline and impact surveys in the involved communities before. Hence, the farmers were familiar with surveys and SDC indicated they never gained the impression that the farmers were being dishonest; in fact, most farmers were pleased to participate in a survey. When surveys were conducted in the past, there were never negative consequences for the communities or farmers. SDC uses the data for statistical purposes.
- Probably not many opportunities are available to the farmers (and community members) due to poverty, limited investment and the small number of projects

in the community. Therefore, it might be that community members are keen to participate in every new opportunity coming their way. This could explain the farmers' keenness to participate in the CIP project, and the positive answers. Once again, there is no indication that the farmers were dishonest.

6.2 Demographics

6.2.1 Collection of data

Figure 6 (below) indicates that the majority of the questionnaires were completed during group sessions in each community. These took place at the monthly farmers' association meetings. At the meetings, some farmers, who could not write or read, were interviewed separately by one of the facilitators. After the farmers' association meetings, a small group of farmers was approached individually to complete the questionnaire in order to reach a larger sample.

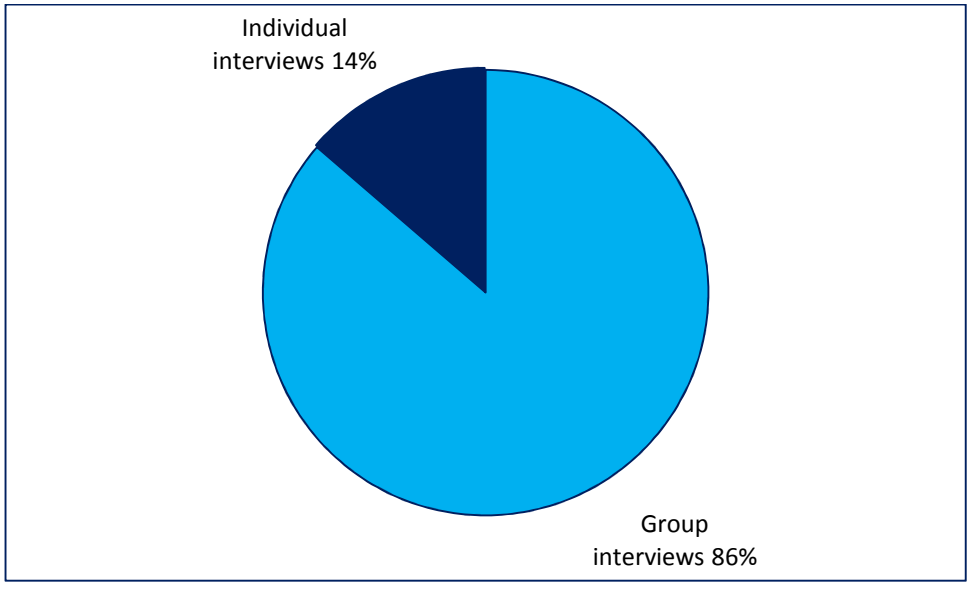

Figure 6: Collection of data

6.2.2 Gender

Most respondents are female (91%) as most smallholder farmers in this area of KwaZulu-Natal are women and, therefore, most members of the CIP project are

female. Discussions with SDC management revealed that in the local tradition, small-scale farming is a task for women. The males are involved in larger-scale farming or animal farming (like goats and cattle).

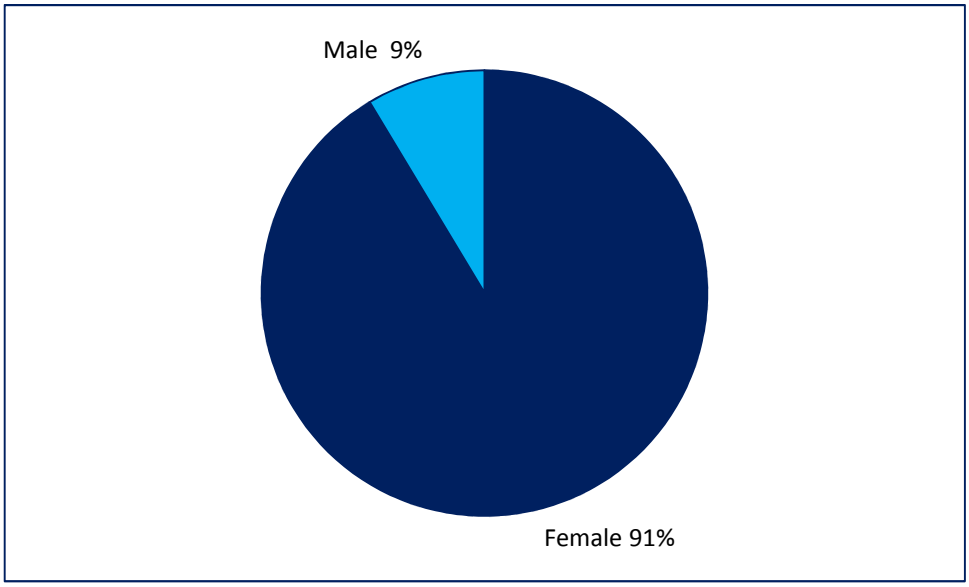

Figure 7: Gender of respondents

6.2.3 Distribution per community

Figure 8 (below) indicates that 50% or 59 of the 117 respondents are from Kwanzimakwe (NZK), 36% or 42 from Gcilima (GCM) and 14% or 16 from Nositha (NOS). The distribution is not representative of the full population of the area. However, Kwanzimakwe and Gcilima are much larger communities than Nositha, and it is therefore logical that more farmers in the CIP project will come from these areas.

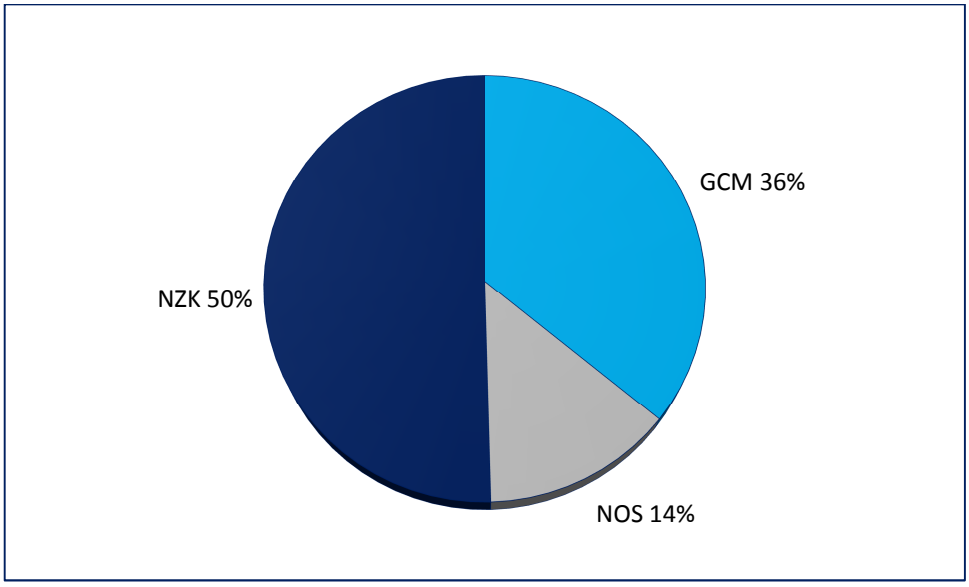

Figure 8: Distribution of respondents per community

6.2.4 Age distribution

Figure 9 (below) indicates that the majority of respondents are 55+ (53%) and 78% of respondents are 45+. We already know from 6.2.2 that the majority of small-scale farmers are female, and we can now conclude that the majority of farmers participating in the CIP project are female farmers older than 45. As explained in 6.2.2, traditionally small-scale farming is a task for women. The reason younger women are not involved, is more complex. SDC management indicates that young women are no longer interested in farming. They rather want a job in the urban areas with more money and status. However, no data are available to prove this.

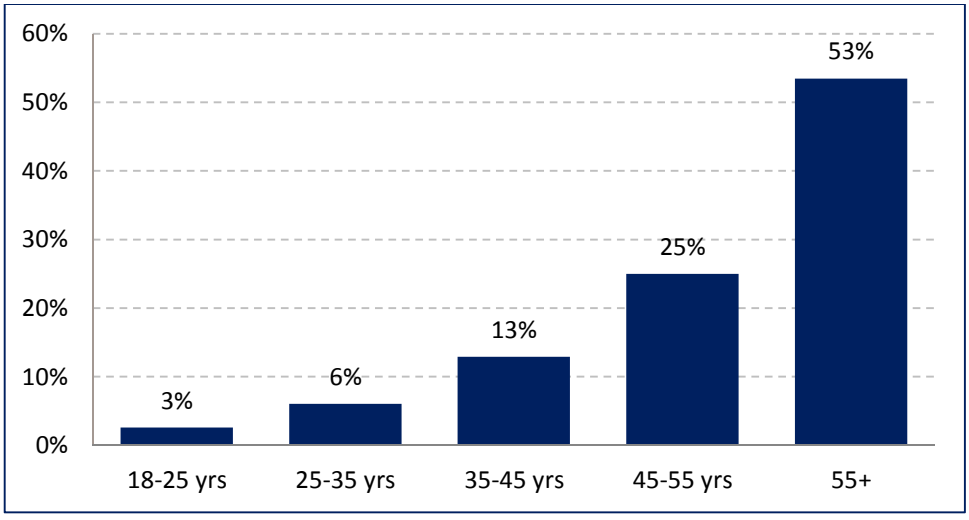

Figure 9: Age distribution

6.2.5 Level of education

Figure 10 (below) indicates that the overall majority (83%) of respondents does not have matric, which can be explained by the fact that most farmers are older than 45. The 11% with matric are younger than 25 (67%) or between 25 and 35 (20%). However, this is not reflected in the graph below.

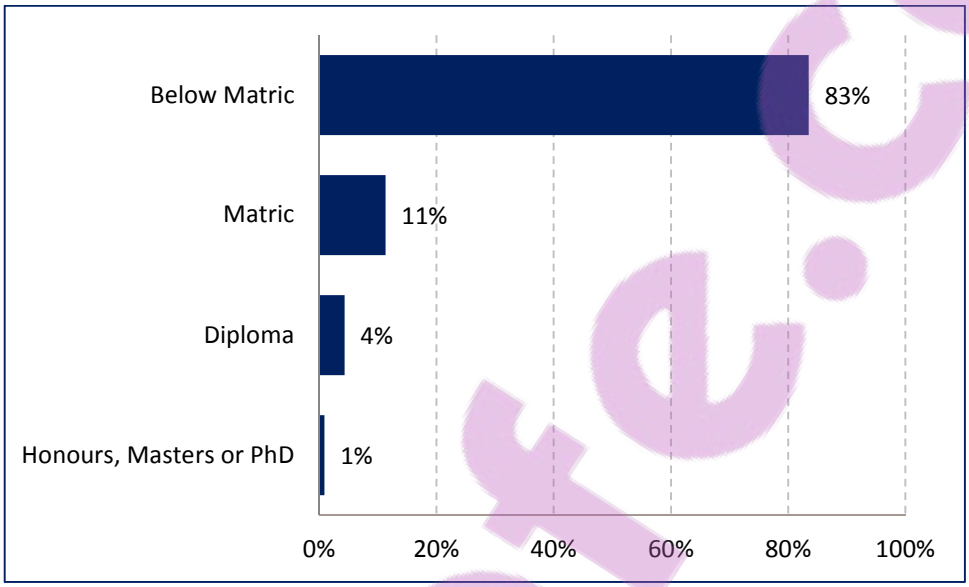

Figure 10: Level of education

6.2.6 Government grants

Most respondents (76%) receive a government grant, and some even two (e.g. old age grant and child support grant). 24% receive no grant.

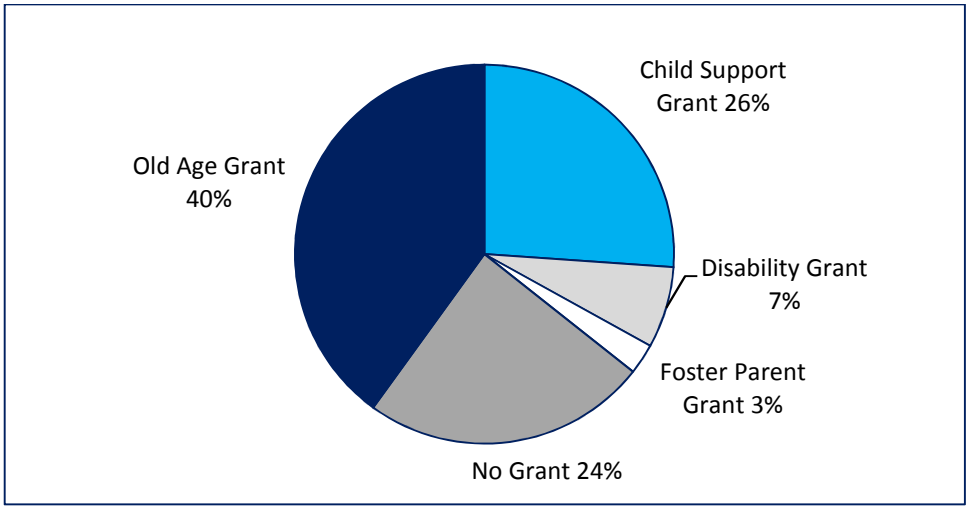

Figure 11: Government grant

6.3 People-centred development: ownership and participation in the CIP project at the South Coast

6.3.1 Introduction

The extent to which the beneficiaries of the project (rural smallholder farmers) own the project is called 'ownership'. This means the farmers know about the goal(s) of the project, are involved in the planning of the project, make vital project decisions and act on their own behalf (Reynolds 2004c:3-6; Swanepoel and De Beer 2011:53). An important way to achieve ownership is to put a governance structure in place that will ensure the total involvement of the beneficiaries in the project, in this case the farmers. Secondly, the manner of facilitation is an important factor.

As described in the introduction, the governance structure for the CIP project at the South Coast was only created after some time, when a large income-generating project had been started in the three involved communities. This income-generating project had shown the benefits of participation to the community, with the intention of raising their interest and thus involvement in the project and its management. The facilitator of the CIP project at the South Coast indicated that he took this decision because of the negative experience with the formation of a community trust in Huntington (interview Respondent 4).

A description of the governance structure of the CIP project at the South Coast is given below, followed by a description of the way the facilitation was done by the SDC, which was established in 2010 by the facilitator to implement the CIP project in communities. The facilitator commenced with research related to the implementation of the CIP project in the area as early as 2008, although he was then hosted by another NGO, 'Give a Child a Family'. This NGO takes care of orphaned children in the area and searches foster families for them. These foster families were often in dire financial straits and therefore the NGO was investigating ways of supporting them. As the focus of this NGO was very different to that of CIP, the facilitator and management of Give a Child a Family decided to establish a new NGO to focus exclusively on the facilitation of CIP projects. SDC was formally established in 2010, when the CIP project had already started in Nositha.

SDC has a board of directors and is funded by international and national donor organisations and the South African Government (through local government). SDC facilitates the implementation of CIP projects at the South Coast (and beyond). As such, it does not feature in the governance structure below but its staff takes part in the farmer association meetings, the cooperative board meetings, the marketing and selling, etc. (see description under figure 12 below).

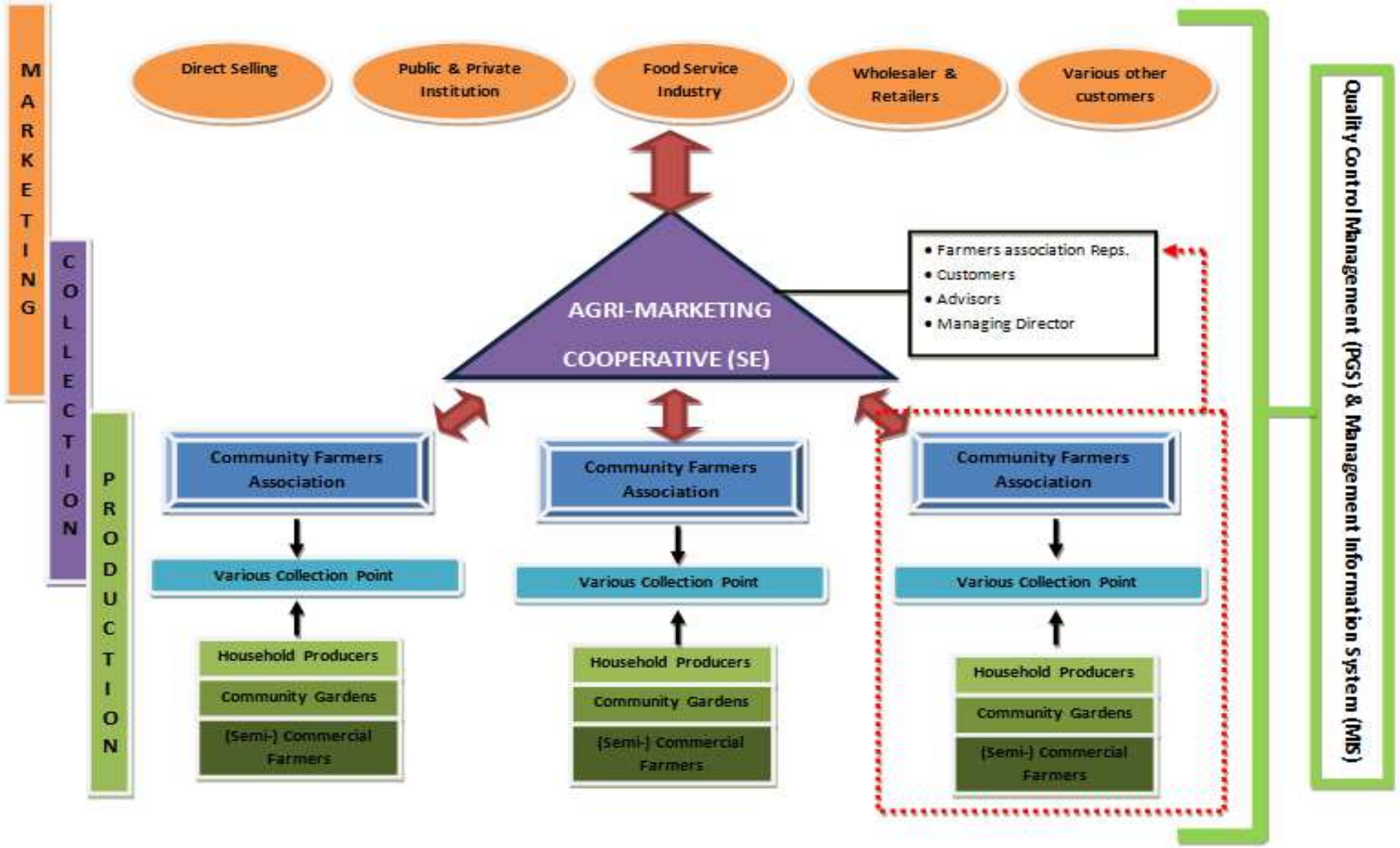

Figure 12: Governance structure of the AGRI-CIP project at the South Coast (Siyavuna Development Centre 2012:18-21)

Each community involved in the CIP project (Nositha, Gcilima and Kwanzimakwe) has a farmers' association. Each farmer that wants to be part of the project has to pay a membership fee of R20 annually and a membership card is provided every year. Membership benefits are agricultural and management mentoring for running a garden, guaranteed access to a weekly market (meaning guaranteed demand for fruit and vegetables), and association meetings where challenges can be discussed and decisions related to the project are taken. Everybody in the community may receive agricultural gardening training. During the training, the project and the possible membership are also explained. Only the farmers who decide to become part of the project and pay the membership fee may sell to the cooperative and get the additional services. Membership is open to all and voluntarily. This 'membership' was only introduced after a year, when many farmers were trained, selling to the cooperative and experiencing the benefits of the project. Hence, when the membership was introduced, farmers were eager to join due to the benefits associated with membership.

