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CAPITAL PENETRATION AND RURAL DEVELOPMENT IN BOPHUTHATSWANA: A CASE STUDY OF THE DITSOBOTLA DRYLAND PROJECTS

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A Dissertation Submitted to the Faculty of Arts
University of the Witwatersrand, Johannesburg
for the Degree of Master of Arts

Johannesburg, June 1985

This dissertation is dedicated to Jacky, my mother and father Petro and Andrew Roodt and especially to the project-participants of Ditsobotla, who are still waiting for Godot

DECLARATION

I declare that this dissertation is my own, unaided work. It is being submitted for the degree of Master of Arts in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in any other University.

JOHAN JACOBUS (MONTY) ROODT

28th day of May, 1985.

CONTENTS

Page

INTRODUCTION ..... (i)

SECTION I

MONOPOLY CAPITALISM AND AGRICULTURE IN THE BANTUSTANS.

Chapter

1. THE RISE OF MONOPOLY CAPITALISM AND THE CHANGING FUNCTIONS OF THE BANTUSTANS 1
2. OPENING THE GATES FOR CAPITAL INVESTMENT IN THE BANTUSTANS 17
3. THE INCENTIVES FOR INVESTMENT IN THE BANTUSTANS 30
4. STATE AND PRIVATE CAPITAL: THE EXPANSION OF COMMODITY RELATIONS 38
5. THE VERTICAL CONCENTRATION OF PEASANT - MIGRANTS ... 54

SECTION II

THE DITSOBOTLA PROJECTS AS A CASE-STUDY.

6. THE INSTITUTIONAL FRAMEWORK 64
7. THE HISTORY OF THE DITSOBOTLA PROJECTS 91
8. THE ESTABLISHMENT OF THE DITSOBOTLA PROJECTS 109
9. ECONOMIC COSTS AND BENEFITS OF THE PROJECTS 144
10. THE DITSOBOTLA QUESTIONNAIRE-SURVEY: PARTICIPANT HOUSEHOLD CHARACTERISTICS AND ATTITUDES 167
11. CONCLUSIONS 197

REFERENCE NOTES 207

APPENDIX 231

BIBLIOGRAPHY 239

This Masters Dissertation was completed under the supervision of Professor J. Keenan in the Department of Development Studies, University of the Witwatersrand.

A B S T R A C T

This dissertation studies the implementation and impact of the capital-intensive agricultural projects in South Africa's Bantustans, with specific reference to Bophuthatswana. The first section of the dissertation looks at the theoretical background of rural development in the Bantustans in general, while the second section looks specifically at the Ditsobotla Projects in Bophuthatswana as a case-study. In the second section, the aims of the development institutions involved in the projects are assessed through a survey of planning and other documents. A questionnaire-survey is also utilised to determine the socio-economic conditions of the project participants as well as to gain their opinions of the way in which the projects are affecting them.

INTRODUCTION

> "Bophuthatswana achieved its first major breakthrough in its goal to achieve self-sufficiency in Food Production. Official grain receipt records.... for the 1980/81 season indicate that for the first time the country produced maize in excess of its own domestic consumption... one major contribution to this achievement was made through the agricultural development projects....."(1)

There has to date been very little analysis of the capital-intensive agricultural projects in the Bantustans. Yet it is becoming increasingly clear that these projects play a major role in the South African state's attempt to show the world the viability and self-sufficiency of the "independent states". These large scale capital intensive agricultural projects represent a particular kind of rural development, development which requires vast amounts of finance and a highly centralised management whose primary task is to produce an agricultural surplus.

The agricultural projects in the Ditsobotla region of Bophuthatswana are the largest projects of this kind in Southern Africa. They lie a few kilometers to the south of Mmabatho, the capital of Bophuthatswana. The first outpost of the Ditsobotla projects is the crossroads marking Pietfontein village. (See appendix A for map of Ditsobotla). (Also known as Bethal village.)

The largest of the Ditsobotla projects is the Mooifontein dryland maize project. From the crossroads at Rietfontein

village it stretches to the south-west as far as the eye can see, covering a total of 22 725 ha. Adjacent to the Mooifontein project, to the east of the Rietfontein crossroads, is the smaller Shiela maize project which comprises 6 511 ha.

By the end of 1983, over R21 million of mainly South African state capital, and lesser amounts of private capital, had been pumped into the two projects in an attempt to make Bophuthatswana self-sufficient in maize production. As will be shown in this study, the high inputs necessitated by the attempts to boost maize production, have placed the more than 1 700 farmers on whose land the projects are being implemented, into millions of rands of debt.

The Ditsobotla district lies to the north-west and just outside the South African maize triangle. The triangle, which covers the south-western Transvaal and most of the Orange Free State, forms the nucleus of South Africa's richest maize producing areas. As one moves to the western periphery of the triangle, the annual rainfall lessens and the production risks increase.

The Ditsobotla district covers an area of 2 533 km. It has an arid climate and receives an annual average rainfall of 507,6mm, although this can vary by up to 200mm either way. Thunderstorms accompanied by high winds and hail are common. Heavy frost blankets the ground over an average of 106 days and the predominantly northerly winds can cause severe wind erosion.

Most of the region comprises a flat plain broken by a series of low, rocky hills in the west. Roughly 30 percent of the district is regarded as being arable. The grassveld is severely overgrazed in most areas.

There are two towns, Itsoseng (population 25 500) and Atamalang (population 3 000). Twenty-five "closer settlements" and 52 traditional villages are scattered over the district. Both towns are situated near the Bophuthatswana "border" with South Africa and have a high percentage of commuters who work in the surrounding towns such as Lichtenburg and Delareyville in the western Transvaal.

Barely one out of four economically active people resident in the district find work there. Many migrant workers from the Ditsobotla district work in Johannesburg and the smaller urban areas of the western Transvaal and northern Cape. In 1980 there was a farming population of 2 640 fulltime, and 2 550 part-time farmers; a total of 5 190 farmers of one sort or another. (2)

The present population of the district is in the region of 148 000 people, (3) and will double in 24 years.

The research for the present study was carried out during 1982 and 1983 and written up during 1984. Because of the drought and late harvest in 1984, the production figures for

1983/84 crop were not available at the time of writing. However, they have subsequently become available and have been added where possible.

Although the institutions concerned with rural development in Bophuthatswana are obviously involved with all the agricultural development projects in the territory and are discussed as such in this study, it must be made clear that this thesis is primarily a case study of the Ditsobotla dryland projects. It must be borne in mind that different conditions, especially with regard to the issue of farmer participation, exist on AGRICOR's irrigation schemes. However, the irrigation projects, at the time of this research, do not form the major thrust of AGRICOR's rural development efforts, being secondary to the dryland agricultural projects.

As to the question of whether the project participants on the Ditsobotla projects are peasants or proletarians, the author of this dissertation is in agreement with Basil Bernstein that while the degree of effective control exercised by capital appears to be virtualy total, "the process stops short of full proletarianization in that the separation of the producers and the means of production is not complete.(4) The term peasant/proletarian or peasant/migrant is thus used in this study. This does not negate the fact that there are large numbers of landless people in the rural areas of the Bantustans who are fully proletarianized.

S E C T I O N 1

MONOPOLY CAPITALISM AND AGRICULTURE

IN THE

BANTUSTANS

C H A P T E R 1

THE RISE OF MONOPOLY CAPITALISM AND THE CHANGING FUNCTIONS OF THE BANTUSTANS.

INTRODUCTION

This chapter examines briefly the changes that occurred historically in the South African economy and how these changes affected the Bantustans. The main emphasis however, is on the transition of the economy to the monopoly capitalist phase and the effects that this restructuring has had on the conditions of production and reproduction of the African workforce. The effect of this restructuring on the Bantustans is also considered.

The transition to monopoly capitalism has had important effect on the development of the Bantustans, especially with regard to agriculture. The contemporary movement of capital into agricultural projects in the Bantustans is related to changes in the overall structure of capitalist production and accumulation in South Africa over the last two decades or so, and the new functions that the Bantustans have come to play in regard to these changes. (1)

The new conditions within the Bantustans have given rise to conflicting trends in rural development policies being pursued.

The dominant trend that appears to be emerging is one of increased capital investment in an attempt to increase production as a mean: of asserting the "independence" of the Bantustan economies.

THE RISE OF MONOPOLY CAPITALISM

Simkins (1981) has shown that the inhabitants of the African reserves were not able to provide for their subsistance requirements from agricultural production as early as 1918.(2) In spite of the inability of the reserves to provide the reproductive needs of migrant labourers' families, the myth of their ability to do so continued as justification for the payment of low wages by the mines and other employers of migrants for a long time afterwards.

By the 1920's other fractions of capital such as secondary industry and white agriculture were beginning to reproduce conditions necessary for the production and reproduction of labour.(3) Humphrey suggests that:

> Unlike mining capital, secondary industry capital has an interest in destroying the pre-capitalist mode and creating a full proletariat. For this fraction the existence of the pre-capitalist mode limits the exploitation of labour and the realisation of consumption commodities.(4)

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In 1932 when South Africa abandoned the gold standard, secondary industry improved steadily and by 1939 the gross value

of this sector's output had increased by 140%.(5) The mines and white agriculture started losing labour to secondary industry because of the latter's higher wages.

By 1943 secondary industry had outstripped mining in terms of its contribution to the Gross Domestic Product (G.D.P.). Many important changes in the structure of the South African economy occurred during and immediately after World War 11, changes which laid the foundation for the transition to the monopoly phase.(6)

Manufacturing industries in the 1940's were able to lower the cost of labour without the system of migrant labour and the labour control that this entailed. The different labour needs soon led to a clash of interests between the mining and manufacturing factions of the United Party during this period. When the United Party relaxed labour controls, this led to conflict between the government and white agricultural interests. The relaxation of the labour controls coupled with the post-war industrial boom, led to an increased flow of labour from the farms to the towns.(7)

The response of the National Party after its election victory in 1948 was to this distortion in the overall distribution of labour within the South African economy. This was essentially a period of allocation of labour between different sectors of the economy through the mechanism of the labour bureaux.

Prior to the 1948 election, the idea of dividing the rural population in the reserves into a group of those who would remain permanently on the land and into a rural proletariat who would live in the reserves, had been gaining currency. The Tomlinson Commission in the 1950's gave this idea formal status and in 1961 the government set aside £57,1 million, two thirds of which was for the establishment of villages in the Bantustans. The Administrative structure of the reserves also underwent changes during the 1950's, so that from then onwards they replaced the white farms as the main source of labour.

Since the 1960's there have been profound changes in the structure and form of capitalist production in South Africa. These changes, which had their roots in the post-World War II restructuring, brought the South African economy to the period of large scale monopoly capitalism. This period is characterised by "a massive increase in the volume of foreign investment, an interpenetration and centralisation of mining, manufacturing and agricultural capital".(8)

The interpenetration and centralisation of the different sectors of the economy has occurred in a <u>horizontal</u> as well as a <u>vertical</u> direction. Horizontal monopolies have meant that through mergers and take-overs a few large, usually multinational companies control the bulk of the market.(9) Vertical integration refers to the ability of big companies to control the manufacture and sale of commodities from the raw material

stage through to transport, manufacturing, packaging, advertising and retailing.

Agricultural products provide a good example of vertical integration. Giant companies, known as "agribusiness" are "able to control the whole chain from field to table".(10) The actual process of the vertical integration of individual small producers into the agribusiness network will be discussed in more detail in chapter five of this study.

It is only since the advent of monopoly capital that the organisation and finance required for large scale investment in agriculture has been available. The giant white agricultural co-operatives and their central retail organisation VETSAK, as well as the large milling companies, are examples of monopoly conglomerates seeking to expand their activities. The expansion of the activities of these businesses into Bantustan agriculture will be discussed in more detail later in this study.

The transition to monopoly capitalism which has only reached maturity in South Africa during the last decade, has led to significant changes in the demand for certain forms of labour power and the conditions of its reproduction.(11) Hindson stresses that within the category "working class" there were significant structural changes during the decade of the 1970's:

> In 1969 18 percent of the African "working class" in manufacturing industry were employed in semi-

skilled and 79 percent were in unskilled places, whereas in 1977 these proportions had become 23% and 72% respectively. (12)

It is clear from these figures that although the majority of the African working class still occupies unskilled positions, there has been a considerable increase in the demand for the movement of Africans into semi-skilled occupations. To a lesser extent the same is true for petty bourgeoise and skilled occupations.(13) The Wiehahn Commission, which recommended the registration and incorporation of black trade unions into the official arena of industrial bargaining, and the De Lange Commission of enquiry into education, can be seen as a response by the state to this need.

The process of integration and interpenetration of capital has resulted in an increase in the organic composition of capital (an increase in constant as opposed to variable capital) as living labour has been gradually replaced by more and more dead labour of machines. The result has been an acceleration in the rate of structural unemployment. Hindson (1980) has shown that the rate of growth of the capital/labour ratio in manufacturing industry in South Africa rose from 2,8 per cent in the 1960's to 4,4 percent in the 1970's.(14)

The self-expansion of capital in industry generates a relative surplus population as opposed to an absolute surplus population as in the self-expansion of agriculture.(15) The generation

of a relative surplus population means that although the absolute number of jobs being created is increasing, it is increasing at a slower rate because every new company which opens uses more machinery and fewer people than before. In agriculture, because of the finite amount of land available, as machines replace people, less jobs become available in an absolute sense. Both these processes, in agriculture and industry, lead to an acceleration in the rate of structural unemployment.

The generation of an absolute surplus population is very pronounced in the capitalist agricultural sector. This sector was the largest employer of wage labour in the 1970's. Thus despite the net expulsion of farm workers, the sector employed almost 240 000 more African workers than the manufacturing sector and over 380 000 more than the mining sector as late as 1976.(16)

The absolute decline in the number of workers in the capitalist agricultural sector began in the late 1960's. De Klerk (1983/1984), in his study of western Transvaal maize farming, found that when the increase in the average size of farming units is taken into account, between 1968 and 1981 there was a decline in the number of jobs by almost 60 percent for weeding, 70 percent for harvesting and delivering (the main jobs done by seasonal workers) and by 50% for permanent farm workers. For seasonal workers the average period of employment fell as well, from about 10 to 8.5 weeks per farm per year.(17)

Between 1971 and 1976 alone, the total number of casual regular workers in capitalist agriculture in South Africa as a whole declined at a rate of 5.1 percent per annum.(18) Bromberger shows a decrease from 1 351 000 in 1970 to 973 000 in 1980 in employment in agriculture (agriculture and forestry on white owned farms), which represents a 25 percent decline since the mid 1960's. However. he questicns the continuity of such a high rate of structural unemployment, pointing to a reversal in the process of capital-labour substitution in certain agricultural sectors such as sugar farming because of the unsuitability of certain imported technology to local conditions.(19)

Looking at figures for all sectors of the economy, Simkins (1981) has shown that the unemployment rate increased even in times of upswing of the economy and that the percentage of those unemployed has doubled in the 1960's. It rose from 11,8 percent in 1970 to 21.1 perce t in 1981 and according to Keenan (1984) in all probability reached a figure of 25 percent by 1983.(20)

These twin processes, the demand for a more skilled labour force and the expulsion of labour from production, as well as the reaction of the South African state, have led to major changes in the supply, reproduction and relocation of labour (21). Whereas the 1950's was a period of allocation of labour between different sectors, the period from the 1960's can be termed as a period of relocatio of surplus labour from

the urban industrial areas and from white agriculture, to the outlying Bantustans. Simkins has shown that it is only after 1955 that the proportion of agricultural subsistence requirements which were internally generated by the inhabitants of the Bantustans declined rapidly. Before 1955 the proportion of the requirements they were able to meet, although below subsistence level, remained fairly stable for many years. Simkins calls this a period of "fragile productivity maintenance". The period of rapid decline, from 1955 to 1969 he attributes to the modernisation and extension of influx control and the relocation policy of the state which followed this. Together this state action resulted in an annual population growth rate of 5,83 percent between 1960 and 1970. Simkins concludes that it may not be fanciful to see the state's "homeland development programme" (seriously started in the late sixties) as a reponse to a crisis it had precipitated fifteen years earlier.(22)

The Riekert, Wiehahn and De Lange Commission can also be seen in this context. The Riekert Commission recommendations were oriented towards the creation of a more skilled, mobile and "stable" black urban population, by the tightening up of influx control regulations and increasing the distinction between these urban "insiders" and the rural "outsiders" in the Bantustans. Simkins calculated that the private industry wage/agricultural product ratio rose from 5 in 1955 to 11 in 1965 ushering in the contemporary disequilibrium between

urban and rural African incomes. Increasing dependency of the reserves on remittances from the modern sector was the inevitable result.(23)

The rural "outsiders" would only be allowed into the urban areas as temporary industrial workers. They comprise a minority of working peasant migrants and a majority of migrating proletarians,(24) the latter either commuting from the Bantustan dormitory townships or migrating from resettlement camps, closer settlements and other rural villages.

Of the various elements of the African working class located in the Bantustans, those in the dormitory townships of the urban border areas receive similar wages and maintain standards similar to those of their urban counter-parts.(25) Indeed to understand the process of restructuring in the wake of the abovementioned commissions more fully, de Clercq stresses the necessity of including this element of the Bantustan population. For example, there is increasing evidence that in the field of technical education "Bophuthatswana intends to produce a new hierachy of more differentiated and specialised skilled workers to answer the changing labour requirements of a modern monopoly capitalist economy."(26) Although the figures provided by official statistics should be treated with caution, the 1980 census for Bophuthatswana suggests that out of a workforce of 406 000, 140 000 (34%) were employed within the borders of the Bantustan, 103 000 (25%) were commuters and 162 000 (40%) were migrants.

In summary, we have seen that since the 1920's the reproduction of a certain portion of the African workforce has been taking place within the urban areas. During and after the World War II restructuring of industry, the proportion of fully proletarianised workers and their families receiving their reproduction through the wage relation increased even more. However, until 1955 the Bantustans functioned to reproduce a cheap (below cost) labour supply for a section of the capitalist economy, primarily the mines and small competitive capitalist enterprises. With the major transition to monopoly capitalism in the 1960's and the state's policy of relocation, the peasant base of the Bantustans has ceased to be a source of labour rent for capital. According to Hindson (1980), the reproduction of African workers, who form the major component of the workforce, is now taking place primarily in the urban areas. (27)

Apart from the border - urban area commuters, most of the other elements of the African working class in the Bantustans are largely dysfunctional for capital:

> "They comprise, for the most part, the ever-growing surplus population, many of whom have been relocated there, and whose reproduction is neither needed nor taken care of. In the case of "worker peasants" their subsistence/peasant activities are largely irrelevent to capital.... Capital consequently no longer has any interest in the preservation of any sort of subsistence base in the Bantustans, at least in so far as such subsistence may provide the basis for cheap labour power." (28)

Capital's lack of interest in the preservation of a subsistence

base in the Bantustans is reflected in the changing legislation regulating investment in these areas. This legislation will be examined in detail in the next chapter.

As we have seen, the emergence of monopoly capital, the increasing surplus population and the state's policy of relocation, as well as the new conditions of reproduction of labour, have led, as Simkins has shown, to the final demise of peasant subsistence cultivation in the Bantustans. With the virtual collapse of this subsistence cultivation, there is no longer a strong class with vested land interest, so the main barrier to the penetration of "white" agricultural capital has dropped. (29)

It is against this background that the latest rural development policies for the Bantustans have been formulated. Although as stated, there is no longer a strong class with vested land interest, this has not prevented certain contradictions from arising within the policies being pursued. This contradiction is most evident in the "independent" Bantustans of Bophuthatswana and the Ciskei.

On the one hand there is a strong rhetoric aimed at the rural inhabitants, who form the Bantustans main constituency, of local participation and community development, and an avowed intent to establish a class of agriculturalists ranging along a spectrum from self-sufficient subsistence to commercial

farmers. For example, the general manager of the Ciskei Development Board said in the late 1970's:

> "It follows therefore that all policies and programmes of the government in the development of the homeland should be to promote the widespread participation of the people in the development to improve their standard of living and general quality of life." (30)

The Secretary for Agriculture of Bophuthatswana addressing a rural development seminar in 1982 told the audience much the same:

> "Such a broad programme for socio-economic development would set in motion the process of rural development which process would depend for its success on the people's active participation and personal involvement in the decision-making and implementation." (31)

On the other hand the Bantustan administrations, as an extension of the South African state, are committed to the political necessity for agricultural production to give some semblance of self-sufficiency to their "independent" economies. Citing the Keiskammahoek and Tyefu irrigation schemes in the Ciskei in 1979, Treurnicht said:

> "There is little doubt that these schemes will make a significant impact on agricultural production in the Ciskei..." (32)

The managing director of the Agricultural Development Corpora-

tion of Bophuthatswana (AGRICOR) has said on numerous occasions that AGRICOR's original brief was a technocratic one based purely on the highest potential returns. (33)

As will be demonstrated in the next chapter, the state institution responsible for overall co-ordination of development in the Bantustans, the Corporation for Economic Development (CED), has committed itself to the establishment of large agricultural projects with the primary aim of producing an agricultural surplus. These projects are usually highly capital intensive and the majority of the participants are seperated from control over their land and from any involvement in the productive process.

In contrast to the previously stated "widespread participation of the people" and their "active participation" in the development process, the capital intensive project approach is neither widespread nor does it encourage participation from rural people. The rationale behind the project approach is that rural development efforts must be concentrated in selected areas of high potential where prospects for success are the highest. (34) The justification for this kind of rural development is usually given as being due to a limitation of resources for development (staff, funds, service facilities and agricultural land of high potential), making the development of the total area of the Bantustans impractical. (35) Tony Venn of the Loxton group, which is involved in the manage-

ment of many agricultural projects in the Bantustans, put it as follows:

> "Resources for development are currently dissipated in diffuse, broad spectrum programmes, the impact of which is neither effective nor adequate. It follows that there is a case for partial concentration of resources in selected areas where the prospects for success are greatest." (36)

The finance for these agricultural projects has been mainly state capital, although the private sector and white agricultural co-operatives are increasingly becoming involved in the financing as well as the management of the projects. The finance is usually channelled through some form of development corporation; either the CED or the local corporation in the Bantustans themselves.

In Bophuthatswana the contradiction between the capital intensive projects in a few selected high potential areas and the rhetoric of community development for the rural population as a whole, has taken the form of an on-going conflict between the Agricultural Development Corporation of Bophutnatswana (AGRICOR) and the Department of Agriculture of Bophuthatswana. This conflict will be discussed in chapter six of this study.

CONCLUSION

This chapter has briefly outlined the changes which have occurred in the structure of capitalist production and accumu-

lation in South Africa culminating in the major transition to monopoly capitalism in the last two decades. It has also attempted to show how the conditions of production and reproduction in the economy have changed during this time, leading to a dramatic increase in the population of the Bantustans and a drastic decline in the subsistence production. The growth of both horizontally and vertically concentrated conglomerates connected to the agri-business field and the state's attempts to increase the agricultural production of the Bantustans, has led to the present flow of capital into agricultural projects in the Bantustans.

The next chapter will examine the changes in legislation which have occurred as the conditions of production and reproduction in the central economy have led to changes in the Bantustans.

CHAPTER 2

OPENING THE GATES FOR CAPITAL INVESTMENT IN THE BANTU

INTRODUCTION

Large scale capital penetration and the development of commercial agriculture in the form of capital intensive projects or schemes in the Bantustans have only really developed since the passing of the 1977 ammendment to the Promotion of Economic Development of the National States Act No 46 of 1968. Before considering this important turning point it is useful to examine the legislation preceeding it.

BETTERMENT AND THE TOMLINSON COMMISSION

Although the South African Gove .nt rejected most of the major recommendations of the Tomlinson Commission of 1955, it has formed the basis for the majority of the planning reports on agriculture in the Bantustans from the late 1950's until the latter part of the 1970's.

The Commission identified "one-man-one-plot" tenure as the main problem underlying the inability of the reserves to provide a full-time living for the inhabitants of the Bantustans. The solution to this problem, according to the Commission, was to divide the rural population into a landless

group dependent on the wage economy and a "progressive farming sector". (1)

Each progressive farmer would be given a 52 morgen plot to replace the one to five morgen plots which existed in the Bantustans at the time of the Tomlinson Commission. The allocation of these larger plots would have required the removal of about half the reserve population and their settlement in urban locations within the Bantustans. While some of those removed in this manner would have had to find employment in decentralised industries ("border industries") in demarcated growth points, the rest would have been employed in small scale handicraft industries in the rural villages.

Yawitch has suggested three main reasons for the government's rejection of and its failure to implement the major recommendations of the Tomlinson Commission. In the first place, the government was not willing to risk the widespread resistance that would have followed the redistribution of land to create more viable plots. Secondly, it was not willing to provide the amount of money recommended by the Commission for the successful creation of decentralised industries to absorb the people who would have lost access to land. Thirdly Yawitch suggests, the government was loathe to make the reserves self-sufficient as this would have threatened the continuation of the system of migrant labour to the central economy. (2)

In spite of its rejection of the major recommendations, the

South African state has used certain aspects of the Tomlinson Commission report as t e basis of its agricultural policy for the Bantustans. The most widely implemented recommendation, which has its roots in agricultural policy before Tomlinson, was that of "betterment". While previously betterment planning was mainly concerned with limiting the number of stock units in an attempt to limit over-grazing, the 1955 Commission recommended that betterment schemes "involving the resiting of dwellings and the division of land into arable, grazing and residential areas be implemented immediately in order to prevent further deterioration of the soil, and that these schemes, if necessary be implemented without consent of the inhabitants." (3)

For example by 1980, 62,2 percent of the total area of Bophuthatswana had been planned in this manner and of these plans 72,6 percent have been physically implemented. This brings the total area of the region planned and executed to 45.2 percent. Beuster suggests that there is evidence that production in certain planned areas in the Bantustans has in fact dropped since implementation. (4) He cites the main reasons for the drop in production as being due to a failure on the part of extension officers to help farmers implement the cropping plans drawn up for that area as well as a lack of credit and agricultural inputs. Yawitch also cites extensive evidence of widespread resistance to the implementation of betterment schemes all over South Africa. (5)

The practical implementation of betterment planning for the

Ditsobotla District of Bophuthatswana will be discussed in Chapter 7.

Further recommendations of the Tomlinson Commission that were accepted by the government, were the relocation of a proportion of the population onto irrigation schemes which would allow for more specialised types of farming on smaller than average plots; and that the authorities take the initiative in the establishment of sugarcane and fibre (sisal) planting, to be undertaken where possible on a peasant cash-cropping basis. (6)

In the years that followed the government's acceptance of these recommendations, a few small scale irrigation schemes were developed, while official agencies initiated the production of such commercial crops as tea, sisal, sugar, etc. In most cases peasants were unwilling to turn over subsistence production to these crops, and so with a few exceptions, mostly in sugar production, (7) these schemes were developed on a "plantation" basis.

In order to provide employment for Africans who would be moved off the land, the Tomlinson Commission recommended that the government make available £10 million a year for ten years to develop industrial sites both at border points and within the Bantustans. Although the government did not vote the expenditure of £10 million, it did make available an amount of £1 million, from the Native Trust for the purpose of establishing a Bantu Areas Investment Corporation (BIC).

While the Tomlinson Commission recommended that white entrepreneurs be allowed into the Bantustans, the government rejected this and stipulated "that Bantu entrepreneurs unhampered by European competition, should be able to develop their own industries.... (and) that private European entrepreneurs should not be allowed there," (8). The BIC was thus constituted under Act 34 of 1959 to mobilize African capital under a principle of "self-help".

THE PROMOTION OF ECONOMIC DEVELOPMENT OF NATIONAL STATES ACT NO. 46 OF 1968

The 1959 Act was repealed in 1968 because of the lack of success of the BIC in stimulating "development" and creating jobs. It was replaced by the above-mentioned Act. This amended legislation allowed business undertakings to be carried out by black companies in conjunction with whites, thus making explicit provision for white entrepreneurs to enter the Bantustans.

However, the entry of white business into the Bantustans was subject to a number of restraints:(9)

a. They could only operate in the Bantustans as agents or contractors to the South African Bantu Trust, the economic coordinating instrument of which was the BIC.
b. White entrepreneurs could not obtain any proprietary or entrenched rights in the Bantustans.
c. Much of the capital for these schemes came from the

BIC, usually through the development corporation of the particular homeland. In effect the BIC provided fairly substantial capital subsidies to the agent in an attempt to encourage decentralisation to the Bantustans.

d. All such business undertakings had to be carried out with Africans or African owned companies. This system, known as the "agency system" meant that after a period of ten years, the white entrepreneurs were forced to sell their share of the business to the BIC, who would in turn hand it over to local control.

The most important consideration in the financing of business or schemes was not so much profit as the creation of jobs and the establishment of an African entrepreneurial class in the Bantustans.

At this stage very little of the money that the BIC made available went into agriculture. In the Transkei for example, Southall (1977) has shown that of the 1 300 concerns financed by the BIC up to 1974, 86 percent were trading establishments (general dealers, cafes, butchers and bottle stores), 13 percent were service concerns (mostly transport and garages), and only two percent light manufacturing establishments. Most companies established on an agency basis before 1977 were involved in distribution and food processing.

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In summary, prior to 1977, there was very little commercial

agriculture in the Bantustans. Commercial agriculture was limited to:

- a few "plantation" schemes, producing crops such as sisal, tea, sugar, citrus, etc., and run by the agricultural sections of the old Department of Bantu Administration and Development (later Department of Cooperation and Development) or the local Bantustan administration itself, and usually with little more commercial interest than to help finance the local administration. (10) These departmental schemes also include cattle breeding schemes in various districts.

- A small number of African farmers ranging from peasant subsistence farmers producing a small surplus for the market, to fully fledged commercial farmers. In certain areas, such as the Ditsobotla region of Bophuthatswana, small areas were leased to white farmers on a share-cropping basis.

- A few co-operatives, usually centred on small-scale irrigation schemes, were producing a limited amount of cash crops for sale. Since the Agricultural Development Act of 1973 provided that credit obtained from the Agricultural Development Fund should be channelled through co-operatives, many were established merely for this purpose. The Taung Irrigation Scheme which

was established in 1939 as part of the Taung Reserve in present day Bophuthatswana with about 1 150 farmers settled on an area of 3 200 ha under flood irrigation from the Vaalhartz North Canal, is an example of this type of scheme.

In the 1960's the Agricultural Advisory Services of the Department of Bantu Administration and Development and in the early 1970's with the granting of self government, the Departments of Agriculture of the Bantustans, were mainly concerned with betterment planning. For example, the provision of water supplies, fencing, etc., received maximum priority, while the improvement of production did not receive much attention.

