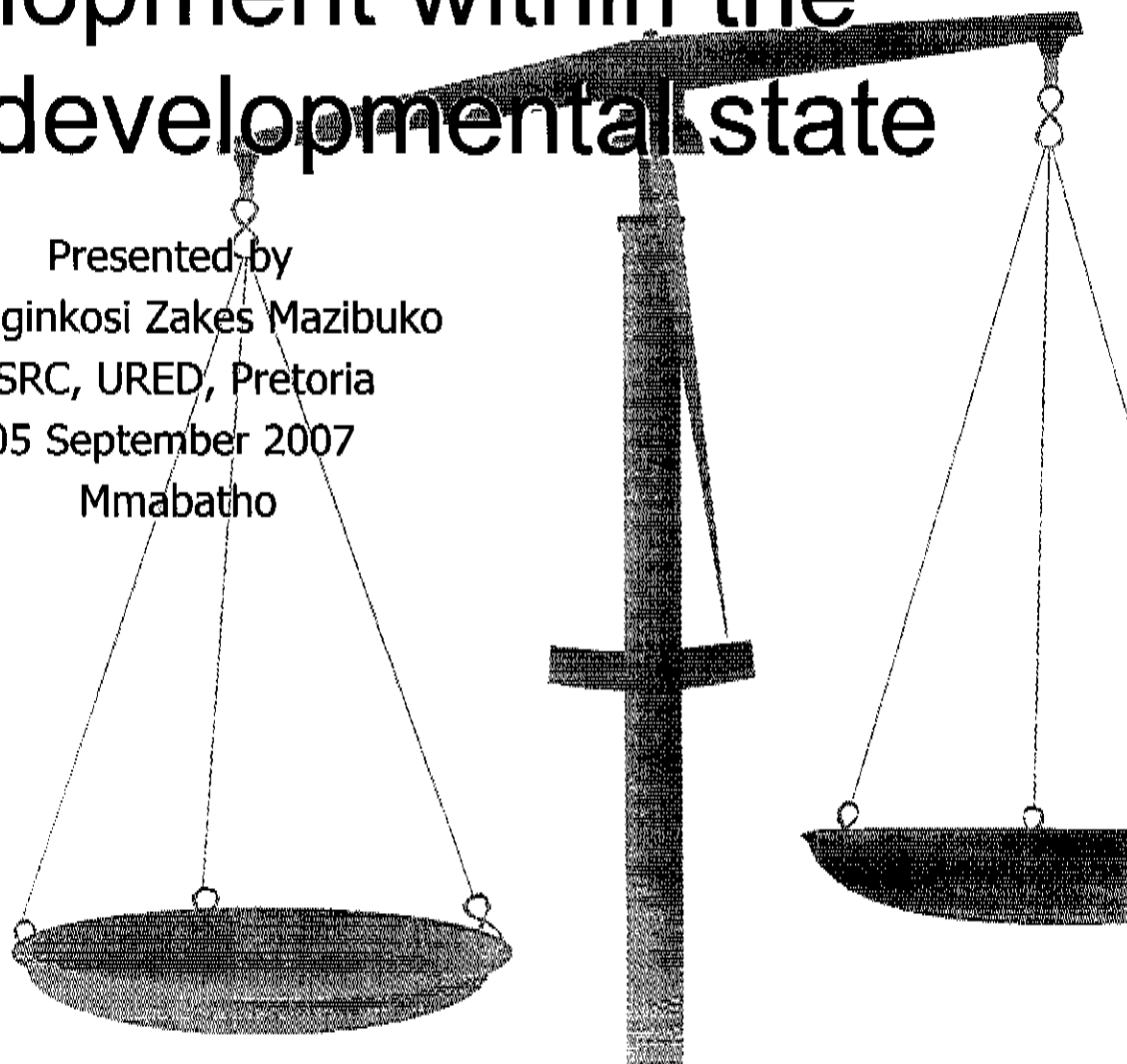


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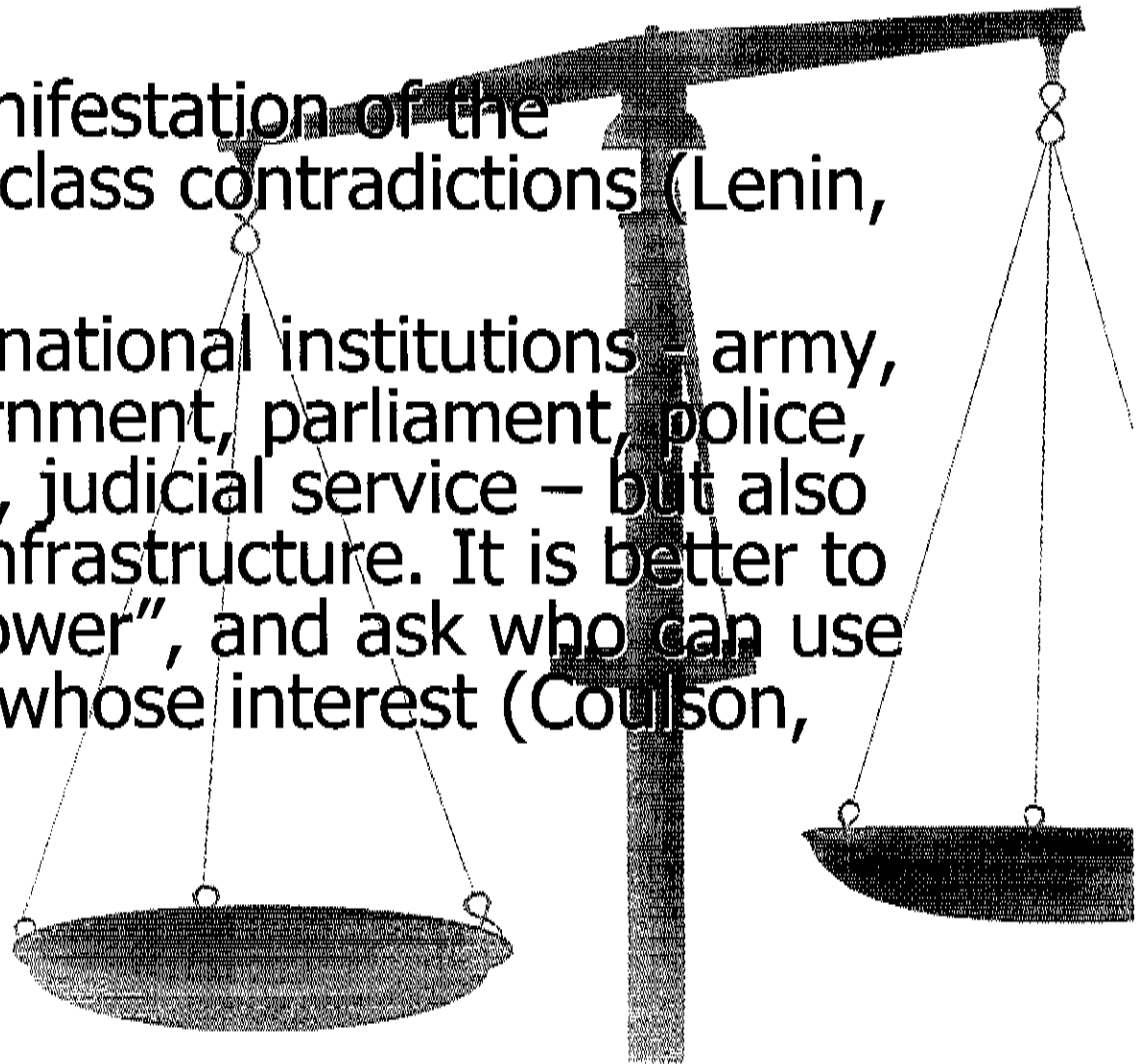
# Rural development within the context of a developmental state

