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South Africa's State Capture Architecture: A critique of 'State Capture' and Development in 21st Century Post-Apartheid South Africa, using the Estina Vrede Dairy Farm Project as a case study

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SOSS 7040A (Development Studies)

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South Africa's State Capture Architecture: A critique of 'State Capture' and Development in 21st Century Post-Apartheid South Africa, using the Estina Vrede Dairy Farm Project as a case study.

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ABSTRACT

State Capture can be described as corruption on a macro-level, reaching unheard and unseen of levels involving the state, state organs and private business. It has been described as the erosion of democratic processes and a 'coup d'état'[1] of some sorts of the state and its functions- functions affected are mainly empowerment, development, fiscal responsibility and transparency- turning the state 'into a shadow state'. The recent uncovering of "state capture" at different levels of government in South Africa required an analysis of the relationship between 'state capture' and development in South Africa. In this paper, this will be achieved by looking at the Free State Estina Dairy Farm Project (EVDF Project) as a unit of analysis. Four research questions around this dairy farm project will be explored, to ultimately answer the overall question: What is the relationship between development and 'state capture' in 21st Century Post-Apartheid South Africa? An extensive literature review will be done in Chapter Two looking at the history of agricultural projects, illegal financial flows (IFFs) and state capture in South Africa, in the African region and internationally. This research is qualitative in nature, utilizing a case study method. Information used was publically available sources of information, with the testimonies and evidence in the Zondo Commission Reports forming a bulk of the data analyzed. The findings and policy implications in the last chapter informed possible future studies, centered on my research. One possible future study would be a look at the role of IFFs in rural development in (South) Africa.

[1] "Unlike a revolution, which is usually achieved by large numbers of people working for basic social, economic, and political change, a coup is a change in power from the top that merely results in the abrupt replacement of leading government personnel. A coup rarely alters a nation's fundamental social and economic policies, nor does it significantly redistribute power". Accessed on [https://www.britannica.com/topic/coup-D'état].

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"A dream delayed is not a dream denied" – SM Siwisa

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ABBREVIATIONS

LISPs- Livestock Support Projects

DAFF- Department of Forestry and Fisheries

PPP -Public-Private Partnerships

HOD- Head of Department

ANC- African National Congress

DA- Democratic Alliance

USA-United States of America

BRICS- Brazil, Russia, India, China & South Africa

SDGs- Sustainable Development Goals

NDP- National Development Plan

MMP- Mohoma Mobung Project

IFFs- Illicit Financial Flows

BDS- Business Support Services

UN- United Nations

FAO- Food and Agriculture Organization of the United Nations

OECD- Organisation for Economic Co-operation and Development

HNWI- High Net-Worth Individual

USAID-United States Agency for International Development

TRC- Truth and Reconciliation Commission

1. INTRODUCTION

State Capture in South Africa can be described as corruption on a macro-level, reaching unheard of and unseen levels involving the state, state organs and private business. It has been described as the erosion of democratic processes, and a covert 'coup d'état' of the state and its functions- the latter being mainly empowerment, development, fiscal responsibility and transparency towards the people of South Africa. The state in this form is described by many as a 'shadow state'. 'Shadow State' refers to a state being a state in name and stature only. The state is largely controlled and looted by corrupt state officials working with unscrupulous business people who control the state's national purse, through elected officials. This poses questions around the evolution of corruption in South Africa, which has gone unchecked and unpunished for a very long time, leading to the phenomenon of state capture. This subsequently raises questions of what role corruption plays in the development agenda in South Africa, and how it is understood by the people.

The unearthing of 'State Capture' in South Africa came to be public knowledge when former Public Protector Thuli Madonsela, launched an investigation into the South African government's misappropriation of funds by prominent government officials. This led to a report that unearthed high-level corruption in many spheres of government- which came to be coined 'State Capture'. This sent shock waves all through civil society, prompting the newly elected South African president, Cyril Ramaphosa, to create a Commission of Investigation (The Zondo Commission) to investigate how deep the corruption went. The trail of misappropriation of funds led the investigation to a failed farming project in the Free State, the Estina Vrede Dairy Farm Project. This project was subsequently investigated by the Zondo Commission, and covered by many media houses. The project was, and continues to be, investigated by the Zondo Commission, which was created to investigate instances of state capture in the South African government. The Zondo Commission's modus operandi were public hearings attended by the public, and could be streamed on YouTube. It is therefore safe to say that, the phenomenon of state capture has been largely judged in the court of public opinion in South Africa. This is significant

because though corruption is universally understood and defined as illegal acts mostly involving IFFs at the micro-level, and 'state capture' at a more macro-level, the EVDF Project presents an opportunity for corruption and 'state capture' to be understood at more qualitative levels to better understand the role of both corruption and 'state capture' where development is concerned. According to Rose (2018) conceptualizing corruption becomes difficult because "corruption is an evaluation of an event, rather than a description of an event". Corruption therefore tends to become more complex due to the subjective nature of its evaluation.

The investigation of the Free State Estina Vrede Dairy Farm Project (EVDF Project) brought about questions around the government and its ability to carry out its functions. 'Corruption' in itself as a phenomenon is not new and unknown. Various discussions around corruption in South Africa have been had by many scholars, civil society groups etc. What is unknown about corruption, and subsequently 'state capture' is by and large the extent of misinformation, and accurate reporting of financial flows because of paper trails issues. Jain (2001:74) states that the cost to society (be it development or policies) becomes hard to know due to a lack of "measurement tools". This in turn to Jain (2001) is why corruption as a concept is both simple and complicated. While Jain (2001) acknowledges the complexities in defining corruption, he concedes that corruption is universally accepted to be "...acts in which the power of the public office is used for personal gain in a manner that contravenes the rules of the game" (p73). Jain (2001) goes on to categorize corruption in three ways, namely, "grand", "bureaucratic" and "judicial" corruption. Corruption and 'state capture' are implicitly used interchangeably throughout this paper. However, it is important to note that 'state capture' has a more in-depth effect on development, as opposed to the implied or situational link between corruption and development. This is supported by Philp (2001:2), referencing definitions from the World Bank and Hellman's work, defining corruption as "the intentional imposition of distortions in the prescribed implementation of existing laws, rules, and regulations to provide advantages as a result of the illicit and non-transparent provision of private gains to public officials". 'State capture' on the other hand is "across state boundaries, by foreign firms and investors, or activities of foreign governments" (p3). Dalsen (2017) both adds and agrees with my observations by saying corruption

"undermines" development and is a "condition", whereas 'state capture' is "systematic and far reaching".

The chosen case study (EVDF Project) may have commonalities with many corrupt developmental project in developing states, however, its uniqueness lies in the fact that it falls in all three categories ("grand, bureaucratic and judicial) identified by Jain (2001). 1) Corruption of this magnitude led to the project being investigated under 'state capture'. This was largely due to former Minister Zwane pitching the EVDF Project as a solution to the failure of small-scale farming in Vrede (Ferreira: 2021). 2) It involved a substantial number of government officials and private entities and 3) it involved the establishment of a commission headed by a judicial chair, with lawyers cross examining evidence and witnesses.

1.2. Problem Statement

The EVDF Project, and other captured projects investigated by the Zondo Commission, mainly looked at the capture of these projects in terms of misappropriation of funds through collaboration between corrupt state officials and private entities- nothing else. According to Chipkin et al. (2019) state capture in South Africa led to an overhaul of the rule of law, subsequently, a hijacking of the development agenda. This becomes hard to dissect and understand as corruption has been a paralysing act in the South African government, and its institutions, since the dawn of democracy. Therefore, it becomes hard to pin point when and with who it began.

Jain (2001) as previously mentioned argues that although corruption has a universally accepted definition, the lack of measuring tools to quantify it, makes it more complex than has been reported. One major aspect in the challenge of quantifying corruption and its effects is the prevalence of IFFs on the African continent. According to Kamga (2021: 138-140) the extent of IFFs on the African continent could be higher than what is currently recorded as more "human capital"[2] is needed by African governments to better understand the concept's ins and outs. Therefore, corruption's effect (s) on a number of developmental factors is impossible

[2] "Required human capacity in national treasuries and revenue collection institutions with the necessary personnel and skills" (Kamga, 2021).

to quantify, more especially because the actual monetary value lost is in itself hard to measure.

This notion is further supported by Bayart (2009) who argues that economic relations in Africa since the dawn of decolonization in the 1960s, has largely been driven by patronage and networks based on political connections. Bayart's theory around extraversion and how it influences African societies (policies and funding), thus makes it difficult to place state capture in a neat analytical box/framework, void of complexities. This argument is further strengthened by Binswanger & Deninger (1997) observation where agriculture and policy is concern. They argue that it "reflects the methodological difficulty of disentangling whether ideologies influenced agricultural policies directly or whether they were mainly used to legitimize the interests of powerful groups". This observation by Binswanger & Deninger is very telling in the South African context because state capture is alleged to have taken place during the Zuma years as president. Former President Jacob Zuma's administration was underpinned by the hotly contested 'Radical Economic Transformation (RET) ideology. Bayart, Binswanger & Deninger's perspectives I find are the most effective and helpful in trying to analytically unpack state capture in South Africa. However, it is limited with more research needing to be done. Therefore, this paper seeks to critique state capture in South Africa by looking at the EVDF Project as the chosen unit of analysis.

1.3. Rationale for the chosen case study

I believe there is a gap to be filled by looking at the EVDF Project specifically because it is a farming project that has little to no analysis making it an ideal unit of analysis in gauging the development of corruption for development in post-apartheid South Africa. As explained by Jain (2001) and Rose (2018) corruption has variations that tend to fall through the cracks because of a lack of transformation in how corruption is seen and perceived. The EVDF Project also includes aspects of all three types of corrupt acts as defined by Jain (2001) –grand, bureaucratic and judicial corruptions- making it ideal in critiquing 'state capture' where development is concerned in South Africa through the EVDF Project.

In addition to adding to discourse on corruption broadly, the EVDF Project will provide insight specifically into IFFs in the agricultural space as opposed to the

commonly researched and known IFFs in the mineral sector. According to Kamga (2021: 139-140) some IFFs do originate from development aid or assistance, however, most of it is stolen from unpaid or underpaid royalties on mineral resources. According to Kamga (2021) research has been conducted all around Africa regarding failed mining community projects and the negative effects of IFFs at both micro and macro levels for mining communities. Latif (2022) goes on to add to the IFFs debate in Africa by stating that 65% of IFFs from Africa are from commercial sources (often legal). Looking at the EVDF Project (which falls under rural development) provides a holistic view on the discourse of IFFs in Africa. State capture is a relatively new phenomenon in South Africa; therefore, the capture of the EVDF Project re-imagines questions and challenges around land restitution, land reform, state-led development, and the stakeholder model, where development is concerned in South Africa.

Therefore, the EVDF Project has also been chosen for four reasons. Firstly, it was one of the main projects that the Zondo Commission investigated, subsequently at the center of the state capture debate. Secondly, the farm project was conceptualized to redress past injustices, therefore, benefit and uplift black small scale farmers. Thirdly, the EVDFP was a developmental project involving both the public and private sectors in a historically contentious area- agriculture. The former as we have come to know, has involved numerous calls for redress, with its latest development being around changing the constitution to allow for land expropriation without compensation. Lastly, there have been public calls from civil society groups, news outlets, beneficiaries, and political parties for the investigation of the EVDF Project. In this regard, one political party, the Democratic Alliance (DA), has gone as far as taking the Public Protector's Office (PP) to court over the Public Protector's report on the capture of the EVDFP. The contents of the filing states, "Both the DA and CASAC[3] in essence sought an order that the PP's report be reviewed and set aside. Both also sought an order that the PP should pay the cost of this application in her personal alternative official capacity" (*DA vs. Public Protector*, 2018: p.3). This is important because I argue the filing shows the project is under-researched and findings around it are unclear, especially with regards to the grassroots' level. Therefore, it is worth researching in order to find the nexus between state capture

[3] "Council for the advancement of the South African Constitution"

and development, which is missing from the debate, in order to draw lessons for future state developmental projects.

There needs to be deeper knowledge formulation around the phenomenon of state capture in order to consolidate the legal, political and social spheres around the discussion of state capture in South Africa. Therefore, this project will be a critique of state capture in South Africa more so because of the notion that 'state capture' leads to a fundamental overhaul of the rule of law. Furthermore, it aims to add to the discourse around the decolonization of development in Africa. According to Kamga (2021:151) the problem of Illicit Financial Flows (IFFs) has been amplified by the neoliberal economic doctrine, which limits monitoring powers of Central Banks. This particular project was chosen because 1) it featured prominently in the Zondo Commission, 2) researching it would give insight into the workings of the Zondo Commission itself; 3) it involves small-scale farmers, agriculture and land, which has been hotly, contested issues for a very long time in South Africa. Therefore, 4) researching an agriculture/land issue under a different dynamic in South Africa, will hopefully also add to the land question.

Overarching research question: What does the capture of the EVDF Project reveal about the relationship between "State Capture" and Development in Post-Apartheid South Africa?

1.4. Research Aims

- Ascertain the causes for the failure of the EVDF Project.
- Ascertain the role played by entities accused in the EVDF Project.
- Analyse evidence given at the Zondo Commission of Enquiry about the EVDF Project.
- To better understand the relationship between "State Capture" and Development in Post-Apartheid South Africa

1.5. Research Questions

- What factors contributed to the failure of the EVDF Project?
- What can entities involved in the EVDF Project tell us about the case study?

- What does evidence given at the Zondo Commission reveal about the EVDF Project?
- What lessons can be drawn from the corruption identified in the EVDF Project?

1.6. Study Area

"The Vrede Dairy Project is a dairy project established in 2012 on Krynaauwslust Farm, near the town of Vrede, Free State Province, South Africa. The dairy was established as a public-private partnership with Estina, a Black Economic Empowerment company, as part of the Free State provincial government's agricultural project, Mohoma-Mobung. Estina was given the land under a free 99 year lease" (http://dbpedia.org).

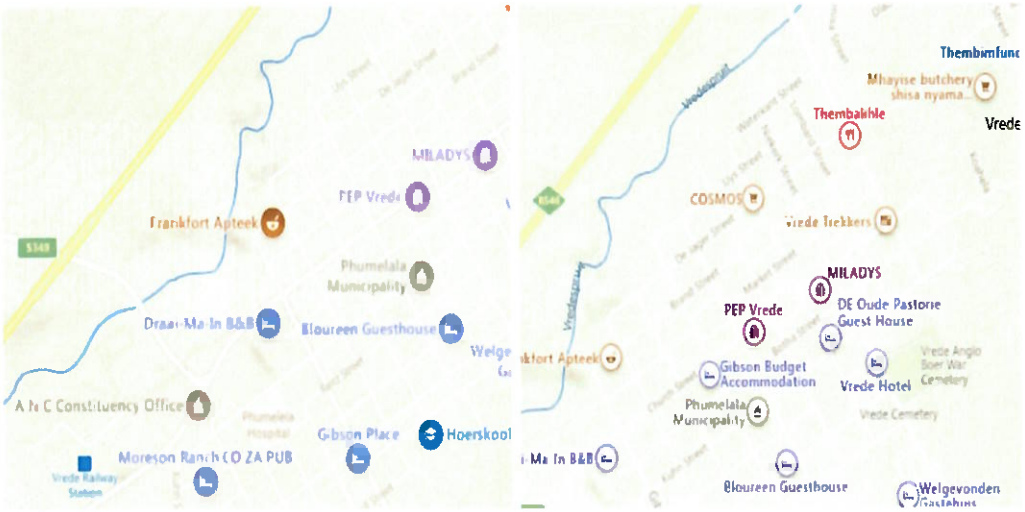

Figure 1: Overview of the Vrede area, Free State, South Africa (https://www.bing.com/maps, 2022).

1.7. Background on the EVDF Project

The EVDF Project was conceptualized in 2012 by former Free State agriculture MEC Mosebenzi Mzwane, who claims wanted to empower over 80 black small-scale farmers through a dairy farm, which would in turn generate money and acquired skills for the Vrede community as a whole (Evans, 2022). Instead of empowering the community and beneficiaries, the farm was allegedly captured by a Gupta-owned company, Estina, hired to set up the farm project alongside the Free State agriculture department (Mitchley, 2022). Through the Zondo Commission, it was

discovered that the funds allocated for the project had been looted and no beneficiaries had benefitted. It was handed over to the Special Investigations Unit (SIU) for further investigations (Wicks, 2022). It is important to note that the Public Protector's office (headed by former public prosecutor Thuli Madonsela) was the first to release a report of alleged 'state capture' in South Africa.