Secondly, there is the cooperative (Agri-marketing cooperative), which is managed by a person from the community assisted by volunteers from the three communities. The cooperative has a board of directors: the chairperson and secretary of each farmers' association, buyers of the produce, the general manager of the SDC and a few independent people who have agricultural and/or management experience. The cooperative board is the main independent decision-making body of the CIP project and the board meets once a month. The general manager of SDC has no vote as she is attending the board meetings as advisor and facilitator.

The cooperative has different collection points in each community, depending on the size of the community. Every collection point is open once a week for a fixed period and operated by volunteers from the community. The manager of the cooperative will collect the fruit and vegetables at the closing time of the collection point and then distribute the fresh produce to sales points in the area. The manager receives a monthly salary from the cooperative's income and the volunteers a stipend.

Farmer members of the project in a community have their own farmers' association. The chairperson and secretary of the farmers' association are board members of the

cooperative. The farmers' association meets once a month, before the cooperative board meeting, to give feedback about the previous cooperative board meeting and to discuss any new issues to be raised at the board meeting by. These meetings are supposed to be led by the chairperson, but sometimes it is done by SDC staff, if requested by the chairperson. Attendance at meetings of the farmers' association is very high. Meetings take place on fixed days and times (e.g. every first Wednesday of the month, in the morning) at a central meeting place in the community. Here farmers receive feedback of decisions made at the previous cooperative board meeting as well as financial feedback from the previous month. The management of the project is discussed and issues may be raised – the chairperson will take these to the next cooperative board meeting. Farmers can also exchange information on growing their vegetables, or ask advice from SDC staff, e.g. what to do when there is a certain insect in the garden.

SDC plays a facilitating role in all of this. After a thorough mapping exercise, Nositha was identified by the facilitator as the community in which to start CIP. Later, when SDC was established, more mapping was done and Kwanzimakwe and Gcilima were identified. After the mapping SDC obtains support for the project in the community and donor support for the implementation of the project. It then assists the selected community to set up the cooperative and the farmers' associations. Before the governance structure is established, farmers receive gardening training and may start selling to the cooperative, experiencing the benefits of the project. Once the governance and technical structure is set up, SDC continues to provide support to the farmers' association, the farmers and the cooperative. SDC participates in cooperative board meetings (without voting rights) and a staff member of SDC is always present at a farmers' association meeting. SDC's role is to *facilitate* the project, which means they assist a community in getting the project off the ground, support the community where needed and provide training on farming and management. The fact that SDC deals with the donors, is very beneficial to the farmers as they do not need to occupy themselves donor demands but can fully focus on farming and selling. SDC is 100% donor-funded and seeks funds for the establishment of CIP projects (including the input costs for equipment needed by the cooperative). Once the set-up has been done, SDC helps the cooperative to become sustainable in terms of covering overhead costs (the manager's salary and volunteers' stipends, fuel, packaging, etc.). The longer-term

goal is for the cooperative to survive without donor funding, but this is not yet the case at the time of writing.

A community trust, the CIP governance structure preferred by Reynolds, as described in chapter 3, was not implemented at the South Coast. The facilitator (respondent 4) indicated that he did have a discussion with the farmers in Nositha to establish a community trust. However, the community was not 100% convinced this was the right structure and he had his own doubts because of the events at Huntington and Tsakane. Hence, the facilitator postponed the governance issue until the establishment of SDC, a cooperative serving more than one community and the farmers' associations. He felt more comfortable with this arrangement. So did the involved communities as they were familiar with a cooperative.

From the above description, it is clear that a good governance structure is in place, with the farmers at its centre. Much thought, time and effort were put in by the facilitator and SDC. This is a good starting point to ensure the full involvement of the farmers. Its success was investigated in the survey questionnaire, with questions to discover whether farmers did indeed feel they were involved, could participate, take decisions and plan the project.

The main characteristics of CIP include the active participation of the community and the ownership of the project by the community. Korten (1980:484), Swanepoel and De Beer (2011:68-72) and Westoby and van Blerk (2012:1084-1093) indicate that the role of the facilitator or facilitating organisation can make or break a community development exercise. Facilitators should facilitate the project in a community; not perform the tasks themselves. They should also be in close proximity to the community so that they can anticipate problems and adapt implementation if needed. In this way, the implementation of a project remains a learning process. They should also ensure good planning and sufficient funding to start and implement the project, and take action where and when needed. They should never make empty promises. As discussed in chapter 5, there was little participation and ownership in the CIP pilots in Huntington and Tsakane, contributing to their collapse. The facilitator (respondent 4) was aware of this when he started facilitation of CIP at the South Coast. Discussions with him, other SDC staff, farmers as well as observations have convinced me that the

facilitation of the project by SDC has been done in a professional manner, seeking to ensure community involvement every step of the way. One of the observations made when attending farmers' association meetings was that the farmers present knew very well how the project works. They knew for example that if they raised an issue, the chairperson of the farmers' association would take the matter to the cooperative board for discussion and then give feedback at the next farmers' association meeting. This shows that SDC taught the farmers the procedure. Also, when farmers put questions to SDC staff instead of the chairperson, the SDC staff would not reply even if they knew the answers, but instead refer the questions to the chairperson. Discussions with SDC staff indicated that SDC implemented the project step by step with the community, always aware of the importance of ownership. They knew that before doing something, for example buying new equipment for the cooperative, they had to suggest the action to the cooperative board, which had to agree and, in turn, ask the chairpersons of the farmers' associations to take the matter to the farmers and discuss it with them. This would sometimes delay implementation, but SDC, in most cases, attempted to follow the governance structure to ensure that farmers take ownership of the project. The facilitator (respondent 4) said that the issue of ownership was taken very seriously as they believed that, in the absence of ownership, the project would collapse sooner or later. The fact that SDC is aware of this, take it seriously, and actively try to ensure ownership, is an important factor for the success of the project. The data below data will further indicate whether or not this is indeed the case.

6.3.2 Findings related to participation

Participation questions	Score	Interpretation of the findings[26]
Do you know about the Kumnandi cooperative in your community?	99%	The project is well-known amongst the farmers of the community
Do you know about the farmers' association in your community?	98%	There is a high awareness about the presence of the farmers' association in the community
Do you sell fruit and vegetables to the Kumnandi Cooperative?	90%	Most farmers do sell to the cooperative and therefore do participate in the project, besides knowing about the project.

[26] The answering options to all questions were properly explained to the respondents by a Zulu-speaking facilitator (see chapter 4 for the methodology).

Do you participate monthly in the farmers' association meeting?	97%	The majority of the farmers do voluntarily participate in the monthly farmers' association meetings.
Are farmers encouraged to take part in the farmers' association meetings?	97.2	An agreement score of 97.2 indicates that respondents strongly agree that SDC and the local chairperson of the farmers' association encourage farmers to take part in the meetings.

The above percentages and index score indicate that all three communities are aware of the presence of the CIP project in their community. Awareness of the presence of the project does not yet mean participation, but 90% of the farmers indicate they sell to the cooperative and 97% indicate they participate in meetings. Selling produce to the cooperative does not yet mean that they participate in the project in terms of wanting to be involved in the planning and decision-making. However, the fact that almost all farmers who are members of the project are participating in the farmers' association meetings (97%), even if they are not selling or not regularly selling produce to the cooperative, is in indication that they are interested in more than just selling to the cooperative – at these meetings, planning related to the project is done and decisions are taken. Farmers who want to sell to the cooperative are not required to attend these meetings, however most of them they do so. If beneficiaries become interested and attend meetings where decisions are made and planning is done, we can say there is participation in the project.

Besides the above data, the annual uptake of membership also says something about participation. Once the farmers realise the benefits of the project, namely that a guaranteed weekly market is available for them to sell fruit and vegetables, as well as training and support, they are asked to become members of the CIP project. Any farmer may become a member of the project. Membership needs to be renewed annually by paying R20 (at the time of writing). Without paying the membership fee, a farmer cannot sell produce to the cooperative. The graph below indicates that most farmers pay early in the year (February, March), which indicates they are keen to be part of the project and sell to the cooperative. If they were not interested in participating, they would not become members. New members may join any time

during the year, which explains the high numbers in July and to a lesser extent August and October.

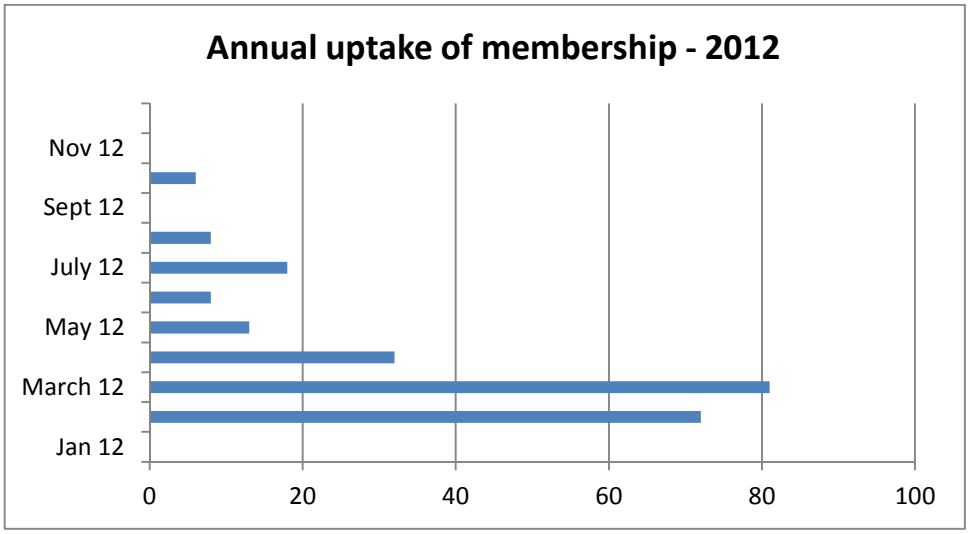

Figure 13: Annual uptake of membership – 2012

Cooperatives involved in community development projects should be managed well. This was Reynolds's opinion and it is confirmed by David Korten (Korten 1980:481-485), Westoby and van Blerk (2012:1084-1093) and Yachkaschi (2010:195-202). Reynolds said in the 1980s that cooperatives could work, but should be managed well to ensure that all members of the cooperative are benefitting. That is why, in his opinion, it is difficult to have a cooperative representing a whole community. SDC has understood this and hence the cooperative is open to any community member *who wants to farm and sell to the cooperative*. Members of the community who do not farm cannot benefit from it directly. It is entirely up to the individual community member to decide whether or not to join. The annual membership contributes to this arrangement. In addition, an accountability structure is in place and the cooperative manager can be held accountable by the farmers. The fact that the cooperative board includes members of the community and independent individuals also enhances the accountability, transparency and professionalism of the cooperative.

6.3.3 Findings related to ownership

Ownership questions	Score	Interpretation of the findings
Can farmers participate in discussions during farmers' association meetings?	98%	Almost all respondents agree that they can participate in discussions during these meetings

Can farmers raise questions during farmers' association meetings?	97%	Almost all respondents agree that they can ask questions during these meetings.
The chairperson of the farmers' association has been democratically elected	96.6	An agreement score of 96.6 indicates that respondents strongly believe and strongly agree that the chairperson has been elected democratically
I trust the chairperson of the farmers' association	97.4	An agreement score of 97.4 indicates that respondents strongly trust the chairperson
The chairperson of the farmers' association acts in the interest of the farmers	97.0	An agreement score of 97.0 indicates that respondents strongly believe and strongly agree that the chairperson acts in the interest of the farmers.
I trust the manager of the Kumnandi cooperative	92.5	An agreement score of 92.5 indicates that respondents strongly trust the manager of the cooperative.
At the farmers' association meeting, farmers are involved in the planning and decision-making of the Kumnandi cooperative	90.0	An agreement score of 90.0 indicates that respondents strongly believe and strongly agree that the farmers are involved in the planning and decision-making of the cooperative.
At the farmers' association meeting, farmers receive enough feedback from the cooperative board regarding the cooperative	94.0	An agreement score of 94.0 indicates that respondents strongly believe and strongly agree that the farmers get enough feedback from the cooperative board.
I, as a farmer, can make suggestions to the Community Field Worker[27], the chairperson or SDC staff with regard to the project if I want to	96.2	An agreement score of 96.2 indicates that respondents strongly believe and strongly agree that they can make suggestions with regard the project.
The below questions were asked under the sustainability category (see 6.7), but they are also applicable for ownership:		
Do you think the Kumnandi cooperative will be able to run on its own without help from SDC?	24%	24% of respondents answered yes on this question and think that the cooperative can run on its own without help from SDC.

[27] The Community Field Worker (CFW) is a volunteer from the community who assists the cooperative manager with the collection of the vegetables. The CFW is always present at the collection point during collection times, and farmers may also raise issues with the CFWs. The CFWs are in regular contact with the cooperative manager and SDC staff and pass on messages/issues brought to them by the farmers. The CFW also participates in the farmers' association meetings and may follow up on any requests from farmers.

Do you think the farmers' association will be able to run on its own without help from SDC?	24%	24% of respondents answered yes on this question and thinks the farmers' association can run on its own, without help from SDC.
After a few years, I think the community can run the cooperative without the help of SDC	71.5	An agreement score of 71.5 indicates that the respondents agree and believe that the community can run the cooperative without help from SDC after a few years.

There is a broad agreement amongst the respondents that farmers can and do take part in the management and planning of the project. In the community itself, the project is associated with the cooperative, which is managed by community members who collect fruit and vegetables in the community. This cooperative is fully managed by the community. SDC provides support with financial management when needed and the sourcing of markets for the cooperative. Interviews with the chairpersons of the farmers' association and the cooperative manager confirm the above findings. The chairpersons say they may raise any issues at meetings, participate in the discussions and even reverse decisions taken if they were not in the interest of the farmers. For example, sometimes a decision is taken at the cooperative board meeting and when the farmers hear of it, they may not agree. The chairperson raises this issue at the next monthly cooperative board meeting and if it is indeed in the interest of the farmers, the decision will be reversed.

The chairpersons are senior community members who are trusted and respected by the other community members. Two chairpersons are female (in Nositha and Kwanzimakwe) and one is male (in Gcilima) at the time of writing. I attended some of the farmers' association meetings and the females mostly ask SDC staff to chair the meetings. It seems that the female chairpersons are not confident enough to lead the meetings themselves. This might be a gender issue based in local tradition, a lack of confidence or a lack of experience in public speaking. It also indicates that community members elect a person who is respected and old and not necessarily the right candidate for the position. When I interviewed the female chairs, they appeared to be very outspoken, confident and proud, so it might indeed be a public speaking issue. When I questioned SDC staff about it, they indicated that the female

chairpersons had been in the chair for only since six months and that they might not be confident enough yet.

As indicated in 6.3.2, there is a high participation rate in the farmers' association meetings, which may be evidence of ownership of the project as the farmers voluntarily attend meetings and take part in them. Genuine interest by the farmers in participation and management is indicated by the high attendance rate, active participation in discussions and their raising of issues at the meetings.

The question of whether or not farmers really 'own' the project is difficult to answer at this stage. The farmers are thoroughly involved with the project; they are aware, participate, and take part in decision-making. The governance structure is set up to ensure full farmer representation and the cooperative is managed by the community, with the assistance of SDC. SDC has, in my opinion, still a crucial role. When farmers were asked if the community could run the cooperative and the farmers' association without any help from SDC, 76% say that this would not be possible. However, when asked if it would be possible in a few years' time, the respondents were much more optimistic. An agreement score of 71.5 indicates that a majority of the respondents agree and believe that the community will be able to run the cooperative without help from SDC in a few years' time. Further reflection on the question of sustainability is done under point 6.7 below.

At this stage it is not clear if the farmers really understand what it means to run the project on their own. It seems, therefore, that there is positive evidence of ownership of the project, but as long as SDC remains involved in assisting the community and while the community is not yet running the cooperative on its own, it is too soon to say full ownership has been established. It remains to be seen if the community can indeed run the cooperative on its own without help from outside. However, the question should be asked: is it realistic to expect a rural community to run such a developmental project without help from outside, whether from an NGO or the government? It would be in the interest of the communities as well as the government to set up a structure to assist communities with the management of such projects, which obviously have a positive impact on the livelihood of many rural families. If the government does not have the capacity to do this, they can collaborate with NGOs

like SDC or community-based organisations to assist CIP-type projects in communities. The NDP does say 'that people should be involved in their own development' (National Planning Commission 2011b:2), 'the government should stimulate small-scale agriculture in rural areas, however public institutions should be strengthened to make this possible' (NPC 2011b:117), and 'the path of dependency should be broken down; all sectors of society should now contribute to make the economy work' (National Planning Commission 2011b:133-134). The NDP therefore seems to understand that small-scale agricultural projects in rural areas should be supported, not by taking the lead, but by letting people take the initiative and by supporting them, if needed.

