

**Rural Development, Institutional Change and Livelihoods
in the Eastern Cape, South Africa: A Case Study of
Mdudwa Village**

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Sustainable Livelihoods in Southern Africa: Institutions, Governance and Policy Processes

Through work in southern Africa this research programme has explored the challenges of institutional, organisational and policy reform around land, water and wild resources. The case study sites have been in Zambezia Province, Mozambique, the Eastern Cape Wild Coast in South Africa and the lowveld area of southeastern Zimbabwe. Three broad themes have been explored:

- How do poor people gain access to and control over land, water and wild resources and through what institutional mechanisms?
- How do emerging institutional arrangements in the context of decentralisation affect poor people's access to land, water and wild resources? What institutional overlaps, complementarities and conflicts enable or limit access? What new governance arrangements are required to encourage a livelihoods approach?
- How do the livelihood concerns and contexts of poor people get represented in policy processes concerning land, water and wild resources in local, national and international arenas? What are the challenges for participation in the policy process?

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Summary

Mdudwa village in the Eastern Cape is an example of a remote, rural village in a former homeland area. Such villages have been subject to a wide array of development interventions, political and administrative reforms since the free elections of 1994. This paper examines these experiences for one case, asking how in particular the new attempts at democratic decentralisation might fare. Through an examination of contests over land, forest and water resources, the paper looks at the emerging power dynamics between new elected authorities at municipal and council level and traditional authorities (chiefs and headmen), and raises questions about the efficacy and long-term sustainability of decentralisation reforms as currently conceived.



Introduction

Since 1994 the South African state has implemented a range of policy reforms aimed at the socio-economic development of rural areas, including the former African 'homelands'. These reforms include sectoral policies in areas such as housing, forestry, water and land, as well as institutional reforms in the area of local government. The state has also begun a process of decentralising responsibility for service delivery to new local government institutions, including district and local municipalities. These institutions are expected to develop Integrated Development Plans (IDPs) with the aim of co-ordinating government programmes and services. A further move towards co-ordinated delivery across sectors is also promised in terms of the new Integrated Sustainable Rural Development Strategy (ISRDS), the impact of which has yet to be seen on a wide scale.

These developments pose both opportunities and challenges for poor people in rural areas. Traditional authorities, which for many years served as the principal institutions of local governance in many rural areas, now coexist with elected local authorities. New community-based institutions such as water committees and communal property associations are playing an increasingly important role at a village level. A host of informal institutions, such as ploughing parties and savings clubs, also play a crucial role in the livelihoods of rural people, but find little acknowledgement in official development discourse. Despite an



emphasis on popular participation and decentralisation within official policy, rural people's influence on policy processes that affect them remains weak. The priorities of local government continue to be set largely by higher level institutions (provincial and national), with limited reference to specific local needs.

This study investigates the impact of some of the government's rural development policies on a small community in rural Pondoland in the Eastern Cape, with particular emphasis on institutions of local governance. It looks at the implications of these rural development policies and institutional developments for the livelihoods of rural people, and the institutional mechanisms through which people gain access to land, water and wild resources.

This study builds on preliminary research carried out in the former Wild Coast District of the Eastern Cape Province in the last quarter of 2000 and the first quarter of 2001. Investigations of water, land, wild resources and local governance issues were conducted in Mdudwa village, which then fell under the Ingquza local municipality and the Xopozo tribal authority, and formed part of the former Transkei homeland. This study looks in more detail at the case of Mdudwa.

In conducting this study, particular attention was paid to three aspects of government policy that are of direct relevance to the people of Mdudwa village: water policy, land policy and local government reform.

- **Water policy:** A piped-water scheme has recently been completed in Mdudwa village. The scheme was funded by the District Municipality and is being implemented through a local water committee.
- **Land policy:** A land restitution claim on the adjoining Bhunga Farm (part of Flagstaff plantation) has been lodged with the Regional Land Claims Commission of the Eastern Cape. This has raised hopes of additional land for people in the village.
- **Local government reform:** We investigate the roles of elected local government authorities and the tribal authorities with which they coexist. This topic was prompted by ongoing tensions between the traditional institutions, whose role is not clearly defined under the new dispensation, and elected local government. The study also examines the policy of decentralisation and the potential impact on people's access to natural resources.

The study is based on individual and group interviews in Mdudwa village, including the sub-headman, the elected local councillor, members of various village committee and men's and women's groups, the chiefs of Xopozo and Siphaheni tribal areas; officials in the Department of Water Affairs and Forestry, Regional Land Claims Commission, Department of Land Affairs, O.R. Tambo and Alfred Nzo District Municipalities, Ingquza Local Municipality and a range of non-governmental

organisations (NGOs) and private sector companies operating in the area, as well as a study of official documents at local, provincial and national levels.

Decentralisation in South Africa

Decentralisation of power and responsibility is central to efforts in South Africa to improve delivery of public services, combat poverty and develop previously neglected parts of the country. Decentralisation has acquired prominence in recent decades in development policies and programmes (Seshia 2002). It has multiple implications for the ways in which rural people access natural resources such as land, water and wild resources, for their engagement with institutions of governance, and for their representation in policy processes.

Decentralisation can be understood as any move by central government to transfer powers to institutions and actors at lower levels of governance (Mawhood 1983). Various forms of decentralisation are identified in the literature (see Seshia 2002):

- **Political or democratic decentralisation** occurs when powers and resources are transferred to authorities downwardly accountable to local populations (Agrawal and Ribot 1999). One of the aims of democratic decentralisation is to increase public participation in local decision making. Democratic decentralisation is an institutionalised form of the participatory approach and is arguably the strongest form of decentralisation.
- **Deconcentration** occurs when power is transferred to local administrative branches of the central state. These branches are upwardly accountable and are local extensions of the central state. This is generally considered to be a weak form of decentralisation because the downward accountability implied by democratic decentralisation tends to be weak or non-existent.
- **Co-Administration** is where provincial and local levels of government carry out activities on behalf of the central government.
- **Fiscal decentralisation** is the decentralisation of fiscal resources and revenue generating power, including control of budgets and financial decision.
- **Devolution** is any transfer from central government to a non-central-government body including elected local government, NGOs, private bodies, customary authorities or the like.
- **Delegation** is when public functions are transferred to institutions such as public corporations or any other institution outside of the regular political-administrative structure to implement programmes on behalf of central government.
- **Privatisation** is the temporary or permanent transfer of state powers to private individual, corporations, NGOs or other non-state structures. Agrawal and Ribot (1999) do not consider privatisation as

a form of decentralisation although it commonly is carried out in the name of decentralisation.

Our case study of Mdudwa village will show that the form of decentralisation introduced in South Africa fits closely with the definition of democratic decentralisation.

In contextualising decentralisation Seshia (2002) identifies two mainstream perspectives, economic and participatory, which differ in several respects:

- Economic explanations locate the demand for decentralisation in processes of liberalisation and privatisation, while participatory perspectives see decentralisation as rooted in empowerment of the poor.
- Subsidiarity is key to economic perspectives, whilst downward accountability is key to participatory perspectives.
- Increasing efficiency of service production and delivery is key to economic approaches, while in participatory approaches the creation of an effective local government is of most importance.

Seshia (2002) argues that in both approaches, local forms of governance can best capture and express people's preferences and needs, and emphasises that there is a tendency in the two approaches to overlook the multiple, overlapping and conflicting institutions that exist at a local level.

The concept of developmental local government is entrenched in the constitution of South Africa, based on three complementary spheres of government: the national, provincial and local. The 1998 White Paper on Local Government provides a plan for the final form of local government in South Africa after its progression from apartheid structures, through democratisation of councils, to the creation of developmental local government (Pycroft 1998: 151).

Manor (2001) points out to three requirements that are essential for democratic local government to work well:

- Substantial financial resources must be devolved from higher levels of government to local authorities.
- Substantial powers must be devolved from higher levels of government to local authorities.
- Bureaucrats must be accountable to elected representatives and elected representatives must be accountable to voters.

Although Manor argues that there are other essential elements of decentralisation, he cautions that democratic local government is likely to fail in the absence of any one of the above.