In most cases it seems that attempts to encourage African farmers to produce for the commercial market were unsuccessful in that they were reluctant to abandon their subsistence base. (11) Bernstein suggests that when considering the resistance of peasant producers and their refusal to adopt new cultivation practices or their sabotage (thus peasant "conservatism"), it must be borne in mind that such measures introduce new elements of risk in the already precarious basis of household production. (12) The risk of commercial production in the Bantustans is especially marked, given the hopeless overcrowding and concomitant small land holdings, as well as the lack of agricultural infrastructure.

Crop farmers, convinced of the benefits of using fertilizers, improved seed and tractors, are faced with the impossibility of mobilizing the required funds or find it difficult to purchase inputs in areas not serviced by co-operative depots. (13) In these circumstances the only real option for breadwinners in the Bantustans is to find alternative sources of cash income, usually through labour migration. It is against this background that "farmers'" reluctance to abandon their subsistance base for the relatively high risks of commercial production must be seen.

THE 1977 AMENDMENT TO THE PROMOTION OF ECONOMIC DEVELOPMENT OF THE NATIONAL STATES ACT NO. 46 OF 1968

The 1977 amendment to the 1968 Act was of major importance to the development of commercial agriculture in the Bantustans. It made possible an unprecedented flow of capital into agricultural production; something which had been inhibited by the racial prescriptions contained in legislation prior to this period.

The 1968 Act was amended in two important ways. While changing the name of the BIC to the Corporation for Economic Development (CED), the amendment made provision for whites, coloureds and Asians to become shareholders in "Bantu companies" which were previously controlled by Africans only. Secondly, Section four of the 1977 Act, extends the powers of the CED to carry out undertakings, acquire or sell them to any racial group.

This effectively meant that the compulsion to include Africans in any of its undertakings had been dropped.

The lifting of the racial prescription covered virtually all the activities of the CED, such as the establishment of industrial concerns, the regulation of loans, debentures, stocks and other monies, the guaranteeing of contracts, its function as a director or agent and its capacity to lend money with or without security. (14) As Hoyland puts it:

> "With the 1977 Act we can see a move away from the function of the old BIC in attempting to create an entrepreneurial class in the reserves to the encouragement of uninhibited capital investment through the CED". (15)

The object of the CED is:

> "to plan, finance, coordinate, promote and carry out development of the national states and the Black population of such states in the field of industry, commerce, finance, mining and other businesses either directly or by means of development corporations or corporations.(16)

In the years that followed the constitution of the BIC under Act 34 of 1959, various regional development corporations were established in all the Bantustans. The Xhosa Development Corporation (XDC) was established in 1965 to handle undertakings in the Transkei and Ciskei and others followed shortly afterwards.

The sole shareholder of the CED is the South African Develop-

ment Trust, the president of which is the president of South Africa. The CED is financed from three main sources, viz. share capital, own revenue and loan capital. The share capital comes from the South African state revenue and can be increased or decreased only by the Minister of Co-operation and Development in consultation with the Minister of Finance. No dividends are payable on this share capital and any profits, which are non-taxable, are reinvested to promote further "development". The CED allocates a part of this allotted share capital to the development corporations of each Bantustan. (17)

Whereas the BIC was orientated towards the promotion of an African entrepreneurial class in the Bantustans, since the change to the CED this role is supposed to have been largely taken over by the local development corporations. The CED's functions, in its own words, "are now concentrated on the development of the large agricultural projects, industrial development, transport and financial support whilst other functions have been transferred to the National Development Corporations." (18) (My emphasis).

BOPHUTHATSWANA SINCE 1977

With the formal granting of "independence" in December 1977, the President, Chief Lucas Mangope, issued a directive to the Bophuthatswana National Development Corporation (BNDC) to do away with the "agency system" which restricted temporary white ownership of business to a ten year period.

Outside investors can now obtain freehold title to land in Bophuthatswana and can therefore own rather than lease the factory or agricultural buildings and infrastructure. The BNDC offers a subsidy to investors which applies to outlay on land and buildings. The BNDC also offers finance at low interest rates, transport subsidies, the provision of capital infrastructure, as well as in some cases, the subsidy of wages paid to workers. A new incentive package encourages investors to look to sources other than the BNDC for finance, as interest concessions are applicable regardless of the source of that finance. During the 1982-83 financial year, several industrial projects were financed from outside sources, amounting to a total investment of R27 million. (19)

Apart from business entirely financed and run by outside entrepreneurs, the BNDC also operates a bi-partite system where 50 percent of a company's shares are held by the outside investor and 50 percent by the BNDC itself. As the compulsion to hand over companies to local people after ten years has been dropped, the BNDC has established an investment holding company which sells 40 percent of the BNDC holdings in selected bi-partite companies to "members of the public".

Called the Yabeng Investment Holding Company Limited ("Yabeng") it has been formed to hold shares in a portfolio of companies operating in Bophutnatswana. Shares in Yabeng are being offered for sale "to enable members of the public, especially citizens of Bophuthatswana and financial institutions registered in Bophuthatswana to hold an indirect investment in these

companies". (20) The number of shares being offered total four million and sell at 25 cents per share. The investor has to buy at least R100 worth of shares. The companies involved include Checkers , Frazers, Metro Cash and Carry and Sun International (formerly Southern Sun Hotels).

Although Bophuthatswana has had a certain amount of success in attracting private investment in the industrial sector, it has had to rely mainly on state capital to develop its agricultural sector. Before looking at the investment of state and private capital in more detail in chapter 4, chapter 3 examines the attractions of the Bantustans for potential investors.

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CHAPTER 3

THE INCENTIVES FOR INVESTMENT IN THE BANTUSTANS

INTRODUCTION

Capital has always penetrated agriculture more slowly than industry. There are various reasons for this, the most obvious being agriculture's dependence on nature, the perishable character of agricultural products, the availability of land (not being reproducable in the same way as capital) and the unequal exchange between agriculture and industry.(1) However, since the organisation and finance required for large scale investment in agriculture, whether private or state capital, has become available, these disadvantages have become less important. The advantages for investment of agricultural capital in the Bantustans in particular are several, depending on the type of crop and the form of production.

In more general terms, however, Keenan has outlined the following advantages to capital: (2)

1. Differential ground rent

   Land is an important element of production, and especially in agriculture, represents a certain portion of the capital costs of any productive enterprise. It is not the land itself which yields "value" but the ground rent which represents the future revenues yielded through the use of the land. Money invested in land is equivalent

to an interest bearing investment. (3)

According to Keenan one of the biggest advantages accruing to both state and private capital invested through para-statal organisations, such as the agricultural development corporations and agricultural companies, is that land is usually made available for agricultural development projects at a nominal price. Where projects are state run and on Trust land there may be no charge at all. In addition to the obvious contribution towards profits, the low price paid for land enables the extension of capitalist agriculture into hitherto marginal areas. (4)

This seems to be an important consideration in the case of the Mooifontein and Shiela AGRICOR projects in the Ditsobotla district. The cost of the land is borne by the project participants who pay approximately R15-00 a year to the magisterial authority for their 15 ha allotments. These costs are nowhere included in any of the financial statements issued by the management. The ground rent thus accrues to capital at a nominal initial investment, if any at all.

2. Cheap Labour

While Keenan suggests and it is generally true that wages in the Bantustans are lower than in the urban areas of South Africa, a note of caution needs to be sounded in relation to agriculture. It is not clear that wages in the white capitalist agricultural sector differ significantly from those paid in the Bantustans. For example, in 1983, white

farmers on the Hartzwater Irrigation scheme adjacent to the Taung Irrigation scheme in Bophuthatswana, paid less money wages than the AGRICOR projects (R1-50 as opposed to R2-00 per day).

There also seems to be an increasing reluctance on the part of men especially to work as agricultural labourers in certain parts of the Bantustans. In a study of unemployed men in the Taung region, (5) it was found that they would rather wait for a job in construction or other formal employment than work for the wages offered on the AGRICOR project (R2-00 per day). This reluctance for agricultural labouring has manifested itself in a shortage of workers on all three of the big AGRICOR projects, forcing Mooifontein to use school children during their holidays and Shiela to resort to convict labour from the nearby Rooigrond Prison.

While this situation obviously does not apply to all Bantustans, and may have to do with the relatively better position of Bophuthatswana in relation to the Pretoria-Witwatersrand-Vaal industrial complex, it does serve as a warning against a simplistic functionalist designation of the Bantustans as "separate" reservoirs of cheap labour.

Given this proviso, it is clear that in more distant Bantustans the wages are abysmally low.

As Hoyland (1982) has shown, apart from the right climatic conditi , low wages are an important consideration in the development of labour intensive crops such as tea, sisal, cotton and citrus.

3. Controlled labour

Not only are labour costs kept down, but as Keenan has shown, capital undertakings in the Bantustans are also exempt from certain labour protection legislation. Many of the Bantustans have banned any trade union activity, the Ciskei being the most notorious in terms of its excesses in this field. Bophuthatswana too, has prohibited any "South African" trade unions from operating within its borders, opting instead for a system of works committees recently announced by the Minister of Manpower Coordination. These works committees will be tightly controlled by the administration of the Bantustan.

As far as agriculture is concerned, provisions to protect workers from victimisation are specifically exempt in their application to agricultural workers. This has made the projects relatively safe from labour unrest and strike action, although resistance does take more subtle forms.(6)

4. Various forms of subsidy

A close examination of many of the agricultural projects in the Bantustans shows that many of these enterprises would not be able to function were it not for the various types of subsidies they receive. Keenan points out that some of the subsidies in the Bantustans are obtained in the

following way:

a. A direct subsidy from the state. For example, AGRICOR in Bophuthatswana gets finance for its projects from the South African Department of Foreign Affairs in the form of soft-loans at 2 percent interest and five years grace in paying it back. (7) Under these conditions inflation virtually makes this a grant. If AGRICOR raises money from the private sector the interest is softened by either the Bophuthatswana administration or by the South African government.

   This kind of subsidy is obviously given for political and ideological reasons. Ideologically it is important for the South African government to show the viability of the Bantustan economies in an attempt to sell the idea of "independent states". They therefore continue to subsidise the losses of certain projects rather than letting them go bankrupt.

b. Private capital is usually subsidised by the CED or the national development corporations in the Bantustans. This subsidy may take a similar form to that offered by the South African government to industrial concerns wanting to set up in decentralised "growth points". The subsidy applies to interest on loan finance, transport, wages, as well as the provision of capital infrastructure.

AGRICOR for example has gone into business with private investors (the Joubert Brothers of Mafikeng) to develop two meat processing and distribution industries, (8) Mmabatho Food Corporation, with an annual turnover of approximately R9 million, and Tswana Foods, with a turnover of R6 million per annum. AGRICOR provides these businesses, in which it holds 50 percent of the shares, with long term loans in respect of trade capital at low interest rates (9,5% per annum), as well as capital loans for building and expansion at Prime Bank rates.

c. A subsidy in terms of the production risk. In the case of the Mooifontein Project for example, whenever the amount of total inputs and management fee (expenditure) exceed gross income, the resulting debt or "blank cheque", as the project participants call it, is borne by the latter. The fact that there is a "separation" between those responsible for the amount of production inputs and those who carry the debts is probably a contributing factor to the over-capitalisation, especially in terms of fertilizer, herbicides and pesticides, in what amounts to marginal maize areas. Overall costs on the Ditsobotla projects are higher than those of comparable areas of white farming, (9) although it is difficult to establish at this stage how much of the extra expenditure is due to the initial costs of establishment of the

.rojects.

Available evidence would appear to indicate that the higher costs incurred on the projects are not only due to the initial costs of establishment. There is very little difference in expenditure between the newly established areas of the projects and those which have been operating for over eight years (since 1976). Given the political aim of production for self-sufficiency, there does seem to be a tendency for management to overspend in situations where they themselves are not responsible for the payment of any debts.

The over-capitalisation and the resulting debts incurred by the participants on the Ditsobotla projects will be examined in detail in Chapter 9.

If the situation arises where debts incurred by the project participants are too high for them to reasonably pay back, it seems inevitable that these debts will be written off by the agency concerned and the costs will be carried by the Bantustan administration or by the central government. AGRICOR in Bophuthatswana is faced with this situation at the time of writing. Many of the project participants in the Ditsobotla district owe AGRICOR, through their co-operatives, over R15 000 and the 1983-84 debts have

have made it worse. In the wake of the continuing drought, AGRICOR will no doubt try to persuade the Bophuthatswana administration to allow them to write off the debts to enable them to start again with a clean slate.

Thus the suppliers of the agricultural inputs (agricultural machinery, seeds, fertilisers, insecticides, herbicides) as well as the management of the projects are guarenteed their money, while the project participants (through their co-operatives), the Bantustan administration, and in the last instance, the South African government, carry the production risk.

CHAPTER 4

STATE AND PRIVATE CAPITAL: THE EXPANSION OF COMMODITY RELATIONS

INTRODUCTION

Bernstein has suggested that in Africa, state forms of capital investment in agricultural production are more common than the involvement of large-scale private productive capitals (for example, international agri-business companies, as in South America). (1) While this seems to be the trend in South Africa's Bantustans, the situation is complicated by the intertwining of private capital with the state through various forms of agency, tri and bi-partite and other agreements.(2)

The movement of large-scale state and private capital into agricultural production in the Bantustans has resulted in attempts to determine the conditions of production and exchange through what can be broadly described in terms of the "vertical concentration" of small producers.

STATE OR PRIVATE CAPITAL

Basil Bernstein has laid out very clearly the operation of state forms of capital in Africa. (3) He states that the further development of commodity relations since independence cannot be discussed without considering the role of the state,

of which there are two important aspects in this context.

The first is that the economic role of the state has to be located in relation to the possibilities of accumulation by a ruling class which has formed since independence. Their reproduction as a class and their ability to accumulate are tied to the development of the economies of the particular social formations in which they exist. In this sense, they have a more direct interest in the development of commodity relations within <u>any given country</u> than international companies which mobilise capital and switch investments on a global basis.

The second aspect, which is related to the first according to Bernstein, is that the state acts to promote the extension and intensification of commodity relations in conditions where it might not be immediately profitable for productive and finance capital to do so. The role of foreign aid and the promotion of rural development schemes which provide infrastructure for the further development of commodity relations (communications, energy, storage, local processing facilities, education and health schemes) or the planning and financing of production schemes (agricultural machinery, irrigation equipment, improved seeds, fertilizers, insecticides, pesticides, etc.) are relevant in this regard.

In the past such schemes have concentrated on the production of export crops and have usually incorporated "progressive

farmer" incentives. In recent years another strategy has emerged, not necessarily a contradictory one, of encouraging food production for national self-sufficiency and providing production inputs and credits to the poorer rural sectors.

Bernstein hypothesises the reasons for this new emphasis: the chronic state of food production, especially staples, in many African countries; the political instability associated with food shortages and inflationary food prices in the cities; the cost in foreign exchange of food imports to make up the shortages in domestic production. As Feder (1976) and George (1976) have pointed out, while capital in general has an interest in the extension and intensification of commodity relations, there is also the more specific interest in expanding the market of those capitals engaged in the production of agricultural inputs. The interest of the ruling class, already alluded to, in deepening the material base of appropriation and accumulation, may be another reason for encouraging food production schemes, according to Bernstein.

This means that alongside the investments of large-scale productive capitals in agriculture, a major impetus to the further development of commodity relations comes from the operation of state-managed forms of capital:

> "These represent an alliance between the apparatuses of the state which organise the political, ideological and administrative conditions of the further penetration of capital into peasant agriculture, and the provision of the financial and technical

> means of this penetration by either private capitals or the particular form of finance capital represented by the World Bank and other aid agencies". (4)

As we saw in chapter 2, the Promotion of Economic Development of the National States Acts No 46 of 1968, especially since the 1977 amendment, was passed precisely with the intention of creating state institutions whose task it is to "manage" capital investment in the Bantustans. In a moment we will examine the legislation, contained in the amended 1968 Act, which deals specifically with the investment of capital through the Corporation for Economic Development (CED), as well as through the regional corporations in the Bantustans themselves.

However, before the task of examining the institutions and legislation concerned with organising the further penetration of capital into peasant/migrant agriculture is begun, it is necessary to sound a small warning. In South Africa it is often difficult, when examining agricultural projects in the Bantustans, to distinguish between state and private capital. Initial and running capital are procured from a variety of para-statal sources as well as from private sources. Furthermore, private capital is frequently closely intertwined with the state through various forms of agency, tripartite, bipartite and other agreements. As Keenan states:

> "the situation is further complicated by difference in the administrative and financial structures between "independent" and "non-independent" Bantustans, and also by the fact that agricultural schemes are usually closely tied up with local authorities,

political parties and other quasi-state/Bantustan authorities." (5)

The main channel for investment in the Bantustans is through the Corporation for Economic Development (CED), as well as directly through the regional development corporations in the "independent" Bantustans. Examples of the latter are the Bophuthatswana National Development Corporation (BNDC) which is concerned with industrial development and the Agricultural Development Corporation of Bophuthatswana (AGRICOR) which is involved in the development of agricultural projects. The CED operates on a national basis, channelling funds to and coordinating the activities of the regional development corporations in the "independent" Bantustans and the Agricultural Companies in the "non-independent" Bantustans.

As we saw in chapter 2, the emphasis of these state corporations has changed since 1977. Whereas the Bantu Investment Corporation (BIC) was orientated towards the promotion of an African entrepreneurial class in the Bantustans, the CED's functions are now concentrated on the development of large projects, especially with regard to agriculture. The development of an African entrepreneurial class was supposed to pass on to the regional development corporations, leaving the CED free to concentrate on the channelling of finance and expertise into capital intensive projects. As this study will try to make clear, the mantle of creating local entrepreneurs has not fallen very comfortably on the shoulders of the regional development corporations. AGRICOR in Bophuthatswana especially,

has been moulded into an extension of the CED. Most of its efforts have been concentrated on the development of large scale agricultural projects which have had very little to do with the creation of a class of small independent farmers.

AGRICOR's policy in this regard, as was mentioned at the end of chapter 1, has led to conflict between it and the Bophuthatswana Department of Agriculture. The latter Department, under the leadership of Mr C M K Seape, who was Secretary for Agriculture until 1982, represented the interests of a declining class of tribal and peasant farmers. The Department of Agriculture under Seape was committed to a programme of small scale farming based on the "traditional communal system" and regarded the large capital intensive projects as a short-term emergency measure. AGRICOR however, with its agricultural projects staffed mainly with seconded CED personnel, has always seen its capital intensive large-scale projects as the basis of a long term development strategy. The conflict that has arisen out of this difference of approach will be looked at in more detail in the next chapter.

The regional agricultural development corporations, such as AGRICOR, are found only in the "independent" Bantustans. In the "non-independent" Bantustans agricultural "development" is handled by agricultural companies. These agricultural companies, such as the KaNgwane Agricultural Company (Pty) Ltd. and the Old Tswana Agricultural Company (TAC) are jointly

owned by the CED and the local development corporation, each holding a 50 percent share.

The agricultural development corporations in the "independent" Bantustans have severed all formal links with the CED. Nonetheless there are many ties, the latter usually provides seconded personnel, consultants, management for agricultural projects, finance and many other services. The agricultural development corporations are statuatory bodies with all shares owned by the Bantustan administrations.

The main task of the CED is thus to channel state capital into various projects via the national development corporations, the agricultural development corporations and the agricultural companies. It also has a secondary task, that of acting as a channel for private capital wishing to invest in specific projects, be they industrial, commercial or agricultural.

LEGISLATION AND INVESTMENT

The key to the understanding of the investment procedure through the CED and its offshoots in the Bantustans can be found in the amended Promotion of Economic Development of the National States Act No 46 of 1968. Section 19 of the Act reads as follows: (6)

> "All income and property and all profits of the Corporation for Economic Development, Ltd, a development corporation and a corporation, from whatever

> source the same may be acquired, shall be applied exclusively to the promotion of the objects of the body concerned, and no dividend shall be paid to the shareholder: provided that the Trustee may direct that the profits of a corporation shall be paid to the Corporation for Economic Development, Limited, or to a particular development corporation, which shall apply any amount so received to the attainment of its objects."

Ostensibly this indicates that while the CED invests state capital into the Bantustans, whatever profits are made on that investment are ploughed back into further 'development'.(7) The role of the CED however, becomes clearer when we read Section 19 of the Act in conjunction with Section 4, which sets out the powers that the CED shall have in the attainment of its objects. Two crucial sections read as follows:

> 4(1)(u) to act as an agent or representative in connection with any matter of whatsoever nature for or on behalf of a person in connection with all or any of its objects or itself to appoint agents or representatives in connection with any of its objects;
>
> 4(1)(t) to take deposits offered by any person for investment and to hold such deposits on such conditions as may be agreed upon, and to arrange and to decide upon the investment and application thereof;

and if these powers are not sweeping enough:

it may, generally, do anything that is necessary for or conducive to the attainment of its objects and the excercise of its powers, whether or not it relates to any matter expressly mentioned in this section."

The Act thus seems to provide for the investment of state capital as well as combinations of state and private capital. As Keenan puts it:

> "Section 4(1)(t) would seem to be providing almost blanket power to enter into just about any sort of agreement, no matter how clandestine, that may involve taking monies offered by any party and investing that money, subject to whatever agreements may have been made, in any way that can be deemed to relate to any aspect set out in Section 3, which in itself sets out very wide and loosely defined objectives." (8)

While state capital is largely channelled through the CED into big agricultural projects, private capital can be invested in almost any way which falls within the CED's notion of "development". We will examine some of the ways in which state and private capital have been invested in a moment, as well as the way in which these state managed forms of capital create the infrastructure for the extension of commodity relations, especially the provision of agricultural inputs.

STATE CAPITAL

State capital for the financing of agricultural projects in the Bantustans can be channelled through a wide variety of state institutions depending to a certain extent on whether it is "independent" or not.

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"INDEPENDENT" BANTUSTANS

In the "independent" Bantustans state capital is invested through the agricultural development corporations and through the Bantustans' departments of agriculture. The agricultural development corporations, such as AGRICOR in Bophuthatswana, obtain state capital from a variety of state institutions.

The Bantustan administrations provide finance through various grants as well as through agricultural and industrial development capital funds. They also provide the agricultural development corporations with long-term, low interest rate loans.

The agricultural development corporations receive a major portion of their state capital through the CED and the South African Department of Foreign Affairs. The latter department often channels its low interest loans through the CED to the corporations in the Bantustans. The South African Industrial Development Corporation (IDC) also provides loans to the development corporations. The Southern African Development Bank is replacing the above as the major source of state capital.

"NON-INDEPENDENT" BANTUSTANS

State capital channelled through the CED can combine with the national development corporation concerned to form an agricultural company, as for example in the case of Gazankulu Fruit Farming (Pty) Ltd., and Saringwa Estates (Pty) Ltd., both of which are citrus estates. (9) State capital can also be invested directly through the CED.

PRIVATE CAPITAL

As was said earlier, private capital may be invested in the Bantustans in a number of different ways.

Referring to Section 4 (1)(t) of the Act, Keenan gives a hypothetical example of the type of agreement which is possible between private capital and the state. It is conceivable that a large food company could make a deposit with the CED with an agreement that the CED, in conjunction with certain regional development corporations, develops several cotton plantations within the Bantustans, and that this cotton be sold exclusively to gins owned by the same food company. Since two thirds of cotton by weight consists of seed, it is conceivable that such an agreement could realise substantial profits for the food company through its processing of the cotton seed for vegetable oil. (10)

Section 4 (1)(u) taken in conjunction with Section 4 (1)(t) would seem to be opening the way for almost any possible permutation of the agency system. For example, Measured Farming, a firm of agricultural management consultants, took over the Tonga Sisal Project in KaNgwane in 1980 in partnership with KaNgwane Agricultural Company (Pty) Ltd. (The latter being jointly owned by the local development corporation, the KEDC, and the CED). On doing so they formed a new company called the Tonga Sisal Company (Pty) Ltd., with 50 percent shareholding each. Measured Farming are responsible for the management

of the scheme, and are also involved in sisal projects in Venda and Lebowa. (11)

In the "independent" Bantustans the agricultural development corporations can also act as an investment broker and actively try to attract private capital investment or raise loans on the open market. With regard to Bophuthatswana in particular, there is an indication that the large white agricultural co-operatives in the Transvaal are increasingly playing a role in this respect. Not only are they providing finance and credit facilities, but also management and other advisory services for some of the AGRICOR projects. This involvement of the white co-operatives follows a decision in 1976 by the Co-operative Board of the South African Agricultural Union to aid the Bantustans with regard to the development of their agricultural potential.

The Shiela Verdwaal Dryland Maize Project, which is regarded as AGRICOR's model project, was set up with finance from and is managed by Noordwestelike Koöperatiewe Landboumaatskappy, Beperk. (N.W. Koöp) N.W. Koöp also organised credit facilities for certain project members to buy tractors and implements through the central co-operative organisation, VETSAK.

Federale Volks-Belegging has also made an approach to AGRICOR to finance a maize expansion programme on the Mooifontein Project, but whether this has in fact been taken up is not known. (12)

THE DEVELOPMENT OF COMMODITY RELATIONS

It is clear from the above discussion that state and private capital can be combined in a great variety of ways. As was discussed in chapter 3, the incentives for private investment in agriculture in the Bantustans have greatly increased in the last few years. However, the state, through its various apparatuses such as the CED and the regional development corporations, have by and large had to pave the way. In Bernstein's words, these state-managed forms of capital represent an alliance between the apparatuses of the state which organise the political, ideological and administrative conditions of the further penetration of capital into peasant agriculture, and the provision of the financial and technical means of this penetration by private capital such as the central retail co-operatives, the big food processing and milling companies, as well as agri-business consultants such as Measured Farming.

Together these state managed forms of capital provide the infrastructure for the further development of commodity relations in the Bantustans. It is precisely within this context that the most important form of private capital penetration within the Bantustans takes place. Large scale productive capitals, usually of a multi-national nature find in the high technology projects, a guaranteed market for all kinds of agricultural inputs. The list of agricultural commodities is endless, but ranges from seeds, pesticides, herbicides, tractors and mechanical implements, combine harvesters and

trailers, to items such as gates, fencing, and corrugated iron.

The AGRICOR projects in Bophuthatswana provide a good example of this process. Together with the Vrystaat en Transvaalse Sentrale Aankoops Koöperasie Beperk (VETSAK), the huge South African central co-operative organisation, AGRICOR has established a Bophuthatswana branch of the former called TEMO-VET. VETSAK has a 50 percent shareholding in the new company, while AGRICOR in conjunction with the two Bophuthatswana Secondary Co-operatives, hold the other 50 percent.

The Bophuthatswana shares in TEMO-VET are made up of a 30 percent share held by AGRICOR, and 10 percent respectively held by the Lesedi Secondary Co-operative (Taung Irrigation Scheme) and by the Ditsobotla Secondary Co-operative (Mooifontein and Shiela-Verdwaal Projects).

VETSAK was set up as a central retail co-operative by the white agricultural co-operatives in the Transvaal and Orange Free State. With these powerful regional co-operatives behind it, VETSAK has grown into a huge multi-national business, manufacturing its own range of chemicals and agricultural equipment at its various factories, the main factory being situated in Germiston.

VETSAK also acts as a retail outlet in South Africa for multi-national giants such as Fiat Trattori, the Italian based

manufacturer whose tractors they distribute in South Africa. Other multi-national manufacturers which use VETSAK as a retail distributor in South Africa include the largest harvest machinery manufacturer in the world, Claas of Germany the fertilizer machinery manufacturer Amazonen, also of Germany, the industrial giant Allis Chalmers of the USA, Hobbs Incorporated, also of the USA, and Khun, the French company. (13)

TEMO-VET is thus acting as a local branch of VETSAK in Bophuthatswana. Although AGRICOR, by law, has to put out for tenders for any purchases, it would appear that TEMO-VET is in a position of virtual monopoly by virtue of its relationship to AGRICOR and the secondary co-operatives on the projects. The Board of TEMO-VET is comprised of representatives from the boards of the secondary co-operatives, AGRICOR and VETSAK. This essentially represents an alliance of CED, Noordwes Koöperasie, and through VETSAK, a combination of multi-national and white South African farmers' capital.

As I shall show later in chapter 9, the agri-businesses supplying the above-mentioned commodities are guaranteed their money irrespective of the yield, unlike the project participant, who, as the last person in this vast chain of appropriation, receives what is left over after inputs and management have been paid. What is important for capital is not the difference between the amount spent on production and gross income (which represents the project participants' profit or loss), but

rather the further incorporation of the partic_pants into commodity relations. The development of commodity relations and the necessity for a cash income (real subsumption of labour as opposed to formal subsumption) represents an important arena within which the expansion and penetration of capital can be located.

CHAPTER 5

THE VERTICAL CONCENTRATION OF PEASANT-MIGRANTS

INTRODUCTION

As the structure of the world capitalist economy has changed from competitive to monopoly capitalism, so too has the form of capital penetration into agriculture changed. This change in the form of capital penetration can be characterised in terms of a change from horizontal concentration (leading to large scale agricultural production units based on hired labour), to a vertical concentration of small producers by productive private and state capital.

THE DECLINE OF HORIZONTAL CONCENTRATION

Much of the literature on the development of capitalism in agriculture has been concerned with dispelling the notion that the "classical model" is the necessary form of rural development. (1)

In terms of the "classic model" of capitalist development in agriculture the means of production (land, machinery, labour power) are usually concentrated horizontally in units of production equivalent to industrial enterprises in their organisation of production and modes of economic calculation. This process of horizontal concentration usually results in the

expropriation of the peasantry and their internal differentiation towards capitalist farmers and wage workers. As Djurfeldt puts it:

> "According to this classical notion, the agrarian future would be one of big estates, managed by capitalist farmers, run with machinery and other capital intensive methods of production, and employing landless labourers." (2)

Chayanov noted the demise of the classical model as a general trend in agriculture as early as 1925:

> "The dynamic processes of agricultural proletarianization and concentration of production, leading to large scale agricultural production units based on hired labour, are developing throughout the world, ...at a rate much slower than was expected at the end of the nineteenth century... Nevertheless, it is clear to everyone working in the field of agriculture that literally before our eyes the world's agriculture,... is being more and more drawn into the general circulation of the world economy, and the centers of capitalism are more and more subordinating it to their leadership." (3)

Kautsky, in Die Agrafrage, was one of the first to examine the crisis in "classical" capitalist agriculture in Europe. Competition brought about by grain imports meant that capitalist farms could not reproduce themselves with free labour.(4) Much has been written about the ability of family or peasant farms to survive more adequately in this situation; the family farmer can sell his commodities at their cost price, while the capitalist farmer must add profit. (5) Thus, while in certain parts of the world capitalist agriculture flourished along classical lines, the tendency in others was for family

and peasant farmers to be incorporated into larger economic undertakings through a process of vertical rather than horizontal concentration.

