

Balance between short term relief and long term empowerment social entrepreneurial projects

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Introduction

The speed and urgency with which we need to address issues of poverty are critical if we are to reduce or indeed eradicate poverty in South Africa; and we certainly cannot afford to be detracted by unnecessary debate and discussion about terminology and semantics. It is important therefore that we begin this session by defining poverty and by agreeing that every means of tackling poverty is welcome.

Julian May defines *poverty (as) the inability of individuals, households or entire communities, to command sufficient resources to satisfy accepted minimum standards of living*¹. I find this definition very useful and close to my own understanding and experience in the field.

Furthermore, while I don't believe that anyone working in the social-development field will disagree with the title that informs this session, I would have liked it to read something like "FINDING a balance between short term relief and long term empowerment" or "ENSURING that we balance short term relief and long term empowerment" or better yet "HOW to balance short term relief to long term empowerment". At least then it becomes a statement of intent and forces one to look at ones interventions beyond their "feel good" aspect.

Our former president Nelson Mandela said that *overcoming poverty is not a gesture of charity. It is an act of justice. It is the protection of a fundamental human right, the right to dignity and a decent life*². I hope you will agree with me when I say that the better route, the more empowering route, the route that ultimately leads to dignity is the developmental approach to tackling poverty. However, that does not mean that we stop providing short term relief or aid. What it does mean is that we look at the sort of relief we are providing to see how it can lead to long term self-sufficiency and empowerment.

Mark Swelling puts it very nicely when he says that *unless spending is coupled to a process that gradually build the intellectual, psychological, cultural, organisational and technical capacity of the 'beneficiaries', development in general and poverty reduction in particular will be an unlikely outcome*³. Personally I think that there is nothing that social-development practitioners do in terms of community service that cannot lead to a more empowering and developmental approach.

To that end I will highlight the work of my organisation, the South African National Zakah Fund (SANZAF) and our approach in addressing issues of poverty. I will list examples from various initiatives currently being piloted by the organisation, specifically in the Free State, North-West, Limpopo and Gauteng Provinces. I hope to demonstrate that SANZAF is deeply committed to and working tirelessly to **ensure** that we *balance short term relief and long term empowerment*.

I will begin by giving you an overview of SANZAF then proceed to sketch the scenario in which we operate, briefly describing our latest initiatives before listing and detailing our success in linking short term relief to long term empowerment.

About SANZAF

SANZAF has about 34 years of experience in the social-welfare field and over the years it has reinvented itself from a primarily welfare to a principally developmental orientated organisation – the latter being the intent with which it was established in 1974. In fact, minutes of meetings dating back to 1976 record that SANZAF issued bursaries for tertiary students (a rare practice among Muslim NGO's of the time) while archived material show that it helped to establish some self-help projects very early on in its history.

In 1998 the organisation adopted a Mission Statement⁴ which committed it to a developmental path, paving the way in 1999 to the establishment of the first skills training facility within the Muslim community i.e. the Centre for Family Assessment and Resource Development (FARD). In 2002, a resolution of the Trustees required the organisation to expend at least 40% of its resources on empowerment projects and I am proud to tell you that as of the last financial year, well over 60% of our disbursements were directed at empowerment initiatives⁵. In 2009 the organisation budgeted R5 million on bursaries, making it the largest Muslim bursary fund in Southern Africa.

In 2006, SANZAF Gauteng Province was asked to explore the feasibility of opening an office in Polokwane (Limpopo Province). Up to that point SANZAF offices were typically located in urban areas (often near large Muslim communities) and recipients had to travel to our office for services. This was not always the ideal situation as it made it difficult to connect with the recipients – especially when they required supervised or ongoing assistance, besides the fact that it cost us money to pay for their transport costs.

The Polokwane office presented us with an ideal opportunity to explore a new method of serving the poor and while we initially located the office in the Polokwane CBD (June, 2007) we opted to move our services to Sheshego township, 20km from the CBD. This was the beginning of the Good Muslim – Good Neighbour Initiative.

The Good Muslim – Good Neighbour Initiative

The idea behind this initiative was to create a model or a framework of how community work should be undertaken. Our hope was that, if successful, it would encourage other Muslim NGO's to adopt a similar approach in their community work. We were excited at the prospect of taking services to the community but knew that we could only claim success if two objectives were met, namely to:

- #1: Financially empower members so that they become self-sufficient and independent
- #2: Socially empower members so that they become assets to their communities

There were other secondary and tertiary objectives as well, including concerns about improving their religious understanding and practices; and the growth of the Islam in these communities. We knew that our interventions had to create a strong, vibrant and dignified Muslim community in the township if anyone was to take note of us. We also knew this approach would be taken more seriously if we were able to successfully replicate the programme in other communities.