The name for the EVDF Project originates from the district in which the farm is situated. The initial idea was for the project to be situated near the town of Sasolburg due to its close proximity to Johannesburg and the rest of Gauteng (Zondo, 2022). Mr Mosebenzi Zwane, who originates from the town of Warden in the Free State, however suggested it be moved to Vrede in the Free State due to the availability of land there. Therefore, the project was moved and the areas of Vrede, Warden and Memel were all earmarked to benefit from the project. Those who would be beneficiaries were to be black small-scale farmers of those towns (Zondo, 2022).

The EVDF Project came at a time of continued robust debate in academic and political spaces in democratic South Africa, on the need to redistribute and rethink land uses in South Africa. This is due to past injustices 'of land forcefully taken from its historically rightful black owners, and given to white owners for the benefit of the white apartheid machinery. In addition, most of the labourers in the Vrede area rely heavily on migrant work to make a living, therefore, this project sought to redress the unequal apartheid economic model- economic activity concentrated in urban and commercial areas (Zulu, 2019). To date, 51% ownership of the project has been handed back to 65 identified beneficiaries who have been given ownership of the land, cows and equipment- 2000 hectares and 10 tractors. It is stated that a strategic partner will be appointed to work with the beneficiaries (Bhengu, 2022).

1.7.1 Limitations:

Due to the political sensitivity of the EVDF Project, no interviews were conducted with alleged beneficiaries and their families. There have been reports of murders associated with the investigation of the misappropriation of funds in this project.

1.8. Structure of Dissertation

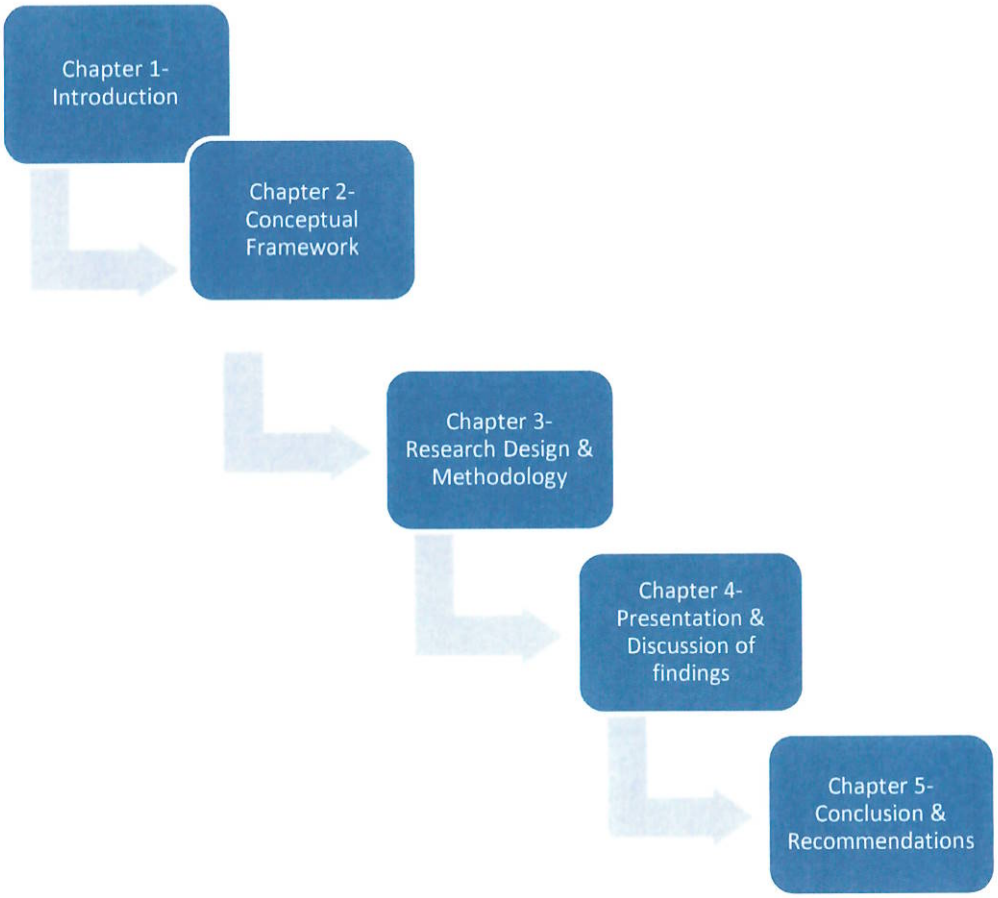

Figure 2: Outline of Dissertation

1.8.1. Chapter 1- Introduction to the research topic

This chapter starts off by defining, conceptualizing and introducing the phenomenon of 'state capture' in South Africa in a background to the study section. Thereafter, the problem statement follows with a focus on the EVDF Project as the case study of this research project. The research aims and questions follow. Lastly, anticipated limitations in conducting research are outlined at the end of the chapter.

1.8.2 Chapter 2- Literature Review/Conceptual Framework

This chapter looks at what has been said about the topic in question. This is done by looking at different schools of thoughts, ideologies and scholars. The literature to be reviewed should be academic and peer reviewed. The purpose of reviewing literature that is out there about state capture and the EVDF Project is to set a good foundation on which my research will sit on. It further guides the direction of the

research. Therefore, the literature/conceptual framework will consist of the historical overview of agriculture/land development in South Africa to place small-scale farming projects such as the EVDF Project. Thereafter, thoughts around Radical Economic Transformation (RET) will follow due to it being the economic ideology of the time, and the driving force for many land and agriculture redress projects in South Africa. This will then lead into a review of the phenomenon of state capture during the Zuma years (national context), and on the African continent (regional context).

1.8.3 Chapter 3- Research Design and Methodology

This chapter deals with the collection of information and data in order to answer the research aims and questions. It details how the research was conducted, what group (s) were selected for the research, how and why. This assists in making sure the right methods/tools are chosen for a particular research. Lastly and, most importantly, it details ethical considerations to ensure the research was done with integrity. The latter ensures the research, and data collected for it, are accurate and objective.

1.8.4 Chapter 4- Presentation and Discussion of Findings

This section deals with the unpacking of the data and information collected- explained in chapter 3. Ultimately, this is to answer the aims and questions established in chapter 1. Therefore, this chapter is guided by the objectives and contents set out in chapter 1-3. The data in this section will be presented using different techniques, namely- graphs, tables, charts etc. These tools are used as they place numbers and other data in chronological order, to ensure the reader can easily see the connections and patterns from the collected data.

1.8.5 Chapter 5- Conclusions and Recommendations

This final chapter concludes the research project by drawing findings, and possible recommendations, for the problems established in the problem statement in chapter 1- including research aims and questions. The latter will be covered and answered through the data and data analysing techniques explained in chapter 4. Therefore, the phenomenon of state capture for the EVDF Project, to better inform small-scale farming projects in mostly rural areas in South Africa.

1.9. Summary

The outline of the dissertation (this chapter) aims to demonstrate the chronological order the research project will follow. Therefore, outlining the problem statement to draw research aims and questions to find the appropriate gap in the state capture\development discourse in South Africa. The establishment of the problem, subsequently the research aims and objectives, guides the methods and techniques to be utilized. This in turn guides the last two chapters that deal with data analysis and discussions/findings.

2. Conceptual Framework

The EVDF Project forms part of the South African government's campaign to redress past injustices and to empower small scale black agricultural entrepreneurs to foster the growth of the agricultural sector, more especially in rural areas, forming part of rural development. Rural development has stagnated in South Africa due to various challenges- this is both common and in line with global challenges where rural development is concerned, especially in Africa. In addition, challenges are not necessarily unique to the African continent as many narratives like to depict. As far back as the 1960s agricultural challenges have existed and have been documented in other parts of the world. In the United States of America Mellor & Johnston (1961: p.18) state that "The low productivity of farm labour, land and other resources in the agricultural sector is largely due to the lack of certain complementary inputs of a technical, educational, and institutional nature".

With the dawn of a new dispensation in 1994 following the end of apartheid, the agricultural sector, forming part of the land question, had to reflect the new South Africa. This largely meant creating legislation in line with developmental projects which would redress racial inequalities and empower the black majority. The latter largely still remained in the homelands and segregated areas created for them by the apartheid government.

Therefore, this chapter will cover the developments of agricultural projects and land use not only in South Africa, but Africa as a whole, post-colonialism. This will be

done by looking at other post-apartheid programmes geared towards small-scale farmers to give context and comparison to the research of the EVDF Project. Challenges to these projects such as IFFs and globalization will also be looked at. It will also be beneficial to look at the rise of 'radical economic transformation' as the driving ideology of the Zuma administration.

2.1. State of agriculture in South Africa

2.1.1 Introduction

According to Greenberg (2004) South Africa's economic development in the agriculture sector post-apartheid moved away from subsidies and protection by the government to stimulate production and employment, to one that was rooted in a liberal/competitive approach wherein privatisation and commercialisation of primary goods was encouraged and took place. Greenberg (2004: p.8) goes on to say that the incorporation and treatment of black farm workers/tenants in the apartheid era was based on the "political economy" of the time. The political economy of the time was in favour of white land owners who were subsidized and supported by the National Party (NP) administration at the expense and marginalization of black farmers through divisive apartheid policies. Greenberg (2004: p 8) goes on to state, "In the commercial farming areas, the provision of housing and services was left up to white landowners. Most took the opportunity to provide only the most rudimentary forms of shelter and access to water and food, and used the provision of these as a stick to discipline the workforce". Furthermore, Greenberg goes on to say "forms of discipline included negligence resulting in accidents and injuries, direct assaults and forced evictions. These served to keep labour tenants and farm dwellers in a permanent state of insecurity" (2004: p.8). Therefore, this resulted in a status quo of violence in keeping non-white farm workers oppressed and economically uncompetitive.

Legislation adopted for redress has mainly come in the form of changing unconstitutional sections of the South African constitution. The section in the constitution that deals with land reform is section 25 (5 & 7) (Kloppers & Pienaar, 2014). Greenberg (2004, p.16) argues that "It is quite possible to reorganise the agricultural sector without any land reform at all. However, there remains a residue of political significance attached to land reform. Amongst the mass of the population,

land reform is a legitimate and necessary process and is widely supported, mainly for reasons of justice and redress".

A legitimate and functioning agricultural approach that integrates black farmers has been the challenge in South Africa. This has been caused mainly by the political manipulation and inconsistency in policy due to the government of the day adopting agricultural policies that a) mimicked from other parts of the world, b) lack adequate research for the South African environment, therefore, c) ends up in resource allocation that is not aligned with the situation on the ground. Additionally, Greenberg (2004) argues that the economic restructuring of both the rural and urban agricultural sectors in South Africa have had difficulties because of competition with international markets. Developed states are better financed; use more tried and tested policies and frameworks, which have cornered international markets. This has ensured their agriculture products dominate markets in Africa, including South Africa. In this regard, policy around land and agriculture in South Africa has been an attempt to build sustainable and local markets, which will compete on the global scene.

Wiggins et al. (2010) states that the following constraints need to be overcome in order to achieve "market-led agricultural transformation with small-scale production systems":

- Access to public goods
- Deliberate non-payment of loans by borrowers
- Lack of due diligence and/or capabilities
- Disinformation that leads to missed opportunities
- Lack of integration between services and supporting structures
- Marginalization of minority stakeholder(s)

FAO (2017) further adds the following issues that still need to be addressed to reform the agriculture sector:

- More funding in agricultural research and education
- The need to close the knowledge gap 'traditional commercial farming sector and the 'new commercial farming sector'.
- The 'redistribution of land'
- More innovation ways in the implementation of agricultural projects

- Consultation and 'commitment' by all stakeholders and
- The need to speed up 'Black Economic Empowerment' in the reform of the agricultural sector.

Cousins & Lahiff (2005: 130) point to an 'area-based land and agrarian reform strategy, in which supply is matched with demand through state support and planning. This would 'revitalize' the rural economy to combat the negative consequences of globalization and neo-liberalism, which supports the urban economy (Cousins & Lahiff, 2005). South Africa's agricultural reform therefore lacks a grass-roots' approach, which would be remedied by an area-based strategy. Cousins & Lahiff (2005: 130) highlight the following interventions to make an area-based strategy viable:

- Areas suited for land and agrarian development are properly planned and services
- The state enters into a transparent process with all stakeholders involved in agricultural development, and provides adequate funding
- Stakeholders should to have ownership of the agricultural process, i.e. choose the means of production, what the land will be used for, and how it is allocated. The state and state officials should play a secondary role.
- Production on the land should be allowed to be varied and diverse
- The state should provide pre and post programme support to stakeholders such as 'infrastructure and service provision'.

- State plans for agricultural development should complement situations on the ground where 'land and agrarian reform' is concerned.
- The state should make provision to sell and buy land for agricultural and land reform once key areas for development are identified. The following areas have been identified for this purpose:

  - Commercial land close to communal areas. Commercial farmers should be made good offers to sell their arable lands to poor communities.
  - Areas that have the potential to be agro-processing sites, within close proximity with arable land, large groups of people and urban areas should be given primary attention.

- The state should invest in 'Peri-urban areas' due to their connection with both locals and the municipality. Therefore, they work well locally and for 'distant markets'. Furthermore, these areas are good for 'intense small-scale farming' such as 'market gardening, dairying and poultry'. Peri-urban areas have been identified in the Eastern Cape, Free State and Northern Cape.
- Provinces and areas with 'high proportions of rural restitution claims' are good areas for the centralization of land and agricultural reform
- Places with 'smallholders of high-value cash crops' (e.g. 'sugar, cotton, subtropical fruit and specialist vegetables') and high potential for 'agro-processing' should be invested in. These areas should be supported by 'redistributed large-scale farming processes' provided by the state.

2.1.2. The impact (s) of developing small-scale farming in South Africa for development and equality

According to Wiggins et al (2010) the most disadvantaged and impoverished groups in the developing world are found on small farms. Wiggins et al. (2010) argues in order for the United Nations' Millennium Development Goals to effect change in the developing world, attention should be given to pro-poor development projects, especially on small farms. Kirsten & Sartorius (2002) go on to say that the impacts of globalization, trade and liberalization, has brought about the integration of global markets, which means "farmers in developing countries, more now than ever, are linked to consumers and corporations of the rich nations" (Kirsten & Sartorius (2002: 3). This therefore implies the need for small-scale farmers to transform in order to take advantage of global markets, to be competitive and to develop with the changing times. According to Hall & Aliber (2012:3):

"Small-scale farmers' in South Africa have been subject to years of official neglect, despite numerous policies and programmes that proclaim the opposite. In particular, dismantling Bantustan agricultural development corporations (for all their faults) in the 1990s left a vacuum in production and marketing support for the now-estimated 200,000 commercially-oriented smallholder farmers and 2.5 million households practicing agriculture mainly for subsistence purposes".

Under the Zuma administration, the focus shifted back to pro-poor growth, reigniting the 'land question' and land redistribution of the 1994/1995 era (Cousins: 2009). Land redistribution in political and decision-making spaces has been argued to carry with it positive economic consequences for the poor black majority, namely 'poverty reduction, employment and economic restructuring' (Cousins, 2009: 3). This would help bridge the gap between the different races and bring about economic equality which apartheid sought to widen as white farming was prioritized over black farming.

However, Cousins (2009:3) does note that the term "smallholder" in the new dispensation does present problems as it is treated as a one size fits all in a diverse and ever changing environment. It is important to note that smallholder agriculture does not only take place in rural areas, but townships and urban areas as well (Cousins & Lahiff, 2005). Therefore, small-scale farming exists at different levels- local, regional and national. Cousins (2009) argues that there are three distinct groups involved in small-scale agricultural production. For each group, farming presents different outcomes and benefits:

- Group 1- farming contributes a small amount to these households socio-economic development
- Group 2- farming constitutes the majority of these households socio-economic development
- Group 3- farming allows for these households to make extra income in order to either re-invest in other activities outside agriculture, or back into agriculture for better profits.

2.2. The rise of Radical Economic Transformation (RET) in South Africa

The re-dress of past injustices in South Africa, more so around land issues, saw the adoption of Radical Economic Transformation (RET). RET was both policy and ideological in nature, largely targeting the black majority as its beneficiaries. The RET and BEE became indistinguishable, even though they are two separate policies. According to Saunders (2003: p.2) "the developmental project of the African National Congress (ANC) is one that has become closely associated and unidentifiable with Black Economic Empowerment (BEE) in South Africa". Southall (2003) goes on to say that BEE has, and continues, to be debated and contested in public discourse

due to the fact that those who are anti-BEE policy believe it is unsustainable because it was sold to the ANC by the former white government to secure the white's superior economic position during and after the process of negotiating a new South Africa.

Saunders (2003) goes on to state, "It is now a commonplace that the ANC has embraced capitalism. Interpretations of whether this has been dictated by the 'realities' of the post-Cold War, post-apartheid world, or is illustrative of a more pernicious, 'betrayal' of the goals of national liberation vary considerably" (p.2). Therefore, the RET adopted by the Zuma administration was quite controversial, largely because of its ambiguous nature. This ambiguity was the cause of former President Jacob Zuma being deemed the face and architect of kleptocracy within the South African government by critics.