When talking about ownership, the question of a common, genuine concern should also be asked. Why would the community be interested in having this project? Why would they invest time in it? These questions were asked to the chairpersons and the secretaries of the farmers' association and SDC staff. The reason people are interested in starting to farm and selling to the cooperative is mostly to get some extra income as poverty is rife in the communities; most people are unemployed and depend on a few working family members and government grants. 76% of the respondents receive a grant from the government and some even two, e.g. old age and child support. Only 3% of the respondents are formally employed. They indicated that participating in the project empowers them, gives new meaning to their lives and gives them a form of independence they never had before. I will elaborate on this in 6.6 below under 'learning society: self-esteem and dignity'.

6.4 Becoming self-reliant: working local economy

6.4.1 Introduction

One of the main characteristics of CIP is that citizens should become more self-reliant and that his may be achieved by developing a working local economy where they live. A working local economy is an active economy at the local level where production and selling takes place on a daily basis. Such an economy would stimulate the 'local income multiplier', meaning more local exchange leading to increasing local wealth.

Local income multiplier means ‘the cash that circulates in a locality and how it multiplies its value’ (Reynolds 2005a:14).

One of the main priorities of the CIP project at the South Coast is and was to create this working local economy. They do this by stimulating local production and local demand, because production without demand is useless. On the demand side, the cooperative buys production on a weekly basis, at different collection points in the communities. The farmers sell for immediate cash at the collection point. They can sell fruit, vegetables and some processed foods like jam and marmalade. The fruit and vegetables are washed, checked for quality, weighed and packaged at the collection point. For most fruit and vegetables, there are no quantity restrictions. The exceptions are fruit and vegetables usually sold in bulk, such as spinach, bananas and onions. These minimum requirements are clearly indicated on a board, which also shows the prices of the products. Prices are revised quarterly, based on average retail prices and factoring in production costs. The farmers are paid up to 60% of the average retail price (Siyavuna Development Centre 2012:38-39). So the local farmer knows that whatever produce he/she might have of the right quality, there will be a market for it every week and he/she will get immediate cash in return.

So as to further stimulate local money circulation, the cooperative provides additional services to the farmers at the collection points. Farmers are able to buy seeds, seedlings, organic inputs and gardening tools at reduced prices as the cooperative buys in bulk. Farmers are also encouraged to buy produce from each other.

On the production side, SDC offers organic gardening training to all interested community members. Those who wish to sell to the cooperative have to become members and comply with the quality requirements for the produce, as decided by the cooperative board in agreement with the farmers’ associations. The organic gardening training does not ‘teach’ the farmers how to farm, but rather informs them about techniques for improved farming without the use of pesticides. The farmers bring their own knowledge and share experiences. Local and indigenous fruit and vegetable production is encouraged (like growing ‘Zulu spinach’). Every farmer, even those with only a very small plot, is shown how to grow with the assets they have (interview Respondent 4 and 10).

As was indicated in the literature review, stimulating agricultural production in rural communities will increase consumer demand in the community due to increased incomes. Even more important, the study of Browne *et al.* (2007:567), where data was gathered in a rural area adjacent to this survey's data collection area, indicated that increasing incomes would lead to increased purchases of locally produced goods and services (like vegetables, traditional foods and medicines, housing materials and repairs and childcare facilities). Purchases outside the local community (mostly clothes and furniture) would also increase, but for this study it is important to know that when people have more disposable income, they will spend part of it in the community (Browne *et al.* 2007:567). It is therefore also important to stimulate local production as people will buy when the products available.

Of course, I wanted to know if the extra cash available to the farmer's part of the CIP project is indeed spent in the local economy and if the extra cash they earn is making a difference in the lives of the farmers. Therefore, the questions below were asked.

6.4.2 Findings related to becoming self-reliant: a working local economy

Working local economy questions	Score	Interpretation of the findings
The income that I earn by selling to the cooperative is the main income of my household	34%	Only 34% of the respondents say that the income earned by selling to the cooperative is the main income of the household. This is understandable as the average weekly sales of a farmer is R47.12, so if a farmer sells every week this means an income of R 188.48 monthly which is very low (data from SDC bookkeeping). Most respondents (76%) also get a government grant, which is always higher than R 188.48.
The income that I earn by selling to the cooperative is an additional income of my household	85%	For 85% of the respondents, the income earned by selling to the cooperative is an additional income. This confirms the above finding.
The income that I earn by selling to the	16%	16% of respondents say that the income earned

cooperative is enough to sustain my household		by selling to the cooperative is enough to sustain the household. These are the farmers that do not receive government grants.
I spend some of the income that I earn by selling to the cooperative IN the community	83%	83% of respondents indicate that they spend some of the income that they earn by selling to the cooperative IN the community. This is a significant finding as it indicates that the local money circulation indeed increases due to the CIP project.
I am planting with the intention of making money	89%	89% of respondents indicate that they plant with the intention of making money. This is a significant finding as it means that farmers, knowing that their produce can be sold, are producing more which contributes to a working local economy.

The findings indicate that the introduction of the CIP project on the South Coast is stimulating local money circulation and therefore contributing to a working local economy. The fact that 83% of respondents indicate that they do spend some of the cash they earn from the cooperative by buying in the community is significant. Interviews with some community members revealed that this cash is often spent on consumable goods like sugar, coffee, tea or cooking oil, bought in the tuck shops of the community. Many women also say they can now buy airtime once in a while and give pocket money to their children to buy a sweet during school break.

However, the extra cash earned by selling to the cooperative is not a lot. The average is R188.48 per month at the time of writing, but this does make a big difference according to the local chairpersons I interviewed. It made me realise that the amount is not the only issue; the mere fact that there is extra money available for the household also matters! One women said that just being able to buy a R5 voucher of airtime made her so happy and proud as she had earned this R5 herself. I will go deeper into this under 6.6 below, ‘dignity and self-esteem’.

These findings are in line with those of Browne *et al.* (2007:567-569), which indicate that there is potential for agricultural demand-led growth in rural communities on the

South Coast. If households get more income, they will spend more and part of the expenditure will be on locally available and produced products. Increased demand leads to increased production, which creates more employment opportunities and even small enterprises (like jam-making). However, Browne *et al.* (2007:578-579) also indicate that increased income will be spent on goods like clothing and furniture, which are usually not available IN the community, so this means a direct leakage of income out of the local economy. It is important for the CIP project on the South Coast to identify which goods and services will attract the extra income and to determine the possibility of producing those goods and services IN the community. Browne *et al.* (2007:580) do indicate that if uncooked food (like maize meal and vegetables) is used in end products (like bread and jam), such food will be bought, thereby stimulating the local economy and reducing leakage to the first economy.

6.5 Becoming self-reliant: knowing the resources available

6.5.1 Introduction

Another important characteristic of CIP is that the resources available should be known to communities. Giving decision-making power to communities means little without resources. Communities should know which budgets are available and they should have the power to firstly, decide what to do with the budget and, secondly, be involved in the spending of the money. In principle, the budget should be known to the communities before they start organising themselves. The availability of resources will open up opportunities and, trigger processes that otherwise might not happen. This, says Reynolds, will enhance the self-reliance of the involved community and contribute to a working local economy (Reynolds 2005a:31).

From interviews with SDC management and the cooperative, it became clear that the communities do not know about the resources available for the start-up of the CIP project. With this I mean the funds available to start up the cooperative and the funds SDC uses to train farmers, provide resources, etc.

Members of the project *do* know which resources are available to the cooperative, as well as the income and expenditure of the cooperative. Once the cooperative is in

place and has all the resources it needs (like a truck, refrigerator, scale, etc.), it will attempt to break even (pay salaries, petrol, insurance, etc.) or even make a profit, meaning that in the first years SDC will still have to support the cooperative in case they do not achieve the break-even point. At each cooperative board meeting, the cooperative manager gives feedback on income and expenditure. Farmers present, the chairpersons and secretaries of the farmers' associations, may also give inputs on how profits, if any, will be put to use. If new resources are available for investment, allocated by SDC from donor funds, they may also decide how such resources will be spent.

The chairpersons give feedback about the cooperative's finances at the farmers' association meetings so that all farmer members are informed. This is crucial as the cooperative is managed by the community itself. Eventually the cooperative should run on its own without outside funding. However, at the time of writing this has not happened. Assistance from SDC is still needed, including financial assistance in months when a loss is made.

To conclude, the community (involved farmers) knows about some resources available to them, namely the resources allocated to the cooperative, and also about the income and expenditure of the cooperative. The community does not know about the resources available to SDC for running the centre. This is not a problem in principle as SDC is the facilitating and supporting organisation, obviously with running costs, as long as the community knows which resources are specifically allocated to their community for developing the cooperative.

As interviews with the management of SDC indicated that farmers only know about the resources of the cooperative and not the resources available to them but spent on their behalf by SDC, I decided to only ask a question about the decision-making power farmers have with regard to the resources of the cooperative.

6.5.2 Findings related to becoming self-reliant: knowing the resources available

Knowing the resources available question	Score	Interpretation of the finding
At farmers' association meetings, farmers can take decisions regarding resources allocated to the cooperative	86%	86% of the respondents indicate they can take decisions regarding resources allocated to the cooperative. 9% say they do not have decision-making power when it comes to resources

This finding indicates that farmers do feel they can take decisions with regard to the resources allocated to the cooperative. As mentioned above, the farmers do know about the income of the cooperative, the expenditure and the monthly loss or profit. They can decide what to do with profits. If SDC manages to get extra funding for the cooperative from a donor, the farmers can decide to a certain extent what should be done with these funds (interview Respondent 4). It indicates that the system described in the introduction is working, namely that the chairperson of each farmers' association is indeed giving feedback to the farmers with regard to the finances of the cooperative, and that their input is asked when decisions about the finances have to be taken. It is not clear why 9% said no and the remainder answered 'don't know'.

6.6 Learning process: learning society, self-esteem and dignity

6.6.1 Introduction

Learning society

Reynolds held the opinion that CIP could not be a blueprint for the development of all communities in South Africa as communities differ and have their own dynamics. CIP is offered as a method for development, which should be guided by a facilitator and take shape over time. Which shape it takes, will depend on the involved community. Therefore the implementation of CIP should be 'a learning process' and the community implementing CIP is 'a learning society'. There should be space for learning, and consequently, making mistakes (Reynolds 2005a:29).

Korten (1980:499-500) said the same in 1980 when he described the 'three stages of a learning process'. Observing the CIP pilot project at the South Coast indicates that it

has experienced these three stages:

1. *Learning to be effective*, meaning the facilitator gets to know the community to develop a project that fits its needs and that is adaptable when mistakes are made. At the South Coast, the facilitator commenced in late 2008 with visits to different communities in the area, getting to know them and finding out what their needs where. Based on this assessment, it was decided that Nositha would be a suitable starting place. He then did a mapping exercise and a baseline study in Nositha before the project started. Fruit and vegetable production was identified as an income-generating project, and meetings took place with the community on governance of the project. An 'interim trust' was formed, but the facilitator as well as the community had their doubts. The first training in organic gardening took place and the first vegetables were collected in the community and sold elsewhere, however not yet efficiently (interview Respondent 4).
2. *Learning to be efficient*. In 2010, it was decided that a new NGO should be created to support the CIP project, that a cooperative should be created to manage the production and sale of the fruits and vegetables, and that farmers' associations should be formed to represent each community delivering to the cooperative. Only one 'supporting' NGO would be needed, which could assist all involved communities. The idea of forming community trusts was abandoned and SDC was established. The cooperatives were established, collection points were set up, the sales strategy was enhanced, a marketing strategy was developed and a cooperative manager was appointed. The project became more mature, focusing on strengthening the cooperative and project in Nositha. Slowly, approaches were made to other communities in the area, to include them in the cooperative. In 2011 Kwanzimakwe became part of the project and Gcilima followed in 2012 (interview Respondent 4).
3. *Learning to expand*. From mid-2012 onwards, a new cooperative was set up in another area on the South Coast (Umdoni) with three communities delivering to it. The set-up of the project in Umdoni went much quicker as all lessons learned in Nositha and neighbouring areas could be taken into account. SDC had significantly expanded its organisational capacity as well. In the second half of 2013, a new area for a project has been identified. Other NGOs in

> South Africa were approaching SDC to share their model for implementation elsewhere (interview Respondent 4).

From the above, we can conclude that initially the facilitators and later SDC have gone through a learning process while implementing the CIP project. The facilitator (respondent 4), SDC and the donor were open-minded and self-critical enough to do this. The involved community, especially Nositha, has also learned as they indicated their issues with certain ideas and were willing to be the 'experimental ground' in the first two years of implementation (interview Respondent 4). This is exactly what CIP, and community development in general, is about: let a project take shape over time, growing from the bottom up until it is in a shape that will make a real difference for the communities involved.

No further data with regard to 'learning society' were gathered with the questionnaires.

Self-esteem and dignity

CIP is about more than just developing a community economically, i.e. creating income. CIP aims to be a full development programme, also taking into account other aspects of development. Reynolds said if people were able to decide about their own development, their self-esteem would grow over time. Hence, I decided to focus on the concepts of self-esteem and dignity in the empirical research. These two concepts are closely interrelated in the context of this project. Self-esteem in this context means how farmers' perceptions of themselves have improved due to participation in the project. Dignity in this context means how farmers, by taking part in the project, have fulfilled their lives better and have been given the opportunity to reach their potential (or approach it), besides the monetary benefits.

It is difficult to measure these concepts and therefore the data gathered in this regard should be interpreted with caution. To determine if a person's self-esteem or sense of dignity has grown, one could ask them if they felt it had, if they saw new opportunities, if they could better reach their potential, if they could decide themselves about their lives (project participation) and if they were given recognition for what they were doing. Also, being more self-sufficient contributes to self-esteem

and a greater sense of dignity (Swanepoel and De Beer 2011:49-50). Some data do seem to indicate increased self-esteem, for example, but no definite conclusions can be drawn.

I therefore asked the questions below. The question of self-sufficiency was not asked under this category as I already knew self-sufficiency would be improved by participation in the project – the farmers would produce their own fruit and vegetables, for own use or for selling to gain an extra income they never had before. Also, from the findings under 6.3, we knew that the farmers were involved in planning and decision-making at the cooperative and therefore the question was not repeated here.

6.6.2 Findings related to self-esteem and dignity

Dignity and self-esteem questions	Score	Interpretation of the findings
The training I received when joining the Kumnandi cooperative was enough to start my garden	97%	97% of respondents indicate that they were satisfied with the training they received to start their garden.
I get enough support and mentoring to run my garden successfully	94%	94% of respondents indicate that they get enough support and mentoring (from SDC and the cooperative) to run their garden successfully. This is important as it is an indication of the recognition they are given as a farmer from both SDC, but also from the cooperative itself, which is managed by fellow community members.
I learned how to grow new crops, which I had never grown before	99%	99% of respondents indicate they learned to grow new crops which they had never grown before which is significant. It means that the farmers were given new opportunities, namely to learn something new, and that all of them indeed learned to grow new crops.
I gained more confidence in farming since I am part of the Kumnandi cooperative	96%	96% of respondents gained more confidence in farming since they are part of the cooperative.

My local community field worker visits me enough times during the year	84%	84% of respondents indicate that their community field worker visits them enough during the year. The community field worker is a volunteer from the community that is trained by SDC to provide services and support to the farmers.
I am planting with the intention to feed my family and myself	84%	84% of the respondents indicate that they plant with the intention to feed their family and themselves.
I had a garden before I was trained and joined the cooperative	93%	93% of the respondents indicate that they were having a garden before the project started.
My self-esteem has grown since I am part of the cooperative	97.6	An agreement score of 97.6 indicates that respondents strongly agree and strongly believe that their self-esteem [28]has grown since they are part of the cooperative. This is an important finding and means that the impact of the project is probably going further than just creating an extra income stream, but also having an impact on the mental wellbeing and development of the farmers.
The presence of the cooperative in the community has created new opportunities	96.5	An agreement score of 96.5 indicates that respondents strongly agree and strongly believe that the presence of the cooperative in the community has created new opportunities. Having access to new opportunities as an individual could contributes to a greater sense of dignity and a higher self-esteem.
I am given recognition as a farmer as I have a membership card	95.7	An agreement score of 95.7 indicates that respondents strongly agree that they are given recognition due to the membership card (functioning of membership system is explained in 6.3.2). Being recognized as an

[28] The contextual understanding of the word 'self-esteem' was well grasped by the farmers. This is so because Zulu, the native language of the involved farmers, has a word for 'self-esteem'. In addition, the facilitators were asked to explain the concept to farmers in simple language when asking the question (see methodology, chapter 4, for more detailed information). The facilitators understood the concept well, as I noted when I asked them to explain it to me in English.

		individual contributes to a greater sense of dignity (Swanepoel and De Beer 2011:50).
I have a better life since I am selling to the cooperative	94.7	An agreement score of 94.7 indicates that respondents strongly believe that they have a better life since they are part of the project.
I think that the cooperative is helping the community and gives people a better life	98.5	An agreement score of 98.5 indicates that the respondents strongly believe that the cooperative is helping the community and gives people a better life.

Some of the above data seem to indicate that farmers participating in the CIP project did get more self-esteem and a greater sense of dignity. However, only one question enquires directly if self-esteem was improved. All the other questions enquire indirectly whether, for example, the self-esteem of involved farmers could have grown.

The farmers themselves indicate that their self-esteem has improved since becoming part of the project (agreement score of 97.6). They also indicate that they have better lives since becoming part of the project, and that they strongly believe other participating members' lives have also improved. These findings are important as they could indicate that the project has succeeded in not only addressing the economic aspect of development, namely improving income streams, but also the abstract need of enhancing people's dignity. However, it remains an assumption that self-esteem and dignity have increased due to participation in the CIP project. It cannot be said for certain what farmers 'perceive' when they are asked about self-esteem. For example, it might be that a farmer's self-esteem has increased over the past years, but for other reasons than participation in the CIP project.

According to Swanepoel and De Beer (2011:49-50) and Reynolds, control of one's own life and being part of decisions affecting one's life do contribute to a greater sense of dignity. Dignity can also be enhanced by becoming more self-sufficient, learning new things and getting recognition. Hence, farmers' participation in the planning and decision-making of the CIP project in their communities, their taking charge of the cooperative and its management – giving them control over a project

that has an impact on their lives – and their new knowledge of crop-growing could indicate that their self-esteem and dignity have indeed increased. The farmers are given due recognition by SDC in the form of a membership card, training, individual mentoring sessions, farmers' association meetings, cooperative board meetings, participation in the cooperative management and access to the community field worker for information and advice. Giving the farmers recognition as farmers, but also as individuals, could have enhanced their self-esteem. However, no valid conclusions can be drawn with regard to the above.