VERTICAL CONCENTRATION OF SMALL PRODUCERS

For Bernstein, vertical concentration refers to the co-ordination, standardisation, and (greater or lesser) supervision of the production of numerous individual small producers through a central agency, whether this represents productive capital directly (as in out-grower arrangements), forms of merchant's capital which thereby actively intervene in the organisation of production, or whether the agency is that of a co-operative or other state managed scheme. (6)

The vertical concentration of small producers has taken many different forms in different parts of the world. Bernstein warns that these different possible paths of development indicate the heterogeneity of forms of peasant production and the need for investigating particular peasantries to examine their relations with other forms of production and the overall development of commodity relations. (7)

Chayanov outlined the stages of the subordination of agriculture to capitalism and vertical concentration of small producers in Europe, Russia and the United States of America:(8) Once agriculture has been drawn into commodity production, it tends to get subordinated to a combined merchant-usurer's

capital. This subordination usually involves the provision of credit for seed and means of production, buying up harvests and the giving of advances for food during the year. As Djurfeldt puts it:

> "The next step is that capitalism 'begins to actively interfere in the organisation of production too. It lays down technical conditions, issues seed and fertilizers, determines the rotation, and turns its clients into technical executors of its designs and economic plan'." (9)

Hand in hand with this process, capitalism begins to penetrate production itself, not on the farm as such, but "by splitting off from the peasant farm individual sectors, predominantly those in the primary processing of agricultural raw material and, in general, those connected with mechanical processes".(10) Kautsky shows that after the crisis in European capitalist agriculture because of competition from cheap grain imports from the colonies, there was a flow of capital out of agriculture, and into agro-industry. He mentions dairies, butcheries, breweries, sugar refineries, starch factories, which became objects of investment for the landlords and capitalist tenants.

The next stage, in Chayanov's words:

> "If to this we add in the most developed capitalist countries, such as those in North America, widely developed mortgage credit, the financing of farm circulating capital, and the dominating part played by capital invested in transport, elevator, irrigation, and other undertakings, then we have before us new ways in which capitalism penetrates agriculture.... They convert agriculture, despite the evi-

> dent scattered and independent nature of the small commodity producers, into an economic system concentrated in a series of the largest undertakings and, through them, entering the sphere controlled by the most advanced forms of finance capital. (11)

According to Djurfeldt the last sentence is important. It points to the thesis that these new forms of penetration are related to the transition in the capitalist mode of production itself, from competitive to monopoly capitalism. (12)

THE CO-OPERATIVE AS A FORM OF VERTICAL CONCENTRATION

Both Kautsky and Chayanov saw the agricultural co-operative as an intensive form of vertical concentration of small producers. Thus Djurfeldt suggests that when private entrepreneurial capital is weak, the vertical concentration can take a co-operative form. (13) According to Chayanov, 'the essence of of agricultural co-operation' is:

> "a deep process of vertical concentration in agriculture. Moreover it must be noted that in its co-operative forms this process goes much deeper than in its capitalist ones, since the peasant himself hands over to co-operative forms of concentration, sectors of his farm that capitalism never succeeds in detaching from it in the course of their struggle." (14)

Therefore the development of agro-industry does not entirely eliminate the small holder; in Kautsky's words, "it binds him to the monopsonist power of the factory and converts him into a serf of industrial capital, working for its requirements". (15) Djurfeldt emphasises that this is exactly the

role of co-operatives: to centralise capital without expropriating the peasants, so that we get a capitalism without the capitalists. In that form, co-operatives are eminently able to reproduce themselves; and they come to play exactly the same role as private capital in other countries. (16)

In Africa in general, and Bophuthatswana in particular, the co-operative as a form of vertical concentration of small producers, has become the major way in which capital has attempted to overcome the fragmentation of agricultural land into small plots. The vertical concentration of numerous small producers has enabled capital to create viable units for the employment of large scale technology and the inputs that this kind of agriculture requires, without the direct expropriation of land from peasant/migrants.

In Bophuthatswana for example, as we shall see more clearly in later chapters of this study, the participants on the Ditsobotla projects each have a 15 ha. arable allotment. The ideal utilisation of an average size tractor for dryland maize farming, is on about 120 ha.; but more complex machinery such as the combine harvester requires an even larger land size. As an AGRICOR publicity pamphlet puts it:

> "Instead of each farmer having a tractor for his small farm - making it inefficient and unviable, the projects provide a system of contractor-farmer production units with a single tractor and a set of implements serving a number of farmers and a more economically sized piece of land." (17)

A number of tractor production units are attached to a primary production co-operative. Each primary co-operative has an average of 80 - 100 "farmer" members. About 15 primary co-operatives usually make up an "agricultural project" such as Mooifontein.

The primary co-operative, rather than the individual farmers, thus becomes the legal body in terms of the acquiring of agricultural credit and the repayment of these loans. As the previously mentioned AGRICOR publicity pamphlet states:

> "Farmers are organised in Primary Agricultural Co-operatives to provide for a common source of financing and management." (18)

The Agricultural Bank of Bophuthatswana, which was created in 1981 with an initial capital of R10 million, is specifically charged with the making of loans and advances to "co-operative companies". (19) The Board of the Bank has laid down certain standards and adapted certain principles:

> "To meet the reasonable demands of a developing agro-economic situation, bearing in mind the prevailing land tenure systems, cultural influences and the basic requirements of an essentially agricultural and pastoral people, striving to improve farming methods and to make a greater contribution to the national economy by way of food production." (20)

These standards and principles include low rates of interest on loans and advances, nominal fees for applications, valuations and the preparation of documents, with no raising fee,

etc. In spite of this, the Bank proposes "to conduct its operations on business lines" and only applications from farmers "who, by their diligence, capabilities and labours will make a contribution to the national well being" are considered. This excludes speculators and some part-time farmers.

In its first annual report the Bank noted that Bophuthatswana will have to rely increasingly upon co-operative endeavour "so successfully applied in other lands", and that the co-op system could be adapted to meet the credit needs of farmers farming under tribal authority, so that the group and not the individual, becomes the responsible debtor for an advance from the Bank. In this way, it is hoped, the provision of acceptable security would become a more realistic possibility. The Board further noted that "progress towards a more mature situation as far as co-operatives are concerned, is not so evident", but that it would do everything in its power to assist in the re-alignment and development of co-operative enterprise.

As well as its support for co-operative farming, the Board "realized that the Bank has an important part to play in the remodelling and future development of the existing system of land tenure in as much as agricultural credit correctly applied can promote private farm ownership leading to greater self-sufficiency in food production. (21)

The primary agricultural co-operatives in Bophuthatswana form the basis of a vertically integrated three tier system provided

for under the Co-operative Act of Bophuthatswana. The primary co-operatives are the basic production units to which the individual farmer belongs, that is, it is directly involved in the production process. The primary co-operative supplies production aids to members on a seasonal basis and receives and stores crops on a local level.

A number of primary agricultural co-operatives together form and fall under a secondary co-operative. A secondary co-operative is responsible for action regarding any matter concerning the interests and bargaining power of members; for the purchase and supply of farming requisites and implements, including fertilizers, seed, etc; to arrange crop insurance; to market crops for members' accounts or as an agent of the Marketing Board; and to disseminate information. If a number of primary co-operatives falling under a secondary co-operative are part of an "agricultural project"; the management of that project is usually situated within the organisational confines of the secondary co-operative.

At the top of the three tier system lies the Federal Co-operative; to co-ordinate agricultural co-operative endeavour and to act as a wholesale buyer and supplier of implements, tractors, materials and farming requisites. At present Bophuthatswana has not yet established a federal co-operative, although, as previously mentioned, there exists a central wholesale buyer and supplier of agricultural inputs called TEMO-

VET, a subsidiary of the huge central retail co-operative, Vrystaat en Transvaalse Sentrale Aankoopskooperasie (VETSAK), which serves as an agent for several multi-national agri-business concerns in South Africa.

CONCLUSION

The causes of vertical concentration, according to Chayanov, are simple: it is evidently because capitalist exploitation gives a higher percentage from vertical than from horizontal concentration. (22) While this may be something of a truism, it is clear that to a considerable extent the vertical concentration of small producers transfers the undertakings risk from the owners of capital to the farmers themselves.

Also, as we have seen in the previous chapter, with the aid of state capital the vertical concentration of small peasant/migrants with entrenched land rights, enables the extension of capitalist agriculture into hithertoe marginal areas. Whereas it was previously not feasable for individual peasants to be granted credit for a whole gamut of inputs which are part and parcel of a centrally managed production programme, the primary co-operative as a legally constituted body responsible for farmers' debts makes this possible.

S E C T I O N 2

THE DITSOBOTLA PROJECTS

AS A

CASE STUDY

SECTION 2

THE DITSOBOTLA PROJECTS

AS A

CASE STUDY

C H A P T E R 6

INSTITUTIONAL FRAMEWORK

INTRODUCTION

This chapter examines the various government institutions which are involved in rural development in Bophuthatswana. More specifically it traces how the difference in approach between the two main protagonists involved in rural development, the Bophuthatswana Department of Agriculture and the Agricultural Development Corporation of Bophuthatswana (AGRICOR), came about, leading to the dominance of the latter institution and the relegation of the former to a more secondary role.

The conflict between the two institutions must be seen against the background of the changes in the South African economy, the Bantustans and the investment legislation discussed in Part 1 of this study. The struggle for political control of rural development strategy in Bophuthatswana manifested itself in a confrontation between the Bophuthatswana Department of Agriculture as a representative of local traditional and ruling class interests, and AGRICOR which has strived to open the doors for South African state and private capital through the establishment of capital intensive agricultural projects.

The chapter will therefore examine the development of the Department of Agriculture in Bophuthatswana, the establishment

of AGRICOR and its various supplementary institutions, and the resolution of the differing strategies for rural development into the capital intensive project approach being implemented at the time of writing.

THE DEPARTMENT OF AGRICULTURE

A Department of Agriculture for the area now known as Bophuthatswana was established in 1969 under the Tswana Territorial authority. At this stage it was closely related to the Agricultural Advisory Services of the then Department of Bantu Administration and Development. With the granting of self-government to Bophuthatswana in 1972 it became a fully fledged department although as late as 1981 it was still, in terms of staff and transport, "50 percent under strength". (1) During this period the Departmental Budget increased from less than R1 million to R14 million for 1980/81. (2)

As in the past, one of the major tasks of the Department of Agriculture in Bophuthatswana (D. of Agric.) has been in the field of planning. Since 1972 this has involved an adapted form of "betterment" planning which it inherited from the Department of Bantu Administration and Development. This activity was and is mainly concerned with the need to protect the natural resources of the area. For example in 1981/82 the planning section was concerned mainly with soil conservation which involved the beaconing of residential sites and arable land, the construction of grass strips and training banks,

reclamation, stabilisation, grazing control, fencing and the construction of crush pens and earthen dams. (3)

However in 1976, under the then Secretary for Agriculture, Mr David Beuster, who is at present the Managing Director of AGRICOR, the D. of Agric. decided to launch the Shiela Verdwaal Dryland Maize project as a pilot project:

> "In order to establish a definite pattern for rural development.... to concentrate its efforts in a few selected target areas in the Homeland". (4)

According to a publicity pamphlet issued by the D. of Agric. in 1977 shortly after the establishment of the Shiela project:

> "the project is not merely an attempt to boost grain production in one specific area - it represents the practical application on a pilot scale, of some important concepts of the strategy of rural development in homelands." (5)

The D. of Agric's direct involvement in this strategy to boost grain production through the establishment of projects such as the one at Shiela was to be short-lived. The establishment of the Shiela pilot project was merely a precursor of the move in 1978 to set up the Agricultural Development Corporation of Bophuthatswana, the rightful heir to the capital intensive production approach. AGRICOR, staffed almost entirely by seconded Corporation for Economic Development (CED) people would provide "sound planning, efficient management, good technology, adequate credit and adequate marketing arrangements," (6)

through the involvement of the private sector and white agricultural co-operatives (7)

In AGRICOR's view, the D. of Agric. was supposed to revert to the provision of necessary infrastructure, particularly fencing... as well as handling land allocation matters" and the organisation of Primary Agricultural Co-operatives. (8)

However, when Beuster became Managing Director of AGRICOR in 1978, the new Secretary for Agriculture, Mr Clem Seape, had different ideas. Whereas AGRICOR, in line with the policy of the CED, regarded the capital intensive project as a long-term vehicle for development, he D. of Agric. under Seape regarded the projects as an emergency measure:

> "to bridge the gap, in the shortest possible time, between starvation and subsistance production on the one hand, and self sufficiency and commercial production on the other." (9)

As an alternative, the D. of Agric. put forward a dual approach comprising: (10)

a. large scale capital-intensive projects which are production and profit orientated with a minimum of emphasis on training and the development of human resources, as a short or medium term emergency measure run almost exclusively by "foreign" capital and expertise;

b. relatively small scale farming, with group farming units based on the traditional communal system, communit· deve-

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b. relatively small scale farming, with group farming units based on the traditional communal system, community deve-

lopment orientated and fairly labour intensive. The strategy is long-term, self perpetuating by multiplier effect, run almost exclusively by the D. of Agric. under extension officers and community development workers, as opposed to managers and foremen, as on the above-mentioned projects.

The long-term small scale farming approach is comprised of two important elements. According to Seape, this "grassroots" approach means that:

> "In this vast and comprehensive Rural Programme, Agricultural Extension and Community Development taken as techniques for implementing Rural Development - play a major role." (11)

The theme of agricultural extension is, according to Seape (1982) "to take education to the villages." He suggests that extension exists to assist farm people through educational procedures to:-

a. improve their farming methods and techniques;
b. increase their efficiency and incomes;
c. raise their level of living;
d. lift and improve their social and educational standard and thus help them to contribute actively to the overall economy of the rural areas in particular, and the country as a whole. (12)

Extension activities include farmers' days, demonstrations

on livestock innoculation, castration, disease treatment, vegetable production, soil sampling, lectures to provide farmers with theoretical background, tours to show farmers' successful projects, and day-to-day meetings and visits to individual farmers and communities. (13)

The task of community development workers is:

> "The incalcation of the spirit of self-help, and galvanising people into positive action, (the arousing of) a sense of self-searching, leading to the development of progressive nationhood, imbued with self-respect and self-confidence, which are important ingredients in the moulding of the dignity of the human person." (14)

The activities of this division are mainly concerned with "community involvement"; the said community being comprised of schools, garden clubs, women's associations, churches and various regional authorities, in garden projects for vegetable production, although more general community facilities also seem to be of concern.

By 1982 AGRICOR had gained the upperhand in the struggle to dictate the direction of rural development policy in Bophuthatswana, the capital intensive projects being accepted as the vehicle for long-term development. Seape went into "retirement" at the end of 1982, the D. of Agric. under his rule representing a last ditch stand to stem the tide of white capital penetration into agriculture, a tide which since 1977 has swept aside the remaining political and class barriers to its advance.

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Apart from the aforementioned provision of infrastructure and the allocation of land, the D. of Agric.'s main involvement in the projects has been in the field of co-operat development. Many problems have been experienced with the primary co-operatives which form the basis of the agricultural development projects, especially with regard to their ability to keep proper books. The D. of Agric. has thus been responsible for organising a job-training programme for the management committees of the primary co-operatives.

The Department has also been responsible for the appointment of a firm of auditors who made certain recommendations on the basis of a study they completed. A research team from the Randse Afrikaanse Universiteit also recently completed a study into agricultural co-operatives for the Department.

THE AGRICULTURAL DEV MENT CORPORATION (AGRICOR)

Since its inception in 1978, AGRICOR's policy as regards its development strategy has undergone a constant process of change. There are three main reasons behind this policy shift.

The first reason lies in the tension that exists between the two poles of the duel approach outlined in the previous section, that of capital intensive, production-orientated projects as opposed to the small-scale community development and labour-intensive approach proposed by the Bophuthatswana Department of Agriculture.

The second reason behind the policy shift is the ideology of "community development" which has permeated Bantustan development policy as part of their relegation as separate entities of the "Third World". This ideology came to full fruition in Bophuthatswana with the appointment of Elize Moody of the Rand Afrikaanse Universiteit, as head of the Department of Lands and Rural Development.

The third major influence on the development of AGRICOR's policy is the corporation's fascination for the Israeli experience, with particular reference to the Moshav as a "multi-purpose" co-operative.

Chief Lucas Mangope stated in 1977, that the development of agriculture would be regarded as the most urgent development priority in Bophuthatswana. The two main reasons for this decision seem to be due to the fact that the majority of his constituency reside in the rural areas; but more importantly, due to the need to be "self-sufficient" in maize as a strategy to convince the outside world of Bophuthatswana's "independence". The development of agriculture is also an important first step in the ability of the ruling class to accumulate. (15)

Consequently, agricultural development was given the highest priority when the economic policy for the region was accepted by the Executive Council of Bophuthatswana. The establishment of AGRICOR in April 1978, must be seen against this background.

The Agricultural Development Corporation was established by Chief Mangope in terms of the powers vested in him by the promotion of the Economic Development of Black States Act No. 46 of 1968. The Executive Council decreed that it should operate as a non-profit state corporation in which the Bophuthatswana administration holds 1 000 "ordinary shares of R1-00 each" and in terms of the 1968 Act "shall be the only shareholder of the Corporation." (16)

As has been mentioned, AGRICOR's original brief was politically motivated by the need to assert the viability of an "independent" economy. This brief, "to feed the nation from its own resources", involved the adoption of an essentially technocratic approach, where development was "based purely on the highest potential returns and also on the speed with which investments could be recovered". (17) Thus while the Department of Agriculture's job lay in the field of planning and extension, AGRICOR's was to get production going through capital intensive agricultural projects.

The functions of AGRICOR, as defined by the Executive Council of Bophuthatswana are: (18)

- The identification of possible agricultural development projects.
- The planning and implementation of projects. This involves amongst other aspects, obtaining the services of suitable management, technical and administrative

staff for such projects.

- Mobilisation of funds for development through liaison with government and outside sources, eg. the CED, Co-operatives in the R.S.A., Commercial Banks, etc.
- To act as a central co-ordinating body in respect of all existing and future development projects. To enter into agreements with outside development agencies in respect of management and financing.
- The screening and evaluation of all proposed new development projects submitted by outside agents. Potentially viable projects to be submitted to the Board of Directors.
- To act as Secretariat to the Agricultural Development Board and the Agricultural Marketing Board and also to handle certain administrative functions related to these Boards on an agency basis.
- Agency function in respect of the management of co-operatives, eg. bookkeeping services, financial control, etc.
- Administration of marketing functions on behalf of the Marketing Board, development of specialised aspects of marketing, eg. the establishment of abbattoirs, grain silos, etc.
- To obtain the services of specialist consultants and other experts to undertake surveys and special investigations in respect of development projects.
- To perform any other function in the field of agricultural development which may from time to time be delegated to it by the Minister or the Executive

Council.

After its establishment, AGRICOR's Board of Directors accepted in principle a schedule of development priorities: (19)

- The redevelopment of Taung Irrigation Scheme over a 5 year period;
- The development of dryland crop production areas at 20 000 ha. per year for the next 20 years;
- The establishment of intensive livestock enterprises, dairying, poultry, pigs, also over a period of 20 years;
- Full development of livestock production over 30 years;
- Further intensification of livestock production through bush eradication and the establishment of artificial pastures over 50 years or more;
- Development of new irrigation schemes only if surplus funds are available.

THE RISE OF COMMUNITY DEVELOPMENT

The community development ethos began to spread its all-pervasive tentacles in November 1980 when Chief Lucas Mangope, addressing his cabinet, women's organisations, and representatives from different departments and corporations, staced that "where there is no vision, the people will perish." He emphasised that the country as a whole should now give attention to community development and that each development pro-

gramme undertaken should be community orientated. (20) The Department of Agriculture had already established a community development division in April 1979 and at the time of Chief Mangope's speech in 1980, AGRICOR's Public Relations section was in the process of launching another one. By 1983 the Department of Lands and Rural Development, as well as other institutions such as the University of Bophuthatswana, were also dabbling in this much vaunted enterprise.

In 1981 AGRICOR appointed a community development officer and a planner, the latter on loan from Israel. Initially concentrating on the villages of the Shiela Project, the Community Development section established various committees under the umbrella of a Development Committee. The main task of this section seems to have been "education and enrichment", which was divided into practical and academic education. The former included such activities as sewing classes, vegetable gardens, "the preparation of a cheap body lotion," etc. while the latter involved first aid classes, family planning, group discussions, youth activities and Bible classes. (21) There were also efforts to improve civil services in the villages. Contacts were made with the Department of Public Works, the Water Corporation and other agencies, who with the aid of the villagers improved their roads, water and sanitary facilities. Child care centres run on a voluntary basis by mothers were also started.

Most of the activities of the community development division have been limited to the Shiela project, although by 1984

a start had been made on the Mooifontein Project, namely Springbokpan and Siberia.

THE RISE OF "TEMISANO"

AGRICOR's Public Relations Department was given the task of developing a concept for public consumption which would embrace the two divergent poles of community development and the capital intensive, centrally managed production strategy in use on the projects. The P.R. Department came up with the term "TEMISANO", which means "to farm together". It was hoped that the term would provide a unifying concept for publicity purposes.

According to various AGRICOR publicity pamphlets, (22) compatibility between community development and the race to feed the nation from its own resources has been found in the concept of Temisano:

> "TEMISANO is a comprehensive and co-ordinated planning effort with the aim of establishing sound rural communities with their initial bases being economically viable agricultural projects." (23)

TEMISANO, as a co-ordinated effort to stimulate social and economic development in selected rural areas, is divided into four development areas:

1. Agricultural Production - the first stage of a Temisano Project centres around the establishment of

an Agricultural Production Unit. The Production Units are based on agricultural co-operatives.

2. Community Development - the ideas behind community development are "to develop the human resources in the community and to broaden the economic base of the community making it less dependent on larger towns for its basic economic and social needs, thus rendering it more stable and more attractive as a dwelling place". (24)
3. Training - both within the community and on the production unit. Not only in agricultural skills and management, but in community leadership, accountancy for the co-operative and the community, as well as in child and community health care and education.
4. Secondary Industries - agriculturally-based secondary industries such as mills, cotton gins, oilseed processing plants, asparagus canning factories, and the like, are to be established on an economically viable basis in the vicinity of the community and its agricultural production unit. (25)

There has been much debate within AGRICOR itself as to what the TEMISANO approach means. The Managing Director, David Beuster, stated that TEMISANO projects have quite a lot (heelwat) in common with the Israeli Moshav, and ascribed the success of the AGRICOR projects to the system of co-operative farming. (26) Other members of AGRICOR have preferred to

see TEMISANO as a long range planning concept, stressing that efforts to create a tangible 'something' such as a "TEMISANO unit" have been based on an ill conceived attempt to replicate various aspects of the Moshav movement. It is useful, at this stage, to look at the co-operative concept as it functions within the Moshav movement in Israel.

THE ISRAELI MOSHAV AS A CO-OPERATIVE

The Moshav is basically a settlement ranging from 60 to 90 families, each with an individual arable allotment, usually intensively farmed under irrigation, belonging to a multi-purpose co-operative. Each family unit owns basic agricultural equipment but the larger, more sophisticated and modern mechanisation is owned by the co-operative and hired out to the farmer. Under this system it is possible to use modern mechanisation and the latest ideas but still remain a small farmer.

The produce of each farm is marketed through the Moshav's central organisation. Although a system of production quotas operates for each Moshav, it is up to the members of the Moshav to decide on individual contribution. This central organisation also provides a range of services to members, both the husband and wife being equal partners and enjoying equal rights and privileges as members. There is a co-operative store where everybody can buy their day-to-day needs on an open credit system, a creche for small children and a communal hall for entertainment and meetings.

The Moshav, having a strong democratic ethos, elects various committees (including a management committee) on an annual basis through a General Assembly. Land is distributed so that all holdings are similar in area and quality. The size is such that a family can work its land without hiring outside labour, but big enough to supply the livelihood of two generations. (27)

As Israel has no co-operative act, a very strong feature is the degree of autonomy accorded to each Moshav. While adhering to broad principles of the different Moshav Movements, the degree of "co-operation" varies tremendously; from a minimum where only water for irrigation and the marketing of produce is done co-operatively, to the maximum where production is done communally and only consumption occurs on an individual basis. (28)

Different Moshavim, as part of an integrated rural development plan, are usually clustered around a regional centre which has larger facilities such as a high school, bigger shops, a hospital, agricultural machinery suppliers, a post office and various other services. All land on which Moshavim are situated is owned by the Jewish National Fund and can be considered to be national land. Each Moshav leases its land on a 49 year automatically renewable contract and each family is entitled to pass its land on to one of its children.

All new Moshavim are designed jointly by the Department of Agriculture, the Settlement Planning Centre and the Jewish

Agency, the plan comprising the physical planning of the villages, the production plan and the services. New farmers, without money or experience receive long term soft loans, which are virtually grants because of the high rate of inflation, as well as training and the service of a highly organised and qualified extension service. The minimum income aimed for is equivalent to that of an industrial worker in one of the cities.

The Moshav thus combines equality of provision, land size, water, credit, with private incentive. Although it is possible for a more efficient family to earn a higher income, a large degree of communality demands that the better farmers advise and help the weaker ones, as the Moshav, as a unit, competes against the other Moshavim and Kibutzim as well as private business in the market place.

The Moshavim and Kibbutzim form the main thrust of an attempt to settle the more remote and inhospitable areas of the state of Israel, as well as the Palestinian areas (west bank) and the Golan, captured in 1967, for military and ideological reasons. In an attempt to legitimise its continued occupation of these last mentioned areas, vast numbers of new settlements are being established ("making the desert bloom") and as such the people are usually highly educated and motivated by Zionist zeal.

What then are the similarities between the Israeli Moshavim and the TEMISANO system of co-operative farming?

The first point to note is that on the Moshav, each family is given a big enough piece of arable land, farmed intensively under irrigation, to enable them to earn a minimum eqivalent to that of an urban industrial worker. This must be seen against a background where planning takes place on a completely blank page, that is, there are no people living in the regions being planned. As noted by an AGRICOR planner when comparing the situation to Bophuthatswana:

> "In all cases we have to deal with firmly established populations and firmly established sets of economic relations. Inevitably these economic relations are not confined within any defined region, but linked to other regions." (29)

Jeppe (1978) with regard to land tenure, states that the nationally owned land in a western state such as Israel is not comparable to the "communal" tribal land in the Bantustans. He mentions the traditional role of leadership, the security provided by subsistence agriculture, both of which he subsumes under the rubric of a "complicated ground culture" (30). Beuster on the contrary suggests that the only "communal" aspect in African culture with regard to agriculture is that of communal grazing. The use of arable land is on an individual basis.(31)

This point is made by Majefe in his critique of Wolpe:

> "(Who) overlooks the important but little known fact that under the system of quit-rent all arable land is individually registered at the magistrate's court in the name of the family head, who then accepts liability for the annual rent... In practice it means that particular descent groups are able

> to hold the original plots in perpetuity. What is communal about that?" (32)

The private ownership of land is even more marked on state-owned land, a distinction not made by Jeppe. Here "the state can put such land at the disposal of private persons or tribes in any manner it desires". (33) For example in Ditsobotla, the site of the Mooifontein and Shiela Projects, 47,8 percent of the land is state-owned.

The point is that it is not the system of tribal ownership of land, of some "dark custom" holding back the forces of progress as Jeppe would have us believe. Rather the problem lies (with specific reference to the question of land use) in the fact that the hopeless overcrowding in marginal agricultural areas comprising the rural areas of the Bantustans means that there is no way that AGRICOR or any one else working within the confines of the Bantustan system can allocate arable allotments which will provide a full-time living as do the Moshavim.

Any attempt to provide arable land of sufficient size will force 60 to 70 percent of the population of the Bantustans into a perpetual state of landlessness and total dependence on migrant labour. This, as the AGRICOR officials are well aware, is a political rather than an agricultural problem. The result is that on AGRICOR's projects, such as the Ditsobotla ones, the existing allotment of 15 ha. for the cultivation of dryland maize is totally inadequate in terms of providing

a living wage for a family. This will be shown in more detail in chapter 9 of this study. It has been estimated that up to 78 percent of the project participants are not actively involved in the farming process, (34) most of these working in other areas as migrant workers or in other jobs in the vicinity.

This brings us to the second major characteristic of the Moshav, that of democratic participation and decentralised management. It stands to reason that if up to 78 percent of the project participants on Mooifontein are not involved in the production process or the running of the primary co-operative that there cannot be much decentralised, democratic participation. Consequently both Shiela and Mooifontein Projects are run along highly centralised lines with the seconded white management making decisions without much consultation with the project participants.

It is clear that however much AGRICOR would like its projects to be based on the Israeli Moshavim, the reality of the situation makes it an impossibility given the present circumstances on the projects. Calling the existing primary co-operatives "TEMISANO's" or "TEMISANO Units" would indeed appear to be based on an ill-conceived attempt to replicate various aspects of the Moshav. This will become more clear when actual conditions on the Shiela and Mooifontein Projects are examined in chapter 8.

It is also pertinent to comment on the wider definition of

TEMISANO as a long-range planning concept. Given the publicity that AGRICOR has devoted to the concept of TEMISANO, especially the elements of production and community development, it is important to elucidate the real meaning behind the term. The following quotation from an AGRICOR Annual Report is enlightening:

> "Somehow the concept of Community Development had to become a part of the Agricultural Projects without hampering the race to feed the nation from its own resources... TEMISANO is AGRICOR's approach to Integrated Rural Development." (35)

The quotation is interesting because it reveals what is meant by the earlier statement that TEMISANO is a comprehensive and co-ordinated planning effort with the aim of establishing sound rural communities with their initial bases being economically viable agricultural projects. It would appear that the viability of the projects are measured in terms of whether Bophuthatswana theoretically produces enough maize to feed itself rather than in terms of whether individual farmers have control over a production process which will provide their families with an adequate income.

In this definition of what TEMISANO is all about, community development is a secondary appendage which must in no way hamper the management of the capital intensive projects from their primary aim: to produce as much maize as possible no matter what the cost may be.

What the are the other elements involved in this production

orientated approach to rural development in Bophuthatswana?

Since AGRICOR has managed to attain its position of dominance with regard to rural development policy in Bophuthatswana, it has, in collaboration with the authorities, been instrumental in setting up various institutions to facilitate the development of the capital intensive production projects.

THE MANAGEMENT AGENTS

One of the functions of AGRICOR, as detailed earlier, is to obtain the services of suitable management, technical and administrative staff for its projects. In order to obtain these services AGRICOR enters into management agreements with outside bodies such as the CED, Noord Wes Kooperasie, Noord Transvaalse Kooperasie, Loxton, Venn and Associates and Robina (Pty), Ltd., the latter two being private agricultural consultants.