Democratic decentralisation in South Africa is intended to address the inequalities that were inherited from the apartheid era and give South Africans a voice in decisions that affect their lives (Manor 2001: 3). Two main forces drive decentralisation in South Africa. The first is the realisation that many functions can be undertaken more effectively at local levels of government and the second is that national government wants to relieve itself of fiscal pressure and administrative responsibilities. Under the Municipal Structures Amendment Act (Act 33 of 2000), for example, the national Department of Water Affairs and Forestry (DWAF) is no longer a water services authority and this power is now held by district municipalities. Water services can be provided by the municipality itself or any other public or private body such as a water board, an NGO, a community-based organisation or a private sector company with whom it contracts. Olver (1998) argues that a fiscal squeeze at national and provincial levels sometimes leads to shedding of functions and the dumping of 'unfunded mandates' on lower levels of government. Such 'unfunded mandates' have severe negative consequences for poor rural municipalities that cannot raise enough revenue to implement devolved obligations.

The system of elected local government being implemented in rural South Africa is a two-tier system made up of district and local municipalities, which can be considered a form of democratic decentralisation. There is great emphasis on participation of the electorate in decision-making processes, and on accountability of democratically elected local authorities to the electorate. Within this system, considerable power rests with higher-level district municipalities, which are only indirectly accountable to the electorate. Local municipalities on the other hand operate largely according to agendas and budgets set for them by the district municipalities and government departments such as Water Affairs and Public Works, and have little scope to respond to the particular needs of communities within their jurisdiction. Recently, changes have been made in allocating 'equitable share' budget, which is money allocated by the national treasury to be used at the discretion of a local or district municipality. Previously the share was allocated to district municipalities, but it has been redirected to local municipalities, which should strengthen their hand in dealing with other spheres of government and in setting their own programmes.

District municipalities have four broad functions and powers:

1. to ensure the integrated development planning for the district. This includes the co-ordination of Integrated Development Plans of local municipalities within their area;
2. service provision in the areas of water and electricity, sewage purification and disposal, solid waste disposal, municipal roads services, passenger transport services regulation, fire fighting,



- promotion of local tourism, public works services and health services;
3. building the capacity of local municipalities;
 4. ensuring equitable distribution of resources between the local municipalities in its area.

Local municipalities on the other hand, have up to now performed relatively minor functions such as maintenance of roads and water schemes, and need special authorisation to perform functions of the district municipalities such as electricity, sewage and health services.

A level below the local municipalities are ward committees. Members of ward committees are volunteers who work as contacts between ward councillors and the community. A ward consists of a number of villages. Mdudwa, for example, is one of the 15 villages that form a ward under a single ward councillor.

The recent redirection of 'equitable share' budget resources from district to local municipalities is likely to have negative implications for district municipalities. For district municipalities to implement their programmes, they will in future have to rely on financial allocations from particular line departments, such as the Department of Water Affairs and Forestry. If these institutional mismatches are not addressed soon, they will put district municipalities in a lot of financial stress because of the new responsibilities they have to undertake.¹

In a report recently presented to parliament, the Ministerial Advisory Committee on Local Government was critical of granting more powers to district municipalities. They argued that district municipalities' powers were intended to be limited to strategic oversight and the provision of bulk services. In a recent amendment to section 84(1) of the Municipal Structure Act of 2000, however, district municipalities have been given additional powers in the areas of electricity, water and waste – functions that the local municipalities were expected to carry out. There is consequently a mismatch between the responsibilities granted to the district municipalities and the financial resources provided to meet these responsibilities.

The process of local government reform in South Africa is greatly complicated by the constitutional recognition of the institution of traditional leaders, whose roles, functions and powers have not been clarified and who are not democratically elected. During the apartheid period, local government and land administration and management in rural areas were under the control of the tribal authorities. Ntsebeza (2002) argues that these structures were an extended arm of the apartheid state and they were undemocratic, unaccountable, autocratic, and feared. Many traditional leaders were 'decentralised despots' with all kinds of

¹ Interview with the CEO of Alfred Nzo district municipality, Mount Ayliff 9/3/2001.

administrative and judicial functions. The post-1994 government is attempting “to separate, among others, local government, land ownership and administration functions and powers, and decentralise them to democratically accountable local institutions, with an emphasis on the active participation of communities in decision-making processes” (ibid., 6). The problem is that the same democratic government recognises the tribal authorities and does not clarify their roles and responsibilities in the developmental local government era. Manor (2001) argues that traditional leaders pose a ‘patent’ threat to the intentions of the new South African system of local government.

The case study that follows illustrates how policies and institutional changes impact at a village level. It seeks to understand how the elements of decentralisation discussed above and the complexity, messiness and confusion of ‘real’ decentralisation raised by Seshia (2002) are being realised and the implications for effective local government and rural development.

Case study: Mdudwa village

Mdudwa village is located 10 kilometres outside Flagstaff town in the Xopozo tribal area and under the Ingquza local municipality. People at Mdudwa depend on a diverse range of livelihood strategies, including state pensions, farming, livestock, kin dependency, formal and informal employment, remittances from migrant workers, and hawking. Formal local employment is mainly found in the public sector, and includes working in the nature reserves, as dip tank attendants, or in the village plantations (for example, as security guards). Informal employment includes seasonal jobs in the plantations, caring for other people’s children, and collecting fuelwood for other people.

Local government

This section looks at two local governance institutions in Mdudwa: the tribal authority and the elected local council. Tribal authorities have long been in existence, and during the apartheid era aspects of local government and land administration were in their hands. A limited form of elected local government was introduced to the Transkei in 1995 and was strengthened and expanded following the elections of December 2002.

Traditional leaders and tribal authorities

In the new democratic era, tribal authorities remain a powerful institution in areas such as Mdudwa. The continuing importance of the tribal authorities can be attributed to a range of factors, including: the very real powers they continue to exercise, particularly in the area of land administration; the high degree of legitimacy (centred on the person of

the chief) that they enjoy among substantial sections of the rural population; the strong desire by chiefs and headmen to preserve as many of their powers as possible; and the failure of the democratic government to clearly define their powers. Unlike the elected local councils, the traditional authorities have a permanent representative in every village, in the form of a headman or sub-headman, who is on hand twenty-four hours a day to deal with local concerns, and a supply of tribal councillors and advisors that exercise their customary duties on a voluntary basis.

Xopozo tribal authority consists of a hereditary chief, tribal councillors, headmen, and sub-headmen. Sub-headmen represent sub-villages and are accountable to the headman, who represents a number of sub-villages. The sub-headman of Mdudwa, and other headmen are accountable to the tribal chief. The sub-headman of Mdudwa has long served on the Xopozo tribal authority and hence enjoys a high status. Xopozo Tribal Authority is, in turn, under the jurisdiction of the paramount chief of Eastern Pondoland. The paramount chief is not involved in day-to-day matters in each tribal authority area, but presides over the installation of chiefs and headmen. Government agencies planning to operate in the area usually make a point of first approaching the paramount chief and, through him, the other chiefs in the area.

The Xopozo tribal authority meets every week in the chief's village. Reports from the different villages, applications for land and various types of complaints are brought to it for discussion. The tribal authority continues to operate much as it did before the advent of democracy in 1994, although the political environment has changed considerably. The traditional authority is no longer the only local institution dealing with government departments and members complain that they are being bypassed when it comes to planning water schemes or other local development projects, in favour of the elected local councils. Much of the activity of the Xopozo tribal authority is taken up with the administration of communal land, although it is facing a challenge from some elected local councillors who feel that they should also be involved in land matters. Applications for land allocations are received and approved by the tribal authority, which then forwards the applicant to the district Department of Agriculture to issue the necessary documentation.

Village plantations, which were established by the former Transkei homeland government to create revenue for the tribal authorities, also fall under the control of the tribal authority. Fuelwood and poles from these plantations are sold to local people and the income accrues to the tribal authority. For the village plantation in Mdudwa, the sub-headman of Mdudwa is in charge of collecting the payments on behalf of the Xopozo tribal authority (see below).

Box 1: The judicial powers of traditional authorities

Mrs Nowethu visited the tribal authority one morning in 2001 to report her intentions of leaving her husband. Because she was coming from afar, and her case not on the agenda, the tribal council decided to hear her story first before proceeding to other issues scheduled for the day. The Chief of the area was present in the meeting.