Presented by  
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05 September 2007  
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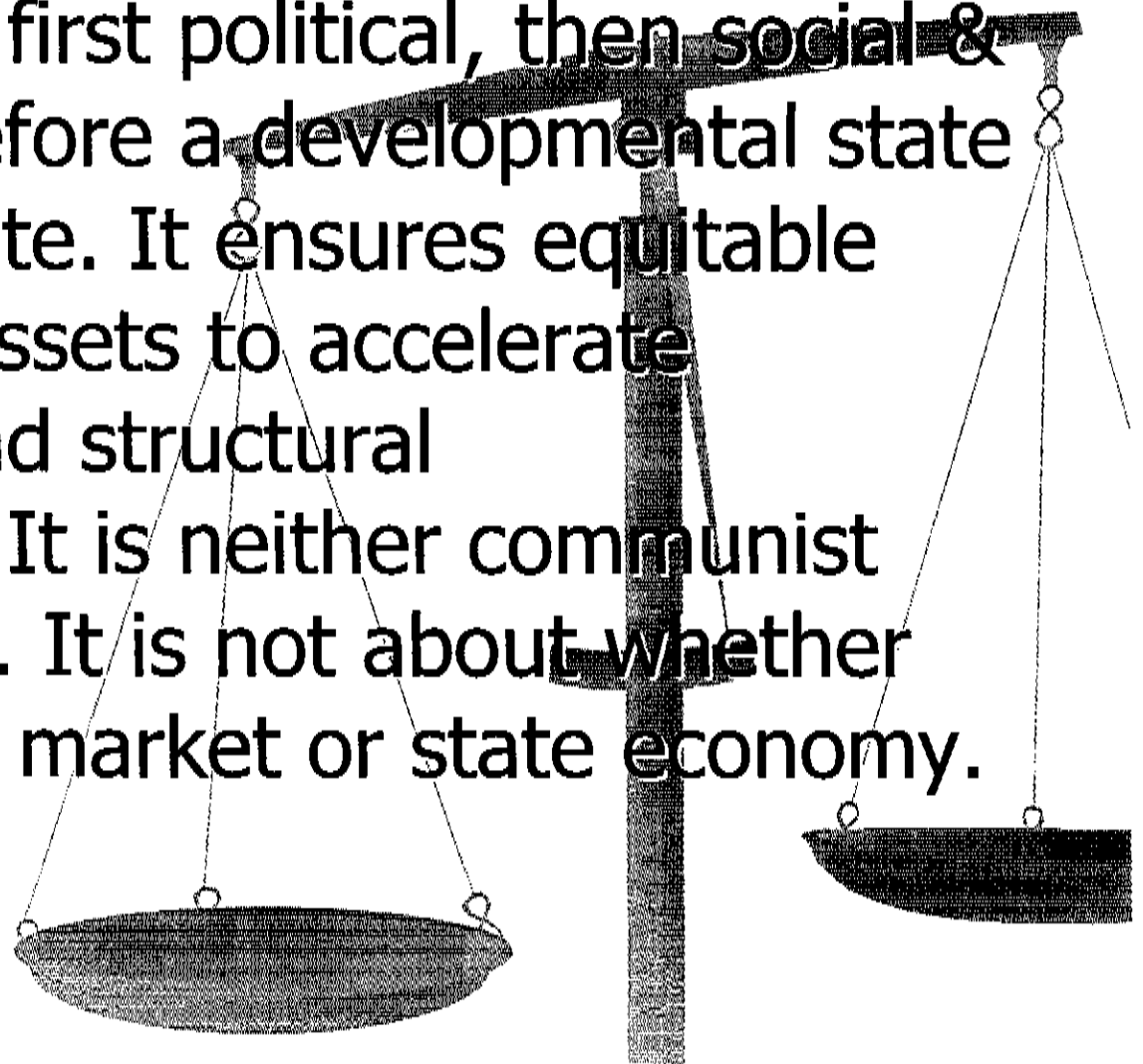
## Defining the state

- An instrument of class domination, an organ for the oppression of one class by another (Marx in McLellan, 1971)
- A product and manifestation of the irreconcilability of class contradictions (Lenin, 1976)
- Term covering all national institutions – army, civil service, government, parliament, police, state corporations, judicial service – but also economic, social infrastructure. It is better to use term “state power”, and ask who can use this power and in whose interest (Coulson, 1982)