A management agreement usually means the secondment of managerial, technical and administrative staff to run the various agricultural projects for AGRICOR for a management fee. The management fee is based on two percent of gross income received. This is designed to cover the production agent's fees as well as that of the financer/developer. (35) For example AGRICOR paid the CED's agricultural management branch R6 881 609 during the 1982/83 financial year for these services. (36)

THE BOPHUTHATSWANA MARKETING BOARD

The Bophuthatswana Marketing Act, 1977 (Act 21 of 1977) provided for the establishment of the Bophuthatswana Marketing Board. AGRICOR was responsible for setting up the Board, providing seconded staff, premises and a secretariat in the initial phases of its development. The Board's main functions are:

> "to regulate, undertake and deal with any matters relating to the production, manufacturing, processing and sale of any agricultural product, as well as the grading and standardisation of agricultural products or any other matters concerning these products." (37)

The Board deals mainly with controlled agricultural products. When a product is classified as "controlled" it means that the producer has to sell that product to a registered agent of the Board. Because of the relatively small volume, all controlled products fall under one board, unlike South Africa where each product has a separate board. The following are controlled agricultural products in Bophuthatswana:

- maize and maize products;
- wheat and wheat products;
- oilseeds such as groundnuts, sunflower and soya beans;
- meat and meat products.

In terms of Article 13 of the Bophuthatswana Marketing Act, the Board has appointed four storage agents in Bophuthatswana:

- AGRICOR;
- Lesedi Secondary Co-operative;
- Ditsobotla Secondary Co-operative;
- Noordwes Kooperasie, officially know as Noordwes Grain (Pty) Ltd.

The duties of the Board's Agents are as follows: (38)

a. to purchase grain from producers on behalf of the Board and to pay the producer for such grain when it has been received;
b. to determine the mass, class and grade of grain purchased;
c. to handle and store the purchased grain; and
d. to execute the Board's instructions with regard to delivery of the grain to the buyers.

Due to the lack of suitably qualified and experienced personnel, the Board decided to negotiate with the South African Maize, Wheat, Oilseed and Meat Boards to undertake certain necessary administrative and marketing functions on an agency basis. Because of Bophuthatswana's scattered geographical situation, quantities of agricultural produce are still being marketed in South Africa. For example during the 1981/82 season the following amounts of maize from Bophuthatswana were received by co-operatives in South Africa:

	Tons
South Western Agricultural Co-operative, Ltd.	306
Magaliesburg Agricultural Co-operative, Ltd.	44

Marico Co-operative, Ltd.	3 695
Northern Transvaal Co-operative	250
TOTAL	7 053

There are basically three commercial mills in Bophuthatswana, the fourth being very small. The biggest is the Epol (Pty) Ltd. Mill, which is part of the Premier Milling Group. It is situated in Thaba Nchu and buys most of its maize from the South African Maize Board. The second biggest is Mafikeng Milling which gets its maize from the Bophuthatswana Marketing Board as well as some from the South African Maize Board. The third mill is known as Lesedi Taung Meule and the fourth as Moshala Mills.

Much is made of the fact that in 1981 Bophuthatswana produced enough maize for its own consumption as well as for export. As the AGRICOR 1982/83 Annual Report states: "Maize remains the staple commodity of Bophuthatswana. It is the mainstay of the average diet and in years of good rainfall the country produces enough maize to feed itself". This statement must be seen within the context of the present marketing system, in which the bulk of the maize produced in Bophuthatswana is sold by the Agricultural Marketing Board to the South African Maize Board, who in turn sell it, as part of the total South African maize crop, to the various milling companies all over South Africa. These milling companies then process, package and distribute the maize meal through the large retailers all over South Africa, Bophuthatswana included.

What this means is that whether Bophuthatswana produces a bumper crop or no crop at all, does not affect one iota, except as part of the general supply of South African Maize , the price the consumers pay in the shop for their maize meal. While a bumper crop obviously has a good effect on the local economy in terms of farmers having maize to feed themselves and money to spend, the fact that Bophuthatswana produced enough maize for internal consumption doesnot tell us anything about the distribution of that maize or the access that the average consumer has to it. On the contrary, a close look at the way in which maize is marketed, suggests that the development of maize projects in Bophuthatswana has merely served to increase the catchment area for the supply of that commodity to the South African Maize Board. A large proportion of that maize is therefore being produced for the benefit of the force-fed chickens and beef industry and for milling monopolies producing processed maize products such as pet food for the urban market.

CONCLUSION

In this chapter we have seen how the Bophuthatswana Department of Agriculture, as a representative of a traditional class with vested land interests, attempted to salvage a failing subsistence cultivation through a programme of extension and community development. However, in the wake of the 1977 ammendment to the Promotion of Economic Development of the National States Act No 46 of 1968, these effects were short-lived.

The establishment of AGRICOR and its promotion of the CED's policy of capital intensive agricultural projects with production as top priority, soon swept aside this last-ditch resistance to the large-scale flow of South African state and private capital into agriculture, and the virtual dispossession of project participants of their land.

The chapter further examined how AGRICOR has tried to cope with the rising tide of 'community development', and its attempts to use the concept of TEMISANO as a way of combining the production approach and some elements of the community development approach without involving the majority of the project participants in the production process. The concept of TEMISANO, as we saw, was based on an attempt to replicate elements of the Israeli Moshav, without being able to fulfill any of the necessary conditions for the successful implementation of such a multi-purpose co-operative.

Finally, the chapter concluded with an analysis of some of the institutions which have been set up to promote the production-orientated approach to rural development; namely, the management agents and the Agricultural Marketing Board. It is clear that the latter institution has acted mainly as a co-ordinating body for the delivery of Bophuthatswana's maize to the South African Maize Board. To these institutions must also be added the Agricultural Bank of Bophuthatswana and its central role in the financing of primary co-operatives which form the foundation of the AGRICOR projects. The role of the Bank was discussed in more detail in chapter five.

C H A P T E R 7

THE HISTORY OF THE DITSOBOTLA PROJECTS

INTRODUCTION

This chapter describes the history of land ownership in Ditsobotla; the process of settlement after the incorporation of the area under the Released Area Act No 18 of 1936, the restructuring of the stateland area of the projects under betterment planning in the 1950's, and the agricultural conditions prior to the establishment of the AGRICOR projects.

THE HISTORY OF LAND OWNERSHIP IN DITSOBOTLA

In an attempt to settle outlying areas, much of the land in the region today known as Ditsobotla, was granted in perpetuity to white farmers by the Transvaal government around the turn of the century. The farm Louisdal, for example, was procurred by Louis Jacobus Nel in 1892, and the farm Verdwaal was granted to H S Clarks in 1920. Vast areas were also bought by land companies such as the Transvaal Proprietary Ltd. and the African European Investment Company Ltd. The farms Sprinbokfontein, Mooipan, Mooifontein, Lombaardslaagte, Enselsrust, and Siberia were amongst those bought by the latter company in 1907.(1)

These land companies bought and sold land to both black and white farmers in the years preceding the 1936 Land Act. Black farmers bought land ranging from 5 morgen to 200 morgen as

early as 1918, many of these private farms still existing today as part of the Brooksby, Schoongezicht, Ensulsrust, Vrede, Weltevreden, Doornlaag, Kaalpan, Gelukspan and De Hoop 60 farms, a total area of 13 223 ha. and totalling 5,5 percent of the region.

In 1909, the large area lying in the south-west of the region, known as Kunana Location, was declared tribal trust land in terms of a crown grant. It was held as tribal trust land for Chief Aaron Moshwete of the baRolong Tribe by the Minister of Native Affairs of the Transvaal Colony. This trusteeship passed on to the State President of the Union and later Republic of South Africa before being transferred to the President of Bophuthatswana in 1980. Trust property known as the Middleton estates has recently been incorporated into the Kunana Location.

The Kunana Location is bounded in the north-west by the Setlogoli Reserve which was reserved for the baRolong boo Ratlou boo Seitshiro Tribe in terms of the 1913 Land Act.

A smaller area in the north-east of the Ditsobotla region, makes up the remaining tribal trust land known as Matlabes Location and consisting of two farms, namely Driefontein and Randfontein, it was granted to the baRolong boo Rapulana tribe at the end of the last century and declared as tribal trust land in terms of the 1913 Land Act.

Nearly 48 percent (47,8) of the Ditsobotla region, which makes

up the remaining portion, is comprised of what is known as "stateland farms." These state-owned farms, were all bought from white farmers and from the African European Investment Company Ltd., by the South African Native Trust after the passing of the Released Area Act No 18 of 1936. These farms were held as trust land until their inclusion into Boputha-tswana through the Bophuthatswana Government Proclamation R347/77 in December 1977.

The Released Area Act No 18 of 1936 was passed in order to buy up land which had been scheduled for inclusion (known as "Released areas") in the Native Reserves in terms of the 1913 Land Act; but which until 1936 was still occupied by white farmers. An example of this process of changing land ownership is found in the sales of the Verdwaal farm. After being granted to H S Clarks in February 1920, he sold the farm to a Mr W J W Vorster, who was in turn forced to sell it two years later in 1938 to the South African Native Trust.

Although portions of some farms were bought by the S.A.N. Trust as early as 1920 and as late as 1975 the vast majority of the land was bought after the 1936 Released Area Act in 1938. (2)

THE PROCESS OF SETTLEMENT

After the farms were bought from the white farmers and the African European Investment Company, many of their former

employees preferred to remain and were eventually allocated land tenure rights on small pieces of land. While these people formed the basis of the growing population, the majority of the people presently living on these stateland farms were refugees from Western Transvaal urban areas such as Ventersdorp, Lichtenburg, (Goedgedagte) Carltonville, Klerksdorp, Potchefstroom, as well as from white farms in that district.

Many of these people from 1936 onwards were victims of forced removals. According to Mr "Lang Mos" Motsuane, a private farmer and former headman of the tribal authority who arrived in the area in 1942, people were usually promised more land than they previously had if they moved to Ditsobotla, although this extra land rarely materialised. (3)

People also moved for various other reasons, such as coming to work for white farmers in adjacent areas, the possibility of acquiring land for farming because of a shortage in other regions, the "unfavourable conditions made by whites..." (4) in the urban areas of the Orange Free State and Western Transvaal, and in more recent years to take over land from ailing parents. Of the respondents interviewed, 60 percent were originally from outside the Ditsobotla region, although many more were children of people who had come from outside, they themselves being born in the region.

The following table indicates when project participants who took part in the study and who had land before the project

started, acquired land in the area:

Table 2.1

Before 1936	4%
1936 - 1950	41%
1950 - 1960	22%
1960 - 1970	16%
After 1970	18%

Table 2.1. The year project participants acquired land in the Ditsobotla region. (N = 126)

From Table 2.1 it is clear that the great majority of the people (67%) acquired land in the area before 1960, with the period between 1936 and 1950, that is the period directly after the purchase of the land by the South African Native Trust, being the greatest period of influx. This is borne out by Bembridge et al who state that the trust land area of the present projects was "settled between 1936 and 1944".(5)

People obtained land through the Tribal Authority subject to approval and confirmation of the Bantu Affairs Commissioner under whose authority the former fell. The Commissioner acted as the senior prefectorial district officer to the Tribal Authority. The main functions of this body, which consisted of the local hereditary chief and his senior tribal heads "were to govern their tribes according to traditional rules and

customs, to ensure law and order, to act as local courts and to work in close cooperation with the district commissioner for ensuring law and order and to assist him in his overall control of that part of the district". (6) The tribal authority for the trust land area of the present projects consisted of a headman, six councillors and sub-headmen for the various wards. The tribal authority was replaced in 1972 by a Community Authority, the functions being the same except that the headman is appointed by the President and the councillors are elected.

The Bantu Affairs Commissioner was also replaced by a magistrate in 1972 and the different tribal authorities in the Ditsobotla district (along with the community authority on the the trust land) augmented by a regional authority. This body is known today as the Ditsobotla Magisterial District Regional Authority and is made up of all the Chiefs and two appointed Senior Councillors from each respective tribal authority, meeting monthly under the chairmanship of the District Magistrate.

BETTERMENT PLANNING

The trustland area on which the projects are situated came under betterment planning in the early 1950's. It is not possible to get detailed information as regards the actual process of planning and implementation of the betterment policy in this area. All records were destroyed in 1976 when the Department of Agriculture offices, which were housed in the Magistrate's offices in Itsoseng, were burnt down by students during the boycotts and protests which swept the country at the time.

However, betterment planning has remained virtually unchanged. The main steps taken in planning an area such as this are outlined by Beuster: (7)

- Basic soil surveys are undertaken to determine the best locality for cultivated fields. These new fields are preferably in larger, concentrated blocks which are properly fenced, sub-divided and re-allocated to the individual farmers.

- Grazing areas are fenced, sub-divided into camps and wherever possible, watering points are provided for every camp.

- Concentrated residential areas, which will fit in the overall physical plan are selected. Basic infrastructure such as streets and water supplies are planned for and provided. The scattered dwellings, interfering with the agricultural planning are removed and re-erected in the new areas. Compensation is paid out to all persons who are affected by the resettlement of the dwellings.

- An agricultural plan for the area is drawn up. This plan provides details such as recommended crops, fertilizer programmes, carrying capacity of the grazing camps, rotational grazing system, livestock breeding programme, etc.

Until 1972, as part of the "western areas", the trustland

area of Ditsobotla fell under the jurisdiction of the Chief Bantu Affairs Commissioner in Potchefstroom. The usual procedure was for the Commissioner to appoint an "ad hoc" committee to make recommendations for the reclamation and settlement of the region. This committee included the commissioner, as well as the Principal Agricultural Planning Officer and various other agricultural officers for the district.

As no records exist for the Trustland area of Ditsobotla, it is useful to look at the plan which was drawn up in 1965 for the adjacent Kunana Location, which is also in Ditsobotla. Here the existing residential areas were left as they were, even though some of the houses were widely spaced. The idea was that population growth would soon fill up the gaps. Individual residential sites were measured and beaconed in 1/4 morgan allotments by the Trust officials. It appears that in the trustland area of the projects, some of the older residents either maintained or received ½ morgen residential allotments, while the newer ones received a 1/4 morgen. (8) Allocation of the plots was done by the chief or headman and his council.

People who were situated outside the demarcated residential area were moved, the chief or headman and his council deciding into which residential area they should be settled. With regards to compensation "individual applications (had to be) made to the Bantu Affairs Commissioner, who (would) consider them according to their merits in accordance with General Circular number 23 of 1965". (9)

The ad hoc committee was of the opinion that "in an area such as this where fair crops are reaped in normal seasons the income should be derived in the proportion of 51 percent from crops and 49 percent from stock farming." (10)

This income, which amounted to a sum of R123-00 per year, would be obtained from a 9 morgen allocation per farmer - 6 morgen for grain crops and 3 morgen for cattle. This would give each "farmer" R63 from 18 bags of grain and R60 from 12 cattle per year. The yield per morgen was thus three bags of grain.

In theory the Department of Agriculture (at that stage of the Agricultural Advisory Services of the Department of Bantu Administration and Development) was supposed to motivate the farmers to implement the proposed production programmes. According to Beuster, very little of this has become evident in practice, and he suggests that the very fact that production in certain planned areas has dropped over a number of years, places a huge question mark over the conventional planning and extension approach as a means of increasing production.(11)

The arable land allocations after the planning of the trustland area seem to be roughly similar, if slightly bigger, than those planned for the Kunana Location as is evident from the following table:

Table 2.2

5 Morgen	11%
10 Morgen	79%
15 Morgen	3%
30 Morgen	7%

Table 2.2 Percentage of respondents receiving different land allocations after implementation of betterment planning. (N = 117)

The figures are in morgen as this was the unit given by the majority of the respondents. A morgen, which is equal to .8 56 of a ha., is a hundred yards square while a ha. is a hundred metres square. The majority of the people (79%) received 10 morgen allocations, with almost equal amounts having more (10%) and having less (11%). Redelinghuys, in a study of the Ditsobotla region, also found that the majority of people had access to 10 morgen. (12)

AGRICULTURAL PRODUCTION PRIOR TO THE IMPLEMENTATION OF THE PROJECTS

To obtain an idea of the agricultural production on the state-land farms prior to the implementation of the projects five different sources are consulted:

1. Respondent's estimates during the questionnaire

survey carried out for the present study.

2. Respondent's estimates during the questionnaire survey carried out by the ARDRI evaluation team in 1981. (13)

3. A study by Seobi on the farm Naauwpoort prior to its inclusion in the Mooifontein projects in 1980.(14)

4. From data compiled by Pretorius and issued as the official AGRICOR publication on the Projects. (15)

5. Respondent's estimates during a questionnaire survey carried out by Redelingshuys in 1977 in the Ditsobotla region. (16)

Respondents for the present study were asked what was the average yield reaped in a good year and the average yield reaped in a dry year. All answers were given in bags per holding. To obtain the number of bags per morgen the number of bags per holding were correlated with the size of the holdings. Table 2.3 and 2.4 show these findings.

Table 2.3

Average number of bags	
Per 5 morgen = 96	Per 1 morgen = 19
Per 10 morgen = 211	Per 1 morgen = 21
Per 30 morgen = 357	Per 1 morgen = 12
Average = 221	Average = 17

Table 2.3 Average number of bags for different size allotments in a good year and average number of bags per morgen for the same.

Table 2.4

Average number of bags	
per 5 morgen = 40	per 1 morgen = 8
per 10 morgen = 92	per 1 morgen = 9
per 30 morgen = 215	per 1 morgen = 7
Average = 116	Average = 8

Table 2.4 Average number of bags for different size allotments in a dry year and average number of bags per morgen for the same.

If we combine the average number of bags per morgen for a good year (17 bags) with the average for a dry year (8 bags) we obtain a total average of 12.5 bags per morgen. As there are 14 bags (weighing 71 kgs each) per metric ton our total average of 12.5 bags per morgen would give us a figure of .89 ton per morgen or 1.039 metric ton per ha.

The figure of 12.5 bags per morgen compares favourably with the estimates obtained by the ARDRI evaluation team. They obtained from their survey a figure of 13 bags per ha. for Shiela and Mooifontein combined, which is equal

to 11 bags per morgen. However, it must be borne in mind that both sets of figures are estimates by farmers and, as the ARDRI report warns, due to to the lack of documentation, must be treated with caution.

For instance both Seodi and Redelinghuys come up with lower yields - although their figures are for specific years rather than average yields over the years. Seobi found that during the 1977/78 season maize yields on Naauwpoort averaged 7 bags per morgen. Redelinghuys's figure for allotments of 15 morgen and below is also 7 bags per morgen. This works out to 0.5 ton per ha. Although giving no indication of how he arrives at these amounts, Pretorius's (17) figures coincide with Seobi's and Redelinghuys's. He quotes production figures of 0.5 tons and 0.6 tons per ha. for Mooifontein and Shiela areas respectively, prior to project development. Table 2.5 gives a comparitive listing of all the estimates considered so far.

Table 2.5

	bags per morgen	tons per ha.
Present Study	12.5	1.039
ARDRI evaluation team	11.0	0.911
Seobi	7.0	0.582
Redelinghuys	7.0	0.500
Pretorius	7.0	0.500
Average	8.9	0.706

Table 2.5 Average bags per morgen converted to tons per ha.

At 1979/80 prices (for the sake of comparison with project yields during that year.) of R100 per ton, this would have given the average farmer a gross income of R70-60 per ha. or R604-34 per 8.56 ha (10 morgen) allotment. With their present allotments of 15 ha. which most of the project participants received, R70-60 per ha. would have given a gross average income of R1 059-00.

Redelinghuys found that 56% of the farmers in the area he studied in the Ditsobotla region cultivated their own land prior to the implementation of the project while 44%, many of them female headed households, relied on contractors for a share-cropping arrangement. In some areas, share-cropping was the main means of obtaining assistance with tillage. This was the case in the Naauwpoort area studied by Seobi, where the contractors carried out all operations for the farmer. Some of these contractors were white farmers from nearby areas.

Under this arrangement the contractors received amounts varying from one fifth to half the crop, with the majority (60.4%) receiving the latter amount. (18) To obtain a more accurate account of the cost of inputs, given the lack of accurate records, the cash payments charged by contractors per ha in Seobi's study is useful. He found that on average the farmer paid R15-80 per ha. for these services in 1978. (19) This

figure, adjusted for inflation, amounted to R17-87 per ha in 1979/80, giving a total of R152 97 for 8.56 ha. (10 morgen).

Added to these cultivation costs were those for threshing and transport, being 50c per bag for each of these in 1978. Again, adjusted for inflation, the combined cost of threshing and transport came to R1-13 per bag in 1979, giving an amount of R100-57 for the 89 bags per 8.56 ha (10 morgen) that was found to be the average yield for the region. (89 bags per morgen in Table 2.5). These figures are brought together for comparison in Table 2.6.

Table 2.6

Gross income	=	R604-34
Cost of cultivation	=	R152-97
Cost of threshing & transport	=	R100-57
Nett income per 8.56 ha.	=	R350-08
Nett income per ha.	=	R 40-89

Table 2.6 A summary of gross income, the cost of inputs and the resulting nett income from maize farming on 8.56 ha (10 morgen) plots at 1979/80 prices.

The average nett income from maize farming on the trustland area of the Ditsobotla region before the implementation of the Mooifontein and Shiela Verdwaal Projects was R350-08 per year for those farmers who had access to a 8.56 ha (10 morgen)

piece of arable land. It must be borne in mind that this is a rough average which varied enormously from year to year, depending on the weather and many other factors such as time of ploughing and the quality of the contractor and his implements. If the farmers had 15 ha. arable allotments as on the present project, they would have received R614-72 nett income at 1979/80 prices.

Another important factor to consider is that while all respondents grew maize, the majority (69%) grew crops other than maize, in terms of the findings of the present study. Only 31 percent of the respondents grew maize only. Crops such as sunflower, grain sorgum, beans, wheat, watermelons and pumpkin were widely grown as dietary supplements as well as for sale. Green maize on the cob was also eaten during the year before the harvest. It is therefore conceivable that some of the farmers received higher incomes than the above figure of R350-08 per year on a 8.56 ha. piece of arable land.

DEBTS

Only 32 percent of the respondents in the present study had production related debts before the commencement of the projects. The highest debt was R3 500-00 while the lowest was R6-00. The average debt amongst those who had debts was R497. According to Seobi, a proportion of the farmers on the farm Naauwpoort, for example, had accumulated long-standing debts and were not prepared to risk further loans.(20) As we will

see later, once included in the projects, they had no such choice.

While some farmers were able to obtain credit from the Agricultural Division of the Bantu Investment Corporation (BIC), Seobi suggests that many farmers could not obtain credit because of the limited amount of finance available for crop loans.(21) The Agricultural Development Act of 1973 provided that credit for Bantustan farmers obtained from the Agricultural Development fund should only be channelled through co-operatives. Many primary co-operatives were established merely for this purpose and existed on paper rather than as operating production units.

As late as 1978/79, for example, only R110 000 was available for production aids and for crop and livestock production to all co-operatives in Bophuthatswana, giving each one an average of R 2 340-43 at 1979 prices. (22)

CONCLUSION

In this chapter we have seen that while a few black farmers bought private land from the land companies prior to 1936 in the Ditsobotla region, the majority of the present population settled in the area after that date. Many of these people were victims of relocation from both urban areas and from white farms in the Western Transvaal and Orange Free State.

The rapid population growth, as a result of the influx of

people due to relocation and the high birth rate has led to a situation in the 1980's where up to 50 percent of the people in the closer settlements do not have access to arable land. (23)

After comparing various sources for agricultural production figures an average yield of 0.7 tons per ha. of dryland maize was taken as a rough estimate of the amount produced by farmers in this area before the implementation of the AGRICOR projects, either farming by themselves or with the help of contractors on an average of 8.56 ha. (10 morgen). This means that if farmers had access to 15 ha., as on the present AGRICOR projects, they would have received a nett income of R614-72 at 1979/80 prices. The majority of the farmers also grew crops other than maize, suggesting that they enjoyed a fairly varied diet as well as a possible higher income than suggested above.

Many of the farmers belonged to primary co-operatives as this was practically the only way they could obtain a limited amount of credit for basic production inputs such as seed and fertilizer. More than half the people who owned land were responsible for and involved in the production process while the rest relied on the services of contractors.

This chapter will serve as a useful yardstick to measure the degree of development which has taken place since the projects were implemented by AGRICOR and its management agents, the CED and Noordwes Kooperasie.

CHAPTER 8

THE ESTABLISHMENT OF THE DITSOBOTLA PROJECTS

INTRODUCTION

As will be remembered from chapter 6, the first capital intensive project, the Shiela Verdwaal Project, was started in 1976 by the Bophuthatswana Department of Agriculture under the then Secretary of Agriculture, Mr David Beuster. When Beuster was transferred to the position of Managing Director of the newly established Bophuthatswana Agricultural Development Corporation (AGRICOR) in 1978, the control and management of all agricultural projects in Bophuthatswana (1) passed on to AGRICOR and its seconded CED personnel.

The rise of AGRICOR was marked by the development of alternative approaches between itself and the Department of Agriculture (Bophuthatswana), to the process of rural development. The conflicting approaches led to the retirement of the Secretary of Agriculture, Mr C Seape in 1982 and the acceptance of the capital intensive project approach as the long term vehicle for rural development in Bophuthatswana.

After AGRICOR took over control of the projects, the number as well as the size of the existing projects increased dramatically. Influenced by the criticism inherent in the differing approaches between itself and the Department of Agriculture

under Seape, AGRICOR has attempted to introduce elements of community development and fragments of the Israeli Moshav into its strategy of capital intensive projects. This combination of production orientated projects, community development and the Moshav has been subsumed under the mantle of TEMISANO PROJECTS. Although still subject to dispute within AGRICOR itself, the TEMISANO approach has involved an attempt to turn the existing primary co-operatives into TEMISANO production units. These TEMISANO units are supposed to serve as a focal point for production, training, community development and at a later stage, secondary industry.

This chapter will trace how the development strategy discussed in chapters 2 and 6 has developed in the concrete form of the Ditsobotla projects. This will involve an explication of the role played by the various institutions discussed in chapter 6, as well as the project participants themselves, in the establishment of the projects.

THE SHIELA VERDWAAL DRYLAND MAIZE PROJECT

Prior to the granting of "independence" to Bophuthatswana, about 70 000 ha. of high potential land had been identified in the Ditsobotla region as suitable for dryland, summer grain crops, particularly maize. (2) Because of the slow progress being made with regard to agricultural development in Bophuthatswana, officials of the Bophuthatswana Department of Agriculture decided in 1976 that a new approach was needed. The

development of a new approach in Bophuthatswana must be seen against the background of a general realisation by the South African government that agricultural development in the Bantustans was failing. This led, as was discussed in chapter 2 of this study, to the passing of the 1977 ammendment to the Promotion of Economic Development of the National States Act No. 46 of 1968 and the establishment of the CED with its intention to concentrate on the development of large agricultural projects. Another important influence on the new approach was the decision in principle in 1976 of the South African Agricultural Union to provide aid to the Bantustans with regard to the development of their agricultural potential. (3)

The new approach, which later formed the basis of AGRICOR's development strategy, in essence meant that a few high potential areas would be selected as target areas for concentrated efforts to develop the production to its optimum level. (4)

Although initial surveys had been done, the Department of Agriculture, with assistance from the Department of Soil Science at the University of Potchefstroom, carried out intensive soil surveys on three farms, Shiela, Verdwaal and DeHoop in the north-east of the Ditsobotla region, and established that the area had 3 800 ha. of arable soil suitable for maize production. At that time only 1 700 ha. was being farmed by the 200 people who had land rights, the rest being used as grazing for cattle.

As was noted in chapter 7, farmers had access to arable allotments ranging from five to 30 morgen, with 10 morgen being the most common. They either cultivated the land themselves or relied on contractors. As these initial three farms included in the project lie adjacent to the South African maize triangle (later expansions such as Mooifontein being further west and therefore more arid) the average yield of one ton per ha. that was being achieved by the farmers on their plots was slightly higher than the average for the stateland farmers in the rest of Ditsobotla. (see chapter 7)

As the Bophuthatswana Department of Agriculture did not have the necessary funds, it approached Noordwestelike Kooperatiewe Landboumaatskappy, Beperk, to finance and to act as agricultural advisors to what became known as the Shiela Project. Noordwes Koöperasie, which is based in the western Transvaal maize capital, Lichtenburg, applied for and received ministerial permission to finance the project. This permission was applied for through the medium of the South African Registrar of Co-operatives.

The firm of agricultural consultants, Loxton, Hunting and Company were appointed to provide the management and technical advice for the project, while the Department of Agriculture (Bophuthatswana) provided an extension advisory service to the farmers. The Lichtenburg District Agricultural Union appointed a committee of four local white farmers to give practical advice to the project management during the planning phase.

The Department of Agriculture held many meetings with the 200 farmers to explain the nature of the project. It is clear from the survey done for this study (see chapter 10 for details) that the majority of the farmers were initially in favour of the project. In order to increase the size of the individual arable allotments to 15 ha., it was decided to plough up 1 800 ha., of what was until then, grazing land.(5) Most of the farmers believed that this step would serve to increase their incomes through maize production and were willing to sacrifice the communal grazing lands for this purpose. The management of the project decided that the grazing land had to be ploughed before the next season. As the tractors ordered for the project would have arrived too late, an appeal was made to all the agricultural unions in the north-west region of the Transvaal to make tractors, implements and drivers available to break up the soil. The Directors of Noordwes Koöperasie set the example by making 16 tractors available and at one stage 58 tractors took part in the ploughing. (6) These white farmers were renumerated for the costs incurred through the use of their tractors by the Department of Agriculture on a non-profit basis. (7) As the ploughing of the grazing land constitutes expansion into virgin territory the cost was carried by the Department of Agriculture and not debited to the farmer.

Each of the 200 farmers who had land rights on the three farms comprising the project was allocated a 15 ha. plot. The majority of the farmers were in favour of this land allocation as

it represented an increase in arable land size for most of them.

THE CONTRACTOR FARMER SYSTEM

A contractor is one of the more "progressive" farmers chosen by the Department of Agriculture, who for a set fee per hour, ploughs, cultivates and harvests for the farmers on the project who do not have tractors and implements. In practice, at the commencement of the Shiela Project, 29 full-time farmers were chosen as contractors for the project. Many of these had been performing contracting services to part-time farmers prior to the commencement of the project and as a result were familiar with, and usually had their own, tractors and equipment. Most of them had at some stage worked for white farmers as tractor drivers.