Mrs Nowethu narrated her story, stating when she got married and the number of children she had, and reported that her husband has abandoned her. It had been some time since her husband last returned home. She was unable to contact him but had heard that he was somewhere in Gauteng. She was distraught by the situation because she was struggling to support her five children. She was planning to return to her parents' home. Her husband's parents, who agree that she must return back to her own parents, also shared her plight. The biggest fear of Mrs Nowethu and her husband's parents was that when the husband returns he would demand custody of the children, even though the family feels he has abandoned them and therefore does not have any rights over them.

Mrs Nowethu came to the tribal authority because she wanted it to support her claim for custody of the children should her husband return and make problems for her. She reported that the marriage was over and hoped that the tribal council would be in a position to defend her. Members of the tribal council and the chief took the case very seriously. They promised her that the tribal authority would do everything in its power to ensure that she lives in peace even after her husband returns. Other men in the tribal council gave witness to the seriousness of her situation and how difficult it was for her husband's parents to support the large number of people in the household. The Tribal Authority agreed that if the husband threatened his family, the tribal leaders would not hesitate to summon the police and forward the report from Mrs Nowethu to the office of the magistrate.

The traditional authority is also involved in the hearing of criminal cases (usually of a minor nature) and mediating in conflicts within or between households. If a tribal court, which mainly consists of tribal council members, fails to resolve a case, they forward it to the police.

The case of Mrs. Nowethu described in Box 1 gives an indication of the powers exercised by the tribal authority and the reliance people place in it in times of need. The tribal courts are, for many people in the former homeland, the most accessible form of justice, and much preferable to the Magistrate's Court in town.

With the extension of elected local government to all parts of South Africa since 2000, the role of traditional authorities in rural development matters is diminishing. While projects can, in theory, be implemented without the approval of the traditional authority, the sustainability of a project can be under threat if the tribal authority is opposed to the scheme. A case of this nature was experienced in a village next to

Mdudwa, where water was going to be drawn from one tribal area for a village in another tribal area, and the pipes were going to cross a village which would not benefit from the scheme. A member of the water committee stated,

We could not tolerate a case of having water drawn from our tribal area for another tribal area. We demanded that the scheme be implemented in our village as well or else we would have destroyed the pipes and prevented Mhlanga village from getting water.²

The sub-headman of Mdudwa village was informed well in advance of the water scheme that was to be implemented in Mdudwa village. He was personally opposed to the scheme because of the money that people would be expected to pay for maintenance, but the majority of the village supported the scheme, prompting him to back down.

Some members of the village allege that the sub-headman is against a number of services that other villages are receiving:

The sub-headman does not want development such as electricity, water and telephones. He always worries about the money that will have to be paid.... But whose money is it? Not his but ours. He should not concern himself. Those who want electricity must pay for it and if he does not want it, he should not connect his house. The local councillor is very active but the sub-headman is against his initiatives. We would be better off without any headman in this village.³

Chief Mdutshane of Xopozo describes the position of a chief as ‘father of the nation’, and sees traditional authority playing a leading role under the new democratic dispensation. He argued that the confusion around the respective roles of tribal authorities and elected local councils is due to tribal authorities wanting to be involved in rural development and a lack of clarity in the South African Constitution regarding their proper function in the democratic era.

My role is to unite people, and resolve disputes. People come to me when they have problems. I do not try to manage everything in the area. The problem with the introduction of [elected] councillors is that they do not know what they are supposed to do. They do not have the necessary training to undertake their duties, they are inexperienced and nobody informs them of what they are supposed to do. Everybody knows what the chief is supposed to do. Chiefs are well established. There are no big problems between the tribal authority and the local councillor. Higher-up politicians have caused this conflict by not clarifying our roles, and now the conflict between the two has been turned into a political matter. In cases

² Interview with the chairman of the water committee, Mkhumeni village 19/4/2002.

³ Interview with Nowani, Mdudwa village 12/2/2001. Pseudonyms have been used here and elsewhere in the report to protect informants’ identity.

*where there are problems between the two institutions, there should be a forum to discuss them.*⁴

Elected local government

Mdudwa village was under the Wild Coast district council until that council was abolished and its territory split between the new O.R. Tambo and Alfred Nzo district municipalities. Mdudwa village falls under the jurisdiction of Ingquza local municipality, presently in the O.R. Tambo district municipality.

One of the biggest problem faced by district municipalities such as O.R. Tambo and Alfred Nzo is the huge backlog in roads, water and health services provision in the rural areas. Government funding to the municipalities is focussed mainly on these 'core' areas, leaving little scope for local people to influence the direction of local government spending. These largely rural municipalities are exceptionally dependent on higher levels of government because the bulk of the population from where they are expected to collect revenue is poor. The situation is greatly exacerbated by the severe shortages of skilled human resources at their disposal, to the extent that neither O.R. Tambo nor Alfred Nzo district municipalities currently have the capacity to act as water services providers. The task of water services provision, therefore, continues to be performed by other institutions, chiefly the national Department of Water Affairs and Forestry and its sub-contractors. The municipalities perceive the Department as inefficiently using of its budgets, which the municipalities consider to be rightfully their own.

The transfer of powers and responsibilities from other spheres of government to local government institutions has not been a smooth process. Although powers and responsibilities have been granted to local government by legislation, there is resistance from some institutions that previously exercised these powers. This resistance has not only come from traditional leaders but from line departments as well. For example, each sphere of government (national, provincial and local) is allocated money by the National Treasury. Local government uses funds granted to it by the national treasury, along with their own revenues, for the development needs of its area.

District municipalities such as O.R. Tambo and Alfred Nzo expect to receive a share of the budget allocated by DWAF to the Eastern Cape for water services. During 2001, DWAF drew up a set of legally binding conditions that had to be signed by the six district municipalities in the province before the funds would be released. This was intended to ensure the proper use of the money and that the municipalities would operate and maintain all water schemes within there area of jurisdiction. The District Municipalities were reluctant to sign such an agreement

⁴ Interview with the Chief Mdutshane, Xopozo village 20/3/2001.

because they would be expected to operate and maintain schemes that were already broken, and because they could see no legal basis for DWAF imposing such conditions. The reluctance of DWAF to release funds, to which the municipalities believe they are legally entitled, was cited by officials in the two district municipalities as undermining their position and limiting their ability to address the needs of their areas. Such agreements contradict the principle that bureaucrats should be accountable to elected representatives. The order, in this case, is reversed, with elected representatives accountable to bureaucrats through the signing of binding agreements.

The impact of these inter-governmental struggles is being felt in Mdudwa village. The water scheme which was recently implemented in the village was initiated under the previous transitional local government (Wild Coast District Council), but took a number of years to be approved. These delays, which are attributed by local government officials to the struggles of the district municipalities (then the district councils) and DWAF, serve to undermine people's confidence in local government.

Elected local councillors allege that DWAF has been delaying the transfer of funds to the district municipalities since the days of the Wild Coast District council. These delays, they reported, make them look bad in the eyes of the community, where people do not understand that the money the district municipalities receive from treasury is not sufficient to meet the needs of the area and that DWAF has responsibility for assisting their water schemes. They allege that DWAF is wasting its money through the BoTT (Build, Operate, Train and Transfer) programme, because the programme is expensive and wastes money on consultants. Officials alleged that the implementing agent (Amanz'abantu) spends money on unnecessary feasibility studies and is not prompt in transferring the schemes to the communities, which means it continues to be paid for operation and maintenance longer than is necessary. The district municipalities see themselves as capable of doing the same job as the implementing agent for less money.

The implementation of the water scheme in Mdudwa has greatly boosted the confidence of people in the local councillor. People expect him to continue doing development work, and some people would like to see him involved in land allocation matters as well. Others want him to continue with development work but believe that only the sub-headman and the tribal authority should be involved in land allocation.

There are a total of 50 councillors in the Ingquza local municipal government, which meets four times a year. Twenty-five are ward councillors and the other 25 have been appointed from party lists through the system of proportional representation. Five list councillors represent Ingquza in the O.R. Tambo District Municipality. The 25 councillors attend to the needs of their respective wards, including forming ward committees to ensure public participation, and identifying

local development needs. Other list councillors are assigned to assist ward councillors in their work in the community. In terms of accountability, the councillors from the party list are seen as accountable primarily to their respective political parties while the ward councillors are generally seen as more accountable to their ward committees and constituents.

