

Craft and Poverty Alleviation in South Africa

An impact assessment of Phumani Paper: a multi-site craft-based poverty alleviation programme

Taryn Claire Cohn

Thesis presented in partial fulfillment of the requirements for the degree of
Master of Philosophy at the University of Stellenbosch



Supervisor: Dr. J.W. Ewert
University of Stellenbosch

Co-Supervisor: Ms. K. Berman
Technikon Witwatersrand

April 2004

Declaration

I, the undersigned, hereby declare that the work contained in this thesis is my own original work and that it has not previously in full or in part been submitted at any university for a degree.

Signature:

.....
Taryn Claire Cohn
12 December 2003



Abstract

The cultural industries have been identified by the South African government as having significant potential to generate employment and hence alleviate the wide spread poverty suffered by many in the country. They have invested in the cultural industries with a view to developing SMMEs that have the potential to generate sustainable livelihoods. Craft, in particular is seen as an ideal vehicle through which poverty alleviation can take place, due to the combination of low technology requirements with high levels of manual labour.

This study looks at one such multi-site craft-based poverty alleviation programme, Phumani Paper, and assesses the impact that it has had on the poverty of its participants (so far). Drawing on relevant theory “poverty” is defined as a deficiency with regard to three aspects of people’s lives: income, “human development” and capacity building.

The results of the study indicate that the program did contribute to human development, but that income generation was less successful. In this regard success seems to depend on conditions at three levels of a programme: the programme management, the project model and the individual participants. Strategic intervention on these three levels will ensure that the impact of craft on poverty is more effective.

Opsomming

Die kulturele nywerhede is deur die Suid-Afrikaanse regering geïdentifiseer as 'n potensiële bron van werkskepping om te help om wydverspreide armoede in die land aan te spreek. Die regering het op kulturele terrein belê in klein- en medium sakeondernemings met die hoop dat hulle kan bydra tot die skepping van volhoubare bestaansgeleenthede. Kunsvlyt word as 'n ideale roete tot armoede verligting gesien a.g.v. die kombinasie van lae tegnologie vereistes en intensiewe hande-arbeid.

Die studie kyk na een sodanige kunsvlyt-gebaseerde programme vir armoede-verligting, nl. Phumani Paper, en meet die impak wat dit (tot dusver) op die armoede van diegene gehad het wat aan die program deelneem. Gebaseer op relevante teorie word "armoede" in hierdie studie gedefinieer as 'n gebrek op drie terreine van mense se lewens: inkomste, "menslike ontwikkeling" en kapasiteitsbou.

Die resultate van die studie toon aan dat die program bygedra het tot menslike ontwikkeling, maar dat die skepping van inkomste minder suksesvol was. Sukses in hierdie verband blyk af te hang van kondisies op drie vlakke van 'n program: die programbestuur, die projek-model en die individuele deelnemers. Strategiese intervensie op hierdie drie vlakke sal verseker dat die impak van kunsvlyt op armoede meer effektief is.

Dedication

I dedicate this thesis to Ivy Mashilo, who tragically did not see its completion. I am truly better for having known her.



Acknowledgements

I would like to sincerely thank all the people who helped me so much during the completion of this thesis. In particular, I would like to mention:

The participants of Phumani Paper, who gave so freely of their time and insight and remained committed to the process for the duration of the research project.

Kim Berman, my co-supervisor, whose guidance and support has been invaluable to me. It has been an inspiration to work with you.

All the staff of Phumani Paper, for their assistance in various aspects of this research.

The Technikon Witwatersrand for allowing me to embark on this project.

Dr. J. Ewert, my supervisor, for his extensive and detailed advice.

All the members of my family: Lisa, Warren, Mom and Beauty, for their exceptional patience and typing skills.

My friends, for their patience and support. In particular I would like to thank Caroline, Amanda and Fidi for the generous gift of their time and specialised skills.

Lastly, I would like to thank my father Sid Cohn, my most valuable resource, for giving of his time and energy to help me even during the times when I knew he had none to spare.

Table of Contents

List of acronyms	xi
List of figures	xiii
List of tables	xiv

Chapter 1

Introduction and Overview	1
1.1 Introduction	1
1.2 The socio-economic context	4
1.3 Culture, crafts and development	6
1.3.1 Culture as a resource	6
1.3.2 The South African government's view on culture and crafts	7
1.3.3 "Craft" defined	8
1.3.4 Craft and livelihoods in South Africa	9
1.3.5 Craft and SMMEs	11
1.4 Research problem and objective	12
1.5 Overview of remaining chapters	12

Chapter 2

Phumani Paper – Evolution and Organisational Structure	14
2.1 Introduction	14
2.2 The role of science and technology	17
2.3 Phumani Paper's programme objectives	18
2.4 Programme strategy and structure	19
2.4.1 Participants/ Respondents	19
2.4.2 Project staff	20
2.4.3 Product development	21
2.5 Proposed funding and development cycles	22

2.5.1	Start-up or seed period	23
2.5.2	Phase Two	23
2.5.3	Phase Three	24
2.5.4	Phase Four	25
2.6	Ownership of units	25
2.7	Model of envisaged empowerment process	26
2.8	Brief outline of and background to the projects	28
2.8.1	The Eastern Cape	28
2.8.2	Gauteng	28
2.8.3	Limpopo Province	30
2.8.4	The Free State	31
2.8.5	The North West	32
2.8.6	The Western Cape	32
2.8.7	Kwa Zulu-Natal	34
2.9	Conclusion	35
Chapter 3		
Literature Review and Relevant Theory		36
3.1	Introduction	36
3.2	Neo-Liberalism	36
3.2.1	The neo-liberal argument regarding growth and equity	37
3.2.2	Critique of neo-liberalism and state intervention	39
3.3	The Human Development paradigm	40
3.3.1	Haq and the Human Development Reports	40
3.3.2	Essential components of Human Development	41
3.3.3	Measuring human development & the Human Development Index	43
3.3.4	Human Scale Development	44
3.3.5	The Human Scale Development matrix	45
3.3.6	Human Scale Development and Poverty	49
3.3.7	The nature of satisfiers	50
3.4	Gender and Development	51



3.5	Sustainable Development	54
3.6	The 'Triple Bottom Line'	56
3.7	Poverty as a hindrance to development	57
3.8	Identifying indicators	58
3.8.1	The economic aspects	58
3.8.2	Testing the human development paradigm	59
3.8.3	Gender and Development	62
3.8.4	Sustainable Development	62
3.9	Conclusion	63

Chapter 4

Methodology and Research Design	65	
4.1	Introduction	65
4.2	Approaches to programme evaluation	65
4.2.1	Utilisation-focussed evaluation	66
4.2.2	Participatory action research	67
4.3	Research design	69
4.3.1	Time frame	69
4.3.2	Design structure	70
4.3.3	Dimensions of poverty, indicators and data sources	71
4.4	Research techniques and data sources	76
4.4.1	Project level	76
4.4.1.1	Respondent questionnaire	76
4.4.1.2	Self-assessment scale	77
4.4.1.3	Coordinators' assessment survey	77
4.4.1.4	Revenue/ income data	77
4.4.2	Programme level data	78
4.5	Sampling of respondents	78
4.6	The research process	81
4.6.1	Translations	82
4.7	Ethical considerations	83

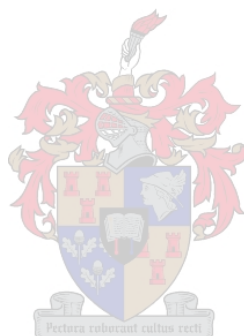


4.8	Problems, obstacles and constraints encountered	83
4.8.1	Bookkeeping	84
4.8.2	Constraints of the tools used	86
4.8.3	The research environment	87
4.8.4	Constraints of programme management	88
4.8.5	Problems at project level	89
4.9	Analysis of data	90
4.9.1	Poverty line indicator	90
4.10	The range of data collection techniques	92
4.11	Conclusion	93

Chapter 5

Findings		94
5.1	Introduction	94
5.2	Participants' socio-economic data	94
5.2.1	Demographic characteristics	95
5.2.2	Children and dependents	96
5.2.3	Home and living environment	98
5.2.4	Educational and employment history	99
5.2.5	Alternative incomes of participants	100
5.2.6	Reasons for joining the project	101
5.3	Participants and project incomes	101
5.3.1	Project incomes	102
5.3.2	Participant level findings and programme level view	103
5.3.3	Project products and the relation to income	106
5.4	Participants human development assessments	108
5.4.1	The assessment questionnaire	108
5.4.2	Results of the pre-test/ post-test comparison	109
5.4.3	The relationship between human development and project income	112
5.5	Conclusion	113

Chapter 6	
Analysis and Interpretation	114
6.1 Introduction	114
6.2 The impact in terms of Human Development	115
6.2.1 Subsistence and protection	116
6.2.2 Participation and understanding	118
6.2.3 Freedom and identity	122
6.2.4 Creation	124
6.3 Income and poverty alleviation	125
6.3.1 The high income earners	126
6.3.2 The middle income earners	130
6.3.3 The low income earners	131
6.4 Capacity building	134
6.5 Conclusion	135
Chapter 7	
Conclusion	137
7.1 Introduction	137
7.2 Project level structure	137
7.3 The individual level	138
7.4 Programme level aspects	139
7.5 Areas for further research	141
7.6 Lessons learnt	142
References	143
Appendices	152



List of Acronyms

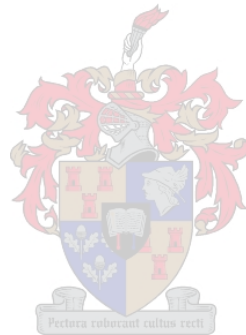
AEI	:	Adult Equivalent Income
BEE	:	Black Economic Empowerment
CIGS	:	Cultural Industries Growth Strategy
CPI	:	Consumer Price Index
CSD	:	Commission on Sustainable Development
CSIR	:	Council for Scientific and Industrial Research
DAC	:	Department of Arts and Culture
DACST	:	Department of Arts, Culture, Science and Technology
DST	:	Department of Science and Technology
EC	:	Eastern Cape
FVT	:	Flower Valley Trust
GAD	:	Gender and Development
GCIS	:	Government Communications and Information System
GDP	:	Gross Domestic Product
GEAR	:	Growth, Employment and Redistribution
GP	:	Gauteng Province
FADA	:	Faculty of Art, Design and Architecture
FS	:	The Free State
HSRC	:	Human Science Research Council
KZN	:	Kwa Zulu-Natal
HDI	:	Human Development Index
HDR	:	Human Development Report
HDRO	:	Human Development Report Organisation
LP	:	Limpopo Province
NRF	:	National Research Foundation
PPP	:	Purchasing Power Parity
NW	:	North West Province
PAR	:	Participatory Action Research
PRDU	:	Papermaking Research and Development Unit

RDU	:	Research and Development Unit
RDP	:	Reconstruction and Development Programme
SAIRR	:	South African Institute for Race Relations
SMME	:	Small, Micro and Medium Enterprise
TWR	:	Technikon Witwatersrand
UNDP	:	United Nations Development Programme
UNESCO	:	United Nations Educational, Scientific and Cultural Organisation
WC	:	Western Cape
WSSD	:	The World Summit on Sustainable Development (Johannesburg: 26 November-4 September 2002).



List of Figures

Figure 2.1:	Diagram of Phumani Paper's Logic model	27
Figure 3.1:	Human Scale Development: matrix of needs and satisfiers	47
Figure 5.1:	Samples' age distribution	96
Figure 5.2:	Respondents' levels of education	100
Figure 5.3:	Project sales - based on monthly incomes	104
Figure 5.4:	Participants' average monthly incomes	105



List of Tables

Table 4.1:	Dimensions of poverty, indicators and data sources	73
Table 4.2:	Sample projects	79
Table 4.3:	Sample participants and field trip dates	80
Table 5.1:	Project groupings	106
Table 5.2:	National marketing product-based, project level assessment	107
Table 5.3:	Results of the question: interaction within the group	111
Table 5.4:	Assessment scale answers: frequencies of answers rated “above average to very high”	112



Chapter 1

Introduction and Overview

1.1 Introduction

The craft sector has been targeted by the South African government as one of the industries that could significantly contribute to job creation and the alleviation of poverty in South Africa.

Mirroring the shifts in “Development” discourse over the last two decades or so, the South African government subscribes to the idea that development programmes and interventions have to take cognisance of their local context in order to be effective and sustainable. The assumption is that this is only possible by integrating the social and economic upliftment of communities and individuals with the protection of the environment in any particular setting. Accompanying this approach is a renewed recognition of the importance of local knowledge and technology that appropriately addresses the needs of a community in their particular situation - such as the lack of electricity, water or skills.

In 1999/2000, more than R200 million was made available by the Department of Social Development, to contribute towards the sustainable eradication of poverty. Together with other state departments, a series of national and regional projects were funded in five provincial categories, of which arts and crafts were one.

Government sees crafts and crafting as an ideal vehicle through which to implement and recognise this resurgence of local knowledge in development strategies. Craft techniques are rooted deeply in both the cultural and environmental history of particular groups of people, but have shown a unique propensity to adapt to and reflect the changing needs and circumstances of their makers.

Many of the products manufactured in this sector are perceived to be highly marketable, both locally and internationally. The attraction of these objects is due to the combination of their utilitarian nature with their inherent uniqueness as a result of being handmade. Traditionally, crafting is the result of skills passed from generation to generation, requiring the knowledge of specialised skills combined with intensive manual labour. Most of these crafts, however, do not require expensive technology, and for this reason craft production methods are seen as able to address the issues of lack of finances and the unsophisticated technology skills base prevalent in many of these communities.

In South Africa, craft is regarded to be predominately the domain of women. At the same time women are most affected by poverty and unemployment. As a result, investment in this sector could empower women, and create opportunities for wealth creation. The South African government has invested substantially in this sector with the aim of alleviating poverty and generating income for those most negatively affected, in particular, black women. This has resulted in many initiatives to develop small business-based projects within the craft sector. Some are based on existing craft traditions in communities, while others are an attempt to introduce new crafts that may have proven successful elsewhere in terms of income generation.

The design of government funded poverty alleviation programmes are based on a set of assumptions. These range from the assumption that small, medium and micro enterprises (SMMEs) are *the* business model for long term sustainability, to the assumption that such programmes can enhance the quality of life and reduce the poverty of its participants.

According to the South African government's budgetary guidelines, (Dept. of Finance, 2000: 2), poverty alleviation programmes should:

- Provide relief of specific instances of poverty in the poorest areas of the provinces;
- Assist in Human Development and building capacity;
- Provide jobs and in doing so ensure community involvement;
- Have an impact in rural communities;
- Have an impact on households in which single women are the main breadwinners;
- Seek to make projects sustainable in the long term.

Phumani Paper is one such programme, based on the SMME model. It is an attempt to generate wealth for communities by developing a new cultural industry. Handmade paper techniques, a craft predominately found in eastern countries such as India, and not indigenous to South Africa, has been introduced by Phumani Paper to South African communities using local materials. It is funded by the Department of Science and Technology (DST)¹, and implemented by the Technikon of the Witwatersrand (TWR) in seven of South Africa's nine provinces.

This study is an attempt to assess the impact of Phumani Paper on its participants, in order to ascertain the extent to which the underlying assumptions prove to be correct.

The findings will be used to inform the programme design of Phumani Paper as it enters its next phase. The research will also serve as a source document for future initiatives of a similar nature.

This chapter provides the contextual frame of reference for the research. Firstly, the socio-economic conditions of South Africa will be touched upon, in order to

¹ Formerly the Department of Arts, Culture, Science and Technology (DACST). It has since been separated into the Department of Science and Technology (DST) and the Department of Arts and Culture (DAC). They both still fall under one ministry. Most of the documents relevant to and referred to in this research were produced by DACST, prior to the split.

gain an understanding of the factors that affect the lives of the participants in the programme.

Secondly, a brief analysis of the South African craft industry and its current trends will be presented. This will provide the backdrop for Phumani Paper as a specific initiative in the craft sector.

After this the research problem will be formulated and motivated. The chapter concludes with a summary of the remaining chapters that make up the thesis.

1.2 The socio-economic context

After the change of government in 1994, South Africa was faced with the challenge of addressing the myriad of complex socio-economic problems left as a legacy of the apartheid regime. After almost ten years, citizens are still divided as to how best to address these issues. One major point of contention is the extent to which we should allow factors and effects of past policies to influence current ones. Policies such as affirmative action and black economic empowerment (BEE)² are two such controversial issues.

While all this is debated on a national or macro - scale between the stakeholders in government, civil society and the public sectors, the situation at ground level requires immediate and decisive action. Although affirmative action has had a mixed reception from the private sector, the reality is that a large portion of the black population is still struggling to make ends meet, living in poverty without adequate resources.

² These are both policies instituted in South Africa to address past racial discrimination in the private sector. Affirmative action involves favouring previously disadvantaged candidates in the job market based on their race or sex. BEE is a policy that prescribes the demographic make up of a business based on certain criteria. The objective of these policies is to accelerate the integration of previously disadvantaged groups into the public sector.

As a result of past legislation, many South Africans are still ill equipped, unexposed or unable to take advantage of opportunities to change their present and future circumstances.

In order to understand the uncomfortable dualism of trying to balance our past with the future, it is necessary to analyse the situation at ground level. Understanding why people are living in the conditions that they are, is an integral part of developing a strategy that targets the root causes of the situation and does not merely address its symptoms.

The outstanding feature of post-apartheid South Africa is large-scale poverty. Poverty is defined by the ministry for Welfare and Population Development, as a "lack of access, lack of power, lack of income and resources to make *choices* and take advantage of opportunities. In other words, poverty is not just about those who are poor in terms of income" (Fraser-Moleketi, 1997).

According to the South Africa Survey, published annually by the Institute for Race Relations (SAIRR), 48.9% of South Africans were reported as living in poverty in 2001 (SAIRR, 2003: 182). In the poorest regions, poverty affects as much as 67.4% of the population in the Eastern Cape and 63.5% in the Limpopo Province.

Clearly a large percentage of the South African population is affected by poverty in one way or the other. Moreover, the line between the "haves" and "have nots" in South Africa can still be drawn along racial lines, with African women most negatively affected. According to the SA Survey, in 2002 some 53% of all African women were unemployed, compared to 7.8% for white women (SAIRR, 2003: 161). To make matters worse, tasks performed by women, such as housekeeping and child-care are done without monetary compensation, often under harsh conditions.

Women-headed households are particularly hard hit. In addition to all the non-monetary tasks mentioned above, these women have to secure an income to support their families. Often this is done without the assistance of a spouse and often requires them to be absent from their homes and families for extended periods. Women in rural areas struggle more to find work than their urban counterparts, due a declining natural resource base, declining employment in commercial agriculture, lack of services and so on. In the modern economy, women are still struggling to overcome sexual discrimination in the market place and earn (on average) lower wages than their male counterparts.

As mentioned in 1.1, craft is primarily the domain of women in South Africa. As women are worst-affected by poverty, it follows that women are a primary target of culturally based poverty alleviation programmes such as Phumani Paper.

1.3 Culture, crafts and development

1.3.1 Culture as a resource

South Africa, although poor in economic resources, has no lack of culture and cultural diversity. It is a country with eleven official languages, and even more ethnic religious and racially diverse groups living in a variety of environments that range from coastal to desert and highly urban to very rural. This tapestry has been hailed as the next goldmine in South Africa's development. From cultural tourism to craft initiatives, "culture" is a buzzword that has generated a renewed interest in our local heritage.

According to the United Nations Educational and Scientific and Cultural Organisation (UNESCO), culture is defined as "the whole complex of distinctive spiritual, materiel (*sic*), intellectual and complex emotional features that characterises a society. Not only in the arts and letters, but also models of life,

the fundamental rights of the human being, values systems, traditions and beliefs" (UNESCO, 2002: 3).

One significant aspect of culture, particularly in the South African context, are crafts. Crafts identify people through techniques, geography and materials utilised. Crafting is the creative production of objects, some for utility, some for ritual - intrinsically linked to a specific cultural identity. Like culture at large, crafts are dynamic and subject to change as they are influenced by peoples' changing lifestyles and circumstances.

However, while handmade paper is a traditional craft product of some cultures, it is not indigenous to South Africa. Phumani Paper, through the use of local materials and culturally inspired designs, attempts to introduce this as a new craft inspired by foreign traditions, in a way that would be relevant locally. In this way it could be integrated as a new element into South African culture.

1.3.2 The South African government's view on culture and crafts

Culture has been highlighted by the South African government as having the potential to generate significant economic growth for many South Africans. For instance, the CEO of South African Tourism, had this to say recently: "... (A)t the centre of a nation's soul, sits its cultural heritage. Craft marries so many strands. It brings together the strictly utilitarian and the decorative. It is wonderfully egalitarian because so many of the basic skills are transmitted from one generation to another, to every member of a community. It assumes that we can all be creative" (Carolus, 2002: Introduction).

In 1997 the Department of Arts, Culture, Science and Technology (DACST) initiated research into the cultural industries in terms of their potential to generate wealth, and has developed the Cultural Industries Growth Strategy (CIGS), as a

way to stimulate growth in this sector. The strategy is based on four core premises (DACST, undated a: 2):

- The ability of the cultural industry to create employment and wealth;
- The potential of these industries to create significant return on investment;
- The ability of the cultural industries to drive our new economy by generating income and creative human capital;
- The necessity of a collaborative approach between the public and private sectors to develop these industries.;

The strategy clearly sees a lot of employment potential in crafts. According to the cultural strategy group "it has been estimated that in South Africa the cultural industries — of which the arts form a major part — can contribute more than 5% to national employment. Between 1 -1.3 million people presently earn an income from work related to these industries" (Hagg, 1999: 3).

The strategy identifies craft as one of five major sectors to be addressed, as it "embraces art and culture through the production of traditional and contemporary handmade artifacts, workshop production of one off designs and forms of batch production manufacturing using a range of synthetic and natural material." (DACST, undated b: 14)

Phumani Paper, the object of this research, is an example of such an income generating, craft-based endeavour as referred to in the strategy above.

1.3.3 "Craft" defined

The production of objects can be broadly classified into three categories. These are characterised according to the level of creative input in the design of the

object, versus the desired output volume of that object, both of which are dictated by the function that it is intended to perform.

Craft itself is born of a traditional context. It is for that reason that it is being targeted for its development potential. The creative input is high enough for the object to retain the uniqueness the market demands, but the output should also be high enough to create income on an ongoing basis. These objects, although originally intended for utilitarian purposes, are also produced for the tourism industry and are often bought primarily for their aesthetic value. This does not however, discount that their form is still dictated by a utilitarian function, and the object may still be useful in this manner (e.g. bowls, pots, jewellery etc.).

Through the impact assessment, the programme design of Phumani Paper will be examined in part from this perspective.

This is in opposition to that sector of the craft industry dominated by highly skilled artisans whose work, although low in output, demands high prices. These are usually individuals who have achieved recognition for their work, in the same way as a classical artist, such as a painter or sculptor. These objects usually have a relatively low output with a large degree of creative input.

At the other extreme are mass-produced objects, for example crockery from a chain store) that are widely available and are produced with a lesser degree of creative input, usually using high technology equipment. Here the design of the object, while influenced by aesthetic trends and styles is strictly utilitarian.

1.3.4 Craft and livelihoods in South Africa

Stevens (2001: 77) and Goldblatt, Hemp & Sellschop (2002: 10) also see three different craft sectors or divisions in South Africa namely: *traditional*, *transitional*

and contemporary. Although sharing similarities with those described above, these divisions are made along the lines of creative input into the objects..

Stevens goes on to define “traditional” craft as activities found largely in the rural areas where poverty is rife. A large percentage of these crafters are women, skilled in crafts that have been handed down through generations and are particular to their culture. The artefacts³ that they produce, however, are not necessarily used for the originally intended purpose, but are sold to traders and tourists as a means of income. They nevertheless remain culturally influenced artefacts, having roots in cultural practices. “When times are hard and prospects grim, women turn to discover their own history for such hope and expectation.” (Afshar, 1991: 2).

“Transitional” crafts are those adapted from traditional crafts in response to changing circumstances, new materials or the changing demands of the market. Examples of these are baskets woven from telephone wire, using traditional techniques and patterns.

It is in this section or division, i.e. transitional crafts, that one sees the emergence of something new, something different; things that often straddle the many existing South African cultures, or sometimes no particular culture, but are nonetheless uniquely South African. This is where the practice of craft can address the principles of sustainable and economic development, by adapting old techniques to new materials, or new techniques to old materials. This is where Phumani Paper fits in.

One feature of Phumani Paper is recycling. Recycling in an unconventional way has become a principle feature of transitional craft, where crafters have used material that is cheap or free and may be easily available in their immediate

³ Defined by The Oxford Compact English Dictionary (1996:50) as: “a product of human art and workmanship”

surroundings. Examples include plastic shopping bags that have been used to make a myriad of items from carpets to hats.⁴ The CIGS has primarily targeted this category of crafters.

By comparison, Stevens (2001: 78) sees “contemporary” craft as having a predominately urban base, where practitioners are highly trained (usually in tertiary institutions). The artists produce original work that is individual and often sold through galleries, shops and exhibitions. This category corresponds with the sector described above where the work has a high level of creative input versus a low level of production - usually once-off items.

1.3.5 Craft and SMMEs

CIGS uses the SMME model to develop crafters as business units, with the objective of assisting them towards sustainability as small businesses within the private sector.

Published by DACST as a resource for crafters, the *Craft South Africa Information Handbook* (2001), endorses the SMME model and advises crafters how best to set up as a small business unit, from input on product design to marketing and business plans. The National Skills Development Strategy also cites SMMEs as having the potential to absorb labour in South Africa (Dept. Of Labour, 2001a: 39).

As stated before, this approach is based on the assumption that SMMEs are a vehicle for sustainable incomes and as such could have a significant impact on the lives of participants in such enterprises.

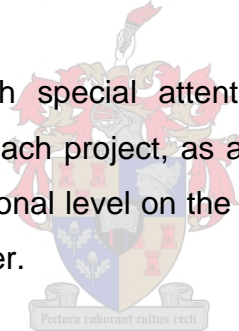
⁴ Recycling, originally a way that crafters addressed the expense and availability of their raw materials, has also been strongly influenced by a rising world-wide trend towards sustainable development and environmental preservation.

These assumptions also inform the design of Phumani Paper. However, this study wants to assess whether these assumptions are justified. It does this by studying the impact of the programme at the project level. A total of 10 such projects were included in the study.

1.4 Research problem and objective

The research problem investigated is the impact of craft-based projects on the alleviation of poverty in South Africa. The specific objective of this study is to look at the impact Phumani Paper has had on its participants in terms of poverty alleviation. The impact will be assessed both project-by-project and at the level of each individual in the sample, in order to understand both the impact and the dynamics of poverty alleviation programmes of this nature.

In the course of the research special attention was given to the specific organisational model used by each project, as an important variable intervening between the programme at national level on the one hand and the impact on the individual participant on the other.



1.5 Overview of remaining chapters

Chapter Two describes the organisational structure and evolution of the Phumani Paper programme. It covers aspects such as the programme funding, management and human resources structure at national level, as well as a discussion of the individual projects making up the programme.

Chapter 3 discusses the theoretical perspectives informing the study. The two main paradigms investigated are Neo-liberal economic theory and Human Development. Each paradigm is discussed with regard to its implicit or explicit views on poverty and poverty alleviation. In addition, the chapter also looks at Gender theory and Sustainable Development and their relevance for the study .

Chapter 4 outlines the research methodology. It outlines the evaluation principles applied and discusses the various methods and tools utilised for data collection. It also reflects on the obstacles encountered in the course of the study and how these may have influenced the findings.

Chapter 5 reports the findings of the research. In keeping with the theoretical perspectives informing the study, the focus is on income/poverty and human development data. The chapter also discusses the sample of respondents/participants in some detail.

Chapter 6 analyses the findings with regard to the research question. Conclusions are reached on how programme and project design have impacted poverty alleviation.

Based on the findings of the study, the Conclusion (chapter 7) makes recommendations regarding the design of similar programmes if they are to have a significant impact on the poverty of those involved in it. The chapter concludes with suggestions regarding future research on this terrain.

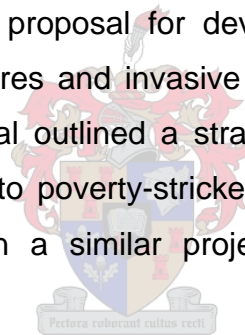
Chapter 2

Phumani Paper - Evolution and Organisational Structure

2.1 Introduction

Kim Berman, a senior lecturer at the TWR's Faculty of Art and Design (FADA), headed a team conducting research into the development of appropriate technology for the production of handmade archival paper for the fine arts industry in South Africa. The original motivation for this was the high cost of the imported equivalents, combined with the sporadic nature of its availability (TWR, 2000: 11).

In 1999 Berman submitted a proposal for developing handmade paper from locally available indigenous fibres and invasive plants, as an industry in South Africa to DACST. The proposal outlined a strategy for developing appropriate technology and transferring it to poverty-stricken communities to develop skills and income levels, based on a similar project in Ecuador that had been previously documented.



This was in response to a call for the development of technology stations that targeted tertiary institutions. Tertiary institutions were seen as having a role to play in community development in terms of access to and development of appropriate technology. In addition to the factors mentioned above, papermaking was also seen as a source of outreach and development, whereby students would be involved in community service as a part of their educational career.

In 1997, Sister Sheila Flynn (a post-graduate TWR student at the time) assisted Berman in setting up a papermaking project in the Winterveld. This unit served as a pilot for the development of a proposal to use papermaking as an

appropriate technology for rural development, operating out of a research centre based at the TWR.

The programme focused on developing appropriate low-technology methods of producing the various handmade papers. Her objective was to develop, and then transfer this technology to unemployed and poverty-stricken communities and to set up small units for production of the paper and related products, from which they could then generate an income. In addition to the technology transfer, the programme proposal entailed skills training to capacitate its participants in business management and ultimately develop the units as independent SMMEs.

TWR was given a grant of R 200,000 to initiate a pilot project in Kwa Zulu-Natal (KZN). As a result of its success, nine months later they were allocated further poverty alleviation¹ funds from the Science and Technology division of DACST, in order to establish these hand-papermaking projects in all nine of South Africa's provinces. The programme, initially called the Papermaking Poverty Relief Programmes (PPRP) has since been named "Phumani Paper"².