Kamga (2021: 180-181) also supports this view by claiming that decolonization in Africa occurred under the current neoliberal regime, which merely incorporated (South) Africa into a system that already existed, therefore, dictating the de-colonial trajectory of Africa and its development. According to Kamga (2021: 215) this is evident by the adoption of the Bretton Woods Institutions along with their structural adjustment programmes and economic rating systems for direct foreign investment by African states. These neoliberal mechanisms contribute to IFFs instead of bringing about sustainable development (Kamga, 2021).Therefore, Africa has been at a disadvantage from the onset of the decolonization movement. Kamga's (2021: 216-218) solution to this problem is that there needs to be disengagement with the current old-style way of conducting economic activities on the African continent. There is a need to adopt a grassroots approach centred on African norms and traditions in order to be constructive rather than reactive- which is what current solutions and bodies are missing (Kamga, 2021). The rise of RET in South Africa sought to bring about these views economically, more so through returning to the guiding principles of the Freedom Charter (Kamga, 2021). On the African continent as a whole, initiatives such as the African Continental Free Trade Area (AfCFTA) were born of this vision of African "Ubuntu" and "Isintu" (Kamga, 2021) 221-226).

The abovementioned finds support not only in South Africa but the region seen by the migration patterns of black labourers who work outside their natural communities.

Labour forces largely remain the black majority because of abject poverty, even though liberation parties have taken over governance following the decolonization of the African continent. This is due to the means of production largely remaining in the hands of private entities, and not African governments. Fombad (2014) argues that South Africa's developmental agenda, based on key imperatives identified by the state, is largely dependent on private-public partnerships (PPPs). However, PPPs are commonly susceptible to corruption due to their large sizes, making it hard to control and monitor each stage of a developmental project (Fombad, 2014).

In this regard, Johwa (2017) argues South Africa lags behind the Asian Tigers[4] who inspired the trajectory towards RET with the intention to transform South Africa into a developmental state during Zuma's tenure (2009-2018). The concept however received much criticism from opposition parties who claimed it disguised "corruption and cronyism" as it handpicked companies who would receive government funding and support (Johwa, 2017). Many Asian states that followed this developmental method were criticised internationally for the corruption and abuse that underpinned this method. It was also criticised for being run through an authoritarian and reciprocal system (Johwa, 2017), therefore, not following democratic processes or being consultative in nature. Johwa (2017) notes however that South Africa could not reach the targets that Asian Tigers reached developmentally because of its vast socio-economic challenges, such as South Africa's welfare burden, low education rates and others. South Africa also has different racial and ethnic groupings, unlike the homogeneity of Asian states.

2.3. Small-scale farming programmes in (South) Africa

Since the dawn of democracy, there have been a number of interventions to promote and grow rural development, which smallholder agriculture forms a part of. However, due to a lack of state support and programmes not reaching a wide range of people, interventions have been unsuccessful (Cousins & Lahiff, 2005). Hall & Aliber (2010) do however note that state spending on agriculture has steadily increased in South Africa since the dawn of democracy.

[4] Commonly referred to as the 'Asian Miracle' which saw Asian countries, led by Japan, acquire economic success through industrial innovation leading to rapid development (Johwa, 2017).

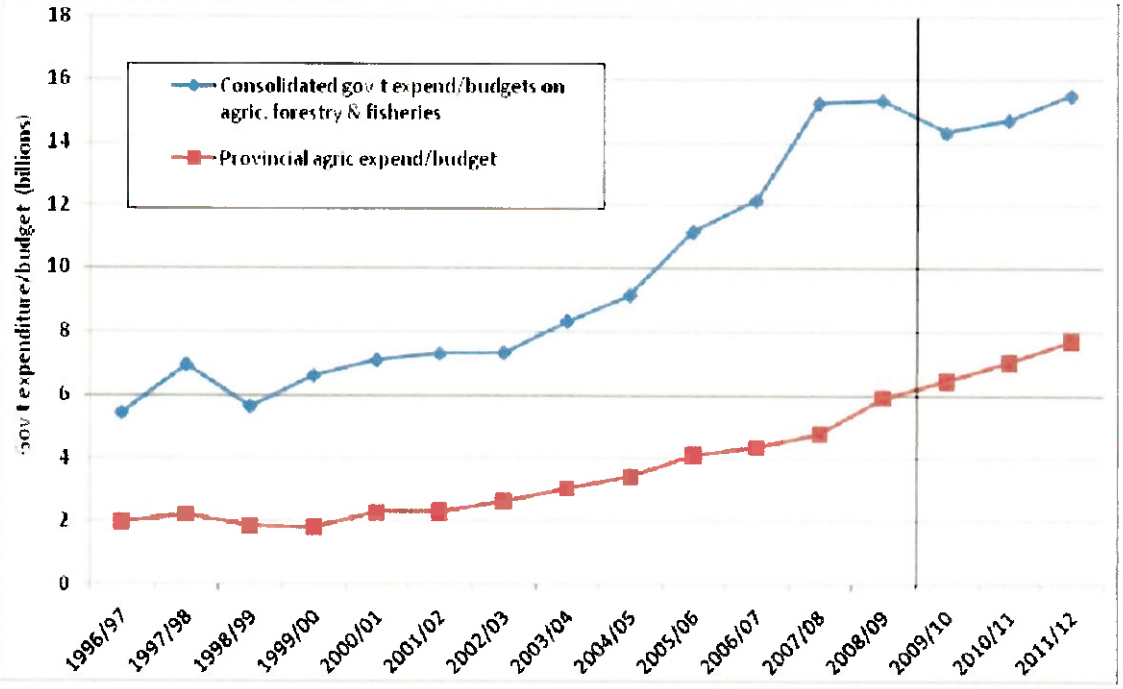

Figure 3: Sources: National Treasury (various), National Treasury 2009b and Stats SA (various) (Hall & Aliber, 2010: 6).

More recent land and agriculture policies introduced in Post-Apartheid South Africa for land and agrarian development and reform are notably land restitution, land redistribution and tenure reform. These would be undertaken under the 2020 Expropriation Bill. To date the South African government has adopted the 2021 Agriculture and Agro-Processing Master Plan (AAMP). The AAMP has been endorsed by the government, private sector players, labour and civil society groups involved in agriculture and agro-processing (Qobo, 2022). The master plan is considered a 'social compact' in which various stakeholders will cooperate in the different agricultural sub-sectors (livestock, horticulture, field crops and agro-processing) in order to bring about growth. The master plan more importantly seeks to 'broadly' commercialize and reform rural land in order to increase production and infrastructure (Qobo, 2022). Therefore, like the EVDF Project, it is an undertaking that seeks to reinvent agricultural development/reform by bringing together both the public and private spheres to empower black farmers in marginalized communities.

Saai (2022) argues that the AAMP is and will be a 'betrayal' to South African farmers. According to Saai (2022) the plan has three fundamental flaws:

- The AAMP is fundamentally based on the ANC's rhetoric on 'transformation' and redress without empirical evidence on how it will be implemented.
- It is based on commercial and profit-driven principles, benefitting everyone involved in the value chain, except the farmers themselves.
- The plan ignores the well-established 'commercial family farmers', and how they need to be included in the master plan to i)give guidance on how markets work, ii)how their livelihoods will be protected and taken care of, iii) how their tried and tested system (s) will be blended in with this master plan.

Saai's (2022) caution that in order for small-scale farming to succeed through government interventions, the following would need to be addressed: (ii) how their livelihoods will be protected and taken care of, iii) how their tried and tested system (s) will be blended in with this master plan) has similarities to the cautionary tale of "Nongqawuse"- A falsified agricultural intervention in rural Eastern Cape. According to Hogg (1985:2) "social processes relating to the struggle between groups for relative power, status, superiority and material advantage were considered to give group behaviour its content". Like the story of 'Nongqawuse", the EVDF Project beneficiaries were instructed to relinquish their livestock with a promise of new ones. The story of "Nongqawuse" was largely mythical in nature involving the belief in ancestors which is not a present factor in this case. However, the historical role and importance of the ANC government for the black majority may be considered to have a similar belief system that led to a blind belief in the intangible outcomes of this dairy-farm project-pointing to the ANC government being viewed as a solution to the plight of small-scale farmers.

Saai (2022) further points out that the plan will fail because of the following:
"Even more disturbing than the blind pursuit of the ANC's ideology and transformation paradigm is the place allotted to *large companies by implication.* By singling out "private sector value chain partners" as agents for implementing the plan, the average rural farms are left out, cut out and replaced. As with the United Nations' 2021 Food Systems Summit, a master plan for agriculture must be a farmer-

centred plan. No large company in the agricultural value chain is indispensable, but agriculture cannot exist without farmers". Saai (2022) goes on to say: "Only a few large companies will benefit from the master plan. The soulless institutions with faceless policymakers hiding behind boards, credit committees, and artificial intelligence decision-makers to increase profit for their unknown shareholders will become even stronger. On the other hand, the broad base of real families who try to make a living from their farms plays an almost negligible role". Therefore, a common denominator in the AAMP and the EVDF Project is the large stake given to private entities, through association to the ANC, which renders them business transactions rather than community-based initiatives.

2.3.1. Regional Perspective:
Historical Overview of Small-Scale Agricultural Development on the African Continent

Agriculture has remained an African treasured space before and after decolonization. It is seen by many policymakers and governing bodies across Africa as one of (even not the main) the sectors to bring about prosperity, equality and dignity to the black man. Thus, it is no surprise that many initiatives across Africa have been thought up and adopted surrounding agriculture. One programme that has been well documented and critique is the UJAMMA Project in Tanzania, which bears many similarities and lessons to both the EVDF Project and the AAMP.

The ujamaa village programme in Tanzania was the brain child of former president Julius Nyerere, and was introduced as a socialist programme. The project was a rural development project undertaken at a large scale because it was proposed to not only benefits the rural communities and families who participated in the project, but the entire nation (Huizer, 1971). Smallholder farmers involved mostly in subsistence farming, were grouped according to location to work on communal crop farms designated and monitored by the state (Huizer, 1971). Huizer (1971:6) summarizes the creation of the programme by Nyerere below: (1971: 6)

"At a meeting of TANU executives held on 5 February 1967" a strong impetus to rural development was given as part of the Arusha Declaration which outlined

TANU1s policy on socialism and self-reliance. In widely-circulated public documents explaining the need for and background of the Arusha Declaration, President Nyerere diagnosed the country's problems, such as the growing socio-economic inequality and the need for austerity in party and government circles".

Huizer (1971:8) goes on to add that Nyerere created the project to:

"The objective is to farm the village land collectively with modern techniques of production, and to share the proceeds according to the work contributed. People who are farming together can obtain the economic advantages of large-scale farming, in the better utilisation of machinery, purchase of supplies, marketing of crops, etc. It becomes easier to supply technical advice through agricultural extension officers who can teach a group more easily in one place, rather than travelling from one small shamba to another". The programme thus envisaged a grass-root approach in which the state and state actors would play a supportive role in Tanzania's rural postcolonial development.

The ujamma village programme failed due to the distrust and dissatisfaction of the villagers, mismanaged and abuse by state officials, and inaccurate quotas and numbers regarding the cooperatives. Ergas (1980) attributes the failure of the project to the fact that 'agriculture and socialism do not mix'. This therefore means that the legal (socialism) and social (agriculture) are incompatible in a policy, especially in Africa's dynamic and ever-changing socio-economic environment. Degrassi (2008) argues that neopatrimonialism as the leading ideology in explaining the failures in Africa is narrow and outdated because it proposes "African essentialism, functionalist explanations, inattention to actual conditions of agricultural production, the discounting of rural and local politics and resistance, and the ignoring of social differences" (Degrassi, 2008: 113-114). Therefore, it is dangerous to conclude that projects in Africa, especially those that have failed due to political interference and financial mismanagement, have a common thread and outcome as nuances could be missed. Degrassi's views on neopatrimonialism are valid; however, scholars such as Bayart simply attribute the failure of projects in Africa to a common tendency for political elites and their associates to loot state funds in order to accumulate wealth. This is a recurring theme in Africa, which has become systematic.

2.3.2 International Perspective (s): Contemporary Development in Agriculture

The attempt at government-orientated interventions in the agricultural sectors nationally and regionally has to be contextualized within the developments taking place internationally. The end of colonialism and the drive for a more African-centred approach to African issues and development has seen the rise of contemporary development theories, to help explain developments in agriculture worldwide. The post-development age has seen the rise of new development blocs such as BRICS (Brazil, Russia, India and South Africa), and a move to multilateralism. The BRICS bloc for example is made up of countries that still rely heavily on their agricultural sectors for their GDP outcomes. This has come to be known as "South-South Cooperation", which seeks to give an alternative to western development ideology and assistance. With regards to the BRICS bloc and its intervention in member states' agricultural policies, Davenport (2009:19) notes: "Of some concern is that reform efforts to date appear largely to represent a set of responses to certain economic crises and WTO pressures, and for the most part, have failed to provide a legacy of ongoing, internally-driven, policy reform processes". Therefore, the EVDF Project needs to be understood against this conceptual backdrop and developments.

2.33. Illicit financial flows from the African Continent

According to Kamga (2021) the African continent of the 21st Century should be developed and advanced considering the fact that it is one of the fastest growing in the world. However, due to "poor governance, inefficient socio-economic and political structures, human rights abuses, corruption, weak institutions, and, to a large extent, illicit financial flows (IFFs) (Kamga, 2021: 15) it has remained one of the poorest in the world. The 2015 High Level Panel on Illicit Financial Flows led by former President Thabo Mbeki defines IFFs as "money illegally earned, transferred or used" (Kamga, 2021: 16). I argue that funds looted and stolen from the EVDF Project can be classified as illicit financial flows (IFFs) as most of it most likely ended up in offshore accounts for personal use, and not re-directed back to the South African economy. Furthermore, findings by the 2015 High Level Panel on Illicit Financial Flows found that 50 billion dollars is lost to IFFs from the African continent annually, with this figure increasing by over 20% every year (Kamga, 2021). According to

Bayart (2000, p. 219): "'The leading actors in sub-Saharan societies have tended to compensate for their difficulties in the autonomization of their power and in intensifying the exploitation of their dependents by deliberate recourse to the strategies of extraversion, mobilising resources derived from their (possibly unequal) relationship with the external environment".

The external environment thus turned into a "major resource in the process of political centralization and economic accumulation'" (Bayart, 2000). Extraversion and the persistence of it are underpinned by corruption with the latter creating a volatile socio-economic environment in Africa wherein privileged elite circles (politicians, big men, big business and associates) opt to offshore both their own wealth and that which is accumulated through illegally syphoning off public funds overseas in order to mimic European/Western standards of living rather than to invest it into localized development and national economic-building (Mfikili, 2021). Kamga (2021) argues that the systematic adoption of IFFs in the political space has hindered "inclusive development" in South Africa, therefore, affecting not only economic development and wealth distribution, but the provision of social services (housing, healthcare, education, security) and leadership. IFFs therefore affect all facets of society, deepening pre-existing socio-economic divides and challenges. Most importantly, Kamga (2021: 16-17) argues that South Africa 25 years after apartheid still "traps" the black majority in conditions that are the same as those of the apartheid era, namely, "poverty, illiteracy, corruption, and economic crisis". Kamga's argument is supported by Frantz Fanon (2017, 2020) who has written extensively on the psyche of the black man post-colonialism. Fanon (2017 & 2020) states that the development of the black man is intrinsically linked to violence, a feeling of inferiority, and a missing cultural identity caused by colonisation. Like the "Scramble for Africa" which took place in the 1880s, Kamga (2021: 161) further argues IFFs and corruption also extract resources from the African continent. Therefore, the phenomenon of IFFs is the new "Scramble for Africa".

Kamga (2021) acknowledges that these factors and more have contributed to the investigation of state capture in South Africa. This acknowledgment is largely due to the fact that IFFs have three modes operandis- commercial activities, criminal activities and corruption (Kamga, 2021). The latter (corruption) is most prevalent on

the African continent. It is important to note that corruption exists in both the public and private sectors, relying on the "supply and demand sides to bribery" (Kamga, 2021: 20).