Ingquza Municipality has an executive committee that is chaired by the mayor of the council. The executive committee takes decisions on urgent matters in between full sittings of the council and makes recommendations to the municipality. The executive committee consists of the mayor and the chairpersons of the various standing committees within the municipality, such as water and sanitation.

The lowest structures of local government are the ward committees, which are now being established in most wards. Ward committee should not exceed eleven members, including the local councillor (who must be the chairperson of the committee). The expectation is that the creation of ward committees will reduce the burden carried by the councillor of visiting all the villages in the ward, as these committees will make recommendations on matters affecting their ward to the council. The ward councillor of ward eight is a resident of Mdudwa village, and spends his time visiting villages within his ward and attending meetings of the Ingquza local municipality and its various sub-structures. His daily activities involve informing people about council activities in their area, identifying issues that need to be brought to the attention of the council, informing people about government activities such as censuses, dealing with individual concerns such as pensions and child support grants, and attending local events.

The case of Mdudwa shows how the democratic South African government's attempts to decentralise services have been limited by its inability to clarify the roles and responsibilities of local institutions. This lack of clarity contributes greatly to conflict between elected local government and tribal authorities, as each tries to assert its powers and competes with the other. Elected local government, and the drive for decentralisation, is further threatened by provincial and national government departments that undermine the capability of local government institutions to execute certain duties. Provincial and national government departments hold sufficient powers to delay or prolong transferring resources to municipalities. The financial base of these municipalities is weak, which further frustrates their efforts to meet the needs of rural people. Probably the greatest achievement of the decentralisation process has been to create a direct link between people and government in the person of the ward councillor. Ward councillors are the only public representatives in South Africa directly elected by, and thus accountable to, a specific constituency. In the context of the former Transkei, this represents a giant leap forward for democratic government

and, as the Mdudwa case shows, creates important new ways in which local people can participate in managing their own affairs.

The following section shows some of these dynamics highlighted above as they apply to water, land and wild resources in Mdudwa village. It also introduces other institutions and actors that play a role in the management and use of these resources.

Natural resources

Land

The current land-use pattern in Mdudwa village has been shaped by a number of external interventions. Land in the area was expropriated in the 1930s to establish an agricultural school that was later turned into a forestry plantation. Later, like other villages in the former Transkei, the area was subjected to 'betterment', or forced villagisation. The ostensible purpose of betterment was to control land degradation in rural areas. In Mdudwa, each household was allocated approximately one hectare to use for both arable and residential purposes.

People from different villages are attempting to reclaim land that now is within the state plantation. The area where the plantation is located is commonly known as Bhunga Farm (*Ibhunga*). People from Gcinilifu area (part of Xopozo tribal area, and close to the Bhunga Farm), which includes Mdudwa village, and from the neighbouring Siphakeni tribal area, are claiming their land under the land restitution programme. The people of Siphakeni are claiming their portion of the Bhunga Farm as well as Vimbi Forest plantation that is close to Flagstaff town. If these claims are successful, most people at Mdudwa plan to move their homesteads to the portions they are claiming and use the land on which they currently reside for arable purposes. The chiefs of Xopozo and Siphakeni are at the forefront of their respective claims.

Land management in Mdudwa village has long been the responsibility of the tribal authority, with day-to-day decisions made by the sub-headman and his assistants. Vacated plots are handed over to the sub-headman who re-allocates them when someone else needs land for farming. Normally, a person requiring a plot of land at Mdudwa must first approach the village sub-headman. Following this, the sub-headman takes the applicant to the tribal authority to present his or her case in front of the tribal council. The tribal authority must establish that the applicant is married, whether or not they already hold another piece of land in the village and whether or not they are up-to-date in the payment of their tribal levies. If the application is approved, the tribal authority forwards the name of the applicant to the extension officer in the district office of the Department of Agriculture, where a member of the tribal authority supports the applicant's case. The extension officers then visit the site identified by the applicant to assess its suitability and formally

allocate the land. The many stages of land allocation process are perceived by local people as expensive. These stages involve gifts for the sub-headman and members of the tribal council. Also, a meal has to be prepared by the household for the visitors and other men from the village who witness the formal demarcation of the plot.

Box 2: Land access and livelihoods

Nyuwani is 72 years old and his wife is 56 years old. Both have been educated up to Standard Four and both receive old age pensions. They live with five of their children, who are all unemployed, and nine grandchildren. As a youth, Nyuwani worked in Natal for six months, heading livestock and doing other piece jobs. He later worked in Gauteng for five years and in Cape Town for three years. Between 1955 and 1991 he worked for the government as a painter.

Nyuwani's household ploughs their one field of their own, another that will soon be occupied by their eldest son and a third that belonging to Nyuwani's second wife who has long ago relocated to another village. In their fields, they plant maize, pumpkins and beans. In their small garden they plant potatoes, tomatoes and carrots. In a good season they fill three tanks with maize cobs. When there is a need for cash, they sell one 50-kilogram bag for R60. With their livestock, they plough and harvest these three fields and also help two neighbouring households.

A women's vegetable project has been established on one of the three fields belonging to Nyuwani's household, but will soon be moving to another plot. Nyuwani's wife started the project. She invited other people to join her. The joining fee in the project is R50.

Nkazi is 58 years old. He never went to school and he is not yet eligible for a pension. He stays alone but his married daughter lives nearby. He worked before in KwaZulu Natal. He had five *joyini* (migrant contracts) in the area, four *joyini* to Billieskop, one to a coalmine and finally another one back in Billieskop. His wife left him a long time ago.

He has not planted anything in the past few years because he does not have money. He complains that the single plot he has is not productive and that he does not have money to buy fertiliser. He also complains that his land is small. His main sources of livelihood are handouts from his relatives and weeding other people's gardens, for which he receives between R30 and R100.

He says the previous sub-headmen gave people a say as to where they want their sites to be located. He accuses the current sub-headman of allocating people '*ezindaweni zokukhoboka*' (places of slavery), meaning land that is not productive.

The local land tax and general levy (*irhafu*) of R20 per annum is payable by every plot holder. Up to 1994, a branch of the magistrate's office collected the tax and the general levy, and also issued certificates to those allocated new plots. This office now falls under the Provincial

Department of Agriculture. If a man has two or more wives, he is expected to pay 20 Rand for the site of the first wife and 10 Rand each for the others. If a man dies and the wife who was paying 10 Rand wants to continue staying in the site she has to pay the 20 Rand. The actual size of the plots is determined using a surveyors chain. Stones mark the four corners of the plots. It is usually the agricultural officers who demarcate the plots although in some cases, men from the tribal authority have demarcated plots themselves without the involvement of ‘outsiders’.

People at Mdudwa are generally unhappy about the size of the plots they have been allocated. This is exacerbated by the fact that, although the method used to demarcate the plots is generally the same, the actual size of sites (for both residential and agricultural purposes) can vary greatly. In addition, certain households have access to two or more sites. In some cases, this has arisen because, due to some problems on the original site, a household has to relocate to a new site within the village, but has managed to retain the former plot for arable purposes. Others have access to sites that they acquire on behalf of their sons. One household at Mdudwa, for example, has access to three sites. The first site belongs to the first wife who has since left the village, another is where the family is currently residing, and the third is earmarked for their son when he gets married. Such households obviously have the potential to produce much more crops than those with only one plot. This is a source of complaint for many people whose plots are small or of poor quality. Box 2 (above) described two households – one with access to three plots, and another that has access only to a small unproductive piece of land. The two households are from two different clans within the village, one labelled by the sub-headman as ‘pro-chief’ and another labelled ‘anti-chief’.

According to the village sub-headman, the differences in plot sizes can be explained by people moving the stone beacons that mark the plot’s corners. Many people with small plots, however, blame the sub-headman, accusing him of determining the position of the stone beacons himself and ignoring the advice of the agricultural officer. Some households in the village reported that the sub-headman himself allocates plots, with the tacit approval of the tribal council, by-passing the Department of Agriculture, but the sub-headman himself strenuously denied this, insisting that only government officials could legally do so.

The sub-headman in the allocated land himself. He did not use the chain or any mechanism and hence my plot is V shaped. Site allocation is a mess. People by-pass the sub-headman and go straight to the tribal authority.⁵

The old chief used to fine people that he falsely accused of moving their beacons. Sometimes when the owner passes away he would reallocate the site and throw out the surviving members of the family. The sub-headman was part of his schemes.⁶

⁵ Interview with Nowani, Mdudwa village 12/2/2001.