Encouraged by our management board and determined to demonstrate that it could work elsewhere, we decided to close our Marabastad (Pretoria) office and focus our services in Winterveld, a township 40km from Laudium (December, 2007). At about the same time, we had concluded an agreement with Africa Muslims Agency and started operating from their Al-Furqaan Islamic Centre in Finetown, 35km from Johannesburg. In all three cases, the focus was on providing services to the Muslims living in these communities and we started by conducting a survey of Muslims living in the area⁶.

Our Approach

We deliberately chose to begin with the Muslim community, partly constrained by our donors understanding of how Zakah may be utilised⁷ and partly due to our own limitations and capacity. Also, as this was our first formal intervention, working with a predominantly emerging (sic. revert) Muslim community - in their community - we were realistic about our expectations and how they would view or accept our developmental approach. Our experience in urban centres seemed to suggest that the mind-set amongst poor Muslims was one of entitlement and hand-outs⁸.

Our approach was to offer, what appears to be, low-tech and inexpensive solutions at first and depending on the trust and confidence we developed in each other, we would gradually progress to more resource intensive projects.

To begin with we needed to create an environment and a semblance of Ummah (trans. Community) amongst the members of the Muslim families living in the township. We already mentioned that there were no formal structures or organised services in Sheshego and Winterveld, and in Finetown the centre was not geared to serving Muslims living outside it. We conducted a survey of the community, followed by a meeting to explain our objective, i.e. to help develop the community.

We invited interested members to join the Good Muslim – Good Neighbour Club and explained the membership rules⁹. Membership was open to all Muslims living in the area or within 10 minutes walking distance from the agreed upon meeting point (typically a school or community centre). Membership was free and new members would only be signed on once a year (at anniversary time). However, membership may be revoked at any time if the rules were broken. We offered to visit them in a month's time to sign up interested members.

GOOD MUSLIM – GOOD NEIGHBOUR MEMBERSHIP RULES	
I, hereby declare under oath, that I will abide by and work at upholding the following points as long as I am a member:	
1. I will follow and advance the four principles of membership:	
• Discipline	
• Unity	
• Courage	
• Hard work	
2. I will work hard to bring prosperity / wealth / success to my family.	
3. I will not approach other (welfare) organisations nor beg from others.	
4. I will not live in a dilapidated / broken house. I will repair my house or work towards building a new house.	
5. I will grow vegetables all the year round. I and my family will eat plenty of them and sell any extra.	
6. I will aim to minimize wasteful expenditures and budget for my household / family priorities.	
7. I will look after myself and my families health.	
8. I will educate my children and send them to school.	
9. I will always keep my children clean.	
10. I will always keep my environment (home / place of work) clean.	
11. I will use clean tap water or boil water before I use it for cooking or drinking.	
12. I will not cause any harm / injustice to anyone, neither will I allow anyone to do so to others.	
13. I will undertake bigger investments for higher incomes through co-ops set-up by the club or on my own.	
14. I will always be ready to help others. If anyone is in difficulty, I will try to help them.	
15. If I come to know of any breach of discipline (in any other branch), I will go there and help restore discipline.	
16. I will take part in all social activities organised by the club.	
Members full name:	Members I.D. No.:
Date:	Signature:

Adapted from 16 Decisions of Grameen Bank - www.grameen-info.org

In Polokwane we signed up 12 members. In Winterveld we signed up 42 members. In Finetown we signed up 18 members. We were aware from our surveys that there were many more Muslims living in the community but some opted not to attend the meeting¹⁰ and from those who did attend the first meeting some decided not to join the club¹¹. By February 2008 we had three branches and were in the process of establishing two more branches in the Free State Province.

June 2009 marks 18 months since we launched the Good Muslim – Good Neighbour initiative and we have made modest and steady progress in meeting our stated objectives, i.e. Financial and Social empowerment.