During the first season a total of 3 546 ha. was cultivated. It was calculated that 29 tractors plus implements were needed to effectively work an area this size. (8) The project planners decided that only three of the 29 contractors chosen had tractors which could still be used effectively. As a result, 26 new Fiat 640 tractors were ordered from VETSAK. The transaction was concluded through Noordwes Koöperasie, who charged the contractors the same rate of interest as their own members, except that the "mechanical unit" (tractor plus a set of implements) was repayable in four equal instalments over four years. These capital items cost a total of R255 000. (9) The number of contractors was increased to 31 the following year.

As has been mentioned, each of the 200 farmers who had land rights on the three farms comprising the project were allocated a 15 ha. plot. The 15 ha. plots were measured and laid out in such a way that groups of eight comprised a 120 ha. block, capable of being cultivated with one tractor by one contractor. Each contractor, being responsible for a 120 ha. block, was allocated a second 15 ha. plot to enable him to pay off his mechanical package, giving him a total of 30 ha. The remaining six plots were given to six other farmers making up the block.

By the end of 1981, some of the contractors had paid off their machinery and withdrew their services, but continued farming on the two 15 ha. plots initially allocated to them. This created problems as they were meant to continue the service after paying off the tractors. The gap created by their withdrawal was overcome by the Shiela Primary Co-operative which acquired additional machinery to provide the necessary service to the farmers who were left stranded. (10) This system of the primary co-operative owning the tractors and implements and employing drivers to operate them, was to replace the contractor system (where private individuals own the equipment) on subsequent expansions of the Shiela Project, as well as on the Mooifontein Project. As will be explained in more detail when dealing with Mooifontein itself, this system means that the primary co-operative hires out tractor, implements and a driver to the project participants and then debits their accounts at the end of every harvest for the number of hours

they used.

By 1982, 12 of the original farmer contractors had withdrawn from the project. Nine of these are still financed by AGRICOR, as private farmers, through their primary co-operative. The other three, also as private farmers, have opted to receive assistance from the Bophuthatswana Landbank. It would appear that the contractor system, by giving the contractor farmers double the land of the other project participants as well as the necessary credit to buy tractors and implements, has acted as a springboard for the development of a small group of semi-independent private farmers. However, it is too early to predict the growth of a new class of private capitalist farmers on such a slender basis. It is not clear at all whether these farmers have a large enough portion of arable land to survive the present and continuing drought conditions, or whether they will be able to expand their activities significantly given the shortage of land in the Ditsobotla area.

The majority of the contractors have continued with the original system within the project. They acquired another new tractor in 1982, which was financed by AGRICOR through the Shiela Primary Co-operative. (11) The contract which was drawn up between the management committee of Shiela Primary Co-operative and the contractor, stipulates that the latter must perform his task to the satisfaction of the committee. In practice a few contractors have had their tractors and implements withdrawn and relocated to other contractors. This action

resulted in administrative problems and in some cases even legal action. (12) Contractors who have had their implements withdrawn have often been reluctant to give up the extra 15 ha. they were originally allocated and some have disputed the right of the management to withdraw machinery which they have come to regard as their own private property.

To prevent the problem of "inefficient and untrustworthy contractors", all new applicants are now placed on a two year probationary period before being allowed to buy a tractor and implements. In the meanwhile the equipment belongs to the co-operative.

According to a progress report (1981) compiled by the management agents of the Shiela Project, it was originally envisaged that the project participants would be responsible for the supervision of the cultivation of his/her arable allotment by the contractor. This help and active participation, it was thought, would be particularly necessary during the planting and harvesting periods. According to the original aims of the planners, the project participants would also be entirely responsible for any manual weed control ("skoffeling"). (13)

However, since the inception of the project in 1976, it has become clear that the majority of project participants are not actively involved in the production process. This is due

to a variety of reasons, chief of which is the fact that the project participants (excluding contractors) cannot make an adequate living from 15 ha. of dryland maize cultivation and are therefore obliged to seek employment elsewhere. Many of those permanently present on the project are retired and therefore too old to make an active contribution. These factors will be dealt with in more detail in chapter 10 which deals with the results of the questionnaire survey conducted for this study amongst the project participants.

The result is that, since the project was started, the project management has hired labour to do the necessary hoeing and harvesting. (14) The hired labour has consisted of women, school children and casual labourers from the surrounding villages and have often been obtained with some difficulty. An expose, the content of which was subsequently denied by AGRICOR, revealed that many of these casual labourers were children who were being forced to sleep in the open in the middle of winter during the harvest period. (15) The cost of the labour is debited to the project participant's seasonal account.

The importance of participation in the project by the individual participants is shown in the findings of the ARDRI report. (16) Participation was found to be the most important variable in determining the project member's yield per ha., with involvement in weed control of particular importance. The fact that many of the participants are not involved means

that the hired labour as well as the contractors do not always render suitable service on the absentee farmer's land. The contractors especially, as we will see when we discuss the demise of the contractor system on the Moolfontein Project, tended (and still do on the Shiela Project) to concentrate on their own lands to the detriment of the other participants to whom they are supposed to be providing a service

THE SHIELA PRIMARY AGRICULTURAL CO-OPERATIVE, LTD.

When the project commenced in 1976, the farmers on the farms Shiela, Verdwaal I and Verdwaal II, each with their own primary Agricultural Co-operative, amalgamated to form the Shiela-Verdwaal Primary Agricultural Co-operative, Ltd.

The new Shiela-Verdwaal Primary Co-operative was permitted to rent part of a plot of land allocated to the Department of Agriculture on Shiela farm adjoining Itsoseng town. The headquarters, with a fuel depot, a fertilizer store, a workshop and store, and an open-sided implement shed, was set up here. Another fertilizer store was set up at Verdwaal II village. (17)

In 1981, a new site was allocated to the Shiela-Verdwaal Co-operative along the main tarred road to Itsoseng. A new infrastructure of offices, personnel housing, a large fertilizer store, an implement shed and a modern

mechanical workshop was erected. (18) During mid-1982, the project was reconstructed from an "administrative aspect", leading to the dissolution of the Shiela-Verdwaal Primary Agricultural Co-operative, Ltd. and its reconstitution as the Shiela Primary Agricultural Co-operative, Ltd. A new management committee was elected.

This administrative restructuring essentially represented a further step in the process of centralisation which began in 1976 with the amalgamation of the Shiela, Verdwaal I and Verdwaal II primary agricultural co-operatives. The 1982 restructuring resulted in the dissolution of the Akanyang Primary Agricultural Co-operative (Springbokpan Project), which at that time was an autonomous co-operative with its own management committee, running its own affairs under the "guidance" of the Shiela (Noordwes Koöperasie) management. The Springbokpan Project was thus included under the newly constituted Shiela Agricultural Co-operative, Ltd.

As far as the structure of the primary co-operatives is concerned, the implementation of the Shiela Project has had a retrogressive impact. Instead of an increasing devolution of power and local control over administrative affairs, the opposite has occured. The management of the Project, that is the seconded Noordwes Koöperasie officials, have increasingly centralised the administration of the project, resulting in a corresponding decrease

in democratic participation by the management committees of what used to be fully-fledged primary co-operatives. These former primary co-operatives have now been reduced to what are called "Temisano Units". (19)

In terms of what has happened at the Shiela Project, a Temisano Unit represents the remains of a former primary co-operative. What is left behind are various degrees of physical infrastructure; storage depots, implement sheds, and in the case of the Springbokpan Project, its own agricultural machinery. These various depots or units are presided over, through the medium of the centralised Shiela Primary Agricultural Co-operative, by a central management committee, which as we will see in due course, has very little control over its own affairs.

The role of co-operatives in general was discussed in more detail in Chapter 5 of this study. The central theme of that chapter was that where little private entrepreneurial capital is available, peasant/migrant farmers can be vertically concentrated through co-operative organisation. In this way small pieces of land can be brought together into an economically viable unit so as to make capitalist farming and the provision and recovery of credit a viable proposition. As Djurfeldt puts it:

> "But this is exactly the role of co-operatives: to centralise capital without expropriating the peasants, so that we get a capitalism without capitalists." (20)

The Shiela Primary Co-operative is a good example of the vertical concentration of peasant/migrants and the centralisation of capital through the co-operative structure. All transactions on the project have to be conducted through a legal persona. The primary co-operative rather than the individual farmer has legal standing as regards the project.(21) The legal standing of the co-operative means that all loans are made to the co-operative, which is also responsible for the payment of debts. The co-operative in turn is responsible for the recovery of individual debts from its members. This is made possible by the co-operative law which makes it illegal for constituent members to market their produce anywhere other than through the co-operative itself. The co-operative is therefore able, after the marketing of the produce, to recover from the members' account any money owed by him for costs incurred during the previous year. The member is then entitled to what is left over.

Officially the project is under control of the management committee of the Shiela Primary Co-operative, assisted by the seconded staff from the management agent appointed by AGRICOR, namely Noordwes Koöperasie. (22) The management committee is elected on a yearly basis by members of the Shiela Primary Co-operative, from amongst its own ranks. In practice the committee seems to be little more than a "rubber stamp" for decisions made by the white management of the project.

It is clear from the minutes of a meeting of the Shiela Management Committee in 1983 (see appendix B) that there is great confusion as to its actual function in the running of the project. It does not have control over the books or bank account and at this meeting demanded that these be handed over to it if its authority is recognised by both AGRICOR and Noordwes Koöperasie.

The management agent, Noordwes Koöperasie, which acknowledges that the project participants are not involved in the decision making process, nonetheless blame the lack of involvement on the fact that "there are still serious problems (leemtes) with regard to the composition and election of the management committee which frequently leads to the situation where the best people are not elected." (23)

The complaints that the management committees of the primary co-operatives are not capable of running the co-operative efficiently, haveled to increasing centralisation of the decision-making process as well as the day-to-day running on most of the AGRICOR projects. Since the beginning of the 1978/79 season, for example, Noordwes Koöperasie has taken over the responsibility for the preparation of project participants debit accounts from the Shiela Primary Co-operative, a service for which AGRICOR pays. An administrative official, whose task it is to train four clerks running the co-operative,

has also been seconded from Noordwes.

The attempt by AGRICOR to introduce the concept of TEMISANO units was examined in Chapter 6. We suggested that TEMISANO was the product of attempts by the AGRICOR Public Relations section to combine "community development" and a production orientated approach without really involving the "farmer" in the decision-making or the production aspects of the projects. Furthermore, we came to the conclusion that TEMISANO was indeed based on an ill-conceived attempt to replicate various aspects of the Israeli Moshav system.

It is clear from the above discussion of the Shiela Primary Co-operative that apart from the community development initiatives, (see Chapter 6) very little of the Moshav system has been implemented.

It would appear that the concept of TEMISANO, as it applies to the Shiela Project, is precisely a combination of a highly centralised production orientated approach with elements of community development added for good measure. As we have seen, the former primary co-operatives have been reduced to storage depots under the control of the Shiela Primary Agricultural Co-operative which is run by seconded Noordwes Kooperasie management. It is to an examination of this seconded white management that we now turn.

MANAGEMENT OF THE SC[illegible]

Although during the original planning of the project, Noordwes Kooperasie was only responsible for financing and technical advice, after the first season it was decided by Noordwes directors that the appointed management agents, Loxton, Hunting and Company, were not utilising the finances adequately.(24) As a result, Noordwes Kooperasie concluded a management agreement with the Bophuthatswana Department of Agriculture. It was decided that Noordwes would take over the responsibility for the management of agricultural production as well as the administration of the project.

Since 1978, with the establishment of the Bophuthatswana Agricultural Development Corporation (AGRICOR), the Bophuthatswana Department of Agriculture has considerably reduced its involvement in the Shiela Project. AGRICOR took over the management agreement from the Department with the management agent Noordwes Kooperasie as well as the seconded personnel involved in the running of the project.

Since 1979 AGRICOR has financed all new capital expenditure and since 1980 the main part of the seasonal costs (production inputs) for the Shiela Project. (25)

The Noordwes personnel in Lichtenburg mainly involved with directing the technical and management aspects of the project are the Managers of the Department of Agricultural Projects and a Production Manager, also attached to the

Noordwes Department of Agricultural Projects.

Other personnel who are seconded full-time from Noordwes to the project are a project manager, an assistant project manager, an administrative manager, a workshop manager, two section managers and an administrative clerk. Additional clerks, storemen, watchmen, a typist, a telephonist, apprentice mechanics and others at the scheme are employed directly by the co-operative. (26)

Three additional section managers, trained at the AGRICOR training centre in Mmabatho, have also been seconded to the project. Each section manager is in charge of one or two of the farms (such as Shiela Verdwaal I and Verdwaal II) comprising the Shiela Project as well as the Springbokpan, Matilestad and Polfontein Projects which strictly speaking are separate projects but also fall under the Shiela Primary Co-operative and Noordwes management. For the purpose of this study, the Springbokpan project will be dealt with as part of the Shiela Project and will be discussed in more detail later in this chapter. The Matilestad and Polfontein Projects are fairly small and recently established and will not be included in this study.

THE SPRINGBOKPAN PROJECT

This project was started in 1979 on the farms Springbokpan and Stiglingspan, situated about 14 km south of Itsoseng town.

With the commencement of the project a primary co-operative was established known as the Akanyang Primary Agricultural Co-operative.

The project was financed entirely by AGRICOR, but the Noordwes Koöperasie provided administrative, technical and management services as the appointed Management Agent there. There were 131 farmers, the majority of whom were allocated 10 ha. each, although a few received 5 ha. No contractor farmers were appointed, but tractor drivers were employed by the Akanyang Co-operative to provide a communal mechanical service to its members. (27)

During the 1980/81 season, 8 farmers withdrew to farm privately with their plots leaving 123 farmers who planted 1 274 ha. of maize and 27 ha. of sunflower.

The Akanyang Primary Agricultural Co-operative was dissolved during 1982 and the project and its farmers joined the newly constituted Shiela Primary Agricultural Co-operative.(28) The main reason for this administrative reshuffle was the increasing dissatisfaction of the project management with the way in which the clerical staff and the management committee were conducting the affairs of the primary co-operative. The result has been an increasing centralisation of the administration of the various branches of the Shiela Project, branches such as the Springbokpan Project which were originally intended to be autonomous entities

under guidance of the project management. As was mentioned before, the entire accountancy system for all the projects falling under the Noordwes Koöperasie management is now under the control of that organisation.

THE MOOIFONTEIN DRYLAND MAIZE PROJECT

Mooifontein is the largest agricultural project in Southern Africa, constituting nearly half of all the land under development by AGRICOR. The project covers a total of 22 940 ha., (29) mainly under maize, being farmed by the project management for 1 305 project participants. The project also includes land being farmed for Chief Lucas Mangope and some of his ministers.

The project is situated on 27 stateland farms in the central part of the Ditsobotla district and its development commenced in 1977 with 79 farmers cultivating 1 766 ha.(30) on Brooksby farm. The project management also cultivated a 650 ha. portion of the Mooifontein farm (Mooifontein East) known as the "central unit" for field trials and demonstrations and to "supplement revenue for infrastructural development." (31)

During the 1978/79 season the project expanded to include the farms Kaalpan, Gelukspan, Uitkyk, Mooifontein West, Lombaardslaagte, portions of Vlakpan and Vrede. In 1979/80 further expansion occurred to include the farms Naauwpoort/Groenwal, Nooitgedacht/Roosendal and Enselsrust/Goedgevonden. In

addition 300 ha. of maize was planted for Chief Mangope on the farm Weltevreden during the 1979/80 season. (32)

Originally an expansion of 10 000 ha. was planned for the 1980/81 season. However, subsequent soil surveys by the Department of Soil Science from the University of Potchefstroom, revealed that only 5 189 ha. of the planned expansion area was suitable for maize cultivation.

This expansion represented an enlargement of Naauwpoort/Groenwal and Nooitgedacht/Vlakpan/Roosendal, as well as the inclusion of the farms Driehoek/Kapsteel, Makouspan, Rietfontein/Mooilaagte/Schoongezicht/Welverdiend, Louisdal/Siberia, Weltevrede, Mooipan, Doornlaagte.

Subsequent years have seen the enlargement of arable areas on farms already included in the project until 1983 when "the total area of high potential soils according to the pedological surveys, has been brought into production on the stateland farms in the District". (33) Future plans include the consolidation of existing farming systems to achieve higher potential production levels, albeit with more intensive mixed farming incorporating beef production. Certain farms also withdrew from the project after 1981, namely Roosendal and Doornlaagte.

As was noted in Chapter 7, the most common size of arable land holdings was 8.56 ha. (10 morgen). Since the project's

FARM	1977/78	1978/79	1979/80	1980/81	1981/82	1982/83
	HECTARES					
Brooksby	1 766	1 766	1 766	1 766	1 766	1 766
Mooifontein East (Central Unit)	650	650	650	650	650	650
Gelukspan		1 233	1 357	1 357	1 377	1 377
Kaalpan		919	919	919	1 123	1 123
Lombaardslaagte/Vrede		1 794	1 794	1 794	1 763	1 763
Uitkyk		1 813	1 813	1 813	1 800	1 550
Enselsrus/Mooifontein West/Goedgevonden/Sambalbroek		774	1 547	1 547	1 547	1 547
Naauwpoort/Groenwal			1 968	2 169	1 778	2 300
Nooitgedacht/Vlakpan/Part of Roosendal			1 867	2 246	2 600	2 600
Driehoek/Kapsteel				922	1 133	1 133
Makouspan/Part of Roosendal				1 495	2 100	2 100
Rietfontein/Mooilaagte/Schoongezicht/Welverdiend				191	1 305	1 605
Louisdal/Siberia				805	1 350	1 350
Weltevrede				205	765	765
Mooipan				284	877	877
Doornlaagte				341	0	
Roosendal (Up to 1980/81)				286		
President s Lands (Weltevrede)					224	224
Seodi's Lands (Vrede)					210	210
TOTAL	2 416	8 919	13 681	18 870	22 368	22 940
INCREASE FROM THE PREVIOUS YEAR		6 503	4 762	5 189	3 498	572

Reproduced from Pretorius (1983)

development, all participants have been allocated 15 ha. allotments. The increase in the size of arable land has necessitated certain costs such as soil surveys, bush clearing, land surveys, fencing and water development. As the project is on stateland, the cost for these infrastructural developments was redeemable from the Government Agricultural Development Fund as a subsidy and was not charged to the farmers.

THE PRIMARY CO-OPERATIVES AS TEMISANO UNITS

When the Mooifontein Project was started in 1977 by the Tswana Agricultural Company (to be discussed in more detail in the following section) a system of contractor farmers similar to that operating on the Shiela Project was introduced.

Each selected contractor farmer received a "mechanisation package" comprising a 55 kilowatt tractor, a plough, an offset discharrow, a planter and a trailer and was responsable for the cultivation of a 150 ha. block subdivided into 15 ha. farming plots, the rest going to eight other farmers to whom he provided a service under project management guidance.

However, the contractors were only selected in the second year of operation. During the first year they were employed by the management agent as drivers. This allowed for in-service training and an evaluation process. After

the first year the drivers were allowed to make an application to the secondary co-operative to become contractors. Each applicant was evaluated by the Co-operative together with the Bophuthatswana Department of Agriculture and the Regional Authority who made recommendations to the management agent. Successful applicants were then bound by formal contract to provide services to eight other farmers. This had to be done to the satisfaction of the Ditsobotla Secondary Co-operative's management committee or the machinery unit could be withdrawn.

The contractors were expected to pay off their machinery unit over a five year period. However, as dissatisfaction with their services grew, the machinery was withdrawn in 1982 by the Primary Co-operatives, who then employed drivers to operate the machinery at hire-charges to the farmers. The contractor system was thus completely done away with on the Mooifontein Project.

The dissatisfaction with contractors related particularly to the efficiency of weed control. (34) The ARDRI team recieved the following complaints:

> "...the operators came too late, that they don't do the job properly, and they concentrate on their own lands."

Other respondents were unhappy about the lack of consultation between farmers and contractors.

The system that now operates on the Mooifontein Project is one where all machinery is owned by the 14 primary co-operatives. Each primary co-operative hires tractor drivers to do the ploughing, cultivation and harvesting for its members, the costs being deducted from their seasonal account.

The management committee of each primary co-operative is elected on a yearly basis and it is responsible for choosing, in consultation with the project management, the tractor drivers. The number of drivers for each co-operative varies depending on the number of farmers belonging to it. There is usually one driver for every ten project participants, each driver working, as did the contractors before them, an average of 150 ha.

This system, where the primary co-operatives own most of the agricultural machinery (tractors, implements, transport, combine harvesters, etc.) is one of the few aspects of the Israeli Moshav system that has actually been implemented on the Ditsobotla Projects. In Chapter 6, we saw that under the Moshav system the co-operative owns the larger machinery such as combine harvesters, trailers, large tractors, etc., which it hires out to the individual farmer members. Some of the machinery is operated by the farmer himself, while others are operated by drivers hired by the co-operative. On the Mooifontein Project it is not possible for the individual project participants to hire and operate the machinery; it can only be operated

by salaried drivers employed directly by the co-operative.

The ownership of agricultural machinery by the primary co-operatives and the cultivation of the project participants' land by drivers/operators employed by the co-operative rather than by private contractors, while seeming to introduce elements of the Moshav system, and therefore by association, elements of TEMISANO, in fact represents a further attempt to centralise and control the production process. The drivers employed by the primary co-operatives in effect fall directly under the control of the CED managers seconded to the project as each project manager is in charge of a primary co-operative and the cultivation of its members' lands. (35)

At present the 14 primary co-operatives farming the Mooifontein Project are still fully-fledged co-operatives, each with its own management committee. As has been mentioned, each primary co-operative (sometimes two), is under the control of a seconded project manager as well as an AGRICOR-trained "section manager". All 14 of the Mooifontein Primary Co-operatives, along with the Shiela Primary Agricultural Co-operative, are members of the Ditsobotla Secondary Co-operative, which is primarily responsible for the marketing of its member co-operatives produce. However, it must be understood that the Ditsobotla Secondary Co-operative is physically situated on the Mooifontein Project (on Mooifontein farm) and is more directly involved in the control and administration

of the affairs of the Mooifontein Project, especially the project's 14 primary co-operatives. Althougn each primary co-operative on the Mooifontein Project has its own management committee, a central co-ordinating management committee is located within the Ditsobotla Secondary Co-operative, and is known as the Ditsobotla Secondary Co-operative Management Committee.

An explanation of the location of the respective management agents (as opposed to the locally elected management committees) of the two projects, that is Shiela and Mooifontein Projects, will further serve to clarify the situation. While the Shiela Project Management (seconded from Noordwes Kooperasie) is located within the physical and administrative confines of the Shiela Primary Agricultural Co-operative, the Mooifontein Project management (until recently seconded from the CED) is located within the confines of the Ditsobotla Secondary Co-operative. Both the Ditsobotla Secondary Co-operative and the management agents for the Mooifontein Project are discussed in more detail below.

As was mentioned in Chapter 6, the efforts of AGRICOR's Community Development section has recently extended onto the Mooifontein Project after initially concentrating solely on the Shiela Project. But as with the Shiela Project, the Mooifontein Project remains essentially a highly centralised production orientated scheme with very little involvement of the project participants in

either the production or decision-making process. The non-involvement of the project participants will become clearer in Chapter 10, when the results of the questionnaire survey conducted amongst them, is discussed.

In the next section of this chapter the role of the Ditsobotla Secondary Co-operative is examined.

THE DITSOBOTLA SECONDARY CO-OPERATIVE

The Ditsobotla Secondary Agricultural Co-operative (D.S.A Co-operative), through its management Committee, is the body responsible for the Mooifontein Project. As with the Shiela Primary Co-operative management committee it is not clear to what extent this responsibility is excercised in practice. The Project is run along highly centralised lines by the management agent.

The D.S.A Co-operative was established in the early 1970's by the Bantu Investment Corporation (BIC). It provided marketing and limited credit facilities to the surrounding primary co-operatives. (36) Since 1977 most of the D.S.A. Co-operatives' administrative functions have been run by seconded Corporation for Economic Development (CED) personnel. As the seconded CED staff have also been the management agents for the Mooifontein Project, it is difficult to separate the functions of the D.S.A. Co-operative and the management agents.

The following fourteen Primary Agricultural Co-operatives are affiliated to the D.S.B. Co-op. and their farming members receive assistance from the scheme including an organised Accountancy System for each farmer:-

Name of Primary Agricultural Co-op	No. of Farmers	Stadt where Situated	Names of Stateland Farms Associated with Co-op.
Itireleng	83	Bethel	Rietfontein
Maikutlo	128	Makouspan	Makouspan, Rossendal
Naauwpoort	127	Naauwpoort	Naauwpoort, Groenwal
Ipopeng	83	Uitkyk	Uitkyk, Sambalbroek, Goedgewonden
Enselsrust	117	Enselsrust	Enselsrust, Mooifontein West
Louisdal	91	Louisdal	Louisdal, Siberia
Makhubung	145	Mooipan	Mooipan, Weltevrede, Doornlaagte
Makgalwane	143	Nooitgedacht	Nooitgedacht, Vlakpan
Bapong	52	Gelukspan	Gelukspan
Lombaardslaagte	80	Lombaards-laagte	Lombaardslaagte, Vrede
Thatlhogang	80	Brooksby	Brooksby
Kaalpan	40	Kaalpan	Kaalpan
Driehoek	79	Driehoek	Driehoek, Kapsteel
Naledi	±16	Schoonge-zicht	Schoongezicht, Nooitge-dacht, Welverdiend
TOTAL	1264		

Table on previous page reproduced from Pretorius (1983).

The D.S.A. Co-operative does not only serve the Shiela and Mooifontein projects. Membership of the D.S.A. Co-operative consists of 23 primary co-operatives, of which 14 are participating in the Mooifontein TEMISANO Project.

In the next section of this chapter the different management agents, which have been involved in the management of the Mooifontein Project, are discussed.

MANAGEMENT AGENTS INVOLVED IN THE MOOIFONTEIN PROJECT

It will be remembered that when the Mooifontein Project commenced in 1977, the Bophuthatswana Department of Agriculture was still in control of Agricultural projects in Bophuthatswana. AGRICOR was only established in the following year (1978), when it took over all agricultural projects from the Department of Agriculture. When the Mooifontein Project was started, the Department of Agriculture appointed the Tswana Agricultural Company (T.A.C.), also referred to as the Tswana Landbou Maatskappy (T.L.M.), as the management agent.

The T.A.C. was jointly owned and financed by the Corporation for Economic Development (CED) and the Bophuthatswana National Development Corporation (BNDC). It was staffed by seconded CED personnel and responsible to that body for the finance, technical and management services for the project.

During 1981, the T.A.C. was dissolved and withdrawn as management agents from all the projects with which it was involved in Bophuthatswana and was directly replaced as such by the CED. AGRICOR took over the investment interests of the BNDC and started to second its college-trained assistant management personnel to the scheme (37) (Known as "section managers"). In 1983 AGRICOR terminated its management agreement with the CED for the Mooifontein Project. All CED seconded personnel on the project were given the choice of joining AGRICOR as permanent staff or of leaving if they wished to remain with the CED.

The management structure of the project has not changed much since the management agreement with the CED was terminated. Under the CED the general manager was assisted by four managers responsible for the sections of technical production, grain marketing, workshops and administration. It is clear from this structure that the functions of the Ditsobotla Secondary Co-operative and the management agents are strongly intertwined.

The production manager is in charge of the numerous project managers who are each responsible for a production unit and a primary co-operative. Each project manager is assisted by an AGRICOR trained section manager who is supposed to replace the seconded project manager after a period of on-the-job training. A few of the black section managers have been promoted to project managers but the majority

have tended to fall into a role of messenger between the primary co-operative management committee and the white management.

The project and section managers work closely with the tractor drivers and the clerk attached to each primary co-operative, supervising the ploughing, planting, fertilization, weed and pest control as well as the harvesting at the end of each season. The primary co-operative clerk is primarily responsible for keeping a record of costs incurred in the name of each individual farmer, although in practice the costs of each production unit are calculated as a whole and merely divided equally between each project participant.

As we shall see in the next chapter this has led to a situation where none of the participants know what inputs are put into their specific 15 ha. plot. The uncertainty about inputs has been compounded by the fact that in many areas of the project individual allotments were not marked out, the lands being farmed as a whole for each primary co-operative. The lack of control over and knowledge about the production inputs is one of the main reasons for the discontent of the project participants with the way the project has developed. This will become clearer in Chapter 9 and 10.

CONCLUSION

In this chapter we have examined the development and structure of the Shiela and Mooifontein Projects, Bophuthatswana's two major capital intensive dryland maize projects. We saw that the development of these projects was accompanied by a brief struggle between the Department of Agriculture (Bophuthatswana) and AGRICOR, before the latter institution established the dominance of the capital intensive, production orientated project approach as a blueprint for a long-term rural development strategy.

The Shiela Project, which has become AGRICOR's "model" project, was established in 1976 and has subsequently been developed under the management of the Noordwestelike Kooperatiewe Landbou-maatskappy, Beperk. The project participants' lands are cultivated by contractor farmers, who were initially financed by Noordwes Kooperasie in order to acquire a mechanical package. The contractor farmers are the only group on the Ditsobotla Projects who, albeit on a very precarious basis, have any chance of developing into semi-independent private farmers.

The Shiela Project has been characterised by increasing administrative centralisation, which has in practice meant the amalgamation of all the primary co-operatives on the project into the Shiela Primary Agricultural Co-operative. The centralised administration and management of the project has

meant that the participants, as well as their management committee, have had very little say in the organisation of the project.

The Mooifontein Dryland maize project, the largest of its kind in Southern Africa, was established in 1977 and has been, until recently, developed under the management of the CED. Since the 1983/84 season AGRICOR has replaced the CED as the management agent of the project with its own staff. The project participants' lands are cultivated by drivers and machinery employed by the 14 primary co-operatives which make up the project. The drivers employed by the co-operatives are directly under the control and supervision of the project management.

The Mooifontein Project is centrally administered from the Ditsobotla Secondary Co-operative, which also provides secondary co-operative services to the projects' primary co-operatives as well as to the Shiela Primary Agricultural Co-operative. The elected management committee for the project, as well as the individual primary co-operative management committees (many of which exist in name only) appear to have very little say in the running of the project. Most decisions are made directly by the project management without consultation with the project participants. The next two chapters, especially Chapter 10, will make this point clear.

Given the above-mentioned conditions on the projects,

it would appear that AGRICOR's rural development strategy, which it has marketed for public consumption as "TEMISANO", consists of little more than highly centralised, production orientated projects with an added community development appendage. As will be practically demonstrated in the next two chapters, not only are the project participants financially in a worse position than before the projects were implemented, but the central element of anything vaguely resembling rural development, the active involvement of the people in the decision making and production process, would seem to be non-existent.