The primary aim of this project is to “address the poverty that results from a lack of skills and unemployment in both townships and the rural areas” (Phumani Paper, 2001a)

¹ DACST has adopted several internal strategies towards poverty over the research time frame. Although not explicitly stated in any documentation, this change has been reflected by the changing terminology of government documents produced. The funding received by this programme was initially referred to as Poverty Relief Funding, it was then called Poverty Alleviation Funding has since been renamed as the Special Poverty Relief Allocation. Poverty Relief, as a concept, became Poverty Alleviation and more recently, Poverty Reduction.

It can be deduced from the phrase changes that the South African Government has recognised that relief requires only addressing the problem in a more short-term manner. The more recent terminology reflects their aim to attempt to reduce levels of poverty in the long term, in a more permanent manner. For the purposes of this research, the term 'poverty alleviation' will be used as most of the research took place while this term was still active.

² Phumani means "to get out", chosen for its dynamism and implication of "getting out and doing something to work towards achieving a better life."

Berman's concept was to stimulate growth in the handmade paper sector that would develop an industry with the potential to generate maximum income and financial growth with minimal financial and technological resources. The programme conducted research in targeted areas where there is an abundance of a particular natural fibre and low-skilled labour, both important aspects of handmade paper. The areas targeted also have scarcity of resources such as electricity or money for expensive machinery.

Phumani Paper answers the objective set out by the CIGS (which was being developed at the same time), and set the tone for recognising such initiatives in the craft industries.

Being a non-traditional craft in South Africa, the selection of papermaking as a medium has ensured that there is no cultural grouping claiming traditional ownership of the craft. This was thought to be a positive factor for adapting the design of the programme to communities of different demographic make-ups in the different parts of South Africa.

In this way, free from cultural bias, "(t)he process of making (paper) need not imitate any other techniques. The naturally structured procedures of making paper by hand have engaged and inspired many artists regardless of their background discipline" (Dawson, 1992: 15).

An additional aspect of the research was its focus on environmental concerns. The fibres researched were all selected with one or more of the following criteria in mind:

1. They are alien invaders, and hence are not only available in abundance, but are also detrimental to the environment (such as Port Jackson willow). Using these plants would assist efforts to control their ecological impact in an area.

2. They are the waste products of a local industry and would be otherwise disposed of, often in an environmentally unfriendly manner, e.g. the off-cuts of the maize plants or sugar cane tops after harvest, which would otherwise be burnt.
3. They are easily sourced locally, e.g. banana stem fibre in the Limpopo Province where there is a significant banana farming industry, maize fibre in the Free State or Port Jackson willow in the Western Cape where the alien invader is most prevalent.

2.2 The role of science and technology

“Science and technology are often seen by policy makers as instruments that have well-defined functionality, like a light switch or a key in a lock. Under these conditions, science and technology becomes the handmaiden (*sic*) of greater goals such as economic development or quality of life” (Ngubane, 2002).

The role of the TWR in transformation and development led to their housing a resource unit that would be a service provider for technology and training. This training would then be available for community programmes that would not ordinarily have access to tertiary level training. This was seen as an attempt to align the ‘outreach projects’ of the TWR with government’s policies expressed in the White Paper for Higher Education.

With these objectives in mind, Phumani Paper was designed to foster sustainable development and research into appropriate technology. In doing so, it addresses the issues outlined in Agenda 21, the output of the Earth Summit in Rio de Janeiro in 1992. It recognises the fact that environmental protection and natural resources management must be integrated with socio-economic issues of poverty and underdevelopment, in order to create sustainable livelihoods that can generate wealth in rural communities. Phumani Paper addresses this by

waste management through recycling locally available resources, and by developing an indigenous image that is marketable.

2.3 Phumani Paper programme objectives

Phumani Paper was designed for the creation of jobs, provision of training and technology transfer, as well as to have a positive impact on the environment.

The national objectives³ of the programme, have been set out as follows:

- It is labour intensive, creates jobs and provides poverty relief;
- It transfers appropriate technology and training;
- It recycles waste products and encourages environmental conservation⁴;
- It services craft and target industries, such as stationery, wine, tourism and jewellery;
- It aims to replace expensive imported packaging;
- It develops community outreach in tertiary institutions;
- It establishes partnerships in government, industry and educational institutions;
- It promotes capacity building and empowerment of women and youth through skills and business training.

Essentially the projects involve:

- Developing appropriate technology to convert locally available biological resources to paper pulp, which is then converted into paper products of various kinds, to support local and national industries, such as the craft and wine industries;
- Training unemployed people from target communities in the use of these technologies and establishing local manufacturing facilities;

³ As set out in the publicity brochure, (Phumani Paper, 2001a).

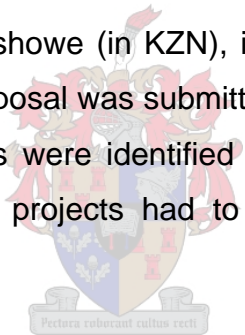
⁴ This is through the utilisation of invasive alien vegetation in the production of the paper.

- Training participants in the project in the required business skills to develop their newly acquired technological capacity into sustainable businesses;

2.4 Programme strategy and structure

DACST remitted the funds to the TWR who were appointed as the implementing agents of the programme. Each project would require “a three year rolling plan for development, training and marketing to sustain job creation” (Berman, *undated*). During this time, the target communities were approached, participants chosen and various training in technical paper and product making and business skills was conducted.

A pilot project was set up in Eshowe (in KZN), in 1999. Using this project as a case study, the programme proposal was submitted to DACST. Once the funding was approved, further locations were identified according to specifications laid down by government (i.e. the projects had to be situated in pre-determined poverty nodes).



2.4.1 Participants/Respondents

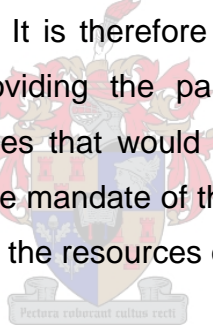
Participants were selected from target populations on the basis of being unemployed, and given a very basic skills test. The specific make-up of the target groups (with reference to gender, disability quotas and age) differs from project to project, as they attempted to identify groups according to the most pressing socio-economic problems in that specific community. For example, in the Western Cape (WC), one of the projects addresses the plight of women in a Xhosa and adjoining so-called Coloured settlement, and therefore cannot admit men. Another project is only open to disabled participants in Khayelitsha, while in the Free State (FS) a project was set up to assist families who suffered as a

result of cutbacks in the mining industry. The AIDSLink project, in the Gauteng (GP) region specifically targets HIV positive participants.

2.4.2 Project staff

Each project falls under the control of a regional coordinator⁵ who acts as the overseer of the projects in that region, and as the link between the unit and the national management. Some of the projects also have a project manager who is usually also a participant⁶.

The national staff consists of the programme management and administrators as well as MTech and BTech students involved in researching various relevant aspects from product design, to papermaking technology, and aspects of the social impact of the programme. It is therefore used as an educational tool for TWR students, as well as providing the participants and programme with technology and product prototypes that would otherwise be very expensive to develop. In addition, this fulfills the mandate of the funders in terms of integrating social development outreach with the resources of a tertiary educational facility.



The programme is run under the auspices of the TWR's Research and Development Unit (RDU) and the Faculty of Art, Design and Architecture. The TWR, being a tertiary education facility, had to ensure that the programme fulfilled certain research requirements to produce accredited research outputs as a part of the programme design.

“The technology is being developed by TWR staff and students who will also develop trainers, while product development will be managed by the TWR programme manager together with partners” (PPRP, 2001a: 2).

⁵ In cases where there is no appointed coordinator, the project manager may fulfill the coordinators task.

⁶ This is not always the case, as some station managers are appointed from outside the project group, depending on the projects situation or management model.

As can be seen by the human resource structure organogram in Appendix 1, the programme is managed on national and regional levels. The national management is responsible for the national coordination between units, handling financial management, sourcing larger orders and marketing of the programme on a national level.

Each unit is also responsible for their own regional marketing and securing orders. These orders are not managed through the national office, but are administrated and recorded locally, due to the autonomy of the units.

The research, development and technical training team, consisting mainly of students, is also managed at national level, visiting projects when necessary or sourcing local trainers for projects further afield. Known as the Papermaking Research and Development Unit (PRDU), this unit is also designed to become a centre of excellence for hand-papermaking to serve as a resource to the industry in the future. Together with the national management of Phumani Paper, it is housed in FADA at the TWR. The PRDU receives funding from the National Research Foundation (NRF) and the Technikon Research Committee (TRC).

2.4.3 Product development

The initial programme design indicated that products would be developed to complement existing industries in the area. The projects in KZN focused on producing a range of packaging to complement the traditional Zulu crafts produced in the area, such as Zulu pots. In this way they would add value to an existing product and increase their marketability. The units in the Western Cape designed a range of packaging for the wine industry. This strategy has been unsuccessful in some areas and different product development strategies have been undertaken.

Currently, each project has a different specialized range of products that have been developed through trial and error in response to the market during the project lifespan.

Projects are also encouraged to support each other by sourcing paper for larger orders from other units, or sharing larger orders that they would be unable to handle alone.

The differing characters and resulting product ranges of each unit will be briefly outlined in this chapter, but overall Phumani Paper focuses on seven primary products, markets and outputs:

- Customised packaging for craft, wine, jewellery, functional art and dried flowers
- Gifts
- Corporate stationary
- Informal stationary
- Conferences, conventions, and trade fairs
- Papermaking technology design, development and supply
- Papermaking training



2.5 Proposed funding and development cycles

The Science and Technology division of DACST has funded three poverty alleviation partners: the Agricultural Research Council (ARC), the Centre for Scientific and Industrial Research (CSIR) and the TWR to set up agro-processing initiatives. These programmes were tasked with developing appropriate and affordable technology and to transfer this technology and associated skills to impoverished communities (Walters, 2002). The funding is remitted in cycles based on the programme design as it is laid out in the original proposals.

Prior to 1999, the Winterveld project, under the guidance of Sister Sheila Flynn and set up with funds from the National Research Foundation⁷ (NRF), constituted the first pilot for this programme.

In November 1999, R200,000 was secured to start a papermaking unit in Eshowe as a second pilot project. This included the setting up of the PRDU at TWR. The programme was designed in four phases, corresponding to the periods of funding. A description of more phases follows:

2.5.1 Start-Up or Seed Period: July 2000 - end March 2001

Three million rand was allocated by DACST to establish units in seven of South Africa's nine provinces. Research was conducted into the viability of setting up further units in the remaining two provinces.

During this time, technology was developed, equipment provided and a series of initial training workshops on paper and product making, business development and management were provided. Rent and consumables were covered by TWR and the participants were paid monthly stipends (as stipulated by government) to cover basic living expenses.

Appropriate technology was researched and developed by the PRDU.

2.5.2 Phase Two: April 2001 – end March 2002

This phase's budget was cut by 40% compared to the preceding phase's budget, (i.e. R2,5m was allocated for this phase which took place over 12 months, compared to the R3m that was allocated in the start-up phase which was only 9 months in duration.)

⁷ The NRF was called the Centre for Science Research (CSR) at the time this funding was allocated.

During this phase, the approach shifted from a project model to a business model, in line with the aim of the programme to develop sustainable business units.

Stipends, for example, were stopped, as participants needed to understand the concept of profit-based business. Some infrastructure and much training was still provided. In order to cushion the change and ensure some income when the stipends were cut, a standing stock order was issued to each project by the PRDU. The income from this provided half of what the stipends covered, and the rest was expected to be derived from sale of products.

National marketing was introduced in this phase, with the objective of locating niche markets and long-term national customers. Individual projects were also expected to source markets and customers in their regions.

Each project workshopped its own constitution, rules and procedures, establishing their autonomy as a unit. Strategic partnerships were proposed and in some cases established. For example, positioning at local community centres or obtaining certain services from local government.

2.5.3 Phase Three: April 2002 - end March 2003

Two and a half million rand was allocated, which was then raised to R3 million to cover the over-expenditure incurred during Phase One. Involvement and support was given similar to that of Phase One, but with a cut in the operational budget. The projects had to increasingly rely on their sales income to cover infrastructural costs as well.

2.5.4 Phase Four: April 2003 - end March 2004

A further R1,1 million was allocated which was then raised to R1,6 million.⁸

This period constitutes the exit phase, where TWR withdraws support, leaving the projects as self-sustaining units or linked to a strategic partner to take them further in their development.

2.6 Ownership of the units

“Ownership of the units are (*sic*) currently held by the TWR. When each of the units are deemed sustainable and independent paper (or product) making businesses, ownership will be transferred to the community trusts or bodies. Other models, such as forming co-operatives, registered units, closed corporations or integrating into the business of partner organisations are being investigated as alternative” (Phumani Paper, 2002a: 5)

Phumani Paper has attempted to develop community partnerships for each unit in order to play a mentorship role, with the long-term vision being for them to act as support networks to which the units can turn for infrastructural and administrative needs. These partners range from community-based organisations that are established in the communities, to environmental organisations that are active in the community. The formality and nature of these partnerships differs from unit to unit, as does its effectiveness.

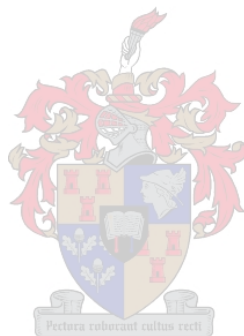
An example is one project in the Western Cape, Siyazama. This project targets disabled participants, and is actually housed in the Kwa Nothemba Centre for the

⁸ In July 2003, this was raised to R 3,75 million, with R1million of this allocated to infrastructure and another R1million allocated to further ‘business development’. With the increased funding, Phumani Paper is also required to assume the management of 8 additional papermaking projects, previously initiated by the Council for Scientific and Industrial Research (CSIR).

disabled in Khayalitsha. The centre is responsible for a part of the management of the unit.

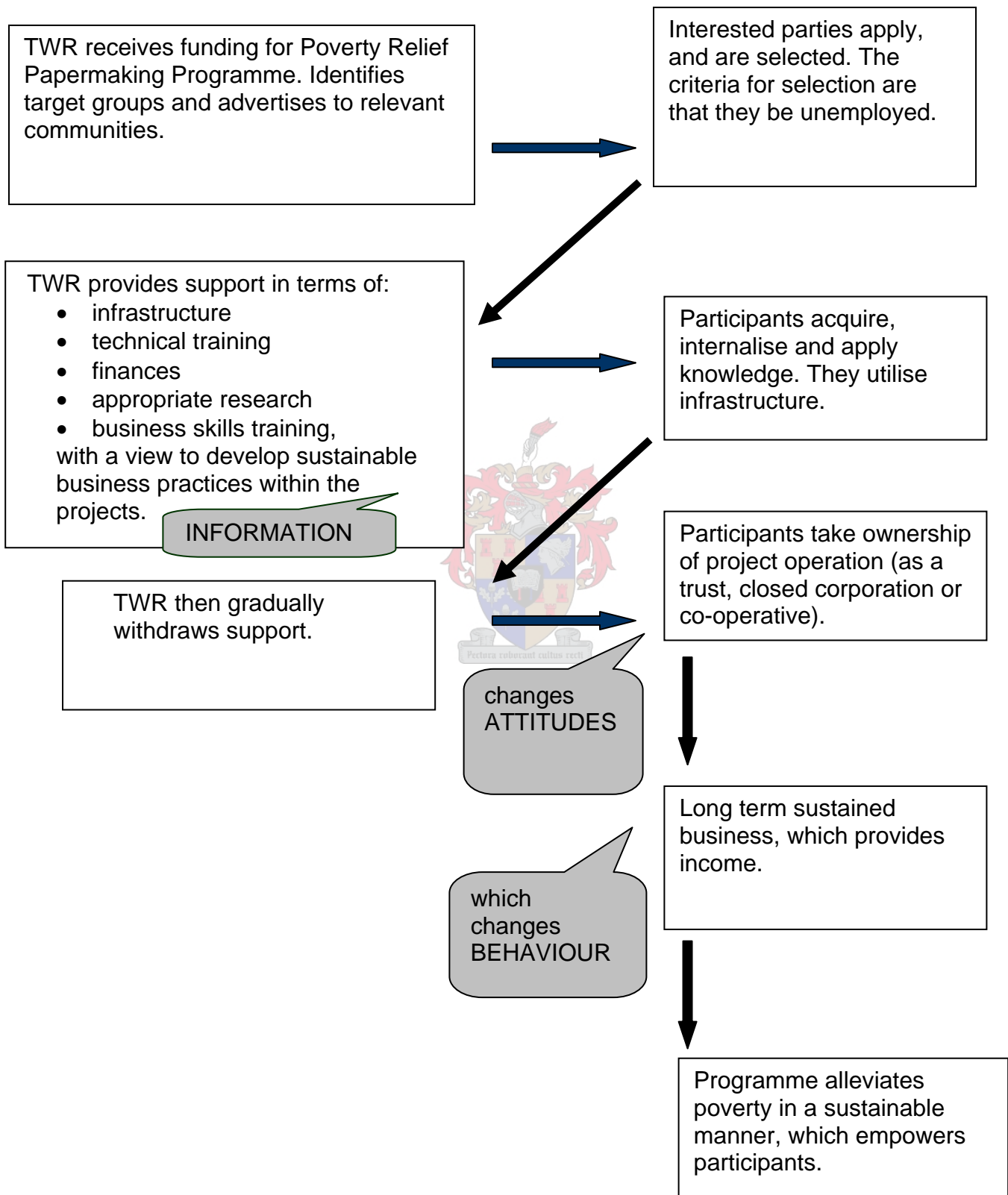
2.7 Model of envisaged empowerment process

The diagram following (figure 2.1) indicates the logic model⁹ of Phumani Paper. It outlines the proposed course of action and their anticipated effects on the target population. This logic underpins the programme design.



⁹ A logic model is the assumed chain of events and reactions precipitated by an intervention. It is a causal link inherently assumed in the programme design of an intervention.

Figure.2.1 Diagram of Phumani Paper's logic model



2.8 Brief outline of and background to the projects

Operational projects and participant count as of April 2002.¹⁰

2.8.1 The Eastern Cape (EC)

1. Rising Sun Papermaking Project: iKhewzi Lokusa Farm (outside East London) (8 participants):

This is Phumani Paper's youngest unit, which has been functional since July 2001. It draws participants from the nearby township of Mdantsane, believed locally to be the second poorest township in South Africa.

This unit creates paper from Black Wattle, an alien invader found locally. Their main products include paper, stationery packs, printed aerogrammes and fridge magnets. They use distinctive design elements with coastal imagery, as well as lino-prints depicting South African wildlife. These designs are popular with tourists. Recently, they have developed a range of products drawing on Xhosa motifs to make their products distinctive and meaningful to them, alluding to the background from which the products have emerged.

2.8.2 Gauteng (GP)

1. Twanano Papermaking Project : Ivory Park, Midrand (9 participants):

The Twanano project has been set up in partnership with Iteke Co-operation, a recycling project in Ivory Park, a large informal settlement in Midrand, Gauteng (GP).

¹⁰ The number of participants reflects those reported in the annual report compiled in June 2002, which coincided with the start of the research period.

Twanano have progressed considerably from their early days, when they worked without shelter, to their official launch on 4 June 2002, when they showcased their new building.

They are now producing milkweed paper of an exceptional quality. Milkweed is an alien invader. This paper is a result of extensive research by the PRDU and researcher Mandy Coppes¹¹ into handmade paper production techniques that can be used specifically without electricity.

2. AIDSLink/ Thandanani Craft Project: Hillbrow, Johannesburg

(6 participants; the attendance of the group is erratic due to illness. Since the start of the research, the number of participants has fallen to two):

Thandanani Crafts functions two days per week to provide an income and activity to HIV positive women from Hillbrow and Orange Farm. The participants were drawn from a local Hillbrow AIDS support facility called AIDSLink. The project was initially set up at the centre, but has since been relocated from the AIDSLink centre in Hillbrow to the PRDU at TWR, in order to have access to facilities and working space.

They primarily produce products from paper made by other units or the trainers at the PRDU, and don't produce their own paper. The production of paper requires labour and involves large amounts of water, both of which had an adverse effect on the health of some members. In addition the original facilities (at the AIDSLink centre) were not adequate for the equipment needed to produce paper. Due to travel difficulties and irregular participation, the unit now only functions for one day per week, and is not an independent project in the true sense. The participants are paid a daily rate to produce products for orders

¹¹ Mandy Coppes was one of the PRDU researchers who submitted her MTech thesis through TWR, on paper produced from the fibres of alien invaders.

secured by the national office. The main ranges produced by this group are professional boxes on specific orders for corporate clients.

This project is referred to by most as AIDSLink and not Thandanani.

3. Kopanang Womens Group: Tsakane, Geluksdal, East Rand (7 participants):

The project is housed at a centre that includes a daycare facility for the children of child headed households, an embroidery skills development project and several other self-help initiatives. The centre was developed, and is supported by the nuns of the Sisters of Mercy convent in the area.

This unit manufactures attractive, coloured-paper and embroidered cards as one of their main ranges. The papermaking project collaborates with the embroidery unit at the centre to produce these products.

They have had significant success in marketing their products overseas, and have managed to produce products of a reliable and consistent quality.



2.8.3 Limpopo Province (LP)

1. Komanani Paper Art: Elim (19 participants):

Set up in October 2000, this unit was initially located at Pfluxanani Youth Centre, in Elim. The partnership was designed to provide the project with access to infrastructure and access to the local tourist market. The project is situated on the main tourism route of the area that includes various well-known arts and crafts projects and artists such as Jackson Hlungwane. The unit therefore adds value to the local tourism industry.

It was successful until the paper production process began disturbing the educational activities of the centre. As the unit is only one meter away from the classroom, beating hours were restricted to before 8am and after 4pm, due to the noise levels. This severely hampered production and caused conflict with the centre management. The unit was then relocated to an alternative building nearby.

This unit produces paper from banana fibres, using stem fibre off-cuts from the local farming industry or local trees. The unit also produces products, such as books and photo albums, but their main focus is the conference range, which includes lever arch files, conference folders, note-books and name place markers.

2. Lebone Paper Project : Potgietersrus (7 participants):

Lebone paper project, in Potgietersrus was set up in June 2001. It focuses primarily on products, made using paper they purchase from Khomanani. They do however manufacture small quantities of paper. Their focus is the tourist and craft market, with products such as notebooks, penholders and a variety of gift packaging items.

2.8.4 The Free State (FS)

1. Kutluano Papermaking Project: Welkom (13 participants):

Kutluano Papermaking Project located in Welkom produces paper and products from maize fibre and onion skin. They have recently developed a product line that draws from the Sotho tradition in the area, using unique cultural motifs. The project was set up with the support of the Mineworkers Development Agency (MDA) to assist families that have been affected by the shrinking mining industry in the area.

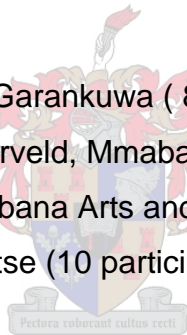
2.8.5 The North West Province (NW)

The North West Province has the longest running paper production units with the establishment of the Winterveld unit, called Tshwaraganang Papermaking Project in 1997, which was later integrated into Phumani Paper.

Two other units are functional in the North West: Bosele in Lehurutse and Amogelang, in Mmakau.

These projects focus on producing stationery products that are being purchased for private and group functions. The paper is produced from river reeds and mielie husks.

1. Amogelang Project: Mmakau, Garankuwa (8 participants).
2. Tshwaraganag Project: Winterveld, Mmabana (10 participants).
This unit is housed at the Mmabana Arts and Culture Centre.
3. Bosele Project: Lerato, Lehurutse (10 participants).



2.8.6 Western Cape (WC)

1. Kuyasa Paper and Products: Fisheagle Park, Kommetjie (9 participants):

Participants were drawn from the Xhosa and coloured communities of Masiphumelele and Ocean View respectively.

The Kuyasa group in Kommetjie split in May 2001 into two separate units: a papermaking group and a product making group. They then merged again in January 2002. The group's initial split was due to conflict between the fifteen participants at the time. Before they joined up again, there were a number of drop-outs, and production levels were dropping. It was agreed that the group

should merge so that they could assist each other with production and reduce overheads.

They produce paper from Port Jackson willow, an alien invader. From this paper they make a range of products such as gift packaging, boxes, wine boxes and cylinders, journals, photo frames and albums. Their products are patterned very distinctly, by bleaching shapes into the dark brown paper with household bleach. Their products have been very well received and the project has developed a reputation in the Western Cape craft arena.

2. Flower Valley Trust: Gansbaai (4 full-time and 10 part-time participants):

The Flower Valley Trust papermaking unit is situated on the Flower Valley Trust Farm. It was developed to provide employment to the flower pickers when the picking season was over as flower picking is a seasonal job, only providing income for a few months in the year.

It was operational before the onset of Phumani Paper but has grown into a sustainable unit as a result of the support provided by Phumani Paper and the PRDU. The unit now functions all year round.

They have the bonus of being part of a bigger organisation that assists in linking them to markets. Flower Valley's products are of a consistently high standard.

Aside from making their own paper for the production of goods such as photo albums, journals, cards and drawer liners, they purchase the coloured paper from Siyazama and Port Jackson willow paper from Kuyasa to extend their range.

3. Siyazamza: Khayelitsha, Cape Town (10 participants):

This unit focuses on job creation for mentally and physically disabled members of the Khayelitsha community. It is housed at the Kwa Nothemba Centre for the Diasabled.

They concentrate on producing paper, with their trademark product being brightly coloured dyed recycled paper. The participants suffer from a range of disabilities from loss of limbs to mental disabilities. Papermaking poses a challenge to which they have responded with great enthusiasm.

2.8.7 Kwa Zulu-Natal (KZN)

1. Siyathuthuka: (paper), Eshowe (10 participants):
2. Ukukhanya Kwesizwe: (products), Eshowe (6 participants):

As the first project funded by DACST, Siyathuthuka supported nine women between November 1999 and March 2000. Since the Papermaking Poverty Relief Programme was initiated in July 2000, this unit has expanded significantly to include over 40 people. The Eshowe Paper Packaging Project, known as Siyathuthuka and based at the Impangela Training and Development Centre, started another workshop in the same location known as Ukukhanya Kwesizwe.

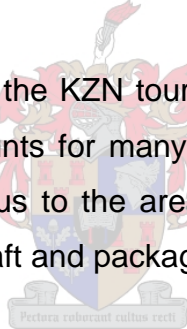
Ukhukhnaye Kwesizwe specialised in quality hand-paper products, such as boxes and packaging to add value to traditional crafts found in the area.

Ukhukhanye Kwesizwe purchased paper from the Siyathuthuka unit to manufacture these products. Another vital segment to the success of Ukhukhanye Kwesizwe was the sewing and beadwork project, which operated as part of this project.

Since the start of this research, the two units have merged to form one project called Kwa Zulu-Natal Papermaking and Craft Packaging Project. This is reflected in the data.

The nearby Endlovini Mission Project produces traditional pots, teapots, and candlestick holders and provides craft products such as soaps, candles, embroidered and beaded handicrafts. The project purchases products from the Endlovini group and packages them in handmade paper boxes for resale. The combination of traditional crafts packaged in handmade paper from sugar cane accelerates economic viability and is supported by the tourism industry, as tourists visit and participate in workshops, to view and buy the products. Some participants in Endlovini have joined the Eshowe Project. However the potters in Endlovini are still supplying pottery to the Eshowe project.

The units are ideally situated on the KZN tourism route and receive many visits directly from tourists. This accounts for many sales. Their focus is on the Zulu cultural tradition that is indigenous to the area. They illustrate and explore this through their selection of local craft and packaging items.



2.9 Conclusion

Phumani Paper is a dynamic marriage of government, the tertiary education sector and localised communities. It operationalises the White Paper on Higher Education's call to "demonstrate the social responsibility of institutions and their commitment to the common good by making available expertise and infrastructure for community service programmes" (Republic of South Africa, 1997: 14).

Research and analysis of such a programme will provide the South African craft industry with insights that may prove useful for the successful development of future programmes of a similar nature.

Chapter 3

Literature Review and Relevant Theory

3.1 Introduction

For the purposes of the study it is necessary to examine the theoretical perspectives which have - explicitly or implicitly - informed the Phumani Paper programme design.

The following perspectives will be discussed in this chapter:

- Neo-Liberal Economics;
- Human Development;
- Gender and Development (GAD);
- Sustainable Development;
- The Triple Bottom Line.

In the discussion special attention is paid to the way in which these perspectives look at poverty and poverty alleviation. These definitions, in turn, are used to develop a composite set of indicators, which can be used to measure poverty alleviation.

3.2 Neo-Liberalism

This theory is explored as it provides the context and environment in which Phumani Paper addresses its task of poverty alleviation. While the intervention takes its approach to poverty from aspects of human development; sustainable development; and gender and development explored below, the vehicle through which this is done (i.e. the SMME units or projects) has been designed to operate within a neo-liberal economy. Therefore the success of the programme, in terms

of its ability to alleviate poverty, is dependent in part on the projects' abilities to function effectively in this type of economy.

3.2.1 The neo-liberal argument regarding growth and equity

Free markets and competition are the principles upon which neo-liberal economics are based. A market is defined as “any contact or communication between buyers and potential sellers of a good or service” (Mohr & Fourie, 1995:49). Competition within the market is the key to generating income and wealth.

A fundamental belief underpinning this approach is that the market is a self-regulatory body, characterised by private ownership of the enterprise. It operates on a system of supply and demand. This approach therefore encourages competition and flexibility and argues that under such conditions, organisations operate with high levels of efficiency.

Neo-liberal theory has no special concern for those in poverty and at the bottom of society. It simply assumes that if markets are left to function freely, growth will follow and “trickle-down” to even the lowest strata in society. Over time gross domestic product (GDP) will exceed population growth, newly created jobs will mop up unemployment and poverty will be alleviated in its wake.

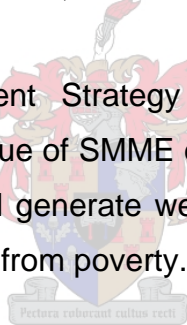
In a neo-liberal economy there is space for both big and small business (or what is called SMMEs in the South African context). Given the entrepreneurial spirit and the appropriate business skills, neo-liberalism sees no reason why the goods and services produced by an SMME will not be able to compete on the open market and generate income.

According to Uribe-Echevarria (1991b) small-scale enterprises are:

- Often initiated in the rural areas and a sizable proportion of it remains there;
- Realised by indigenous small-scale entrepreneurs using labour-intensive (appropriate) technologies;
- Effected primarily through consumption linkages;
- Often able to use mainly locally produced raw materials.