⁶ Interview with Nofo, Mdudwa village 13/2/2001.

Disputes over size and location of plots have led some people to leave the village altogether, especially in cases where houses were located on severe slopes. Some such people requested new sites and claim that the sub-headman was slow to respond to their requests, forcing them to seek plots in other villages. If an occupant decides to vacate a site, and does not intend using it for other purposes such as crop production, there is an agreement in the village that they should hand the site back to the sub-headman who then re-allocates it to another household. Most of the sites that have been vacated are not suitable for residential purposes, but people can apply to the sub-headman to use them for arable purposes.

In recent months, questions have been raised in the village about the role of the elected local government in land allocation. There were claims by some members of the Ingquza Municipality that no land in rural areas could be legally allocated without the consent of the municipality. Their information is based partly on new legislation that shifts a number of development-related responsibilities to the elected authorities and a circular that was sent to municipalities from the provincial government stating that land should not be allocated without the consent of the local municipality. The Ingquza local municipality, however, insisted that, in terms of the draft amendment to the Municipal Structures Act, rural (i.e. communal) land in the municipal area is the responsibility of the tribal authorities and that the municipality only has jurisdiction over land matters in 'urban' (i.e. non-communal) areas. Box 3 (below) illustrates the division of responsibilities between two key agents of local government at Mdudwa, the traditional sub-headman and the elected ward councillor.

Powers in the village are entrusted to institutions that have radically different agendas. As shown above, both tribal authorities and elected councils possess certain powers and are not in a position to completely meet the needs of rural people, thereby forcing an uneasy coexistence and ongoing rivalry between the two.

Land claims

Land claims have been lodged with the Regional Land Claims Commission by the tribal authorities of Siphaheni and Xopozo, each of which is claiming portions of the Bhunga Farm, while Siphaheni is also claiming the Vimbi plantation. Both plantations are currently owned by the state. The Vimbi plantation is managed by the Ingquza local municipality, from which it receives all the revenue. People in Mdudwa want to use their portion of the Bhunga Farm for residential purposes, and retain their current plots for arable purposes: "The government should plant its trees where our houses are located and we should move to where the trees are."⁷

⁷ Interview with Msebenzi, Mdudwa village 13/2/2001.

Box 3: Power struggles between political leaders at Mdudwa

The current sub-headman has long served the village of Mdudwa. He started working closely with one of the former chiefs of Xopozo in 1967. In the days when he was employed he was overseer (induna) of a certain division within his workplace. Being an induna meant power to give instructions and do relatively little work compared to other employees. Because of a physical disability, he returned home where he became a close associate of the then chief. His role as sub-headman of Mdudwa includes land allocation, conflict resolution and management of certain forest resources.

The current ward councillor was also born in Mdudwa. He worked in a number of places, most recently at Port Elizabeth where he stayed for more than 10 years. This is where he was introduced to political organisations and became a member of the United Democratic Movement which was operating in the country when the African National Congress was banned. He lost his job in the 1980s and returned home to run a transportation business. During this period, the struggle in rural areas included opposition to the tribal chiefs, who were closely associated with the homeland regime.

In the early 1990s, the sub-headman and his followers launched an assault on the current ward councillor. They fired shots at his household and, on discovering that there was no one in the house, burnt it down. The councillor went into hiding together with his father for almost a year. They both left their families behind but continued recruiting people for the African National Congress 'underground'. They returned home close to the 1994 elections. In order to avoid detection, he would park his car in the nearby forest (Bhunga Farm), until the day it was discovered by the daughter of the sub-headman and set alight. The councillor is now serving his second term of office in local government.

People in Mdudwa are divided between the institutions of traditional leaders and elected local government. Those who support the current local councillor are labelled by the sub-headman as anti-chief. Some of these people feel that the sub-headman prevented them from acquiring sufficient land. They want the current local councillor to be more involved in land allocation although others want the sub-headman to continue with land allocation and the local councillor to be involved only in development projects.

People in Mdudwa have very little powers to challenge the authority of their sub-headman. Although there is discontent with how he manages certain affairs of the village, such as land allocation, his power has rarely been openly challenged. Those who complain most see the sub-headman as representing a certain clan within the village. There are allegations that he exercises his powers to favour certain households and marginalise others. There is little that the current local councillor can do about the situation. His real powers are in controlling development projects funded by or through the municipalities. In this he is frequently undermined by the sub-headman who, for example, argues that the recent water scheme and the telephone in the village are a waste of money. He even discourages those who are campaigning to have electricity installed in the village by telling them that they will have to pay huge amounts of money once it is installed.

The chiefs of Siphqeni and Xopozo are leading the claims for the return of their ancestral lands, and enjoy widespread support for this within their communities. The claims are supported by the ward councillor.

The national Department of Water Affairs and Forestry (DWAF) is planning to hand over the whole of Bhunga Farm to the Ingquza local municipality. The municipality has stated that it will discourage any relocation to the plantations, which is contrary to the position taken by the ward councillor who sees himself as accountable to the people on the ground who demand direct access to the land. The municipality is planning to use the plantation as a source of revenue but is aware of the likely resistance from the claimants who are demanding full control of any land that is restored to them.

Mdudwa people expect to have land released to them for their own use. DWAF has recently indicated that the Bhunga Farm will be treated similarly to the category C plantations (see below), which are community plantations that will not be privatised. This decision has partly been influenced by the fact that the pine trees in the forest have been removed, making it less of a priority in the privatisation process.

The Siphqeni claimants are planning to use the land around Flagstaff town for development purposes, such as a hospital, a clinic and a handcraft centre (which will be a tourist attraction). They are also planning to produce charcoal within Vimbi forest, and to use a small portion of the land for residential purposes. The chief of Siphqeni claims that Ingquza municipality has agreed on these plans and the two parties will share the proceeds from the plantation but the municipality could not confirm this agreement. The municipality plans to continue using Vimbi as a source of revenue and intends to discourage the use of the land for residential purposes. In their portion of the Bhunga Farm, the Siphqeni community is planning to lease the land to a private forestry company after the land is restored to them, and are planning to use a small area of the Bhunga Farm for residential purposes for people from Ngcungeni village.

The agendas of the different actors in the claim show different forms of accountability. The two tribal authorities and the local councillor, as a resident of Mdudwa village clearly are interested in meeting people's direct needs for land. The Ingquza municipality on the other hand believes that they can expand their forest management operation to increase their revenue if DWAF can give them full control of the Bhunga Farm. The revenue will, they claim, benefit the people of the municipal area at large, but will not address the problem of landlessness of the claimants since the municipality emphasised that it will discourage any land relocation to the Bhunga Farm or Vimbi plantation. Proposals to hand over the Bhunga Farm to the municipality highlights a problem with DWAF's stated commitment to involve adjoining communities in

the management of forests: where consultations are held only with formal institutions and ignore the resource-users themselves.

Wild resources

People in Mdudwa depend heavily on wild resources for their livelihoods. These resources include fuelwood, rushes, thatch grass, and medicinal plants, and are collected from various areas inside and outside the village. Complex arrangements govern the use of resources such as fuelwood and building materials from the different types of forests accessible to people in Mdudwa village: the state-owned plantation (Bhunga Farm), a village plantation, and patches of indigenous forests around the village.

People who want to collect firewood from the state plantation must first get a permit from the Bhunga Farm office, which allows the collection of a single headload of dry wood. Officials monitor the amount and the type of materials that are collected. Fines can be imposed on anyone removing material or found in possession of cutting tools without permission, but this does not deter people from using other means of accessing wood:

I wake up at 5 am to steal fuelwood and building material before the guards come to work. The money which my husband sent to me for building was not enough. I had to steal the building material to finish my house.⁸

Village plantations, mainly composed of black wattle, are under the control of the village sub-headman. Because of their close proximity to the residential areas, there tends to be a shortage of dry wood for firewood. These plantations are mainly used for the collection of building poles, for which people must pay a fee to the sub-headman. People can buy one tree at a cost of R10, which can be used for a number of purposes – fuelwood and poles. The revenue collected for the use of the village plantations is supposed to be paid over to the tribal authority, but some residents of Mdudwa questioned whether this in fact happens. Churches in the village and the school in Mdudwa do not have to pay the fee for the collection of resources from the village plantation.