This in Africa, more so in Nigeria and rich oil countries, is the dependence on oil with the latter being a 'zero-sum' game (Shaxson, 2007: 1128-1129). Therefore, ensuring that no policy in place or proposed succeeds as mining corporations determine the foreign policy directive in those rich-oil countries because African leaders see oil as an asset to keep political enemies at bay and for capital accumulation in the event of an impending change of leadership, usually brought about by civil war, created by the competition over these primary extractive natural resources (Mfikili, 2021). Shaxson (2007, p.1131) argues that a possible solution to the problem of capital accumulation done generally through tax havens and disguised national programmes whose true intention is to expand personal wealth like the Kabila empire and 'Zarianization' during the Mobutu Era (Young & Turner, 1984) . Shaxson (2007, p. 1133) argues that the best policy to counter the 'resource curse' and the 'burden of development' (Bayart, 2000) is to strengthen democracy and this should be done through the direct distribution of oil revenues to the public to foster transparency in order to curb offshoring/extraversion (Shaxson, 2007, p.1132-1135) .However, I argue the issues in implementing such a policy would be a lack of capacity, both technological and human capital, in ensuring monitoring and evaluation of such a policy, in addition, getting all stakeholders to be in agreement (Mfikili, 2021).

According to Boone (2013, p. 3-4) it is a false notion that land rights/issues are marginalized and beyond the reach and political will of the state as is universally believed. Instead, it forms the political landscape and different relationships between actors at the rural and national levels in determining who receives land, whether it is used for subsistence or commercial use, and how the power to allocate creates ethnic lines/conflicts which render one ethnic grouping economically dependent and the other without agency (Boone, 2013: p.3-4). The main driving force (s) that underpins land tenure in the developing world, creating the spaces for exploitation and extraversion by the elite over the poor majority, who reside mostly in the countryside, is customary law which operates under chieftaincy and fluid ethnic

interpretation, and statutory law which was developed under colonial rule and supersedes the former and lies in the domain of the state and its actors (Boone: 2013, p. 5). Boone explains the complexity of these laws when she states "Fine-grained studies of local practice often underscore either implicitly or explicitly, the intimacy, variety, and even bewildering diversity of local land regimes" (2013, p.5).

Bayart (1993) goes on to explain the relationship between the state, and powerful actors as the 'Rhizome State', in which complex relationships and networks connect 'big business', 'big men' and is a naturally recurring phenomenon that surprisingly plays out from the bottom to the top (Bayart, 1993). The latter is due to the benefits to be gained from these relationships (Mfikili, 2021). Kamga's (2021) observation that traditional leaders play an important role where IFFs are concerned as custodians and direct links to the people is important and understated. This is important to note because the phenomenon of state capture, IFFs and corruption in South Africa tends to be associated with political leaders and affluent persons, neglecting traditional leaders because of their existence predominantly in peripheral spaces.

The Rhizome State has persisted in most African states due to the focus being on egalitarian means of production, and subsequently, tax collection in Africa commonly referred to as 'gatekeeping' by Cooper (2002)- export-led production being the main revenue collection of governments (Mfikili, 2021). According to Moore (2018) the focus on egalitarian means of tax collection in Africa allows for more high end sectors and individuals in private property and mining (highly regulated and controlled by OECD states and HNWIs) to get away with not contributing taxes towards the state machinery. However, they evade the long arm of the law whilst the poor bear the majority of the tax burden due to ambiguous and non-binding policies (Moore, 2018). In addition, A country like South Africa receives large some of foreign aid from Western countries and non-governmental organization such as the USA and USAID on top of its own mineral resources, however, Kamga (2021) notes that poverty still persists, especially for the black majority. Kamga (2021: 39) also found that the top 10-20% wealthiest South Africans are amongst the richest people in the world when compared to other countries. This shows and proves developmental projects like the EVDF Project have the potential to succeed and bring about inclusivity for all South Africans looking at the resources at our disposal. Kamga

(2021: 39) supports this notion by stating mismanagement by the elites is done deliberately in order to remain dependent on foreign aid whilst misusing and looting indigenous resources through poor government processes.

Kamga (2022) recommends that the impacts of IFFs (caused largely by corruption in the public and private spheres in Africa) need to be tackled by a "concerted global effort to address this problem". This can be done through panels such as the 2015 High Level Panel on Illicit Financial Flows from Africa (Kamga, 2021: 26), whose aims were to:

- Establish the extent of outflows in a practical and easily understandable way
- Develop a global best practice framework that can identify and help fight the phenomenon of IFFs.
- Most importantly, investigate IFFs on the African continent through specific case studies to best understand the dynamics of IFFs.

According to Kamga (2021: 87):

"In Africa, illicit financing is common in many layers of society and largely infiltrated the vulnerable population with ease". Kamga (2021:87) goes on to argue that vulnerable people tend to be seen as not having "valuable capacity to be productive and self-reliant and often are avoided and undervalued". This we saw happen with the EVDF Project wherein beneficiaries were selected unilaterally by those responsible for the project, and were removed from the project without consultation or explanation. The complex and "multifaceted" nature of illegal financial flows involving marginalized groups also tends to have blurred lines because of the difficulty of proving and tracking the money that has been stolen. This therefore compounds the problem, making it difficult to tangibly assess (Kamga, 2021). State capture in South Africa violates the United Nations' Declaration Right to Development (RTD) (Kamga, 2021: 250).

2.4. The Phenomenon of State Capture

2.4.1. National Context

According to Kamga (2021) South Africa is one of the African countries seriously affected by IFFs. Kamga (2021; 123) declares "In 2012, the country was ranked 9th in terms of IFFs with a loss of $29,13billion". These illicit finances flow largely from organized crime, illicit economies and more recently, the "shadow state". The latter has come to be known as the rise in public-private ventures that has created a socio-political environment wherein the state has been captured by illegal state and business relationships. The capture of the state by these entities led to the failure of the EVDF Project and other projects identified in the public protector's report. These projects subsequently were investigated by 'The Judicial Commission of Inquiry into allegations of corruption and fraud in the public sector including organs of the state' chaired by former judge Raymond Zondo. This was done to establish the extent of state capture in South Africa caused by uncontrolled and unmonitored corrupt activities by those entrusted to advance the best interests of the state and its people. This commission is the first of its kind as no 'state capture' commission has ever been established in South Africa. The last commission to have been established in South Africa of such a size and public exposure was the Truth and Reconciliation Commission (TRC) under Archbishop Desmond Tutu. The TRC like the Zondo Commission sought to investigate wrongdoing by state institutions and officials, however, not intended for prosecution.

The Zondo Commission, as it is commonly referred to, has been met by both negative and positive views in public debates. According to Civil Society Working Group, the Zondo Commission's work is being jeopardized by the political games played by former president Zuma and other political actors who are delaying the process because of not wanting to be held accountable for their roles in state capture in South Africa (nd., 2021). Kamga (2021), states that the fight against IFFs in South Africa has been due to the work of a strong civil society base. Kamga (2021: 123) states that the findings of the Zondo Commission ..."draws its vitality from strong institutions, a free press environment, and more importantly the involvement of South African whistleblowers, who became (and still are) allies to the South African civil society organisations (CSO) campaigning against state capture

and more specifically IFFs". Therefore, state projects require strong civil society participation.

Those who are anti-Zondo Commission (mostly the ANC Veterans' Association and Zuma supporters) argue it is a costly inquiry, which does not guarantee the prosecution of those accused of corruption. Sceptics argue that its creation seeks to undermine the legitimacy of the Zuma administration and 'radical economic transformation' (*SABC News*, 2021). According to the Public Protector's Office (PP), 'State Capture' is linked to the "Zuma-centered power elite" (PP, 2016). It is alleged former president Jacob Zuma's association with the Gupta-family gave birth to an unconstitutional and illegal collaboration, which coerced officials in key positions in state institutions and organs of the state. This was done for this group to loot legally and/or illegally state funds allocated for state projects (PP, 2016). State projects should comprise of various stakeholders, namely, those in power, service providers and beneficiaries. However, the recipients/beneficiaries tend to be marginalized due to their social statuses.

2.4.2. Regional Context

2.4.3. Kleptocracy on the African continent

According to Idehuru (2018), state and business collaboration in Africa emerged in the 60s and 70s, and has been characterized by 'patrimony', 'rent seeking' and 'Africapitalism'. These three interchangeable terms in Africa have come to be associated with widespread unchecked corruption. A more developmental corruption in Nigeria, coined "developmental neo-patrimonialism", has come to be associated with groups such as Alike Dangote's 'Dangote Group'[5] ,which has been doing business with the Nigerian government since the 1990s (Idehuru, 2018). This is of importance because this type of relationship has come to characterize the state of Africa's economic development. The state and business have meshed to such an extent that companies such as the 'Dangote Group' are integral to development projects across various sectors of society – wielding power over and in the ruling government (Iheduru, 2018). Bayart's book "Politics of the Belly" (2009), and his theory of extraversion, explains that the reason corruption has gone unchecked for

[5] "Aliko Dangote is the founder and president/chief executive of the Dangote Group, the largest conglomerate in West Africa. The Group currently has a presence in 17 African countries and is a market leader in cement on the continent. One of the Group's subsidiaries, Dangote Cement Plc, is the largest listed company in West Africa and the first Nigerian company to join the Forbes Global 2000 Companies list". [https://www.dangote.com/about-us].

such a long time in Africa is because it is the preferred governing tool, with its own checks and balances.

Subsequently, these checks and balances normalize corruption, vis a vis 'state capture', for the greater good of societal development. This is also due to the fact that private organizations that collaborate with the government on development projects require a return on investment in order to support and promote these projects. However, a rising problem of IFFs on the African is that of terrorism. Some of the illicit funds are re-directed and used to finance terrorist activities (Kamga, 2021: 103). Terrorism is negative for development as it tends to involve violence and death, it also hampers economic and social developments for various reasons-destruction of infrastructure, decrease in direct foreign investments, civil war, widespread panic and social instability just to name a few. Corruption and IFFs have led to underdevelopment and African states not reaching the United Nations Development Goals. As a solution, the Southern African Development Community (SADC) established the Protocol against Corruption, with its mission being to " promote and strengthen the development, by each of the state parties, of mechanisms needed to prevent, detect, punish, and eradicate corruption in the public and private sector" (Kamga, 2021: 147). This initiative by SADC was undertaken to protect and develop the African continent, however, another pressing reason was that of the role of global multilateral corporations (MNCs) in the corruption and IFFs' game. These MNCs operate in cahoots with African states however, when the time comes for prosecution and investigation, the state bears the burden of proof with MNCs out of the law's reach due to laws and jurisdiction (Kamga, 2021).

2.5. Summary

It is evident that state capture has negatively affected sustainable development in South Africa, not only in monetary value, but for overall inclusive development. This chapter looked at existing literature on illicit financial flows and kleptocracy on the African continent as drivers for corruption and 'state capture'. It also showed how interventions and postcolonial ideas like radical economic transformation (RET) get hijacked by neoliberal thinking when it comes to development in Africa. Furthermore, this section explored in depth the phenomenon of IFFs which are prevalent on the

African continent, more so after decolonisation and post-apartheid in South Africa. IFFs highlighted the prevalence of extraversion and essentially money laundering on the African continent, due to a lack of proper cross-border policies and measures. IFFs are a huge incentive for corrupt activities with no checks and balances in place in most institutions in developing states.

3. Research Design

This chapter will highlight the method (s) utilized to critique state capture in South Africa looking at the EVDF Project as the unit of analysis. This will be done primarily through the questions, aims and objectives covered in Chapter 1. The methods will attempt to explain and breakdown the data that will be collected- namely the nature of the data collected, collection method (s) and the data analysis process. According to Glanville (1999) research is essential to finding the right answers to problems. It is important for evidence-based studies, which are necessarily for both qualitative and quantitative research (Glanville, 1999). Glanville (1999) goes on to state that research is important for knowledge production for the good of human evolution and problem-solving. Research design is also essential for planning, organizing and having a roadmap for the answering of research questions.

3.1. Choosing a suitable research design

According to Akhtar (2016) it is important to identify the responses required to answer a research question(s) in order to achieve an accurate and true research project. He goes on to state that research design is not dependent on research methods, but is about using a design that will yield the lowest bias, minimize errors, cost effective and presents information in a professional and chronological manner (Akhtar, 2016).

There are 4 types of research design (Akhtar, 2016: 73):

1. Exploratory or Research
2. Descriptive Research or Statistical Research
3. Explanatory Research
4. Experimental Research or Analytical Research

Exploratory research is one that seeks to explore an under-researched phenomenon or to formulate a hypothesis around a problem. According to Akhtar (2016:73) "Exploratory studies are usually more appropriate in case of problem about which little research knowledge is available, for instance, there is little knowledge available about social interaction pattern of members of a most monastery an enterprising researcher may be interested in such a problem to obtain insights in the face of little knowledge available about it".

Formplusblog (2007) supports Akhtar by stating: "Exploratory research is the process of investigating a problem that has not been studied or thoroughly investigated in the past. Exploratory type of research is usually conducted to have a better understanding of the existing problem, but usually doesn't lead to a conclusive result". I could find little to no social science research on the EVDF Project and the impacts of state capture on development in 21st Century Post-Apartheid South Africa. Therefore, the qualitative exploratory research design used for this report was most appropriate as findings enriched understanding of the relationship between 'state capture' and development both for South Africa, and more broader contexts.

This research project uses a qualitative approach in order to holistically explore the phenomenon of state capture in 21st Century South Africa. A qualitative approach allowed for the qualitative data collected from various sources to be dichotomised in-depth through observation and interpretation.

3.2. Research Methods

Research methods are vital to any research project as they provide the best techniques to obtain the most accurate data for a topic in question. This research report used a case study (the EVDF Project) as a research method through secondary analysis of qualitative data. Zainal (2007) states case study as a research method comes as exploratory, descriptive and explanatory case studies. They have been found to be effective in government, management and education, more so, to ascertain whether or not a programme was impactful and if its objectives were reached (Zainal, 2007). Because the investigation and functioning of the EVDF Project is still on-going and controversial, reviewing available primary documentation on a secondary basis was the best approach. These were limited to findings

contained in the Zondo Commission reports and media reports. Zainal (2007) warns of the limitations of a single case study design as it tends to not give a generalized conclusion of a phenomenon, however, the use of primary and secondary sources of information regarding the EVDF Project allowed for adequate triangulation.

According to Heaton (2008:34) "Secondary analysis involves the re-use of pre-existing qualitative data derived from previous research studies".

3.2.1 Primary Sources of Information

The primary data sources consist of interviews and statements given by alleged beneficiaries of the project, and those who had first-hand knowledge and participation in the projects (i.e. testimonies at the Zondo Commission). According to Weiss (1994) interviews as a research method allows for respondents to generate data that is unique and unknown through the researcher who acts as a facilitator. Additionally, it allows the researcher to participate in the process creating a 'research relationship' between the two entities. The evidence given by stakeholders at the Zondo Commission was interpreted (against empirical evidence and available literature where required) in order to give analysis and observation.

3.2.2. Secondary data sources to be reviewed are as follows:

-graphs, diagrams and figures related to the research topic found on the internet

- Proposed interventions (i.e. latest recommendations stemming from the Zondo Commission findings)

-Relevant literature available on the open net.

3.3. Data Analysis

The data collected from abovementioned sources of information, were interpreted and observations given –supported largely by available empirical evidence and literature around the aims/questions set out in chapter 1- juxtaposing different arguments. This was done in order to draw themes where 'state capture' and development are concerned.

3.4. Ethical considerations

Though no interviews were conducted by me as the researcher, it is my duty to handle the information available in the public domain with respect and integrity.

Therefore, to not misconstrue the information reported on to suit any biasness I may have. I intend on keeping a reflective diary in order to keep as objective as possible during the data analysis and write up stages of this research. This is to make sure the research is done with integrity and is not bias.

3.4.1 Risks and Benefits

Due to the political sensitivity of the EVDF project, and the on-going investigations undertaken by the Zondo Commission and the SIU, it was going to be risky to visit the project site or interview beneficiaries. The alleged deaths around the project also made it difficult and impossible to secure interviews with state department involved with the project- i.e. department of agriculture. It was also impossible to secure interviews with private entities involved in the project such as Estina as most are under investigation, or on the run (Gupta brothers).

The benefits stemmed from the risks as most of the initial reporting and interviews with beneficiaries has already been done for the researcher by the Zondo Commission and journalists. This allowed me as the researcher to save time and money as the data collection aspect has already been covered. Note: It would have been beneficial to interview journalists and/or Zondo Commission investigators on details not publicized about the EVDF Project. However, none were available to elaborate on their work.

3.4.2. Challenges experiences

As the researcher I wanted to supplement secondary data sources with interviews and surveys, however, again due to the sensitivity of the project and ongoing investigations, the research had to become a desktop research project. Other challenges experienced:

- COVID-19 pandemic. The research project was conceptualized during the peak of the pandemic (2021) therefore, planning and organizing personal interviews was a mission and made an already difficult project that much harder.

- The political sensitivity of the project did not allow for me to interview beneficiaries and persons involved in the project for security reasons- both for myself and for potential subjects.
- Due to the sporadic nature of the project and the fact that it happened under the unearthing of 'state capture' in South Africa, triangulation and comparative analysis was difficult as no other projects could be identified with similar or same characteristics.
- The unpredictable nature of corruption in South Africa made it difficult to incorporate into the project, and eliminate vagueness from the findings and recommendations.