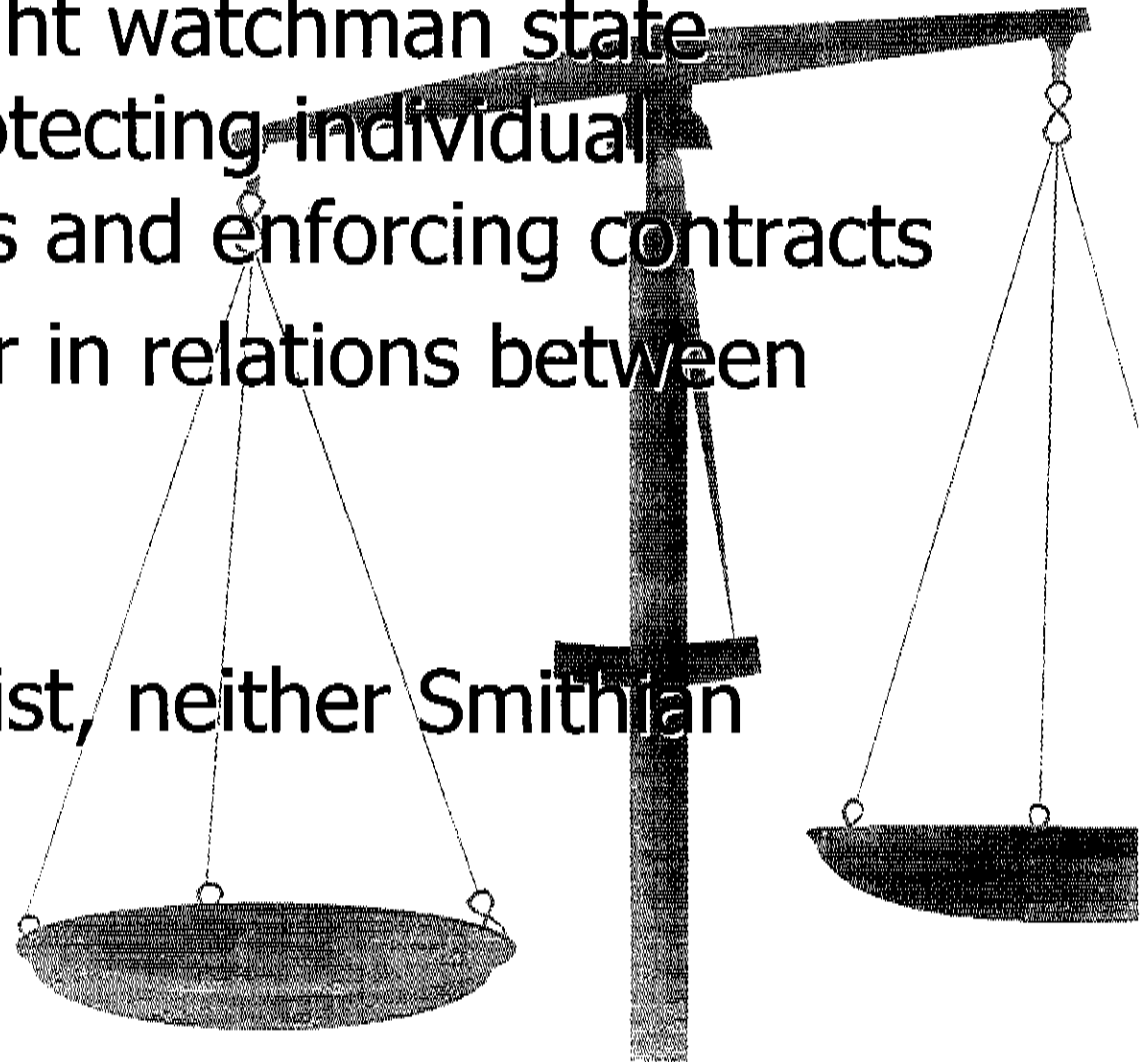
# Defining a developmental state

- Development is first political, then social & economic, therefore a developmental state is an activist state. It ensures equitable distribution of assets to accelerate development and structural transformation. It is neither communist nor *laissez faire*. It is not about whether there should be market or state economy.



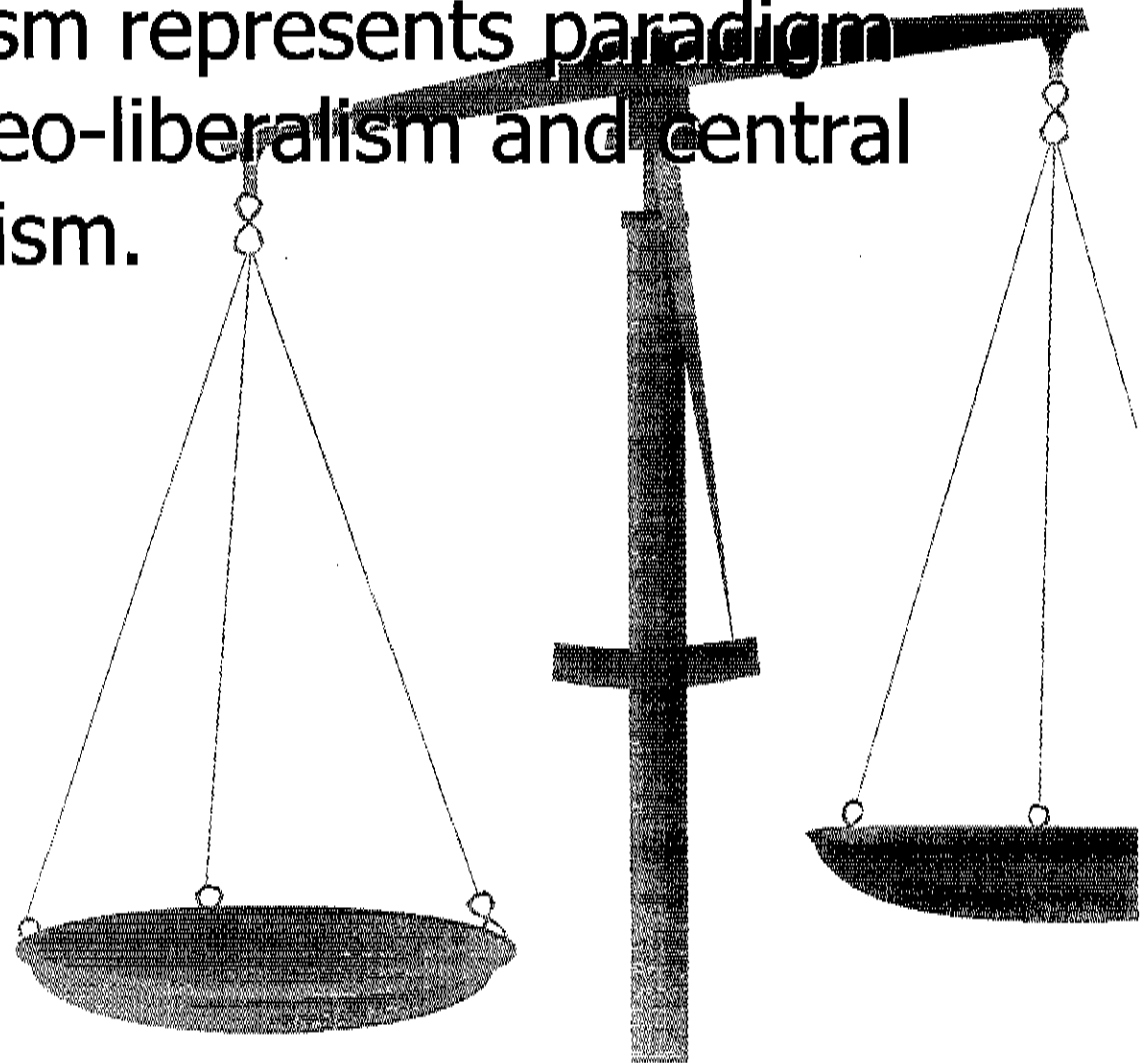
# A developmental state is not ...

- A minimalist night watchman state restricted to protecting individual & property rights and enforcing contracts
- A neutral arbiter in relations between labour & capital
- Undemocratic
- Lennist or Marxist, neither Smithian