“Small scale industries are ... appropriate for supplying small markets, more flexible in using local resources and raw materials, demand modest amounts of capital, and less sophisticated infrastructure. The assumed advantages of small scale production (are)...less costly job creation, formation of an enterprise seedbed, more social and political stability and more equitable income and wealth distribution“ (Uribe-Echevarria ,1991b: 41 & 42).

The National Skills Development Strategy (Dept. Of Labour, 2001a: 39) addresses itself directly to the issue of SMME development, and sees it as a way to increase job opportunities and generate wealth for those currently outside of the economic cycle and suffering from poverty.



3.2.2 Critique of neo-liberalism and state intervention

In practice, deregulated, neo-liberal economies seldom work along the lines claimed by the theory. Put differently, they often produce “market failures”. The following are five areas of such market failures according to Mohr et al (1995: 452):

- imperfect competition;
- public goods;
- externalities;
- income inequality;
- economic instability.

For instance, neo-liberal economies characterised by “jobless growth” are not an uncommon phenomenon – in which growth in GDP bypasses the unemployed and the poor. When jobless growth occurs, the “trickle-down” effect, assumed to distribute wealth to those at the lower end of the economic scale, does not occur. This serves to exacerbate the disparity between those at the top end of the economic ladder, and those at the bottom, or not on the ladder at all.

It is because of market failures that governments often intervene in the economy and society for the sake of “development”. For instance, they often launch programmes and establish institutions in order to stimulate the growth of an SMME sector. The approach is designed to develop entrepreneurial ventures and equip people with skills and the ability to access that market, where they will be in a position to sell goods and services, and generate employment and wealth.

The South African government is no different in this respect. Although it is committed to a neo-liberal macro-economic policy (called “GEAR” – Growth, Employment and Redistribution), it has consciously intervened to stimulate the growth of the small business sector. In addition it has launched all kinds of socio-economic development programmes and strategies in order to address the legacy of apartheid¹. Phumani Paper is a direct result of this government approach.

Although some (and especially neo-liberals) will view the government’s social policy as contradicting its macro-economic policy, the government has persevered in its two-pronged approach (GEAR and RDP) to economic growth and social development. By promoting the growth of the craft sector and by supporting initiatives like Phumani Paper, the government clearly hopes to make yet another contribution to poverty alleviation.

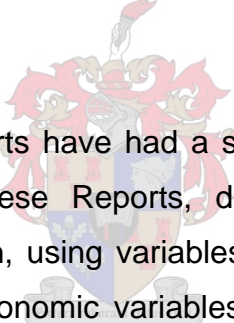
¹ The government’s views in this regard were first formulated in its “Reconstruction and Development” (RDP) programme, published in 1993.

3.3 The Human Development paradigm

Human development is a holistic paradigm that attempts to put people back at the centre of development (UNDP, 2003: 1). Income is seen as a means, not an end. What is important are the uses to which income is put, not the level of income itself (UNDP, 1990: 10). Hence, while income is one important indicator of poverty alleviation, there are others.

3.3.1 Haq and the Human Development Reports

In 1990, The United Nations Development Programme published the first Human Development Report (HDR). In the words of President Fernando Henrique Cardoso of Brazil:



“Human Development Reports have had a significant impact world-wide. Until the publication of these Reports, discussions on development centred on economic growth, using variables such as per capita income growth. Of course these economic variables also generate some social benefits. But this view of development had been quite limited. While a country could perfectly well be considered highly developed, income might be concentrated in the hands of a few, and poverty worsening” (UNDP, 2000: 4).

The approach taken by Haq (1995), the programme manager of the first Human Development Report, is that “development” should be about people. The process of living is not only the tool for development, but also the driving force behind it and ultimately, the aim. At the core development is about enlarging people's choices (Haq, 1995: 14).

The UNDP puts economic growth into perspective: “It is a means – a very important one - to serve human ends, but it is not an end in itself. ...The process of enlarging people's choices - not just choices among different detergents, television channels or car models, but the choices that are created by expanding human capabilities and functionings - what people do and can do in their lives” (UNDP, 2000: 2).

Practically, this approach means that although financial means are fundamental tools for development, they must be accompanied by the knowledge of what their empowerment means and how it can be used. Education about choice and what kinds of choices are available must accompany any poverty alleviation strategy. Money alone will not initiate any significant long-term changes in the lives of individuals and communities.

Economic theories of development speak very little about education, health and quality of life - the very issues (“market failures”) highlighted by critics of neo-liberalism. Measures of GDP leave out all activities that are not monetized - household work, subsistence agriculture, unpaid services (Haq, 1995: 46). They also fail to indicate the level of political freedom in a country - a fundamental prerequisite for development. Freedom of choice and equal access to opportunity are the assumptions underlying the “human development” and by implication, poverty alleviation.

3.3.2 Essential components of Human Development.

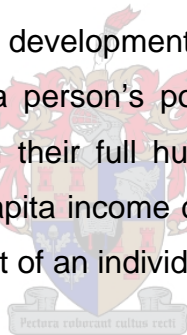
Based on the approach discussed above, Haq (1995: 16) isolated four essential components central to human development: equity; sustainability; productivity and empowerment.

Equity implies equal access to opportunity but not necessarily equal outcome from choices made. He sees this as fundamental to human development, which is

based on the assumption that life is valuable in itself and not merely because people can produce goods. He sees the process of living as one wherein all people must be “enabled to develop their human capabilities to the fullest” (1995: 17) and as such, should have equal access those opportunities that enable them to do this.

Sustainability displays some similarities with theories of sustainable development. Simply put, sustainability implies that “what must be preserved is the capacity to produce a similar (and desirable) level of human well-being” (1995: 18) for future generations. This is achieved by intergenerational as well as intragenerational attempts to ensure equity for all and is concerned with the human, natural and physical capital that is inherited by each generation.

Productivity is the area in human development that sees the need for economic activity and growth. It refers to a person’s potential to generate the economic means that assist them to reach their full human potential. It is here that the financial indicators such as per capita income can be used to assess the level of development or underdevelopment of an individual and community.



This relates to an important point highlighted by Haq: Contrary to misconceptions of the paradigm, human development is not only concerned with social content at the expense of economic aspects of development (1995: 22). Instead the paradigm looks at traditional (economic) models from the vantage point of people. Human development is a holistic approach which implies that “the purpose of the economy is to serve the people, and not the people to serve the economy” (Max-Neef, Elizalde & Hopenhayn, 1991: 21). People should therefore benefit from economic activity as well as generating it.

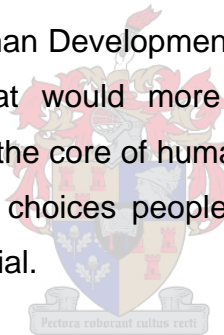
Empowerment is described as people being able to exercise choices that will best benefit their development. “Empowerment of people distinguishes the human development paradigm from other development concepts... Requiring

investment in people as a prelude to equal access to market opportunities, human development models are not basic needs models, which require only the provision of basic social services, normally by the state. Moreover, human development paradigm embraces all choices particularly political, social and cultural, while the basic needs concept is generally limited to economic choices” (Haq, 1995: 20).

It is implicit in the approach outlined above that human development and poverty alleviation go hand-in-hand, and could for the most part be considered synonymous.

3.3.3 Measuring human development and the Human Development Index (HDI)

With the emergence of the Human Development Report came the need to define measures of development that would more aptly address the dimensions embraced by the paradigm. At the core of human development is the recognition that development is about the choices people are empowered to make in an attempt to reach their full potential.



While it was impossible to encompass all human choices into a composite indicator (particularly on a global scale), the HDI was an attempt to at least enlarge the scope of measuring human development, previously only restricted to economic measures such as GDP. The index looks at three broad variables considered central to development; longevity, knowledge and income; and ascertained what their corresponding indicators should be. Longevity was initially measured by life-expectancy and later, also by infant mortality rate; knowledge was linked to adult literacy and later mean years of schooling² and income is

² This was done because, according to Haq (1995: 49), “few industrial (or ‘developed’) countries maintain separate figures for adult literacy”. In addition, there was a need to differentiate between developed countries that could possibly have a 100% literacy rate, but would not necessarily be at the same level of development.

measured by ascertaining a monetary figure for a the cost of a ‘reasonable standard of living³.’

Values for each of the three variables are allocated according to a scale (between 0 and 1), thus standardising the observed indicators in each case into numerical values, for comparative purposes. An average of the three values is calculated and a single number is obtained representing the level of development of a group according to the HDI. This index can be used to compare groups of people globally, nationally, regionally or even locally, in terms of their levels of development.

This study does not look at longevity or literacy of the programme participants, as these were not directly addressed by the intervention. It does take into account the income aspect of the HDI as a dimension of development measured. This will be discussed further 3.8.1.

3.3.4 Human Scale Development

While the HDI looks at development on a macro- or meso-level (measuring HDI for countries, regions or provinces), this study required a more micro approach to the same issue.

For this reason the study drew substantially on Max-Neef’s theory of ‘Human Scale Development’ (1991). Like Haq, Max-Neef defines “development” as the enlargement of choices in the process of satisfying needs. However, in contradiction to Maslow’s much respected “hierarchy of needs”⁴, Max-Neef’s

³ Due to the differing economic climates in countries, no universal figure could be ascertained for the income variable. The minimum income figure would have to be calculated taking into account the circumstance of that country or area.

⁴ Maslow attempts to explain the development of the human in terms of a hierarchy of needs. He places basic, physiological needs such as food and shelter at the bottom, and the more esoteric notion of “self actualization” at the top, with safety, love and esteem in the ascending steps in-between. Maslow’s belief is that human beings are motivated by unsatisfied needs, and that

paradigm looks at all human needs, both physical and existential, and is therefore more than just a basic needs model.

Max-Neef agrees with Maslow that “fundamental human needs are finite, few and classifiable” despite their culture, history and circumstance. What varies between individuals are the satisfiers of those needs. Max-Neef et al also postulates that satisfiers of needs vary from culture to culture. Hence, particular satisfiers are distinguishing characteristics of a culture. Cultural change therefore is the changing of traditional satisfiers in preference of new or different ones (1991:18).

3.3.5 The Human Scale Development matrix

According to this theory, needs and satisfiers do not have a singular relationship. They are interrelated and function as such. A satisfier may address many needs simultaneously, and even be a factor in the development of further needs.

This matrix illustrates that development has many aspects. It propagates that the interrelationship between needs, satisfiers and economic goods is permanent and dynamic (1991: 30). With the exception of subsistence (considered a fundamentally important need that underpins all others) no hierarchy exists between any of the needs identified on the matrix. This approach is in keeping with the logic underpinning the human scale development theory - that the development process should be transdisciplinary in order to effectively address the many facets of human life.

To illustrate this point, Max-Neef has plotted a matrix of needs and satisfiers (figure 3.1). The matrix divides needs into two sets of categories, the first being

certain lower needs need to be satisfied before higher needs can be satisfied (Edwards and Louw, 1997: 449).

sociological categories (of subsistence, protection, affection, understanding, participation, idleness, creation, identity and freedom).

Secondly, it addresses needs in existential categories. For each sociological need, he identifies the specific act aspect of living wherein it originates, that is BEING. He then goes on to investigate what would fulfil that need - defined as HAVING; how this fulfillment can be achieved - the act of DOING; and how it is viewed with regard to greater society, time and space-defined as INTERACTING (1991: 32). What therefore constitutes the action of development is how people are empowered to meet their needs.

Max-Neef et al also distinguish between three contexts in which development takes place (1991: 18):

1. oneself;
2. one's social group; and
3. one's environment



This implies two fundamental principles of human development:

- Firstly, people are aware of their own needs, although they may need assistance meeting them;
- Human development therefore can be defined as enlarging the choices available to meet one's needs.

Satisfying one's needs involves an individuals' active interaction with their environment and their society: i.e. BEING, DOING and INTERACTING. As can be seen in the following matrix, the needs identified by Max-Neef are not only economic but talk to aspects of equity, sustainability, productivity and empowerment, as identified by Haq. "A development policy aimed at the

satisfaction of fundamental human needs goes beyond conventional economic rationale because it applies to the human being as a whole” (1991: 23).

Figure 3.1 Human Scale Development: matrix of needs and satisfiers

Needs according to existential categories Needs according to sociological categories 	BEING	HAVING	DOING	INTERACTING
SUBSISTENCE	1/ Physical health, mental health, equilibrium, sense of humor, adaptability	2/ Food, shelter, work	3/ Feed, procreate, rest, work	4/ Living environment, social-setting
PROTECTION	5/ Care, adaptability, autonomy, equilibrium, solidarity	6/ Insurance systems, savings, social security, health systems, rights, family, work	7/ Cooperate, prevent, plan, take care of, cure, help	8/ Living space, social environment, dwelling
AFFECTION	9/ Self-esteem, solidarity, respect, tolerance, generosity, receptiveness, passion, determination, sensuality, sense of humor	10/ Friendships, family, partnerships, relationships with nature	11/ Make love, caress, express, emotions, share, take care of, cultivate, appreciate	12/ Privacy, intimacy, home, space of togetherness

<p>Needs according to existential categories -----></p> <p>Needs according to sociological categories ↓</p>	BEING	HAVING	DOING	INTERACTING
UNDERSTANDING	13/ Critical conscience, receptiveness, curiosity, astonishment, discipline, intuition, rationality	14/ Literature, teachers, method, educational policies, communication policies	15/ Investigate, study, experiment, educate, analyze (<i>sic</i>), mediate	16/ Settings of formative interaction, schools, universities, academies, groups, communities, family
PARTICIPATION	17/ Adaptability, receptiveness, solidarity, willingness, determination, dedication, respect, passion, sense of humor	18/ Rights, responsibilities, duties, privileges, work	19/ Become affiliated, cooperate, propose, share, dissent, obey, interact, agree on, express opinions	20/ Settings of participative interaction, parties, associations, churches, communities, neighborhoods, family
IDLENESS	21/ Curiosity, receptiveness, solidarity, imagination, recklessness, sense of humor, tranquility, sensuality	22/ Games, spectacles, clubs, parties, peace of mind	23/ Daydream, brood, dream, recall old times, give way to fantasies, remember, relax, have fun, play	24/ Privacy, intimacy, spaces of closeness, free time, surroundings, landscapes
CREATION	25/ Passion, determination, intuition, imagination, boldness, rationality, autonomy, inventiveness, curiosity	26/ Abilities, skills, method, work	27/ Work, invent, build, design, compose, interpret	28/ Productive and feedback settings, workshops, cultural groups, audiences, spaces for expression, temporal freedom

Needs according to existential categories → Needs according to sociological categories ↓	BEING	HAVING	DOING	INTERACTING
IDENTITY	29/ Sense of belonging, consistency, differentiation, self-esteem, assertiveness	30/ Symbols, language, religion, habits, customs, reference groups, sexuality, values, norms, historical memory, work	31/ Commit oneself, integrate oneself, confront, decide on, get to know oneself, recognize (<i>sic</i>) oneself, actualize (<i>sic</i>)oneself, grow	32/ Social rhythms, everyday settings, settings which one belongs to, maturation stages
FREEDOM	33/ Autonomy, self-esteem, determination, passion, assertiveness, open-mindedness, boldness, rebelliousness tolerance	34/ Equal rights	35/ Dissent, choose, be different from, run risks, develop awareness, commit oneself, disobey	36/ Temporal/ spatial plasticity

Source: Max-Neef (1991:32-33)

3.3.6 Human Scale Development and poverty

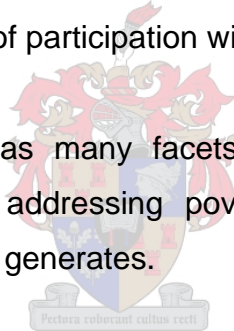
Poverty according to the human development paradigm is not only an economic concept. According to human scale development, if any of the fundamental needs identified on the matrix are not met, this is an aspect of poverty. Human scale development therefore refers to *poverties* and not poverty (Max-Neef et al: 1991: 18).

For example a lack of autonomy or equal rights leads to a poverty of freedom, while ill health and a lack of shelter will lead to a poverty of subsistence.

As all aspects of the matrix are interrelated, it thus follows that poverty in one category will affect others. Such poverty generates a variety of symptoms (or pathologies). This is a fundamental aspect of the theory, i.e. that poverty generates pathologies (1991: 19) and those pathologies correspond to indicators on the matrix where needs are not being met.

Another example: a person suffering from unemployment is not only affected in terms of his capacity to earn money. His situation results in a poverty of subsistence, affecting his ability to meet needs such as food and shelter. In addition, this can affect his health and financial insurance situations (poverties of subsistence and protection) as well as possibly impacting his self-esteem and social standing within his community (poverties of freedom and identity). Being unemployed also deprives one of participation within a work environment.

This illustrates that poverty has many facets or dimensions related to the categories on the matrix. In addressing poverty, programmes should take cognisance of the pathologies it generates.



When measuring the impact of a poverty alleviation programme on poverty, one must therefore measure the impact it may have had on the various categories of the matrix. At a simple level, this matrix enriches any research as a tool for analysing ways in which the lives of the poor are affected by poverty alleviation.

3.3.7 The nature of satisfiers

Max-Neef's theory also investigates the nature of various types of satisfiers and how they operate within the matrix.

Five different satisfiers are identified (1991: 31 & 34).

1. Violators or destroyers, which although intended to satisfy given needs or a given need, tend to more destructive in their effect on meeting that need;
2. Inhibiting satisfiers, which oversatisfy a need and in that way inhibit one from satisfying further needs;
3. Pseudo-satisfiers: These cause a false sense of satisfaction but may annul the ability to satisfy that need in the long term;
4. Singular satisfiers, which address the satisfaction of one specific need;
5. Synergic satisfiers, which contribute to the satisfaction of several needs simultaneously.

As can be seen above, some satisfiers operate in a counter-productive manner and in this way can contribute to instances of poverty.

3.4 Gender and Development (GAD)

“Gender and Development” is an approach that recognises that individuals do not simply choose how they will be gendered. The way in which genders are assigned also depends on the ways in which gender relations are institutionalised and played out in community or society (Serote, Mager and Budlender: 2001, 156). Based on this, the opportunities open to an individual and the roles they may play in their life, are to an extent prescribed by the power relations existent in that community. Gender and development recognises that power relations between men and women are political, and generally unequal.

GAD has its roots in aspects of feminist methodology. While there is no one approach to feminism, the common set of values that various approaches share argues that “women suffer injustices and oppression because of their sex” (Serote et al, 2001: 156).

It argues that in using economic indicators such as GDP, within previous paradigms of development, an accurate reflection of the situations at ground

level is lacking, as this does not address itself to inequality of income and where this inequality lies. It argues that this is also true for the HDI in that it does not look at the disparities between groups of people in a measured area. GAD recognises that fundamental inequalities exist between men and women in terms of levels of development.

Feminists differ as to what the root cause of this inequity may be, and the changing nature of who the oppressor is. However, one aspect that has been highlighted by GAD is that it is only by examining the gender relations within the specific social and cultural environment that this inequity can be adequately addressed. The patriarchal nature of many societies has been cited as a causal factor in terms of how it favours men with regard to the indicators described above. Specific cultural and religious practices, which are prescriptive about the subordinate position of women in that society, are also seen as contributing to this.

GAD also sees “one major problem with this measure (GDP) is that it does not measure services which are not exchanged on the market, such as goods and services produced in subsistence agriculture, and the unpaid labour performed mainly by women, bearing, rearing, and caring for people.” (Serote et al: 2001: 157) Since it sees these tasks as critical to the functioning of an economic system, this highlights a flaw in the economic measuring of development.

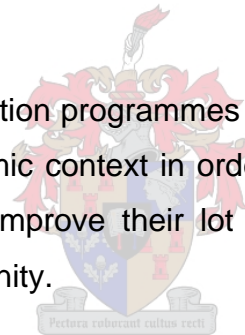
In developing countries where poverty is rife, the social and cultural relationships described above mean that women are particularly vulnerable to the effects of poverty. Often, the socio-economic climate precipitates men leaving their family homes in search of work elsewhere further adding to the burden borne by the women, who are left to care for the family's well being. In many cases, this includes securing an income to supplement or replace the income that was provided by the man. The result of socio-economic inequity is that women are

often less equipped in terms of education and skills, as well as access to the market to do this effectively.

“Women constitute a bereft group even among the poor in that they earn lower wages than men, have lower literacy rates, have limited access to social services and encounter more difficulties in obtaining employment. The predicament of poor women is a worrying factor since the health and education of mothers has a direct influence on their children” (Lalthapersad-Pillay: 2002, 39).

This also represents a hindrance to the development of children of such women in being able to reach their full potential. The cycle of poverty and inequity is therefore perpetuated.

This means that poverty alleviation programmes need to address specific gender relations within a socio-economic context in order to be effective – in particular, how the ability of women to improve their lot independently of men changes gender relations in that community.



As a result of the racially biased focus of past legislation in South Africa, the focus of development in terms of gender is still relatively new. The government has, however, made attempts to address this by interventions that are specifically designed for women in particular regions. It has also made a point of implementing gender quota systems favouring women, into organisations at all sectors of society, from business and government to civil society organisations.

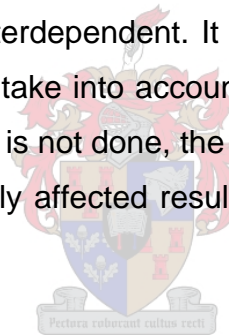
A very crude indicator of GAD is therefore the quotient of women involved in an intervention and how they respond to the skills capacitation it may offer. It would also be helpful to look at the group dynamics and the roles they play within that organisation.

3.5 Sustainable development

Sustainable development is a paradigm that grew from concern about the impact of industrialisation on the earth's natural resources. It recognises that the earth's resources are finite and need to be managed carefully to ensure the well being of future generations.

Defined as “meeting the needs of the present generation without compromising the ability of future generations to meet their own needs”, the sustainable development approach was thrust into the lime-light during the 1992 Earth Summit in Rio de Janeiro.

Sustainable development sees the sustainable management of resources and the alleviation of poverty as interdependent. It recognises that the way in which resources are conserved must take into account those who are dependent upon them for their livelihoods. If this is not done, the productivity of those communities and individuals will be adversely affected resulting in worsened poverty (UNDP, 1991: 1).



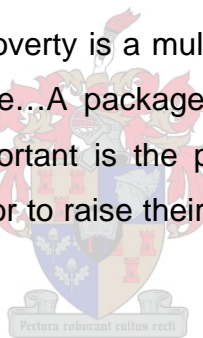
Ten years after the Earth Summit, the second World Summit for Sustainable Development (WSSD), held recently in Johannesburg, identified poverty eradication as the greatest global challenge facing the world today (WSSD, 2002: 2).

“The plight of the poor is jeopardised by the fact that problems of poverty, population and the environment are interrelated. Thus it is no coincidence that we find the poor located in areas that are environmentally degenerate.” (Lalthapersad-Pillay, 2002: 38), while better resourced land remains within the control of those with the economic means to exploit its resources. In addition, “environmental degradation and resource depletion have a disproportionate impact on people in poverty” (UNDP, 2001:4) as they are extremely dependent

on their immediate environment and hence vulnerable to changes that may affect it.

The poor often lack the means to manage or change their socio-economic and environmental situation and also the means to manage their resources effectively, in this way placing increasing pressure on the limited resources at their disposal by utilising them in unsustainable ways. This potentially worsens their poverty in the long term. According to United Nations Economic and Social Council's "Commission on Sustainable Development", this phenomenon also contributes to the worsening health of the poor (1995:5), which affects their levels of productivity, and in turn makes them more susceptible to being affected by changes in their environment.

It goes on to say that "(s)ince poverty is a multi-dimensional problem, no single measure to combat it will suffice...A package of complementary measures is needed, of which the most important is the provision of adequate productive resources that will enable the poor to raise their own incomes through productive activities." (1995: 9)



This needs to be done taking into account the impact that the productivity will have on the environmental resources it uses, in order to provide sustainable livelihoods. Although very closely related, the concepts of sustainable development and sustainable livelihoods should not be confused. The application of sustainable development theory does not presuppose the sustainability of a programme, or the impacts it may have on its participants in terms of poverty alleviation. This impact is determined by a variety of other factors such as its ability to generate income successfully and whether the design of the intervention effectively addresses the socio-economic context of its participants.

However, an intervention or programme that is unsustainable in terms of its use of natural resources will fail in the long term and hence not be effective in providing sustainable livelihoods to its participants.

This has generated a school of thought within sustainable development referred to as the “triple bottom line”.

3.6 The ‘Triple Bottom Line’

The traditional ‘bottom line’ is the end result of a profitability calculation carried out in a financial statement and reflects the success of a transaction in terms of its financial performance.

The “triple bottom line”⁵ postulates that transactions, whether in business or government based interventions, need to be measured in terms of their performance financially, environmentally and socially, to gauge the true impact that it has had on those involved.

The ‘triple bottom line’ is the term used to “capture a whole set of values, issues and processes a company (or transaction) must address in order to minimize (*sic*) harm resulting from their activities and to create economic, social and environmental value.” (SustainAbility, *undated*).

The three areas for measuring growth successfully according to the triple bottom line theory are economic value, social value, and environmental value. Sustainability is therefore no longer confined to the environment, but now also encompasses the social and economic aspects. For a ‘project’ to be truly sustainable, it must be sustainable in terms of all three criteria.

⁵ The phrase was coined by *SustainAbility*. “Founded in 1987, *SustainAbility* is the longest established international constancy specialising in business strategy and sustainable development...environmental improvement, social equity and economic development.” (SustainAbility, *undated*).

3.7 Poverty as a hindrance to development

If development is about *enlarging the choices available to meet one's needs*, then poverty must constitute a lack of choice. In that sense, development and poverty alleviation become synonymous. Looking at the quote below, it is clear that the South African government shares this argument and views poverty as a hindrance to development; a state or situation that reduces or blocks one's access to choices.

In a statement issued by the South African Ministry for Welfare and Population Development, the following definition was offered:

“Poverty is about lack of access, lack of power, lack of income and resources to make *choices* and take advantage of opportunities. In other words, poverty is not just about those who are poor in terms of income. It affects everybody, not just those who are its victims. The entire society suffers from the loss of people's creativity and potential “ (Fraser-Moleketi, 1997).

It is the incapacity of people, due to circumstances often beyond their control, such as unemployment, political instability or harsh environmental factors that limit their access to choice. These all contribute to cripple the development capacity of a community or country. Development agencies such as NGO's, states and often also churches need to implement policy that targets poverty alleviation. What is imperative here is how this is done:

“.. Human development is more than just achieving (these) capabilities; it is also the process of pursuing them in a way that is equitable, participatory, productive and sustainable” (UNDP, 2000).

3.8 Identifying indicators

By looking at key arguments and concepts in the above theories, a composite set of indicators has been developed to assess the impact of Phumani Paper in terms of poverty alleviation.

3.8.1 The economic aspects

Although this study does not view poverty purely as an economic state, it does recognise that poverty is *also* about income and money - or rather the lack thereof. The HDI points to a minimum income as an indicator of poverty.

A study commissioned by the government in the late 1990s takes the same view⁶. In this report poverty is defined as “the inability to attain a minimal standard of living, measured in terms of basic consumption of needs or the income to satisfy them”(May, 1998: 4).

Following the definition above, this study used the following two methods in order to measure *monetary* poverty amongst the participants in the Phumani Paper programme:

1. Firstly, draw up a so-called “poverty line” reflecting the monetary value of consumption which separate the ‘poor’ from the ‘non-poor’ (May,1998: 4). The poverty line of a particular country is compiled by collecting data on the cost of basic necessities needed to attain a minimal standard of living.
2. Another widely adopted international indicator of poverty on a micro-level, is the income poverty line of \$1 a day (at 1993 purchasing price parity (PPP)

⁶ Poverty and Inequality Report (1998). This report is considered by Statistics South Africa as being the “first substantial post apartheid publication using historical and contemporary data” (Simkins, 2001: 1).

US\$). This measure is endorsed by the United Nations Development Programme. (UNDP, 2002) and the Southern African Poverty Network (SARPN, 2002).

The latter measure is also considered as the benchmark in the “WSSD-Plan of Implementation” that has emerged from the recent World Summit on Sustainable Development (WSSD, 2002) considered the most recent thinking in the field of development.

The per capita income generated by the programme for its participants provides an indication of its success within this measure.

Chapter 4 will present the actual figures used as the poverty line indicator in this study, and how they were calculated.

3.8.2 Testing the human development paradigm

The human development paradigm also looks at poverty alleviation as a process involving the whole person and his/her interaction in their socio-economic environment, a process leading to the enlargement of choices, and the capacity to address those choices effectively. As stated in 3.3.5, poverty alleviation is a meeting of human needs across all categories of Max-Neef’s matrix.

Max-Neef’s human scale development matrix is more than just a theoretical framework for human development.

“The schema proposed can be used for purposes of diagnosis, planning, assessment and evaluation...The matrix of needs and satisfiers may serve...as a participative exercise of self-diagnosis for groups located within a local space. ...The analysis of proposed satisfiers will enable the group to assess not only whether their positive effects are singular or

synergic, but also whether the negative effects are violators, inhibiting satisfiers or psuedo-satisfiers” (Max-Neef et al, 1991: 37).

This research tests that awareness by asking participants specific questions that are linked to key concepts in the Max-Neef matrix. The complete matrix is not tested - only those concepts that fall clearly within the ambit of projects such as those run by Phumani Paper.

The project addresses ‘the social-group’ as one of the three contexts⁷ outlined by Max-Neef as a place where development takes place. Therefore, the impact of the programme can only be tested in this context.

Specifically, participants in the sample were asked to rate themselves on key concepts within the matrix; more than one question per sociological category was included. The questions pointed specifically to the possible empowerment of participants and to the possible enlargement of the choices that may come to them through the project. The answers were able to shed light on how people can be empowered in this way through craft-based projects and how effectively these projects address the alleviation of poverties.

Following is a list of the categories addressed by the study and what indicators were used to asses the project’s impact upon them:

- Subsistence, i.e. whether the income generated by the opportunity enabled participants to better their living conditions in terms of type and size of dwelling, access to amenities such as water and electricity and the location. These indicators were monitored for changes that occurred as a result of increased project based income.

⁷ The other two contexts are oneself and ones environment.