3.5. Summary

This chapter highlighted the methodological route this project will take. Namely, secondary analysis of qualitative data to engage with primary sources of information, and secondary data sources in the form of newspaper articles, government policies, international interventions and Zondo Commission findings and documentation. Challenges and difficulties were highlighted, namely, the political sensitivity of the EVDF Project and its ongoing investigations. The challenges made it impossible to conduct interviews with stakeholders, turning into a desktop project, utilizing the case study method as a research method suitable for the new direction. The project being the first of its kind in South Africa –captured and investigated under an unprecedented phenomenon of 'state capture' in South Africa- made it difficult to triangulate and get a generalized conclusion for similar projects. No ethical considerations and or privacy and protection steps had to be taken for this project as the collection had been done for the researcher. The benefit of the collection having been done by journalists and the Zondo Commission is that the researcher saved time and money allowing for more time to engage with the information already available in the public domain.

4. Presentation and discussion of findings

This chapter will discuss secondary data information collected about the EVDF Project from the various platform-namely Zondo Commission, media and articles. This will assist in answering the research questions, subsequently the research aims, set out in previous chapters. The findings will also tie in with the literature reviewed in chapter two in order to answer the questions this research paper seeks to answer about 'state capture' and development in contemporary South Africa. The findings will be presented in graph, tables, figures and picture forms, accompanied by discussion (s) to analyse and narrate the information. The secondary information comprises of witness statements at the Zondo Commission, observation of the people and entities at the Zondo Commission, statistics on small-scale farmers in present day South Africa and views and perspectives from investigators such as journalists, political analysts etc. who looked into the EVDF Project. The 4 questions seek to answer the overarching question: What does the capture of the EVDF Project reveal about the relationship between "State Capture" and Development in Post-Apartheid South Africa?

"This in turn will give a holistic picture into land and agriculture developmental projects in South Africa that use a public-private partnership.

Firstly, the chapter will identify the causes for the failure of the EVDF Project. This will assist to ascertain the socio-economic dynamics surrounding the project and the stakeholders involved. Secondly, identifying the socio-economic dynamics will lead to lessons on the capture of the farm project and what this tells us about development in 21st Century Post-Apartheid South Africa. Thirdly, this chapter will look at the stakeholders and entities summoned to the Zondo Commission relating to this farm project to give context and details on factors such as gender, age, demographics, occupation etc. Lastly, the role and impact of the Zondo Commission itself as a preventative and appropriate body to investigate the EVDF Project will be analysed and discussed.

4.1. What were the factors that caused the failure of the EVDF Project?

According to Zondo (2022) the EVDF Project was two-fold: 1) it was intended for small-scale farmers who wished to take part in dairy farming in the Free State. It offered knowledgeable small-scale dairy farmers a chance to commercialize, whilst also offering training to new comers who wished to enter the dairy farming industry. 2) The project profits would go towards community development in the form of infrastructure development etc. However, in reality the project was used by small-scale farmers in the area to supplement their incomes by selling milk at a small-scale. The Zondo Commission found that the proposal put forth by the government was not what was happening on the ground as the project did not commercialize dairy farming in order to develop the Vrede community (Zondo, 2020). The EVDF Project therefore was contradictory in nature, lacking oversight and consultation with the different stakeholders.

Table 4.1b below by Greenberg (2013) supports the findings by Zondo and his team as it illustrates that small-scale farming in South Africa is primarily subsistence in nature, driven by the family unit, low in capital intensity and has very little access to financial assistance.

Category	A	B	C	D
	Subsistence-oriented smallholders	Market-oriented smallholders in loose value chains	Market-oriented smallholders in tight value chains	Small-scale capitalist farmers
Objective of production	Household consumption	Household consumption + cash income	Cash income + some home consumption	Profit
Proportion of marketed output	None or insignificant	50% or >	75% or >	100%
Contribution to household income	Reduces expenditure on food	Variable – From small to significant	Significant	Very significant
Labour	Family	Family + some hired	Family + significant numbers hired	Hired
Mechanisation	Very low	Low	Medium to high	High
Capital intensity	Very low	Low	Medium to high	High
Access to finance	Absent	Some	Significant	Very significant
Numbers in South Africa	2 000 000 – 2 500 000 households	200 – 250 000 households	Unknown	Unknown

Source: Cousins, B. & Chilazunga, D., 2013, 'Supporting smallholders into commercial agriculture: A social dialogue and learning project', *in proceedings of the transition lab: The South African food lab*, 16 January 2014, Pretoria, p. 11

Figure 4.: Information on small-scale farming's value chain in South Africa

In addition, according to Zondo (2022), the project proposal "did not seem to appreciate the difference between the various business models". The below agricultural business model for small-scale farmers by Murphy (2012) illustrates a business model for the integration of small-scale farmers in South Africa, which could have been used in the conceptualization of the EVDF Project. The business model highlights the following:

- Agriculture is "yesterday's economy" therefore not sustainable or suitable for South Africa's current 21st Century economy. Should this be the case, small-scale farmers need to be diversified into other business sectors based on their skill sets and what is available in their areas.
- Small-scale farmers need to work with other producers because even though they are a majority in population and vital for rural development and for the rural economy, they are de facto a minority in the dominance of the agriculture sector. In this regard, the model argues that food production should be the

responsibility of 'industrial producers' regardless of the fact that small-scale farmers are the obvious choice for food development in South Africa.

- Most importantly, the model warns that only +- 25% of small-scale farmers are viable, which indicates production at the scale proposed by the EVDF Project was not plausible to begin with.

Yesterday's economy	Agriculture to reduce poverty	Room in the shade	Small scale = good business	Food sovereignty and 'right to food'
Agriculture mostly irrelevant to a modern economy	Food should come from mix of small-scale and industrial farms in short to medium-term	Small-scale producers as a vital and necessary part of agricultural production, but also a minority	Exploit/work with small-scale producer attributes	Agriculture and rural economies are at the heart of development
Aim for less than 2% employment in agriculture	Governments should aim at a slow transition to less than 2% employment in agriculture	Focus on entrepreneurs	Small-scale producers are the majority and likely to remain so for some time	Small-scale producers should grow our food
Food should come from industrial producers	See roughly 25% of current small-scale farmers as viable		Small-scale producers as basis of the rural economy	Diversity and small-scale over mono-crops and industrial-scale production

Source: drawn from Murphy (2012).

Figure 5: Small-scale producers' business model by Murphy (2012)

Regarding the opinion that the project would have been more viable in coastal areas rather than the Free State, I present two diagrams: 1) a map showing the different products produced in each province, and 2) a table showing the percentage of farmers in each province.

From the map below (published by research gate in 2017), the Free State shows production in grain, sheep and cattle. A dairy farm project like the EVDF Project would be a viable choice seeing that cattle and sheep are produced in the Free State province. However, the proportions and percentages of livestock to grain production is not recorded on the map therefore, it is unclear whether a project involving grain production would have been more feasible than dairy. It is important to mention that

in a Daily Maverick article published by Nicolson (2022), the beneficiaries are said to have had no experience or training in farming in general, more so dairy farming.

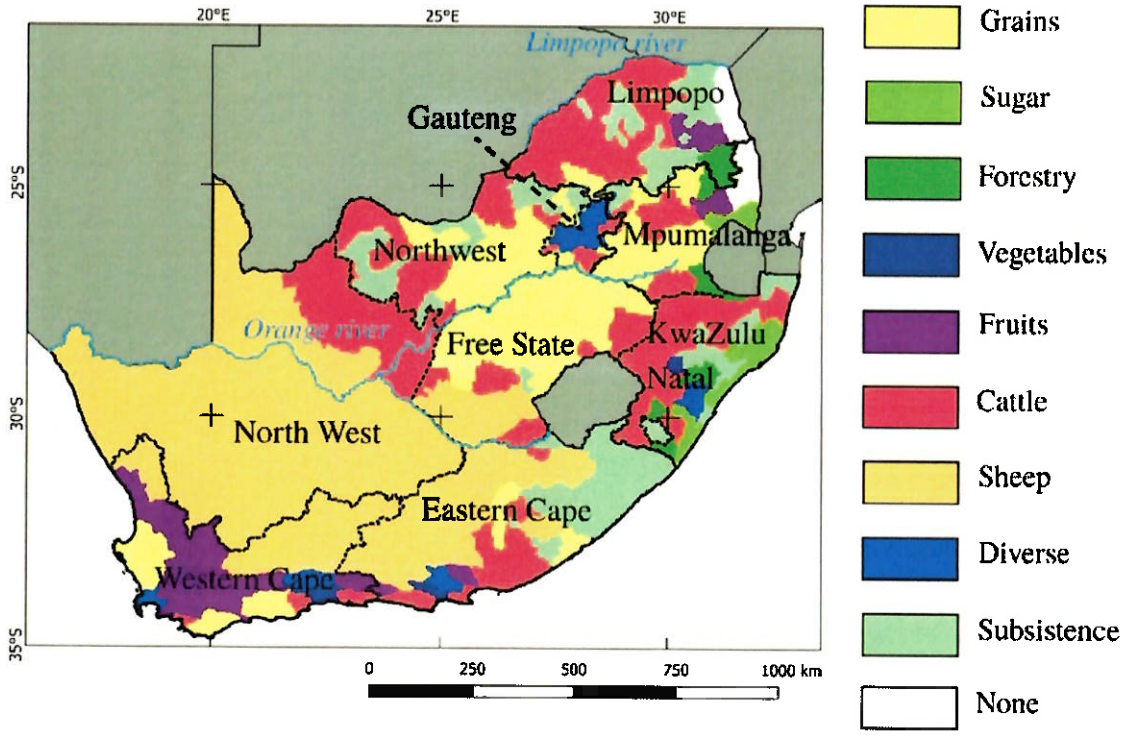

Figure 6: *Agricultural regions in South Africa (Research Gate), 2017*

To supplement the map above, statistics on farmers in each province recorded in 2016 is presented in the table below- LISPs included. The Free State at 402 comes in at number 3 with Gauteng and North West having less numbers than the Free State Province. The Eastern Cape ranks number 1 followed by Mpumalanga. The Eastern Cape, Western Cape and Northern Cape are coastal provinces in South Africa and all show higher farm numbers than the Free State, however, the table does not give a breakdown on the number of small-scale farmers and commercial farmers. But, it does give a clear indication that more farming happens in coastal regions.

TABLE 1: Numbers of farmers by province – LISPs included

Province	**Number of farmers**	**% of total**
Eastern Cape	28 595	60.69
Free State	**402**	**0.85**
Gauteng	188	0.40

Kwazulu-Natal	**939**	**1.99**
Limpopo	1501	3.19
Mpumalanga	**2638**	**5.60**
North West	109	0.23
Northern Cape	**477**	**1.01**
Western Cape	491	1.04
'National'	11 773	24.99
Total	**47 113**	**100%**

From: "*Challenging the stereotypes: Small-scale black farmers and private sector support programmes in South Africa*" by Okunlola, Ngubane, Cousins & Du Toit (2016).

4.2. What can institutions; companies and accused involved in the EVDF Project tell us about the case study?

Government entities	Non-government entities
National Treasury	Estina
DAFF	Oakbay Investments
Mosebenzi Zwane	Aerohaven
Ace Magashule	Nulane Investments
MEC Elizabeth Rockman	Dinesh Patel
Peter Thabethe	Ashok Narayan
Limakatso Moorosi	Iqbal Sharma, Ronica Ragavan
Takisi Janki Masiteng	Ashua Chawla
Sylvia Dlamini	Kamal Vasram
Phumelela Municipality	Nazeem Howa
Deloitte	Varun Gupta
	Islandsite Investment
	One Hundred and Eighty

Table 2: Summary of institutions, companies & people implicated in the EVDF Project

Entity	Quantity
Government	2
Government workers	7
Municipality	1
SOEs	1
Private Companies	5
Private Persons	8

Table 3: Summary of institutions, companies & people in EVDF Project grouped in numbers.

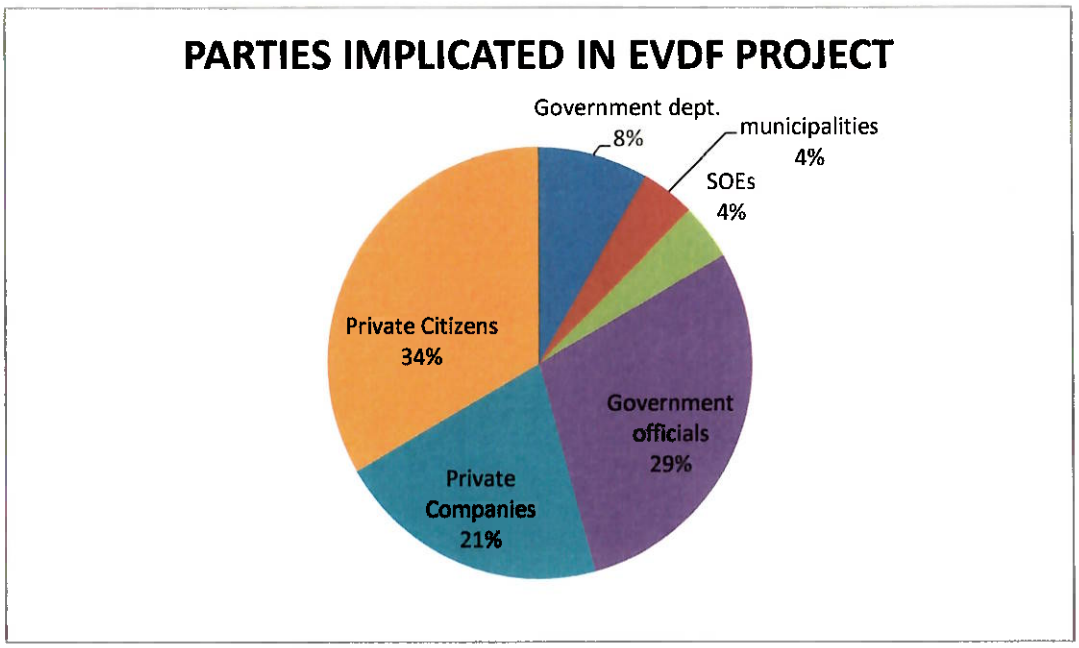

Figure 7: *Statistical breakdown of parties implicated in EVDF Project*

The data shows private citizens were most implicated in the corruption uncovered at the EVDF Project at 34% followed by government officials at 29%. Persons (both government and private citizens) operated through government departments and organizations coming in at 8% and 21 % respectively. Municipalities (Phumelela Municipality) and SOEs (Deloitte) ranked last at 4%. The high implication of private persons and government officials indicates that the governance of institutions, and not institutions themselves, is the real problem. Institutions and their resources are mismanaged and used for personal gains. Another problem is the lack of distinction, oversight and separation of powers between government departments, SOEs and municipalities in the roles they play in PPPS and development programmes in South Africa.

Corruption across government affiliated organization makes it difficult to place checks and balances between entities in order to know what role each entity and its persons play, or have played, in a project such as the EVDF Project. The 9% gap

(4% for SOEs and municipality included in government departments) in the involvement of private companies and the government, shows the dominant role private entities play in government conceptualized developmental programmes. This Batjargal & Zhang (2021) support findings and list the following challenges where PPPs are involved:

(1) Non-aligned objectives and missions,
(2) Inadequate institutional oversight and monitoring
(3) Flimsy institutional policies (both binding and non-binding),
(4) Lack of boundaries on role players and roles
(5) Poor procurement processes for the selection of service providers,
(6) Poor procedure for the acquisition of goods and services to be used in projects
(7) Lack of checks and balances in PPP relationships,
(8) Culture of inconsistencies and ambiguity in PPPs.

Compared to the above breakdown of parties involved in the conceptualization, execution and subsequent capture of the EVDF Project, the figure below shows the role played by the international community from 2007-2011 where development programmes were concerned in South Africa. It shows the UN donated the most money, followed by Humanitarian Aid. Least contributions were from ARF followed by the AU. Whether or not development assistance translated to successful projects is unknown from the pie chart, however, what this does tell us is that the developmental agenda of South Africa was still dependant on foreign aid more so from established global development drivers such as the UN.

The diagram below also does not show any private companies or individuals therefore, the involvement of key politicians and associates in the EVDF Project illustrates a new phenomenon and trajectory in development. The dominant role of developmental agencies such as the Bretton Woods institutions can be traced back to the end of WW2, which lead to the hegemonic role of the USA after the defeat of Nazi Germany. The adoption of PPPs and the more active role of private persons in the development agenda of South Africa is a relatively new concept compared to the diagram below, and the history of post-development globally after WW2.