C H A P T E R 9

ECONOMIC COSTS AND BENEFITS OF THE PROJECTS

INTRODUCTION

Of the R67 million that AGRICOR had invested or provided as loans to agricultural projects by the end of the 1983/84 season, R32.75 million was spent on the Ditsobotla projects in an attempt to boost both the production of maize and the image of Bophuthatswana as a self-sufficient producer of its basic foodstuff.(1) This vast sum of state money has not been enough to ensure the success of this enterprise. The increased production of maize has been procurred at the expense of the approximately 1700 project participants who have provided their land for the project management to farm along highly capital intensive lines, the vast debts incurred in the process being passed on to the project participants through their primary co-operatives.

This chapter shows conclusively that AGRICOR and its management agents had very little intention for the Mooifontein and Sheila projects to provide adequate incomes for the participants. Using AGRICOR's own figures for the planned expenditure and income for new areas being incorporated into the projects, it is clear that the participants would end up in a worse position than they were in before. In reality the situation has been even worse. The majority of the participants have been earning negative incomes

and are now in a great deal of debt which they have very little hope of paying back.

As has been mentioned before, there is very little chance of earning a living wage from 15 ha. of dryland maize farming. Because of the hopeless overcrowding in the rural areas, AGRICOR's attempts to work within the confines of the Bantustan policy has led it into a "catch 22" situation; an increase in the size of individual arable allotments will lead to increasing landlessness and an increasing dependence of the majority on the migrant labour system.

THE 1979-80 MOOIFONTEIN INCORPORATION AS A CASE STUDY

The incorporation of the Naauwpoort/Nooitgedacht farms into the Mooifontein Project during the 1979-80 season, provides a good example of how project finance is utilised. The details of the expansion programme are documented in a study prepared by the Planning and Development Division of AGRICOR. (2) All prices in the case study are for the 1979-80 season except where otherwise specified.

The Corporation for Economic Development was appointed by AGRICOR to do a feasibility study on the farms Naauwpoort and Nooitgedacht. The Pedalogical Institute of Potchefstroom University identified 4500 ha. as suitable for maize production. AGRICOR and the Corporation for Economic Development provided the finance and the Tswana Agricultural Company was appointed as the management

agent.

The two farms Naauwpoort and Nooitgedacht were of a sufficient size for them to be developed as a self-contained unit. The following capital items, including the mechanisation packages for the tractors were purchased: (3)

ITEMS	NUMBER	PRICE(RANDS)	TOTAL
Tractors	30	11 000	333 000
Planters	30	3 500	105 000
Ploughs	30	700	21 000
Offsetdiscs	30	1 500	45 000
Trailer	17	4 000	68 000
Cultivators	30	400	12 000
			581 000
Vehicles	2	4 000	8 000
Motorcycles	2	1 000	2 000
Housing	2	42 000	84 000
Shed			15 000
Workshop and office			3 600
Water and electricity			2 200
Harvesters	4	62 430	249 720
			364 520
TOTAL			945 520

MANAGEMENT COSTS

Although the farms forming part of the expansion are operated as a seperate unit, the two seconded project managers are directly responsible to the production manager of the Mooifontein Project. A Clerk and an Extension Officer from the Bophuthatswana Department of Agriculure were also appointed to the new unit.

The various expenses resulting from the management are allocated to the farmers as an overhead cost. (4) Included in these management costs are the following:

Salaries	R24 600
Depreciation and repairs	6 044
Vehicle and Motorcycle costs	6 680
Administration costs	3 600
	40 924

Over and above the direct costs of management, the farmer also has to pay a management fee and interest charges. The management fee is based on 2% of the gross income received from the project. (5) The 2% is designed to cover the management agents fee (1%) as well as that of the financer/developer (1%), which in this case would be the CED and AGRICOR. Interest is calculated at 5% on capital invested (tractor package excluded) and operating capital for production inputs.(6) Interest was always calculated at 5% at that time (9% at present) as the difference between 5% and bankrates are subsidised by

the Bophuthatswana administration or the South African government.

The interest costs were as follows for the first year:(7)

on capital invested	18 226
on production costs	20 475
on overhead management costs	1 023
TOTAL	39 724

TRAINING

According to the AGRICOR study on the Naauwpoort/Nooitgedacht expansion,(8) a training programme is supposed to operate on the projects. The training programme involves co-operative management committees, the seconded white management ("race relations"), as well as the individual project participants. Training for the project participants consists of:

- tractor and implement training.
- general crop training by various experts.
- general co-operative training for farmers.

To help towards the payment of these training expenses, it was proposed that 0,5% of the total income received by the farmer should be contributed towards the training. The total training for the Naauwpoort/Nooitgedacht unit was R5 400 for the first year.

Total levies paid by the 232 farmers are therefore as follows:

Overhead management expenses	40 924
Overhead management fee	22 950
Interest	39 724
Training fee	5 400
	108 998

THE SITUATION OF THE PROJECT PARTICIPANTS

The production costs (ie. the cost of agricultural inputs) for each project participant can best be demonstrated on a ha. basis. As production costs are calculated for the unit (Naauwpoort/Nooitgedacht farms) as a whole, these prices represent average costs per farmer:(9)

ITEMS	R/ha.
Seed	7
fertilizer	57
herbicides	3
pest control	6
labour	7
transport	10
tractor and implement costs	75
harvest costs	17
TOTAL	182

Project participant input costs per ha.

The AGRICOR study took a yield of 2.4 tons per ha. as the average yield for the Mooifontein project. The average

price of maize for that year was R100 per ton. Thus the total income received per ha. was R240.00 (2.4 tons at 100 per ton).

From the total income of R240.00 per ha., the production costs of R182.00 are subtracted leaving a gross margin per ha. of R58.00. Further:

gross margin per ha.	58.00
LESS-	
overhead management expenses per ha.	9.00
overhead management fees per ha.	5.00
interest per ha.	9.00
training fee per ha.	1.20
Nett income per ha.	33.80
Nett income per 15 ha. allotment	507.00

Gross margin less overheads.

In the second year the contractors fee would further lower the nett income per ha. by R4.00 to R29.00 per ha. The contractor system was discontinued in 1982 on the Mooifontein project but is still in operation on the Sheila project. For the first few years farmers had to pay an additional R22.00 per ha. for phosphates as well, further reducing the nett income to R7.00 per ha.

THE SITUATION OF THE CONTRACTOR

The contractors have to pay a further R9.57 per ha. for 6 years as repayment on the tractor and implements.

THE SITUATION OF THE DEVELOPER

The financial requirements for the Mooifontein Project expansion on the Naauwpoort and Nooitgedacht farms were as follows:

Capital investment	945 520
Production Inputs	819 000
Overhead management costs	40 924
Overhead management fee	22 950
	R1 828 394

Based on the 5% interest rate the following returns on investment were realised. In the case of production and overhead management costs the interest returns applied to six months: (10)

Capital	47 276
Production inputs	20 475
Overhead inputs	1 023
	R 68 774

The redemption of the loans varied according to the conditions under which they were obtained. In the example above (Naauwpoort/Nooitgedacht) the repayment of the mechanised packages was over a period of 6 years for tractors and

10 years for implements. The emainder of the capital items were to be repaid as follows: (11)

ITEMS	PURCHASE PRICE (R)	REPAYMENT PERIOD (YEARS)	REPAYMENT RATE (R)
Harvesters	249 720	6	41 620
Vehicles	8 000	4	2 000
Motorcycles	2 000	3	667
Housing	84 000	30	2 800
Shed	15 000	30	500
Workshop and Office	3 600	30	120
Water and Electricity	2 200	30	73
TOTAL	364 520		47 780

COSTS OR BENEFITS?

It must be borne in mind that the figures used in the study on Naauwpoort and Nooitgedacht represent an ideal situation as envisaged by the AGRICOR Planning and Development Division. In reality the situation has often been worse. The average yield for the Mooifontein Project over the six years of its existence (1978-84) is 1.5 tons per ha.,(12) which is considerably less than the 2.4 tons per ha. in the above study. The Sheila Project, however, is closer to the South African maize triangle and has an average yield of 2.15 tons per ha. over the eight years of its existence.

The following, for example, are the actual nett incomes for the Mooifontein Project over the three years from 1981. Negative amounts are shown in brackets: (13)

	per ha	per 15 ha.
1980 - 81	60 - 81	912 - 15
1981 - 82	(172 - 36)	(2585 - 40)
1982 - 83	(182 - 04)	(2730 - 60)

An important part of the evaluation of development projects such as Mooifontein and Sheila is an assessment of the degree of attainment of objectives. However, it is important to also examine the objectives themselves and to compare them to the situation existing before the implementation of the projects.

The objectives of the AGRICOR Planning and Development Division for the Naauwpoort/Nooitgedacht unit, as has been demonstrated above, was for p.p. to earn R7.00 per ha. for the first few years until the phosphate content was sufficiently high, and after that an amount of R21.00 per ha.

This amount must be compared to the nett income per ha. that farmers in the Ditsobotla district were earning before the implementation of the AGRICOR projects:

AGRICOR project (including phosphates)	R7.00 per ha.
AGRICOR project (excluding phosphates)	R29.00 per ha.
Ditsobotla farmers pre-project	R40.89 per ha.(14)

Comparison of project and pre-project net income per ha.

It is clear from the above table that AGRICOR's priority was not to improve the lot of the individual project participants. On the contrary, it would appear that the planners of the capital intensive agricultural projects are willing to decrease the nett income per ha. as long as the end result of increased maize production is achieved. This would seem to support the earlier hypothesis that these type of projects were introduced primarily for political reasons, to boost in the eyes of the world, the economies of the "independent" homelands.

In a marginal maize area such as the Ditsobotla region "maximum profits are closely allied to the setting of realistic target yields that can be achieved in a high proportion of seasons".(15) As the variability of the rainfall in the Ditsobotla region is a major factor to be considered in the determination of the yield potential,(16) it is essential to look at the potential yield over a number of years rather than for one good year as AGRICOR has tended to do.(17) The following tables show the production statistics for the Mooifontein and Sheila Projects since their inception:(18)

MOOIFONTEIN PROJECT		
MAIZE		
SEASON	HECTARES	AVERAGE TONS Per ha.
1978/79	7306	2,0
1979/80	13290	2,3
1980/81	19179	3,4
1981/82	21339	1,0
1982/83	22416	0,5
1983/84	21671	Crop failure
	Average	1.5

SHEILA PROJECT		
MAIZE		
SEASON	HECTARES	AVERAGE TONS Per ha.
1976/77	3426	1,7
1977/78	3621	1,8
1978/79	3635	2,7
1979/80	5061	3,3
1980/81	4902	4,2
1981/82	6511	2,0
1982/83	6511	1,5
1983/84	6511	Crop failure
	Average	2.15

It must be stressed that drought is not an unusual phenomena in the Ditsobotla region. It is clear that a potential yield estimated over a number of years which takes into consideration the probability of bad, average, good and excellent year in terms of rainfall, will give a more realistic idea of yield possibilities. After consultation with farmers in the Lichtenburg district and consultation of historical sources,(19) the following pattern emerged

for an average ten year cycle:

1 bad year
4 poor to average years
3 good to average years
2 excellent years

If the average yields for the Mooifontein and Sheila Projects are combined (1.5 and 2.15 tons per ha.) a total average of 1.64 tons per ha. is obtained.(20) At the 1979/80 price of R100 per ton of maize, a yield of 1.64 tons would give each project participant a total income of R2460 per 15 ha. allotment. After the total average costs for Mooifontein and Sheila Projects for 1979/80 are subtracted the following picture emerges:

Total income for 15 ha.	R2460-00
Total income per ha.	164-00
Total average costs per ha. for Mooifontein and Sheila Projects (21)	- 233-99
Nett income	(69-99)
Nett income per 15 ha.	(1049-85)

Negative amounts (losses) shown in brackets.

As we have seen, in terms of AGRICOR's projected figures in the plans for expansion of the Ditsobotla Projects, the participants would end up in a financially worse position than they were in before. From the above table

it is obvious that in reality the situation has been far worse. Taken as a whole, the project participants on the Ditsobotla Projects have been losing an average of R69-99 per ha. a year as opposed to the R40.89 per ha. they were making on average before the implementation of the projects.

Because of the losses incurred by the project participants, the management has been forced to give them a guaranteed amount of maize in kind for their own consumption. On Mooifontein this has amounted to 30 bags (2.7 tons) per year and on Sheila a lesser amount of 1.5 tons per year.

The average loss of R1049.85 per farmer per year (at 1979/80 prices) would therefore give the Naauwpoort/Nooitgedacht project participant a total accumulated debt over five years of R6972.39 (adjusted for inflation to 1984 prices). Project participants who have been incorporated into the projects for longer (for example the Sheila farmers who have been in since the 1976/77 season) will obviously have proportionately higher accumulated debts. It must be stressed that the above figures represent averages. In reality debts vary enormously. In many cases project participants owe over R15,000. (See appendix C,i-iii for an example of debts owed by one farmer by the end of 1983).

The following table shows more clearly the differences between Mooifontein and Sheila Projects; all figures

are at 1979/80 prices for sake of comparison. The pre-project figures have been converted to 15 ha. arable allotments also for sake of comparison:

	Nett income per ha.	Nett income per 15 ha.
Pre-project Ditsobotla area	R 40-89	R 613-35
Mooifontein Project	R(83-99)	R(1259-85)
Sheila Project	R(18-99)	(284-85)
Ditsobotla Projects average	R(69-99)	R(1049-85)

Negative amounts shown in brackets.

AGRICOR's stated aim is to give each project participant a nett income of between R3000 and R5000 a year.(22) This represents the amount calculated by AGRICOR, needed to keep a fulltime farmer on the land. It is quite clear, that with present inputs as high as they are, this is going to be an extremely difficult, if not impossible, task to accomplish, especially on 15 ha. allotments

The question of inputs, especially fertilization, is a question that is receiving much attention in South Africa today. To quote Bembridge et al.:

> "As the fertilizer costs may constitute as much as 60% of the variable production costs for maize, the level of fertilizer applied can be of cardinal importance in the establishment of realistic target yields."(23)

What this means in practice is that if a farmer fertilizes for a yield of 5 tons per ha. and he achieves a yield

of 1.5 tons per ha., he will have spent an excess of R103,71 per ha.(24) The achievement of a low yield can be due to a variety of reasons such as drought, rain not falling during vital stages of growth (anthesis and kernel filling), rainfall occuring in localised patches, time of planting, not achieving an acceptable stand of plants, efficiency of weed control and the occurence of theft.

As the Ditsobotla region is prone to all of the above problems, especially variability of rainfall, it is clear that over-capitalisation is one of the main reasons why the total amount spent on inputs at Mooifontein and Sheila often exceeds gross income.

For example during the 1981-82 season the management of the Sheila project spent R81-65 per ha. on ordinary fertilizer (excluding phosphates). This represents a fertilization programme aimed at a yield of between 3.5 and 4 tons per ha. As a yield of only 2.04 tons per ha. was achieved at the end of that season this represents a waste of approximately R52-00 per ha. or R775-00 per 15 ha. (at 1981 prices).

It seems as if AGRICOR's major investor, the Foreign Affairs Department of South Africa, is aware of the problem of over-capitalisation as it has requested AGRICOR to calculate production costs for new projects in the area on yields of 2.4 tons per ha. and to reduce the fertilization

programme "to be closer to the real potential of the area."(25) This has in fact been done and AGRICOR is planning a project for the western sub-region of Ditsobotla where farmers would receive 71ha. to achieve a yearly income of R5000. If mixed with groundnuts (3 years maize, 1 year groundnuts) 55 ha. is needed. Also "the approach of 'reduced physical inputs', applicable to a marginal are, has been adopted so as to create a realistic balance between inputs and outputs".(26)

What are the implications of the negative or very low nett incomes achieved on the projects so far? It is increasingly obvious that 15 ha. arable allotments in a marginal maize growing area, where drought is the rule rather than the exception, are unable to support the capital intensive production techniques and the cost of the management infrastructure as well as to provide the project participants with an equitable (or supplementary) income.

AGRICOR and its management agents may have succeeded in the political objective of producing, in years of "normal" rainfall, more maize than before the implementation of the projects. But the main effect of AGRICOR's actions has been to promote the extension and intensification of commodity relations in conditions where it might not have been immediately profitable for productive and finance capital to do so.(27) AGRICOR and its management agents, with the help of state and private capital, have created

a R7 million a year (28) market in agricultural inputs for multi-national agribusiness on the Ditsobotla projects alone.

The project participants have not been so fortunate. As the last people in a vast chain of appropriation, their incomes have actually declined. As Bernstein puts it:

> "As far as rural development programmes are concerned, these objectively operate to incorporate the peasantry further into commodity relations, and attempt to standardise and rationalize peasant production of commodities for the domestic and international market ..... The more commodity relations and the acquisition of cash income become conditions of reproduction, then shortfalls in production and/or income can lead to a cycle of indebtedness."(29)

As has been demonstrated in this chapter, AGRICOR has succeeded in putting the vast majority of the project participants into thousands of rands of debt which they have very little chance of ever paying back. The indebtedness of participants makes it extremely difficult for them to leave the project as they are legally bound, through their co-operatives, to pay their debts.

In an attempt to remedy the continued failure of the existing Ditsobotla Projects to provide the participants with an adequate income, AGRICOR, as has been mentioned, now has plans to scale down certain inputs and provide each farmer with 71 ha. to achieve an income of R5000 a year. If the problem of land tenure was overcome and these new plans were to be implemented in the Ditsobotla

region (for example), it would mean that far fewer farmers could be accommodated on the existing arable land than would have been the case had the 15 ha. allotments been a feasible idea.

EMPLOYMENT AND UNEMPLOYMENT IN THE DITSOBOTLA REGION.

Apart from a few civil service jobs, a few small businesses, and the Thusang and Gelukspan Hospital, the rural areas of Ditsobotla, developed to its maximum potential, will be dependent on three main sources for employment:

1. Arable farming:

   70 000 ha. of high potential land has been identified as suitable for dryland summergrain crops, particularly maize in the Ditsobotla district. If each farmer receives 71 ha. it means that 986 farmer families can be accommodated in fulltime crop farming.

2. Livestock farming:

   Potgieter (1980) calculated that under optimal conditions, 27 000 livestock units can be kept on the remaining 166 000 ha. of land not suitable for cropping. This gives a further 90-100 cattle farmers an income of R3,500 per annum at 1979 prices (R5262 in 1983).(30)

3. Agro-industries:

   Further possibilities for employment creation

lie in the establishment of agro-industries. AGRICOR has appointed an Israeli consultant to investigate the setting-up of industries in the rural areas of Bophuthatswana. These rural industries will not be solely agro-related, but will also include, it is hoped, other types of secondary industry. This "integrated rural development" approach has its roots in the Israeli experience, where many of the Kibutzim, and to a lesser extent the Moshavim, have come to rely for the major portion of their employment absorbtion and income generation on agro-industry. According to Y.Abt of Israeli Settlement Study Centre in Rehovot, "The need to develop secondary and tertiary sectors is essential, recognising that economic growth implies a relative decrease of those employed in agriculture and therefore necessitates taking up the slack, in services and industries."(31)

The Bophuthatswana Administration has decided in principle that a new district centre for Ditsobotla should be developed on the farm Deelpan. In order to establish a viable settlement "it is clearly important that the necessary labour opportunities are created to attract people to settle in and around the centre".(32) AGRICOR has commissioned the Corporation for Economic Development to do an intensive feasability study on the possibility of establishing agro-industries at the proposed district centre. As the study is confidential, it is not possible

to give any details. What is relevant however, is that if the suggestions are implemented it would create only 483 basic job opportunities. This figure does not include non-basic jobs or jobs created by way of forward or backward linkages or ripple effects but gives a fair idea of the difficulties of establishing industry in remote rural areas far away from the main market centres.

To sum up briefly:

arable farming	986 families
livestock farming	100 families
agro-industries	483 families
TOTAL	1569 families

This means 1569 households will have access to definite employment in the rural areas of Ditsobotla.

The population of Ditsobotla will be in the region of 148 000 by the end of 1984: (33)

1984 Ditsobotla total population	148 000
Less:	
Itsoseng (Town)	27 745
Atamelang (Town)	7 582
Rural inhabitants of Ditsobotla	112 673

At 6.84 perso· per household 112,673 people equal 16,473 households. From the 16,473 rural households we must subtract the number of rural households able to find employment in the rural areas:

Total rural households	16 473
Less:	
Those able to find employment	1 569
Those with no access to employment	14 904

The 14 224 households represent 69% of the rural households, which are, under optimal conditions of development, unable to survive in the rural areas of Ditsobotla without having to resort to migrancy. It is important to bear in mind that this region is considered to be one of the better areas in terms of agricultural potential and that many other areas of Bophuthatswana are less centrally situated and even more arid.

The situation of too many people and too few employment opportunities is being exacerbated by the natural population growth of the area (It will double in 24 years at present growth rates)(34) as well as the South African states determination to continue to relocate people from the urban centers of South Africa. The number of unemployed are also increasing because of the movement of people off white farms because of increasing mechanization in maize farming in the Western Transvaal.

What has been demonstrated in this chapter in practical terms has been <u>said</u> by many others since the turn of the century. As a departmental report mentioned in 1936:

> "It is unfortunate that many of the farms purchased by the Trust inside the released areas are over-populated before purchase..."

and

> "In most of the Native Reserves in the northern areas dryland arable farming is no more than a gamble. In recent years with the increase in population the land has become smaller and smaller..."(35)

In the 1950's the Tomlinson Commission showed that if £120 were to be adopted as the standard for determining the future size of farming units for Black farmers, it would mean that at least 80% of the present number of families would have to be removed from the land. Nothing has changed in the 1980's.

That this is the fundamental political issue facing the rural areas of the Bantustans is not in doubt. It is a problem that cannot and will never be solved by attempts to treat Bophuthatswana as a separate political entity and to find internal solutions to the problem of too many people and too little land. It is an issue which is structurally a part of the unequal access that Black people in South Africa have to land, employment and political power.

C H A P T E R 10

THE DITSOBOTLA QUESTIONNAIRE SURVEY: PARTICIPANT'S HOUSEHOLD CHARACTERISTICS AND ATTITUDES

INTRODUCTION

This chapter is divided into two main parts. The first section examines the personal characteristics of project participants as well as the work and income characteristics of their households. The second section looks at the attitudes of the project participants to various aspects of the project, aspects such as production techniques, co-operatives, management, and the degree of participation and consultation. Their attitudes are reviewed against the background of condition presented in previous chapters of this study.

RESEARCH PROCEDURE

The Research Area

The field survey was undertaken in December 1983 and included the following primary co-operatives:

Table 10.1

	No of farmers
Shiela Primary Agricultural Co-operative	197
- including the Springbokpan Project	131
Itereleng	83
Maikutlo	128
Louisdal	91
Makhubung	145
Makgalwane	143
Bapong	52
Lombaardslaagte	80
Tlhathogang	80
Kaalpan	40
Driehoek	79
	1 249

SAMPLING PROCEDURE

A list of project participants was obtained from each primary co-operative. Using a random sample table, a sample was drawn from each list. The sample for the projects as a whole was thus stratified in terms of co-operative membership.

A sample of ten percent was drawn for each primary co-operative, giving a total sample size of 126 respondents.

SETTING UP THE INTERVIEWS

After an initial pilot questionnaire survey, project and and section managers were requested to call a meeting of the selected respondents at the primary co-operative premises at pre-arranged dates and times. Selected participants who were away were either traced and interviewed at their place of work or interviewed on weekends at home. As the field survey took place shortly before Christmas, many of the project's participants had returned home on leave and were more easily contacted.

INTERVIEW TECHNIQUE

The study was undertaken using standardised questionnaires to conduct personal interviews. Each selected primary co-operative member was interviewed privately for approximately an hour. This enabled all questions to be carefully explained in Tswana and reduced the possibility of respondents not understanding the questions.

Although the independent nature of the study was continuously stressed to the participants, the fact that they were in many cases called by the project management or by the AGRICOR section managers, may have influenced them to moderate their answers for fear of reprisals. This would be especially true of the Mooifontein drivers and committee members who are in continuous contact with project management.

1. PERSONAL CHARACTERISTICS OF PRIMARY CO-OPERATIVE MEMBERS

Sex of Respondents

Seventy-nine percent of the respondents were men and twenty-one percent were women. The women were usually widows who had had land rights passed on to them by their deceased husbands.

Age of Respondents

The average age of the respondents was 57 years.

TABLE 10.2

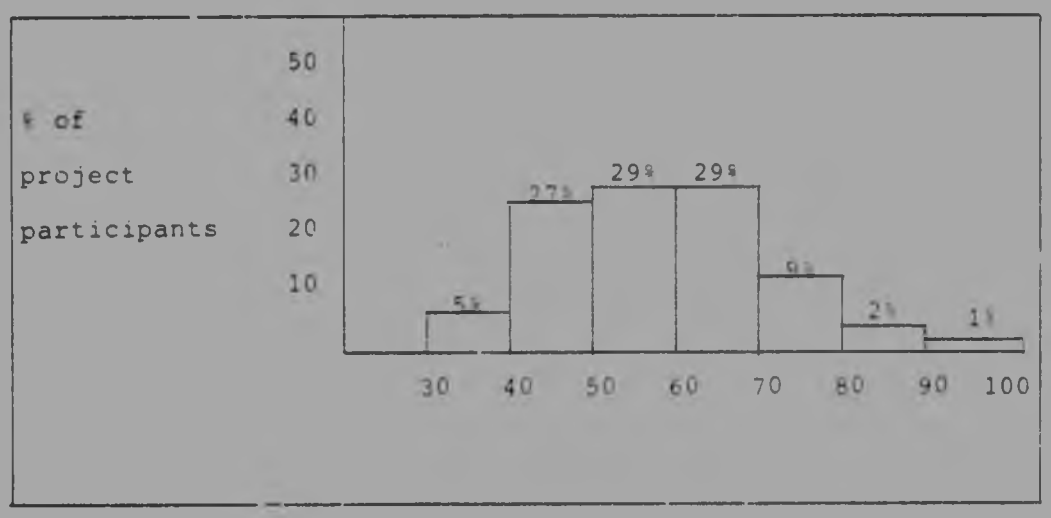


Table 10.2 Percentage respondents by age.

Fifty-eight percent of the project participants are between the age of 50 and 70 years.

Education Respondents

The modal level of education was 0 to 4 years of schooling amongst primary co-operative members:

TABLE 10.3

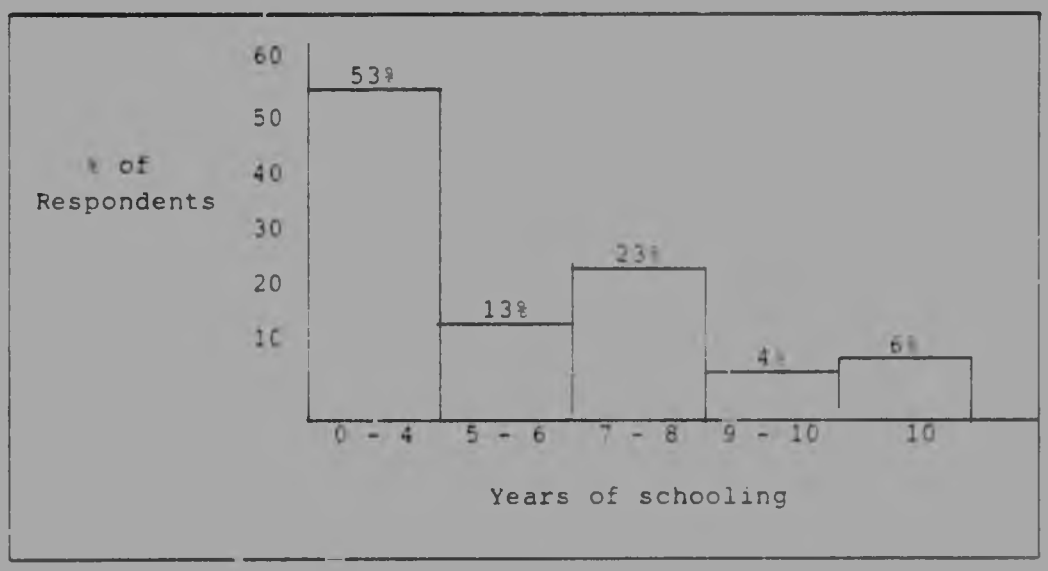


Table 10.3 Percentage of respondents by education.

HOUSEHOLD CHARACTERISTICS OF PRIMARY CO-OPERATIVE MEMBERS

The term household rather than family is used as the residence unit often includes non-family members who are nevertheless an integral part of its income and expenditure cycle.

HOUSEHOLD SIZE

The average household size for the villages in the Ditsobotla Projects is 7,70 persons. This figure includes migrants.

HOUSEHOLD INCOME

As we saw in the previous chapter, AGRICOR's attempts to boost grain production through the intensive concentration of capital resources in selected areas have resulted in the majority of project participants being placed in debts which they have very little chance of paying back. It is also clear from AGRICOR's planning report, referred to in the last chapter, that there was little intention initially to provide an adequate living wage or even to improve existing agricultural incomes for project participants. Apart from the few contractors who left the Shiela Project to farm privately, the majority of the project participants have lost rather than gained any means of accumulating the income necessary to launch themselves into private productive investment in agriculture.

Given the above process of immiseration, it is necessary to look at alternative sources of income which project participants and their households utilize in order to survive. For the purposes of this study project participant households (PPH's) have been divided into the following categories:

1. PPH's which have members working in the formal sector;
2. PPH's which have members who are self-employed;
3. PPH's which have members who are full-time migrant workers;

4. PPH's which have members who are engaged in informal sector activities;
5. PPH's which have members who receive pensions;
6. PPH's which have members who receive maintenance grants;
7. PPH's which have cash savings;
8. PPH's which have livestock.

It was hoped to construct a profile of average household incomes from sources outside of the projects. However, analysis of the survey questionnaire revealed that respondents were in the majority of cases not sure of:

a. Exact amounts obtained from different sources. Amounts often varied, depending for example on how much a household member donated to the household or spent elsewhere;
b. The regularity of income, especially from informal sector activities and migrant remittances. The following categories therefore give a rough idea of the sources of income amongst PPHs.

1. FORMAL SECTOR ACTIVITIES

According to the survey thirty-four percent of households have members who work in the formal sector and are not fulltime migrants. Many of these people do not work within the Ditsobotla region itself but commute on a daily basis to towns such as Mafikeng, Lichtenburg and Delareyville.

This category includes household members who are not project participants. Some of the household members who work fulltime in the formal sector are, for example, children who are temporarily residing with their parents until they can obtain permanent accomodation in the towns where they work.