- Protection, i.e. whether the intervention impacted on savings status of a participant and autonomy regarding their role in financial decisions that affect their lives. This is not necessarily only indicated by regular saving on the part of the participant, but by their introduction to the banking system and the understanding and application of financial insurance concepts both for the project and at a personal level.
- Affection; ie. the impact that the intervention has had on the participants' levels of self-esteem and self-respect, as well as respect they command in their community environment.
- Understanding, i.e. critical conscience - insofar as their ability to realise the long term potential for sustainable livelihoods that the intervention endeavoured to provide. More specifically this is measured by looking at the participants perceptions of the sustainability of the projects, and relating this to their understanding of what is required to endure this in terms of the units' functionality within the market.
- Participation, i.e. the effect that the participation in the group environment has had on the participants in terms of confidence levels, expressing opinions, interacting within the group on both a formal and informal level. This is also assessed by looking at the way that roles and responsibilities are allocated, and how they are handled within that group.
- Creation; This is measured through the technical side of the intervention in terms the success of the skills development aspect (in terms of business training and the technical skills of the craft taught). This aspect of the matrix also refers to capacity building. This can be observed both by looking at formal capacity building programmes adopted by projects, and through informal interactions that have allowed participants the opportunity to develop their capacity in various areas, such as marketing their products to the public.
- Identity and Freedom. These categories are only addressed in a relatively superficial way with self-esteem, autonomy and the sense of

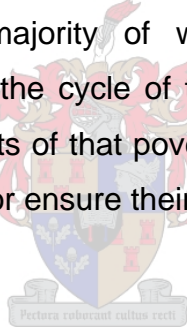
belonging in a group environment explored. The physical manifestations of identity are also looked at in terms of how the participants visually express themselves within the medium of paper and product making e.g. the use of cultural motifs to decorate objects.

3.8.3 Gender and Development

The indicators of this theory as discussed above are limited. The research is therefore also limited in that it can only look at the way the programme targets women, explicitly and implicitly as reflected by the numbers of women in the programme.

Through interviews, the research has attempted to pick up where the projects empowered participants, the majority of whom are women, in terms of addressing their ability to break the cycle of their poverties. By implication this would address some of the effects of that poverty. Examples include addressing their ability to feed their children or ensure their security and educational needs.

3.8.4 Sustainable Development



The programme design of Phumani Paper is based on aspects of sustainable development as outlined in 2.1 and 2.2. It addresses itself to both the productive use of waste material as well as environmentally friendly appropriate technology used to process that material. As stated in 3.5 this does not guarantee its success unless the issue of sustainable livelihoods is adequately addressed.

While it is beyond the scope of this research to assess the impact of the intervention on environmental resources it utilises, the study has been influenced strongly by the aspect of sustainable development that looks at the provision of sustainable livelihoods.

From this approach, the projects are measured in terms of their financial performance, as well as the performance of their products within the market. This is based on the assumption that the ability of the projects to provide sustainable livelihoods to their participants is dependent on how well they are able to function financially. This financial performance is influenced by aspects of the programme design, both at national and project level, and is hence analysed at each of these levels.

While the economic mechanisms of the project in their entirety were not a focus of this research, one dynamic of direct concern was the capacitating of participants in areas targeted by the programme design, i.e. in the craft of papermaking and business skills. How were these pursued and was this effective? Accordingly, the research looked at the monetary success of each project in direct relation to those capacity-building arrangements.

3.9 Conclusion

The indicators outlined above represent a synthesis of various aspects of theory about poverty. These have been explored within each development perspective and will prove useful when assessing the impact of an intervention such as Phumani Paper.

The purely financial aspects of poverty alleviation are directly covered by the HDI, and also one of the three bottom lines. In particular, the entrepreneurial approach is the focus of neo-liberal ideas as implemented in the South African government's policies to develop SMMEs and provide sustainable livelihoods. Market failure address government's policies to provide access to the market by capacitating previously disadvantaged people. The government also recognises that this needs to be done in a manner that addresses the sustainability of resources (as outlined by sustainable development).

Supplementing the purely financial dimension, are theories concentrating on the development of the whole person – the human development theories, and in particular Max-Neef's theory on human scale development.

The overlap of these two theories (i.e. human development and economic models) has been given by the HDI which successfully operationalises more holistic measures of development at a macro level. At a micro level, the categories of Max-Neef's matrix, drawn from the same theory as the HDI, provide a more viable set of tools to measure if human development is taking place.

Gender and development, like human development also recognises that development is about more than just financial dimensions. It goes further in saying that women in particular have in fact, been invisible to development process as measured by financial indicators, and need to be addressed as a specific focus of developmental strategy.

The triple bottom line is the combination of the above approaches that looks realistically at all the dimensions (i.e. financial, social, and environmental) that would need to be addressed in order to make an intervention both economically viable and sustainable in the long term.

This study takes the view that it is of fundamental importance to any poverty alleviation programme to recognise that poverty alleviation and development are interdependent to the point of being synonymous. Hence attempts to alleviate poverty need to address all aspects of human development to be effective and not just the financial aspects. This is based on the theories outlined in this chapter and has directly informed the methodology of this study as described in the next chapter.

Chapter 4

Methodology and Research Design

4.1 Introduction

This chapter details the methodology and research processes that were adopted for this study.

As an impact assessment, the research is an evaluation study. A description of the evaluation approaches that have informed the methodology is presented in order to motivate the methods used. These approaches are utilisation–focussed evaluation and participatory action research (PAR).

The research design is outlined in detail covering aspects such as time frame, design structure, indicators, data sources and research techniques. Next the sampling methods, and a detailed description of the research process are presented. Ethical considerations and problems encountered during the study are discussed for the impact they had on the collection and validity of the data.

This chapter also details how the poverty line figure, referred to in 3.8.1 has been calculated as it is applied in this study, and motivates why this method of calculation was chosen.

4.2 Approaches to programme evaluation

This study takes the view that monitoring and evaluation is vital to any development programme. It is only through evaluation research that a programme can make appropriate decisions to ensure it achieves its desired objectives. It is a powerful tool that can be used to assess whether those objectives remain realistic, and desirable to the target population throughout the

programme's life span. In this way, the programme management can ensure the legitimacy of the development that takes place.

Rossi and Freeman (Babbie and Mouton, 2001: 335) define evaluation research as "...the systematic application of social research procedures for assessing the conceptualization (*sic*), design, implementation and utility of social intervention programmes".

It is only through this that the programme management can be informed of the situation on the ground, so that the design can be amended where necessary. In this way valuable information is also provided for the design of future programmes of a similar nature.

This study sees the programme participants as active agents in their own development. It hence takes the view they should also be active agents in the evaluation process of the programme in order to derive maximum benefit from the assessment. The methodology used in this study was informed by two approaches to monitoring and evaluation (and sociological research) which share this view: utilization focused evaluation and participatory action research.

4.2.1 Utilisation-focused evaluation

The first active approach, utilisation-focused evaluation, deals with evaluations as an integral part of the development process.

Patton, the main exponent of this approach takes the view that "(p)rogram (*sic*) evaluation is the systematic collection of information about activities, characteristics, and outcomes of programs to make judgements about the program, improve program effectiveness and/or inform decisions about future programing. Utilization-focused (*sic*) evaluation (as opposed to program

evaluation in general) is done for and with specific, intended primary users for specific intended uses.” (1997:23)

The value in programme evaluations lies in producing results that have a particular purpose. Instead of conducting a post-programme evaluation, to learn whether an intervention has failed or succeeded, this approach sees the evaluator as a part of the development team, where the findings of any particular evaluation can contribute directly towards the success of the programme, by helping the programme management and participants to take corrective action while that option is still open to them.

One significant factor affecting this can be the rigidity of the initial proposal and the funders’ requirements. Such information as can be obtained by these evaluations is only useful if the programme design is adaptable enough to incorporate changes in direction, as it becomes necessary. More often than not, it is the inability of the programme design or funder to be flexible that ensures the failure of an intervention in the face of obvious contra-indicators.¹

The purpose of this research is to influence the direction the intervention, Phumani Paper will take as it enters its final stage of funding. In addition, it provides a case study for the development of other such programmes in the creative industries in South Africa, as proposed by CIGS.

4.2.2 Participatory action research

The second active approach, participatory action research (PAR), is based on the premise of participation of stakeholders at all levels in the research and

¹ For example, see Bekker, Clark & Cross (1995: 71) who assert that “once below the level of national government, there seems to be a conceptual split between funders and implementers with wide goals and experience, who tend to see their interest in the funding and delivery process as capacity building and empowerment, and those with a narrower and more technical view. The technician category of developers defines its interest in development in terms of concrete things, such as units installed on the ground.”

evaluation process. It is an approach that is not confined to evaluation research alone, and can be applied to any form of development research conducted within a community.

The use of PAR in evaluation is that participation builds capacity by equipping participants and stakeholders with the skills necessary to continuously adjust their programme processes in order to identify, clarify and therefore reach the goals of the programme.

PAR has several key characteristics according to Babbie & Mouton (2001: 314):

- It recognises the researcher as an agent of change;
- Participation of all parties throughout all phases of evaluation is imperative;
- It encourages democracy in the research relationship;
- Its main goal is the empowerment of those involved in the process;
- As a result of its nature, it relies heavily on use of qualitative methods of data collection, as these are more participatory than quantitative data collection methods;
- The incorporation of local knowledge as essential to understanding the process of development;
- The type of knowledge collected is centered around knowledge that influences action.

There are, however, several inherent biases built into this approach:

- The democratic nature of this approach slows the process of development down considerably;
- It functions on the basis that trust exists between all parties. This is not always true;
- The results of PAR are verified through a process known as social verification/validation. However, there will not always be consensus

reached by the community verifying these results due to different agendas of groups or individuals;

- PAR also works on the basis that the researcher has the same objectives as the participants for the research. This is not always the case when the funder of the research dictates certain constraints or objectives.

Despite the problems described, PAR is still considered a valid approach due to its emphasis on participation. This is in line with the paradigm of human development, which states that people are aware of their needs, even though they may need help in fulfilling them. Any approach that does not encourage the participation of the target group can be deemed as invalid as it cannot claim to address the needs of a community if it has not consulted them.

The basis of Phumani Paper, like many other interventions, is that ultimately the target group will take ownership of all that has been invested in them, to ensure the sustainability of the programme. Using the PAR approach, it was intended that they would be involved in the research process in order to produce results that would be of value to them as the programme progresses, and not merely of academic interest.

4.3 Research design

4.3.1 Time frame

In order for the evaluation to have relevance in terms of approaches chosen, the results need to be used to refine and change the design of an intervention while it is being implemented.

This impact assessment research began, with the onset of Phase Two of the programme (as set out in Chapter 2), and was completed by the onset of Phase Three, April 1 2003: the exit phase.

It therefore attempts to measure the impact that the programme has had after the most intensive investment phases (in terms of financial, training and human resources). At this point, flaws or strong points of the design can become evident. Results can then inform decisions taken for the final phase of the programme, in order to meet the most important objective: poverty alleviation.

4.3.2 Design structure

This study is a pre-test / post-test comparison combined with a partial longitudinal study. Interviews and data collection field trips were undertaken at both the start and the end of the research period. Between field trips, systematic surveys were implemented to monitor aspects such as the participants monthly income, the projects attendance and drop out rates and any community or capacity building that took place that month. These were designed to be incorporated into the projects' own reporting systems, in terms of when and how the information was collected from participants. However, this information was sent directly to the researcher in order to guarantee confidentiality to respondents, while the monthly report was sent to the programme management.

Both qualitative and quantitative research methods were used. Quantitative data such as a respondent's age, number of children and income provided easily analysed data about a respondents life. This formed a context against which the qualitative data could be more accurately assessed. Qualitative information (primarily in the form of interviews), provided information about aspects of the respondents' lives and experiences within the project which could not be easily quantified, such as how it affected their self-esteem, and how the income

provided by the project impacted upon their ability to provide for themselves and dependents.

Together, the combination of qualitative and quantitative methods provided a detailed perspective of the broad range of impacts (of both a tangible and intangible nature) that the projects had upon the lives of the respondents.

The pre-test / post test approach made it possible to gain a realistic perspective of these impacts over a period of time, lessening the bias that external factors on the interview dates may have had on the data ².

4.3.3 Dimensions of poverty, indicators and data sources

From the theory discussion in Chapter Three, this study understands poverty as a state that is characterised by little or no financial resources; diminished capacity both in concrete areas such as skills, as well as in more intangible areas such as personal empowerment and loss of control of one's own life, (the human development aspects). It is characterised by a deficiency in the ability to meet one's needs in terms of Max-Neef's existential categories (i.e. being, doing, having, interaction), across one or more of the sociological categories of Max-Neef's matrix i.e. subsistence, protection, affection, understanding, participation, idleness, creation, identity and freedom.

Within the context of the theory framework that has been discussed in Chapter 3, poverty alleviation is considered as a process of change that addresses three fundamental things: income; human development and capacity building. Income is measured in monetary terms, while human development is seen as a meeting of needs across the categories of the human scale development matrix. Capacity building is the action of equipping people to be able to meet those needs.

² For example, if a project had a particularly good month prior to the pre-test, this may have biased the participants' responses. The monthly monitoring, and post-test interview offered a perspective that could not be gained by using a once-off test methodology.

From this, table 4.1 was developed which outlines indicators of these dimensions of poverty (as discussed in 3.8) and the data sources utilised that provide information about how these indicators were affected by the intervention.


According to the Oxford Compact English Dictionary (1996), the term alleviate means “to make less severe” and impact refers to “significant or lasting changes in people’s lives brought about by a given action or series of actions” (Roche, 2000: 545).

In this context, therefore, an impact upon the respondents’ poverty (or poverties as referred to by Max-Neef) implies a change in respondents’ situations regarding the above-tabled dimensions, with a view to lessening the severity of their situation.

Although the impact of an intervention may not ever be accurately measurable given the ongoing time frames involved (i.e. how long constitutes “sustained”), a measure of impact at any given point or over a defined period of time can be used to infer future possible impacts.

Changes incurred over a short period may not be sustained but may have sustainable effects that are difficult to predict. (An ambiguous example would be the provision of emergency food supplies or water over a short period that can prolong a life, even if the provision is not sustained). From the above definitions of impact, an impact assessment is the process of determining whether the phenomenon under study, in this case poverty, has been changed in any significant or lasting way.

Table 4.1 Dimension of poverty, indicators and data sources

<u>Dimensions of Poverty</u>	<u>Indicators</u>	<u>Data Sources</u>
<ul style="list-style-type: none"> • Financial 	<ul style="list-style-type: none"> • Project-based per capita income compared to ascertained poverty line income. • Projects' financial performances (which indicates the projects' ability to provide sustainable livelihoods) • Marketability of products. 	<ul style="list-style-type: none"> • Baseline survey (Appendix 2) ascertaining respondents' status at start of research in terms of project based income, and income secured from other sources. • Selected sample of participants to be monitored through monthly survey (Appendix 5) giving monthly project based income, and indicates if any changes occurred in the questions posed in baseline survey. • Programme's (existing) consolidated monthly report that provides detailed information on project activities and performance. • Other relevant programme/ project documentation. • Interview with National Marketing Consultant. • Analysing annual reports that reflect project performance from year to year.

<u>Dimensions of Poverty</u>	<u>Indicators</u>	<u>Data Sources</u>
<ul style="list-style-type: none"> • Human Development / Empowerment- (as addressed by the following categories on Max-Neef's matrix- not all categories are addressed as some fall outside the ambit of the intervention): <ol style="list-style-type: none"> 1. Subsistence; 2. Protection; 3. Understanding; 	<ol style="list-style-type: none"> 1. Whether income generated by the opportunity enabled participants to better their living conditions in terms of type and size of dwelling, access to amenities such as water and electricity and the location; Health as affected by intervention. 2. Saving status/ applying personal financial management principles; autonomy regarding role in financial decisions; 3. Understanding relationship between sustainability of project and corresponding work required; understanding of concept of project as self-help opportunity and not a "job"; Relationship between productivity and profit. 	<ul style="list-style-type: none"> • Participant assessment scale (Appendix 3); • Coordinators' assessment scale (Appendix 4); • Semi-structured interviews with sample and coordinators; • Project level observation; • Communication with trainers; • Aspects of respondent questionnaire (Appendix 1);

<u>Dimensions of Poverty</u>	<u>Indicators</u>	<u>Data Sources</u>
<p>4. Participation;</p> <p>5. Creation;</p> <p>6. Identity;</p> <p>7. Freedom.</p>	<p>4. Interaction within group; enthusiasm for project; attendance; roles and responsibilities</p> <p>5. Application of technical skills; application of business skills; communication skills (spoken and written); product design innovation;</p> <p>6. Self-esteem; assertiveness; manifestations of individual and cultural aspects of participants in product designs.</p> <p>7. Self-esteem; ambition; desire to change life situation (determination).</p>	
<ul style="list-style-type: none"> • Capacity Building 	<ul style="list-style-type: none"> • Successful application of technical skills i.e. product and papermaking; • Successful application of business skills; • Improved ability to deal with aspects of marketing, financial management, project-level decision making (independently of coordinator). 	<ul style="list-style-type: none"> • Aspects of the same data sources outlined above; • Analysing consolidated monthly reports reflecting activities in the projects from production levels, to conflict resolution, setting out aims for each month; • Analysing annual reports reflecting changes from year to year.

4.4 Research techniques and data sources

Research was conducted at two levels: programme level and project level.

4.4.1 Project level

At the project level, the following research tools were employed at both the pre-test and the post-test phase:

4.4.1.1 Respondent questionnaire (Appendix 2)

Respondents were asked to fill in a questionnaire that investigated aspects such as respondents' age, disabilities, number of children, number of dependents, dwelling and amenities, educational and employment history, average earnings prior to research period and any alternative sources of income aside from the project.

This standardised questionnaire was administered to all members of the sample., who were drawn from projects in different parts of the country. Hence their situations both at home and at work varied quite significantly.

The questionnaire investigated some of the concrete indicators described in table 4.1 (such as dwelling, access to amenities, employment and income history). In addition the questionnaire provided contextual information (such as age, number of children and dependents) that assisted in the analysis of the data on a case-by case basis and therefore added robustness to the findings observed by the indicators. For example, a respondent earning R500 who is spending it on six family members would not be impacted in the same way as one who is only supporting him/herself.

4.4.1.2 Self-assessment scale (Appendix 3)

A second research tool was administered to every respondent. This was called the 'Self-Assessment Scale'. The respondents were asked to rate themselves on the items on this scale, which were used to assess human development in terms of key indicators appearing Max-Neef's matrix (table 4.2). This was designed to indicate changes of a less quantitative or tangible nature. Examples of indicators covered are: respondents interaction within the group; their understanding of the technical skills transferred to them; the self-esteem levels and levels of ambition.

The scale was used as a prompting mechanism for the interviews, which were semi-structured. The respondents, in answering the questions on the scale, discussed how and why they selected a particular answer. After administering the pilot surveys, it became clear how useful this approach is.

4.4.1.3 Coordinators' assessment survey (Appendix 4)

Thirdly, the coordinators of each project under study were asked to fill in an identical assessment of the individual respondents, based on their experience of participants in the sample. In this way, the self-rating of the respondent could be compared with that of her/his coordinator. This acted as a method of triangulation of the data obtained from respondents' self-assessments, with regard to human development.

4.4.1.4 Revenue/income data

Monitoring surveys (Appendix 5) were put in place between field data collection visits to determine monthly income figures (of both the respondents and the projects), absentee rates and any changes in the respondents' situations as reflected by their pre-test questionnaire (Appendix 2). It also reflected financial and other capacity building activities occurring at project level. This was

completed by the coordinator together with the sample respondents of each project, and the participant responsible for the projects' financial records. Individual incomes were compared to the poverty line to assess the financial aspect of poverty.

4.4.2 Programme level data

At programme level, the researcher was given unfettered access to all project documents, management staff and workshops. Observations were supplemented by informal discussions and formal interviews, including a structured interview with the National Marketing Consultant, who was based at the programme's national management office at TWR, Johannesburg.

The latter was used to assess the performance of each projects' products, and combined with the projects' financial performance to assess their impact regarding the alleviation of poverty and the perceived dynamics that contributed to that outcome. Such access to programme documentation and staff was also vital in gaining an in-depth understanding of both the programme and the projects, and various aspects of their development and functioning.

4.5 Sampling of respondents

It was not financially viable to include all projects or regions in this study. A random selection was made of five of the seven regions where Phumani Paper projects operate. All projects in a selected region were included in the study. The selected regions and their projects have been coded in table 4.2 below.

The randomly selected sample of twenty participants, from the approximately 146 participants represented 14% of the total number of participants reported in the annual report submitted to DACST in July 2002, at the start of the research period. At the post-test phase of the research, the programme participant count

had dropped to 126³ and the sample count had dropped to 16, representing 13% of the programme population at the post-test phase.⁴

The number of participants drawn from each project is reflected below (in table 4.3.). This table also indicates how many of the sample members were still with the specific projects at the post-test phase. The dates of each of the pre-test and post-test phase field trips during which the interviews took place are also reflected.

Table 4.2 Sample projects

<u>Region</u>	<u>Name of Project</u>	<u>Code</u>
Gauteng	1. Kopanang Womens Group 2. Twanano Papermaking Project 3. AIDSLink	1. GP1 2. GP2 3. GP3
Western Cape	1. Siyazama 2. Flower Valley Trust (FVT) 3. Kuyasa Paper and Products	1. WC1 2. WC2 3. WC3
Eastern Cape	1. Rising Sun Paper	1. EC1
Kwa Zulu-Natal	1. Ukukhanye Kwesizwe 2. Siyathuthuka During the research period, the units joined to form one project. This unit is was called: 3. Kwa Zulu-Natal Papermaking	1. KZN1 2. KZN2 3. KZN3
Free State	1. Kutlwano Papermaking Project	1. FS1

³ This is reflected in the 2003 annual report, which was being compiled at the time of the post-test phase, and was submitted to DACST in July 2003.

⁴ The drop in sample numbers mirrored the change in programme numbers. The sample can hence be considered as representative of the programme.

Table 4.3 Sample participants and field trip dates

<u>Project</u>	<u>Date of baseline field trip & interviews</u>	<u>No. of respondents: baseline</u>	<u>Date of follow-up field trip & interviews</u>	<u>No. of respondents: follow-up</u>
GP1	30 July 2002	2	2 May 2003	1
GP2	2 August 2002	2	19 May 2003	1
GP3	31 July 2002	2	30 April 2003	2
WC1	10 July 2002	2	8 April 2003	1
WC2	11 July 2002	2	9 April 2003	2
WC3	9 July 2002	2	10 April 2003	2
EC1	15 July 2002	2	1 & 2 April 2003	2
KZN1	17 July 2002	2	3-5 April 2003*	3
KZN2	18 July 2002	2	*	
FS1	6 August 2002	2	April 2003	2
Total		20		16
Programme population		146		126
Percentage		14%		13%

* (Projects had joined by this date to form one unit- KZN3)

The objectives and procedures of the study were explained to all relevant programme level staff, as well as project level staff and all project participants (i.e. respondents). This was accompanied by a written outline of the research plan (Appendix 6) that remained with the projects for the duration of the research period. In addition, all members of the sample were asked to confirm their agreement to take part in the study by signing a permission form (Appendix 7).

4.6 The research process

Once agreement had been reached with the Programme Director in September 2000, a period of time was spent researching the background of the programme, using various documents and material generated by the programme, as well as a series of informal discussions. This was done in order to gain an understanding of the programme and how it was designed.

The research proposal was then written and submitted to both the programme and supervising academic department for approval.

A pilot field visit was conducted at Khomanani Paper Art, one of the projects not selected as a part of the final sample, to assess both the tools and the best approach with which to gain the cooperation and trust of the participants. This resulted in an adaptation of the tools, which facilitated better fieldwork and analysis.

The concept was introduced to the regional coordinators and programme staff, who were briefed on implementation at a presentation as part of Phumani Paper's National Workshop, 15 -18 May 2002. They were asked to introduce the research, and its concepts and objectives to their respective project participants and assist them in feeling more comfortable. This also gave them time and opportunity to address their concerns or questions to the researcher during the month preceding the field visits.

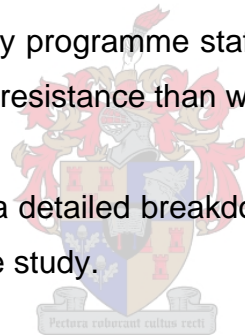
Five of the seven regions were selected randomly to take part in the study, and all the projects in the selected regions formed part of the sample.

A baseline field trip was undertaken to each of the projects in the selected sample. The researcher introduced the research to the project participants and gave them an opportunity for discussion.

The principle behind random sampling was discussed. Two participants were randomly drawn (from names put in a hat) after an opportunity was given for those uncomfortable with the study to be excluded from the random sample. None of the participants exercised this choice, and hence the sample was drawn from all the participants in the designated projects.

The tools were administered privately, in a venue away from the group. The research was conducted with as little interruption as possible to the activities of the units. The process was assisted by the fact that the researcher conducted herself unobtrusively, and was for the most part unaccompanied. Particularly as a female in mostly female environments, she was able to operate in a more relaxed and less intrusive manner. It was found during the pilot that the researcher accompanied by any programme staff member other than the project coordinator was met with more resistance than when alone.

The table in Appendix 8 gives a detailed breakdown of all research activities and interviews conducted during the study.



4.6.1 Translations

The research was primarily conducted in English. Some of the respondents indicated that they were not fluent in English and required translation. This did not seem to discourage them from taking part in the study.

It was decided not to introduce outside translators for several reasons:

- This proved too costly, as research was undertaken in several parts of South Africa and therefore translators would have to be recruited for several different languages;
- Due to the sensitive nature of some of the material covered, participants felt more comfortable identifying a member of their group to translate for them. It was felt that they could trust the translator to carry the correct

message, as opposed to a stranger that they did not know. This allowed them to be more open and honest in their responses;

- The impression of the researcher was that respondents were much more candid than they would have been in the presence of an outsider.

4.7. Ethical considerations

Care was taken to conduct this research in an ethical manner. Anonymity of the respondents was guaranteed. Recognising the sensitive nature of some of the material, the respondents were assured throughout the process that only the researcher would have access to the raw data.

Interviews were taped to ensure accuracy, but only after consent was given. The respondents were informed that they could refuse to answer any questions with which they were not comfortable.

The objectives of the research were discussed with each project before the sample was drawn. They were assured that although the results of the research would be made available to the programme management, the identities and locations of respondents would not be available. Each member of the sample was given the contact details of the researcher, should they wish to withdraw from the study at any time, or raise any questions that they felt uncomfortable raising initially.

4.8 Problems, obstacles and constraints encountered

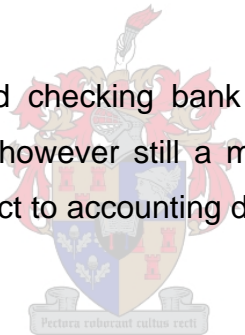
4.8.1 Bookkeeping

Due to the programme model adopted by Phumani Paper, the participants are responsible for much of the administration of their projects, including the bookkeeping and financial records. Their varying levels of capacity in this area,

as well as the differing availability of the coordinators to assist them, has a bearing on the accuracy of these financial records. The figures in this report differ from some of the figures reported by the programme's national annual report submitted to the DST in June 2003 for the preceding year, which includes the research period.⁵

There are several reasons why the researcher's project-based figures differ from programme's annual report figures. The research figures were obtained directly from each project during the field visits. Time was spent working with the participant (and in some cases the project manager) who was responsible the financial records in order to ensure that sales-based figures only (i.e. the money that they made each month from selling products), and not cash flow figures⁶ were isolated.

It was a process that involved checking bank records and reconciling sales receipts, and orders. There is however still a margin for error, as none of the project-based records are subject to accounting disciplines, or even recorded in a standard bookkeeping manner.



At programme level, the accounting records reflect programme based activities, but do not directly reflect sales that were made at project level, as the projects are autonomous in this respect. (Programme level accounting deals with other financial aspects at programme level, such as salaries, monies still remitted to projects for operational support, equipment etc.).

Orders for a particular project's products made at the programme level were usually handled in two ways:

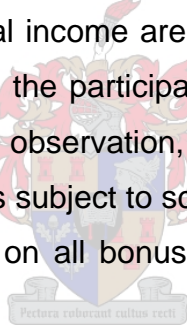
⁵ The report has a disclaimer stating that the figures reported have not been verified.

⁶ Cash flow figures include operational support that is still given from the funder, and includes projected orders.

1. Either the programme ordered goods from the project, and paid for them directly, and then included those goods into their programme level stock-take activities
or:
 2. The orders were remitted to the projects to administer directly themselves.
- Either way, these sales would be reflected at project level.

The figures used in the annual report were obtained from the same source as those used for the research. However, these figures could not be verified by visits to each project to consult their records.⁷

Regarding individual income levels, the following is relevant to the research. Whereas the records at project level for project income are not completely accurate, the records of individual income are very well recorded. This was true for most of the units. In addition, the participants were very specific about what they took home each month. On observation, it appeared that the procedure of calculating monthly "salaries" was subject to scrutiny by all participants (i.e. every participant would have to agree on all bonuses paid or monies deducted from each person).



Each project had different methods of calculating individual income: some divided profit equally between the participants, while others used a basic minimum per month. Each unit also had differing scales of savings for the unit- and individual incomes were only calculated after cost and savings were deducted from the project income.

During field visits the researcher discovered which units used which method of payment, and was also able to record the exact monthly incomes of the

⁷Upon investigation, it was also unclear whether a standard set of parameters was articulated to each unit (i.e. sales based income, or cash flow). The Programme Director requested that the researcher review the programme figures, and decided to include both figures in the report, with the researcher's figures attached to a preliminary research report.

respondents. By comparison, the annual report calculated the project's average income over the reporting period, and simply divided it by the number of participants in the unit at that date. This was then reported as the average monthly income for participants per unit although it doesn't appear to have been adjusted for money that projects would have used to pay costs or saved for capital accumulation. This averaging method was also applied across all projects, and therefore does not account for the differing ways that the units actually calculated their salaries⁸.

The collection methods for these figures used by the researcher were consistent and the figures were verified at their source. The analyses in this report have mainly been based on individual income data collected by the researcher. Project level incomes collected by the researcher were used to back-up some of the findings, where applicable.

4.8.2 Constraints of the tools used

The self-assessment questionnaire (Appendix 3) presented each participant with an ordinal scale to answer opinion based questions. This means that there is an order assigned to the scale, with seven rating higher than one, but the value between the numbers on the scale is undefined.