Patches of indigenous forests are governed by rules set under the 'betterment' scheme. The sub-headman in Mdudwa does not enforce rules for the use of the trees from indigenous forests because people prefer using dry wood from the state plantation to collecting *Acacia Karoo* from patches of indigenous forests in the village. Indigenous trees are difficult to access because of their location. *Acacia Karoo* is mainly used during certain cultural events.

Before the Trust (betterment schemes) there was good fuelwood found from indigenous forests. People were not allowed to collect other tree species. People would be fined by the chief if found collecting trees which were not supposed to be

⁸ Interview with Nowani, Mdudwa village 12/2/2001.

*collected. Now indigenous trees are not valued very much and so they are not looked after.*⁹

Although indigenous forests are not looked after, people still adhere to the rules which were set before the ‘betterment scheme’. People can collect a green tree with thorns but not a green tree without thorns. Indigenous forests are of symbolic importance to a number of families in the village. When a young girl marries in the village, she is expected to collect firewood from the indigenous forest and not from the Bhunga Farm. She collects an amount that will last her new family for a week. This form of ‘initiation’ is enforced by many families but the problem is that the patches of indigenous forest are far from the residential areas and difficult to access because of slopes.

Wild vegetables are also collected from people’s gardens and fields. These are found in summer and people use them to substitute vegetables that they would otherwise buy or grow themselves. Wild fruit are also collected without restrictions when they are available. Other wild resources such as thatch grass, rushes and medicinal plants are collected from around the village, generally at no charge, although some plot-holders charge a fee for collecting grass. People collect thatch grass in winter to sell to others or for use in their own homesteads. People who are skilled in making crafts such as grass platters and grass mats mainly use rushes.

*I sell grass mats, but it’s a new thing for me and I am not making much money yet. I buy the grass from people who have it growing in their plots. This type of grass is scarce in the village.*¹⁰

Medicinal plants, gathered freely from the village lands, are used in almost every household. The most commonly used plants are *umblonyane* (*Artemisia afra*), which is used as a cold remedy; *impepho* (*Helichrysum sp.*), used as a ritual incense and as a cough medicine; and *isicakathi* (*Agapanthus africanus*), used as a purgative. The latter is becoming very scarce in the village because of theft by people from the neighbouring villages. These people sell the plant in Durban where it is in high demand.

Forest privatisation

Privatisation policy poses both threats and opportunities for communities living adjacent to state forests. Privatisation is a national government initiative, part of the wider process of the restructuring of state assets. These assets are being restructured (that is, privatised) with a view to reducing financial losses to the state, stimulating investment, creating opportunities for black entrepreneurs and providing additional

⁹ Interview with Ringini, Mdudwa village 14/2/2001.

¹⁰ Interview with Nosikisi, Mdudwa village 13/2/2001.

employment. Up to 1994, forests in the former Republic of South Africa were run by SAFCOL (South African Forest Company Limited), a parastatal company, while forests in the various homelands were controlled by their respective administrations. People in adjoining communities were not directly involved in the running of forests, but under the new National Forestry Act sustainable management of forests is being promoted through co-management agreements between the state and local communities, particularly in the case of indigenous forests.

Privatisation of state forests is now underway for all category A forests (thousands of hectares, 100% pine) and will soon commence for category B forests (hundreds of hectares, 90% pine). Category C forests (tens of hectares, no pine) will not be privatised but will be handed over to local communities or local government structures. When privatisation takes place, the successful bidder leases the land on which the forest is located from the Department of Land Affairs. Forestry companies are obliged to include members of adjoining communities as shareholders in the consortia bidding for concessions.

When privatisation has taken place in state plantations, there is usually an agreement that adjoining communities will continue collecting firewood and have access to graves and other sites of importance¹¹. The Forest Land Management Unit (FLMU) within DWAF, based in Pretoria, is responsible for ensuring that adjoining communities obtain some form of benefit from the plantations. The DWAF believes that the forestry business needs good relations with the adjoining communities for both economic and security reasons.

The plantations in the Eastern Cape have been divided into Eastern Cape North Package and Eastern Cape South Package, with the former already handed over to the Hans Merensky company. There is only one bidder for the Eastern Cape South Package, Amatola Timber, and the process has not yet been finalised. When forests are privatised, DWAF hands control of the forest first to SAFCOL, in a process referred to as corporatisation. SAFCOL ensures, among other things, that staff do not lose their benefits in the process of privatisation and that government assets are safeguarded during the hand-over process. The privatisation process is being supported by the United Kingdom's Department for International Development (DfID).¹²

In areas such as the Eastern Cape North Package (from Umtata to Mzimkhulu) where privatisation of state forests has been completed, a number of adjoining communities that have restitution claims on the land have become shareholders in the forestry company and share in the

¹¹ Interview with the Forestry Regional Director, DWAF, Eastern Cape Regional Office 6/8/2001.

¹² Interview with the Forestry Regional Director, DWAF, Eastern Cape Regional Office 6/8/2001.

profits.¹³ The Trust that represents the communities sits on the board of the new consortium and can, according to DWAF, complain to FLMU if there are irregularities.¹⁴

The Hans Merensky company is initiating a number of community projects in its area of operation in order to ensure good relations with surrounding communities. This, the company believes, will reduce the chances of damage or theft in the forests. The company also hopes that by encouraging land sharing arrangements, and by providing a range of benefits to communities, land claimants will see the benefits of continuing commercial forestry production on the land should their land claims be successful. An example of such an arrangement is an agreement that livestock from the neighbouring communities can graze in designated areas within the forest.¹⁵

Water

People of Mdudwa have traditionally obtained their water for domestic purposes from a number of unprotected streams and springs around the village. These sources are considered very reliable and do not dry up even in times of drought. No efforts have been made to protect the water points or the streams that supply them. Some people complain that people washing clothes upstream occasionally contaminate the water. Livestock are watered from the same sources, but usually downstream from the domestic supply points, and there appeared to be little concern about water-borne diseases in the village. The most common complain about water in the village was the distance to the water points and the effort of carrying containers up the slopes to the residential areas.

A water scheme was implemented in the Mdudwa area in 2001 to supply piped water to a number of standpipes at a cost of around R200,000. The scheme was initiated under the former Wild Coast District Council and completed by the Alfred Nzo District Municipality, which took over many of the functions of the former council, even though Mdudwa falls under the O.R. Tambo District Municipality. This was because O.R. Tambo was created as a entirely new structure, based in Umtata, and Alfred Nzo was in a better position to complete the projects initiated under the former Wild Coast District Council. The project was implemented by a private company contracted by the council. The company, Thari ea None, consisted of social and technical consultants. A social consultant (who in Mdudwa village is known only by her first name), represents the project implementers in all dealings with members of the village and the village water committee.

¹³ Interviews with the former Chief Directory and Deputy Directory, DWAF, Eastern Cape Regional Office 4/1/2001.

¹⁴ Interview with the Forestry Regional Director, DWAF, Eastern Cape Regional Office 6/8/2001.

¹⁵ Interview with a senior official, Hans Merensky 3/12/2001.

A water committee was formed at the outset of the project, consisting of nine members from the three villages being served - four from Mdudwa, three from Mtshekweni and two from Kuwait. To date, the scheme has only been implemented in Mdudwa village because of financial constraints, and Mtshekweni and Kuwait villages have to wait for a further budgetary allocation. Budgets are allocated based on the number of households in each village. A committee that was appointed to count the number of households made an error of only counting those of Mdudwa village and hence Mtshekweni and Kuwait were left out. Their situation cannot be reviewed by the Alfred Nzo district municipality because the area is now under the O.R. Tambo district municipality, which must now make its own allocations to complete the project.

The social consultant from Thari ea Ntse advises the water committee members on their responsibilities.¹⁶ Local people were involved in the construction stage as employees to dig trenches for the water pipes, and the committee is supposed to oversee the operation of the scheme once it is up and running.