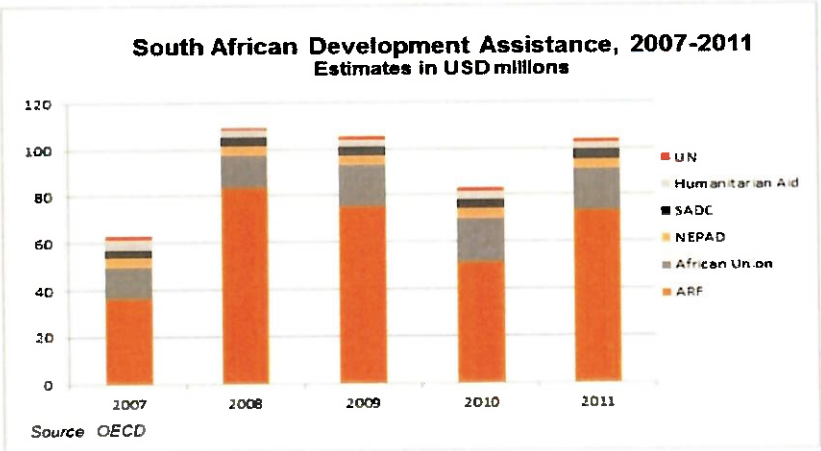

Figure 8: *https://www.devex.com/news/south-africa-s-emergence-in-global-development-76964*

Table 4: Demographics of accused persons:

Name:	Male	Female	Race	Employment
Mosebenzi Zwane	X		Black	Government/Public
Peter Thabethe	X		Black	Government/Public
Ace Magashule	X		Black	Government
Takisi Janki Masiteng	X		Black	Government/Public
Dinesh Patel	X		Indian	Private
Ashok Narayan	X		Indian	Private
Iqbal Sharma	X		Indian	Private
Kamal Vasram	X		Indian	Private
Varun Gupta	X		Indian	Private
MEC Elizabeth Rockman		X	White	Government/Public

Limakatso Moorosi		X	Black	Government/Public
Nazeem Howa	X		Indian	Private
Ronica Ragavan		X	Indian	Private
Seipati Dlamini		X	Black	Government/Public
Ashua Chawla	X		Indian	

The statistical gender breakdown of accused in the EVDF Project shows 73% were male accused and 27% were female accused. According to Alamy (2022) women are less likely to be involved in corruption than their male counterparts. For example, a study conducted by academics found that in China between 1979-2014 female government officials were 81% less likely to be incarcerated for corruption than male government officials.

This is found to be due to the continued vulnerability of women at all levels of society, and the fact that women have less access to funds to bribe (Alamy, 2022). This therefore shows that men still play a key and dominant role in both private and public institutions where development and corruption are concerned. For instance female accused Seipati Dlamini is reported to have been the custodian of finances during the tenure of MEC Zwane and HOD Peter Thabethe. It is reported she was "bulldozed" into flouting procedure in the releasing of funds for the EVDF Project (Ngatane, 2020). It is also worth mentioning that Dlamini and another woman accused Moorosi also pleaded to keep their jobs during their testimonies, due to the fact that they were breadwinners and had to financially support their households

(Ngatane, 2020). This goes to show women are still oppressed and victimized in the workplace by their male counterparts and inherited socio-economic circumstances.

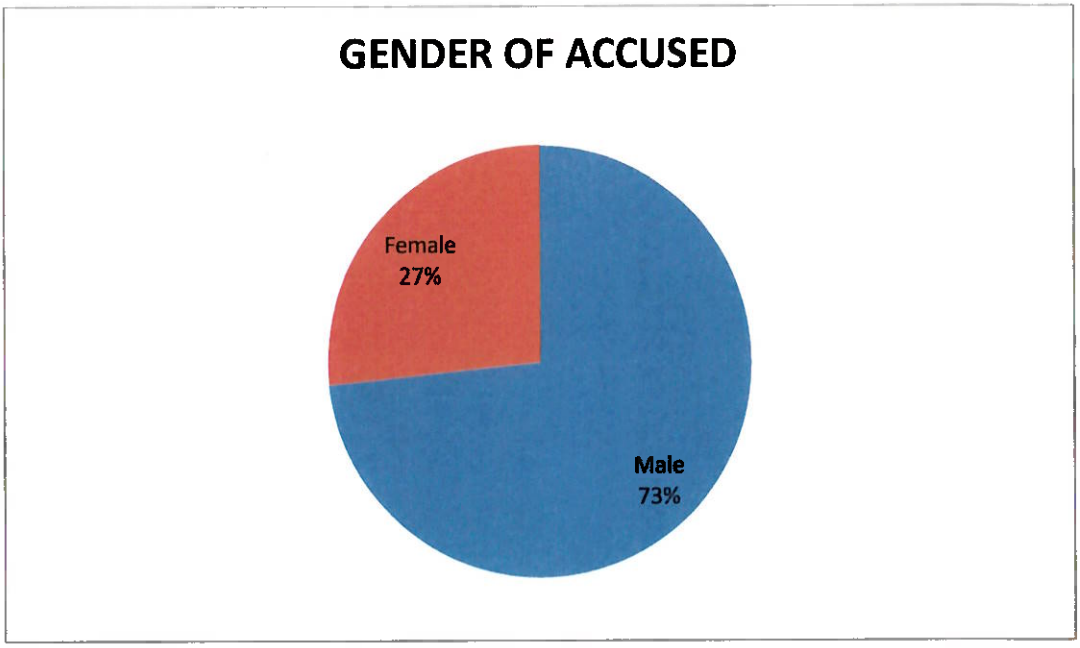

Figure 9: *Statistical breakdown of genders of accused*

The statistical breakdown of the employment of the accused is 53% employed in the private sector to the 47% employed in the public sector. This tells us that a) the EVDF Project may have been presented as a government led project to empower poor black small-scale farmers, however, it was de facto controlled and spearheaded by Gupta associates and their companies. This subsequently shows that b) PPPs might have a better chance of benefitting the general public if the state has a clear majority in this relationship, as the state is the custodian of the people, whilst the private sector's main objective is the "bottom line".

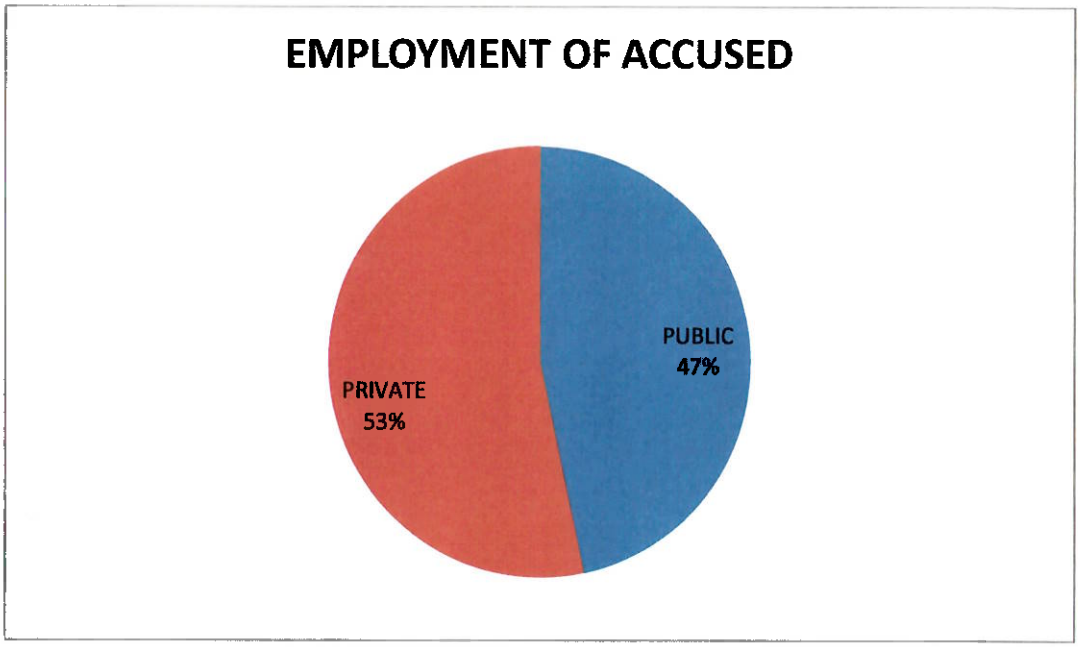

Figure 10: *Statistical breakdown of employment of accused*

The racial make-up of the accused is 53% Indian, 40% black and 7% white. According to Dlamini (2020) corruption prevails in Africa due to power imbalances caused by the legacy of apartheid. Dlamini (2020) is of the view that corruption reinforces the colonial project. However, he argues that unlike in the times of apartheid and colonialism, black faces are not that of exploitation and whites of domination anymore. He argues parties such as the ANC hide behind South Africa's colonial history to avoid punishing members for corrupt activities (Dlamini, 2020). I agree with Dlamini's views however, history cannot be ignored in the face of the continuation of corruption and global inequality- especially at the expense of the poor black majority (i.e. small-scale farmers). This is reinforced by the low involvement of white accused in the EVDF Project, illustrating that the dynamics of our colonial past still play a role in development and redress.

The accused ages and incomes could not definitely be collected and analysed, as most are not public record, however, it is worth mentioning that most of the accused fall in the age range 40-60 and hold high ranking positions, therefore, earn incomes between R70k-R100k. This is indicative of the negative culture of corruption, which benefits those who already have wealth at the expense of those who do not have. It also shows of the persistence of those in power being of a more mature age, which

has been argued to form a big part of corruption in institutions, amounts to a lack of development and change in South Africa.

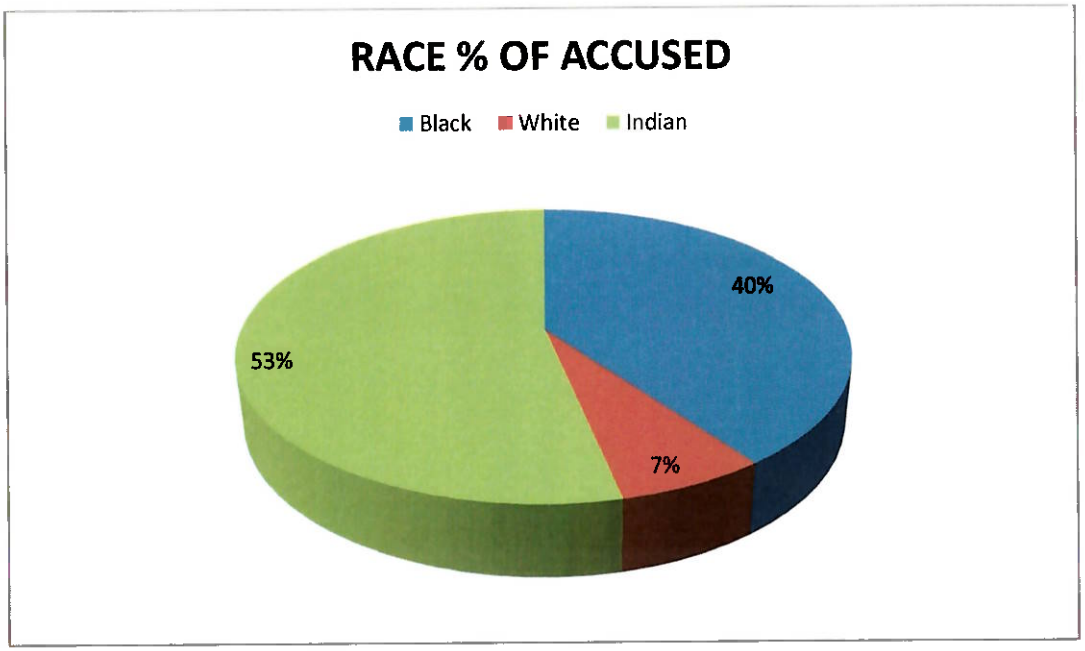

Figure 11: *Statistical breakdown of races of accused*

4.3. What does evidence given at the Zondo Commission reveal about the EVDF Project?

Reasons for choosing Paras/Estina:

- Paras was already an established milk producer and marketer in the dairy industry.
- During consultation between DAFF and Paras, the found that they had suitable and mutually beneficial resources that would work well together for the EVDF Project.
- Estina would work well with Paras, with the two entities bringing optimum opportunities to South Africa, more so in terms of technology.
- All entities (The South African government, Paras and Estina) agreed to execute their roles independently.

Table 5: Reasons given for choosing Estina in Zondo Report (2022)

Mr Thabethe signed into effect an MOU with Estina which stipulated the following for choosing Estina as a partner:

The reasons for choosing Estina/Paras range from the company's ability to bring in expertise in milk production, provide technologies for commercial farming, and bring in opportunities into South Africa. They would also act as independent contractors;

therefore, outsource resources and expertise independently from the South African government.

In total, 16 witnesses appeared before the Zondo Commission to give testimony regarding the EVDF Project (Zondo, 2022). Mr Mathebula (Acting Chief Procurement Officer in National Treasury) gave evidence on the sections of the Constitution dealing with procurement (legal framework of 2011-2018):

-Public Finance Management Act (PFMA) which gives standards and norms on procurement relevant for the EVDF Project. However, the PFMA was not followed. This gave rise to oversight and deviation functions to the National Treasury and the Auditor-General under the Supply Chain Management (SCM) policy, in conjunction with the National Treasury Instruction Note 3.43 of 2007/2008.

Mr Dumisani Cele testimony further showed that the government did not follow any supply chain management when hiring Estina/Paras., instead policy was flouted (Zondo, 2022). Findings found that CFO, Dhlamini, authorized the deviation from PFMA with just cause or objection. Further evidence and its analysis highlight the following:

The Zondo report also included expert opinions on what went wrong with the EVDF Project which I have compiled in a table form below:

EXPERT FINDINGS ON EVDF PROJECT				
	FINDINGS:	FINDINGS:	FINDINGS	FINDINGS
	"The professional technical support required to make the plan work (such as animal scientists - - dairy, animal nutritionists, pasture scientists, irrigation and infrastructure	"Given the current trends and realities in (the] South African dairy sector, the most appropriate investment in the dairy industry would be in the coastal areas where the conditions for productions are more favourable. An investment of this magnitude in the Free State province is considered too risky and not sustainable."	"Contingency plans with regard to electricity costs and energy supply in a feasibility study. Constant and reliable supply of energy	"Dairy consumption was still low to average in South Africa, with lactose intolerance being a limiting factor for consumption of large amounts by

	engineers) were not involved in the project, though such professionals were available in government departments between the DAFF and the province".		is critical for milk production and storage of products. Assuming that there was an electricity supply point".	certain population groups"

Table 6: Summary of expert comments in Zondo Report (2022)

In a nutshell, expert findings found that the project lacked the following:

A feasibility study

An environmental impact assessment

Application and consideration of water rights

Adequate provision of electricity

The reasons given by opposition parties and those who had reservations about the EVDF Project coincide with expert views ranging from mismanagement, corruption, nepotism, patronage, no feasibility study and no procedure followed. These findings support Bayart's (2009) theory detailed in the literature review in chapter 2 wherein the culture of extraversion and patronage are said to be the dominating political system in developing countries like South Africa. Therefore, the support of the farming project by the mayor and the ANC government, even though all the signs of its impending failure were there, is based not on science but political ties.

Council views opposing the approval of the EVDF Project (Zondo Report, 2022)	
The EVDF Project had no business plan and/or business model in place, which made it seem vague and under-planned. The presentation to the approving council was not written down or presented in PowerPoint form- being presented orally only.	Democratic Alliance (DA)
The mayor, Mr John Motaung, was bias in his support of the EVDF Project due to his relationship with the MEC. The majority seating of the ANC on the council led to the passing of the EVDF Project. Therefore, the project under the DAFF was granted municipal land to produce dairy production facilities in Phumelela.	Mr Radebe
Mr Basson established that the people responsible for the cattle and feeding them had no knowledge of the conditions which cattle needed to nurtured under. He stated: "It was very clear to me that the people in charge of the project had absolutely no idea about cattle farming and the feed requirements for such cattle in the area nor did they have the requisite contacts to purchase and arrange animal feed for the cattle." During the course of his involvement, he came to meet several of the people tasked with the establishment of the Vrede Dairy Project. He says "No less than 3 of these individuals were clearly Indian nationals who had very limited ability to communicate in [the] English language and who were identified to me by Mr Prasad as being members of the Gupta family."	Mr Basson
The outsourced Estina/Paras entity was on a mission to overprice materials and resources in	Mr Tekoetsile Moses Moremi:

order to get as much money out of the project as possible, rather than facilitating development in the area. The entity was unscrupulous and showed bad business practices. The intent was purely to loot and get as much money from DAFF and the government of South Africa.	