Another question that could indirectly indicate increased self-esteem among the involved farmers deals with the creation of new opportunities by the CIP project. Access to new opportunities and the ability to decide what to do with them, help people to live fulfilling lives. Therefore they feel better about themselves and have a greater sense of dignity (Swanepoel and De Beer 2011:49-50). The project created new opportunities for the farmers, firstly by giving them access to an income by providing a market, secondly by teaching them new farming methods, and thirdly by creating job opportunities (cooperative management and community field workers). Also, the farmers' associations gave opportunities to a few to become chairpersons and secretaries and join the cooperative board. The chairpersons I interviewed were very proud of their positions and indicated that the fact that they were trusted to represent the farmers of their communities gave them a great sense of responsibility and dignity. Besides the direct opportunities created by the CIP project, a number of indirect opportunities were also created, such as farmers employing people for the first time in their lives to help in the garden, or being enabled by the extra income to do something or buy something that they could never do or buy before. However, once again, these questions and their answers cannot prove that the self-esteem and dignity of the involved farmers have indeed improved. It can, however, be assumed that the self-esteem of some farmers was enhanced.

6.7 Sustainability of the CIP project at the South Coast

6.7.1 Introduction

Sustainability[29] in the context of this research refers to the viability of the CIP project at the South Coast, namely survival of the project in the longer term, will it still exist in a few years' time. The word 'sustainability' is used in different contexts and can have different meanings. In many cases, sustainability looks at the environmental and social impact of a project, as the project should do no harm to the environment and should improve the socio-economic situation of its participants. The project should also ensure that what it does today will not have a negative impact on future generations and the future environment. Obviously, CIP projects also have to be sustainable in this sense. However, the data gathered in terms of 'sustainability' do not deal with these issues. *In the context of this research, 'sustainability' means the project's continued existence for a number of years.* When referring to sustainability in the text, this meaning is implied and not environmental sustainability.

In terms of environmental sustainability, the project is mostly working with fruit and vegetable production in an organic way. No pesticides are used, farming methods are used to preserve the soil, and local seeds are used where possible as well as indigenous plants that do not harm the environment. Water is no problem as the South Coast area has ample rain and the rainwater is collected for watering plants. Use of these methods guarantees that there will be no harm to the environment for future generations.

There is no proof so far that a CIP project can become sustainable in the longer term. The pilot projects in both Huntington and Tsakane collapsed, and only the project on the South Coast is showing signs of sustainability (see below). In this context, sustainability is closely related to the concept of ownership – without ownership, there will be no sustainability. This means that, if the project is owned and managed by SDC and not by the community, the project will collapse once SDC withdraws. If community members were not involved in the planning, management and decision-making of the project, they cannot be expected to keep it alive once SDC withdraws. However, as already mentioned, the question should be asked: Is it realistic to expect a rural community to run a developmental project on its own without outside assistance, either from an NGO or the government?

[29] The meaning of sustainability according to the Oxford Dictionary is 'ability to sustain', 'keep going continuously'.

Besides the chosen governance structure for the project, is the production of fruit and vegetables sustainable? Is the cooperative sustainable? If these collapsed, for example because the cooperative is not making enough money, the whole project could collapse.

To many observers the project is a real success because it has been operating since May 2009, while the other pilot projects collapsed after little more than a year. I therefore asked the management of SDC and farmers what they thought were the successes of the project, which could then indicate something about its sustainability.

6.7.2 Findings related to sustainability

The findings are based on the scores below (quantitative survey) and the interviews with SDC management, cooperative management and farmers.

Sustainability questions	Score	Interpretation of the findings
Do you think the Kumnandi cooperative will be able to run on its own, without help from SDC?	24%	24% of respondents answered yes on this question and think that the cooperative can run on its own without help from SDC. 76% of respondents therefore say they think the cooperative cannot run without help from SDC.
Do you think the farmers' association will be able to run on its own, without help from SDC?	24%	24% of respondents answered yes on this question and thinks the farmers' association can run on its own, without help from SDC. 76% of respondents therefore say they think the farmers' association cannot run without help from SDC.
After a few years, I think the community can run the cooperative without the help of SDC	71.5	An agreement score of 71.5 indicates that the respondents agree and believe that the community can run the cooperative without help from SDC after a few years.
Will I be a member of the cooperative next year?	91%	91% of the respondents will be a member of the cooperative next year.
Will I be a member of the cooperative in	93%	93% of the respondents will be a member of the

three years' time?		cooperative in three years' time.
I believe the project in my community is a success	97.2	An agreement score of 97.2 indicates that the respondents strongly believe that the project in the community is a success.

The production of the fruit and vegetables is guaranteed as long as there is a guaranteed market. Therefore, the sustainability of the cooperative is very important as it buys the produce from the farmers every week. The running costs of the cooperative (staff member, stipends of volunteers, truck maintenance and petrol, input cost of the produce bought, packaging material) should be covered by the sales of the produce, which, at the time of writing, is mostly not the case. SDC management indicates that, when large quantities are produced (which depends on the weather), the cooperative sometimes covers its costs, but in most months it does not and SDC will then 'fund' the cooperative. SDC applies for funding from donor organisations to do this. However, the cooperative made small profit in 2013. It is unsure what will happen in 2014, depending on the sales of the cooperative, but it looks as if the cooperative can at least run break even.

Year	Projected loss/profit	Explanation
2010	Loss of R 23 220	In 2010, the running expenses of the cooperative where still low as the staff were only paid low stipends and the cost of the maintenance of the truck was carried by SDC.
2011	Loss of R 34 210	The costs increased as the cooperative manager received a full salary and all costs related to the truck were booked under the cooperative.
2012	Loss of R 32 189	The costs further increased due to salary increase cooperative manager and hiring of more assistants; the income however also increased, but not enough to cover the loss
2013	Profit of R 1 626	There is a small profit.
2014	?	

Figure 14: Profit/loss table Kumnandi cooperative (Siyavuna Development Centre 2012:49-51, income statements HCM Cooperative and interviews Respondent 4 and 10)

SDC has funds available until the end of 2014 to support the cooperative financially if needed. If not, SDC says it will ensure funding is available to give the cooperative

more time to become sustainable. It looks, for now, that the cooperative can run breakeven which is important in terms of longer term sustainability.

If it is assumed that the cooperative – ensuring guaranteed weekly demand for the fruit and vegetable production and covering its own costs – is sustainable financially, the question remains: Will the community be able to manage the cooperative without help from SDC? The community itself has strong doubts, as only 24% of the respondents replied positively. However, when asked if the community could do it alone 'in a few years', the situation is reversed with an agreement score of 71.5 – meaning they 'agree' and 'believe' that, in a few years, the community do it alone. This is an interesting finding as it indicates that farmers are not yet confident enough to run the cooperative alone, but they are confident they will be able to do it in a few years' time. This, of course, does not mean they will in fact be able to do it in a few years' time; that is only their current perception. Most farmers indicate they will remain members of the cooperative in the years to come, which indicates the positive impact of the project and that community participation in the coming years is guaranteed.

An interesting finding in this regard is that in Nositha, farmers strongly believe they can run the cooperative without help from SDC after some years (score of 91.1). In Gcilima and Kwanzimakwe the scores are 66.7 and 70.3, which indicates they believe it is possible, but there is obviously some doubt. Nositha is the community where the project was first started in 2009, and the project is more mature in this community. The fact that the farmers in Nositha see themselves running the cooperative on their own indicates that they do take ownership of the project and that is a good sign for the sustainability of the project in the longer term. They have managed the project for a longer time in their community and gained more confidence in this regard, while the farmers in the other two communities are still going through this process. Also, Nositha is a much smaller community than Gcilima and Kwanzimakwe, with fewer farmers taking part in the project. This means that management of the project in Nositha is easier, as there are fewer opinions from the different farmers. However, discussions with SDC management indicated much friction between farmers in Nositha and therefore reluctance from them to take ownership of the project. They preferred relying on SDC, as this would reduce the friction. However, SDC pushed

them to take ownership and withdrew from the management of the cooperative to put them on the spot. This eventually worked out, but it took time.

So, it is too early to tell whether or not the CIP project at the South Coast is sustainable, i.e. capable of surviving once SDC withdraws. The above scores indicate that the farmers do participate in the project and do take some form of ownership by participating in meetings, playing a role in decision-making and contributing to the planning of the project, but they are not sure that they will be able to manage the project once SDC withdraws. There are good indications of sustainability, but it is too early to say the project is sustainable.

Another important question concerns the success factors of the CIP project on the South Coast – how has it managed to survive thus far. The two other CIP pilot projects collapsed after less than two years. To find an answer, I asked one qualitative question in the questionnaire and with an agreement score of 97.2 it is clear that respondents strongly agree that the project is a success. In addition to the quantitative question, I asked one open question where respondents could say why they found the project a success (or not). I then measured the success of the cooperative by means of an analysis based on Korten's contributory prerequisites for a successful cooperative (see below - 1980:485-486).

53 of the respondents who answered the question 'why the project is a success', said it was successful because it provided extra income for them by guaranteeing their sales. As they know the cooperative will buy their produce every week, they have the security to continue planting and put in extra effort with different vegetables to diversify the market. Without the guaranteed demand, some would not farm at all, or not much. Some replies also identified greater independence as a reason for the project's success. This was confirmed by interviews I had afterwards with the chairpersons and secretaries of the farmers' associations and the manager of the cooperative. During these interviews, three female farmers told me that the little bit of money they gain by selling vegetables truly empowers them as it enables them to give pocket money to their children or buy airtime. They do not have to put this money in the household or give it to their husbands; it is *their* money, for themselves. They never had a cash income before besides the government grants, which are invested in

the household. Two other respondents gave the same reply in the one-on-one interviews.

26 of the respondents who answered this question said they found the project a success because it provides them with food; now they can always feed their families. Some also referred to the fact that they now had 'healthy food' which helped them to cope better. 46 said the project was a success because they could now farm or farm better and provide for themselves. Also, learning new farming skills was a success factor for many.

The answers show *how* the project is a success for the farmers – they get extra income, eat better, learn a new skill – but not *how this success was created*, e.g. due to the good cooperative manager or the good facilitation. These were the answers I was looking for, but it might be that this question was not fully understood by the farmers.

According to Korten (1980:485-486), a number of conditions have to be met for a cooperative to be successful. These are met in the South Coast project. Firstly, the cooperative is accessible to *all* community members, also the poorest of the poor. Hence, nobody feels excluded or has reason to feel jealous as everybody who wants to can benefit. Secondly, the cooperative is well-managed by the community and well-supported by SDC. Thirdly, the same, agreed, prices are paid to all farmers, who experience it as fair. The prices ensure that some profit is always made by the farmer. Fourthly, proven local farming methods are used and farmers can bring in their own knowledge when training takes place. The planting of indigenous fruit and vegetables is promoted. Fifthly, all involved farmers are properly trained by SDC; the training staff members all have diplomas in local agriculture and are well mentored by senior staff. Sixthly, farmers are paid out immediately when they deliver fruit or vegetables to the cooperative, which reduces the opportunities for corruption. The manager or volunteers conducting the payments have to account to SDC management weekly and to the cooperative board and farmers' associations monthly regarding the income and expenses of the cooperative. A daily bookkeeping system is in place.

It can therefore be concluded that the two crucial aspects contributing to the success of the CIP project on the South Coast are, firstly, the efficient governance structure involving the farmers in the management of the project and, secondly, the professional facilitation of the project by SDC. Neither of these aspects was properly addressed in Huntington and Tsakane. They are on the South Coast, indicating that these two aspects are crucial for the implementation of a CIP project and probably any community development project.

6.8 Differences between the three communities

The above data are the results from *all farmers* who completed the questionnaire. Below is a comparison of the data per community, as there are some interesting differences. Only the questions that indicated a significant statistical difference between the percentages or scores are mentioned. A statistically significant difference implies that the difference between the scores of the different communities is not the result of coincidence or chance and that it can be extended to the larger population. A significant difference it not determined simply by the difference in the score, so even a difference of only 1.5% can still be a statistically significant difference. The size of the sample has an influence as well and therefore, for example in question two below, there is a significant difference between Gcilima (GCM) and Kwanzimakwe (NZK), but not between Gcilima and Nositha (NOS), although the difference in percentage is the same. This is because of the different sample sizes of the three communities.

Question	NOS	GCM	NZK	Explanation
1. Do I sell monthly to the Kumnandi cooperative?	88%	48%	74%	There is a significant difference between NOS and GCM and between GCM and NZK. NOS was the first community the CIP project started, followed by NZK and GCM, where the project only started in the beginning of 2012. According to SDC management, this explains the lower sales in GCM as production is not yet up to the scale of allowing regular selling.
2. The income that I earn by selling to the cooperative is the	43%	19%	43%	There is a significant difference between GCM on the one hand and NZK on the other. More people in NZK say that the income they earn by selling to the cooperative is the

main income of my household				main income of the household than in GCM. This is because in GCM the project is not yet at full speed, so sales are not yet that frequent. Secondly, SDC management indicates that NZK is a more rural and poorer community than GCM, which is closer to town and where quite a lot of people have a job. The difference between NOS and GCM is not significant.
3. My local community field worker visits me enough times during the year	93%	67%	95%	More farmers in GCM indicate that their field worker is not visiting them often enough than in NZK and NOS. The difference between GCM and NZK as well as between GCM and NOS is significant. A field worker helps the farmer with the garden and any questions he/she may have. SDC management says that the reason for GCM farmers' views is that GCM was the last of the three villages to become part of the CIP project. SDC is in the process of hiring more staff to conduct the field visits in GCM and this problem should resolve itself then. It is important to do so to ensure that the farmers feel they are recognised and to prevent them from losing interest in the project.
4. I am planting with the intention of making money	100%	78%	93%	The farmers in NOS all say they plant to make money, while fewer farmers say so in NZK and even fewer still in GCM. The difference in both cases is significant. There is no clear reason for the differences, but the assumption is that NOS is a smaller, poorer community where few people have jobs. GCM is a large community, near an urban area and with more people in formal employment. NZK is more rural, but also much larger than NOS, offering more opportunities.

The figure visualises the differences:

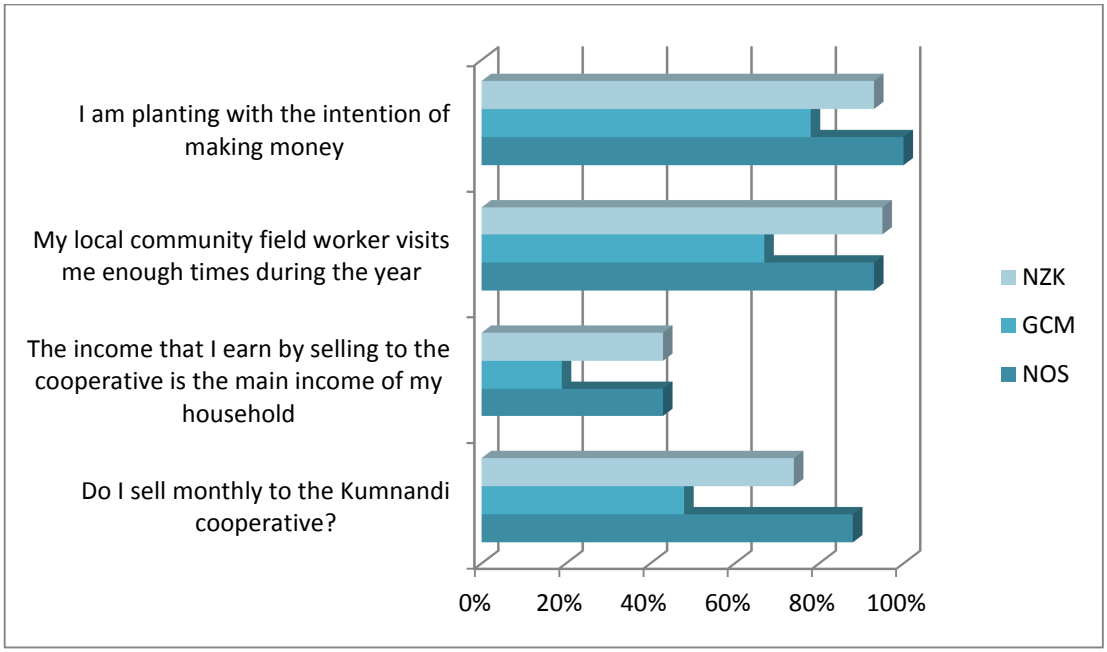

Figure 15: Significant differences per community

Only the above four questions showed a significant difference. However, I felt a further two questions also provided relevant information as the difference in score between the communities said something about the sustainability of the project.

Question	NOS	GCM	NZK	Explanation
5. After a few years, I think the community can run the cooperative without the help of SDC	91.1	66.7	70.3	Interesting here is that in NOS, farmers have a much stronger belief that, after a few years, they will be able to run the cooperative without help from SDC. The reason is probably that the project has been running in NOS since 2009, while it only started in GCM in 2012. NZK lies in-between. The farmers in NOS know the project longer and have the confidence to take over: 91.1 means the farmers strongly believe they can run the cooperative without help from SDC. This is an important finding as it indicates that the farmers gain more confidence about managing the project over time. It is a sign of ownership and potential sustainability.
6. Do you think the farmers' association will be able to run on its own, without	19%	17%	31%	Interesting that in NZK more farmers believe the farmers' association can run on its own, in comparison with NOS and GCM. According to SDC management, this is because NZK is a community characterised

help from SDC?	by weak traditional leadership and government structures. So people are more used to be doing things on their own without much help from outsiders.

6.9 Conclusion

The findings from this chapter indicate that the CIP project at the South Coast has a well-developed governance structure, ensuring full representation of the beneficiaries (in this case smallholder farmers) who are involved in the decision-making and planning related to the project. There is good participation in the project and there are signs that the beneficiaries own the project. However, due to the still considerable involvement of SDC, the facilitating NGO, it is too soon to tell if ownership is at a stage where the beneficiaries could run the project without help from SDC. A recommendation, however, would be that the expectation that the beneficiaries should run the project on their own is not realistic. It is in the interests of the beneficiaries and the South African government to have supporting NGOs or other structures available at all times to support community-run projects. This will enhance the long-term sustainability of these projects and the fact that the beneficiaries have access to a guaranteed income, even if not a large amount.