While the physical construction of the scheme is now complete, little progress has been made in developing systems to manage the water use and the maintenance of the infrastructure. Villagers have been informed that they will be able to use the water for cooking and drinking, but not for irrigation or washing of big items such as blankets, since these require a lot of water. On the financial side, the committee was advised by the consultant from Thari ea Ntse that all households in Mdudwa must make a monthly contribution of R5 toward the maintenance of the system. This figure was decided on the basis of what it was thought people would be willing to pay, rather than on the basis of any estimates of the real costs of operation and maintenance of the system. As yet, no measures have been put in place to deal with households that fail to pay. Some households have been paying and others refusing to pay because the standpipes are not close to their homesteads and they prefer to use their traditional water sources. So far only R200 has been collected.¹⁷ Some of this money has only been used to buy stationery for the committee.

People at Mdudwa feel that the water scheme does not confer a lot of benefits because water was not scarce and therefore not a priority issue for them. The scheme will mainly benefit those living close to the standpipes, and many who are closer to the old water sources say that they will continue using these. One area of improvement, however, has been the cleanliness of the water. Standpipes have been protected with concrete stands and brick tanks have been built to store water in case of a breakdown in the pumps. Varying perceptions of the scheme have meant

¹⁶ Interviews with the Social Consultant of Thari ea Ntse, Kokstad 12/8/2001 and 18/4/2002.

¹⁷ Interview with a member of the village water committee, Mdudwa village 19/4/2002.

that some people have been reluctant to pay the R5 water levy either because the standpipes are not useful to them or because they have been told they cannot use them for activities such as washing blankets, irrigating vegetable plots or for preparation of cultural feasts which require large volumes of water. Another factor has been that, to date, some standpipes are working while others are dry, and people are insisting that they will only pay once water is supplied to standpipes closer to them. Out of seven taps in the village, only three are working properly. The spring which supplies two of the non-functioning taps dries up quickly, with the consulting agent blaming the local people who identified the spring. Two other taps are leaking, while the pump supplying a fifth was not properly installed and quickly broke down. According to the constitution of the Gcinilifu Water Project, people who fail to pay for more than three months will be fine R10 for each month they default. People who are not willing to pay at all will be fined R50, although how this will be enforced in practice is far from clear.

Overall, there is a positive feeling in the village towards the water scheme. People from different factions within the village have worked together on the water committee and have even intervened to try to solve a case involving the theft of material used in the construction of the scheme. The water committee launched a door-to-door investigation to find the stolen building material. When they reached the house of the alleged culprit, and asked her to produce proof for the bricks they found in her yard, she replied that she does not keep receipts for goods she purchases. Both the local councillor and the sub-headman are ex-officio members of the water committee and members of the disciplinary committee, but neither were willing to take action against the culprit – a powerful woman in the community – and so the matter went unresolved. Nonetheless, the progress that has been made with the water scheme represents an important step for villagers who are learning to manage development in their area in a new, participatory manner.

Water delivery: actors and powers

Shifting the responsibility for water services, as part of the wider process of decentralisation, has had several problems. DWAF has for some time now been attempting to transfer all water schemes in the Wild Coast area to the local authorities, but municipalities are resisting this because many of the schemes are in disrepair or no longer functioning. They are calling for DWAF to ensure that the schemes are operating first.¹⁸ In terms of recent changes in legislation, district municipalities are to take over the role of water services authorities previously played by DWAF. DWAF is expected to transfer all funds for implementation of new water schemes as well as operation and maintenance of all schemes to the municipalities. However, according to O.R. Tambo and Alfred Nzo, the department has been delaying until the municipalities agree to take responsibility for all

¹⁸ Interview with the CEO, Alfred Nzo district municipality 18/4/2002.

existing schemes. DWAF has also argued that these district municipalities lack what they call 'implement agent status', that is, the ability to contract with consultants, monitor projects and exercise proper financial controls. The Eastern Cape regional office of DWAF has been allocated R278 million for the 2001 financial year and of that only R15 million had been used in water projects because DWAF wants to enter into a legally binding agreement with the district municipalities before handing over the funds. Of the six district municipalities in the Eastern Cape, only one had signed the agreement by mid-2001. Later in the year, all the district municipalities signed the agreement, with an understanding that DWAF would ensure that all existing schemes are fully operating before they are transferred.¹⁹ A top official in one of the district municipalities stated that they have signed because they needed the money but have made it clear to DWAF that the Division of Revenue Act does not require them to sign anything in order for funds to be transferred to them. These municipalities have been calling on DWAF to give them the funds to which they are entitled so that they can carry out much needed work.

Up to 2001, DWAF worked directly with the Amanz'abantu consortium under the BoTT programme. The BoTT programme was implemented to accelerate water services delivery but has been labelled as expensive and wasteful by the district municipalities. The eight BoTT schemes in Alfred Nzo area are to be gradually handed over to the district municipality. Indications are that all BoTT projects in the area will be completed in three years time. The district municipalities are concerned that Amanz'abantu spends unnecessary time in a project doing feasibility studies and directly operating the project. In one case, it was reported that the training component of the programme took place more than two years after the scheme had begun operation.²⁰ The fact that DWAF continues to work directly with private companies has made Alfred Nzo and O.R. Tambo district municipalities unhappy because they are now, officially, water service authorities. Projects that are currently being implemented through the district municipalities are funded from the 'equitable share' budget that municipalities receive directly from the national government, without any involvement of DWAF. Recently, the 'equitable share' budget has been redirected from the district municipalities to the local municipalities. This is confusing to the district municipalities because they are the water services authority and need resources to meet their obligations but the funds have now been allocated directly to the local municipalities. They are now planning to charge the local municipalities in cases where they operate and maintain schemes, but the system of funding and overall responsibility for water matters remains very confusing to many of the officials and public representatives concerned. Given that the equitable share budget is given to local municipalities as opposed to district municipalities as was the

¹⁹ Interviews with the regional Deputy Direct, Water Services Directorate, DWAF 7/8/2001 and 17/4/2002.

²⁰ Interview with a senior official, Alfred Nzo district municipality 18/4/2001.

case before, Alfred Nzo district municipality is planning to charge local municipalities in its jurisdiction for services they render on their behalf.

The critical issue facing water schemes in the Eastern Cape is their maintenance. Many scheme have now been implemented but few are operating as intended, mainly due to poor maintenance. This, in turn, is widely attributed to the general lack of a sense of ownership among users, with the schemes being widely viewed as government property.²¹ People in Mdudwa are still waiting for ‘the government’ to come and make their scheme function properly and unless this happens it appears unlikely that the standpipes will operate as intended.

This case study has shown that initial decentralisations have added to the range of institutions and forms of authority with which rural people have to deal with, and have not necessarily improved or simplified access to natural resources. Different resources are controlled by different institutional arrangements, which forces people to use different strategies to access these resources. Authority over assets that are crucial for people’s livelihoods is held by institutions that are not necessarily serving the interests of the broader rural population or accountable to them. Tribal authority over land has not been democratised, which raises questions regarding traditional leaders’ accountable to the community they serve. Many people were expecting the elected local council to be involved in land allocation, but this has not been the case. The expectations of those marginalised in the past by the tribal authorities are unlikely to be met by the developmental local government because elected local government authorities have little or no control over key issues such as residential or agricultural land.

Conclusion

This study has investigated the impact of state policies in one part of Eastern Cape province, with particular emphasis on the changing roles of institutions of local governance and the management of natural resources. The ongoing process of decentralisation, coupled with major policy developments in land and water sectors, is undoubtedly altering the mechanisms through which rural people gain access to key assets and services, but it is still too early to judge the impact of such changes on people’s livelihoods.

The process of decentralisation consists of two main elements: the creation of an entirely new set of local government institutions and the delegation of certain powers and funds from other spheres of

²¹ Interviews with CEO, Alfred Nzo 9/3/2001; Regional Deputy Director, Water Services Directorate, DWAF 7/8/2001 and 17/4/2002; interviews with official of Amanz’abantu 6/3/2001 and 19/4/2002.

government to these new institutions. In the rural areas, and especially in the former Bantustans such as the Transkei, this amounts to a mini-revolution, both in terms of the range of functions now being carried out by government at a local level and in terms of the relationship between government and people. For the first time ever, people in the Transkei can engage directly with democratically elected local representatives around issues of direct importance to their daily lives, including water services and road construction.