Table 7: Approving Council views in Zondo Report (2022)

Adherence to AGRIBEE

The Zondo Report (2022) investigated if any AGRIBEE beneficiaries were involved in the project, and findings found no beneficiaries were involved. The diagram below by Mokgomo et al. (2020) shows the impact of the government's agricultural development support on agricultural income, production and food security of beneficiary small-scale farmers in South Africa has been decreasing yearly. In 2013 it was at 16.17% to 14.04% in 2016. This shows a lack of commitment towards AGRIBEE compliance and development in the agricultural sector in South Africa, which explains why a proposed black owned, black empowerment project like the EVDF Project failed to protect black small-scale farmers and adhere to AGRIBEE guidelines.

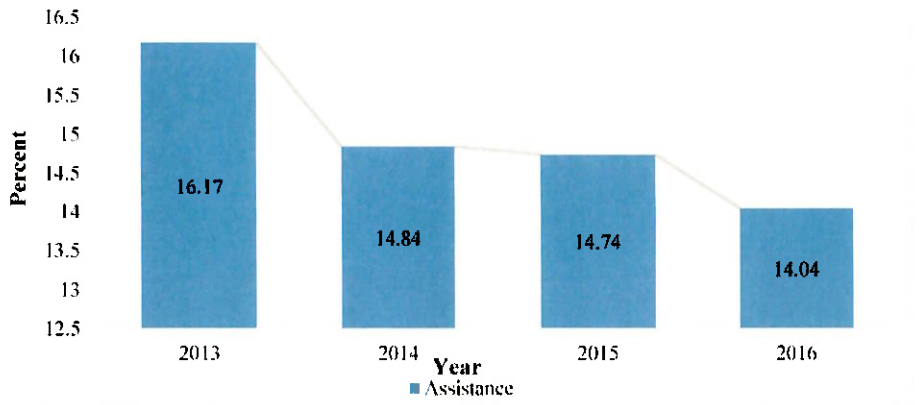

Figure 12: *The Impact of Government Agricultural Development Support on Agricultural Income, Production and Food Security of Beneficiary Small-Scale Farmers in South Africa (2022)*

Names of companies who received estimated 280 million paid to Estina:
R59,5 million lo Vargafield (Pty) Ltd,
R205,7 million was paid to Gateway Limited,
R3,3 million was paid to Linkway Trading and
R3,1 million to Oakbay Investments,
R34,6 million was paid to SARS for various VAT related assessments.

Table 8: Names of companies who received EVDF Project funds

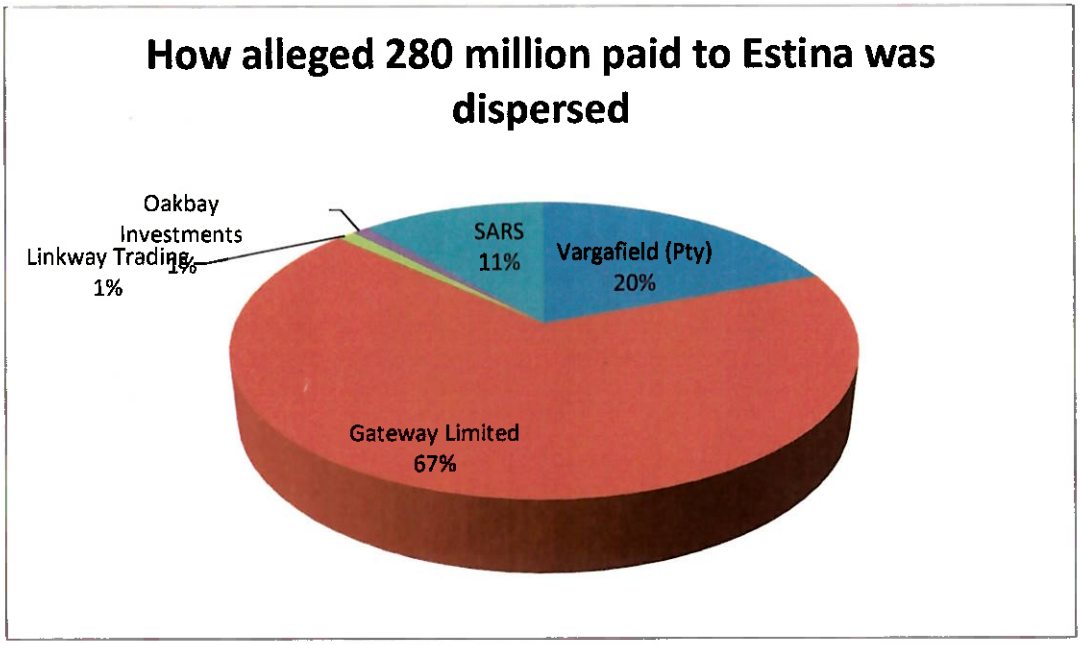

Figure 13: Breakdown of Estina funds provided by the RSA government

From the information above, Gateway Limited received the bulk of the money from Estina, and OAKBAY Investments and Linkway Trading received the least. The companies operated as shell companies for the Gupta family and associates, using a pyramid scheme type plan to move the money around a) avoid detection and b) to move the money to offshore accounts for use not related to the EVDF Project. It is also worth noting that the breakdown of how the funds were dispersed according to findings in the Zondo Report (2022), do not add up to 280 million and various amounts are reported in the media. This discrepancy shows that this type of corruption is very hard to accurately investigate and prosecute as numbers and accounts can be manipulated, more so because most of the companies listed operate outside South Africa, therefore, different jurisdictional laws apply.

Table 9: Meetings between beneficiaries & Officials of the EVDF Project recorded in Zondo Report (2022)

No. of Meeting	Outcome(s)
1	This initial meeting was to inform beneficiaries about the dairy farm project. The plan was already conceptualized with farmers to sell their existing livestock which was to be replaced by those bought by the government for the beneficiaries. It was made clear that no other production would take place either than dairy farming, even though there was a pre-existing and booming red meat industry in the area.
2	The stakeholder equity breakdown was provided at this meeting, with farmers to be majority shareholders with a 52% stake in the EVDF project. The South African government would have a 20% stake, and the rest of the 28% would be for community development- i.e. infrastructure development and education for the farmers' children. Furthermore, since most farmers in the area, and those included in this project, did not possess all knowledge about dairy farming, they were promised training in India under Paras/Estina.
3.	Ms Meyer representing the South African government chaired this meeting. The meeting was about getting documentation in order, with beneficiaries requested to

	provide their certified identification documents to legitimize the project and show it indeed had beneficiaries
4	Ms Meyer again chaired this meeting sent by the office of the Premier, Mr HS (Ace') Magashule, to unilaterally inform beneficiaries of the change in leadership for the project. The project was no longer in the hands of DAFF and would be taken over by the Free State Development Corporation (FDC))the following week. No documentation was provided.
5	No government representative showed up to meet beneficiaries at this meeting even though they were told the Premier himself wanted to address their concerns. However, former Premier Ace Magashule, accompanied by Mr Zwane, changed plans opting to tour the farm facilities without engaging farmers, who were at a different location.
6 Imbizo at Frankfort	At this meeting, beneficiaries were victimized more so witness Mr Dlamini for calling those in charge of the project "Ma-Gupta". Valid beneficiary questioned were widely ignored. At this particular meeting the media was in attendance: Lesedi Station. No outcome was reached on the farming project.
7	This meeting was held on March 2019 by MEG Ms Mamiki Qabathe where nothing of substance was discussed. Instead, the MEG reprimanded beneficiaries for having contacted the media.

8	This meeting was chaired by Chief Director, Mr Madiba. The beneficiaries were the ones who requested the meeting however, on arrival Chief Director Madiba took over the meeting without giving the beneficiaries an opportunity to state their issues.
9	The issue of the beneficiaries' standing was once more discussed at this meeting. Dr Masiteng (chair) informed farmers that the farm project had not started making any money. Dr Masiteng was also able to concede that beneficiaries were not adequately included as majority shareholders in the dairy project.
10	This final meeting was more of a protest action with opposition leader Mmusi Maimane and 74 beneficiaries forcefully entering the farm for the first time since its conception. They noted the dilapidated state of facilities and livestock. Also noted milk produced on farm was delivered to Indian Nationals in Vrede, and not to other businesses or locals.

Analysis of the meetings between beneficiaries & officials

From the very first meeting the interaction between beneficiaries and officials was non-negotiable with beneficiaries being given strict instructions rather than it being a consultative process. The meeting request also has similarities with the "Nongqawuse" tale, in which black farmers were fed lies in order to give up their cattle which meant giving up their power and position. The second meeting outcome

shows government officials promising beneficiaries a majority stake of 52% in the farm project, 28% to the government and 20% towards infrastructure development in Vrede. They were also promised training in India. This shows of the intention to make the project a grass-roots project with the beneficiaries the main custodians of the project. The third meeting is the first time some type of documentation is requested or seen with beneficiaries requested to provide copies of their identification documents to legitimize the project. Once the beneficiaries provide these documents to legitimize the project, in the fourth meeting the project begins to bring about instability, with the project being moved from Estina and the provincial government to the Free State Development Corporation -without written proof or reason. The fifth meeting is the first meeting the beneficiaries are side-lined with the premier inspecting the farm without the beneficiaries and leaving without addressing them. This shows of the tendency of people in positions of power abusing those without power for their own ends. The next 4 consecutive meetings (6-9) show a decrease in any communication, most notable is the victimization and demonization of outspoken beneficiaries like Mr Dlamini who raised questions about the project. This strategy is one that suggests trying to silence the beneficiaries into submission, which is a common tactic with corruption and power relations. The media begins to feature only in the 6th meeting, which is an Imbizo, showing the government's attempt to legitimize the project in the eyes of the public.

Most notably, each meeting had different government representatives with a different agenda to the last meeting. This is a common problem in government institutions in how policy and day-to day business and projects are implemented. Personnel tend to be placed in acting positions, having no real power or authorization to approve time critical actions- therefore, brings about institutional instability and stagnation.

Opposition parties are only mentioned and feature in the last meeting (meeting 10) once the relationship between officials and beneficiaries has broken down. This shows that political parties were a) either not informed and/or learnt about the project ones complaints started coming out, or b) used the problems at the farm and between the stakeholders as a political opportunity when the time was right.

Politicking in the case of the EVDF Project was heightened following its inclusion in the Zondo Commission.

4.4. What lessons can be drawn from the corruption identified in the EVDF Project?

According to the UN Environmental Programme (Accessed on: https://www.unep.org/explore-topics/green-economy/what-we-do/economic-and-fiscal-policy/south-south-cooperation):

"South-South Cooperation is a broad framework for collaboration and exchange among countries of the South in the political, economic, social, cultural, environmental and technical domains. Part of the value of South-South Cooperation lays in its primary purpose to empower countries to shape home-grown responses rather than relying on external interventions to development problems". This rings true for the EVDF Project as it entailed cooperation between Indian nationals and the South African government on a home-grown developmental project under the Mohoma-Mobung Stategy[6]. The latter entails the goal of ending hunger through agribusiness in rural areas in the Free State. In the 21st Century many discussions in political and academic spaces called for the need for developing states and the African continent to establish partnerships that moved away from the dependency on the West. This brought about the rise of economic blocs such as BRICS (Brazil, Russia, India, China and South Africa). The diagram below shows a gradual increase in spending by BRICS partners, with Indian ranking second in foreign aid spending.

[6] *"Mohoma Mobung (MM) is the Free State Provincial Government initiative in line with the Zero Hunger Strategy. Mohoma Mobung is a multi-year mega Public and Private Partnership business concept, which revolves around income generation through farming in the rural area of the Free State province". Accessed on: http://www.ard.fs.gov.za/?page_id=1256*

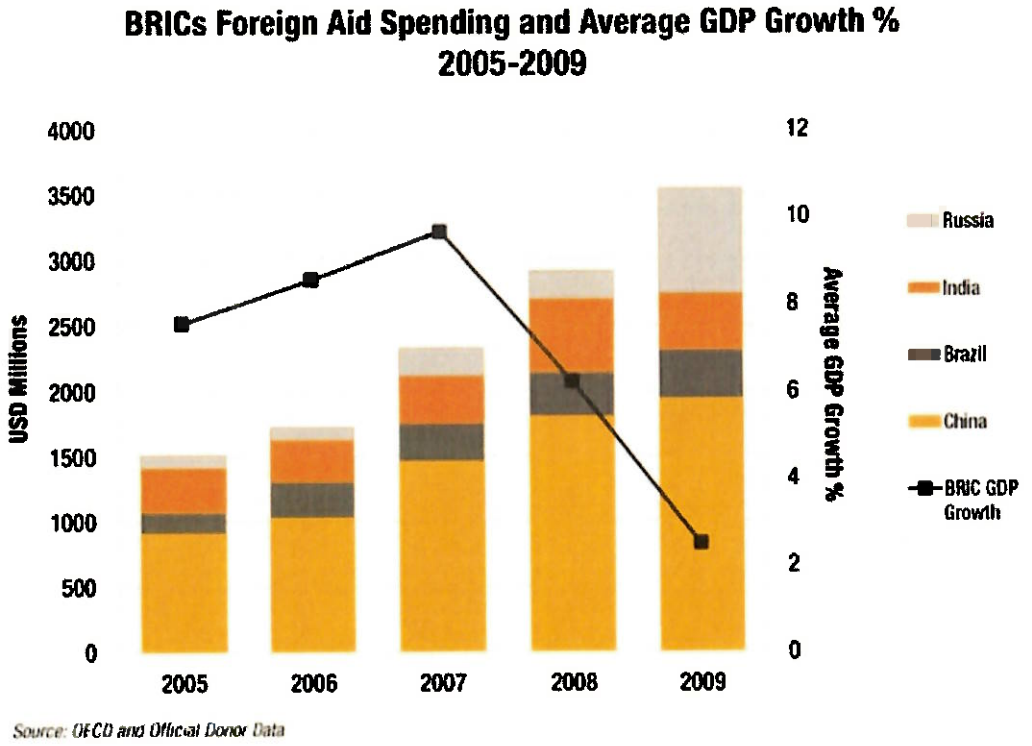

Figure 14: BRICS Foreign Aid (2005-2009)

The diagram below equally shows the growth of India's foreign assistance from $442 million between 2009-2010 to $1,293 billion between 2013-2014. The involvement of BRICS countries in aid usually happens through multilateral cooperations (MNCs) and private entities, not just state to state ventures. Therefore, I conclude the EVDF Project occurred based on this South-South Cooperation. The similarities in South Africa's and India's socio-economic dynamics made the two states natural partners on a project such as the EVDF Project. Even so due process was not followed in awarding Indian nationals the EVDF Project as the Zondo Report (2022) documented evidence from Mosebenzi Zwane admitting that after the announcement of the Mohoma Mobung Project (MMP), the government indicated an openness to collaborating with other states who showed interest in development projects under the MMP banner. At some point, the department of fisheries was lobbied by China- which is also a BRICS partner. However, there is no evidence or reasons given to why China or any other suitable states were not considered.

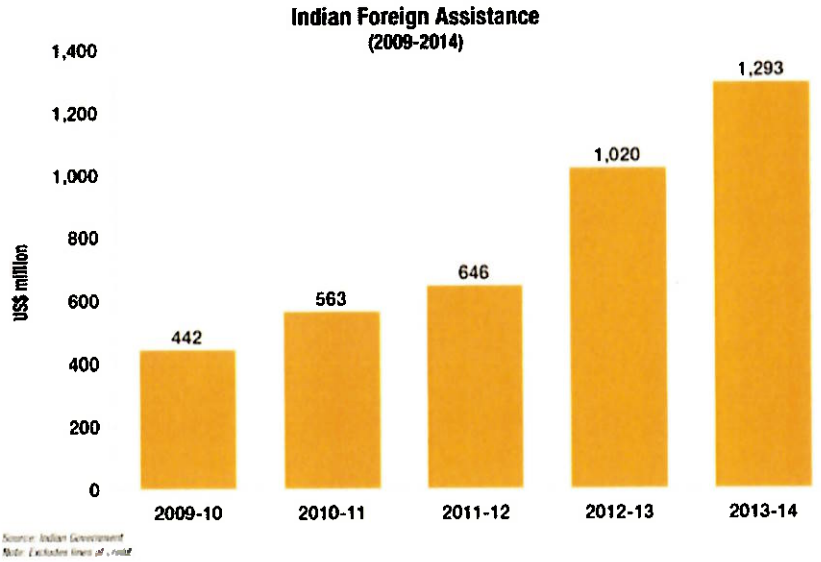

Figure 15: India's Foreign Assistance (2009-2014)

As noble and necessary as it is to explore new partnerships outside the orthodox post-development paradigm established around the USA and the Bretton Woods Institutions after WWW2 (detailed under question 4.2.), it is important to note the pitfalls of such partnerships. These are the following:

Challenges of PPPs in agribusiness:

The concept of PPPs is a relatively new concept, which tends to run into challenges because parties involved tend to have different objectives (Batjargal & Zhang, 2021). In the case of the EVDF Project, Gupta associates and Gupta-owned companies sought to increase profits through bribery and access to the funds allocated for the farming project. Whereas government officials and departments tasked with the project lacked managerial, monitoring, financial and technical skills to adequately represent the Vrede community chosen for this project. According to Rankin et al. (2016), to mitigate the challenges inherent in PPP relationships in agribusiness, the following need to be established:

- Creating business models that have considered financial and market implications
- Joining resources such as money as stipulated in legally binding terms
- Executing agreements amongst partners as discussed

- Acting and working within an established professional framework
- Developing and sourcing raw materials from farmers based on an agreement, whilst also developing a strategy to distribute finished products to suitable markets
- Assist farmers with technical support and business advise
- Distribute business and technical support broadly for maximum returns
- Connect farmers with business support services (BDS) such as banks and brokers for farmers to acquire the right documentation, and lower barriers of entry
- Constant monitoring and evaluation of projects

Mitigating corruption in agribusiness projects like the EVDF Project

In the case of the EVDF Project, beneficiaries were completely marginalized as documented and analysed in the witness testimonies in the previous question. There was no accountability, no stakeholder engagement and no adherence to policy or even a business plan. Those who came forward were threatened with death, some even killed, due to the corruption in the EVDF Project. According to Rahman (2022) corruption in agribusiness can be mitigated using the TAAPE strategy: (transparency, awareness, accountability, prevention, and enforcement). He also suggests the use of:

- "Social accountability strategies,
- whistle-blower protection and
- Innovation in agricultural practices".