The findings indicate that the local economy has strengthened in the areas where the project is active. A local market is now in place, guaranteeing weekly purchasing of produce. This stimulates the sales of other products and services available in the community. As a result, community members spend more of their disposable income in the community, which contributes to local money circulation, which contributes to wealth creation, which is what reduces poverty.

The beneficiaries have partial knowledge of the resources available; they know of the resources of the cooperative. They do not know of the budget SDC has available to invest. However, once the cooperative was up and running, the farmers knew about the expenses and income of the cooperative and participated in decisions on the use of the income after the running costs of the cooperative has been covered.

The question of sustainability is closely related to the question of ownership. As indicated above, there are some positive signs of ownership, which would contribute to sustainability, meaning beneficiaries would be able to run the project on their own. But it would be better if a supporting body, either SDC or another body, remained available. Also crucial for sustainability is the ability of the cooperative to cover its running costs from its sales. As indicated in point 6.7.2, this is not yet the case, but there are positive signs that it could happen in the near future. It is indicated that at least five years of donor or government support to the cooperative is needed to cover losses.

We now have an analysis of the running CIP project and the previous chapter analysed the two collapsed CIP projects. A number of lessons can be taken from these three projects which complement the CIP model as envisaged by Reynolds, but also indicate some problems. In the next chapter, an analysis will be made by comparing these lessons with Reynolds's concept of CIP, as described in chapter 3.

7: CONCLUDING CHAPTER

Interpretation of the findings from the CIP pilot projects in relation to CIP as conceptualised by Reynolds and recommendations for realistic implementation of CIP in South Africa

7.1 Introduction

In the problem statement in chapter 1, I indicate that the purpose of this research is to conceptualise CIP in an understandable document to be used by practitioners for implementation. This is to be achieved by describing CIP as conceptualised by Reynolds and also by studying and analysing the three CIP pilot projects in Huntington, Tsakane and on the South Coast. In chapter 3, CIP is described as conceptualised by Reynolds, indicating the different characteristics of CIP. In chapters 5 and 6, an analysis is made of the CIP pilot projects in Huntington, Tsakane and at the South Coast, to see which characteristics of CIP where implemented and why, and to determine whether the implementation of CIP was a success or not and why.

The question to be answered is this: Is CIP is a realistic community development programme for South Africa? It can be answered by reflecting on the characteristics of CIP and how they turned out in the three CIP pilot projects. Hence, this chapter will compare the analysis and findings made in chapters 5 and 6 with CIP as conceptualised by Reynolds, as described in chapter 3. The purpose is to determine, firstly, whether or not CIP as envisaged by Reynolds was fully implemented or tested in the pilot projects. Secondly, to determine which characteristics of CIP caused problems when they were implemented and why. Lastly, to indicate recommendations to ease the implementation of CIP, summarised in the revised CIP model as indicated in 7.5. The original CIP model, as envisaged by Reynolds is described in 3.5 (figure 3).

I will use the interpretative framework, as described in chapter 4, to make this comparison. I will again follow the different categories and under each category refer to the three CIP pilot projects to see how the category was implemented (or not).

Category	**Level of implementation of each category**	**Level of success of implementation of each category**
A. People-centred development	1. No implementation 2. Partly implemented with description of what is implemented 3. Almost full implementation 4. Full implementation	5. Very successful 6. Successful 7. Neither successful or unsuccessful 8. Unsuccessful 9. Very unsuccessful
A1. Participation		
A2. Ownership		
B. Becoming self-reliant		
B1. Knowing resources available		
B1.1 Investment rights		
B1.2 Child rights		
B1.3 Health rights		
B1.4 Use rights		
B2. Creating a working local economy		
B2.1 Local production and selling		
B2.2 Market		
B2.3 Local bank and currency		
C. A learning process with attention for all aspects of human development		
C1. Learning process and society		
C2. Self-esteem and dignity		

Figure 4: Interpretative framework

7.2 People-centred development: participation and ownership

7.2.1 Introduction

The implementation of CIP should be people-centred. Firstly, CIP should be implemented by ‘a group of people’ with a common purpose so as to ensure participation and ownership by the involved community. The extent to which the beneficiaries of the project own the project is called ‘ownership’. This means that the

beneficiaries should know about the goal(s) of the project, be involved in the planning of the project, make vital project decisions and act on their own behalf (Reynolds 2004c:3-6; Swanepoel and De Beer 2011:53). An important way of achieving this is to ensure that a governance structure for the project is in place to ensure the total involvement of the beneficiaries.

In terms of governance, Reynolds mentioned a number of important points that have to be present when implementing CIP. Firstly, 'a group of people', which Reynolds called a community, should have a common purpose and decide to work together to achieve this purpose. Secondly, they should organise themselves in a 'legal structure' with elected representatives. Reynolds preferred a community trust as the preferred legal structure (see chapter 3 for more detail in this regard). Thirdly, ownership of the CIP project by the community and the active participation of the community are of vital importance. A good governance structure is crucial to achieve this.

Below is a brief description of the governance structure for each CIP pilot project, and of the means of addressing participation and ownership. I will also say something about the manner in which facilitation of the project was done, as this is related to participation and ownership. This brief description is based on the information gathered in chapters 5 (CIP pilot projects in Huntington and Tsakane) and 6 (CIP pilot project on the South Coast). I will reflect on how it was implemented, on whether it was successful, and on how it deviates from Reynolds's conceptualisation of CIP (as described in chapter 3). In the summary (7.5.5), I will outline a number of recommendations to be taken into account when implementing the governance of a CIP project in future, so as to ensure participation and ownership by the involved community/beneficiaries.

7.2.2 Huntington

As Reynolds himself was involved in the implementation of the CIP pilot in Huntington, he firstly introduced a community trust as the legal vehicle. It was the first activity in terms of the implementation of CIP in Huntington. As described in chapter 5, the process of forming a trust took more than a year and much effort was put in to ensure that the governance of the project was solid and that there would be

ownership from day one. People specialised in trust legislation and set-up assisted with the Trust Deed and other legal requirements.

So in terms of governance, we can say that the community was organised in a community trust, with elected representatives and a common purpose, namely the implementation of CIP in the community. However, the implementation of the governance structure in Huntington was unsuccessful – not because the proposed CIP governance structure cannot work, but because of the problems mentioned below.

Firstly, the question should be asked as to whether a common purpose was in fact identified by the community itself. Secondly, the trustees had 'personal enrichment' in mind instead of the development of the community. The facilitators were not aware of this, at least not fully, and assumed the trustees were acting in the interests of the community. They were indeed elected by the community, but as mentioned in chapter 5, they were elected due to issues of power, existing clientship systems, witchcraft and family traditions. The facilitators did not know this, as no proper assessment was made when selecting the community. This was the third problem, as Huntington was chosen because the donor wanted to assist this village and the facilitators did not know or understand the underlying tensions and dynamics in the community. If the facilitators had made a proper assessment of the community before implementing CIP, they could have considered another legal vehicle or the introduction of income-generating projects before a legal vehicle. However, this might not have solved the problem, as the community could still have elected the same trustees, or the same community members with bad intentions to run the income-generating projects. But the facilitators could have decided against Huntington and opted for another community with fewer issues.

Fourthly, in terms of participation the community did participate in the process of forming a community trust and electing representatives. However, no other 'participation' was required from the start, as the governance structure was first set up. The fact that other aspects of CIP were not implemented simultaneously with the trust, or shortly thereafter, is a problem – the community did not see any benefits. Why should they get involved in a trust if nothing really happens? If the community

does not see the benefits of a project, or does not know what to expect, how can they 'own' the project from the start?

A last mistake was that the facilitators were not present often enough in the community. They lived far away from Huntington. Hence, the community could not ask for advice and reflect on the project, or learn and the facilitators could not learn and address issues efficiently.

7.2.3 Tsakane

The facilitating organisation and Reynolds also decided on a community trust as the legal vehicle for the CIP project in Tsakane. Their intention was not to involve the entire community of Tsakane, but, for reasons of the budget, only parents of the children in the crèche and other interested community members, up to a maximum of 100 adults. This was not an issue as the number of community members interested in participating never reached 100. CIP was explained during a community meeting so that potential trust members had an idea of the benefits of the CIP project and what to expect. A trust was formed and trustees were elected as in Huntington. However, income-generating projects were introduced at the same time. So community members saw other aspects of the CIP while the trust was being set up. The elected trustees were a mix of respected community members and only one of them was politically connected. The trustees had the community at heart and did not at any time abuse resources.

So a governance system was implemented according to the Reynolds vision of CIP. A number of problems still arose, but different from those of Huntington. The implementation of the governance structure in Tsakane was also unsuccessful.

Firstly, the facilitating organisation (TMCC) took full ownership of the CIP project. No ownership was expected from and consequently taken by the trust members. A trust was set up, but the important decisions were taken by the facilitating organisation. Input from the trustees was usually asked, but after decisions were taken. The trustees were also not involved in the initial planning. Trustees were asked only towards the end of year one which income-generating projects they wanted to

start. Until then, the facilitating organisation had decided on the income-generating projects (a brick-making project and a community garden). In addition, participation was not expected from trustees and trust members. A number of trust members did participate actively, mostly those who played direct roles in the project – the trustees and the employees of income-generating projects like the garden, the brick-making project and the sewing project.

The reasons for the facilitating organisation taking full ownership of the project are described in full in chapter 5 (5.3.1) and relate to the inexperience of the organisation in the facilitation of proper community development projects, the misunderstanding of the nature of CIP and the hand-out culture to which the organisation was accustomed.

7.2.4 South Coast project

As indicated in chapter 6, the facilitators took a long time identifying and getting to know the communities in the area, before deciding on a community for the CIP project. In each community, a meeting was called with full consent of the traditional leadership where the CIP project was explained and people were invited to start household gardens and attend training in organic gardening if interested. These were not empty promises made by the facilitators; funds were available to start with the project immediately. The assessment of the communities and fundraising had been done before the meetings were called to avoid promises that could lead to unrealistic expectations from the community.

The governance structure of the CIP project on the South Coast is explained in detail in chapter 6. It was introduced only after some time, when the project was already running in Nositha. The facilitators and the community postponed the decision on governance to ensure full involvement of the project beneficiaries (in this case the farmers). As a cooperative was already established (to buy the produce from the farmers), it was decided that the cooperative would be the legal vehicle for the CIP project as well – as an umbrella organisation for a number of farmers' associations (representing the farmers) selling to the cooperative. In this way, there would be no need to form a community trust. The facilitators were reluctant to do that due to the experiences of Huntington and Tsakane. Also, more support from the South African

government could be expected as government favours cooperatives and has a number of beneficial funding schemes available for them. Another consideration was that school feeding schemes give preference to cooperatives. Lastly, a cooperative is better known to people than a trust.

Decision-making is democratic in the sense that each community has two representatives (the chairperson and the secretary, who are elected by the community) on the cooperative board. Each community therefore has two votes. Besides the six community representatives, the board has five other members. These are a representative from SDC staff, the cooperative manager, an agricultural specialist, a board member from Siyavuna and a local NGO representative. Decisions made at the cooperative board meetings first have to be discussed at farmers' association meetings. Farmers' meetings are always held one week before the cooperative board meetings. The chairperson has to provide feedback about decisions taken at the previous board meeting. Interviewed chairpersons indicate that the farmers have a real say and that the other board members listen to them. Sometimes decisions of the cooperative board are reversed if farmers protest about them at the next farmers' association meeting.

So, a solid governance structure is in place in the CIP project on the South Coast. It is democratically structured, with a high level of participation and involvement by the beneficiaries. A community trust, as proposed by Reynolds, was not implemented. However, while a trust is the preferred legal vehicle, it is not a CIP requirement. It can hence be concluded that the governance structure on the South Coast has been very successful so far, for the following reasons:

Firstly, the facilitators considered the opinion of the community members when choosing the governance structure. A community trust, as per Reynolds's guidelines, was initially considered, but it was rejected in favour of a cooperative with farmers' associations. The fact that the facilitators listened to the community and changed their strategy accordingly, is very positive for the stimulation of ownership.

Secondly, as indicated in chapter 6, the process was activated before a governance structure was set up. The household gardening project had begun; community

members attended training and sold their produce weekly. They could already observe the benefits of the project. Hence, they were interested to participate in the governance structure once it was set up. This is supported by the very high attendance rate at farmers' association meetings.

Thirdly, the project has benefits for individuals and the community as a whole. On the individual level, each community member may participate, at his or her own pace, by working a household garden and selling to the cooperative. Production volume is up to the individual and no collaboration with other farmers is required. On the communal level, very few people are employed and poverty levels are very high. When more people gain income by selling to the cooperative, they have cash to spend in the community, which benefits the whole community. This is a very powerful 'common purpose' which was not created or determined beforehand by the facilitators, but which grew from the ground and became evident to the community members as the project went along. This further explains the high participation rate in, for example, the farmers' association meetings as community members want the project to succeed and be sustainable as they see the benefits for themselves and the community.

Fourthly, people from the involved communities were asked to come forward and run the cooperative, instead of hiring people from outside. This further contributes to ownership. The staff of SDC, which facilitates the project, is appointed on a competitive basis – hiring the right person for the job. However, if community members from the involved communities with the right qualifications apply, preference will be given to them.

7.2.5 Recommendations with regard to people-centred development: participation and ownership

To implement CIP in the future, a number of recommendations should be taken into account when it comes to ensuring that the involved beneficiaries are the people owning the project.

Firstly, the facilitating organisation (international or local NGO, government department, CBO, etc.) should take the time to make proper contact with the community where CIP will be implemented. This includes an assessment done with the community to identify the existing power relations and leadership structures in the community if any, identify existing income-generating projects and determine existing resources and assets. The facilitator should get to know community members and gain their trust. If there is no trust between the community and the facilitator, the project implementation will not succeed. If a decision is taken to begin a CIP project in the community, further consultations should take place, consent should be sought from the leadership structures and, very importantly, the facilitator should ensure that no unrealistic expectations are created in the community and that no empty promises are made.

Secondly, the community should be the centre of the development project. This can only happen when the facilitating organisation does not take ownership, but asks and expects this of the community. They should be constantly aware of their own role as the facilitator and avoid taking the lead in decision-making. This danger always exists, as many decisions have to be taken when setting up a project, but facilitators should be prepared to change their minds or review decisions when the community is not happy with them. In fact, the facilitating organisation should also go through ‘a learning process’ and be open to that.

Thirdly, the facilitating organisation should understand the CIP concept and know about the principles of community development in general. A development project cannot be implemented by somebody who does not fully understand it.

Fourthly, as CIP cannot be a blueprint for development, the facilitator should be present in the community to learn from the community and revise the implementation strategy if needs be. So the facilitator should be based close to the community where the project is implemented.

Fifthly, CIP has many aspects and setting up a proper governance structure is an important characteristic. But it is not a requirement to set up the governance structure first, before starting with other aspects, for example the implementation of income-

generating projects. It is mostly detrimental to the success of a community development project if abstract structures are put in place before benefits are 'visible' to the involved community. Once benefits are clear to a community, they are more eager to participate and ownership can grow from the bottom up. The governance structure should also not necessarily be a community trust. It can be any legal structure.

Lastly, the facilitating organisation should not necessarily 'withdraw' at a certain point from supporting the project. As David Korten (1980:497) indicated in 1980, the role of a supporting organisation is crucial for any community development project or programme to succeed. The role of 'the facilitating organisation' will change over time, as the project will be implemented and running smoothly after a while. The facilitator should then become a 'supporter' who is available for the community if and when required.

The recommendations above should be taken into account when setting up the governance structure, to avoid failure of the project.

7.3 Becoming self-reliant: knowing the resources available and a working local economy

7.3.1 Introduction

As mentioned in chapter 3, one of the important characteristics of CIP is that communities should know what budgets are available to invest in their communities, and they should have the power, firstly, to decide what to do with this money and, secondly, to play a part in the spending of the money. Decision-making power should be accompanied by resources. In principle, the budget should be known to the communities before they start organising themselves as the availability of the potential resources will give them opportunities and could trigger processes that otherwise might not happen. The other important point here is that these budgets should be 'on offer' to communities. So they can decide whether they want to take a certain budget, for example child rights, to invest in the schools and crèches in their

community. The budgets should therefore not simply be given to communities. This is important to break the ‘hand-out’ culture of donors and government.

The budgets on offer to communities should also contribute to the creation of a working local economy. This is another important aspect of CIP and contributes to the self-reliance of the community. A working local economy stimulates the ‘local income multiplier’, creating more local exchange and leading to increasing wealth on the local level (Reynolds 2005a:14).

Below, I will briefly discuss knowledge of resources in each CIP project and whether or not an attempt was made to create a working local economy. What attempts were made and did they work? No economic study has been conducted as part of this survey on whether or not the money circulation did indeed improve due to the introduction of CIP. A number of questions were asked in the questionnaire at the South Coast, e.g. if farmers spend extra income earned from the CIP project IN the community. An existing study was used (Browne *et al.* 2007), where monetary data was gathered with regard to local money circulation. These data were gathered in a community adjacent to the South Coast communities involved in the CIP project, and are also used in this analysis. Once again, in the summary (7.3.5), I will outline a number of recommendations to be taken into account when implementing the aspect of ‘knowing the resources available’ and ‘a working local economy’.

7.3.2 Huntington

In Huntington, the community knew from the beginning that R150 000 would be made available to the community trust by the Sabi Sabi Trust. This money had to be invested for the benefit of the community, and it was up to the community to decide what form the investment would take. The trustees had access to the bank account of the trust and three of them had to sign before money could be withdrawn. However, it was not for the trustees to decide what to do with the money; this had to be decided by the community. The trustees had to execute the decisions of the community. The R150 000 was not offered in different budgets in the form of investment rights, child rights and use rights. The concept of rights programmes was not introduced in Huntington and so no specific budgets were put on offer.

In terms of Reynolds's vision of CIP, knowledge of resources was fully implemented in Huntington as he envisaged it. However, the implementation went wrong from the start as the trustees abused the funds, as described in chapter 5. The project manager in Huntington said the fact that the community knew what the available funds were before the trust was formed, was the reason it failed. Everybody was focused on getting some of that money, rather than thinking of projects that could benefit the community as a whole.