The participants are not measured comparatively against one another on a participant-by-participant basis. Rather, the results reflect a set of individual experiences within a common set of circumstances, i.e. the projects. The numbers allocated to answers do not reflect a definitive value assigned to an

⁸ Upon scrutiny of the annual report figures, speculative conclusions have been reached as to why they would differ from the research figures used here, on a project-by-project basis. However, the movements of these figures if plotted on a graph, would be similar to those in this report, which adds to their veracity. What the above does indicate is that bookkeeping is an area that requires attention with regard to capacitating participants, if the projects are to continue being responsible for these records.

answer, but provided a baseline against which the follow-up results can be compared.

Participants were asked to assess themselves in light of their experience within the group, and were prompted to give qualitative verbal responses to explain or expound on each point. This interview material is used to support the findings reflected by this questionnaire.

The scale, therefore, can only be used to assess whether a change has occurred for a particular indicator from the pre-test phase to the post-test phase, but not the degree or significance of the change with any scientific accuracy. It presented an organised way to explore and analyse the experiences of the respondents, as discussed in the interviews. The same applies to the coordinators' assessment questionnaire (Appendix 4).

The coordinators' assessment of the participants, based on the same criteria presented to the participants in their self-assessment scale, provided information that assisted in triangulation of the data obtained from the participants. Where two sets of responses differed radically, the question could then be examined for flaws, or reasons investigated as to why this may have occurred.

4.8.3 The research environment.

As discussed in 4.6.1, translators were used during the interviews and data collection where necessary. Due to the expense of independent translators, as well as the need for an interviewee to feel at ease with the translator's presence during the interview, they selected a translator of their choice from within the particular project.

The capacity of these translators to accurately convey information either way differed, which could have impacted on the interviewee's capacity to understand

concepts and questions. It was also found that, in some instances, a participant refused a translator, claiming to understand English better than they apparently did. This could have occurred for reasons of pride.

Only in one case was it clear that the translator's own responses were colouring those of the respondent. This was picked up and addressed *in situ*.

There was one further incident that could have affected the validity of a particular participant's responses. A member of the management of the disabled centre where one of the projects was located, insisted on being present during the interview of a respondent who was more intellectually than physically disabled. This hampered the researcher's freedom to explore potentially sensitive areas such as monthly income, and expenditure of the respondent. Due to the sensitive and political nature of the situation, the researcher was unable to ask the member of management to leave. The specific section of data that would have been affected by this has been disregarded.

4.8.4 Constraints of programme management

Although not covered by this research, it is necessary to note that situations occurring at a national management level could have some bearing on the functioning of a project at regional level, and hence on this research. Examples cited during interviews with the participants as well as coordinators, include the unreliability of the national management to meet obligations in terms of timeous remittance of necessary funds; communication difficulties, caused by lack of facilities at regional level; internal programme politics and human resource situations. In addition, the national management underwent a period of restructuring during the research period, which left employees at all levels with only short-term (three month) job security. Various members at regional level, such as trainers and coordinators, reported that this had an impact on their ability to perform their jobs and make long-term plans regarding project functioning.

The situation of the coordinators was also a constraint that arose in several cases, in terms of their participation in the research. In some instances, the coordinators were full-time, on site and intimately involved with the project, and therefore able to confidently answer questions pertaining to individuals. In other situations, the coordinator was either relatively absent (being situated in another city with monthly visits scheduled) or had changed during this period. The result was that they were unable to answer questions requiring specific knowledge of individuals. In other instances, some coordinators' capacity for understanding the concepts was vastly different to others, as was their approach to the integrity of the research. In such cases, an attempt was made to replace the coordinator for research purposes with another individual such as a trainer or project manager who would have had a similar opportunity to experience the participant within that group, but was situated outside of the group.

4.8.5 Problems at project level

At the start of the research, there were two projects in the Kwa Zulu-Natal region, namely Siyathuthuka and Ukukhanye Kwesizwe. Although two independent units, they were designed to function interdependently, with one unit, Siyathuthuka, manufacturing only paper, and the other, Ukukhanye Kwesizwe, only products made from paper they purchased from Siyathuthuka. In September 2002, four months into the monitoring period of the research, they joined to form one project as a result of a decision by both groups, that they believed to be beneficial. For the comparative purposes of this study, the financial information of the two groups prior to the merge has been combined resulting in one complete set of figures for the duration of the research period. As the two units had a significantly interdependent relationship prior to the research and occupied the same location, the combined figure could be considered a relatively accurate reflection of their combined activities.

4.9 Analysis of data

Both qualitative and quantitative data was gathered and analysed. Comparisons between the pre-test and post-test data are made at both the individual project and participant levels, to assess the performance of the individual projects and participants over the research period with regard to the indicators described in table 4.1.

In addition, the findings about the various projects in the sample are compared to each other, in order to compare the performances of different projects.

The monetary aspects were more a focus of comparison across different projects, while the human development aspects were compared nationally for projects as well as for each participant on an individual basis. Tables and graphs are presented to assist in this comparison as they present visual images of the indicators measured.



4.9.1 Poverty line indicator

Following the discussions in section 3.8.1, a poverty line indicator was developed in order to assess the quantitative impact of the income generated by the programme. Income of the sample over a period of time is one part of the data collected. It is compared to the poverty line indicator.

An indicator of R487.66 (per adult equivalent per month) has been used as representing the poverty line figure. It was calculated as follows:

The Poverty and Inequality Report (May, 1998: 4) has developed a figure based on defining the poorest 40% of households (about 19 million people or just under 50% of the population) as “poor”, giving a monthly household expenditure level of R 353 per adult equivalent.

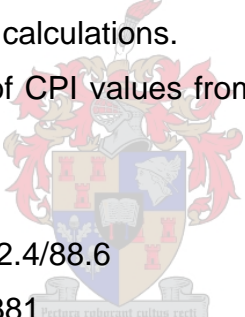
For the purposes of this study it is not necessary to consider differences in rural and urban areas, as most projects studied are within an urban region or have reasonable access to a city or town.

This figure was calculated in 1998. In order to apply it to this research, it has been adjusted taking into account the Consumer Price Index (CPI) of 1998 and 2003. A ratio was generated by which the figure was multiplied to give the 2003 equivalent to the 1998 figure. See the equation below:

- Adult Equivalent Income (AEI) 2003= AEI 1998 x CPI 2003/CPI1998

The CPI figures inserted were taken for June in 1998 and June in 2003 (mid-year), as being representative for the year has been adopted. This practice has been applied consistently for all calculations.

(See Appendix 9 for the table of CPI values from where those used in equation below, were sourced).



$$\begin{aligned}
 \text{AEI 2003} &= \text{R } 353.00 \times 122.4/88.6 \\
 &= \text{R } 353.00 \times 1.381 \\
 &= \underline{\underline{\text{R } 487.66}}
 \end{aligned}$$

For comparative purposes, an alternative poverty line indicator was also worked out using the measure of \$1 per day (PPP 1993) (see 3.2.2. above).

To ascertain a figure in 2003 South African Rand terms, the following calculation was done, using CPI figures of the dollar obtained from the US Department of Labor: Bureau of Labor (*sic*) Statistics (2003), (Appendix 10).

$$\begin{aligned}
 \$1 \text{ p/day} &= \$30 \text{ p/month on average.} \\
 \$30 \text{ p/month (ppp 2003)} &= \$30 \text{ p/month (ppp1993)} \times \text{CPI 2003/CPI1993}
 \end{aligned}$$

Once again June figures were inserted.

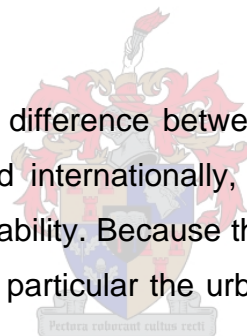
$$\begin{aligned}
 &= \$30 \times 183.7/144.4 \\
 &= \$30 \times 1.273 \\
 &= \$38.264
 \end{aligned}$$

This figure was converted into South African Rands using an average of the exchange rate of: 2 January 2002, 3 June 2002 and 1 April 2003. (9.84 ZAR, 7.88 ZAR and 12.47 ZAR)= R10-00 to the dollar (anon: 2003).

Due to the volatile nature of the exchange rate, an average over the period of the 18 months taken, using both high and low points will give a realistic indication.

- \$38.264 = R381.64

There is therefore only a 25% difference between the two figures. The second estimate, which is widely used internationally, therefore corroborates the first estimate within a range of probability. Because the first estimate is specific to the South African environment - in particular the urban environment - was preferred and used in the study.



4.10 The range of data collection techniques

The approach to data collection has been eclectic, incorporating qualitative and quantitative responses, quantitative data and researcher field-observation. This lends robustness to the methodology and facilitates a depth in the analysis and interpretation, as observations in one mode of data collection and/or analysis can be triangulated against others.

4.11 Conclusion

The methodology described above is based on two active approaches to programme evaluation. It addresses the objective of the study in a detailed and thorough manner. It provides in-depth information about both participants and their respective projects over a period of time, in addressing three fundamental dimensions of poverty, and its alleviation: income, human development and capacity building.

Despite the problems described in 4.8, it is felt that the data collected is accurate and extensive enough to provide valid results over the period studied. In this way the impacts that the programme has had on the participant in terms of poverty alleviation are explored; and are able to be linked conclusively to the aspects of the project dynamics and project models used, that mediated the impact.



Chapter 5

Findings

5.1 Introduction

This chapter outlines the findings of the research, which are presented in three broad sections: respondents' socio-economic data, income data and findings based on the assessment questionnaires and qualitative interviews which were completed by the participants themselves and their coordinators/trainers. Together, these sets of data shed light on the programme's impact on the poverty of its participants.

The findings are further analysed in Chapter 6, with regard to their implications for the future of the programme and details the nature of poverty alleviation reported.

5.2 Participants' socio-economic data



Data was gathered about the participants, from their demographic characteristics to the types of dwelling they occupy, how many residents are in that dwelling, as well as access to amenities and how many dependents they have. In order to make assessments of the impact that the intervention had on the participants, it was necessary to gain a relatively thorough knowledge of their household situation.

In this regard the findings are discussed under six headings: demographic characteristics, children and dependants, home and living environment, educational employment history and reasons for their participation in the programme.

Four members of the original pre-test sample were no longer with their projects at the time of the post-test. One had passed away, one had left to find alternative employment (and remains unemployed to date), and one had moved on to other employment. The last participant was initially employed by the project members on the basis of increased product demand, and was let go when this demand dropped.

Their information has been included in the demographic discussion as it reflects the characteristics of the target population at the beginning of the intervention. In those cases where participants were involved in the project for a period of at least six months (i.e. the participant left or passed away after six months or more of the research period had passed), their financial information has been included in the income data analysis. They have, however, not been included in the data derived from the assessment questionnaires and interviews, as they were not present at the time of the post-test.

5.2.1 Demographic characteristics

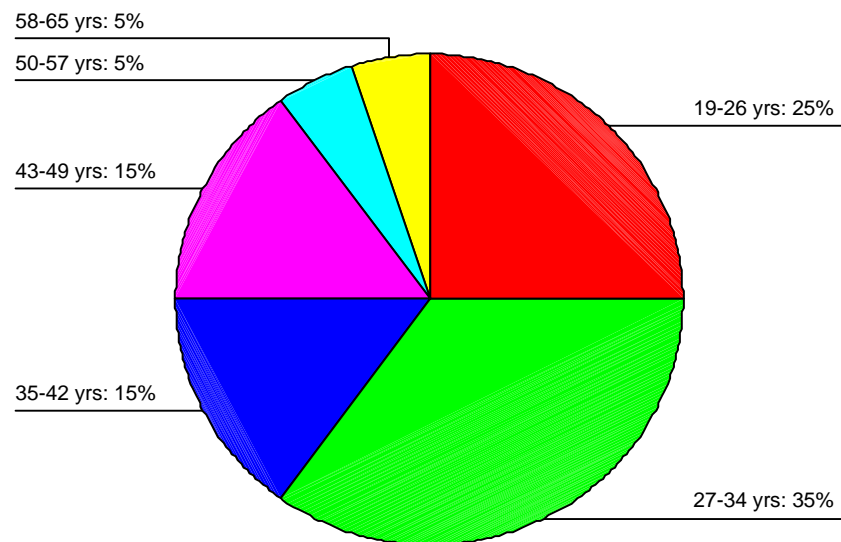
The data indicates that the programme population is 95% female and 5% male. This is in keeping with one of the objectives of the funders, to specifically target women with this intervention. One unit in particular, Kuyasa (WC3) was designed to be an actively women-only project.

Participants' ages ranged from 19–56 years with the majority of participants aged between 27-34 years. The pie chart in figure 5.1 below reflects the breakdown of ages across the sample.

The data also indicated that 10% of the population is disabled (although some participants who suffer from chronic ailments such as arthritis or high blood pressure also define themselves as disabled). One project, WC1, was established specifically with the disabled as its target population, while GP3 was

established as a part of a support organisation for HIV+ participants. Ten per cent of the participants therefore have disclosed their HIV+ status but it can be assumed that the prevalence of HIV+ participants could be higher relative to the national statistics¹.

Figure 5.1 Sample's age distribution



5.2.2 Children and dependants

Only 20% of the participants had no children while the other 80% had between one and five children each. The children's ages ranged from four months to thirty-seven years. Just 5% of the participants were pregnant at the start of the research. Statistically, each participant therefore had an average of 1.95 children at the time the research began. However, the average for the age group 19-34 years was 0.9 children while the age groups 35-42 years and 43-49 years both averaged 3.3 children each. The age groups 50-57 years and 58-63 years both

¹ According to the CIA World Factbook (2002), the adult prevalence rate of HIV/AIDS in South Africa was 19,94% (1999 est.)

averaged 3 children each. In addition, there were reports of families where the youngest child was six months old and the oldest being in his/her mid-twenties. This indicates a strong possibility that those participants at the younger end of the age range will continue to have children throughout their childbearing years.

When assessing the impact on poverty, it is not sufficient to look at participants' individual incomes. One has to take into consideration the situation of an individual with regard to his/her dependants to obtain a better idea of the extent of their poverty. It is often the case that an individual is responsible for supporting other family members, whether partially or fully.

However, data of this nature, even when obtained directly from respondents themselves, tends to be very unreliable. Reasons for this are that members of poverty-stricken individuals obtain money in a variety of ways ranging from formal employment, piecework and self-employment to government grants. Furthermore, there could be any number of people bringing a stable and unstable income into a household. That income is shared between any number of people from within the household as well as other family members living elsewhere. These households do not keep accurate financial records, making it very difficult to assess poverty at the household level.

While this research does not analyse participants' household situations in detail, it has uncovered information about the participants' dependency ratio, which is useful in understanding the extent of their financial poverty.

The research shows that the twenty participants in the sample supported a total of 74 dependants at the time of the pre-test. Some had assistance from other income earners or government grants and others did not. Statistically each participant was responsible or partly responsible for supporting 3.7 people. Due to the limitations mentioned above, it is difficult to ascertain the spread of dependants across various age groupings represented.

Of the participants taking part in the Phumani Paper programme, the disabled were possibly in the best financial situation, as a result of the disability grants they received, which were more consistent and higher than any other state grants reported². In addition, this group had the fewer children, and reported no other dependents. It would be speculative to presume as to why this group have fewer children than any other, but the lack of dependants, coupled with the disability grants has afforded the participants a level of financial security absent in most other groups studied.

This means that the motivation for their involvement in Phumani Paper is quite different from that of other participants. Both participants in the sample from the project that targeted the disabled cited their main reasons for taking part in the programme as the following: the opportunity for capacity building; skills development; and the need for an activity. Comparatively, other respondents in the broader sample cited main reasons for their participation as more related to employment and financial gain.



5.2.3 Home and living environment

Of all participants, 95% reported living in brick houses, with 25% in shacks and 5% in combination dwellings, where the main part of the structure is constructed from brick and expanded with either shack or hut type structures. While 25% of the dwellings had one room, 40 % had more than one room, but less than one room per resident. At the top end of this scale, 15% of the accommodation had one room per resident and 15% reported having more than one room per resident.

Electrified dwellings constituted 85% of the sample, and 75% had access to tap water either in their homes or within their immediate vicinity.

² Reported by respondents to be R 620.00 per month.

The majority of the participants lived between 15-30 minutes from their respective projects, using both public transport (such as buses, trains and taxis) and walking to get to work. They all claimed that their ability to get to work in the rain was not significantly affected.

5.2.4 Educational and employment history

There were only two criteria with regard to poverty levels that were applied to the selection of prospective participants of the programme. The first was that respondents were drawn from communities falling into “poverty nodes” as stipulated by stipulated by the funder.³ At the instruction of the funders, the programme had only to ascertain that the prospective participant was unemployed at the time of their joining the unit. No information was required as to why or how long they had been unemployed. As a result, the programme populations have very diverse educational and employment histories, and have cited very diverse reasons for joining the intervention.

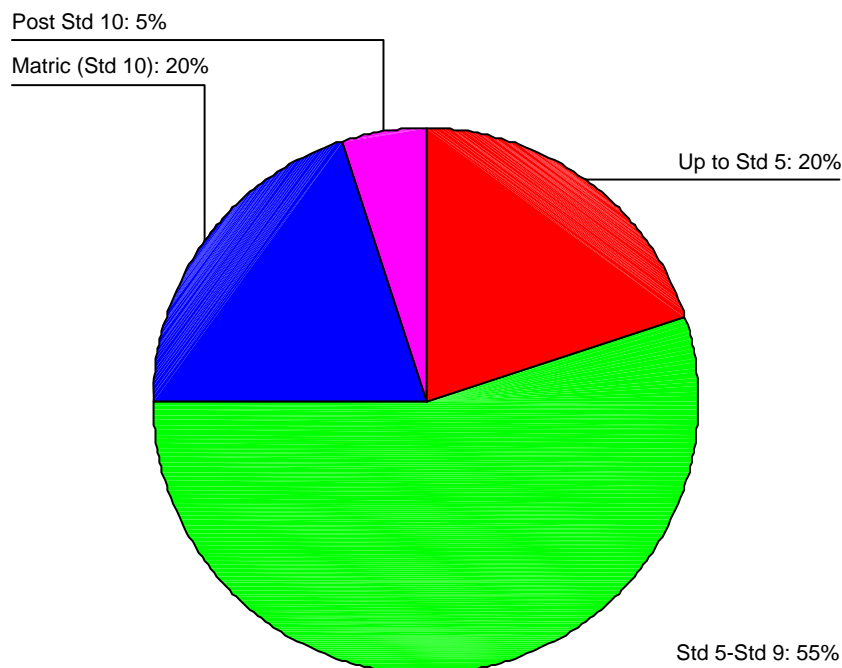
While 70% had been formally employed prior to joining the project, 30% had never been formally employed. Of the 70% who had been formally employed, 20% of these had ceased employment two to three months before they joined the programme (some were still employed just days before joining the programme).⁴ Fifteen per cent had been employed until two years before their joining date and 20% up to five years prior to joining. The remaining 15% indicated that they had been working, but were unable to specify when their employment ceased.

The pie chart below shows the range of education qualifications of the participants. As this illustrates, there is great disparity between the levels of education of the participants, with a majority falling into the Standard 5 to Standard 9 (Grades 7 to 11) range.

³ The criteria for what constitutes a “poverty node” were not available to the researcher.

⁴ No parameters were laid down in terms of how long a participant had to be unemployed for, prior to joining.

Figure 5.2 Respondents' level of education



5.2.5 Alternative incomes of participants

Despite the belief that the poor “deliberately diversify their sources of income to protect themselves against adverse conditions”, (Lalthapersad-Pillay, 2002: 37) this research found differently. Thirty percent claimed to have a steady or unsteady source of alternative income at the pre-test phase, compared to 19% at the post-test phase.⁵ This includes all sources of alternative income such as support from family members and government grants. Of this, 25% generated this (inconsistently) from activity in the informal sector at the date of the pre-test, with that figure dropping to 18.8% at the date of the post-test. This does not necessarily mean that they did not attempt to diversify their income. However, it is beyond the scope of the study to assess this. Therefore, 70% of the participants rely exclusively on the projects as their only source of income.

⁵ The difference of 11% was made up of 1% still in the sample at post-test date who indicated that they no longer received this alternative income; and 10% who were among those no longer with the projects at the post test phase.

5.2.6 Reasons for joining the project

Reasons for joining the programme varied. Among those mentioned were: the need to generate an income; the desire to learn a new skill; the opportunity to be a part of a growing business; boredom with being at home and inquisitiveness to find out what the project was about. The mistaken belief that the project was an employment opportunity, or a “job” (as opposed to a self-help opportunity), was also initially a motivating factor for participants to join.

One respondent indicated that when conflict arose in his particular project, he believed that those who were not there out of financial necessity⁶ exacerbated internal conflict, while those who relied on the project to support themselves and others were more proactive in resolving the conflict. Another respondent felt that this divided the project into two political camps.

“ (S)ome of the people they don’t have anything at all and by doing that, and by doing that, it’s something. At least you know how to do your things, but its not depending to someone, and you can take your childs to school and at least you can buy some egg for your child to eat porridge. At least you have something. But to others they came here just to at least..to,..they are bored at home but she knows someone (else) is bringing something at the end of the month.”⁷

5.3 Participant and project incomes

Financial information was collected for each project, as well as for each participant over the research period. The figures reflected are based on sales-generated income only and do not include the money coming into a unit from

⁶ I.e. who joined out of boredom from being at home and were not responsible for supporting themselves or others.

⁷ Participant interview, pilot-site, February 2002.

other sources, such as funding support for operational expenses where this still occurs.

As stated in 4.8.1 the per capita income generated by the projects for the participants forms the basis of financial analysis. It is, however, necessary to note that each unit has a different method of calculating this monthly figure. For example, some projects allocate to each participant an equal share of monthly profits after expenses and saving requirements are met, while others have chosen to base their salaries on a basic monthly amount, with adjustments being made for overtime. The income of the participants therefore does not always reflect the performance of the project. For that reason it is necessary to look at the project income for a more accurate analysis.

Furthermore, it should be noted that some of the participants have additional sources of income. These are not included in the calculations but have been noted in the analyses of the findings to help assess the effects that they have of the participant. For example, In situations where this is a characteristic of all members of a project (such as WC1 where all members receive disability grants) the effect of this has some influence on their project's performance.

5.3.1 Project incomes

An overview of the financial performance of the different projects is presented in Figure 5.3. This graph has been used to inform the analysis of the participants per capita incomes⁸ that follows in 5.3.2. It represents two typical patterns occurring in the history of the projects.

⁸ AIDSLink (GP3) is not represented on this graph, as it is no longer run as an independent unit. (See 2.8.2) The two participants now merely fill orders received at the PRDU, in return for a daily salary, one day per week. It has however been included in the participant level income findings and assessment survey findings.

The first is erratic income with significant peaks. These relate to seasonal activities such as Christmas in December, the results of the WSSD and Grahamstown Festival sales in August 2002 or large orders such as reflected by WC2 in November and GP1 in October 2002. Internal situations are also apparent, such as the merging of the two KZN projects which occurred in September 2002, and in WC2 where the workshop was closed for renovation until September 2002. The movement of the graph of WC2 also reflects the seasonal aspect of the project as described in 2.8.6.

This trend of peaks and dips seems prevalent in the projects residing on the upper end of the financial scale, namely: WC2, WC3, KZN3, GP1 and EC1. The second pattern reflects a consistent stable income, which seems prevalent in the projects residing on the lower end of the income scale, FS1, WC1, GP2.

With the exception of GP1, the following observation appears to be characteristics of projects showing significant high peaks in income (WC2, WC3, KZN3, and EC1). Their dips on the graph are generally consistently higher in income than the average stable income of the projects at the lower end of the range. This indicates consistently better financial performance overall for those projects.

5.3.2 Participant level findings and programme level view

Figure 5.4 represents the average individual incomes during the research period. It has been plotted on a bar graph against the income poverty line calculated in Chapter 4 of R487.66 (represented by the yellow line).

Figure 5.3 Projects' sales – based on monthly incomes

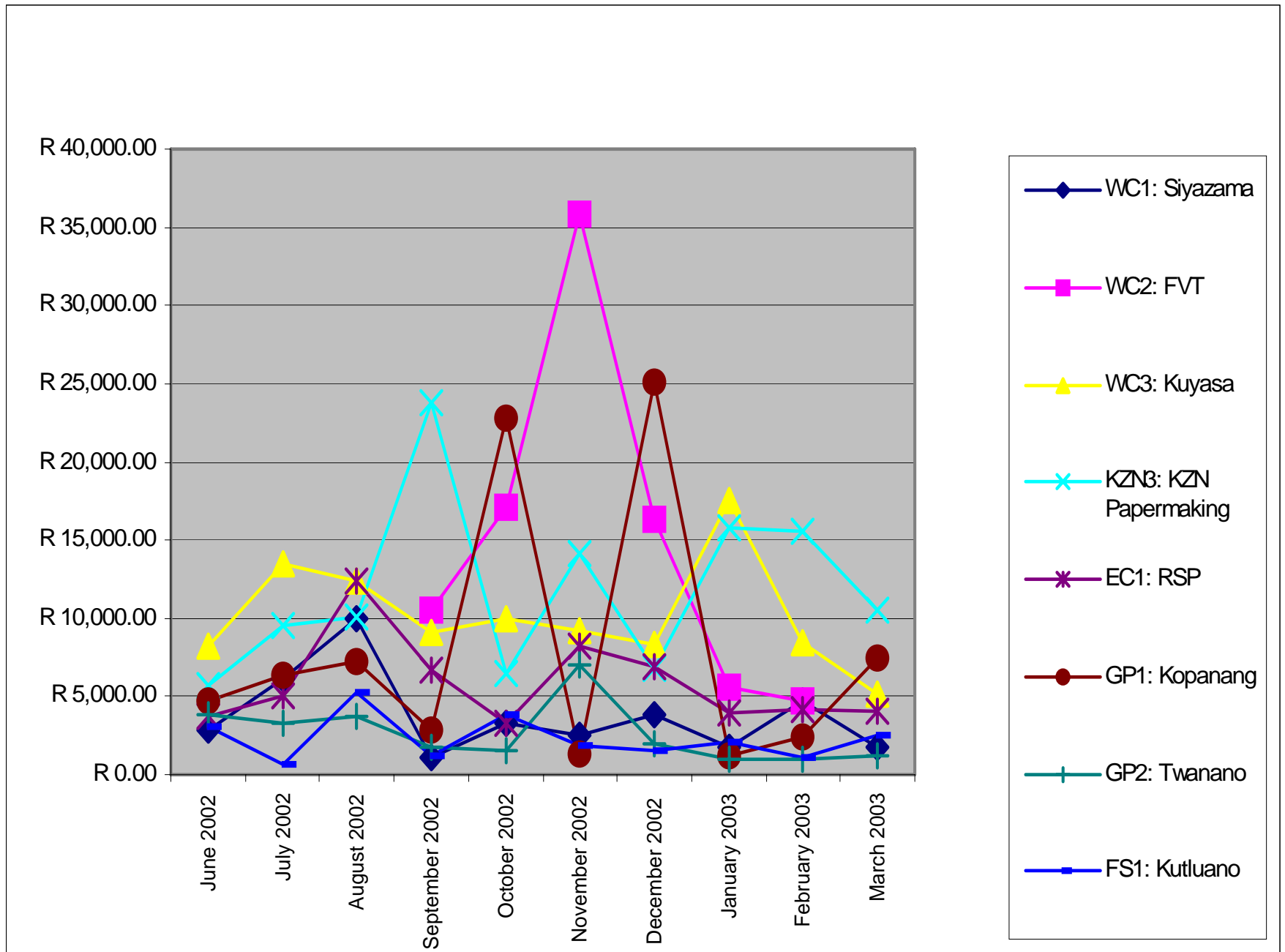
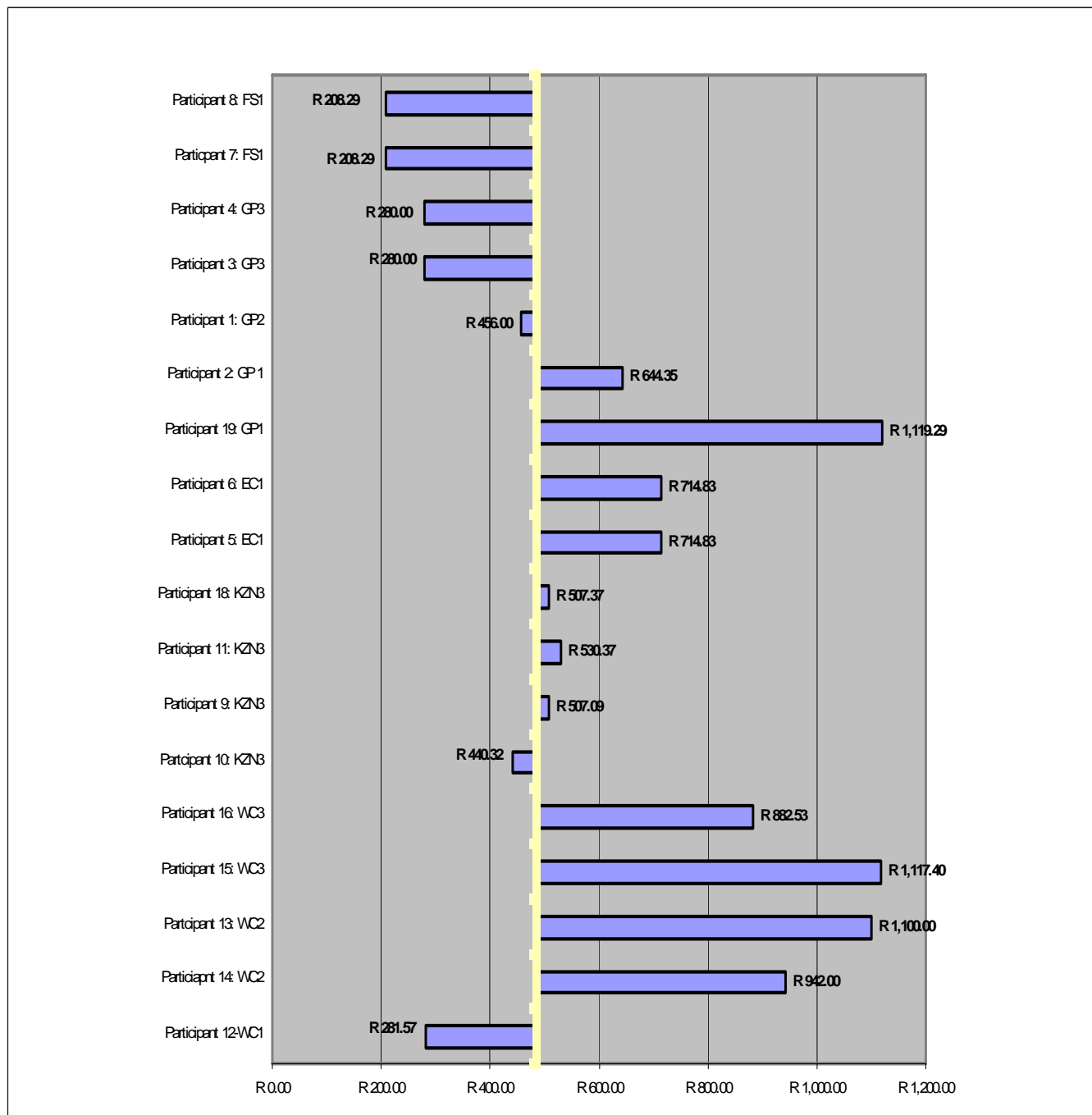


Figure 5.4 Participants' average monthly incomes



* The yellow line represents the poverty line of R487-66. Bars on the left indicate an average monthly income below the poverty line, while bars falling to the right indicate an average monthly income above the poverty line.