This category of household members represents a small rural working class with (in Poulantzian terms) new petit - bourgeoise elements for whom farming is, if at all, at best a marginal activity. Their relevance to the present study is limited in that they have managed to obtain these positions in spite of the project rather than because of it. It is clear however that project participants who fall into this category are unable to participate actively in the project. Formal sector jobs within the Ditsobotla region are comprised mainly of civil service activities.

2. SELF-EMPLOYMENT

Four percent of households in the survey have people who are self-employed members of the traditional petit - bourgeoisie. There appears to be, however, a fine line between this category and "informal sector" activities. The formal difference lies in the permanence of the work; a self-employed person has fulltime employment (12 months per year), while "informal sector" work is more intermittent.

According to an AGRICOR study completed in 1980, there are forty-nine businesses of various kinds scattered through the Ditsobotla region. The majoriy of these are situated in the town of Itsoseng; only 13 being in the surrounding rural areas. These businesses consist mainly of small general dealers, wood and coal establishments and butcheries. (1)

The average income from own businesses, as recorded by the present study survey questionnaire, is R98 per month.

3. MIGRANT WORKERS

Forty percent of households have migrant members. Many households have several migrant members (52 households have 83 migrant workers). Only twenty-one percent of these households claimed that they received migrant remittances regularly. As most remittances are extremely irregular and varied greatly in amount it is impossible to determine monthly or yearly averages.

Migrant workers work in the following places:

TABLE 10.4

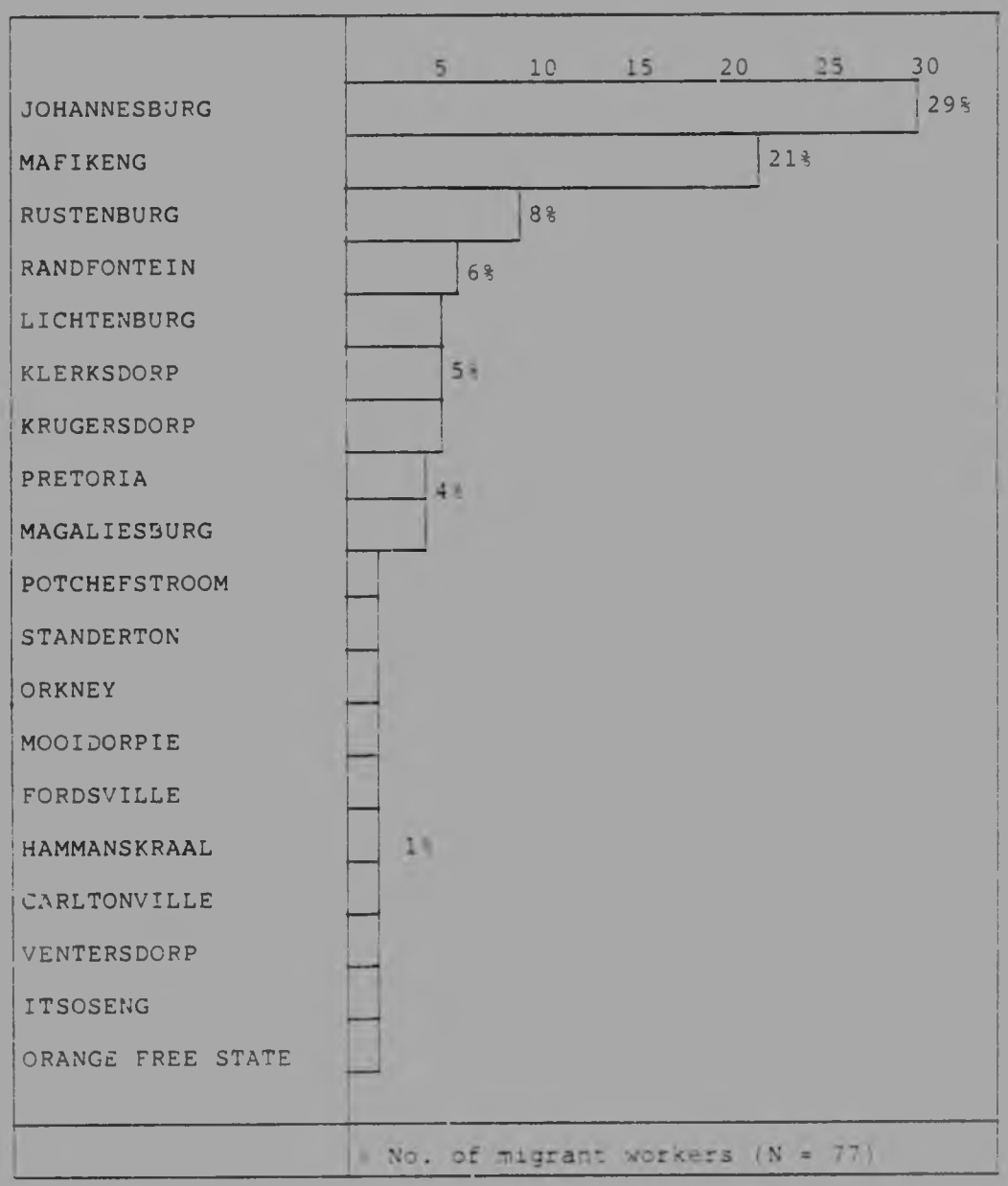


Table 10.4

INFORMAL SECTOR

Five percent of households have members who are involved

in informal sector activities. The average income from this type of work is R23 per month, usually on an intermittent basis. The highest income is R41 and the lowest R5 per month. Informal sector activities include seasonal farm labour, building, "selling homemade beads", knitting, repairing farm machinery, etc.

PENSIONS

Seventeen percent of households have members who receive pensions. Some of the pensioners receive their money every two months while others receive theirs every three months. The average amount received every two months is R60, while for every three months, R80.

MAINTENANCE

Four percent of households included in the survey have members who receive a maintenance grant. These grants are awarded on an annual basis and vary from R150 to R180.

CASH SAVINGS

Twenty-two percent of households had an average of R397 in savings. The highest amount was R1 500 and the lowest R40

LIVESTOCK

Seventy-seven households have livestock of one kind or

another. The following percentage of households have the following livestock:

TABLE 10.5

	% of households	Average no. of livestock
Cattle	71%	12
Sheep	40%	11
Poultry	17%	21

Table 10.5 Percentage of households with livestock and the average number.

The average value of livestock was R2058 per livestock owning household, the highest amount being R11 320 and the lowest R400. Only twenty-one percent of these households received any regular cash income from the sale of livestock. The average income from this source was R426 per annum.

Twenty-three percent of households in the study had no livestock.

MAIZE-IN-KIND

All project participants on the Mooifontein Project receive a guaranteed allocation of 30 bags of maize from the project after every harvest. On the Shiela Project the participants are allowed to pick up any maize left behind the combine

harvester for their own use.

CONCLUSION

It is evident from the study that the majority of project participants are male and over the age of fifty. More than half of them have no effective education. It can be surmised that the sex and age composition of the project participants are due to two main factors. Firstly, because of the over-crowding in the rural areas of the Bantustans, due to:

- the state's Bantustan policy:
- the state's programme of systematic relocation of any people who are defined as marginal to the central economy;
- the population growth in conditions of rural poverty; there is limited access to arable land holdings. Secondly, in these conditions of scarcity of land, only the most senior, male married residents are allocated land by the Community Authority. The younger, generally more educated people are, because of lack of access to land and employment in the rural areas of the Bantustans, forced to seek employment elsewhere, either as migrant workers or as commuters to the surrounding towns.

This necessity of finding outside sources of employment is true even for those with access to land in an area such as Ditsobotla. Over forty percent of the land holders,

usually the younger and more educated ones, have, especially since the implementation of the projects and the concomitant lack of income from their arable allotment, been forced to seek employment elsewhere. The majority of the project participants however, are even less fortunate. Because of old age and lack of education, they are forced to remain on the project, having to rely on pensions, maintenance, grants, informal sector activities, the sale of livestock, and in a large proportion of cases, entirely on the project. These last mentioned project participants, those whose sole hope of an income lies with the project, are destitute and have to rely on other members of their household for survival.

As will become more clear in the next section of this chapter, although a certain percentage of the project participants were not fulltime farmers before the advent of the projects in the Ditsobotla region, the implementation of a centralised management in control of the production process has meant that those who were involved in farming before, have now also been relegated largely to the status of observers.

2. THE VIEW FROM THE GROUND: PERCEPTIONS OF PROJECT PARTICIPANTS AS REGARDS THE PROJECTS.

LANDSIZE

The majority of primary co-operative members on the Ditsobotla projects now have 15 ha. arable allotments, except for

the Shiela contractors who have 30 ha. This represents an increase in landsize for most of the participants, as the modal size was 8.56 ha. (10 morgen) before the implementation of the projects. Twenty-six percent of the respondents claimed that they were not consulted bef re their land size was changed. Sixty-nine percent expressed the opinion that the land was too small to make an adequate living.

CROP TYPE

The majority of the respondents (69%) grew crops other than maize before the implementation of the projects. These crops, such as beans, pumpkins, water-melon, grain sorgum, sunflower, etc., were used to supplement the basic maize diet or sold as an extra source of income. The latter option was especially resorted to in times of drought, when these, often hardier crops, survived better than the maize crop.

However, with the implementation of the projects and the advent of capital intensive cultivation methods, the mono-cropping of maize was deemed to be more profitable by the project management. Sunflowers are grown on a very limited scale by the management, usually on soils which are not suitable for the cultivation of maize. The cultivation of crops such as beans and pumpkins would also require the acquisition of additional implements, adding even more costs to the already over-capitalised production

costs.

The result is that not only have project participants been deprived of grazing land by the increase in the size of the total arable area, but they have also been deprived of alternative nutritional supplements which they used to grow. The majority of the project participants, having been convinced by the project planners in the initial phases of the projects implementation that maize mono-cropping is the surest way to a cash income, are in favour of growing maize only. Only twenty percent of the participants felt that the mono-cropping of maize was not suitable and that maize should be supplemented by alternative crops such as beans, sunflower, red corn, millet and pumpkin.

CROP INPUTS

Respondents were asked their opinion with regard to the amount of inputs such as fertilizer, herbicides and pesticides being utilized by the project management on their land. It will be remembered that the question of too many inputs, especially fertilization, was discussed in Chapter 9. The gist of that discussion was that fertilizer, according to Bembridge et al, may constitute as much as 60 percent of the variable production costs for maize. It is therefore very important, given South African soil and climatic conditions, to set realistic target yields and fertilize accordingly. Failure to do so will result in overcapitalization and a reduction in the profit margin. AGRICOR and

its management agents, in persuit of production rather than increased income for the project participants, tend to fertilize, use herbicides and pesticide, for a maximum yield of between 3.5 to 4 tons. As the projects have in the majority of the years of their operation come nowhere near the maximum yields, the results have been heavy debts rather than profits for the project participants.

The majority of the respondents however, did not perceive the fact that too many inputs were being used, as the cause of their debt problem. The following responses were received:

TABLE 10.6

Enough	52%
Too little	2%
Too much	11%
Don't Know	36%

Table 10.6 (N=126) Project participants opinions as regard crop inputs.

It is clear from the reasons given in their answers, that while a large number thought that the fertilizer and other inputs were enough; these responses were merely opinions rather than knowledge born of the experience of active participation. The following selection of responses serve to illustrate this:

"(I don't know) For they don't tell us anything, we just see people pouring this stuff. We don't even know the extent of our plots. So how do we know whether it's enough?" (Driehoek Primary Co-operative).

"I don't know; all I know is that they pour the killers." (Lombaardslaagte Primary Co-operative)

"I take it that they know their job. So I am satisfied that they pour enough". (Louisdal Primary Co-operative).

CONSULTATION BY PROJECT MANAGEMENT

The majority of respondents said that they were never (56%) or seldom (17%) consulted by the project management. Twenty seven p·rcent said that they were consulted often. The latter category is made up predominantly of Sheila contractors, and tractor drivers employed by the Mooifontein co-operatives.

Consultation by project management of project members as regard the production process itself roughly matched the general consultation mentioned above. The following responses were given when project participants were asked about consultation as regards:

TABLE 8.7

	YES	NO
Choice of crops	32%	68%
Amounts of fertilizer	32%	68%
Crop spraying	36%	64%
Manual Weeding ("Skoffeling")	40%	60%
Harvesting of crops	44%	56%

Table 8.7 Percentage of participants consulted by project management (N = 126).

As with the general consultation, the majority of the respondents who were consulted with regard to the above production aspects, were Sheila Project contractors and Mooifontein tractor drivers employed by the primary co-operatives, as well as members of the management committees of certain primary co-operatives on the Mooifontein Project. The management committees of primary co-operatives were consulted in only a few cases, most notably at the Maikutlo Primary Co-operative where the Project manager, was a black AGRICOR trainee.

TRAINING

Project participants were asked whether they had received any training since the implementation of the projects, in the following fields:

TABLE 10.8

	YES	NO
Basic accounts	14%	86%
Mechanical Maintenance	17%	83%
Crop production	25%	75%
Marketing of crops	17%	83%
Co-operative Training	15%	85%
Literacy	10%	90%

Table 10.8 Training received by project participants.

As with consultation, project participants who received

any training were mainly contractors on the Sheila Project and tractor drivers on the Mooifontein and Springbokpan Projects. This training has consisted mainly of tractor and implement training, generally given in association with various tractor companies.

The AGRICOR training centre, situated in Mafikeng has also run short courses in general co-operative training for farmers. Again this has mainly involved members of the various management committees of the primary co-operatives.

In spite of the limited training that farmers have received, 55 percent of the respondents in the questionnaire survey, completed for the present study, felt that they knew enough to farm on their own. Asked whether they had learnt enough on the project to farm on their own, some of the following responses are fairly representive of comments made:

> "Not that they taught me anything; but I am sure we would cope better without them." (Driehoek Primary Co-operative)
>
> "What I have learnt is what I see happening around me" (Makgalwane Primary Co-operative)
>
> "They have misused all our strength. Now we are old and don't have the same resistance. But if we were younger we could. (farm on our own)" (Driehoek Primary Co-operative)

SECONDARY CO-OPERATIVE

Seventy five percent of the respondents on the Mooifontein Project stated that the Management Committee of the Secondary

Co-operative were aware of their problems. However, in the words of one respondent: "they are not doing anything to solve them." (Driehoek Primary Co-operative)

PRIMARY CO-OPERATIVES

It was noted in Chapter 2 that many of the primary co-operatives in Bophuthatswana were established in the wake of the Agricultural Development Act of 1973, an act which stipulated that credit provided by the Agricultural Development Fund could only be channelled through these primary co-operatives. The result was that many co-operatives were established for no purpose other than the procurement of agricultural credit. This has led, as was seen in Chapter 6, to many of the primary co-operatives not functioning properly, especially with regard to bookkeeping. The Department of Agric. (Bophuthatswana) has appointed both auditors and members of the Rand Afrikaanse Universiteit to look into the problem of co-operative development.

With more particular reference to the Ditsobotla projects, it will be remembered that in Chapter 8 we examined AGRICOR's attempts to turn the primary co-operatives into TEMISANO units. On the Sheila Project especially, increasing centralization of the administrative function has led to many of the former primary co-operatives being dissolved and reformed under the auspices of a more Central Sheila Primary Co-operative. On the Mooifontein Project, while the primary co-operatives have been retained, they have increasingly

come under the control of the project management, especially with regard to the supervision of the tractors drivers hired by the co-operatives.

This increasing centralization of the administrative function and the decreased control of project participants over their own affairs through the medium of the primary co-operatives must be contrasted with earlier statements by the Bophuthatswana Dept. of Agric., AGRICOR, and the management agents of the projects as regard the involvement of the so-called "farmers". For example, the following statement is contained in a report issued by the Bophuthatswana Department of Agriculture under Beuster's leadership (who is now Managing Director of AGRICOR) in 1977:

> "Success in rural development will only be attained if the communities and farmers concerned are intimately involved in planning, decision making and implementation on a self-help basis" (2)

Because of the centralised nature of the projects administration the primary co-operatives are increasingly seen by the participants as the domain of the project management rather than as a vehicle for their own democratic participation. This has led to an "us" and "them" situation where many of the participants feel that the primary co-operatives are not achieving their purpose. Some of the following reasons are representative of the responses received from project participants interviewed:

"I am getting into one debt after another. They

don't keep their word. We should be able to discuss our problems with these people. Communication is important." (Bapong Primary Co-operative)

"Instead of helping us, they are just killing us." (Lombaardslaagte Primary Co-operative)

The beneficial effects of the primary co-operatives were generally perceived to lie in the increased availability of agricultural mechanization:

"They have helped us, we can now use tractors" (Shiela Primary Co-operative)

"People who could not manage their land, have their land very well cared for" (Makhubung Primary Co-operative).

DEDUCTIONS

At the end of every season, each project participant receives a financial statement purportedly telling him/her what costs were incurred on their 15 ha. arable allotment during that season. In actual fact, what the participant receives is not a record of his individual costs, but a record of his average share of the total costs incurred by the primary co-operative. The main reason for this is that the total land falling under one primary co-operative is ploughed, fertilised, sprayed with herbicides and pesticides and harvested as one big agricultural unit under the control of a project manager and a section manager. Until recently, especially on the Mooifontein Project, many of the project participants did not even know which piece of land was theirs, as they had not been marked out.

Coupled with the fact that average costs per participant are used, is the fact that project managers are onsible for deciding what amount of fertilizer, pesticides, herbicides, etc. are used. This kind of amount and cost structuring is usually done in consultation with AGRICOR and management agent experts at the beginning of each season.

Another factor to consider with regard to the issuing of financial statements to project participants, is the centralised accounting system which operates. On the Sheila Project, as has been mentioned, all accounts are kept by the management agent Noordwes Kooperasie. On the Mooifontein Project, although certain records are kept by the primary co-operative clerks, the final accounts are prepared under the auspices of the management, who, as will be remembered, are situated within the Ditsobotla Secondary Co-operative.

The combined result of the above functions, the averaging out of costs, the lack of consultation as regards the amount and costs of inputs used, and the centralised accountancy system, is that the project participants have very little control over the costs incurred in their name by the project management. Not only do they not have much control, but the majority of them do not understand how or why certain deductions are made on their statements. For example, 64 percent of respondents felt that they did not understand their statements. Eighty seven percent were not satisfied with the way in which deductions are taken off.

Some of the following comments serve to illustrate the project participants plight:

"We are being cheated. If we are told the prices of the goods we are using so that as I work I know what kind of debt I am putting myself into. Now we are just working in the dark." (Sheila Primary Co-operative)

"We are never given receipts recording our expenses. So you never know how much you have spent." (Kaalpan Primary Co-operative)

"I am only made aware of the debt these deductions put me in when I am already deep in debt. It is like they are purposely leading me into debt." (Lombaardslaagte Primary Co-operative.)

"The auditors, they are there in Pretoria. When they come they just come with a piece of paper. We don't know, we are just in a bottle. We are not happy. We are fighting them ...." (Naauwpoort Primary Co-operative.)

SATISFACTION WITH PROJECT MANAGEMENT

Sixty-seven percent of the respondents were unhappy with the way the project management were running the project. Some of their reasons were as follows:

"For whatever we say to them, is unimportant". (Driehoek Primary Co-operative)

"They are working on their own". (Bapong Primary Co-operative)

"No, because they don't meet us....they only discuss or settle the matters with other white authorities." (Makhubung Primary Co-operatives)

"Things are not being run fairly and honestly. We are being led like a herd of sheep. Let our voices and wishes be heard." (Kaalpan Primary Co-operative.)

"He does not discuss anything with us. Even if

> he does when we come to an agreement, we know that the opposite will be done". (Driehoek Primary Co-operative)
>
> "They plant, plough and harvest. I never know how much has been used on my plot, and how much my plot has made. So I am sweating for someone else's pocket." (Lombaardslaagte Primary Co-operative)

The 33 percent who were satisfied with the project management gave these as some of the reasons:

> "I am satisfied because we see the prosperity of our lands and the products of them." (Sheila Primary Co-operative Contractor).
>
> "Because it seems there is a smooth running of the project." (Makhubung Primary Co-operative).

THE PROJECT: TO BE OR NOT TO BE.

Of great significance is the increase in dissatisfaction with the project amongst participants. While the Bembridge et al study, conducted in the early 1980's found that only four percent of participants no longer wished to participate in the project, the present study (conducted at the end of 1983) found that 57 percent of participants would prefer to leave and farm on their own.

Those respondents who wished to leave the projects gave the following reasons.

> "I am better off on my own, for what I will have sweated for will be mine. Even if these people were to leave today I wouldn't say thank you for your help. For they have given us none. But I would instead say thanks for leaving. Working

on white farms I used to get 30 sacks and at least be sure of R10 a month. Now I am getting 30 sacks and debts. How have they helped me improve myself? (Driehoek Primary Co-operative).

"I am better on my own. It is only giving me debts. I have a plot but I can't put my children through school." (Lombaardslaagte Primary Co-operative.)

"I am better off on my own. If they were here to genuinely help us I would be happy, for things are changing and we need to be shown these things. But this project is just cheating us." (Louisdal Primary Co-operative.)

"I am better off on my own. Not that I am against the project, but I am against the way we are being treated and the problems they are creating for us." (Kaalpan Primary Co-operative)

Those who thought they are better off on the projects gave some of the following reasons:

"The project helps in its own way. I don't have my implements." (Sheila Primary Co-operative)

"Because they manage my land better than I can." (Makhubung Primary Co-operative)

"I would like the project to continue farming for me provided I could get enough food and money." (Naauwpoort Primary Co-operative.)

"The project is a great help, on my own where would I get tractors?" (Maikutlo Primary Co-operative)

CONCLUSION

The field survey shows that the landsize of the respondents generally increased in size with the implementation of the project, although the majority thought that it was not of sufficient size to make a living.

Most of the respondents were satisfied with maize mono-cropping and felt that enough fertilizer and other inputs were being applied. However, many of the project participants did not know if enough inputs were being applied as they were not involved in the production process.

The majority of participants interviewed said that they were seldom or never consulted by the project management with regard to the production process. As with consultation, it is mainly the contractors and tractor drivers who received any training. The majority of respondents claimed that they had received no training whatsoever.

Although the management committee of the Secondary Co-operative was aware of their problems, many of the respondents felt that they were not doing anything about it. Over half the project participants expressed the opinion that the primary co-operatives were not achieving their purpose of helping the farmer. The advantages of the primary co-operatives mentioned included the use of tractors and implements which were not available before.

While many of the farmers did not understand the financial statements issued at the end of every season, the vast majority were dissatisfied with the manner in which deductions are taken off. The main thrust of the dissatisfaction lay in the fact that project participants do not have any control over the amounts being spent on inputs in their name and therefore felt they are being cheated.

The majority of respondents were not satisfied with the way in which management are running the projects. The main reasons for the project participants dissatisfaction was a lack of consultation and the ignoring of their wishes by management.

More than half of the field survey respondents want to leave the project and farm on their own. Many of them felt that the project management were not genuine in their stated aims of improving the farmers lot. Others stated that all they had received was debts. Those who wished to remain on the project gave the availability of tractors and implements as the main reason.

CHAPTER 11

CONCLUSIONS

The purpose of this study has been to examine the different institutions involved in the establishment of the capital intensive agricultural projects in the Ditsobotla region of Bophuthatswana as well as to assess their success or failure. As important has also been the effect of these projects on the rural people whose land is being utilized. Bophuthatswana, the most " developed" in terms of capital intensive agricultural projects, serves as an example of the wider process of "rural development" in the Bantustans being pursued by the South African state in collusion with agricultural elements of monopoly capital in South Africa.

In Chapter 1 of this study, we examined the way in which changes in the structure and form of capitalist production in South Africa brought the economy to a period of large scale monopoly capitalism. These changes in the economy had two important results which are pertinent to the development of agriculture in the Bantustans.

Firstly, the interpenetration of capital has meant the replacement (as an ongoing process) of living labour by the dead labour of machines and a resultant increase in unemployment in South Africa, especially amongst the least skilled segment of the African labour force. With a concomitant demand for skilled labour by capital and the reproduction of African workers taking place predominantly

in the urban areas, capital no longer has an interest in the preservation of any sort of subsistence base in the Bantustans. The lack of interest in the preservation of subsistance base by capital and the state's policy of relocation of the urban unemployment to the Bantustans, has resulted in a virtual collapse of a subsistence cultivation. This has led to a decline of a strong class with vested land interests in the Bantustans and has opened the way for the penetration of white agricultural capital.

The second pertinent result of the transition to monopoly capitalism is the development of agribusiness in the form of giant agricultural co-operatives and their central retail organization VETSAK. These multi-million rand monopolies, with multi-national connections and powerful representation within the South African state, have been seeking to expand the market for agricultural capital stock and inputs. These white co-operatives have shown their willingness to provide capital and expertise to "develop" agriculture in the Bantustans.

It is against this background in the middle of the 1970's that the South African state, seeking to remedy the ailing agricultural development in the Bantustans prior to launching them as "independent" states, decided on a new approach. While previous attempts had been aimed at creating an entrepreneurial class in the Bantustans, the new approach was aimed at opening the gates to white capital and the encouragement of capital intensive production orientated

agricultural projects run by managerial expertise. The Promotion of Economic Development of the National States Act No.46 of 1968 was ammended accordingly in 1977, clearing the way for an unprecendented flow of state and private capital into the Bantustans.

These events however, did not take place in a vacuum. In Bophuthatswana for example, the administration has been a victim of split loyalties. Dependent on its largely rural constituency for support, the administration has been promising them active participation in decision making and rural development as part of its "community development" efforts. On the other hand, as an extension of the South African state, the Bophuthatswana administration has realised the necessity for capital intensive agricultural production, run by white management rather than the people, in order to impress the watching world with its self-sufficiency in maize production. As is usual in these circumstances, political expediency has taken precedent over the needs of the people. It is also clear that the Bophuthatswana administration is more susceptible to pressure from, and more dependent on, handouts from the South African state, than it is on its rural peasant/proletarians.

Although agribusiness interests such as the white South African agricultural co-operatives and milling companies are seeking to expand their markets and control more directly their sources of raw materials through the creation

of capital intensive projects, agriculture in the Bantustans has always been a risky venture. In conditions such as these, where agriculture might not be immediately profitable for private capital, the state has had to provide infrastructure as well as certain subsidies. These subsidies, as we saw in Chapter 3, involve direct subsidies from the state, such as soft loans from the South African Department of Foreign Affairs to AGRICOR, as well as state subsidies to private companies in the form of loan finance, transport, wages, etc. Other subsidies available to agri-business in the Bantustans include differential ground rent, below cost and controlled labour.

In Chapter 4, Bernstein was quoted as suggesting that state forms of capital invested in agriculture, is more common in Africa than the direct involvement of private productive capital as is found in South America. The reasons he put forward for this development include the notion that the ruling classes have a more direct interest in the development of commodity relations within any given country than any international companies, and the already mentioned fact that conditions might not be immediately profitable for private capital. To these reasons we can add the need for national self-sufficiency; in the case of the "independent Bantustans" this factor is of cardinal importance in their quest for international recognition.

In South Africa the involvement of the state in Bantustan

agriculture has led to an intertwining of private capital with the state apparatus through various forms of agency, tri and bi-partite and other agreements. The 1977 ammendment to the Promotion of Economic Development of National States Act No.46 was passed precisely with the intention of creating state institutions, such as the CED and the regional corporations and agricultural companies, whose task it is to manage capital investment in the Bantustans. The 1977 ammendment provides the CED with almost blanket power to enter into just about any sort of agreement.

Together, state and private capital and expertise, through the CED and the regional agricultural corporations and companies, create the infrastructure and set up the high technology projects which provide large-scale productive capital such as VETSAK and its multi-national suppliers with an expanded market. Although not specifically touched upon in this study, there is also increasing involvement of Israeli capital, expertise and agri-equipment (especially to do with irrigation) in many of the Bantustans.

Historically, with the rise of monopoly capitalism in Europe and the United States of America, there has been a decline in the horizontal concentration of agricultural units (into larger and larger units using hired wage labour) and an increase in the vertical concentration of small producers. The vertical concentration of numerous small producers usually takes place through co-operative organization, which serves to centralize capital when

private entrepreneurial capital is weak, without expropriating the peasants. The organization of small producers into a co-operative also serves to combine into an economic unit fragmented land holdings; the co-operative itself becoming the legal body for the obtaining of credit and the repayment of loans.

The vertical concentration of peasant/migrants through the medium of the agricultural co-operative has become common in Africa as well. For example in Bophuthatswana, the Bophuthatswana Agricultural Bank created in 1981 is specifically charged with making loans and advances to co-operative companies. These co-operatives form basis of the capital intensive agricultural projects in Bophuthatswana.

In Section II of the study the focus of attention was more specifically on the Ditsobotla Dryland Maize Projects in Bophuthatswana. Chapter 6 examined the various institutions involved in the establishment of the projects; drawing attention especially to the brief resistance offered by representatives of the interests of a declining class of tribal and peasant farmers to the wholesale invasion of the Bantustan by white capital and management of agriculture.

The Bophuthatswana Department of Agriculture under the then Secretary for Agriculture, Mr. Clem Seape, put forward a dual approach to rural development in Bophuthatswana

in the early 1980's. In an attempt to control and limit the effects of untramelled capital intensive, high technology and "foreign" controlled agricultural projects, the Department suggested that this form of rural development be considered as a short term measure to increase production. As a long term measure the Department suggested the alternative of small scale farming units based on the traditional communal system run primarily by local extension officers and community development staff with the involvement of the farmers.

AGRICOR, along with its management agents comprised of seconded officials from the CED and Noordwes Kooperasie, favoured the capital intensive project approach as a long-term vehicle for rural development. This came as no surprise as the large project approach is the CED's official policy as regards the development of agriculture in the Bantustans. In an attempt to put a more human face on its technocratic production approach AGRICOR has, in the years since its policy triumphed over that of the Dept. of Agric., attempted to introduce elements of the Israeli Moshav and community development under the banner of TEMISANO. As was made clear in Chapter 6 and 8 of this study, these attempts have not changed the basic fact of the project participants' exclusion from both the production and decision making process or softened the control exerted by the white management running the projects.

AGRICOR, utilizing finance provided by the Bophuthatswana administration, the South African Dept. of Foreign Affairs, the CED, the Industrial Development Corporation and the white agricultural co-operatives in South Africa, has expanded its activities significantly. Its major accomplishments include the establishment of TEMCVET, the Bophuthatswana branch of the huge central co-operative retailer VETSAK, to facilitate the flow of agricultural inputs into its projects, and the Bophuthatswana Marketing Board, which facilitates the flow of maize out of Bophuthatswana to the South African Maize Board.