The creation of a new system of democratic local government has, not surprisingly, been a slow and difficult process, particularly in the rural areas. The so-called transitional phase of local government reform (1995-2000) was an important period during which key elements of the decentralisation process were developed. Notable in this regard were the passing of enabling legislation such as the Municipal Structures act of 1998 and the Division of Revenue Act of 1999, the 'unbundling' of functions within national government departments in preparation for the delegation of certain powers, and the induction of a cadre of new elected representatives and officials. The redrawing of municipal boundaries and restructuring of councils at both local and district levels in 2000 marked a new stage in the evolution of local government in South Africa. However, the restructuring brought a new round of institutional upheaval and considerable discontinuities as many of the former transitional structures were abolished and new structures, with new offices, new staff and new areas of jurisdiction, came into being. In the area of the Wild Coast, these changes were particularly dramatic. The former Wild Coast District Council was abolished and its territory subsumed into the new, and much larger, District Municipalities of O.R. Tambo and Alfred Nzo. Thus, despite five years of transition, the system of local government encountered in the course of this study (January 2001 to March 2002) was effectively a new one that was still struggling to establish offices, appoint personnel and carry out even the most basic functions.

The difficulty of establishing a new system of local elected local government in the rural areas has been greatly exacerbated by the presence of tribal authorities, which continue to operate in much the same way as they did in the pre-democratic era. Both traditional leaders and elected local representatives interviewed during this study expressed frustration at the lack of clarity regarding the functions of their respective institutions and the lack of guidance being provided by national government. Undoubtedly, the major differences between these institutions, especially in terms of the levels of resources available to them and the manner in which they engage with other institutions of state will, over time, increasingly distinguish them from each other. In the meantime, however, and probably for some years to come, this lack of clarity will be experienced at the local level in the form of rivalry between chiefs and councillors, deadlock and delays around development initiatives and, as in the case of Mdudwa village, reinforcing existing divisions within communities as people are forced to take sides.

It has yet to be seen to what extent the current decentralisation process has shifted political and institutional power. The resources and responsibilities vested in the local sphere of government continue to be set largely by other spheres of government, particularly line departments at provincial and national levels, such as Water Affairs, Public Works and Housing. The findings of this study suggest that the actual transfer of even the limited powers already agreed to is beset by a range of problems, including very real issues of institutional inexperience and lack of capacity, but also less tangible issues of institutional foot-dragging on the part of certain line departments. A high degree of rivalry and uncertainty would also appear to exist within the sphere of local government, particularly between the directly-elected Local Municipalities and the indirectly-elected District Municipalities. Here, too, central government stands accused failing to clarify the precise division of responsibilities and not devising a precise timetable for the transfer of certain powers from the district to the local level.

Relying on line departments for financial resources has proved difficult. Fast (1998: 310) argues that it is “unfortunate and ironic” that a sphere of government closest to people will be the first to be blamed by the rural populations for lack of delivery. Local government in rural areas carries a ‘double burden’ that of high cost of service provision and the fact that it is highly unlikely for them to raise enough funds because the constituencies they serve are poor. Many of the problems associated with local government have their sources in other levels of government. However it is local government that is closer to people and tends to be blamed for lack of delivery. This situation can undermine local government’s legitimacy to people, while other levels of government that do not have the same direct relationship with the electorate are effectively shielded from such criticism.

Two critical and closely related issues arising from the current decentralisation process in South Africa are the degree of autonomy enjoyed by new local-level institutions, and the accountability of those institutions to the electorate. During the current period of transition and institutional establishment it is clear that the agenda of local government structures is being set largely by higher-level bodies, leaving little room for independent decision-making or priority setting by local councils. The legislative framework allows for local-level planning, in the form of Integrated Development Plans, but it remains to be seen to what degree local councils, especially in rural areas, can devise plans that reflect the particular needs of their own areas and extract the necessary resources from an array of government departments and funding agencies. The chronic poverty prevailing in areas such as the Wild Coast translates into an exceptionally weak and unreliable revenue base for local government, ensuring that municipalities in such areas will remain disproportionately dependent on other spheres of government. This weakness, coupled with exceptionally high backlogs in areas of basic infrastructure and services, is

likely to severely limit the scope of municipalities for independent action for many years to come.

Despite these institutional constraints, the political importance of elected local government in rural areas should not be underestimated. Ward councillors serving on local municipalities are the only elected representatives in the country representing defined constituencies, on a one-to-one basis. Councillors are thus not only the most accessible and best-know form of public representatives for most voters, they are in effect the only ones that are personally and directly accountable to the public. Such accountability does not, of course, guarantee the effectiveness of public representatives but, as the case of Mdudwa demonstrates, it can create a valuable and direct link between local government and the communities they serve. During the current set-up phase of rural local government, there has been little scope for debate around the types of activities and the priorities pursued by municipalities. While rural communities are being mobilised on an unprecedented scale to participate in local-level planning and project implementation, there is little evidence that the electorate has yet been able to influence policy at the municipality level. Whether this will come with the maturation of local government institutions and increased understanding of their operation at the popular level remains to be seen.

The links between the current decentralisation process, the management of natural resources and the livelihoods of the rural poor are extremely complex and often unclear. Elected local government is virtually excluded from any involvement in key areas such as land administration, forestry privatisation and management of wild resources. Even for water services – the most conscious example of ‘development’ in a village such as Mdudwa – the role of local government is not entirely clear. Key powers continue to be exercised by national government line departments (DWAF in this case), by the indirectly elected (and largely unaccountable) district municipalities and by private contractors. The ability of people directly affected by such development to positively influence the process – in terms of the design of the village water scheme, for example – appears to be extremely limited, despite the creation of local water committees and, more recently, ward committees.

In the case of state forests, the introduction of large private companies, through deals made with a national government department in Pretoria, clearly runs counter to the dominant discourse of participation and local accountability. The virtual exclusion of elected local government structures from the forestry privatisation process raises serious concerns about the representation of local communities and the role of local government in local economic development.

The failure by the state to deal decisively with the question of traditional leaders and tribal authorities creates an ongoing dilemma for these institutions, for the newly established local municipalities, and for the

communities caught in the middle. Nowhere is this more evident than with the question of communal land. The breakdown of the apartheid-era system of land administration, involving the tribal authorities, agricultural officials and local magistrates, has left land occupiers feeling insecure and uncertain of their rights. The evidence from Mdudwa suggests that within this policy vacuum allocation of land is becoming more contentious and increasingly subject to manipulation by powerful individuals. Continuing uncertainty around the control of land has also fuelled the ongoing rivalry between tribal authorities and elected local government. The rivalry distracts attention from, and ultimately delays, more pressing matters of local development. Without clear rights of the occupiers of communal land, and without clear powers of local institutions to deal with land matters, it is most unlikely that the decentralisation process can meet its objective of creating a development-oriented system of local government that can impact positively on the livelihoods of rural people.

Despite the changing political landscape, and the loss of certain powers and privileges, it is likely that the system of village governance, based on village assemblies, and currently dominated by traditional leaders and tribal authorities, will survive in one form or another for a long time to come. The recent introduction of a system of elected local government, often seen as a potential replacement for older ('traditional', or 'undemocratic') forms of local governance, in reality represents something quite different. As the Mdudwa case study shows, elected local government engages intermittently with local communities around specific technical issues, such as the implementation of a water scheme. For much of the rest of the time, however, elected local government is represented by a single, overworked councillor, who struggles to visit many villages within his ward. While the creation of ward committees may go some way towards strengthening the presence of local government at a village level, such committees are unlikely to be fully representative or democratic (there are no plans for direct elections, for example) and are likely to be dominated by supporters of the leading political party (in this case, the African National Congress). The issues of concern to ward committees are likely to be limited largely to technical functions, such as development projects, and, if recent experiences with local government transformation are a guide, are likely to set their agendas according to priorities handed down from higher levels of government more than local needs. The system of village and tribal governance, on the other hand, despite the corrupting influence of colonialism and apartheid, is based on a vibrant tradition of local self-governance, a form of direct democracy (albeit discriminatory in many ways) that is capable of dealing with an open-ended range of social and economic issues of direct importance to local people, and is imbued with a high symbolic value. Clearly the system of tribal authorities inherited from apartheid is incompatible with the democratic values of the South African constitution and should be urgently reformed. The modern, or technocratic, system of government represented by municipalities cannot



hope to replace long-standing traditions of local governance, and so the challenge facing rural local government is to find ways in which the resources and authority of the state can be combined with the system of village governance in ways that build on the best elements of each.

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