Figure 5.4 clearly indicates which individuals' project based earnings are above and which are below this poverty line indicator. It is also evident from the graph that participants from the same projects tend to fall within the same income range. This is true even in cases where external factors such as maternity leave may have affected certain members from a project for a few months without having an effect on the other member

Three distinct groups of projects emerge from these findings, as tabled below in table 5.1.⁹

Table 5.1 Project groupings

<u>Group</u>	<u>Position on graph</u>	<u>Projects</u>
High income earners.	Above poverty line	GP1, EC1, WC2, WC3
Middle income earners	On poverty line	GP2 & KZN3
Low income earners	Below poverty line	FS1, GP3 & WC1

5.3.3 Project products and the relation to income

In order to supplement the financial data above, results of an interview with the National Marketing Consultant of Phumani Paper have also been tabulated below. This consultant was responsible for marketing the programme and its projects' products and securing national and international clients. Her focus was on cultivating high-level corporate and retail clients who could place larger repeat orders. She was asked to assess the projects' products. It should be noted, however, that this information is merely an indication, as projects also undertook their own marketing independently of the National Marketing Consultants

⁹ It should be remembered that the group names have been analysed in relation to the poverty line. "High income earner" thus denotes average earnings higher than the poverty line, while "Low income earner" denotes average earning lower than the poverty line.

strategy, resulting in orders that are not recorded at programme management level¹⁰. The marketing consultant's assessment is given below in Table 5.2.¹¹

Table 5.2 National marketing product-based, project level assessment

1. Ability to meet orders and deliver on time.		
Always Reliable <i>WC2, WC3, KZN3, GP1</i>	Has some difficulty <i>WC1, EC1, GP2</i>	Always unreliable <i>FS1</i>
2. Strength of brand (They have developed a range or product that is unique and consistently recognisable).		
Strong <i>WC2, WC3, WC1, GP1, EC1</i>	Average <i>GP2, KZN3</i>	None <i>FS1</i>
3. Demand for products		
High <i>WC2, WC3, GP1</i>	Medium <i>WC1, KZN3, EC1</i>	Low <i>FS1, GP2</i>
4. Consistency of product quality		
Consistently good <i>WC2, WC3, EC1, WC1, GP1</i>	Inconsistent <i>KZN3, GP2</i>	Consistently low <i>FS1</i>
5. Marketability of products		
High <i>WC2, WC3, KZN3, GP1</i>	Medium <i>WC1, EC1</i>	Low <i>FS1, GP2</i>

Three of the projects in the high-income group appear consistently at the top end of this set of assessment, with the fourth in that group appearing consistently between the middle and top. One project in the low-income group, FS1, appears consistently at the lower end of the assessment. Of the middle income group, GP2 alternates between the low and middle group. The other KZN3 alternates between the top end and the middle position. These findings are consistent with the financial findings reflected on the graph in figure 5.3. The only finding that seems incongruent with the financial reflection is the assessment of WC1. Rated

¹⁰ The reasons for this, as outlined in 2.4.2, is that each unit is responsible for its own local administration, including locally sourced orders, not managed through the national office.

¹¹ Please note: Due to the fact that the AIDSLink unit is no longer a project per se' but is employed by the PRDU to fill specific orders, it could not be assessed on this basis, as it produced whatever products were required by a particular order.

according to participant incomes in the low income earning category with one of the lowest project performances overall, the programme level assessment has placed this unit consistently in the high or middle positions. The reasons for this will be analysed in Chapter 6.

5.4 Participants' human development assessment

5.4.1 The assessment questionnaires

As outlined in 4.4.1.1 and 4.4.1.2, the participants were presented with a scale (Appendix 3) on which to rate their experience with regard to certain indicators derived from Max-Neef's matrix. In order to corroborate the answers, the coordinator/trainer was asked to assess participants from his/her project on the same scale (Appendix 4). This was done at both the pre-test and post-test phase of the research.

The purpose of this was to assess what human development *poverties* had been impacted upon by the participants' involvement in the project. For example, a respondent would be asked to rate his/her interaction within the group on a scale of 1(low)-7(very high), comparing him/herself to others in the group.

The respondents were asked to answer the questions in light of their experience within the project. Of the three contexts in which human development takes place¹², the social group (i.e. the project) is the one that was at stake here. As a result, the results shed very little light on the individual or environmental context.

Nevertheless, the data obtained was analysed in two ways. Firstly, a comparison was made between the pre-test and the post-test results. This was to see whether any change had occurred in respondents' self-assessment between the two dates.

¹² I.e. the individual, the social group and the environment.

Secondly, the three groups of income earners outlined above were compared with one another. This was to ascertain whether the subjective experience corresponded to the financial performance of a project.

The assessment questionnaire was also used as a prompt for a semi-structured interview. In this way detailed qualitative information was generated to back up and contextualise the findings of the assessment analysis.

5.4.2 Results of the pre-test/post-test comparison

Due to the ordinal scaling of the questions, the process of comparing the pre-test and post-test results was relatively simple. A change was indicated when the respondent ticked a different numerical value during the post-test, as compared to the pre-test. For example, if s/he had indicated that his/her level of interaction within the group was 4 (average) at the pre-test date, and 6 (high) at the post-test date, this indicated a change.

Overall the results show that there was no significant change in the areas highlighted by the scale over the period under study. For most participants, both answers were exactly the same or only differed by one position on the scale. These findings were also corroborated by the coordinator's assessment. This does not imply that no progress was made by the respondents in terms of human development as a result of the intervention, but rather that the level of development reported was sustained over the research period (which may have occurred at an earlier stage in the intervention).

It is understandable that there was no significant change between the two sets of data, as there was no specific intervention that occurred between the two dates that would induce an expected change. The data merely reflects a relatively consistent experience measured over a period of time.

No baseline data exists about the participants' experiences prior to their joining the programme. The pre-test was done when participants had already been a part of the programme for a period of time (differing in each case from several months to several years). This makes it difficult to assess how much of this positive experience was influenced by the intervention originally. However the interview material accompanying the data strongly suggests that the opportunity to be a part of the project, and hence a member of that particular group, was significant in developing the respondents' attitudes to the levels reflected in the pre-test.

The following quotes are drawn from answers to the question posed at the pre-test phase of whether the intervention had impacted on the participants in any way, since they joined their respective projects until the pre-test phase:

"I have improved a lot maybe about, writing or doing some thing active."¹³

"Positive, ja, because some of them (other participants) came knowing nothing even to express themselves in English, but now we were fortunate, because some of the things we know this."¹⁴

From this it is evident that the projects did have an initial impact, i.e. from the initiation of the unit to the pre-test date, and hence an impact on the reduction of those areas of poverty. Since the data reflected a sustained level of impact during the research, it is clear that the project (and existence of the group dynamic) has sustained any original impact that it caused.

It was also noted that overall the indicators investigated by the questionnaire were rated in a positive manner at both stages, i.e. the majority of respondents selecting high scores in terms of the questions asked. Most answers fell into the

¹³ Participant interview, July 2002, Gauteng.

¹⁴ Participant interview, July 2002, Eastern Cape.

same range (between 5- above average; and 7- very high). For example, in the case below, considered a typical answer range, only 25% of the answers reflect average or below average experiences.

Table 5.3 Results of the question: level of interaction within the group

<u>Respondent Number</u>	<u>Participant Self-Assessment Pre-test</u>	<u>Participant Self-Assessment Post-Test</u>	<u>Respondent Number</u>	<u>Coordinator Assessment. Pre-test.</u>	<u>Coordinator Assessment Post-Test</u>
Participant 2	4	5	Participant 2	5	5
Participant 5	6	4	Participant 5	7	7
Participant 6	7	7	Participant 6	7	7
Participant 13	6	3	Participant 13	6	6
Participant 14	7	5	Participant 14	6	5
Participant 15	6	6	Participant 15	6	7
Participant 16	4	6	Participant 16	3	3
Participant 1	7	4	Participant 1	5	5
Participant 9	3	4	Participant 9	6	4
Participant 10	1	6	Participant 10	4	6
Participant 11	5	4	Participant 11	6	6
Participant 3	4	7	Participant 3	5	5
Participant 4	4	7	Participant 4	5	5
Participant 7	7	4	Participant 7	6	^
Participant 8	6	7	Participant 8	4	^
Participant 12	6	6	Participant 12	3	6

*Participant had just joined the unit and didn't feel equipped to answer.

^ Project coordinator resigned and new one not yet appointed.

Scale: (1-very low, 2-low, 3-below average, 4-average, 5-above average, 6-high, 7-very high)

A breakdown of pre-test and post-test frequencies for answers rated above 5 (above average to very high), is tabulated below in table 5.4, for both sets of respondents (i.e. participants and coordinators). This shows a sustained positive experience over the research period. The specific areas of human development addressed by these results will be explored in detail in 6.2.

Table 5.4 Assessment scale answers: frequencies of answers rated “above average to very high”

	<u>Pre-Test</u>	<u>Post-Test</u>
<u>Participants</u>	68%	83%
<u>Coordinators</u>	51%	72%

This points strongly to a sustained positive impact on the self-assessment, corroborated by the views of the coordinators.

In some areas that scored low overall (e.g. proficiency in English or financial security) showed a small increase in the scores between the two phases, indicating improvement, i.e. a reduction of those particular areas of poverty in the period under study.

5.4.3 The relationship between human development and project income

The assessment results were divided into the three groups outlined above, in table 5.1, i.e. low-income earners, middle-income earners and high-income earners. The results of these assessments were reviewed within these three groups. The objective was to see if any relationship existed between the impacts reported by respondents on the one hand and the financial performance of “their” project on the other. In this way conclusions could be drawn about the ability of a particular project to impact upon the *poverties* of a participant.

The findings indicated there were no significant differences in the way that the three groups answered. The experience of all three groups was similar, and reiterated the findings outlined above in 5.4.1. The significance of this will be discussed in 6.2.

5.5 Conclusions

This chapter highlights two significant findings that form the basis for the analysis in Chapter 6:

1. Based on financial performance of the projects and comparison of participants' per capita earnings to the poverty line, the projects can be divided into three groups, namely high-income, middle income and low-income earners.
2. The experience reported by participants in terms of aspects of human development was overall positive and sustained over the research period, with no differences in the impacts reported by the respondents from the different income earner groupings.

The combination of these findings reflect that all respondents felt that they had made progress in terms of human development, regardless of their differing incomes. Hence, the programme has been successful in alleviating aspects of poverty related to human development. However, according to the analysis of the per capita incomes against the poverty line, the programme has alleviated the financial poverty of some, and not others.

This analysis shows that the conditions within a project that lead to human development are not necessarily the same as those that lead to increased income – a major theme of this research that will be pursued in the next chapter.

Chapter 6

Analysis and Interpretation

6.1 Introduction

The objective of this study as stated in 1.4 above is to “look at the impact that Phumani Paper has had on its participants in terms of poverty alleviation, and how this impact has been influenced by elements of the programme design and project dynamics.”

According to the definition discussed in 4.3.3, poverty alleviation is considered a process of change that addresses three fundamental things: income, human development and capacity building.

This chapter analyses the findings presented in Chapter 5 under these three headings.

Firstly, the impact in terms of *human development* will be discussed. The findings and interview material will be explored under the sociological categories of Max-Neef’s matrix that fall within the ambit of the project: subsistence, protection, understanding, and participation.

Secondly, the income/revenue data will be analysed to examine the programme’s impact on *material (or financial) poverty*. In this regard special attention is given to the specific implementation model of each of each project as an intervening variable.

Capacity building is a broad concept that covers both an individual’s capacity to be effective in his/her life, as well as being effective in contributing to the income of the project. Capacity building was addressed explicitly through formal training

of various kinds within the units (e.g. business skills and technical skills training); and implicitly in the programme design as a process resulting from involvement in such a project (e.g. learning to function within a group, handling marketing and other administration tasks).

6.2. The impact in terms of Human Development

The assessment questionnaires and qualitative interviews conducted with both the participants and coordinators/trainers collected data about how individuals had been affected in ways other than financial.

The questions related to the key needs in Max-Neef's matrix. Not all needs were addressed, as the questions were formulated to address those areas of development targeted by the programme. As the respondents were asked to relate their experiences within the group (i.e. work team), the programme's impact was only measurable within the context of the "social group".

As reflected in 5.5, the overall assessments showed no significant change between the pre-test and post-test results. Most of the scores were sustained at an above average to high level from the pre-test to the post-test date. Only some questions showed higher scores between the two dates. (Specific questions are discussed in the following section).

Furthermore, the financial performance of the project and levels of individual participant incomes (as indicated by the three groups in table 5.1) appeared to have no direct relationship to the "human development" experiences of the respondents. In other words, regardless of whether the project performed financially well or not, most respondents felt that their "human development" needs were addressed by their mere involvement in the project and being a part of a group.

It was also found, as reflected in the interview data, (in 5.4.2) that respondents felt their human development had increased from the time that they joined the project i.e. prior to the pre-test date. In other words, the projects had a definite impact on the participants in terms of human development.

6.2.1 Subsistence and protection

According to the parameters described by the theory, the areas of development outlined by the combination of these categories are: an individual's immediate living and social environments; physical and mental health and longer-term financial aspects such as insurance systems and savings. "Autonomy" is also cited as an aspect of protection. (Other aspects of protection, such as family or were not addressed by the intervention.)

The situation regarding the home environments and financial situations of the participants has not shown any overall changes in terms the dimensions measured, (i.e. type of dwelling, access to amenities and number of people sharing the dwelling). This is despite reports showing greater average incomes earned during the research period than in the six months prior to it.

The lack of any large-scale change is understandable, as the amount of money generated by their involvement in the project is not large enough to precipitate a major life change such as moving house. The research did not cover improvement in this area that could be indicated by the acquisition of new material assets, which was more likely to have occurred than a change of house for example.

However, it was reported by one participant in the high-earners group, that as a result of her increased income during the research period she was able to move back into her own house. She and her four children had previously been forced

to move in with her parents as she was struggling to support them and needed to rent out the house for extra income.

Regarding savings systems, the programme management required that projects open bank accounts for the participants in order to ensure the safe and effective handling of their money. For many participants these were their first dealings with the banking system. The projects were also required to save a portion of their income each month for capital accumulation. In this way financial planning concepts were introduced to many participants for the first time – a positive development.

Regarding aspects of “health systems”, “help” and “care”, several participants in different regions who were suffering from chronic ailments reported that the opportunity to share their problems with others lessened their stress levels and had a positive impact on their health. Interestingly this positive impact was reported only by women.

However, health was also reported to be negatively impacted by the intervention, in the cases of the older respondents (aged 50-65) and those suffering from HIV/AIDS. Respondents cited that working for extended periods with water (as required by the craft of papermaking) exacerbated health problems, particularly in winter. The HIV+ participants now only produce products and no longer make their own paper.

“Autonomy” was an area that also showed mixed results regarding impact. Participants cited that the opportunity to be a part of the project and, in specific cases, hold positions of responsibility or authority, had allowed them to be more independent and confident both within the group and on other terrains of their life. Their ability to voice their opinion within the group was cited as a noticeable improvement, particularly by the coordinators.

However, “decision-making” as an indicator of autonomy, was an area that was less influenced according to the responses of both the participants and coordinators, with 21% of the participants scoring high compared to 25% for coordinator assessment. Various factors affected this. Significantly, these include both gender relations and socio-political factors.

For example, in Kutluano (in the Free State) it was reported that the project chairperson was selected because she was the oldest member of the group, but not necessarily the best equipped. In another project in the Eastern Cape, it was reported that a male member was selected for a position of responsibility in terms of dealing with clients, as it was felt that he would be more successful in that role being a man.

While decision-making capacity was not significantly impacted overall, interview data reflect that specific projects did show improvement. Coordinators of KZN3 and WC2 spoke of groups that had progressed to the level of feeling confident enough to make group decisions without seeking the approval of the coordinator.

One additional significant case raised by a coordinator serves as proof of the positive impact on the personal autonomy of a particular participant. A participant had experienced abuse from her spouse, but after joining and enlisting the (moral) support of the coordinator, had decided to leave him.

6.2.2 Participation and understanding

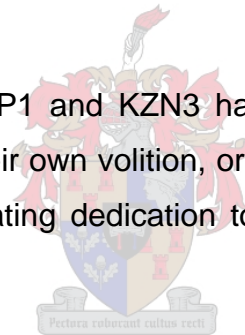
As outlined in 6.2 above, the experience of being able to be a part of group was reported as highly influencing the impacts felt by respondents. The group (in the form of their project), was reflected as being an effective context in which to provide participants with the opportunity to address other needs.

Sixty per cent of participants reported above average to very high group interaction, while coordinators observed the same for 75% of the participants.

In some cases, this stood out as more significant than the opportunity to earn money. Although some participants were concerned about the financial future of the project, they claimed to remain committed with 90% reporting above average to high attendance levels. The following quote from a participant illustrates the point:

“A project is a project, [you] don’t go there because you want to have some money, but go there because you want to have something that will help others and develop the youth that will make someone realise that we are here to work and have some thing but not always money, but something to help yourself and others.”¹

Specific projects, i.e.WC2 , GP1 and KZN3 have also been reported to meet orders by doing overtime of their own volition, or taking work home to ensure the well being of the group, indicating dedication to the project, another aspect of participation.



Understanding was an area that was not as easily impacted. Aspects of the programme design, as presented below, had something to do with this.

When the projects were started, the participants were given a stipend based on a minimum monthly income (as explained in 2.5.1). However, both coordinators and participants felt that this created dependency, which was counter-productive to the idea of self-empowerment. This also affected negatively the objective of the business training part to make participants see the causal link between

¹ Participant interview, July 2002.

productivity and profit (a crucial point in the SMME approach)², and hence the success of their enterprise.

When the stipend stopped, the programme experienced a high drop-out rate. In the first annual report in July 2001, 289 participants were reported across 17 projects. By the second annual report, in July 2002, 146 participants were reported across 15 projects³. This indicates decrease in from an average of 17 participants per project, to 10 per project (or 57%). Many factors (not researched here) contributed to this decrease, such as projects being closed, and participants passing away. However, interview data from this study revealed that some of these “drop-outs” were attributed to the sudden lack of income and unhappiness that they were no longer being “paid” after stipends were stopped.

This is a prime example of what Max-Neef refers to as a “pseudo-satisfier”: something that although “not endowed with the aggressiveness of a violator or destroyer...may on occasion annul, in the not too long term, the possibility of satisfying the need they were originally aimed at fulfilling”. (1991: 35) As one participant remarked: “It killed the working spirit because the money, the R300.00 was coming from nowhere, it just came from TWR.”⁴

The projects have since stabilised in terms of participant numbers. One participant said in an interview that the stability of participant numbers in that project, despite fluctuating incomes, indicated a high level of dedication to the project, an positive indicator of participation.

A coordinator made the same point with regard to the question of “critical conscience”. In her experience, participants were very concerned about the short-term monetary implications of a bad month and often spoke of leaving in

² The previous work experiences of the participants were generally either factory work, or farm work, where they earned a fixed wage.

³ All stipends had been stopped by this date.

⁴ Participant interview, July 2002.

the beginning stages of the project. Now, however, participants showed a more long-term understanding of their role in the process of developing an SMME., i.e. how their productivity will influence their project's profit. This reflects the development of a critical conscience and dedication.

The setting aside of savings for capital accumulation also highlights this point. Initially it was met with resistance, as participants wanted to divide the revenue from profitable sales between them right there and then. However, now the majority of the projects have initiated some sort of regular system by which they save part of the proceeds each month.

Although all participants felt positive about the sustainability of the project, coordinators felt that the respondents were not always able to link this concept with what was necessary to attain this. Despite showing commitment such as working late or taking work home, economically irrational decisions were made by the groups, such as not accepting orders they could have met. Coordinators feel that the business training was not adequate with regard to reinforcing this point, as many participants have never been exposed to the relevant concepts, or have had the opportunity to experience the practical side of long-term financial planning. Another aspect that was found to have affected this was the lack of strong leadership evident in some groups (a programme management issue). These findings indicate that the capability possessed by of a project coordinator or manager directly impacts on their ability to capacitate participants. This includes their ability to adequately convey information in a way that makes it accessible to the participants. This was also highlighted by the financial findings, discussed in 6.3.

Due to the democratic design of the projects, they were required to address each decision in a democratic way. In some instances this proved to be very time consuming. Understanding the concept of "sustainability" was a particular problem at project WC1 – involving handicapped participants. The manager of

the disabled centre housing this unit stated that he believed the nature of some of the participants' mental disabilities, prevented them from understanding concepts such as sustainability and business management in any long term manner. The researcher's own observation confirmed this.

Other aspects of participation still appear to be underdeveloped. Despite each unit having developed a system of nominating members to positions of management, such as secretary and chairperson, it was observed that many groups were reluctant to give that person any real power. They were rather used as a conduit to relay information between them and the coordinator and national management.

These problems, however, do not indicate that participation was negatively affected. They merely highlight areas where capacity building and group dynamics need to be addressed, and are understandable in the light of the projects being the first (work related) group experience for many participants.

The very opportunity of being part of a group was reported to be a very positive experience. As one respondent put it: "To me, it is a positive experience because at this moment I know that working with people, you know, its very good, even though there are some conflict and everything but working with people, being in the place it's very nice. Problems, we always see problems but if I wake up early in the morning and come to work and go back home after four, it's something, I'm doing something."⁵

6.2.3 Freedom and identity

Although many aspects of these categories fall outside of the ambit of the programme, the research findings do explore aspects of self-esteem, assertiveness, determination and the sense of belonging.

⁵ Participant Interview, April 2003.

The adoption of cultural motifs in the design aspect indicates something about the actualisation of the participants in terms of specific aspects of their cultural identities. Participants displayed noticeable pride in both their products and the cultural identities they represented when discussing them.

Self-esteem was an area that stood out as being significantly affected, together with an increased confidence of participants. Seventy two per cent of cases rated above average to very high regarding their confidence levels within their group environment and 84% rated the same for their levels of self-esteem.

The observations of coordinators was particularly insightful here, as they have been able to observe the participants from their early days of the project, and noticed change in the ways they interacted with each other and members of the general public. According to coordinators, this change was more particularly pronounced in some members. As the project developed, members of the group were appointed as responsible for marketing. They often dealt directly with the public and spoke of their increasing confidence in being able to engage members of the public in conversation regarding their products. Experiences such as taking part in craft markets were cited as significantly contributing to this.

The following researcher observation illustrates the point: A respondent who was incredibly shy during the pre-test interview only nodded or shook her head in response to questions. During the post-test interview she was very relaxed and more articulate in talking about her experiences. Her confidence had increased significantly.

Several participants also stated that their participation gave them social standing and respect within their communities. "They [i.e. the community] are respecting us because of what we doing."⁶ This is seen by the research as contributing to

⁶ Participant interview, April 2003.

“identity” in terms of being noticed as belonging to a group - one aspect highlighted by the matrix.

Thirty four per cent of the sample was observed by coordinators as displaying high to very high levels of assertiveness within the group, another indicator of identity.

Some participants also said that the project enabled them to feel more positive about themselves, particularly those who had never worked before and did not feel there was previously anything they were skilled at doing. The opportunity to learn skills and practice them was integral to their personal empowerment. As one participant remarked: “I think it plays a very important role because some of the people here they don’t have anything at all, and it really changed the people, the person himself or herself internally.”⁷

6.2.4 Creation

Areas of creation, such as determination and autonomy, have been discussed thoroughly with regard to other categories⁸ and hence will not be addressed here.

The area of creation most obviously impacted by the intervention was the transfer of skills to participants. With regard to technical skill, the results show that these were successfully transferred to the extent that all projects were able to produce specific paper and products without supervision by the time the research began. (The issue of quality and consistency is addressed in the next section.)

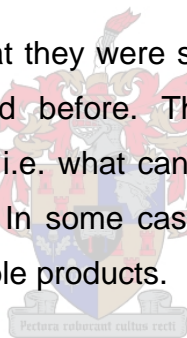
⁷ Participant Interview, July 2002

⁸ The category of “idleness” was not addressed by the intervention or the research.

However, the ability of participants to apply business skills was reported as being not as effective as their abilities to apply the principles of their technical training. This may have more to do with the lower intensity and frequency of follow-up that occurred here, as opposed to the technical training, which occurred on a more regular and reinforced basis.

The issue of product design is also relevant here. Projects have been encouraged to develop their own creativity by increasing their range of products. As reflected by the marketing consultant's assessment, this has been successful for many of the units. The coordinators/trainers reported that many products are developed with significant creativity. As a result, individual talents in this area are recognised and nurtured.

Many participants also stated that they were surprised by their creative abilities, which they had never explored before. They were also surprised at the possibilities of creative recycling i.e. what can be made from products that they had always considered useless. In some cases this has resulted in individuals experimenting with other recyclable products.



6.3 Income and poverty alleviation

The financial data shows that, in this regard, not all projects performed equally well. This has direct bearings on the ability of the programme and its projects to impact on poverty alleviation in monetary terms.

An investigation into the project models across the three groups distinguished in chapter 5 (i.e. low, medium and high-income earners) indicates that similarities can be drawn between projects in the same group. The common characteristics between projects in a group will give an indication of what may contribute to financial success or failure of that group. For example, if the products of all

projects in the high-income earners group are reported to be of a consistent quality, then this could be seen as a factor that influences their financial success

6.3.1 The high income earners

Kopanang (GP1), Rising Sun Paper (EC1), Kuyasa (WC2) and Flower Valley Trust (WC3) all fell into this group. Kopanang forms part of a women's co-operative that includes other self-help projects such as gardening and embroidery, as well as creche facilities for the community's children-headed households. It is administered by members of the Order of the Sisters of Mercy, who are stationed in the immediate vicinity.

The project is an independently functioning unit which, like others in Phumani Paper, was set up with TWR's financial and technical support. The participants are responsible for managing their affairs and are supposed to take ultimate ownership of the unit and its assets. However, an important factor in the project is the mode of coordination. Although there is only one coordinator for the region, who visits or liaises with the project on a needs-only basis, one of the Sisters of Mercy nuns was appointed as a (relatively full time) station manager. In addition, this post has been occupied by the same individual since the opening of the unit.

Sister Sheila Flynn, the station manager, has an academic and practical background in the arts and crafts sector, as well as extensive worldwide experience in these kinds of development project. She was responsible for opening the first papermaking unit in Winterveld (see 2.1 above), and has experience in this area.

She has included formal capacity building and life skills into the development of the unit, which supplements the technical and business training provided by the national programme management. She is available on site and helps to manage different aspects of the project.

With a background in the arts, the station manager has also performed the function of a dedicated trainer to the unit. In terms of the marketing consultant's assessment, the overall quality of the project's products is consistently high, combined with an ability to meet orders and deliver on time.

The second project, Rising Sun Paper, is situated on an organic farm in the Eastern Cape. Although the youngest unit in this study⁹ this project already falls within the high performance group. It too was established with funding and support offered by TWR. While not being a part of an established co-operative, this unit has still enjoyed security in terms of the venue it occupies. A building was constructed on the farm specifically for the project by agreement with the farm management. The coordinator responsible for this unit, like the station manager above, has been on site full time since its inception¹⁰. With experience gained as regional coordinator of Phumani Paper's KZN projects prior to relocating to the Eastern Cape, this coordinator had opportunity to apply lessons learnt from her first appointment to the development of this unit from the start. Being on site, this coordinator has been very involved in the capacitating of the participants by actively assisting in the identification of marketing opportunities and the development of management skills.

The quality of the output produced by this project has reached a point where it is consistently high. With the help of a dedicated trainer who worked with the group on a regular basis several times a week, they have developed a range of unique products, drawing on local cultural motifs. According to the marketing consultant's assessment, the project is rated middle to high.

Kuyasa, a project in the Western Cape, was one of the first projects to be opened. Like the other projects, the participants are responsible for handling their own affairs and the coordinator's role was to assist in capacity development.

⁹ It was only started in July 2001, more than two years after the others.

While the Western Cape has three projects falling under one coordinator, the research shows that a significant amount of her time was devoted to Kuyasa. There are several reasons for this. Firstly, the other two projects are based on different models (which will be discussed later), requiring different roles from the coordinator, and hence a different kind of attention. Secondly, Kuyasa was the first Western Cape project that was initiated without any existing infrastructure, and hence required much by way of start-up development.

Another reason why this unit required a lot of coordinator involvement has to do with its racial composition. Kuyasa (WC3), for instance, was a project targeted specifically at women. These women were drawn from two communities in the Western Cape, one predominately Xhosa and the other coloured. There have been reports of conflict within the group, which took much work and time to overcome. Both the participants and coordinator described the conflicts as “racial” in nature.

The coordinator at the time had an academic background in the area of community development and previous experience in similar programmes. In addition, she had been working with this project consistently for a significant period of time (almost its entire life-span up to the end of the research period.). This project, like Rising Sun Paper, also had the benefit of a dedicated trainer for most of its life span. This trainer assisted them to develop products that rated highly on all areas of the marketing assessment.

The fourth project in this group, Flower Valley Trust, operates on a different model than the three discussed above. This unit is situated on a Fynbos farm in the Western Cape that has employed members of the local community as flower pickers and bouquets makers for many years. Due to the seasonal nature of this industry, the employees only had an income for the duration of the flower

¹⁰ She has since left the project due to moving provinces, but the situation described above was a consistent feature until after the research period.

season. The farm was purchased by the trust from its original owners in order to conserve the Fynbos plantations, which are fast becoming depleted in the area. In attempting to find ways to supplement the seasonal income of their workers, the farm management developed a hand paper and product-making unit to produce goods that complemented the main business of the farm. These goods are marketed through existing contacts and clients of the farm's Fynbos products, some of which are local, but most are international.