But what of the Projects themselves? Chapter 6 showed that prior to the establishment of the projects, farmers on the Ditsobotla stateland farms utilised a modal size of 8.56 ha. of arable land. On average farmers managed an income of R40.89 per ha., even when drought years are taken into consideration.

With the establishment of the projects there was an increase in the size of individual arable allotments to an average of 15 ha. and a decrease in the size of grazing land. Mono-cropping of maize was introduced, although occasionally sunflowers and millet are planted by the management. On the Shiela Project selected contractor farmers were equipped with a mechanical package to provide a cultivation service to project participants. A few of the contractors have left the project to farm on their own. On the Mooifontein Project, the contractor system was phased out, instead

the mechanical packages are now owned by the primary co-operatives which employ drivers to provide a service to the project participants.

In the initial phases of the Ditsobotla Projects, it would appear that the participants were consulted fairly regularly through their primary co-operative management committees. The majority of the participants seemed to support the aims of the project. However, in subsequent years there has been an increasing centralization of the administration of the projects and many of the primary co-operatives have either been absorbed within larger more centralised co-operatives or else their management committees have ceased to exist in all but name. As was mentioned earlier, to compensate for the lack of involvement of the participants in the decision making and production process, AGRICOR has introduced community development initiatives on the Shiela Project and more recently the Mooifontein Project as well.

In Chapter 9 of this study we saw that AGRICOR's initial planning carried no intention of providing individual project participants with a living income. Rather the intention was, using capital intensive/high-input methods, to produce as much maize as possible, no matter how high the costs to the individual project participant. As a result the majority of farmers are in vast amounts of debt which they have little hope of paying back. In Chapter 9, we calculated that as opposed to the R40.89

per ha. that farmers were making before the implementation of the projects, by 1983 they were losing R 69-99 per ha. on average. But as was stated before, averages can be deceptive. Many project participants, especially on the drier Mooifontein Project, owe over R14 000, while on the Shiela Project adjacent to the South African maize triangle, some of the participants have made a small profit. In terms of our calculations in Chapter 9, these profits on the Shiela Project are on average still lower than what farmers were earning before the implementation of the projects.

Due to the lack of income from the projects, participants and their households are forced to turn to other means outside of the projects in order to survive. We saw in Chapter 10 that 34 percent of households have members who have managed to find work in the formal sector without having to resort to migrancy, although many of these people commute daily to the surrounding towns in South Africa proper. Another 40 percent of households rely on migrant workers, but it would seem as though remittances from this source are intermittent and vary in amount. Other sources of income include pensions, maintenance grants and informal sector activities. A small number have managed to start their own businesses.

While project participants, by their own accounts, are generally dissatisfied with the way in which the project management is handling the project, of special significance

is the increase in the number of people who wish to leave the project to farm on their own. The Bembridge report in 1980 found only four percent of participants wishing to leave the project; by 1983 this figure had risen to over 50 percent according to the survey conducted for the present study.

In the final analysis the earlier hypotheses as to the reason for this type of rural development seem to be borne out. The primary aim of the projects in the Ditsobotla region of Bophuthatswana is to increase production to boost claims to self-sufficiency, even if the maize is going to the South African Maize board as part of the total South African crop. For agribusiness the projects provide an expanded market for agri-management and inputs running into millions of rands annually. For the project participants the projects represent yet another, more sophisticated method of dispossesion of the little land they had control over before the implementation of the projects.

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3. CHAYANOV quoted in Djurfeldt op. cit. p.151.

4. KAUTSKY's "Die Agrafrage", A summary by Banaji, J. in Djurfeldt op. cit.

5. See Bernstein and Djurfeldt's articles in Rural Development in Harris J. (Editor), op. cit. Bernstein characterises the ability of peasant farmers to survive in terms of a "simple reproduction squeeze".

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7. Ibid.

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9. Ibid, p.152.
10. Ibid, p.152.
11. Ibid, p.152.

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13. Ibid, p.153
14. CHAYANOV in Djurfeldt, op. cit. p.153.
15. KAUTSKY. op. cit.
16. DJURFELDT, op. cit. p.147.
17. "Ditsobotla Co-operative farming: a step towards progress," AGRICOR, Mafikeng, Date unknown (1980-81), p.1.
18. Ibid, p.1.
19. The Agricultural Bank of Bophuthatswana, "Annual Report 1981-82, p.4.
20. Ibid, p.3.
21. Ibid, p.7.
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3. Department of Agriculture and Forestry, Republic of Bophuthatswana, "Annual Report, 1981-82", Chapter 1.

4. The Department of Agriculture, "The Ditsobotla Pilot Rural Development Project", Mafikeng, 1977, p.1.

5. Ibid, p.1

6. Ibid, p.2.

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8. Public Relations Division, "Ditsobotla Co-operative Farming: a Step towards Progress", AGRICOR. Date unknown (1980/81) p.1.

9. Seape C.M.K., (1980) quoted in Bembridge T.J. et al, An evaluation of the Shiela and Mooifontein Project, Ditsobotla District, Bophuthatswana, ARDRI, University of Fort Hare, 1982, p.3.

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12. Department of Agriculture and Forestry, Op. cit., Chapter 7.

13. Ibid, Chapter 8

14. Seape 1982, op. cit. p.2.

15. BERNSTEIN. B., "Notes on Capital and Peasantry" in Rural Development, in Harris J. (Editor) Hutchinson University Library, 1982, p.174.

16. AGRICOR, "Annual Report 1979-80", p.15.

17. BEUSTER, op. cit. p.10.

18. Ibid, p.9-10.

19. Ibid, p.11.

20. KLEIN, N. and MOKHOBO, D "Community Development Report" AGRICOR, 1982, p.1.

21. Ibid p.2-3.

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23. Ibid.

24. AGRICOR, "Annual Report 1982 83", p.5.

25. Ibid, p.5.

26. BEUSTER, D.J., "Landelike vesting stelsels in Israel-toepaslikheid in ontwikkelingsgebiede in Suider Afrika" AGRICOR 1981, p.11.

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30. JEPPE, W.J.O. "Die oordraagbarheid van die Kibbutz en Moshav Stelsels van Israel, as voorbeelde van landbou-ontwikkeling deur Koloniervorming, na minderontwikkelde lande in Afrika," Department of Development Administration, University of Stellenbosch, 1978, p.1.

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37. AGRICOR, "Annual Report, 1982-83", p.28.

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2. This information was obtained from the Surveyor General, Garona Building, Mmabatho.

3. Interview with Mr Motsuene, 9.5. 84.

4. Quote by a project participant, Nooitgedacht farm on the Mooifontein Project, Survey questionnaire, December 1983.

5. BEMBRIDGE, T.J. et al, An evaluation of the Shiela and Mooifontein Projects, Ditsobotla District, Bophuthatswana, ARDRI, University of Fort Hare, 1982, p.22.

6. JEPPE, W.J.O., "The Role of Local Government in Integrated Rural Development in Bophuthatswana", Rural Development Conference, UNIBO, 1982, p.13.

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21. Ibid.

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23. Interview with Department of Agriculture officials, May, 1984.

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2. PRETORIUS W.H.A. "Agricultural Projects and Schemes" AGRICOR 1983, p.27.

3. Noordwestilike Koöperatiewe Landboumaatskappy, Beperk, "Sheila Projek- Helpverlening deur Noordwes-Koöperasie met Landbou-ontwikkling in Bophuthatswana" Progress Report,1981, p 1.

4. Ibid, p.2
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9. Ibid, p.30
10. Ibid, p.36
11. Ibid, p.37
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13. Ibid, p.5
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15. A series of investigative articles appeared in the Mafikeng Mail during June, 1984.
16. BEMBRIDGE T.J. et al, An evaluation of the Shiela

and Mooifontein Projects Ditsobotla District Bophuthatswana" ARDRI, University of Fort Hare. 1982, p.141.

17. PRETORIUS, op. cit. p.35

18. Ibid, p.35.

19. As we mentioned in Chapter 6, there is still contention within AGRICOR as to whether it is possible for Temisano units to exist within the present limits of existing conditions in the rural areas of Bophuthatswana.

20. DJURFELDT, G. "Classical discussions of capital and peasantry: a critique" in Harris, J. (Editor) Rural Development, Hutchinson University Library, 1982. p.147.

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24. Noordwestelike Koöperatiewe Landboumaatskappy, Beperk, "Noordwes Koöperasie behaal suksesse met landbou-ontwikkeling in Bophuthatswana" 1982, p.3.

25. PRETORIUS, op.cit. p.37.

26. Ibid, p.33.

27. Ibid, p.33.

28. Ibid, p.41.

29. Ibid, p.48. The 1982/83 AGRICOR Annual Report gives the total area cultivated on the Mooifontein Project as 22 725ha. The Pretorius figure is used on the advice of a member of the AGRICOR Planning Department.

30. Ibid, p.48. However, there seem to be many contradictory figures. For example on p.41 Pretorius gives the figure as 1790ha. A Planning and Development Division (AGRICOR) document (1980) states that Mooifontein Project started with 87 farmers and 1988ha. Beuster (1980) supports the figure of 1790ha. while the 1981-82 AGRICOR Annual Report's figure is 1766ha.

31. Ibid, p.49.

32. Planning and Development Division "Ditsobotla Maize Production AGRICOR, 1980, p.10.

33. PRETORIUS, op. cit. p. 53.

34. BEMBRIDGE, T.J. et al, op.cit. p.104.

35. Two qualifications need to be made here. Firstly, although the CED are no longer directly involved as management agents on the Mooifontein Project, they were acting in this capacity during the major part of the period covered by this study. Secondly, because of a shortage of staff, some project managers

have two or three primary co-operatives under their charge.

36. SEOBI, N.K. A study of maize growing and socio-economic problems in the Naaupoort Extension Ward, ARDRI, University of Fort Hare, 1980, p.47.

37. PRETORIUS, op.cit.

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2. Planning and Development Division "Ditsobotla Maize Production: A study giving the requirements and background to the expansion programme", AGRICOR, 1980, p.15.

3. Ibid, p.15-16.
4. Ibid, p.16.
5. Ibid, p.17.
6. Ibid, p.17.
7. Ibid, p.17.
8. Ibid, p.14.
9. Ibid, p.17.
10. Ibid, p.20.
11. Ibid, p.20.
12. Average of annual yields as shown in Pretorius (1983) and AGRICOR annual Report 1982-83. There are however contradictory figures for 1980/81. The Annual Report and Pretorius give yields for that year as 3.41 tons per ha. while the CED Project Management gave me a figure of 2.86 tons per ha.

13. Figures supplied by project Management at Mooifontein.
14. See Chaper 7 of this study.
15. Bembridge T.J. et al An evaluation of the Sheila and Mooifontein Projects, Ditsobotla District, Bophutha-

tswana, ARDRI, University of Fort Hare, 1982.

16. Ibid.

17. This tendency is reflected in the repeated quoting of the 1980/81 yield figures in AGRICOR publicity pamphlets as well as the high yield fertilization programmes practised on the Ditsobotla Projects.

18. AGRICOR annual Report 1983/84.

19. KINSMAN M. "Beasts of Burden - Women in Southern Tswana Production". Johannesburg. 1982.

20. To obtain this average the following method was used:

Mooifontein total ha. = 17533.5 ha. (average no.of ha. since inception)

Mooifontein average yield = x 1.5 tons per ha.

26300.25tons

Shiela total ha. = 5022.25ha. (Average no.of ha. since inception)

Shiela average yield x 2.15tons per ha.

10797.83tons

Total Ditsobotla ha. = 22555.75 | 37098.08 total average tons for Ditsobotla

Average tons per ha. for Ditsobotla = 1.64 tons per ha.

21. The total average cost per ha. for Mooifontein and Shiela Project was calculated on a similar ha. ratio

basis as above. Both average costs for Mooifontein and Sheila were obtained from the AGRICOR Planning and Development Division Study "Ditsobotla Maize Production," February 1980.

22. The first figure of R3000 would be valid for the 1979/80 prices used in this chapter. AGRICOR increased this figure to R5000 from 1982 onwards. See for example BEUSTER,D. "Agricultural Development methods and Institutions in Bophuthatswana," AGRICOR, 1980.

23. Bembridge, op. cit.

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25. AGRICOR, Planning and Development Division, feasability study for Molopo region, maize and groundnut projects, 1983, June, p.8.

26. Ibid, p.5.

27. See chapter 4 of this study.

28. Calculated from figures supplied by the management of the Ditsobotla Secondary Co-operative.

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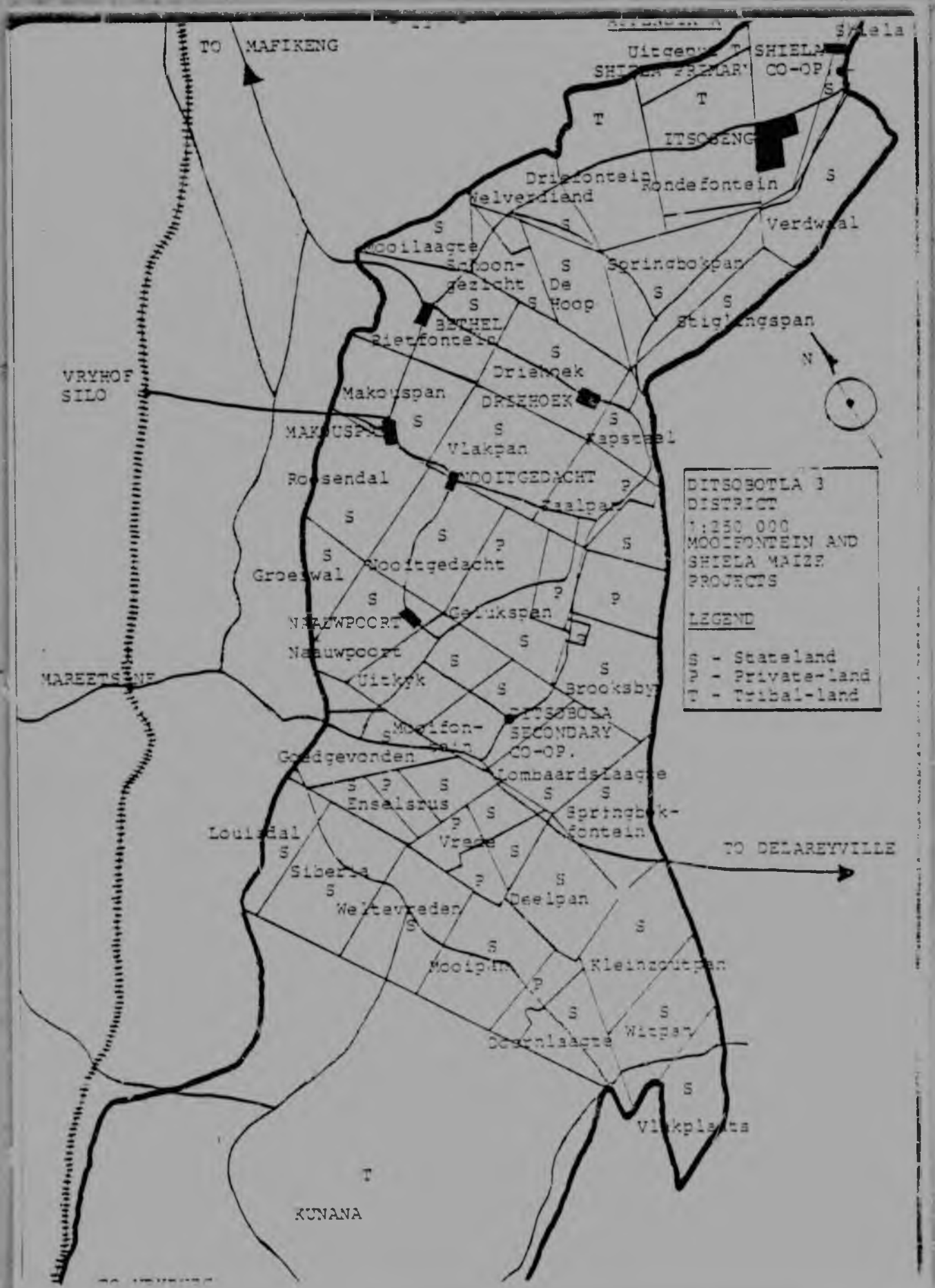
34. Ibid.

35. YAWITCH J. Betterment, the Myth of Homeland Agriculture, 1981, p.8.

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TO MAFIKENG
SHIELA
SHIELA PRIMARY CO-OP
ITSOSENG
Driefontein
Rondefontein
Welverdiend
Verdwaal
Springbokspan
Schoongezicht
De Hoop
BETHEL
Stigtingspan
Dietfontein
Driehoek
VRYHOF SILO
Makouspan
DRIEHOEK
Kapsthel
Vlakpan
Rosendal
Mooitgedacht
Groenwal
Nauwpoort
Uitkyk
Brooksby
Goedgevonden
Springbok-fontein
Enselsrus
Vrede
Siberia
Weltevreden
Deelpan
Kleinzoutpan
Witpan
Doornlaagte
Vlakplaats
TO DELAREYVILLE
KUNANA
DITSOBOTLA 3 DISTRICT
1:250 000
MOOIFONTEIN AND SHIELA MAIZE PROJECTS
LEGEND
S - Stateland
P - Private-land
T - Tribal-land
N

APPENDIX B

MEETING WITH SHIELA/VERDWAAL MANAGEMENT COMMITTEE

The Management Committee, which consisted of Messrs. Lesabe, G. Cebisa, Ngesman, Tsatsimpe and J. Cebisa wanted to see Agricor officials. They were quite furious. Their complaints were:-

* They have been asking for their minute books from their former secretary, Mr Sekabe, for the last two months and could not get them. Mr Strauss was approached in connection with this and he promised to go and fetch them, which he never did. Mr Erasmus was approached and also failed to help them.

* Mr Lesabe took his tractor to the co-operative for repairs. It was dismantled and thereafter Mr Erasmus refused to have it repaired. He said Mr Lesabe was owing the Co-operative too much money and, therefore, did not deserve this service. Mr Lesabe approached the Management Committee on this and they, in turn, arranged for a meeting with Mr Erasmus. At this meeting Mr Erasmus was then asked to assemble the parts of the tractor which were scattered all over the place. He refused, saying he would first have to get the consent of Noord-Wes and Agricor, who had ordered him not to do it. The Management Committee asked Mr Erasmus if the yield of Mr Lesabe did not compare with others so that his debt may be paid. He said it did. Mr Lesabe then told Mr Erasmus that he would harvest on his own and take his maize to the co-operative so that he may get his tractor

* Mr Erasmus went on to tell the Management Committee that six farmers were about to be dismissed from the project, with Mr Lesabe being the first one. He even told them that this matter has been forwarded to the President.
He also told them that they don't have land or money but they are paying rent for the land. At this point he was quite angy and emotional. He said the only people who had money was Agricor and N.W.K.

* Tractors belonging to the co-operative were used to plough for Bophuthatswana Transport Holdings and also at Bodibe without the consent of the Management Committee. They were later told those tractors brought in R8 000 which they did not see.

* There is confusion on who has to sign cheques. Mr Lesabe as the chairman is authorised to sign but there is another person (unidentified) who also signs. In practice Mr Lesabe only signs cheques directed to farmers. The Management Committee does not know who is responsible for the payment of labourers every Friday.

* With every load of maize, 15c is deducted from the income. It is said that 5c is for fuel expenses for vehicles used on the project, but, the black section managers told the M.C. that they filled their vehicles out of their own pockets.

CONCLUSION

The Management Committee does not want to be used as "rubber stamps". If they have any authority they want to use it to promote the interests of the farmers who elected them. If not, the Committee should dissolve.

2/...

They say they also want to have their books, including bank account, (if there are any), handed over to them, as soon as possible if their authority is recognised by both Agricor and Noordwes.

Mr Lesabe's tractor should be repaired because he is owing (R11 000) just like any other member. (There are some people who owe more than he does).

The Management Committee does not want to see anybody being dismissed from the project. All the cheques must go through the Committee and be signed by the chairman and his secretary only.

THEY CONCLUDED THE MEETING BY SAYING THAT IN THE INTEREST OF THE FARMERS, AND THE COMMUNITY AS A WHOLE, MR ERASMUS SHOULD BE REMOVED FROM SHIELA AS SOON AS POSSIBLE.

APPENDIX C,i

DITSOBOTLA SEKONDÊRE KOÖPERASIE BEPERK.
POSBUS 688,
LICHTENBURG.
2740. TEL. 13 RADITHUSO

9

OESVEREFFENINGSTAAT/REKENINGSTAAT. DATUM: 3 OKTOBER 1980

NAAM: M...Mompati..... IDENTITEITSNOMMER: ..4188.13.....
PLAAS: Klaaupoort..... PERSEEL NO: .....
GEWAS: Mielies..... HEKTAAR: .....

BRUTO OPBRENGS	R 2283-48
MIN: Privaat gebruik	248-32
NETTO OPBRENGS	2035-16
MIN: Ledebelangefonds	20-35
	2014-81
PLUS: Voorskot-Vorige Jaar	—
TOTALE INKOMSTE	2014-81
MIN: PRODUKSIEKOSTE	2504-48
Saad	83-32
Kunsmis	1174-06
Onkruidbeheer	80-00
Plaagbeheer	49-46
Trekker en implementkoste	650-41
Losgereedskap	3-89
Arbeidskoste	146-45
Vervoerkoste	120-68
Stroopkoste	170-95
Verpakking	25-26
BRUTO ~~INKOMSTE~~ Verkies	(489-67)
MIN: ANDER ONKOSTES	137-79
Heffing	23-95
Rente	83-84
Administratiewe Kostes	
NETTO ~~INKOMSTE~~ Verkies	(511-46)
MIN: Voorskot - Huidige Jaar	—
~~BETAAL AAN UITBETALING~~ Verskuldig aan Ditsobotla Koöperasie	R(511-46)

TJEK NO. .....—.....

APPENDIX C,ii.

DITSOBOTLA SPESIALE KOOPERASIE BEPERK.

Naam ..MIRIAM MOMPATI..... Datum.....

Pas No. .220912/5/1002/01

Plaas ..NAAUWPOORT.....

Blok No. ..A16.....

Gewas: ..MIELIES.....

OPBRENGS. .....7200...Kg.

Waarde	R...851,40....
Min: Ledebelangefonds	9,00
TOTALE INKOMSTE.	842,40

UITGAWES.

Saad.	170,28
Kunsmis.	1011,06
Onkruid/Plaagdoders	296,15
Trekkers & Implemente	903,26
Landbougereedskap.	—
Arbeid	546,99
Vervoer.	272,90
Asbesdop.	269,79
Verpakking.	31,24
Rente.	232,62
Bestuursfooi.	296,15
Diverse.	27,29
Calrafos.	325,54
TOTALE UITGAWES	4 383,29
NETTO INKOMSTE	(3540,89)
MIN: TERUGBETAAL AT 10%	(587,03)
TUSSEN BEDRAG.	(4127,92)

TUSSEN NO .....

APPENDIX C,iii 31

Ditsobotla Sekondêre Ko-operasie Beperk

Naam: Mirriam Mompati Datum: Nov 82

I.D. No. 220912-5-1002-08

Plaas: Nooitgedacht Blok No.:

Gewas: Mielies

OPBRENGS: 4695 Kg

Waarde	R	648-27
Min.: Ledebelangefonds	R	-
TOTALE INKOMSTE	R	648-27

Uitgawes

Saad	R	72-36
Kunsmis	R	519-98
Onkruid/Plaagbeheer	R	-
Trekkers en Implemente	R	616-93
Losgereedskap	R	19-33
Arbeid	R	137-91
Vervoer	R	22-09
Stroop	R	114-38
Verpakking	R	139-71
Rente	R	117-17
Bestuursfooi	R	140-60
Diverse	R	89-18
Calmafos	R	337-46
TOTALE UITGAWES	R	2317-10
NETTO INKOMSTE (Verlies)	R	(1668-83)
MIN. Privaat Rekening	R	-
Verlies Vorige Jaar	R	4414-95
Voorskot Geneem	R	-
Tjek Bedrag	R	(6083-78)

Tjek No. —

MAFPRINT-10/82-3369

Ditsobotla Sekondêre Ko-operasie Beperk

Naam: Miriam Mompati Datum: 30-9-93

I.D. No. 330913 5100 2 8

Plaas: Nooitgedacht Blok No.: /HA 17 3

Gewas: Meelies

OPBRENGS: _____ Kg (REEDS ONTVANG: 30 SAKKE + GROENMIELIES)

Waarde	R	251-65
Alt.: Ledebelangefonds	R	-
TOTALE INKOMSTE	R	251-65

Uitgawes

Saad	R	167-07
Kunsmis	R	1452-97
Onkruid/Plaagbeheer	R	254-98
Trekkers en Implemente	R	1486-07
Losgereedskap	R	2-48
Arbeid	R	395-63
Vervoer	R	5-72
Stroop	R	60-98
Verpakking	R	61-07
Rente	R	346-00
Bestuursfooi	R	346-00
Diverse Ontbossing	R	260-13
Calmafos	R	299-29
TOTALE UITGAWES	R	5140-39
NETTO INKOMSTE (Verlies)	R	(4888-74)
Plus Diergenoot 51/52 ~~MIPI – Privaat Rekening~~	R	1668-53
Min Verlies Vorige Jaar	R	(6053-78)
Min Voorskot Geneem	R	-
Wins/(Verlies)	R	(9273-69)

Handtekening: Bestuurder

MAPPRINT-W/83-3366

APPENDIX D

TEMISANO: Farming Together, Growing Together

TEMISANO

AGRICULTURAL PRODUCTION

The farming project must be economically viable to provide a sound base for the security and growth of the rural community. The Production Units are managed in conjunction with an Agricultural Co-operative.

TRAINING

An ongoing process both within the community and on the Production Unit is the gradual training of people of capacity to take on the numerous responsible roles not only in agricultural skills and management, but of community leadership, accountancy for the co-operative and the community, as well as in child- and community health care and education.

SECONDARY INDUSTRIES

Where practicable, agriculturally-based secondary industries such as mills, cotton gins, oilseed processing plants, and the like are to be established on an economically viable basis in the vicinity of the community and its Agricultural Production Unit. Such industries will again broaden the economic base of the community, provide more employment opportunities, and stimulate further growth.

COMMUNITY DEVELOPMENT

To ensure that the residual income made by the participants in the project is wisely spent and to see that the whole rural community benefits from the agricultural phase of the Temisano Project, Community Development workers assist and guide the community members in establishing various projects such as day care facilities, schools and civil improvements. The ideas behind community development are to (i) develop the human resources in the community and (ii) broaden the economic base of the community making it less dependent on larger towns for its basic economic and social needs, thus rendering it more stable and more attractive as a dwelling place.

TEMISANO

Joined together these four facets become Temisano. Co-ordinated presently through Agricor itself, the role of managing a Temisano Project in each of its aspects of Agricultural Production, Community Development, Training, and Secondary Industries should eventually be taken over by the community.

GRICULTURAL PRODUCTION COMMUNITY DEVELOPMENT TRAINING SECONDARY INDUSTRIES



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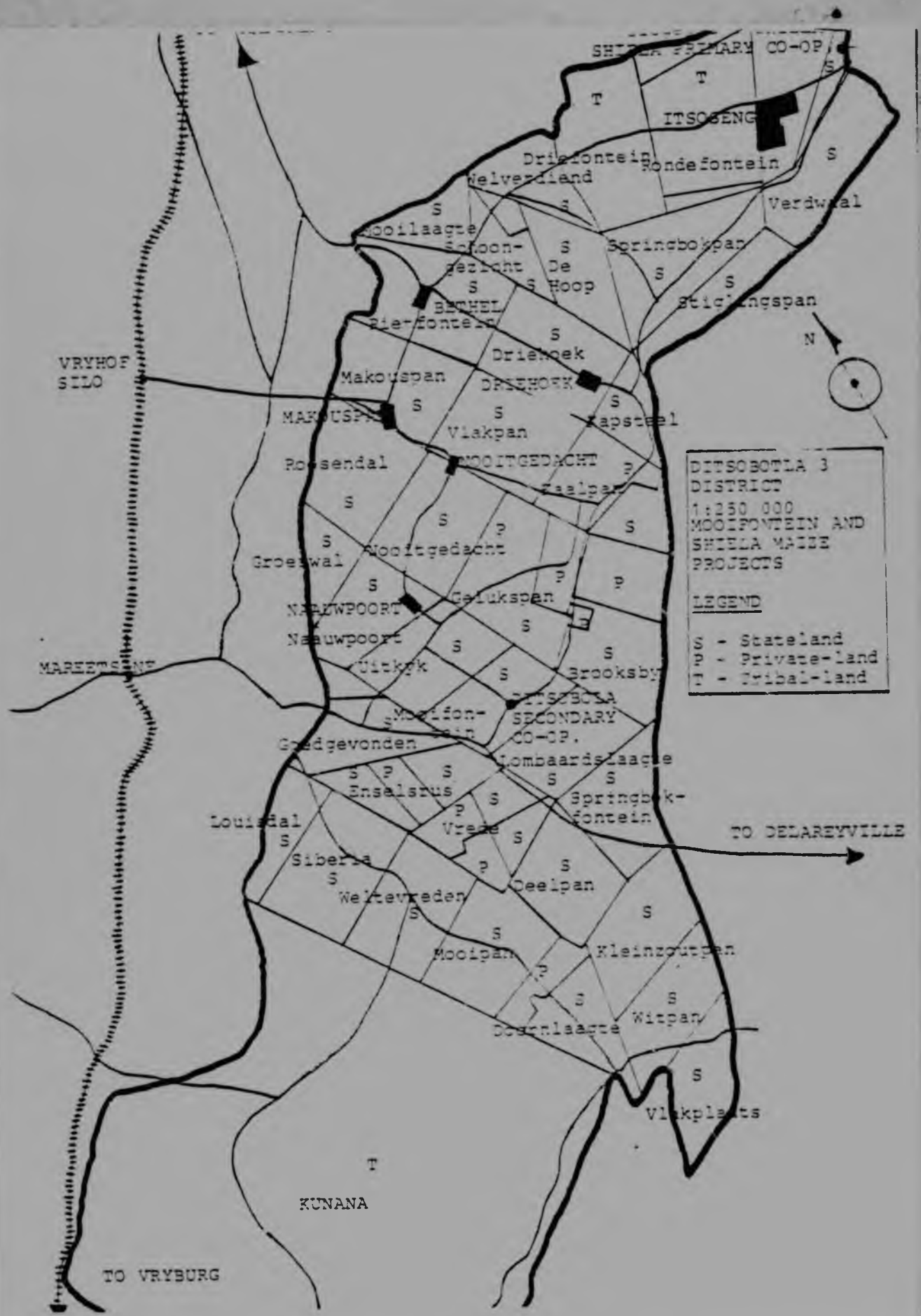
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P - Private-land
T - Tribal-land

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