

# Rural development in SA - the role of social investment



By [Sameera Munshi](#)

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South Africa's rural communities have been marginalised for decades. Poverty - a result of historical injustice - is deeply entrenched outside cities, and communities find themselves lacking access to very basic services. Coupled with this, many rural communities were established around mines, farms or industry that no longer exists. With little prospect of reviving an economy that once was, social investors need to tread cautiously.



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The harsh reality is that in South Africa, rural economies will not thrive. To really develop rural communities is to invest in the people - so that they can be empowered to access opportunities. Unfortunately, these opportunities are unlikely to be situated in rural areas.

This forces social investors, development practitioners and social investment professionals to temper expectations on development outcomes. So, what does success look like?

## Success through engagement

Developing rural communities is about developing people, which can only be achieved through engagement. Where engagement is deliberate action to involve multiple stakeholders in development solutions – the level of engagement is subject to the proposed solution, influence and risk. Engagement enables the development of relationships with a diverse set of stakeholders. For investors, without healthy transparent relationships, it is difficult to maximise the social impact of each investment.

Every community has its own way of working. It is important to understand and leverage off existing structures to enable the desired social outcome. This requires taking the lead from community leaders and respecting their processes – and ultimately it builds trust.

## Working with diverse stakeholders

Also important is a recognition that social investment partners will have to work with a diverse set of stakeholders, be it local

government, traditional leaders or community-based organisations. A deep understanding of the structures of a community provides context on the power dynamics at play which allows for buy-in from decision makers who are more amenable to change.

The solutions of investors cannot be forced. The best solutions are those that are responsive and allow for the active participation of the community. This requires a deliberate attempt by development practitioners and investors to reduce the power dynamics that favour them at the expense of the community: listen, understand and engage.

Rural development is an umbrella term for many social interventions that take place in largely non-urban communities. At Tshikululu, we have worked nationally, in multiple rural communities for over 20 years. We have learnt many tough lessons that come with rural development which we have used to improve our approach and have some remarkable successes to showcase. A key lesson is that successful development of rural communities lies in partnership with multiple stakeholders - this requires openness, determination and humility.

## ABOUT SAMEERA MUNSHI

Sameera Munshi is client relationship manager at Tshikululu Social Investments. Munshi began her career in renewable energy in 2011 through implementing solar PV solutions in rural Northern Cape. She moved to environmental management consulting where she led a number of socio-economic impact assessments for large scale infrastructure projects implemented by government.

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