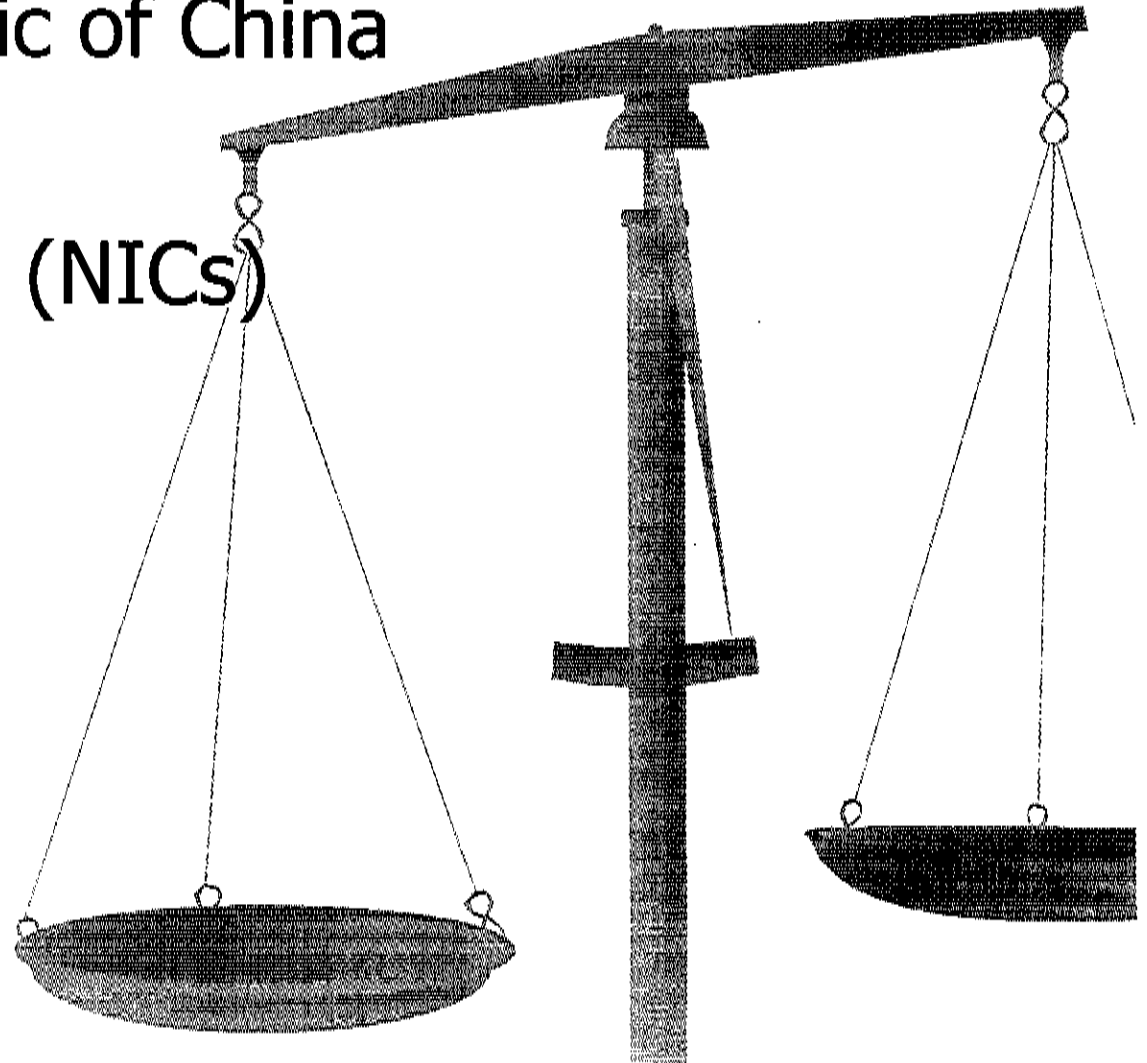
# Paradigm shift

- Developmentalism represents paradigm shift between neo-liberalism and central planning/ socialism.



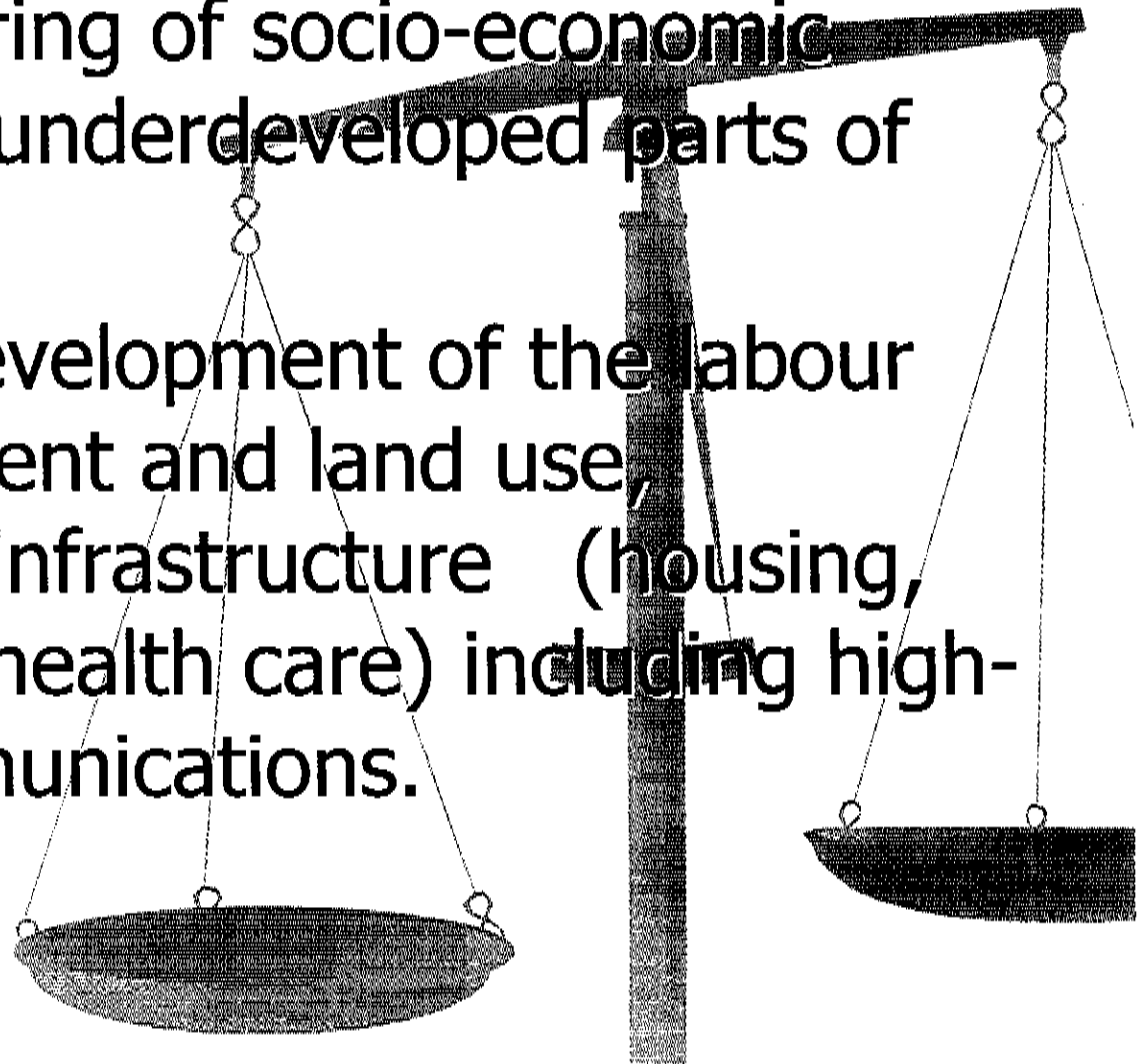
# Examples of developmental states

- People's Republic of China
- Japan
- Korea & Taiwan (NICs)