However, the fact that knowledge of the available resources went wrong in Huntington, does not mean it cannot succeed elsewhere. Good examples of projects where budgets on offer to communities did work, are provided by the many projects the Independent Development Trust ran in the period just before 1994. In these projects, small farmer communities were informed of a small budget. They could decide themselves what to do with the budget, how to spend it, and they had direct access to the budget through an innovative system (see chapter 3.1 for the Busiesvlei case study). They even had to do the bookkeeping themselves. Respondent 5, who worked for the IDT at the time, said the system worked really well and in most cases the funds were not abused.

Regarding the creation of a working local economy, this did not happen in Huntington. All existing income-generating projects in Huntington were identified in year one, when the trust was established. However, none of those projects was financially sustainable; they operated on hand-outs. People involved with the projects were promised that they would benefit from the trust and that the trust would assist them when possible. However, some projects received money from the trust to invest in their business while others did not. Criteria for receiving funds seemed to be absent, creating conflict in the community from the outset. The project manager also indicates that the assistance given to some projects was in the form of hand-outs, without a strategy behind them. The money from the trust was intended for 'investment' in the community, with a return for the community, not as hand-outs.

7.3.3 Tsakane

In Tsakane, the available budget was not known to the community and the trustees. The facilitating organisation received the funds from the donor and had to account for it. If the community had to make expenses for trust-related activities, they first had to get two signatures from the relevant trustees and then go to the office of the facilitating organisation to receive the funds. Receipts had to be handed in to prove expenses were made correctly.

From the start of the project, the creation of a working local economy was a priority for the project facilitators and the trustees. The concept of rights programmes was introduced in Tsakane, albeit slightly adapted from that envisaged by Reynolds, as the funds were limited. Firstly, child rights were introduced, so that all the children of the crèche could get proper nutrition and education. A garden was started on the premises of the school, where seven parents worked. The vegetables grown there were sold to the school. The funds to buy these vegetables (and other food items) were called the 'child rights budget'. In addition, the child rights budget was used to buy educational toys for the children and to send one of the two teachers on Early Childhood Development training. The budget was made available from the funds TMCC had received from the donor. The parents who started the garden received 'an investment budget' to buy tools, seeds, a fence and the like (which TMCC bought). Their wages were paid from the investment budget as well, but the thinking was that wages would in due course be paid from the sales income of the vegetables. This never happened as not enough vegetables could ever be sold.

The parents working in the garden were not simply appointed; they had to buy 'the right to work in the garden', or 'use rights'. All the parents had the right to do so, but the thinking was that only those willing to pay would be motivated. Seven trust members bought use rights and their payments were invested in the trust. The seven gardeners were not all parents, some were grandparents and others just trust members. The use rights system is described in detail in chapter 5.

In addition to the garden, interested trust members could receive five chickens from the trust. In return, they had to deliver 100 eggs to the crèche as payment. This never happened as the chicken system was only introduced at the end of the project, when it was near collapse.

Other income-generating projects were started with the trust making an investment, for example to buy the equipment needed for the project. These investments had to be paid back over time by the businesses. In this way, a sewing project started, as well as a hair salon, a brick-making project and a restaurant. These services were never present in Tsakane before, so they all stimulated the local economy as people actually bought their products and services there. However, none of the projects was profitable and therefore sustainable. The trust was supporting most of the projects financially and when its funds were exhausted, all projects collapsed and no payments were made to the trust. The reason for the projects not becoming sustainable is that local prices were too low. This was done to compete with the same products and services 'in town', as otherwise people might not buy in the community. Competition from the 'first economy' thus prevented local projects from becoming sustainable. Tsakane is close to an urban area, even within walking distance, which increased competition from the first economy. It is impossible to produce a white school shirt in the community at a lower price than Pep Stores. Villagers could be encouraged to buy 'locally', but people will buy what is most affordable. Secondly, perhaps some of the projects could have become financially sustainable over time, with growing demand, but all income-generating projects in Tsakane existed for less than a year as no further support funds were available. It obviously takes time for businesses to become sustainable, as the cooperative at the South Coast project has shown. Therefore, these projects might have succeeded if given more time.

To further stimulate the local economy, the trustees and TMCC negotiated with the local municipality to build a marketplace in Tsakane where people could trade their products. The negotiations got quite far as land was allocated and building plans for the market were made. The expectation was that the market would further stimulate the local economy. However, when the CIP project collapsed, plans for the market were abandoned.

To conclude, the introduction of investment and child rights was understood by the community, but did not yet work well. The community understood the system and the concept of repayment – if the trust made an investment, the beneficiaries had make payment in some way. Profits for the trust were not intended, rather funds for other

income-generating activities. However, this never happened as the CIP project was closed down. ‘Use rights’ was a difficult concept and people did not really understand why it was necessary. Not many trust members were interested in gardening, so there was no real competition for the use rights, which defeated their purpose.

7.3.4 South Coast project

The three communities on the South Coast were not informed of the resources available for the implementation of the CIP project at the beginning. SDC did the fundraising and allocated funds to each community for the start of the CIP project. Once the farmers were benefitting, by selling fruit and vegetables to the cooperative, a governance structure was set up (see chapter 6). Then they learned about the funds of the cooperative and the funds SDC invested in the cooperative. SDC management felt that once farmers observed the benefits of the project, their interest would be sparked and they would support accountable spending of the funds, so that they could continue benefitting.

So, after a while the farmers do know about the resources available to the cooperative and its income and expenditure. This is crucial as the community manages the cooperative. The farmers may give inputs on the use of profits, if any. When new resources are available for investment, allocated by SDC from donor funds, they may decide on how to spend these funds, subject to the agreement with the donor. If the farmers identify a need (e.g. a new refrigerator for the cooperative), SDC will raise the funds. The cooperative has its own bookkeeping system and bank account, which is coordinated by the cooperative manager and the different volunteers from each community. SDC does check the bookkeeping on a weekly basis. If funds from sales are short, for example, the manager and volunteers have to pay in the difference themselves. So far, no cooperative resources have been abused. The cooperative manager and other farmers do not have direct access to the bank account of the cooperative, only SDC has. An effective accountability system is in place. The cooperative manager has to report to the farmers on the income and expenses of the cooperative. The farmers can question this and ask for clarification. So there is accountability between the farmers and the cooperative management, but also

between the cooperative management and the cooperative board, and between all of these and SDC.

The CIP project on the South Coast has followed a compromise route in terms of community knowledge of the available resources. SDC does the fundraising for the CIP project, but also has facilitation expenditure. These costs are not known to the community. The budget available specifically for the cooperative, to set it up for example, is known to the farmers, and when the cooperative cannot cover its costs in any month, SDC will provide the difference. There is a reciprocal relationship between SDC and the cooperative (represented by the farmers). This system seems to work so far. On the one hand, the farmers are pleased they know about the resources of the cooperative as well as its income and expenses. On the other hand, SDC keeps control and manages the relationship with the donors as, in the end, SDC is accountable to the donors.

From the start of the CIP project on the South Coast, creating a working local economy was a priority. The facilitators thought that, if they could show the community the benefits of the project from the start, before creating governance bodies, the buy-in and ownership would be greater afterwards. And so it was.

To stimulate local production and local demand, a system of ‘guaranteed demand’ was created. The cooperative buys weekly in the three participating communities, on fixed times and at fixed places. In Gcilima and Kwanzimakwe, which are large communities, there are different collection points so that the farmers do not have to walk far with their produce. The farmers sell for *immediate cash* at the collection points. They sell fruit, vegetables and some processed foods like jam and marmalade. There are no volume restrictions. The farmers get an honest price, at least 60% of the selling price. So, each week, local farmers know that, whatever produce they have of the right quality, *there will be a market for it and they will get immediate cash in return*.

The availability of immediate cash is very powerful in stimulating the creation of a local economy. Increases in income lead to increased expenditure, which leads to increased demand for certain goods and services, which leads to increased production

of these goods and services, which leads to employment opportunities and entrepreneurship opportunities (Browne *et al.* 2007:567-569). This is indeed what happened in the communities on the South Coast. Of course, not all extra income is spent in the local economy, but part of it is spent in the local economy. 83% of respondents to the questionnaire indicate that they spend the extra income from the cooperative by buying IN the community. Also, some farmers interviewed said they now have 'a business' as they employ people to help them in their gardens. So besides the farmers and their families benefitting from the CIP project, other community members who are not members of the project also benefit as they find jobs and gain some income.

To ensure that the local economy benefits in future from the extra income community members earn, the CIP project should identify the goods and services on which people will spend their extra income and determine if it is possible to produce those goods and services IN the community. Browne *et al.* (2007:580) indicate that if uncooked foods (like maize meal or vegetables) are processed in end products (like bread or jam), the sale of such products stimulate the local economy and reduce leakage into the national economy.

Another important aspect of the South Coast project is that, at the weekly collection points, a market is created. Besides the fruit, vegetables and some jams that farmers sell to the cooperative, the collection point has also become a meeting point. Farmers use the opportunity to meet each other, discuss issues, sell produce to one other and exchange seeds and seedlings. The cooperative also sells seeds, seedlings, organic inputs and gardening tools at reduced prices at the collection points, as they buy in bulk.

Besides the market created in the communities, other markets had to be found by the cooperative for the produce bought from farmers. The philosophy of the cooperative is to sell 'fresh, natural produce from the local community', so therefore, markets were identified in the proximity of the communities. The produce is sold to local shops in urban areas, to some retailers, schools and an old-age home. In addition, the cooperative manager has weekly stands at the Saturday market in town and on weekdays at the local chicken supermarket. The creation of this market is very

important – if the produce cannot be sold, the cooperative will collapse and so will the project.

The concept of rights programmes has not been introduced at the South Coast and no budgets as such are put on offer to the farmers.

7.3.5 Recommendations with regard to becoming self-reliant: knowing the resources available and a working local economy

In terms of 'knowing the resources available', the compromise option used in the CIP project on the South Coast is at this stage probably the best way to introduce the concept of informing the community about 'the resources available'. The lesson from Huntington is that the community had all kinds of expectations when they knew about the money available to the trust beforehand and some community members worked out a way to get access to the money for personal enrichment. At the South Coast this was impossible as SDC controlled the programme budget.

The question begging an answer is this: Does the system in the South Coast project not defeat the purpose of 'knowing the resources available'? CIP wants, firstly, the community to know about the resources available, have access to it and have decision-making power over it. Budgets should be put 'on offer' and not 'pushed upon' the community. The first condition is not fully met at the South Coast, as the community does not know about all the resources, and the second condition is not met either. Budgets were not put on offer, but they were also not pushed upon the communities. However, the purpose of this research is to find which aspects of CIP cannot be implemented realistically, and how these aspects may be adapted to become more realistic. From the three CIP pilot projects, it is clear that the concept of 'knowing the resources available' worked best at the South Coast. Mutual accountability is in place and no abuse of resources has taken place. Donors are reluctant to give communities direct access to funds, even though the IDT drought projects proved that budgets put on offer to communities were used very well and not misappropriated. However, these projects were implemented a long time ago, in the early 1990s, and the South African government after 1994 did not embrace the IDT approach (see chapter 1). The way development is currently approached, is to 'hand

out' money and projects. With the compromise or middle-way option of the South Coast, beneficiaries are much more involved and do know what is available to them, while the facilitator and donor keep control over the budget. Over a period of time, all the resources could be made available to communities, as Reynolds proposes. But this can only happen when donors and the government are on board. Hence, a recommendation would be to implement this aspect of CIP with caution, and to, preferably, go for a middle way as in the South Coast project. Other options besides those introduced in Huntington and the South Coast may be available, but these are not known to me at this point in time – this could be a topic for future research.

In terms of creating a working local economy, only the CIP pilot project on the South Coast has succeeded. The one in Tsakane could have succeeded if more time was given to the income-generating projects that had started. Browne *et al.* (2007:567-571) say that stimulating the local economy is indeed difficult, due to competition from the first economy. But, the local economy can always offer products and services used by the locals and not available in the first economy. For example, traditional medicines, traditional clothes and items, traditional food (cooked and uncooked, like 'Zulu spinach'), home-made beer, uniforms for local schools and church groups, counselling services in the local language, etc. It has been proven that if these services are made available in the community, people will buy them.

This aspect of CIP, creating a working local economy, is probably the CIP aspect most visible to communities once implemented. Hence, when starting with a CIP project, it would be a recommendation to start with this aspect as it would show community members what CIP can do for them. This will gauge their appetite to participate and become involved. Ownership of the project could grow from the bottom-up.

7.4 Learning process: learning society, self-esteem and dignity

7.4.1 Introduction

Reynolds stressed that CIP was not just an *economic* development programme, but inclusive of the social, cultural and psychological aspects of community development.

Communities and community members should be trusted to reach their potential and gain self-esteem. Community development should be a bottom-up process, where the community is assisted by a facilitator but not told what to do, and hence, community development should be a learning process, where there is space for learning and, consequently, for making mistakes. If people cannot participate meaningfully in the development of their own lives, they will not be able to reach their potential and, in this way, regain or develop their self-esteem (Korten 1980:498; Reynolds 2005a:29; Swanepoel and De Beer 2011:46; 56-57). An elaborate discussion in this regard can be found in chapter 2 (2.2.7) and chapter 3 (3.3.3).

Reynolds stressed that the implementation of CIP should be 'a learning process' where both the involved community and the facilitator learns along the way (Reynolds 2005a:29). This part will hence indicate the 'learning' that CIP itself, as an alternative approach to development, has undergone when it was implemented in the three different pilot projects that were studied. The mistakes, for example, that were made in Huntington, the first CIP pilot project, were avoided in the second (Tsakane) and third (South Coast). Also, the CIP programme as such was adapted every time to suit the needs of the beneficiaries involved and to become more responsive.

The concepts of self-esteem and dignity are not easy to measure. Also, there is a difference between individual and collective (communal) dignity and self-esteem. No specific data in this regard were gathered from the Huntington and Tsakane projects. For the South Coast project, data were gathered from individuals to determine if the farmers that participated at the South Coast have gained self-esteem through their participation in the CIP project. This should then make them feel more dignified.

7.4.2 Huntington

As Huntington was the first CIP pilot project, a lot of learning could have taken place. This has happened to a certain extent for the facilitators as facilitation of the project was adapted along the way (appointing a project manager closer to the community, more training for the trustees). However, due to the fact that the facilitator was not close enough to the community, emerging problems were noticed too late and changes made by the facilitator were too late. The project manager arrived too late and could

no longer address the problems already there. Some learning by the donor could have taken place as they had a long history of allocating funds for community development in the area. However, no data in this regard are available.

In terms of the learning the community underwent, no data are available in this regard either. From documents and the interview with Respondent 7, I can conclude that the intentions of the trustees were not in line with what CIP wanted to achieve, namely community development. It is not clear whether the trustees and trust members understood that they had to take the lead in implementing the project.

In terms of enhancing the self-esteem and dignity of the involved community members, it is not clear how much attention the facilitators paid to this aspect. It was probably assumed that enhanced self-esteem would flow from the project after a while. However, most attention was focused on setting up the community trust and nothing was really achieved besides that, such as supporting income-generating projects that would show real benefits to the people. The trustees were already powerful in the community and it is not clear whether 'being a trustee' improved their self-esteem further. The bicycle project might have contributed to the self-esteem of students involved, who gained bicycles to ride to school as well as the responsibility to take care of their possessions, but this is an assumption.

It can be concluded that the CIP pilot project in Huntington went through a learning process and was flexible enough to adapt, but the facilitators made a wrong start and learning came when it was already too late.

7.4.3 Tsakane

The implementation of the CIP project in Tsakane was a learning process for the facilitating organisation as well as the involved community members. Due to the limited experience of the facilitating organisation and the involved volunteers, much learning took place in terms of 'how to facilitate community development'. This 'learning' was important for the implementation of the CIP project on the South Coast, which started later with the same facilitator. He learned about CIP and development facilitation in Tsakane. How much of a detrimental effect did the

inexperience of the facilitators have on the implementation of CIP in Tsakane? Could it be that the project collapsed due to the inexperience of the facilitators? On the one hand yes, but on the other hand no. During 2008, the facilitator (respondent 4) moved to the South Coast to start implementing a CIP project there. At that stage, the CIP project in Tsakane had not yet collapsed and TMCC was still supposed to support the project, with guidance from the facilitator. By this time the facilitator (respondent 4) knew about the mistakes that were made in Tsakane and he tried to address them as far as possible. He made monthly visits to Tsakane and at other times the trustees and TMCC were supposed to solve the issues (like closing down loss-making income-generating projects, starting up a cooperative garden project, solving the ownership issue with the crèche), which they did do to a certain extent. However, when the facilitator (respondent 4) and the donor asked the trustees to come up with a continuation plan for the project in Tsakane, they failed to do so. Numerous opportunities were given to them, but as they did not seem to be interested, the donor decided to stop the funding. Funds were still available, but the absence of any initiative by the trustees caused the donor's withdrawal. This lack of initiative could be because the trustees were not supposed to take initiative (and ownership) in the earlier stages as TMCC took all ownership, or maybe because they were just not interested.

Notwithstanding the fact that there was little ownership in the Tsakane CIP project, the involved community members learned much in terms of collaborating in the different projects, in terms of what the concept 'working local economy' means and its role in enhancing wealth creation in Tsakane, and in terms of dealing with conflicts in the community and resolving them. Some community members were particularly empowered by their active participation in the project. Some started their own businesses, inspired by the project and the concept of a working local economy. Some community members took part in CIP workshops in Johannesburg, Cape Town and Durban and shared their learning with other communities – which empowered them in many ways as they had never made long trips or met people from other communities. Sharing their experiences and getting acknowledgement for it was very powerful in improving their self-esteem (from discussions and interviews with trust members).

One particular case is worthwhile mentioning, namely the case of a lady from Tsakane who became a member of the trust. She was always very interested and attended all meetings, participated in projects and so forth. She was a young lady with three children and her husband was a local ANC politician. When the trust needed a manager, she applied for the position and was the best candidate. She had a hard time in the beginning, as she had never worked, but she learned quickly, travelled in South Africa and grew substantially as a person. She could reach her potential. After about six months she suddenly resigned. The facilitators did not understand it, as she seemed to enjoy the job. Afterwards they realised her husband was the cause. He saw his wife becoming an important person in the community and reaching her potential and he probably felt threatened. He wanted her to stay at home with the children. It was a sad ending to a wonderful growing process.

So even if the project in Tsakane has not contributed much to the self-esteem of the community, it has contributed to the growth of the self-esteem of a number of people living in the community.

The aspect of a learning society was perhaps not implemented consciously by the facilitating organisation, but some learning by some community members did take place, and there certainly was learning by the facilitating organisation.