The trust approached the TWR for assistance in terms of skills training and appropriate technology for the papermaking unit. The unit has now grown to employ four members on a full-time basis with an additional ten who join when the flower season is over. The unit purchases some of its paper from Siyazama (discussed below) and produces some on-site. Like Kuyasa, the products are rated highly, boasting some of the highest sales figures of the programme. The participants handle some aspects of the project management with members being appointed to various positions of responsibility. However, unlike the projects mentioned above, the running of the business, marketing and other administration is handled by the farm management. Due to the nature of their work in the flower industry, quality control is a concept that was very easily understood and applied to the paper products, and this is reflected in the marketing assessment.

The participants do not earn a profit share, but have a fixed salary paid on a weekly basis, which is enhanced by a performance bonus. The money generated by the unit enables the trust to employ them all year round and not just seasonally, as was the case prior to the opening of the unit.

6.3.2 The middle income earners

Based on average individual incomes, two projects fall into this group; Kwa Zulu-Natal Papermaking (KZN3) and Twanano (GP2). In the case of Kwa Zulu-Natal Papermaking, the project performance graph (Figure 5.3) demonstrates the same performance as those that fall into the high-income earners group. In this instance, the project agreed upon a basic minimum monthly salary that remains constant (with additional pay for overtime). As a result, the participants' incomes do not mirror the project income, but remain constant at a middle point.

KZN 3, like the ones described above in the high-income earners group (6.3.1) has a full-time on-site coordinator who has past career experience in the field of development. She has tragically passed away since the research was concluded, but worked with the group for a significant period of time prior to her death.

According to the marketing assessment, KZN3 occupies the middle to higher end of the income scale. A possible reason for this is that, while it may have a full-time dedicated coordinator, it does not have constant or on-site input regarding product training. The trainer/manager is able to control quality of output in a continuous manner.

KZN3 receives all its technical and product training from the PRDU, TWR in Johannesburg. Trainers travel to the unit to address the needs in workshops that last two to five days at a time. The regularity of these trips depends on the articulated needs of the project, availability of the trainers (who are employed on a part-time basis by Phumani Paper) and the funds available to the programme.

The second project in this group, Twanano (GP2) is situated just outside Johannesburg in Ivory Park. Based on the project performance graph, this project falls into the low-income earners group, being one of the worst performers financially. An assessment of the participants' individual incomes exposes some

inconsistencies. While some respondents indicated that the project salaries were calculated on a profit share basis, other sources suggested that it was calculated on a daily basic rate. This could explain why the respondents are rated in the middle-income group on the basis of their salaries, while the project is clearly at a low performance level. The coordinator at the time had no conclusive information regarding the financial matters at project level.

Respondents claim that all members received an equal rate. If this were true, according to the income reported here, the combined salaries each month would have regularly exceeded the total project income for this month. This can only be explained by inadequate bookkeeping at project level.

In terms of the project model adopted, the unit was set up in much the same way as Kuyasa (WC2) and Rising Sun Paper (EC). One critical difference, however, is the coordination and management of the project. During the research period the coordinator was only employed part-time by the programme management and only visited the unit on a weekly basis. Although very involved with Phumani Paper since its early days and qualified in the technical side aspect of the project, this coordinator had less career experience in project management than others.

6.3.3 The low income earners

Three projects fall within this group: AIDSLink (GP3), Kultuano (FS1) and Siyazama (WC2)

Situated in Welkom in the Free State, Kutluano was set up to address the high unemployment in the area caused by the dying mining industry. The project was established along the lines of Kuyasa (WC3) and Twanano (GP2). Like the latter it was a new project introduced into the area, and not attached to any pre-existing infrastructure.

Like Twanano, training was coordinated by the PRDU in Johannesburg, with trainers travelling to the project for workshops. The coordinator of the project tried to steer it from programme management's offices in Johannesburg, travelling to the unit on a monthly basis. In addition to this project, the coordinator was also responsible for three other units in the North West Province, which she visited on a monthly basis¹¹. According to the marketing consultant's assessment, this unit scored consistently low on all areas of assessment.

AIDSLink (GP3) also fell into the low-income category. This project was established at a support centre for HIV+ people in Hillbrow, Johannesburg. It was intended as a self-help group to provide participants with a means to an income, and as a way to diversify the skills training offered by the facility. The unit, although attached to an organisation, was designed to generate income from the sale of products. As the premises occupied at the original facility were inadequate, the unit was moved to the PRDU at TWR.

Due to various factors, including the erratic attendance of members as a result of repeated illness and transport difficulties, the unit was reduced to operating only one day per week. The participants were paid on a daily basis by the PRDU to complete orders procured by the national office. As such, the unit was never really a functioning project, but remained a self-help group providing limited employment. The unit comprised of six participants at the time of the pre-test and had dropped to 2 at the time of the post-test.¹² According to the participants interviewed, the other members had either passed away or had been ill, with one having been arrested. It is worth noting that both participants interviewed at this project reported the worst living conditions of all respondents: both resided in

¹¹ The coordinator who was interviewed at the pre-test phase was no longer with the programme by the post-test phase. The new coordinator was responsible for this project, the two North West units as well as all other units in the Gauteng Province.

¹² An earlier discussion with some participants, prior to the research, showed that erratic attendance was a problem when the unit was still located at the AIDSLink centre. Although participants came from as far as Orange Farm, few came from the immediate vicinity as they were wary of the stigma that may be attached to them to be seen entering such a facility, in terms of disclosing the HIV+ status.

shacks, one of which was not electrified and was situated the furthest from any project. One had the highest number of children (five) in the total sample. She was also the only respondent who had lost any children (i.e. two) during the research period.

Siyazama (WC1) is the last project to fall into this group. Like AIDSLink, the unit was established to assist a particular target population, namely the disabled in Khayelitsha, Cape Town. It was set up in the KwaNothemba Centre for the Disabled. The centre offers skills training and various other capacity building programmes. Like most of the other units, the members of Siyazama are expected to ultimately take full ownership of the unit, and manage it as an income generating business. Although the coordinator of this unit is the same coordinator as in the case of Kuyasa, which falls into the high-income category, the centre management was tasked with handling much of their financial administration. However, interview data revealed that aside from finances and maintenance of the venue, management did not get involved with other aspects of the project such as production, marketing or the facilitation of group dynamics. The reports indicate that the coordinator visited the unit on a weekly basis. The project therefore lacks permanent on-site support.

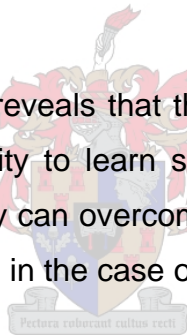
Contrary to the financial information reflected in the previous chapter, this project rated middle to high on the marketing assessment (never low), indicating a relatively marketable product of consistently high quality in the view of the national marketing coordinator. Siyazama also provides the Flower Valley Trust unit with much of the paper they use to make their products which, as mentioned above, are selling well. The quality of the product could be attributed to the consistency and regular support of the technical trainer, who makes once-weekly visits to the unit. Why then do their income figures report such low performance?

Interviews with the coordinator and the centre management uncovered several factors, which may have had a bearing on this. Firstly, the unit consists of

participants who are both physically and mentally disabled. As a result, some participants lack the capacity to understand and consistently apply the principles of business training and aspects of the technical training.

Secondly, all members of this group receive a disability grant from the government. According to centre management, the government is piloting a scheme whereby they intend to review and reduce the grants depending on the success of such self-help schemes to generate alternative sources of income. Whether this policy has already been introduced at this particular project is unclear. However, the participants are aware of the possible shift in grants policy. It would be logical to assume that, while they welcome the extra income generated by the project, they do not give it their best performance for fear of losing their grants.

Certainly, the interview material reveals that the members' objectives for joining the project include the opportunity to learn skills, having something to occupy them, as well as proving that they can overcome their disabilities. Financial need was not as strong a motivation as in the case of the other projects.



6.4 Capacity building

Capacity building has been directly addressed in terms of both the transfer of technical skills of paper and product making, and the business skills training given to the participants.

As shown in the analysis above, the technical skills transference has been successful. It appears to be related to the frequency and consistency of training. It regularly reinforces the principles such as quality control, productivity and product design learnt through this training.

The transfer of business skills was less successful, according to the reports of the coordinators. In most units training was provided as a once off one week module in the early months of a project's launch. The lack of follow-up training has been cited as a reason why participants struggle in areas of project management and administration. However, the training has not been entirely unsuccessful as participants still managed to apply some of the principles in the daily running of the units. These include aspects of marketing, applying and amending their constitutions and some degree of record keeping.

The evidence also suggests that capacity building occurred in a more indirect way as a result of members' activities within the projects. Participants stated that being involved with project level marketing and dealing with members of the public (for example at craft markets, or during marketing excursions) had improved their capacity to communicate effectively. The ability of some projects to make independent decisions (as outlined in 6.2.1).

Some coordinators have even done capacity building outside the programme design. For instance, Flower Valley Trust and Kopanang are two projects where the station manager has developed programmes to address needs such as HIV/AIDS awareness and life skills. This was usually done in conjunction with organisations or social workers who provide programmes of this nature.

6.5 Conclusion

Looking at the evidence, it is clear that there are two features that characterise the high earners group. Firstly, the presence of skilled and strong leadership provides support for project management and capacitates the participants where necessary. Secondly there is regular input in terms of product training, directly related to quality control. Aside from on-site support, the coordinator/station manager (and in the case of FVT, farm management) also devotes much energy to promoting the projects and products and securing clients.

It is also clear that the quality of the products depends on the frequency and consistency of technical training and support. The trainers serving the middle to low-income groups may be no less skilled than their counterparts in the high-income groups, but the lack of consistent presence means that they are unable to reinforce necessary principles such as consistency and quality control.

Aside from the lack of consistent leadership, two of the low-income projects share another common factor. Siyazama and AIDSLink are both targeted at specific populations with disabilities and chronic illness. This circumstance requires extra capacity and effort at the level of management.

This research shows conclusively that the nature of leadership/management support as well as the presence of consistent technical support has a direct bearing on the financial performance of a project.

Other aspects of individual “human development” are not directly affected by the level of income. The mere involvement in a project offers an opportunity to individuals to perform roles in a group. For most participants this has been a very positive experience characterised by increased levels of human development.

However, there is no escaping the fact that a project’s financial performance will decide its sustainability as a unit. This, in turn, will determine for how long the current (and future) participants will have the opportunity to grow as human beings. Given this problem, some of the projects that are not performing so well financially at present may want to learn from the more successful models.

Chapter 7 Conclusion

7.1 Introduction

As stated in Chapter 1 the objective of the study was to investigate the impact of craft-based projects on the alleviation of poverty in South Africa. That impact was assessed both on a project-by-project basis, and at the level of each individual in order to understand both the impact and the dynamics of poverty alleviation programmes of this nature.

Using Phumani Paper as a case study, the dynamics of craft-based projects were investigated. A definition of poverty alleviation was compiled in order to establish the criteria against which the programme was assessed. For the purposes of this study, poverty alleviation is considered as a process of change that addresses three fundamental aspects: income, human development and capacity building.

The overall conclusion that has been reached by this study is that craft-based group interventions work well in alleviating poverty.

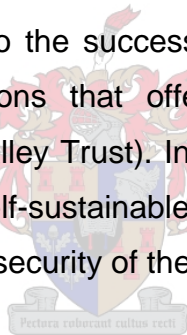
The kind of impact a programme has on participants' poverties depends on (intervening) variables at the programme management and at the project level.

7.2 Project level structures

The analysis clearly shows that the impact of the programme - in terms of financial performance and its ability to alleviate poverty – depended significantly on the specific implementation strategy or project model.

In this regard a key variable was the consistent presence of strong leadership. Coordinators/ project managers who were present on a regular basis and remained with the projects for a significant period of their development were able to guide the participants through the processes of project administration and day-to-day functioning. In addition, they were able to reinforce aspects of marketing, quality control and effective group dynamics. They were also present to address unexpected problems with relative efficiency. Their presence was also a key element in adapting the project to changing circumstances and the evolving capacitation needs of its participants. This finding is in line with the observations of Kotze & Kellerman (1997:41-45), who cite “the appointment of competent and committed personnel with discretionary powers at the local (operational) level” as a component of successful development management.

Another factor that contributed to the successful impact of some projects, was the partnership with organisations that offered secure and well-developed infrastructure (e.g. the Flower Valley Trust). In this instance, the objective of the project was not to develop a self-sustainable unit, but to enable existing farm management to increase the job security of their workers.



Despite the structural differences between project models, and their varying capacity to address poverty in financial terms, all projects had a human development impact, especially in the area of skills capacitation. This indicates that a craft-based intervention, such as Phumani Paper, is effective in addressing human development poverties. It shows that the construction of a social group in such an intervention is a precondition for success at the level of human development.

7.3 The individual level

As mentioned above, the impact on individuals participating in the projects was reported as high across all categories of human development. Being part of a

work group provides a secure environment where people can act out roles and responsibilities, make mistakes or test ideas, all of which will have a spillover effect on their personal lives. Participants who demonstrated dedication and determination by staying with the project when others dropped out, believe they have reaped benefits other than financial ones. In addition, the activity of going to work each day and working towards a common goal gave participants the feeling that they had gained some power or control of their own lives, most particularly those who had never been employed prior to this. This leads to the conclusion that poverty alleviation programmes should be group based rather than focused on the individual.

It was also found that the creative nature of craft, as a fundamental aspect of the Phumani intervention, also had a significant impact on the participants. The opportunity to create something that is original and provides room for personal expression fostered a sense of self-esteem on the part of many participants. This is in contrast to previous jobs they had held that did not require the same level of individual creativity. The craft aspect speaks to an intangible dimension of the programme that fosters creativity and strengthens identity within a culture.



Therefore, crafts embody something beyond the mere economic need to manufacture a product for the market and to generate an income. It also addresses important aspects of human development, i.e. identity and creation.

7.4 Programme level aspects

In a neo-liberal economy, those who cannot meet market demand or gain entrance to the market, will not sustain financial viability. In the context of Phumani Paper, this implies that the projects which are not performing well financially will not be able to sustain themselves in the longer term. While all projects made an impact on human development and capacity building,

financially unviable units will neither be able to alleviate poverty in material terms, nor provide the sustainable opportunity for human development.

Given these findings, it is vital that programme management facilitates the kinds of project environment that have resulted in good financial performance. This includes explicitly addressing factors such as strong and consistent leadership in the form of a capacitated coordinator or project manager, consistent technical input in terms of product training and quality control and developing products that are well received on the market.

Key in this regard is the programme management's ability to integrate the local project into the global objectives of the programme. For example, although a programme such as Phumani Paper is meant to function in a market economy, and aspires to produce self-sustaining units, some aspects of the original programme design contradict the neo-liberal SMME assumptions. These include the initial stipends, as well as assuming that all participants objectives for joining the project were the same based on their unemployment status, i.e. some participants joined out of financial necessity, while others were supported by family members and joined due to boredom.

The implementation model of a programme also needs to be considered in terms of how appropriate it is for the target population. For example, the design of an SMME model that proved successful for Kuyasa (WC2) was not as easily applied to disabled group Siyazama, where the project was considered more for its activity value than as an income generating opportunity. Another example is that the respondents in AIDSLink were better suited to producing products than paper, due to the impact that the latter had on their health.

7.5 Areas for further research

Areas of research that may yield useful results for craft-based interventions of this nature have been identified in the course of the research process.

For instance, it was pointed out by one respondent that the reasons for being unemployed prior to joining the project influences the motivation for joining the project and hence how they respond to the intervention. A more thorough investigation into the relationship between participant selection criteria and the performance of units may provide ideas as to how refine selection.

Another area that may greatly affect the success of a unit is marketing. Investigating the marketing structure of the projects and the programme as a whole, not only with regard to product development, but also in terms of physical location, is an aspect that was raised by many respondents. Evaluating projects in terms of market access will show where they can be more effective.

The use of tertiary educational facilities as implementing agency of development programmes is a recent phenomenon in South Africa. Tertiary facilities are endowed with many resources, but also present challenges in terms of their often-cumbersome administrative procedures, and the need to balance 'doing' with 'learning', which affects the continuity of the human resources the programme employs. For example: what happens when the trainers, who are also students, graduate and leave after building up working relationships with the project participants over months or even years? This was cited frequently in interviews and communications as impacting on the projects in different ways. A study of efficiency of tertiary institutions in development service delivery will provide practical information for the development industry in South Africa.

7.6 Lessons learnt

The findings of this research indicate that the craft-based approach is effective in addressing poverty alleviation in South Africa.

It addresses poverty alleviation and human development of the individual most effectively through creation of a group environment. It also influences aspects of participant's environmental awareness. In this way, it operates across all three contexts of development outlined by Max-Neef.

Craft as an accessible medium, due to its low technology requirements, is an ideal vehicle through which to deliver the SMME approach to poverty alleviation. The way that craft (either traditional or transitional in nature) adapts to reflect cultural aspects of individual and addresses the creative needs of people, makes it an ideal vehicle for addressing human development. This is particularly true for the South African context, where we have an abundant legacy of culture and crafts on which to draw.

Funders of such projects need to be aware that when implementing monitoring and evaluation systems to measure their effectiveness, they should not only look at quantitative data. The funder should be aware that the impact of projects such as Phumani cannot only be assessed on the basis of financial performance. Because poverty is not only a material state, funding decisions should take into account the other dimensions of poverty researched by this study.

The extent of the impact depends on the sustainability of these units, and hence their ability to sustain the impact they have had on the lives of their participants. This means that programme design needs to look carefully at the level and continuity of leadership in each project. That way, the potential that craft has to alleviate all dimensions of poverty will be fully realised.

References

1. General References

Afshar, H. (1991): "Women and Development: Myths and Realities; Some Introductory Notes" in H. Afshar (ed.) *Women, Development and Survival in the Third World*, United Kingdom: Longman Group.

Babbie, E. & Mouton, J. (2001): *The Practice of Social Research*, South African Edition, Cape Town: Oxford University Press.

Bekker, S. Clark, C. & Cross, C. (1995): *Coming Clean: Creating Transparency in Development Funding in South Africa*, Durban: Indicator Press, 69-86.

Bless, C. & Higson-Smith, C. (1995): *The Fundamentals of Social Research Methods: An African Perspective*, Second Edition, Lusaka: Juta & Co. Ltd.

Bulmer, M & Warick, D. P (1983): "Research Strategy" in M. Bulmer, and D.P. Warick (eds.) *Social Research in Developing Counties*: John Wiley and Sons, Ltd.

Burger, D. (ed.) (2001): *South Africa Yearbook 2000/01*, Pretoria: GCIS, 37-50, 19-22.

Burkey, S. (1993): *People First: A Guide to Self-Reliant, Participatory Rural Development*: Zed Books, 40-70, 115-129, 205-218.

Carolus, C. (2002): "Introduction" in Goldblatt, W., Hemp, D. & Selschop, S. (2002): *Craft South Africa*, First Edition, Hyde Park: Pan Macmillan S.A. (pty) Ltd.

Cloete, P., Groenewald, C. & Van Wyk, M. (1996) : *People First! A Practical Guide to Community Development*, University of Stellenbosch: Community Leadership Project.

Community Development Research Association: (2001): *Annual Report: Measuring Development, Holding Infinity*, Woodstock: CDRA.

Coetzee, J., Graaf, J., Hendricks, F. & Wood, G. (eds.) (2001): *Development: Theory Policy and Practice*, Cape Town: Oxford University Press.

Coppes, M. (2002): "An Investigation into the use of Invasive Vegetation for the Handpapermaking Industry", Paper presented at the seminar: *Hand Papermaking for Economic Development*, at the TWR, Research and Development Unit (RDU), 16 August 2002.

CreateSA (2002): “ Training and Developing the Creative Industries: A briefing Document”, Presented at the *Community Arts Education and Training National Workshop*, at CreateSA, Johannesburg, 28 October- 1 November.

DACST (1996): *The White Paper on Science and Technology*, Pretoria DACST.

DACST (2001a): *Craft South Africa: Information Handbook*, Pretoria: DACST.

DACST (2001b): *Craft South Africa: Information Directory*, Pretoria: DACST.

Dawson, S. (1992): *The Art and Craft of Papermaking*, London: Quatro Publishing.

De Beer, F. & Swanepoel, H. (1998): *Community Development and Beyond*, First Edition, Pretoria: J.L. Van Schaik, 1-15, 33-45.

Department of Finance, (2000): *Special Budget Allocation of Poverty Relief, Infrastructure Investment and Job Summit Projects: Guidelines for Monitoring and Evaluation*, 31 March 2000, Pretoria: Dep. Of Finance

Department of Housing, (2002): *Towards Sustainable Settlements: Case Studies from South Africa*, Pretoria: Dept. of Housing, 84-85.

Department of Labour (2001a): “National Skills Development Strategy: Setting the Context” in Department of Labour, *National Skills Development Strategy: Leadership Pack*, Pretoria: Dep. of Labour.

Department of Labour (2001B): *National Skills Development Strategy: Leadership Pack*, Pretoria: Dep. of Labour.

Du Plessis, H & Raza, G (eds.) (2002): *Science Craft and Knowledge: Understanding of Science among Artisans in India and South Africa- a Cross-Cultural Endeavor*, First Edition, Pretoria: Protea Book House.

Edwards, D. & Louw, D. (1997): *Psychology: An Introduction for Students in South Africa*, Second Edition, Sandton: Heinemann Higher and Further Education (pty) Ltd., 448-450.

Evison, I (1999): *Learning from Evaluations in Christian Aid: A Critical Synthesis of Evaluation Reports 1991-98*, London: Christian Aid.

Fakir, S. (2002) “Poverty and Environment Linkages in the Context of the World Summit of Sustainable Development” in E. Reynolds, J. Lengoasa, J. Kilani, K. Ireton, H. Rukato & C. Vogel (eds.) *The Long Walk to Sustainability: A World Summit Publication*, Johannesburg: IHS South Africa, 14-16.

Ferreira, I.W. & Lloyd, H.R. (2002) : "Developmental Issues, Environmental Policy: Environmental Management must be made an Integral Part of Business Strategy in South Africa", *Africa Insight*, Vol.32 No1, 20-24.

Goldblatt, W., Hemp, D. & Selschop, S. (2002): *Craft South Africa*, First Edition, Hyde Park: Pan Macmillan S.A. (pty) Ltd.

Groenewald, C. (1989): "Community Development" in Coetzee, J. (ed), *Development is for People* New Expanded Edition, Johannesburg: SOUTHERN Book Publisher.

Hagg, G. (1999): "Background" in G. Hagg *The Contribution of the Community Arts Centre Institutional Sustainability in the Arts Sector in South Africa*, Proposal for dissertation for DLitt. et Phil. (Development Administration) through UNISA, 10-7.

Haq, ul. M. (1995): *Reflections on Human Development*, Oxford University Press, 13-23, 46-66.

Hartley, C., Firer, C. & Ford, J. (1999): *Business Accounting and Finance for Managers: An Introduction*, Fourth South African Edition, Johannesburg: Witwatersrand University Press, 1-15, 27-39, 40-46, 60-65.

Hewitt et al (eds) (1992): " Neo-Liberal Theory" in *Industrialisation and Development*, 5, Class Notes, Class Notes (Mphil. Module 201: Development Theory) University of Stellenbosch.

Hirschowitz, R., Sekwati, W. & Budlender, D. (2001): *South Africa in Transition: Selected Findings from the October Household Survey of 1999 and changes that have occurred between 1995 and 1999*, Pretoria: Stats SA, 1-10, 53, 87.

Hopper, C. (2002): "Old Truths, New Realities: Indigenous Knowledge Systems are the missing link in Poverty Alleviation and Development Strategies in South Africa", *Africa Insight*, Vol. 32, No.1, 3-6.

Khan, C (2002): "Women and Sustainable Development" in E. Reynolds, J. Lengoasa, J. Kilani, K. Ireton, H. Rukato & C. Vogel (eds.) *The Long Walk to Sustainability: A World Summit Publication*, Johannesburg: IHS South Africa 24-26.

Keesing, R (1976) "Extracts on Culture", from *Cultural Anthropology*, New York: Holt, Rinehart and Winston, Class Notes (Mphil. Community and Development, Module 204: Culture and Development) University of Stellenbosch.

Kellerman, G.E.J. (1997): "Implementation of Development Projects and Programmes", in D.A Kotze, (ed.) *Development Administration and Management: A Holistic Approach*, Pretoria: Van Schaik.

Kotze, D.A. & Kellerman, G.E.J. (1997): "Participation and Management Approaches to Development", in D.A Kotze, (ed.) *Development Administration and Management: A Holistic Approach*, Pretoria: Van Schaik.

Lalthapersad-Pillay, P. (2002): "The Effects of Poverty on Women", *Africa Insight*, Vol.32. No.1, 37-43.

Marais, T (undated): "A Livelihood Strategy with Prospects: crafting in the Context of AIDS and the Rural Poor" Unpublished paper.

Martinussen, J. (1997): *Society, State and Market: A Guide to Competing Theories of Development*, Pretoria: HSRC.

Max- Neef, M (1991): *Human Scale Development: Conceptions, Applications and Further Reflections*, New York & London: The Apex Press.

Max-Neef, M., Elizalde, A., M., & Hopenhayn (199): "Human Development and Needs" in Max-Neef, M (1991): *Human Scale Development: Conceptions, Applications and Further Reflections*, New York & London: The Apex Press, 13-39.

May, J. (1998): *Poverty and Inequality in South Africa: Summary Report*, Report prepared for the Inter- Ministerial Committee for Poverty and Inequality, Durban: Praxis Publishing.

Mohr, P. & Fourie, L. (1995): *Economics for South African Students*, First Edition, Pretoria: Van Schaik, 29-128, 450-462.

Mouton, J. (1999): *A Practical Guide to Programme Evaluation: A Case Study of the Thousand Schools Project*, A monograph prepared by the Centre for Interdisciplinary Studies (CENIS), University of Stellenbosch.

Ngubane, B. (2002): "Speech by Ben Ngubane, Minister of Arts, Culture, Science and Technology", Presented at the *NRF/COHNORT, DACST, Science and Sustainability Launch Function*, Shearton Hotel, 20 May 2002.

Patton, M. (1997): *Utilization-Focussed Evaluation: The New Century Text*, Third Edition, Thousand Oaks, London & New Deli: Sage Publications.

Republic of South Africa (1994): "The Six Basic Principles of the RDP" in *The Government Gazette*, 23 November 1994, No 16085, Pretoria: Government Printer, 8-9.

Republic of South Africa (1997): "The White Paper on Higher Education", *Government Gazette*, No. 18207, 15 August 1997 Pretoria: Government Printer, 7-15.

Roche, C. (2000): "Impact Assessment: Seeing the Wood and the Tree" *Development in Practice*, August 2000 Vol. 10. No 3 & 4., Oxfam BG: Carfax Publishing.

Rogerson, C. (2002) "SMMEs and Sustainable Development", in E. Reynolds, J. Lengoasa, J. Kilani, K. Ireton, H. Rukato & C. Vogel (eds.) *The Long Walk to Sustainability: A World Summit Publication*, Johannesburg: IHS South Africa.

Roodt, M (2001): "Participation, Civil Society and Development", in Coetzee, J. et al (eds.) (2001): *Development: Theory Policy and Practice*, Cape Town: Oxford University Press.

Rossie, & Freeman (1993:5) as quoted in Babbie, E. & Mouton, J. (2001): *The Practice of Social Research*, South African Edition, Cape Town: Oxford University Press, 335.

Rossie, P, Freeman, H & Lipsey, M (1999): "Expressing and Assessing Program Theory" in *Evaluation; A Systematic Approach*, Sixth Edition, Thousand Oaks, London and New Delhi: Sage Publishing, 155-187.

SAIRR, (2001): *South Africa Survey 2000/01*, Johannesburg: SAIRR.

SAIRR (2003): *South Africa Survey 2002/2003*, Johannesburg: SAIRR, 160-169, 180-185, 204-205, 367-382, 430-433.

Serageldin, I (1994): "The Challenge of a Holistic Vision: Culture Empowerment and the Development Paradigm", In I. Serageldin, Tobaroff, J. (eds.) *Culture and Development in Africa*, USA: The World Bank, 15-32.

Serote, P. Mager, A & Budlender, D. (2001): "Gender and Development: Gender and Development in South Africa in the 1990's" in Coetzee, J., Graaf, J., Hendicks, F. & Wood, G. (eds.) (2001): *Development: Theory Policy and Practice*, Cape Town: Oxford University Press.

Simpkins, C. (2001): "Introduction" in Hirschowitz, R., Sekwati, W. & Budlender, D. (2001): *South Africa in Transition: Selected Findings from the October Household Survey of 1999 and changes that have occurred between 1995 and 1999*, Pretoria: Stats SA, 1-10, 53, 87.

Stevens, I. (2001) "The State of Crafts: South Africa 2001" in Du Plessis, H & Raza, G (eds.) (2002): *Science Craft and Knowledge: Understanding of Science*

among Artisans in India and South Africa- a Cross-Cultural Endeavor, First Edition, Pretoria: Protea Book House.

Thompson. D. (ed.) (1996): *The Oxford Compact English Dictionary*, Oxford: Oxford University Press.

Tucker, V. (1999): "The Myth of Development; A Critique of a Eurocentric Discourse" in R. Munck and D. O' Hearn, *Critical Development Theory- Contributions to a New Paradigm*, Class Notes (Mphil. Community and Development Module 201 :Development Theory) University of Stellenbosch.

TWR (2000): "Making Paper, Making a Difference" in *TWR Magazine*, Issue 1/2000, October 2000, 11.

UNDP (1990): *Human Development Report 1990*, New York & Oxford: Oxford University Press, Foreword & 9-16.

UNESCO (2002): *Cultural Diversity: Common Heritage, Plural Identities*, Paris: UNESCO, 3-14, 45-45, 74-79.

UNESCO (undated): "Our Creative Diversity", Report of the World Commission on Culture and Development- Summary Report: UNESCO.

United Nations Economic and Social Council (1995): "Poverty Eradication and Sustainable Development" Report of the Secretary General, Commission on Sustainable Development, Third Session, 11-28 April 1995: United Nation.

Uribe-Echevarria, F. (1991a): "Small-Scale Industrial Development: A Policy Statement", H. Thomas (ed.): *Small Scale Productions*, Exceter: IT Publications, 9-33.