The flouting of procedure and government policy in this project, speaks of the need to place measures to safe guard the constitutional rights of all South Africans in order for institutions such as DAFF to perform their intended role- to service all people of South Africa, for inclusive development. The failure to bring about social justice and accountability to alleged beneficiaries even when the

media was involved shows of the lack of a social accountability culture throughout South Africa, which leads to instability and economic distortion. The threatening and even killing of those who wanted to shed light on the project shows of the continued failure of the justice system of South Africa, as those who use criminal acts to coerce, know there will be no repercussions due to the vast corruption and mismanagement in the justice system.

This realization was made more obvious with calls to protect whistle-blowers in the EVDF Project, however, the political violence and intimidation still continued. The culture of political intimidation and violence has been documented as a means to an end in South Africa since the dawn of democracy. Black on black violence always seems to be the order of the day following decisions not involving or including those who end up as casualties of these political clashes. The continued agrarian nature of small-scale farming not only in the EVDF Project but in other areas continues to perpetuate the challenges of small-scale farming and its marginalization. Innovation is spoken about widely however remains rhetoric. According to the Zondo Report (2022) the initial proposal was for the project to take place in Sasolburg in order for it to be close to commercial areas, however, this did not happen. Innovation in agribusiness, more so on how to integrate small-scale farmers, is of vital importance to realize the SDGs and NDP goals where agriculture and land is concerned in South Africa.

The future of stakeholder engagement in agribusiness

The procurement processes in the EVDF Project were clearly captured and corrupted. This is largely due to the silos that exist between stakeholders in a project such as the EVDF Project. Those on the margins of society, who do not have control over the political machinery and national purse, tend to be sidelined and sold unrealistic dreams. The Zondo Report (2022) touched on the fact that the conceptualization of the EVDF Project failed to consider various business models where the project is concerned. The diagram below includes all stakeholders and procedural steps to be taken in a project involving farmers. It most notably places the farmer at the centre of the entire cycle with the public sector, private sector and civil society playing support roles in assisting the farmer. The three arms of society

play a support role through setting direction, mobilizing the community and investing in order to bring about innovation. Therefore, this means utilizing a grass-roots approach to programmes such as the EVDF Project.

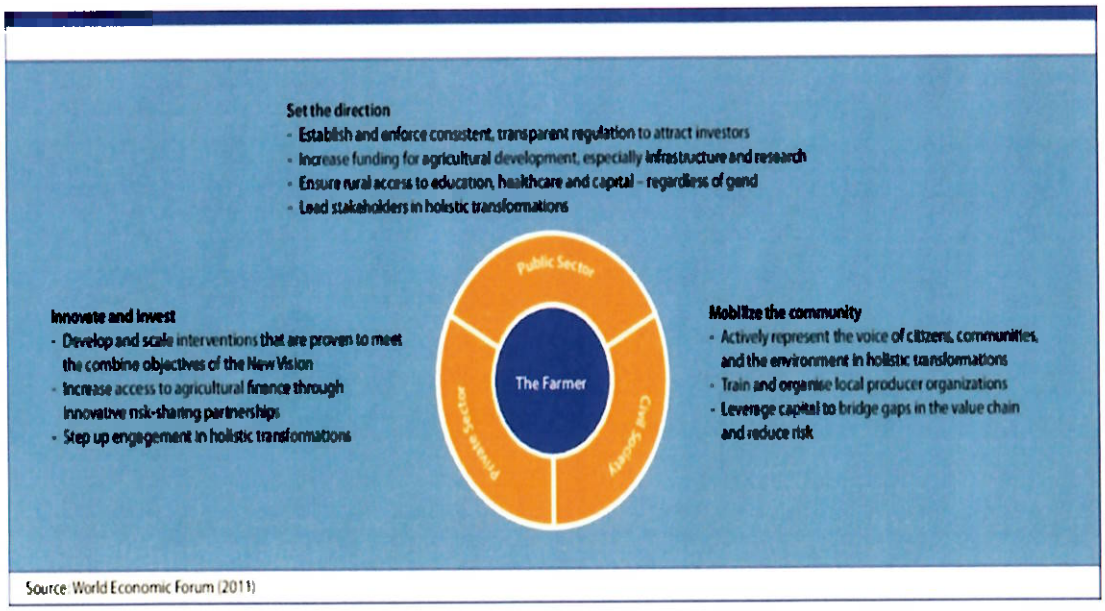

Figure 16: Farmer business model

Analysis of the data collected based on existing literature

According to Greenberg (2013) small-scale farming in South Africa is primarily subsistence in nature, driven by the family unit, low in capital intensity and has very little access to financial assistance. The data collected highlights that in order to reform small-scale farming in South Africa, there needs to be innovation in the agricultural sector in order to integrate small-scale farmers into the commercial sector. However, this needs to be a gradual process done in conjunction with knowledgeable commercial farmers as they have the prerequisite skill sets and know-how. Data collected for this research showed the selected beneficiaries lacked training and experience for such an undertaking, with the government not giving any training or financial support to train these beneficiaries in milk production. The partnering of the government with a private company such as Paras/Estina, and the intended visits to India to teach beneficiaries about milk production, was intended for the private and public sectors to pull resources together in order to bring about development. According to the Zondo Report (2022) the initial proposal was for

the project to take place in Sasolburg in order for it to be close to commercial areas, however, this did not happen, and no reasons were given. This illustrates the continuation of apartheid's spatial planning challenges in South Africa, which hinders urban and rural areas from realizing a holistic developmental approach.

Another hindrance to the farming project was the concept of PPPs. PPPs is a relatively new concept, which tends to run into challenges because parties involved tend to have different objectives (Batjargal & Zhang, 2021). The differing interests in PPP relationships most notably tend to breed corruption. According to Dlamini (2020) corruption prevails in Africa due to power imbalances caused by the legacy of apartheid. Dlamini (2020) is of the view that corruption reinforces the colonial project. The fact that the EVDF project was conceptualized by black politicians, for black beneficiaries and captured by predominantly black elites proves this statement to be true.

This is further proven by findings presented in the Zondo Report (2022) by expert testimonies, which found that no beneficiaries were identified in terms of AGRIBEE. It is important to note that the data also showed that men made up the majority of accused persons, highlighting the continued plight of women at all levels of society. According to Alamy (2022) women are less likely to be involved in corruption than their male counterparts, mainly because of their lack of access to funds to bribe and their subordinate role (s) in public institutions. A business model by the World Economic Forum (2011) shows the pitfalls of PPPs and corruption can be addressed by placing the farmer at the centre of projects such as the EVDF Project, in order for PPPs to play a more supportive role in development programmes through direction setting, community mobilization, investment and innovation.

5. Chapter Summary

The data collected was mostly secondary data sources from openly available documents and statistics. Interviews from witnesses and persons called before the Zondo Commission were sourced from the Zondo Report on findings of the EVDF Project.

The chapter highlighted the reasons for the failure of the EVDF Project other than "state capture", namely, mismanagement, lack of stakeholder engagement, and overall no business plan or business model in place to execute the farming project. Expert testimonies showed a lack of contingency planning around issues such as feasibility, electricity supply and other socio-economic issues. There was also a lack of technical know-how and expertise in executing the farming project.

Overall, beneficiaries testified that they were misled and not included in any process from conception to failure of the farming project. This was established through the testimonies of beneficiaries who gave detailed accounts of the meetings that did take place between beneficiaries and those in charge of the farming project. The last section gave take-aways from the EVDF Project for future projects, identifying the rise of South-South Cooperation and the need to manage how this new developmental paradigm, which operates through PPPs.

The data collected was juxtaposed with existing literature on the different aspects in order to give varying arguments and perspectives of the issues identified during the data collection and analysis stages. The next chapters will provide a summary of the findings, give possible policy implications and conclude- showing the significance of the research project.

6. Summary of findings

Data collected for this chapter was analysed to answer the research questions set out in chapter two of this paper. It sought to critique the phenomenon of 'state capture' by looking at a case study: the captured dairy farm project in Vrede in the Free State. The analysis of the case study aims to provide findings which will contribute to a broader picture of the phenomenon of 'state capture, and its impact on development in 21st Century Post-Apartheid South Africa. The researcher may not have had the opportunity to personally interview witnesses or experts as initially planned, however, documented testimonies from the Zondo Commission proved adequate in this regard, specifically to answer the 4th research question.

Overall, the findings found that the 'state capture' architecture in this case study had negative outcomes for the development of agriculture in Vrede in the Free State. It

also had negative impacts for institutional governance as a whole. In summary, the following findings were concluded:

- The EVDF Project would have been used by small-scale farmers in the area to supplement their existing incomes by selling milk on a small-scale basis rather than on a big-scale as intended by the proposal. The Zondo Commission found that the proposal put forth by the government did not take into consideration the realities on the ground in Vrede- including but not limited to skill sets, demographics and location of the farm.
- There was no oversight and consultation with the different stakeholders of the project- more so the beneficiaries.
- Procedure and policy was flouted in this project, with no reasons given for deviations and the release of funds to Estina and Gupta-linked companies. In my literature review in chapter two, Cooper's (2002) term 'The Rhizome State' was brought in to prove this point. This state persists in most African states due to the focus being on egalitarian means of production, and subsequently, tax collection in Africa commonly referred to as 'gatekeeping'.
- Data collected shows small-scale farming in South Africa is primarily subsistence in nature, driven by the family unit, low in capital intensity and has very little access to financial assistance.
- The proposed EVDF Project had no business plan or considered different agribusiness models. Should it have, it would have found small-scale farming was ill-equipped and not advanced enough to compete at the scale proposed by the project. Commercial farmers should have been used along with small-scale farmers.
- No feasibility or environmental assessment was conducted for the project, which should have considered factors such as electricity supply and other amenities.
- The EVDF Project was initially proposed to take place in coastal areas in South Africa to allow for easier access to markets in big cities.
- It is unclear if dairy was the right choice for the project as grain and beef farming is quite common in the area.

- The project was not AGRIBEE compliant. Statistics showed compliance to AGRIBEE by the South African government where agriculture is concerned, has gradually been on the decline since 2014.
- Analysis of beneficiary testimonies showed meetings about the EVDF Project were primarily political gimmicks, which sought to legitimize the EVDF Project for the political elite. Beneficiaries were marginalized and victimized.
- The media and political parties did not play a significant role in the EVDF Project until later stages. In conclusion, civil society groups need to play a more active role.
- The data shows individuals more than institutional culture was the problem. Private citizens were most implicated in the corruption uncovered at the EVDF Project at 34% followed by government officials at 29%. Persons (both government and private citizens) operated through government departments and organizations which came in at 8% and 21 % respectively. Municipalities (Phumelela Municipality) and SOEs (Deloitte) ranked last at 4%.
- More men than women were implicated in this project. Men accounted for 73% accused.
- 55% accused were employed privately- by Gupta-linked companies
- Accused were 53% Indians, 40% black and only 7% white.
- The 280 million paid to Estina by the government for the project was dispersed to different shell companies, with 67% of the funds going to a company called Gateway Limited. (Mfikili, 2021) and Bayart (2009) in chapter two attribute this to the culture of extraversion, underpinned by corruption, creating a volatile socio-economic environment in Africa wherein privileged elite circles (politicians, big men, big business and associates) opt to offshore both their own wealth and that which is accumulated through illegally syphoning off public funds overseas. This is done to mimic European/Western standards of living rather than to invest it into localized development and national economic-building (Mfikili, 2021).
- In order for small-scale programmes to succeed in South Africa, farmers need to play a more central role with private and public entities giving technical and expert support only.

- PPPs are prone to corruption and negative pitfalls due to conflicting objectives of stakeholders.
- The adoption of PPPs and the more active role of private persons in the development agenda of South Africa is a relatively new concept. Bretton Woods' institutions and states are generally responsible for development aid and programmes in developing states. One plausible reason for this ongoing trend was noted by Davenport (2009:19) in chapter 2 wherein he states the failure of the BRICS Bloc agricultural programmes are due to "reform efforts to date appear largely to represent a set of responses to certain economic crises and WTO pressures, and for the most part, have failed to provide a legacy of ongoing, internally-driven, policy reform processes".
- The rise of PPPs has been deepened by the phenomenon of South-South Cooperation, which seeks to challenge the West's influence. This has seen the rise of the BRICS bloc, more so Indian's increased foreign aid. Findings also show China and other states had also lobbied to be a part of this project, however, no reasons were given for their exclusion.

7. Policy Implications

According to Greenberg (2013) small-scale farming in South Africa is primarily subsistence in nature, driven by the family unit, low in capital intensity and has very little access to financial assistance. The data collected highlights that in order to reform small-scale farming in South Africa, there needs to be innovation in the agricultural sector in order to integrate small-scale farmers into the commercial sector. However, this needs to be a gradual process done in conjunction with knowledgeable commercial farmers as they have the prerequisite skill sets and know-how.

According to Rahman (2022) corruption in agribusiness can be mitigated using the TAAPE strategy: (transparency, awareness, accountability, prevention, and enforcement). The South African government should look into adopting TAAPE or any other best practise to avoid the capturing of developmental programmes.

The flouting of procedure and government policy in this project, speaks of the need to place measures to safe guard the constitutional rights of all South

Africans in order for institutions such as DAFF to perform their intended role- to service all people of South Africa, for inclusive development.

The impact of the government's agricultural development support on agricultural income, production and food security of beneficiary small-scale farmers in South Africa has been decreasing yearly. In 2013 it was at 16.17% to 14.04% in 2016. This shows the government has to commit more towards AGRIBEE compliance and development in the agricultural sector in South Africa.

More needs to be done to protect women against bullying and corruption in the public sector.

Policies and frameworks need to be created to better protect whistle-blowers and political activists in South Africa, as the violence and death that comes with questioning the status quo goes unpunished in instances like in the EVDF Project.

8. Future Research based on findings:

The findings from this research report prepare a good foundation for possible future research in the following areas:

-Role of IFFs in rural development across Southern Africa to add to sustainable development discourse

-Investigation of the nuances of corruption and state capture in the different African contexts to give an updated understanding to benefit policymakers and future policies.

-Lastly, an investigation into the correlation between various factors (i.e. corruption, state capture, post-colonialism, multilateralism theories) where 21st Century development is concerned on the African continent. This would allow for more accurate comparisons of best practices and accurate narration of the different systems (national, regional and international). This would give insights into processes and reforms needed in multilateral bodies such as the BRICS bloc.

9. Conclusion

This research project sought to critique the phenomenon of 'state capture' in 21st Century Post-Apartheid South Africa by looking at the case of the Estina Vrede Dairy Farm Project (EVDF Project). This was done through conceptualizing research aims which were answered through four research questions. The research questions centred on detailing the factors that caused the failure of the EVDF Project, the people and institutions involved in the EVDF Project, the evidence provided to the Zondo Commission and lastly, possible lessons that could be drawn from critiquing 'state capture' in South Africa.

The conceptual framework for this study was largely based on national and regional contexts as kleptocracy and illicit financial flows have been quite prevalent on the African continent. Lastly, the research design, data collected (and analysed) followed a case study method looking in depth at secondary data sources such as national and international policies/frameworks relating to small-scale farming, agriculture and land discourses. Since 'state capture' played out intensely in the media in South Africa, media articles and perspectives were also analysed and included. Lastly, the Zondo report (s) on the EVDF Project was able to provide first-hand testimonies and information given by experts in the field and witnesses/beneficiaries in order to answer the research questions adequately.

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