7.4.4 South Coast project

The learning process was handled well at the South Coast CIP project. The facilitator (respondent 4) started with small experiments, talking to leadership structures in different communities before choosing a first community, community mapping, listening to the problems and needs of communities, doing research about cooperatives and so on. Only after a year of preparation did he start setting up an income-generating project in one village, Nositha, namely a household fruit and vegetable project. He progressed slowly, constantly adapting the project and project deliverables to suit the needs of the village and their expectations, but also looking at the business side of the project. Gradually the project took shape, a cooperative was set up, production systems were matured, sales and marketing got up to speed. It needs to be mentioned that respondent 4 treated comments and suggestions from the

involved community members as important and he took them into account. After a year and a half, SDC was created – a supporting organisation to assist with implementation. When the project had taken shape, it was rolled out to other villages (Kwanzimakwe and Gcilima), but stayed open to adaptations if and when required. Slowly but surely, a CIP implementation method had been designed that worked well and corresponded with the needs of the communities involved.

In terms of self-esteem and dignity, as mentioned in chapter 6, it is difficult to measure these concepts and therefore, the data gathered in this regard should be interpreted with caution. It is obvious from the data (see chapter 6) that the communities are involved in the decision-making and planning of the project, that they feel they are part of the CIP project and that there is some degree of ownership of the project. The facilitating organisation has put a lot of effort into ensuring ownership by the community, allowing a long period for learning, understanding the concepts and forming the necessary governance structures. This extended process obviously pays off. When people feel they are part of the project, they will gain some self-esteem. When people learn new things, get recognition and become more self-sufficient, their dignity is enhanced. As mentioned in chapter 6, when farmers from the South Coast project were asked why they thought the project was a success, many answered because ‘they learned how to farm’, and ‘it provides them with extra income’. The farmers also indicated in the questionnaires that their lives had become better and that new opportunities became available to them. This could mean that their self-esteem has grown, or that it was enhanced, however no conclusive remarks can be made in this regard. In chapter 6 (6.6.2), I elaborate in detail about this.

An important development when individual community members start working together is the building of trust in the community. People in communities have to learn to trust each other to collaborate efficiently. The manager of the cooperative, for example, handles the finances of the cooperative, and the community have to trust the manager to do it without taking advantage. Hence, the manager comes from the community itself to ensure social control as well.

Besides individuals gaining self-esteem, the community as such may also gain self-esteem. For example, because the involved communities got recognition for assisting

community members in building a better life. Nositha, in particular, was used as an example to share the story with other communities, donors, the local media and the municipality. The cherry on top was the recognition for the CIP project at the South Coast when it won the 'Driver of Change Award' on 31 October 2013. This is an annual award by the Southern Africa Trust and the *Mail & Guardian* for civil society initiatives that are innovative and make a real difference in the lives of poor people on grassroots level, and have the potential to influence policy (Southern Africa Trust 2013). The award was great recognition for SDC and the involved communities.

So, it can be concluded that in the South Coast CIP project, there was a definite attempt by the facilitators to focus on the concept of 'learning society' (by doing community mapping exercises, by having conversations with community leaderships structures and community members, by conducting baseline surveys and follow-up impact studies, by listening to inputs by community members, by setting up a governance structure which allows for genuine community participation) and that hence this aspect of CIP was implemented successfully.

7.4.5 Recommendations with regard to learning process: learning society, self-esteem and dignity

Firstly, implementing a community development project, in this case CIP, should always be a learning process for the facilitators as well as for the community involved. CIP, as a new programme for community development, was first introduced in Huntington. Some lessons were learnt there by the facilitators and the mistakes were avoided in Tsakane, and again at the South Coast. Hence, this indicates the learning that CIP itself underwent, as a new programme for community development, and indicates the flexibility that CIP inherently possesses to adapt to the context where it is implemented. This made it clear that there was a need to change CIP as conceptualised by Reynolds. CIP allows for flexibility and that is important for any community development approach: the programme should be adjustable to suit the needs of the beneficiaries and not the other way around (see chapter 2 – 2.2.7) (Korten 1980:496).

The government and facilitating organisations should understand that people, even if very poor and illiterate, do know things, can do things and can be trusted. If you are illiterate, it does not follow you are an 'underdeveloped person' without any capabilities. All people try to run their lives as best they can, according to their own capabilities. It is up to the government and facilitating organisations of development projects to make it easier for people to achieve their capabilities and run their lives. They should create the conditions necessary for people to enhance and achieve. People should not be taken 'by hand' like small children. They will choose their own development path. This is an important realisation for all facilitators as it means a lot can be learned from the community when implementing a community development project. Similarly, the community can learn. The learning exchange should be in both directions.

This is something that the South African government, in particular, has to realise as they believe South Africans should be taken by the hand, should be given hand-outs and should be told what to do 'as they do not know themselves'. In the past years, the government has slowly started to realise that this is wrong; that indeed communities and people are capable of doing things themselves, that they should not be treated as children but as development partners. The NDP seems to indicate that the government has realised this, as they now want communities to 'to take ownership' and be 'active in their own development' and 'where government works effectively to develop the capabilities of people to lead the lives they desire' (Manuel 2011; National Planning Commission 2011b:2-3). However, it remains to be seen when the thoughts expressed in the plan will become reality.

Secondly, for a community development project to be a learning process, the role of the facilitating organisation is very important. There should be leadership from the facilitating organisation, intellectual discipline, the freedom to deviate from the initial project plan and budget, space for the community 'to learn' and attention for staff development (Korten 1980:502). If they do not allow mistakes, there will be little space for learning, both on an individual level and on a collective level. This aspect has clear synergies with 'ownership', as the facilitating organisation should give the community the opportunity to take ownership of the project, and not take it themselves, so that the community can learn from the bottom up.

Thirdly, the CIP project should put ‘opportunities’ for community members and the community ‘on offer’. This means that it is up to the community to take these opportunities. If they do not take them, that is fine; they should not be ‘pushed upon’ the communities. Reynolds stresses this aspect as he says that in so many development projects, the community members do not want certain things and hence, a development project pushes certain ‘opportunities’ upon them, which always ends in failure. People should be given the choice to take an opportunity, or to decide for themselves whether they regard something on offer as an opportunity. It is interesting to note that household gardening is seen by many as an activity for women in communities. At the South Coast CIP project, mostly women do the farming and hence participate in the project. There are male farmers as well, but they have larger gardens, bigger than household gardens. SDC wanted to get men on board, because selling vegetables to the cooperative could be an income-generating ‘opportunity’ for men too. But due to the tradition that women are the household farmers, the men did not see this as an opportunity – working in a household garden would be below ‘their dignity’. Development projects should consider such local traditions. The project could have pursued the opposite of its goals if it forced men to become household gardeners.

In terms of addressing self-esteem and dignity, these should flow naturally from the community development process, and going through a learning process is an important contributor to that.

7.5 Conclusion: the potential of CIP in South Africa

This final conclusion will answer the objectives and research questions as indicated in chapter 1 (1.2 and 1.3). The following objectives were stated, namely to conceptualise and analyse the critical understandings of CIP as Reynolds had envisaged them, to conduct research in CIP pilot projects in order to study whether CIP can be realistically implemented in South Africa and then to reconceptualise CIP in ‘a possible new model’ for community development, by indicating recommendations.

The following research questions should now be answered and will be summarised below:

1. In which development streaming does CIP fit, and why?
2. Why is CIP proposed as a model for economic development in South Africa?
3. Does CIP bring something new to the development debate?
4. What are the characteristics of CIP? What is CIP?
5. Why did two CIP projects collapse and why is the third CIP project still successfully running after three years? Was it because the CIP model was not viable, or because of implementation mistakes?
6. Is CIP a realistic development programme for South Africa?

Chapter 2 gives an answer to question 1, in which development streaming does CIP fit and why. A historical background of the discipline of Development Studies is given in this chapter. It is clear that CIP is an example of 'Alternative Development', a streaming in development which wants to move away from conventional development practices and promote practices that are much more people-centred, with attention for participation by, ownership of and self-reliance in the communities involved (see 2.2.5). CIP is a new approach to 'Alternative Development', with close links to Community Development practice. The main principles CIP shares with Alternative Development and Community Development are that development should be 'a learning process'; development should be 'people-centered' with the 'participation and ownership' of the involved beneficiaries; attention for 'all aspects of development', not only the economic aspect but also the social, psychological, cultural and political aspects of development; so that development increases the self-esteem of the involved beneficiaries. If all of these are properly taken into account, development projects have a better chance of success and hence the sustainability of the project is enhanced.

The second research question, why CIP is proposed as a development model for South Africa, is answered in chapters 1 and 2, namely that for historical reasons, the economy of South Africa has developed into a highly developed part and a marginalised part. Most people, especially the poor, live in the marginalised part and it is not possible for all of them to be absorbed by the developed economy and create

a better life in this way. Hence, CIP argues to stop focusing on creating 'ladders' to the developed part of the economy, rather focus on developing the marginalised part of the economy by creating working local economies where people live, in the marginalised areas. This is also the innovative aspect of CIP.

The third research question, whether CIP brings something new to the development debate, is answered in chapters 2 and 7. In terms of 'theory', CIP is not a new theory of development. CIP is rather a new 'model' for development, or a new 'approach' for implementing a development project. The different aspects of CIP (people-centered development, ownership and participation, knowing the resources available, creating a working local economy, learning process, enhancing self-esteem) all feature individually in Alternative Development theory and its approaches to some extent, however CIP is the first 'model' that brings all these aspects together for implementing a community development project.

The fourth research question regards the characteristics of CIP, and basically asks the question what CIP is all about. This could also deal with its potential shortcomings, based on the findings of this research. An answer to this question is given in chapters 5, 6 and in the above part of chapter 7. I will note some recommendations that should be taken into account when implementing CIP in future. This will also answer question 6, namely whether CIP can be realistically implemented in South Africa. Research question 5, on the collapse of two CIP pilot projects while the third one survives, is answered in chapters 5, 6 and 7.

I will not elaborate in detail on the characteristics of CIP, as they are described in detail in chapter 3. Reynolds envisaged CIP to be a programme for the development of the second economy with a focus on poverty alleviation, funded by the government, in the form of rights budgets, which would develop the local economy and in this way contribute to the development and self-esteem of the involved community and individuals. CIP has not been tested in this way, as CIP was only tested in the three pilot projects in Huntington, Tsakane and on the South Coast. Hence, no substantiated findings can be made in this regard. However, as we know from studying the CIP pilot projects (chapter 5 and 6), CIP can be implemented by using donor funds, with or without the concept of 'rights budgets and programmes'.

Donor funding, instead of government funding, was used to start the CIP pilot projects and keep them going. In principle the source of the funds does not matter, but ideally government should guarantee longer-term sustainability because it is the responsibility of government to create opportunities for its citizens to live a decent life. However, as CIP was a 'new' model for community development, it was a good idea to start implementing it with donor money in order to test it, to find the weak points, to improve implementation and to convince the South African government to use it as part of government policy. This has not yet happened, but it is one of the aims of this research to present it to government and demonstrate that CIP would be a worthwhile programme to consider.

CIP calls for strong participation and ownership by the involved community to ensure that the project is sustainable, successful and really benefits the intended people. A high level of participation and ownership from the involved beneficiaries is a strong indicator of success. However, the facilitating organisation, donors, the government or other external parties can always abuse ownership by taking control of the project, rather than letting the community make their own decisions. Hence, participation and ownership is a potential weak point in CIP that should be dealt with carefully. The governance structure put in place for the project is therefore very important. As we have seen in Huntington, the wrong governance structure can break the project from the beginning. Hence, a *recommendation* here for facilitating organisations is to *carefully consider the aspect of the governance of the CIP project*. This should be done by *selecting the right 'community'* for a CIP project. A 'community' can be 'any group of people' with a common purpose e.g. the development of a certain area or the establishment of a cooperative, as long as they are structured in a legal entity and have as objective the development of 'their community'. The 'community' should be well-defined, have a clear, tangible goal and be open to other people who wish to join 'the community'. This is very important as CIP aims to offer 'budgets' to communities. The concept of 'community' and what it means for community development could be a topic for further research. Besides selecting the 'right community', a *mapping exercise* should be conducted to *get to know the community* and meetings should take place with existing leadership structures, community members and outsiders to determine the dynamics and decision-making structures of the community. Preferably, full support should be obtained from all leadership

structures before commencing with implementation. The right governance structure will contribute to the level of participation and ownership in the community.

As we found in the pilot projects in Huntington and Tsakane, participation and ownership of the involved community can be jeopardised by the facilitation. If the facilitating organisation takes ownership of the project themselves, or if they do not take the time to get to know the community, or if they are not often present in the community, or if they do not understand CIP or community development principles in general, the result can be a community that does not or is not able to participate and take ownership, which can lead to the collapse of the project. Hence, a *second recommendation* here is that *the facilitating organisation should ensure that they do not take ownership of the project*, that they stay 'a facilitator' and not 'a controller'. The facilitator should allow the community to take ownership of the project.

A *third recommendation* is that *the facilitator* who introduces a project in a community should be experienced in terms of community development in general, but should also *have proper and sound knowledge of the project that has to be implemented*, in this case CIP. The facilitator should not have preconceived ideas of how things should be done, but should have an open mind and be *willing to adapt the project along the way and be willing to learn*. This means that whoever pays the facilitator (donor or government) should also be flexible enough to re-allocate funds and deviate from pre-conceptualised budgets and project deliverables. The facilitator should also be regularly present in the community.

People will not participate in a project if they hear only about 'abstract benefits'. They should see 'tangible benefits' before they will participate and take ownership. As was seen in Huntington, getting started by setting up a governance structure for the CIP project did not work. In the South Coast project, the governance structure was only set up when tangible benefits were already visible and real for the community members. Hence, community members were eager to participate in the project and in its governance, taking ownership. Therefore a *fourth recommendation* would be to *not necessarily start with setting up a governance structure for the CIP project* if the community has not yet seen what the benefits of the project could be. By starting with

an income-generating project, the right expectations could be created and trust may be formed between the facilitators and the community.

Most community development projects have a facilitating 'lifespan', meaning that a facilitating organisation should implement the project and withdraw after a certain period for the community to run the project on its own. In principle, CIP is not a project but a programme that should continue in time. The community itself should run it, with assistance from the government (or a facilitating organisation). Annually, new budgets are put on offer to communities, as part of the overall budget of the government and in line with budgetary allocations. CIP then operates as a government programme to deliver services to its citizens. In this way, CIP would be sustainable. Of course, the income-generating projects should become financially sustainable and could even serve as investment vehicles for other community projects/activities. Hence, a CIP project should be seen by the government and/or donors as a type of 'social economy' project. 'Social economy' is the part of the economy where public and private entities work together to achieve social goals without making a financial profit (CIRIEC 2007:17-18). The purpose of a social economy project is to achieve an economic and/or social goal in a society without focusing on profit. For example, the cooperative at the South Coast could be a social economy project with the goal of establishing money circulation in the local community, to reduce poverty. The government should have an interest in funding or investing in the cooperative as it addresses an important goal of government policy, namely to reduce poverty. Similarly it addresses the government goal of reducing unemployment as community members are now working in their own gardens. South Africa aims to be a developmental state, assisting the less fortunate in society, Rather than giving hand-outs to the disadvantaged, it would be more beneficial for government and people alike to get the disadvantaged involved by funding social economy projects. Should the social economy projects become financially sustainable, this would be an additional benefit to employment creation and poverty relief. Nevertheless, the financial sustainability of CIP projects should not be a prerequisite. Financial backstopping of social enterprises will retain the advantages of employment for the poor and poverty alleviation. Hence, a *fifth recommendation* is *for the government or a facilitating organisation to show a long-term commitment to CIP projects*, both in terms of providing the *necessary finances* and in terms of providing the *necessary*

support. Perhaps certain income-generating projects under a CIP project should be expected to become financially sustainable, but not the project as a whole. Reynolds's vision was that every year, communities could apply for new 'rights budgets' from the government to invest in their communities. Hence, the government should develop a policy for the promotion of the social economy in both rural and urban areas and should implement CIP projects as part of this policy.

In terms of *keeping some kind of supporting structure in place*, once CIP (or any community development project) is implemented in a community, it is not realistic to expect from a rural community to run a developmental project on its own without help from outside, either from an NGO or the government. It would be in the interest of communities as well as the government to set up a structure for assisting communities with the management of such projects, which obviously have a positive impact on the livelihood of many rural families. If the government does not have the capacity to do this, they could collaborate with NGOs like SDC or Community Based Organisations to assist CIP-type projects in communities. The NDP does say 'that people should be involved in their own development' (NPC 2011b:2), 'the government should stimulate small-scale agriculture in rural areas, however public institutions should be strengthened to make this possible' (NPC 2011b:117). The NDP therefore seems to understand that small-scale agricultural projects in rural areas should be supported – not by taking the lead, but by letting people take the initiative and providing support for them if needs be.

In addition, CIP projects could be much more than just 'social economy projects'. They could be vehicles for local government, thus a system of more decentralised government. They could assist the government in bringing government and services to the people and let them have a direct say in what happens in their communities. A possible topic for further research could be to determine what social economy projects are in place in South Africa and the potential of these projects to enrich the development of disadvantaged communities.

CIP calls for communities to know the resources available before they start with a CIP project. From the CIP pilot projects, this seems to be the most difficult aspect when implementing CIP. Hence, it should be handled with care. Funds put on offer to

communities could be abused if not well managed, as with the CIP project in Huntington. Also, for donors or the government literally to put money in the hands of people and leave them to their own devices would be going too far. At any rate, the South African government with its tendency to control and centralize is unlikely to follow that road. Neither will donors, fearing corruption and abuse of resources while letting go of the control most donors want to keep. Hence, the *sixth recommendation* would be to approach this aspect of CIP with caution and to *determine the best way to go for each individual community*. For instance, instead of making funds accessible from the start – putting the budget in the hands of the community – they could be given only the decision-making power (what should be done with the budget). Perhaps the community could persuade the government and donors after a period of time to give them direct access to the resources. Or a good governance structure could be put in place with well-arranged accountability mechanisms before resources are made accessible. The projects run under the IDT in the drought period (see chapter 1), and the example from Uganda (see 3.3.3.1), prove that it is workable to put direct cash on offer to communities, without abuse of the funds. It is a matter of finding the right way of doing so. The best way of introducing budgets in communities, with practical examples, could be a topic for further research.