Uribe-Echevarria, F. (1991b): "Small-Scale Manufacturing and Regional Industrialization: The Urban and Regional Development Perspective", H. Thomas (ed.): *Small Scale Productions*, Exceter: IT Publications, 43-59.

Walters, J. (2002): "Partnerships in Poverty Relief: Skills Development to Relieve Poverty in South Africa" Paper presented at the seminar: *Hand Papermaking for Economic Development*, at the TWR, Research and Development Unit (RDU), 16 August 2002.

WSSD (2002): "Plan of Implementation- Draft Plan" Proceedings from the *World Summit for Sustainable Development*, Johannesburg, 26 August- 4 Sept 2002.

2. Internet Sources

Anon. (2002): "Exchange Rate ZAR/US\$ ";
[<http://www.x-rates.com/cgi-bin/hlookup/cgi>], (Accessed 2 August 2003).

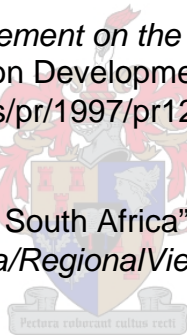
CIA (2002): *The World Factbook- South Africa*;
[<http://www.cia.gov/cia/publications/factbook/geo/sf.html>], (Accessed 2 July 2002).

DACST (undated a): In Short: *Cultural Industries Growth Strategy Summary*;
[http://dacst2pwv.gov.za/dacst/art_culture/culture/industries/summary.htm],
(Accessed 17 July 2001).

DACST (undated b): *Findings of the Cultural Industries Growth Strategy Research*;
[http://dacst2.pwv.gov.za/dacst/arts_culture/culture/industries/creative/findings.htm],
(Accessed 17 July 2001).

Fraser-Moleketi, G. (1997): *Statement on the Eradication of Pverty*. issued by Ministry for Welfare and Population Development;
[<http://www.polity.org.za/govdocs/pr/1997/pr12016d.html>], (Accessed 10 November 2002).

HSRC (undated): "Regional View South Africa" on the *Southern African Poverty Network*: [<http://www.sarpn.org/za/RegionalViews/southAfrica.php>] (Accessed March 2002).



South African Government (1996): *Growth, Employment and Redistribution: A Macro-Economic Strategy*; 14 June 1996,
[<http://www.polity.org.za/govdocs/Policy/growth.html>], (Accessed 10 August 2001).

Aliber, M. (2000): "South Africa's Chronically Poor: A Quantitative and Qualitative Picture," Chapter 3 in Statss SA, *The Measuring Poverty Report*;
[<http://www.pwv.gov.za>], (Accessed 24 April 2002).

Statss SA (undated): "Consumer Price Index (South Africa)";
[http://www.statssa.gov/products/releases/CP_historicalcurrent.pdf], (Accessed 2 August 2003).

SustainAbility (undated): *The Triple Bottom Line*;
[<http://www.sustainability.com/philosophy/triplebottom/default.asp>], (Accessed 1 November 2003).

UNESCO (2001): *Education and Poverty Eradication (Introduction)*;

[<http://www.unesco.org/education/poverty/index.shtml>], (Accessed 8 October 2003).

United Nations Department of Economic and Social Affairs, Division for Sustainable Development (Undated): *Poverty*;
[<http://www.un.org/esa/susdev/sdissues/poverty.htm>], (Accessed 30 November 2003).

United Nations Department of Economic and Social Affairs, Division for Sustainable Development (Undated): "Chapter 3: Combating Poverty" in *Agenda 21*;
[<http://www.un.org/esa/sustdev/documents/agenda21/english/agenda21chapter3.htm>], (Accessed 11 November 2003).

[<http://www.un.org/esa/susdev/sdissues/poverty.htm>], (Accessed 30 November 2003).

UNDP (2000): *The Years of Human Development*;
[<http://www.undp.org/hdro/10year/html>], (Accessed September 2001).

UNDP (2002): *World Development Indicators*;
[http://www.undp.org/hdr2001/indicators_31_1_1.html], (Accessed 3 August 2003).

UNDP (2003): *Human Development Reports: About HDRO*;
[<http://hdr.undp.org/aboutus/default.cfm>], (Accessed 3 August 2003).

US Dept. of Labor: Bureau of Labor Statistics (2002): Consumer Price Index (US);
[<http://data.bls.gov/servlet/surveyoutputputservlet?jrnsessionid+1059819222750191694>], (Accessed 2 August 2003).

3. Phumani Paper Programme Documents

Anon. (2000): *Special Poverty Relief Allocation Implementing Agents Questionnaire*, February 2000.

Berman (undated): *Proposal for Poverty Alleviation Programme Submitted to DACST, TWR.*

Cohn, L. (2001): *Speech to SODEXHO*, 8 Feb 2001, Randburg, Johannesburg.

Phumani Paper (2000): *Proceedings from Programme Development Workshop*, Sept 2000: TWR.

Phumani Paper (2001 a): *Publicity Brochure*, TWR.

Phumani Paper (2001 b): *Hand papermaking Poverty Relief Programme: Annual Report*, July 2001: TWR.

Phumani Paper (2001 c): *Hand Paper Processing Technologies- A visual Submission*, Report on activities July 2000- February 2001: TWR.

Phumani Paper (2002 a): *Current Studies and Future Prospects, Quarterly Report*, Submitted to DACST January 2002, TWR.

Phumani Paper (2002 b): *Annual Report*, Submitted to DACST July 2002: TWR.

Phumani Paper (2002 c): *Humane Paper National Workshop Proceedings*, 15-18 May 2002, Alberton.

Phumani Paper (2003): *Annual Report: Phumani Paper 2002/3*, Submitted to DACST July 2003: TWR.

Phumani Paper 2001-2003: *Consolidated Monthly Reports*, for each month from March 2001- March 2003, TWR.

Phumani Paper 2001-2003: *Consolidated Monthly Marketing Reports*, for each month from March 2001- March 2003, TWR.

Phumani Paper (undated a): *Proposal submitted in Support of Poverty Alleviation, Infrastructure Investment and Job Summit Projects*: TWR.

Phumani paper (undated b): *Ford Foundation Report*: TWR.

PPRP (2001 a): *PPRP Marketing/ Sales Memo*, 3 January 2001.

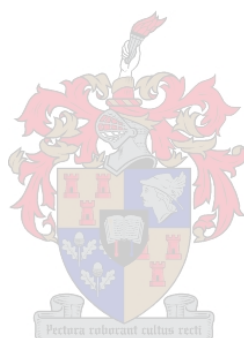
PPRP (2001 b): *Proceedings of National Workshop*, 15-17 March 2001, Cottages.

PPRP (undated): *Recycling Waste- Creating Jobs*, TWR.

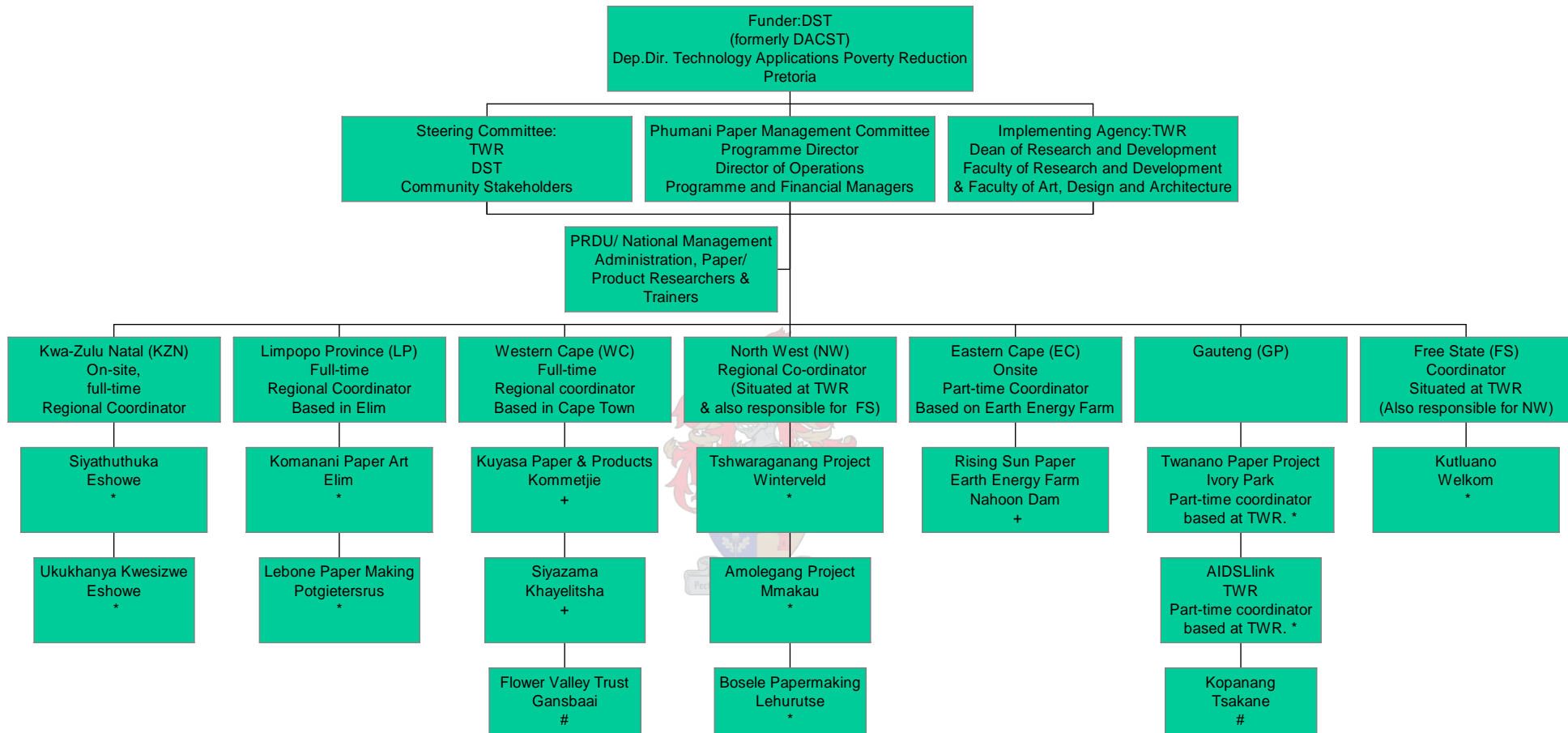
PPRP (2002): *Company Profile for DACEL Slate Tender*, TWR.

Thembalitsha Foundation (2001): *Proposed Economic Viability Model*.

Appendix 1 Phumani Paper Human Resources Structure



Phumani Paper Human Resources Structure



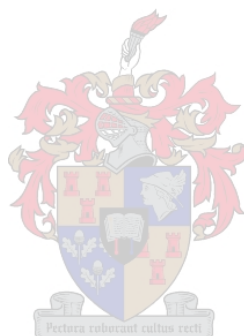
* Receives paper & product training from PRDU based trainers

+ Receives regular training from locally based trainers

Project management on site & not a member of participants

Appendix 2

Respondent Questionnaire ¹



¹ Some questions, not directly relevant to the research were included for the purposes of providing the Phumani Paper national programme management with cohesive information about the various characteristics of their participant population, for their records.

Date: _____
 Name: _____
 Age: _____
 Position in Project: _____

1. Gender (pre-test only):

- Male
 Female

3. Do you have any disabilities?

- Yes
 No

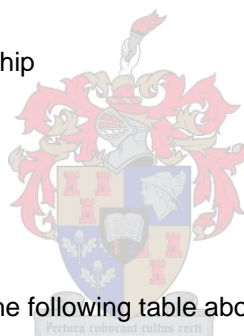
4. If so, what are they? _____

5. Marital Status:

- Single
 Married
 Divorced
 Separated
 Unmarried but in a relationship
 Widowed

5. Do you have any children?

- Yes
 No



5. If you have children please fill out the following table about them:

<u>Gender</u>	<u>Age</u>	<u>Do they live with you?</u>	<u>Are they still in school?</u>	<u>Disabilities</u>
E.g. Female	7	Yes	Yes	None
E.g. Male	21	Yes	No	Blind

7. Who is the main breadwinner in your household? _____

8. Who takes the major financial decisions in your household? _____

Please describe your accommodation by answering the following four questions:

9. Type:

- Brick house
- Shack
- Mud Hut
- Combination
- Other (please describe)

10. How many rooms does your house have? _____

11. Do you have electricity?

- Yes
- No

12. Do you have access to running water in your home or immediate vicinity?

- Yes
- No

13. How many people live in your home now? _____

14. Please fill in the following table about them.

<u>Relationship</u>	<u>Age</u>	<u>Income per month if any</u> (Please state if this is a stable income or if it changes each month)	<u>From where</u>	<u>Disabilities</u>
E.g. Brother	25	R 1000-00	Driver	None
E.g. Mother	70	R 520-00	Pension	Blind
E.g. Son	22	Changes each month between R200-00 – R1000-00	Odd Jobs	None

15. Income for last month from unit: _____

16. Do you get a regular income from any other source?

- Yes
- No

16. How much? _____

17. From where? _____

18. Average total monthly income (over last six months)? _____

19. How many people are supported on this income? _____

20 Who are they? _____

21. How do you usually get to the project?

- By foot
- Taxi
- Bus
- Drive a car.
- Bicycle
- Get a lift.
- Train

22. How long does this usually take?

- Less than 15 minutes
- Between 15 minutes and 30 minutes
- Between 30 minutes and 45 minutes
- Between 45 minutes and 1 hour
- More than 1 hour

23. Can you get to work if it is raining?

- Yes
- No

24. If not, why? _____

(The following six questions apply only to the pre-test phase)

25. When did you join this project? _____

26. Were you ever formally employed before joining the project? (Formally refers to a job, with a fixed monthly income, or commission pay, for a registered company or organisation)

- Yes
- No

27. If so, what did you do? _____

28. When did you stop doing this job? _____

29. Why did you stop doing this job? _____

30. Were you earning anything from the informal job sector before joining the project?

- Yes
- No

31. How did you earn this? _____

(The following two questions apply to baseline and follow-up phases.)

32. Are you currently earning anything from the informal sector?

- Yes
- No

33. How? _____

(The following five questions apply to baseline phase only)

34. Please state your highest educational qualification: _____

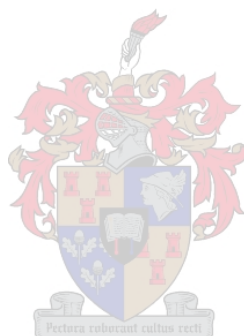
35. What skills did you have before joining the project, (formally or informally acquired)?

36. Please indicate how you acquired them.

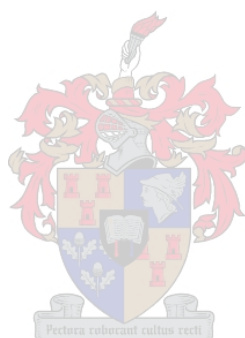
- Formal education (school, workshops, courses etc)
- Self taught or informally acquired
- On the job training

37. Where did you hear about the project? _____

36. Why did you join the project? _____



Appendix 3 Participant Self-Assessment Scale

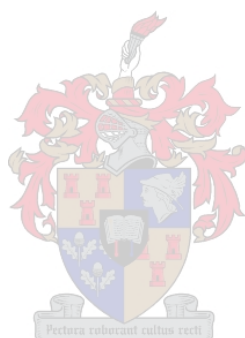


Name:**Date:**

- Please complete the following self-assessment as honestly as possible.

Indicator -Please indicate your opinion about yourself with regards to the following statements.	Rating 1-7 -Where one is the lowest and seven is highest.						
	1 very low	2 low	3 below ave.	4 ave	5 above ave.	6 high	7 very high
My Incidence of interaction in the group is.....							
My confidence during interaction within group is.....							
My level of assertiveness during group interactions is.....							
My confidence in my technical abilities in paper and product making is.....							
My confidence when voicing my opinions is.....							
My proficiency in reading is.....							
My proficiency in spoken language is.....							
My proficiency in English is.....							
My handwriting abilities are.....							
My confidence when dealing with clients is.....							
My enthusiasm for this project is.....							
My confidence in my decision-making capacity is.....							
My ability to apply principles of the business training I have received is.....							
My belief that life will change for the better for me in the foreseeable future is							
My ability to apply objectives of the technical training I have received is.....							
My feeling of financial security is currently.....							
My feeling of health security is currently.....							
My self-esteem is							
My desire to change my life is.....							
My neighbourhood crime rate is							
My belief that this project will be sustainable is.....							
I believe that I have..... ambitions for my future							
My level of optimism for the future of this project is....							
My attendance level is							

Appendix 4 Coordinators' Assessment Survey



Project: _____ **Date:** _____

Name of Participant: _____

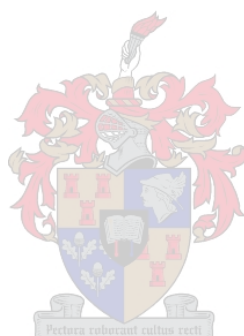
Co-ordinator: _____

1. Date of joining project.
2. Wages at the last month end.
3. Average wages for the last year.
4. Please indicate your perception with regards to the participant on the following statements:

- Please complete the following assessment as honestly as possible.

Indicator-Please indicate your opinion about participants with regards to the following statements.	Rating 1-7, Where one is the lowest and seven is highest.						
	1 very low	2 low	3 below ave.	4 ave	5 above ave.	6 high	7 very high
His/her Incidence of interaction in the group is.....							
His/her confidence during interaction within group is.....							
His/her level of assertiveness during group interactions is.....							
His/her confidence in technical abilities in paper and product making seems.....							
His/her confidence when voicing opinions seems.....							
His/her proficiency in reading is.....							
His/her proficiency in spoken language is.....							
His/her proficiency in English is.....							
His/her handwriting abilities are.....							
His/her confidence when dealing with clients is.....							
His/her enthusiasm for this project appears to be.....							
His/her confidence in his/her decision-making capacity seems to be.....							
His/her ability to apply principles of the business training have received seems.....							
His/her belief that life will change for the better in the foreseeable future seems							
His/her ability to apply objectives of the technical training received appears.....							
His/her feeling of financial security seems to currently be.....							

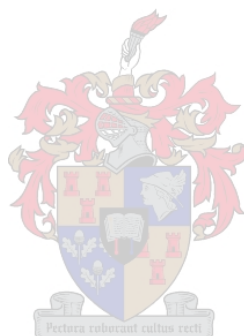
His/her feeling of health security seems to currently be.....							
His/herself esteem seems							
His/her desire to change his/her life appears to be.....							
His/her neighbour hood crime rate is							
His/her belief that this project will be sustainable appears to be.....							
He/she appears to have ambition for his/her future							
His/her level of optimism for the future of this project appears to be....							
His/her attendance level is							



Appendix 5

Monthly Monitoring Surveys

Project Monitoring Survey²



² Some questions, not directly relevant to the research were included for the purposes of providing the Phumani Paper national programme management.

5.1 Project Monitoring Survey

1. Project name: _____
2. Region: _____
3. Coordinator: _____
4. Month ending: _____
5. Number of Participants: _____
6. Number of dropouts: _____
7. Reasons: _____
8. Total Project Income for the Month:

This includes all money coming into the project through sales, stock orders from TWR and other order cards.

10. Information about Community Involvement activities for the month:

Please write briefly about any school visits, links that have been made with local organisations, interest from local authorities and any other activities that has been influenced by, or impacted on the local and broader community. Provide information about press coverage. Please also state where there is a LACK of interest from these groups.

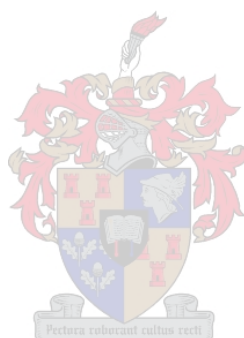
5.2 Participant Monitoring Survey

(To be filled in by coordinator and participant, referring to baseline information gathered during pre-test phase)

1. Name: _____
2. Age: _____
3. Position in unit: _____
4. Income for month from unit: _____
5. Were you absent this month? _____
6. Why? _____

7. Please refer to your respondent questionnaire and indicate any changes that have occurred during the past month, e.g. moving homes.

Appendix 6 Research Plan



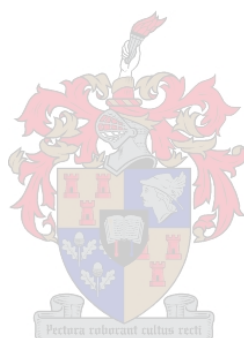
- Five out of seven regions were randomly selected.
- All projects in the selected region are included.
- Two participants from each unit will be randomly selected as a sample. They will be asked to agree to be a part of the research.
- The participants will complete a respondent questionnaire.
- The Self-Assessment questionnaire will then be used as the basis for an unstructured interview with the participants.
- The co-ordinator will complete a similar survey based on his/her experiences of the sample respondent and project. (*This document must remain confidential between the co-ordinator and the researcher, as it should not be misunderstood by respondents to be a job performance evaluation.*)
- The co-ordinator will also be interviewed.
- The co-ordinator and participant will be introduced to the monthly report format, which will be submitted each month to the Respondent Data Questionnaire for changes.
- This information is submitted over the research period, and will be kept confidential.
- A follow-up survey will be done at the end of the period, the format of which is dependent on financial and logistical constraints.
- The co-ordinators and participants will of course be able to contact the researcher at any time with queries and problems.
- Should a participant leave the research, or the project, please provide detailed information as to why this occurred. This is to ensure the legitimacy of the research.

Thank you for your co-operation.

Taryn Cohn

Appendix 7

Respondent Permission Form and Information



- This is to certify that the selected participants understand the objectives of the research and have agreed to be a part of the sample.
- The identity of the sample participants will not be disclosed to anyone other than the coordinator of the group, the researcher and the group from which they are selected.
- The information provided by the participants will in no way be used to judge their individual performance, nor will it be used to influence the management of the unit and the programme.
- The information provided is purely for academic purposes.
- The sample will be randomly selected in order to provide some indication of certain aspects of the programme at micro level.
- The research period is from July 2002 until March 2003. Participation is voluntary, but participants are encouraged not to drop out as this affects the research dramatically.
- The participants are free to contact the researcher at any time with any queries regarding the research, and will have access to the findings once the thesis has been completed.

Region: _____

Project Name: _____

Co-ordinator: _____

Contact Details: Tel: _____ Fax: _____

Email: _____ Cell: _____

Postal Address: _____ Physical Address: _____

Participant Information:

1. Name: _____

Gender: _____

Age: _____

Home Language: _____

Phone Number (if different from above). _____

Postal Address: (if different from above). Physical address: _____

Signature: _____

2. Name: _____

Gender: _____

Age: _____

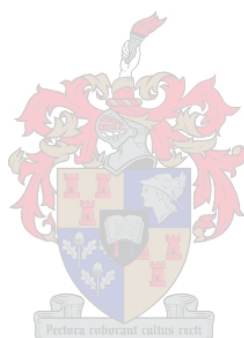
Home Language: _____

Phone Number (if different from above). _____

Postal Address: (if different from above). Physical address: _____

Signature: _____

Appendix 8 Breakdown of Research Activities 2001-2003



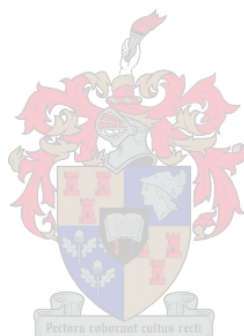
Breakdown of research activities 2001-2003

<u>Date</u>	<u>Activity</u>	<u>Objective</u>	<u>Interview/ Informal discussion</u>
April 2001	<ul style="list-style-type: none"> Research visit to Kuyasa (WC) 	<ul style="list-style-type: none"> Familiarisation visit to conduct research for a preliminary paper on the project Assess potential for further research 	<ul style="list-style-type: none"> Discussion with participants Meeting with coordinator (Ann Weyer) Interview with Rev. Frank Christie, business consultant to the unit
June 2001	<ul style="list-style-type: none"> Meeting with Programme Director, Kim Berman. Informal visit, accompanying coordinator to AIDSLink (GP) & Twanano (GP) 	<ul style="list-style-type: none"> To explore possibility of conducting research into the programme Familiarisation visit to obtain background on programme 	<ul style="list-style-type: none"> Informal discussion with Rose Mchunu: Regional Coordinator, (GP), at that time
August 2001	<ul style="list-style-type: none"> Second preliminary research visit to Kuyasa (WC) 	<ul style="list-style-type: none"> Research for additional preliminary papers on the project 	<ul style="list-style-type: none"> Focus groups with participants
7 - 8 March 2002	<ul style="list-style-type: none"> Accompanied DACST Liaison Officer to site visit to Khomanani Paper Art, (LP) Included brief site visit to Lebone Paper Project, (LP) 	<ul style="list-style-type: none"> Pilot Research tools at Khomanani Ascertain suitable interview method 	<ul style="list-style-type: none"> Unstructured participant interviews Informal discussion Grace Tshikuve: Station Manager and Trainer (LP) at that time, and Joslyn Walters: DACST Liaison Officer for Programme, at that time
March 2002	<ul style="list-style-type: none"> Accompanied trainers to Siyathuthuka and Ukhunkhanye Kwesizwe, (KZN) 	<ul style="list-style-type: none"> Familiarisation visit, to collect information to assist in finalising research proposal and research tools 	<ul style="list-style-type: none"> Interview with two participants Interview with, Ivy Mashilo: Regional Coordinator (KZN) Observe training modules conducted by Trainers: Percy Madia and Jeannot Ladiera
2 April 2002	<ul style="list-style-type: none"> Accompanied Regional Coordinator and National Marketing Consultant to Tshwaranganang (NW) 	<ul style="list-style-type: none"> Familiarisation visit 	

<u>Date</u>	<u>Activity</u>	<u>Objective</u>	<u>Interview/ Informal discussion</u>
7 April 2002	<ul style="list-style-type: none"> Submitted research proposal 		
15 -18 May 2002	<ul style="list-style-type: none"> Presented research objective and plan to all members of National and Regional staff at Phumani Paper National Workshop Observed workshop proceedings, where appropriate 	<ul style="list-style-type: none"> To meet all members of programme staff To consolidate knowledge of programme and project level activity To introduce research to programme staff 	
April - June 2002	<ul style="list-style-type: none"> Working in programme office 	<ul style="list-style-type: none"> Obtain thorough background to programme and projects Study relevant documentation such as consolidated monthly programme reports 	<ul style="list-style-type: none"> Exposures to all members of programme staff: <ul style="list-style-type: none"> - Programme Director: Kim Berman, - Programme Manager (at that time): Dee Dee Kruger - Deputy Director: Liz Linsell, - National Marketing Consultant: Les Cohn as well as the researchers and trainers based at TWR. Informal discussion with Dep. Dir. Science and Technology: George Kgarume
July – August 2002	<ul style="list-style-type: none"> Base-line (Pre-test phase) research field trips to sample projects Start of impact assessment period 	<ul style="list-style-type: none"> As outlined in Table 4.3 	<ul style="list-style-type: none"> Interviews with participants in sample Interviews with: <ul style="list-style-type: none"> - Station Manager GP1: Sister Sheila Flynn - Researcher and Coordinator GP2 & GP3: David Tshabalala - Researcher and Station Manager GP3: Neo Lubisa - Regional Coordinator FS1 (at that time): Helen Mojela - Regional Coordinator KZN: Ivy Mashilo - Regional Coordinator WC: Anne Weyer

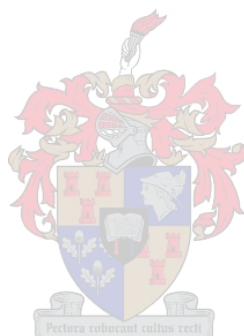
<u>Date</u>	<u>Activity</u>	<u>Objective</u>	<u>Interview/ Informal discussion</u>
July – August 2002 (cont.)			<ul style="list-style-type: none"> - Centre Manager, Kwa Nothemba: Asref Parker - Regional Coordinator EC: Jessica Wigley - Station Manager/ Trainer & member of Farm management, FVT: Marti Yssel • Informal discussions with: <ul style="list-style-type: none"> - Station Manager: KZN 1: Fundi Biyela - Trainer EC1: Lynn Farrenkothen: - Education and Community Coordinator FVT: Gabrielle Cook
July 2002 - March 2003	<ul style="list-style-type: none"> • Monitoring survey implemented 	<ul style="list-style-type: none"> • To obtain monthly information as per research plan 	
16 August 2002	<ul style="list-style-type: none"> • Research seminar- Handpapermaking for Economic Development, hosted by TWR & PRDU 	<ul style="list-style-type: none"> • Presented paper: • Phumani Paper Impact Assessment: Some Initial Findings • Paper accompanied by Research poster (as research output) 	
April 2003 - May 2003	<ul style="list-style-type: none"> • Follow-up (Post-test) research field trip to sample projects 	<ul style="list-style-type: none"> • As outlined in table 4.3 	<ul style="list-style-type: none"> • Interview with sample participants • Interviews with: <ul style="list-style-type: none"> - Regional Coordinator (EC): Jessica Wigley - Regional Coordinator (KZN): Ivy Mashilo - Outgoing Regional Coordinator (WC): Anne Weyer - Centre Manager Kwa Nothemba (WC): Asref Parker - Trainer, WC1: Joseph Dizila - Station Manager FVT: Laurette Afrikaner - Station Manager & Trainer GP2: David Tshabalala

<u>Date</u>	<u>Activity</u>	<u>Objective</u>	<u>Interview/ Informal discussion</u>
April 2003 - May 2003 (cont.)			<ul style="list-style-type: none"> - Station Manager & Trainer GP3: Neo Lubisa - Coordinator GP1: Sister Shiela Flynn - National Marketing Consultant: Les Cohn • Informal discussions with: <ul style="list-style-type: none"> - Incoming Coordinator WC: Libby Moore - Coordinator FS & GP Kgomotso Lekelaka
May – November 2003	<ul style="list-style-type: none"> • Data Analysis & research write up. 		



Appendix 9

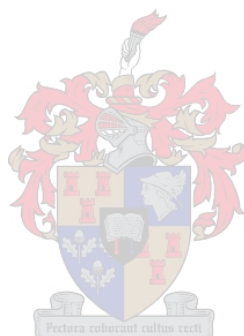
South African Consumer Price Index History ³



³ http://www.statssa.gov.za/products/releases/CPI_historicalcurrent.pdf

Appendix 10

United States Consumer Price Index History ⁴



⁴ <http://data.bls.gov.servlet/SurveyOutputServlet?jrnsessionid=1059819222750191694>