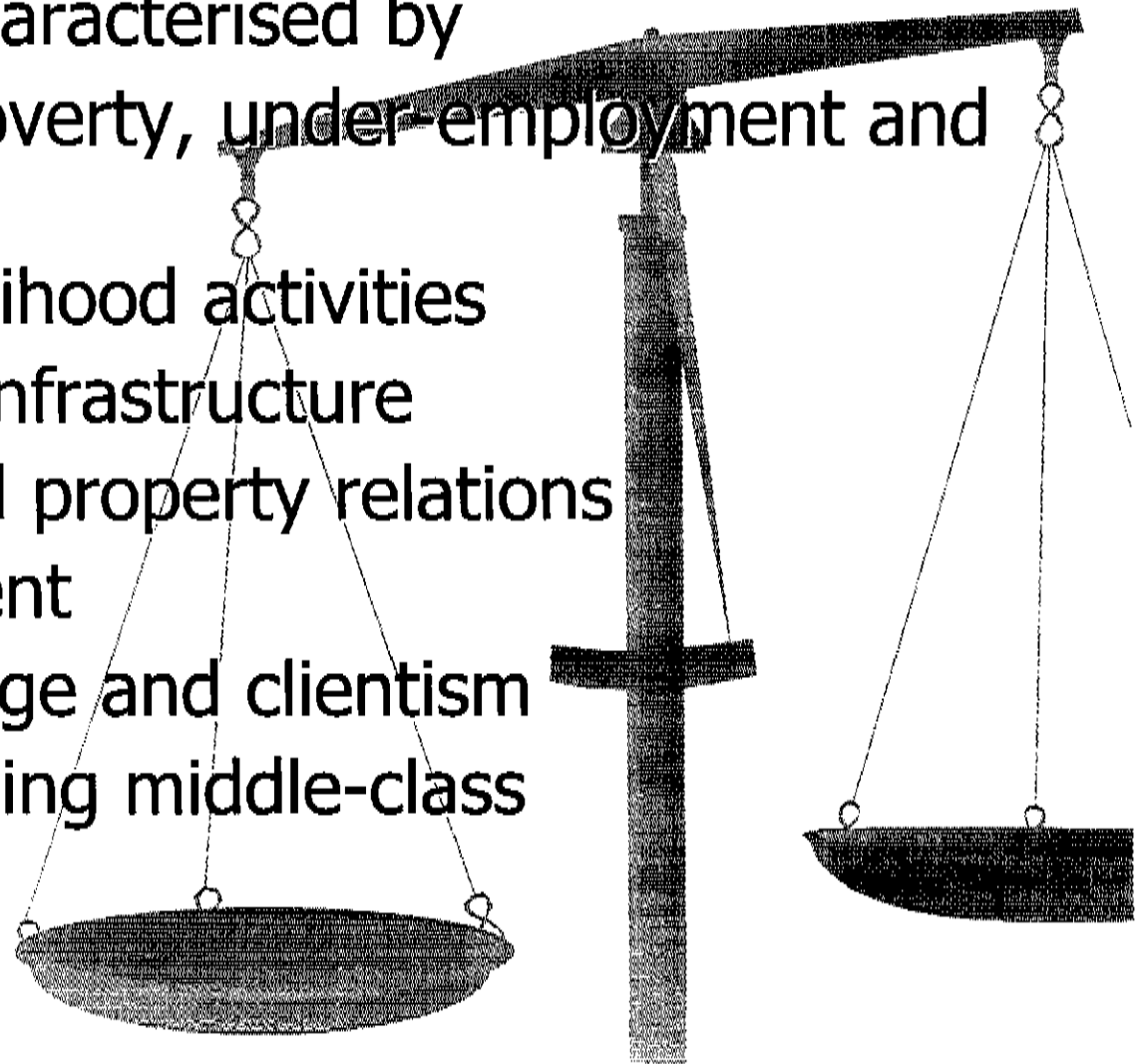
# Rural development

- Is the restructuring of socio-economic relations in the underdeveloped parts of the country.
- Refers to the development of the labour force, environment and land use, education, and infrastructure (housing, transportation, health care) including high-speed telecommunications.



# Why rural development?

- Rural areas are characterised by
  - high levels of poverty, under-employment and unemployment
  - subsistence livelihood activities
  - poor or lack of infrastructure
  - severely skewed property relations
  - lack of investment
  - political patronage and clientism
  - lack of enterprising middle-class