CIP calls for the creation of a working local economy. This is a very strong aspect of CIP as the creation of an income for the many poor people in South Africa is a very powerful tool, not only in terms of the money but also to improve their self-esteem. This aspect of CIP is easier to implement than the others and hence it is a good starting point, with the extra benefit of demonstrating the benefits of the project to potential beneficiaries. A *seventh recommendation* would therefore be to start with implementing this aspect of CIP, before starting with a governance structure. '*Process should come before structure*' to show benefits of the project and gauge appetite from the beneficiaries for participation and ownership. An *eight recommendation* would be to ensure that the *income-generating projects supporting a working local economy are well-researched and feasible*. In addition, the community should believe them to be important. For example, starting a garden, as in Tsakane, to sell produce to schools without establishing beforehand that the schools will buy the produce, is short-sighted and will most likely result in the collapse of the project.

Lastly, CIP calls for a project to be a learning experience for a community, which will lead to the development of the community as well as individuals. Not only economic development, but also social, cultural and psychological development. This aspect of CIP, focusing on the enhancement of self-esteem and dignity, cannot be implemented directly; it flows from the good implementation of other aspects of CIP. Hence, building communities and growing people will contribute to the overall development of a country and possibly increase individuals' self-esteem. No conclusive findings can be made in this regard from the CIP pilot projects, however a *ninth recommendation would be to explore this in further research* and dig into this aspect of CIP, namely *how a CIP project could improve the self-esteem of individuals and communities*. Reynolds argued once that it could 'resolve the physiological scars that apartheid has brought upon communities in South Africa'. This is a strong comment, and definitely worthwhile exploring.

In terms of ensuring that the implementation of CIP is a learning process, it should be noted that this learning should be for both the involved community as well as the facilitating organisation. A *last recommendation* here, to ensure that learning takes place, is *to put CIP, and all its aspects, 'on offer' to communities*. So that the community can choose what they want to implement, and how they want to do it. This will enhance chances of successful implementation and reduce the chances of failure.

There is a strong case that CIP can be realistically implemented in South Africa. The fact that two of the three CIP pilot projects collapsed does not mean that CIP cannot work, as the collapses resulted from flawed implementation in the involved communities. Swanepoel and De Beer (2011:45) also indicate that many good community development projects collapse due to bad implementation. Nevertheless, the failed CIP projects were crucial for learning about CIP in general and about successful ways of implementation, in line with good principles of community development.

To conclude, CIP, as conceptualised by Reynolds, needs some slight adjustments:

- When CIP is implemented, the facilitating organisation should carefully consider the governance of the project. The right community, sharing a

common purpose, should be selected. The facilitator should get to know the community by conducting a mapping exercise, spending time with them and, together, setting up the right governance structure.

- The facilitating organisation should not take 'ownership' when implementing CIP and remain 'a facilitator'; the community should participate in the implementation of CIP from the start.
- The facilitating organisation should be experienced, both in terms of community development in general and in terms of CIP, and should be present regularly in the involved community.
- The facilitating organisation should expect to go through a learning process themselves, just as is expected from the involved community.
- Structure should follow process when implementing CIP. The involved community should first experience the benefits of the project before a governance structure is established.
- The facilitating organisation should make a long-term commitment to the community, in providing the necessary finances as well as in providing the necessary support.
- The aspect of informing the involved community of the resources available to them for the implementation of CIP should be approached with caution, for each community individually (full information upfront or some compromise).
- A feasibility study of income-generating projects to contribute to a working local economy should be done and the community should indicate which income-generating projects they wanted.
- CIP should be put 'on offer' to communities.

Hence, the CIP model as presented in chapter 3.5 remains largely the same. Successful implementation is determined to a large degree by the facilitating organisation, as the above recommendations indicate. The only major change regards informing the community about the resources available. This should be done cautiously and not necessarily upfront.

A last recommendation would be to conduct *further research* on a number of themes, which would make the implementation of CIP even more worthwhile:

- Studying the concept ‘community’ and what it means for CIP. This concept has been studied extensively, but not in relation to CIP. It was beyond the scope of this research to study the relationship. The outcome of such research could assist the facilitator in identifying the right ‘community’.
- Studying the concept ‘social economy’ and what is in place in terms of social-economy projects in South Africa. The outcome of such research could show how these projects may enrich the development of disadvantaged communities and guide policy development in this regard.
- Studying the introduction of budgets (known resources) in communities, with attention to practical examples, to identify optimal methods. *Putting budgets directly on offer to communities was introduced by the IDT in the drought period (see chapter 1 and 2). There are other examples like in Porto Alegre, Brazil or Uganda (see chapter 3 and 6).* The outcome of such research could assist the facilitator with the implementation of this aspect of CIP.
- In relation to the above, the concept of rights programmes in the form of budgets could not be researched as this aspect of CIP was not introduced in the pilot projects. Further research could explore rights programmes in relation to CIP in more detail, and could also experiment with implementation to explore workability.
- Studying a working local economy and, more specifically, which local businesses could contribute. What would community members buy in the area where they live? Which goods and services would be bought, and how feasible would it be to produce them locally? Is it possible to compete with the first economy?
- Studying a CIP project’s contribution to the self-esteem of individuals and communities. The outcome of such research could assist the facilitator, but also the community, to focus on certain aspects of CIP (or not) and to review aspects in order to further enhance the growth of self-esteem. Such a study cannot be ‘general’ and should be done in every community where CIP is implemented, if possible.

- Lastly, and most importantly, a theme for future research would be to determine how CIP could concretely be aligned with and complement existing government policies and programmes, such as the National Development Plan.

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9: ANNEXURES

Annexure 1: Questions used in interviews

Research questions for key informants related to CIP (friends and colleagues of Reynolds)

The number of questions varied between 6 and 11 as certain key informants had information that others did not have. Herewith a list of all the questions with an explanation of why they were asked and to whom:

1. *How did you get to know Dr Reynolds and CIP?* The aim of this question was to understand the relationship between the research participant and Reynolds, as well as the participant's involvement in CIP. All participants were asked this question.
2. *What is CIP according to Dr Reynolds?* The aim was to learn the participant's view of CIP, as meant by Reynolds. All participants were asked this question.
3. *What are the characteristics of CIP?* The aim of the question was to get a better understanding of CIP. All participants were asked this question.
4. *Why did you get convinced that CIP could work for local economic development in South Africa?* This question was asked as CIP is perceived as a revolutionary model for local economic development. *Why did the research participant get interested in CIP?* All participants were asked this question.
5. *CIP became part of the LED white paper 2006-2011. How did this happen?* The aim was to understand how the government got involved in CIP and how they were convinced it would work. This question was put to the former director of the dplg, Marjorie Jobson, and to Lucy Thornton.
6. *Why was CIP never implemented or tested or rolled-out up until today by the government you think?* Despite being part of the LED white paper, CIP has not been implemented. This question probed why this happened. The former director of the dplg, Lucy Thornton, and Wiseman Nkuhlu were asked this question.
7. *Do you still believe CIP can work?* As CIP was not implemented by the government and two of the three pilot projects collapsed, the question tested the views of the participants on the viability of CIP. All participants were asked this question.
8. *Do you think that the South African government at this stage will be interested in a CIP model for local economic development?* The aim of this question was to

understand more of the context of the research, so as to learn whether or not certain research participants saw another opportunity for approaching the government on CIP. The former director of the dplg, Lucy Thornton, and Wiseman Nkuhlu were asked this question.

9. *What do you think is needed to implement CIP nationwide?* The aim was to gather more information on the needs for the implementation of CIP. All participants were asked this question.
10. *Are you aware of other government-driven projects, besides the Eastern Cape project you spoke about in our conversation last week, that incorporate CIP elements/characteristics?* This was a follow-up question put to the former director of the dplg.

Research questions for key informants from the CIP (pilot) projects

The facilitators in Tsakane, at the South Coast and in Huntington were asked the questions below:

1. *What is your involvement in the CIP pilot in/at South Coast/Tsakane/Huntington?* This question was asked to understand the roles the facilitators played in the respective projects.
2. *Did Dr Reynolds play a role in the start-up/implementation of CIP in/at South Coast/Tsakane/Huntington?* This question was asked to learn if and how Reynolds was involved in CIP implementation.
3. *Why was the South Coast/Huntington/Tsakane identified as an area to implement CIP?* The aim was to learn why a CIP pilot was started in a certain place and how that might have influenced the implementation of CIP.
4. *Which characteristics of CIP have been implemented or tested in/at South Coast/Tsakane/Huntington and which ones not?* This was asked to improve understanding of CIP and the challenges with certain of its characteristics during implementation.
5. *Why was it that some characteristics were not implemented/tested?* This was asked to improve understanding of CIP and the challenges with certain of its characteristics during implementation..
6. *The characteristics that were implemented, do they work? Is it possible to implement them?* Asked to learn whether characteristics were changed in any way to make them more viable for implementation.

7. *Why is the South Coast project the only surviving CIP pilot? Where lays the success you think?* This question was asked to identify crucial success factors for sustainability when implementing CIP.
8. *Do you think that CIP is a good and workable model for local economic development in South Africa? Why or why not?* This question was asked to learn whether facilitators of the projects believed CIP could work for local economic development in South Africa.

The chairperson and secretary of the CIP project at the South Coast were asked the questions below:

1. Governance

- Do you know who the board members of the cooperative are?
- Were they democratically elected?
- Do you trust them?
- Do they act in the interest of the farmers, according to you?
- Is there political meddling in the project in Nositha?
- I should ask why the chairperson and secretary are fulfilling these roles. Is it because they want to serve the community or out of self-interest?
- To whom do they feel they are accountable?
- In whose interest do they act?
- To whom do you report?

2. Ownership

- Can you as the chairperson/secretary raise issues at a coop board meeting?
- Do you feel you are part of the decision making of the coop?
- Do you have a say in planning of how the project is run in Nositha?
- Do you know the goals of the project in Nositha?
- Do you think the farmers know this too?
- Are you aware that, at a certain point in time, the coop and farmers association could be run by the community itself? Do you think that is possible? Why and why not?
- What kind of things should happen before SDC can withdraw?

3. Resources

- Do you have a say, at coop board meetings, on how the resources should be spent?
- Do you know how many resources are available for the project in Nositha?
- The income that you earn by selling to the coop, is it enough to sustain your household? Or is it rather an additional income, some extra money? How much of a difference makes it for you that you now have this extra cash? What do you do with it?

4. Self-esteem and dignity

- Do you agree that your life has become better since you are part of the coop?

5. Project success and sustainability

- What are the successes of the project so far according to you?
- What are the failures/challenges of the project so far according to you?
- Do you think this project can survive for a long time in the future?

Annexure 2: Questionnaire, CIP Pilot Project South Coast

PG**S number: _____ Signature:_____**

1. What is your gender? Please tick the correct box with an x.

Male	Female

2. What is your age category? Please tick the correct box with an x.

18 – 25 years	25 – 35 years	35 – 45 years	45 – 55 years	55+

3. What is your level of education? Please tick the correct box with an x.

Below matric	Matric	Diploma	B-degree	Honours, Master or Phd	Other

4. What is your employment situation? Please tick the correct box with an x.

Formally employed	Self-employed	Unemployed	Volunteer

5. Which government grants do you receive, if any? Please tick the correct boxes with an x.

Child support grant	Old age grant	Foster parent grant	Disability grant	None

Questions

Please tick the applicable box with an X.

No	**Question**	**Yes**	**No**	**Don't know**
6.	Do you know about the farmers' association in your community?	yes	no	don't know
7.	Do you know about the Kumnandi cooperative in your community?	yes	no	don't know
8.	Do you sell fruit and vegetables to the Kumnandi cooperative?	yes	no	don't know
9.	Do I sell monthly to the Kumnandi cooperative?	yes	no	don't know
10.	Do you participate in the monthly farmers' association meeting?	yes	no	don't know
11.	Can farmers participate in discussions during farmers' association meetings?	yes	no	don't know

12.	Can farmers raise questions during farmers' association meetings?	yes	no	don't know
13.	Do you think the Kumnandi cooperative will be able to run on its own, without help from Siyavuna?	yes	no	don't know
14.	Do you think the farmers' association will be able to run on its own, without help from Siyavuna?	yes	no	don't know
15.	The income that I earn by selling to the Kumnandi cooperative is the **main income** of my household	yes	no	don't know
16.	The income that I earn by selling to the Kumnandi cooperative is an **additional income** of my household	yes	no	don't know
17.	The income that I earn by selling to the Kumnandi cooperative is **enough** money to sustain the household	yes	no	don't know
18.	I spend some of the income that I earn by selling to the Kumnandi cooperative IN the community	yes	no	don't know
19.	At farmers' association meetings, farmers can take decisions with regard the resources allocated to the project	yes	no	don't know
20.	The training I received when joining the Kumnandi cooperative was enough to start my garden	yes	no	don't know
21.	I get enough support and mentoring to run my garden successfully	yes	no	don't know
22.	I learned how to grow new crops, which I had never grown before	yes	no	don't know
23.	I gained more confidence in farming since I am part of the Kumnandi cooperative	yes	no	don't know
24.	My local Community Field Worker visits me enough times during the year	yes	no	don't know
25.	I am planting with the intention to feed my family and myself	yes	no	don't know
26.	I am planting with the intention of making money	yes	no	don't know
27.	Will I be a member of the cooperative next year?	yes	no	don't know
28.	Will I be a member of the cooperative in three years' time?	yes	no	don't know
29.	I had a garden before I was trained and joined the cooperative	yes	no	don't know

Statements

	Strongly Agree	**Agree**	**Don't know (neither agree nor disagree)**	**Disagree**	**Strongly disagree**
30. The local chairperson of the Farmers Association has been democratically elected	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
31. I trust the local chairperson and secretary of the Farmers Association	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
32. The local chairperson of the Farmers Association acts in the interest of the farmers	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
33. I trust the manager of the cooperative	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
34. Are farmers encouraged to participate in the farmers' association meetings?	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
35. At the farmers' association meeting, farmers are involved in the planning and decision-making of the Kumnandi cooperative	Strongly agree	Agree	Don't know	Disagree	Strongly disagree

36. At the farmers' association meeting, farmers receive enough feedback from the coop board regarding the cooperative	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
37. I, as a farmer, can make suggestions to the Community Field Worker, the Farmers Association or Siyavuna staff with regard the project if I want to.	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
38. I have a better life since I am selling to the cooperative	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
39. Me and my family are eating more fruit and vegetables since I am a member of the coop	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
40. I think that the cooperative is helping the community and gives people a better life	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
41. My self-esteem has grown since I am part of the cooperative	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
42. The presence of the cooperative in the community has created new opportunities	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
43. I am given recognition as a farmer as I have membership card	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
44. I believe the project in my community is a success	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
45. After a few years, I think the community can run the coop without the help of Siyavuna Development Centre	Strongly agree	Agree	Don't know	Disagree	Strongly disagree

46. Why do you think the project is a success or not?

_____
_____
_____
_____
_____

Annexure 3: Information letter and consent form for research participants (interviewees)

2012

Sofie Geerts
Doctoral Student University of South Africa (UNISA)
Department of Development Studies

Dear research participant,

This letter provides you with more information with regard the research topic of my doctoral research. Please read it carefully and reach any questions you may have, before you agree to take part in this research.

- Name of investigator: Sofie Geerts, Malan Street 22, 0084 Riviera, Pretoria, 0835788806, sofiegeerts1@hotmail.com
- Hosting university: University of South Africa (UNISA), Department of Development Studies
- Name of supervisor: Prof Frik de Beer
- Name of research project: A model for a community investment programme with reference to South African case studies
- Aims of the research: The research aims to conceptualise the community investment programme (CIP) into an understandable model as a basis for implementation
- Methodology: Data will be collected by literature study, interviews, focus groups and questionnaires.

You are a relevant information source for this research, and therefore, I would like to interview you. Your participation in this interview is completely voluntary and you can cancel it whenever you feel to do so. You are allowed to leave questions unanswered. There are no 'right' or 'wrong' answers.

Please note that all information you provide is strictly confidential and your identity will never be made known to anyone. Your name will not appear in the research report. You will have the opportunity to read the research before publication if you like and you are allowed to indicate if you want certain information not to be published.

If you feel comfortable to be interviewed and have no further questions, you are requested to sign the consent form, which you can find below.

Kind regards,
Sofie Geerts

Consent form

Name of investigator:	Sofie Geerts, Malan Street 22, 0084 Riviera, Pretoria, 0835788806, sofiegeerts1@hotmail.com
Hosting university:	University of South Africa (UNISA), Department of Development Studies
Name of research project:	A model for a community investment programme with reference to South African case studies

Name of research participant:

1. I understand that my participation in this survey is absolutely voluntary. I am free to withdraw my participation at any time. Withdrawal would be free of any penalty or discriminatory treatment;
2. I declare that there is no dependent relationship between the investigator and me;
3. The purpose and the process of the survey have been explained to me. I have got an information sheet explaining purpose of the interview. Furthermore I was provided with the opportunity to ask questions about the research and received satisfactory answers;
4. I hereby agree to tape record my interview as part of the research. I also permit the tape record to be transcribed. I will get a copy of the interviews transcription on request, which I will have to confirm before it is analysed in the research;
5. I understand that any information or personal details gathered in this research about me are strictly confidential. Neither my name nor any identifying information will be used or published without my written permission;
6. I understand that if I have any complaints or concerns about this research I can contact the main researcher, Sofie Geerts or the supervisor, Prof Frik de Beer.

_____

(Date, Name of research participant)

Annexure 4: Introduction note for farmers who completed the questionnaire in the CIP pilot project at the South Coast

Sofie Geerts would like to do a survey amongst the PGS farmers in light of her doctoral research at UNISA. Her research aims to study the CIP programme, which was the basis for the implementation of the project here in the community. As part of this survey, we would like to ask if all farmers present could complete a questionnaire.

I will distribute the questionnaire amongst all of you and go through it together with you. I will read the questions one by one and you need to give an answer to the question by ticking the right box with an X.

So as to keep track of which farmer has completed a questionnaire, will you please fill in your PGS number on the questionnaire and provide your signature. With this, you indicate that you agree to participate in the survey. You have the right to see the survey once it is completed.

Note that all answers you give are kept confidential. This means that Siyavuna Development Centre or Sofie will never mention your name or that you gave certain answers. We will use the answers from all the farmers to draw general conclusions.

Thank you very much for your participation. Are there any questions?