# What is SA doing?

## ■ State institutions

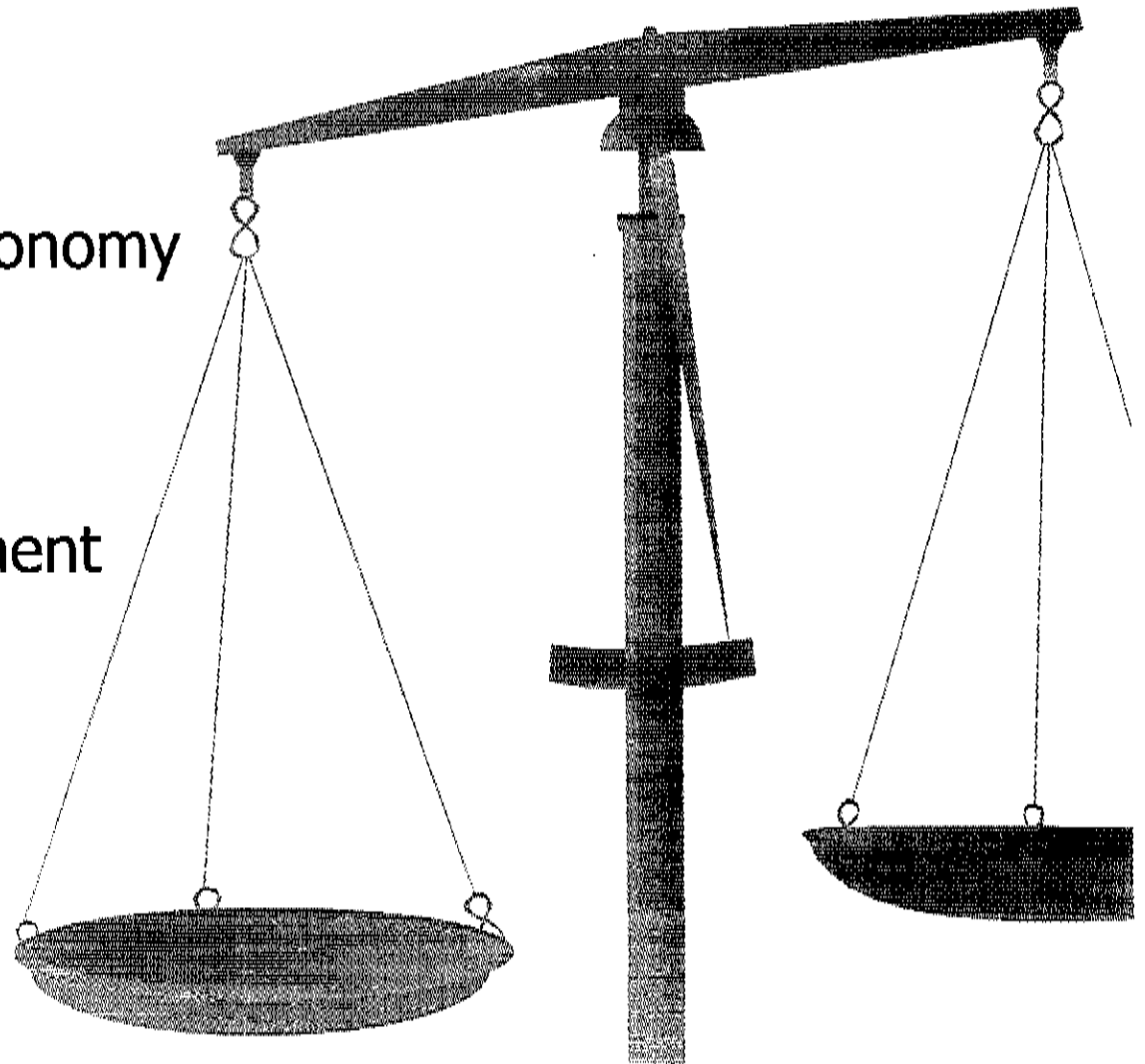
- IDC
- Land Bank
- DBSA

## EPWP

- Intervention in 2<sup>nd</sup> economy
- ECD
- Home-based Care

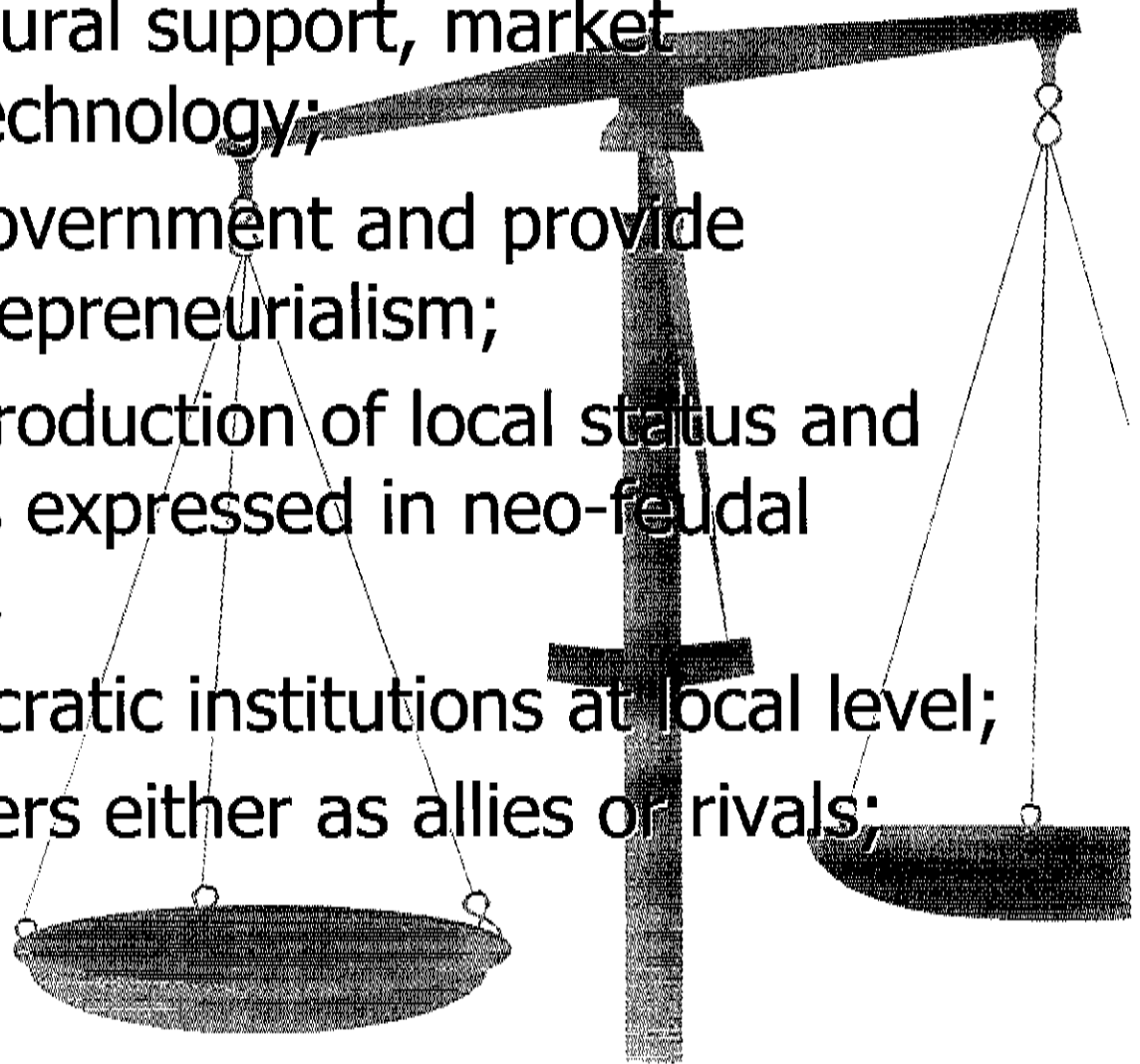
## AsgiSA and JIPSA

- infrastructure investment
- skills development



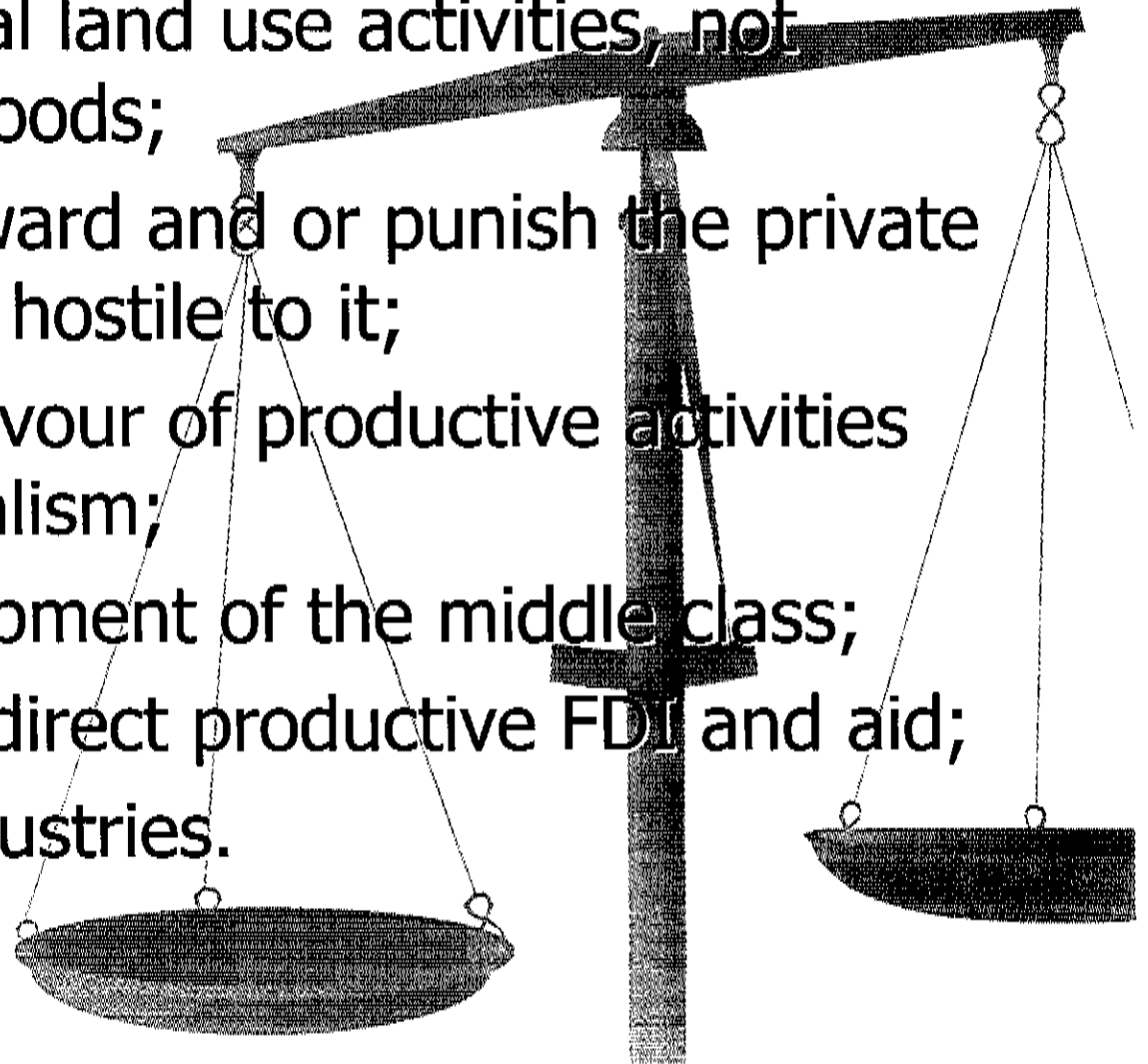
## Role of developmental state in rural development: Transform political economy

- Provide infrastructural support, market information and technology;
- Capacitate local government and provide incentives for entrepreneurialism;
- Guard against reproduction of local status and power relations as expressed in neo-feudal property relations;
- Build stable democratic institutions at local level;
- Engage rural leaders either as allies or rivals;



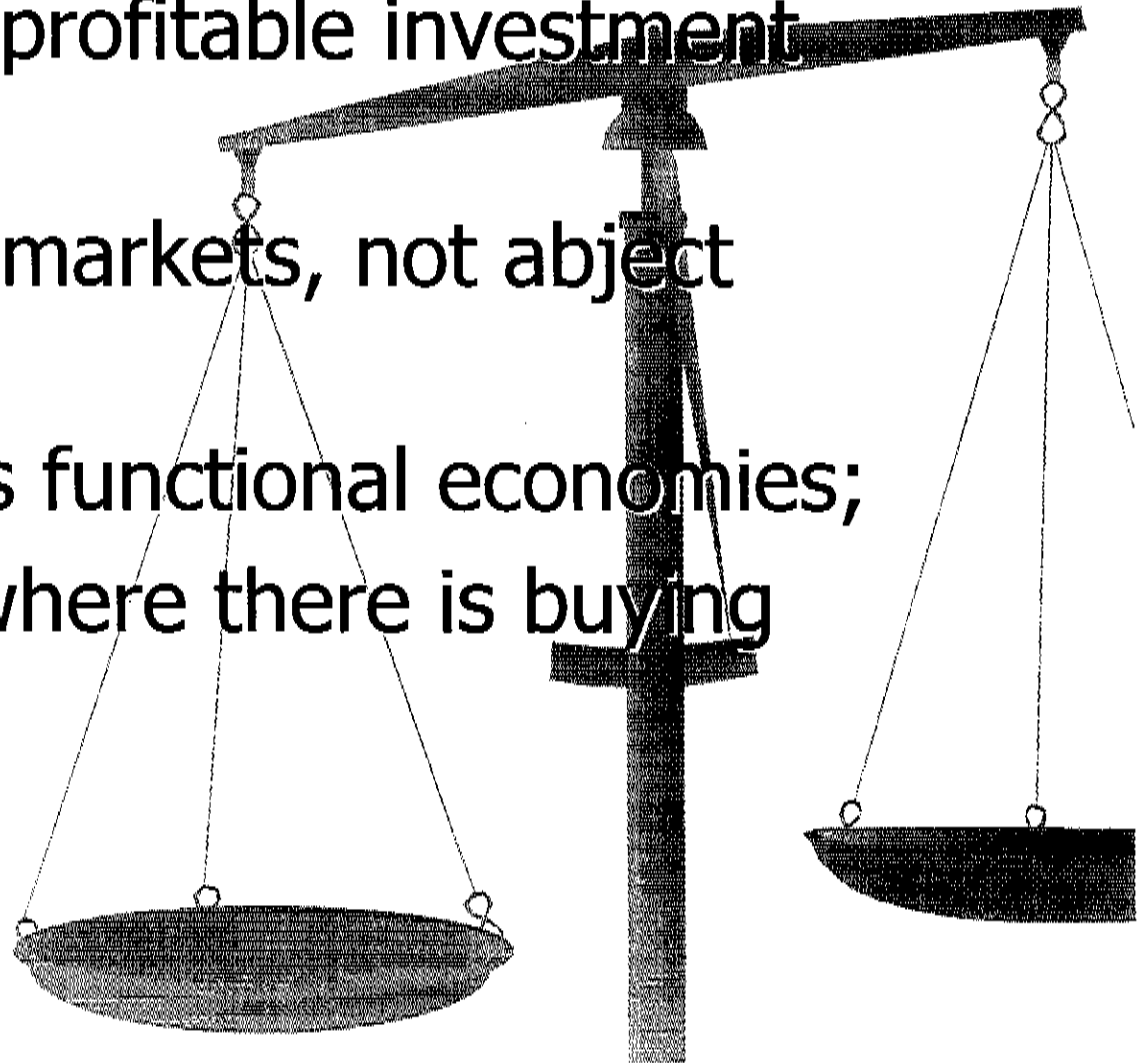
# Role (cont...)

- Create commercial land use activities, not subsistence livelihoods;
- Have ability to reward and or punish the private sector, but not be hostile to it;
- Change rules in favour of productive activities and developmentalism;
- Encourage development of the middle class;
- Encourage and redirect productive FDI and aid;
- Support infant industries.



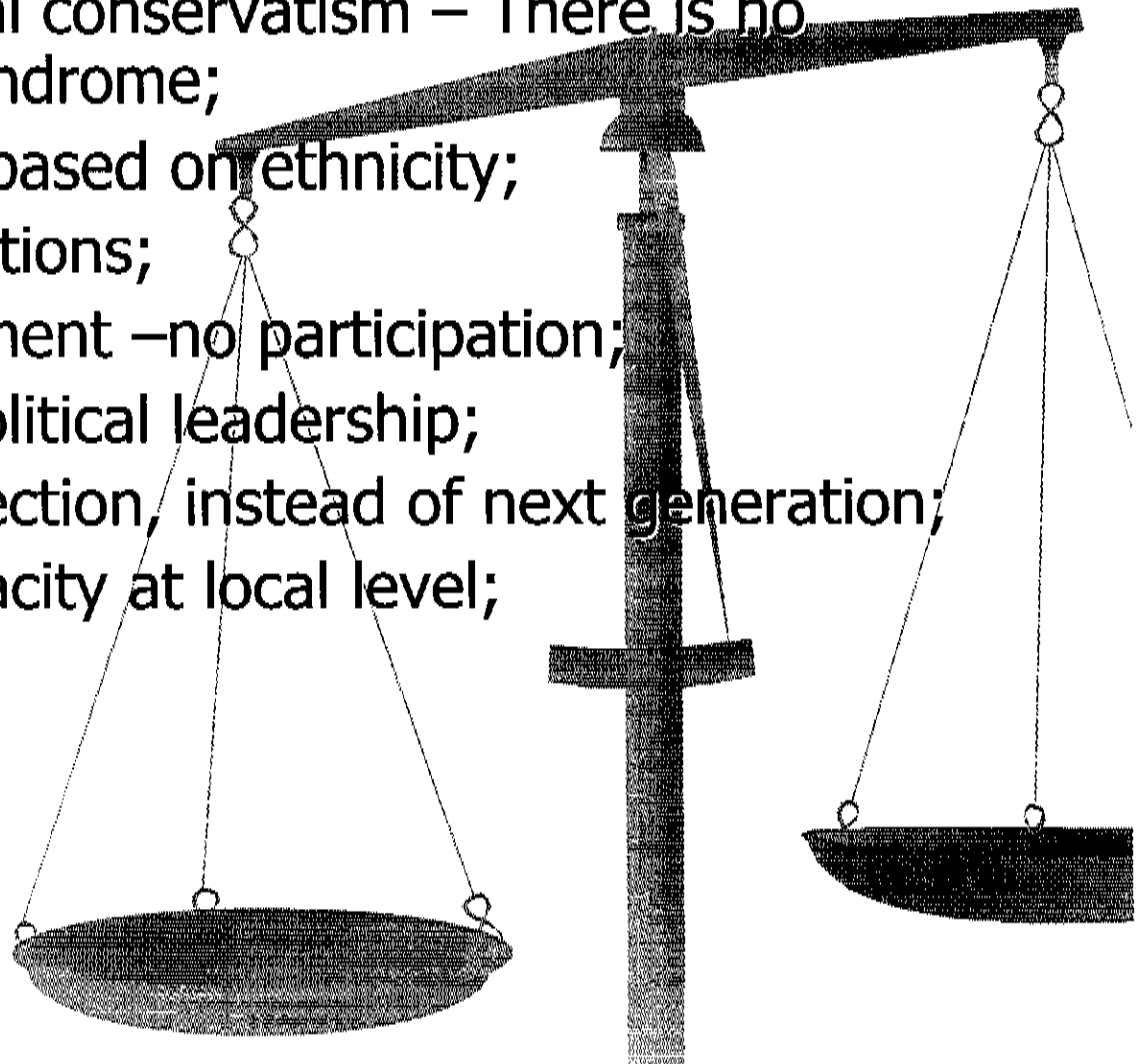
## Why external factor will support a developmental state: Globalisation

- Business needs profitable investment opportunities;
- Business needs markets, not abject poverty;
- Business prefers functional economies;
- Business goes where there is buying power.



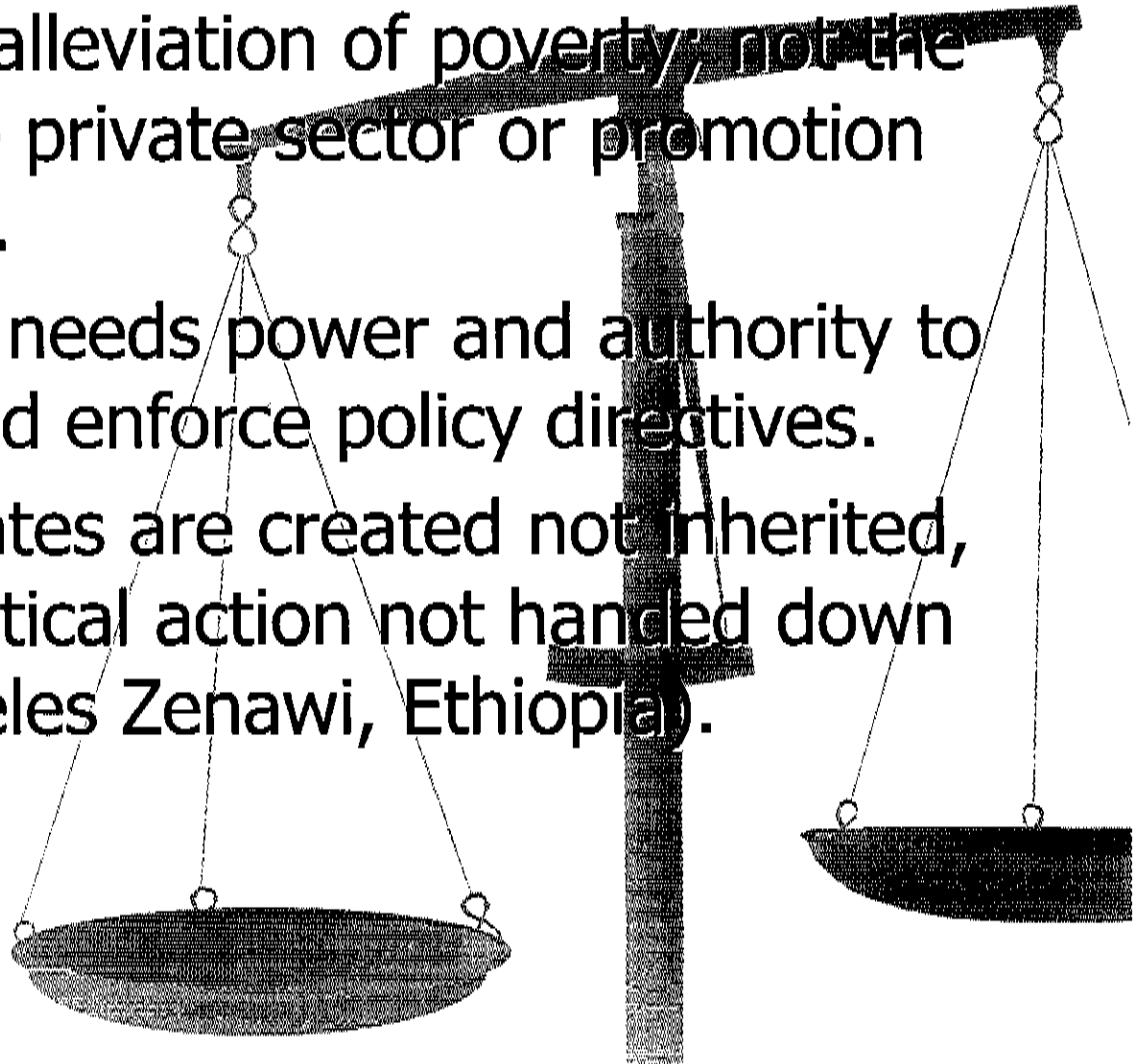
# Barriers to emergence of a developmental state

- Neo-liberal intellectual conservatism – There is no alternative (TINA) syndrome;
- Neo-feudal relations based on ethnicity;
- Skewed property relations;
- Lack of civic engagement –no participation;
- Lack of committed political leadership;
- The focus on next election, instead of next generation;
- Poor (or lack of) capacity at local level;
- Donor interests.



# Finally

- State intervention is aimed at economic development and alleviation of poverty; not the suppression of the private sector or promotion of state monopoly.
- Local government needs power and authority to make decisions and enforce policy directives.
- Developmental states are created not inherited, are a result of political action not handed down by providence (Meles Zenawi, Ethiopia).





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2008/09/16 12:02 PM

To <throssinger@hsrc.ac.za>  
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bcc  
Subject Availability of papers

Hi

Would I be able to get access to the following two papers?

1. Nisebeza, L. 2006. Rural Development in South Africa: tensions between democracy and 3898 traditional authority.

2. Mazibuko, S.Z. (2007) Rural development within the context of a developmental state. (Paper presented at Symposium Development and Bathalefi Projects, Mmabatho, 5 September).  
Thanks 4809

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