Bearing in mind that prior to engaging these communities, Muslims living in all these communities were accustomed to (and dependent) on donation aid from nearby NGO's and/or the neighbouring Muslim community. Our first challenge was not only to change the mindset of the members but also to provide an alternative to issues relating to their income / food security. We were aware that some members were trying to grow vegetables in their yards, but often these were small pieces of land and the harvests were little and barely sufficient for their own needs.

We also looked into how other township folk made a living – especially their peers and neighbours who often times were in a similar socio-economic situation. We found for example that it didn't always make sense to find employment in the nearby city (especially if one was poorly educated or unskilled) as the savings between below minimum wage and the costs of transport were dispiriting. Also, women in particular faced the additional challenge of looking or paying for caregivers for their young children and many could not afford even R50 a month for the local crèche.

*NOTE: It must be emphasised that ours is an attempt at empowering **families** and not just one member or gender or generation within the family. This paper highlights the work being done among the (female) adult members of the club, partially in response to the brief and partially because the initiatives we have introduced are more apparent and more easily measurable.*

However, we wish to point out that all members of the family are considered and offered an opportunity to develop. For example we try to ensure that the school aged children of members are attending school (if necessary we assist¹² with scholastic requirements). We have assisted older children with bursaries to attend FET colleges or short courses at accredited institutions, including bursaries for university. We have also paid crèche fees for a few months where required.

All these are attempts at finding short-term relief for longer-term empowerment initiatives.

Also, it must be noted that while we have not discussed the social-empowerment objective, our members have made reasonable progress in this regard as well. For example, they are encouraged to participate in community / civic forums such as the school governing body or police forums, etc. and their journey towards economic empowerment has certainly elevated their standing and status in the community, albeit a small number of people at this stage.

We will now proceed to list some of the initiatives we have already introduced in the various communities in which we work. It must be noted that while we have started with the Food Gardens project in all communities, other projects are introduced at the request of the community, partly based on the ideas generated at the introductory meeting, partly on our perception of how serious the community is in developing and uplifting themselves.

To that end the following projects were initiated ...

1. Food Gardens

SANZAF undertook to help club members secure land on which they could grow vegetables. We explored several options from unused land, to land under power pylons, to land near dump sites. All of these seemed easily accessible and almost readily usable except that we faced a challenge of security and water – both of which would have cost us money which we were not yet prepared to spend.

We decided to approach the nearby schools as possible gardening sites and fortunately for us, most schools had sufficiently large land (besides the sports field) that was under-utilised or overgrowing with weeds. Also, a typical township school faced its own challenges of upkeep / maintenance and children from poverty stricken households. We engaged the school and were able to secure land in return for small gestures, both from our members as well as ourselves.

Generally speaking the following was negotiated and agreed upon by all parties:

- 1) The land at the school remained the property of the Department of Education
- 2) The members were given permission to use the land to grow vegetables only
- 3) SANZAF would provide the necessary implements and seeds to start the garden project
- 4) The school would facilitate access to the garden project during and after school
- 5) The school would provide water for a period of 3-6 months AND if the project showed potential and the prospects of success SANZAF would install a water-tanker / borehole
- 6) The members agreed that 10% of the produce would be 'donated' to the school feeding scheme
- 7) The school agreed that 90% of the produce belonged to the members who grew it
- 8) The members agreed that if the allocated land was not fully utilised or properly kept they would be expelled from the site (and possibly from the club)
- 9) SANZAF agreed to undertake some or other project at the school in order to improve the facilities and/or motivate the children of the school
- 10) The members agreed that they would assist , whenever called upon, to help improve the facilities at the school
- 11) SANZAF agreed to give each member a monthly stipend of R300 and/or a food parcel / voucher for a period of three months on condition that they looked after their gardens

I am pleased to inform you that besides a few members who fell off the programme within a month of starting, most continued to work the land and were able to sell the bulk of their produce – thereby making a living off the land. The three month stipend was extended to five months in Sheshego but members in Winterveld only received two months and those in Finetown three months of assistance.

All members, even the very old, are required to participate in the Food Gardens Project. This affords us an opportunity to meet and work with the members on virtually a daily basis. It helps us discuss and identify what their personal challenges are and what their ambitions of life are. It also helps build or forge a relationship and camaraderie among the members and it gave us an occasion to conduct religious instruction classes for the adults which we ran thrice a week.

CURRENT STATUS: *We have assisted members in Sheshego and Winterveld to secure additional land at nearby schools (and in Finetown we are finalising negotiations with the local civic organisation to use land at their disposal). The potential now exists for these members to start saving some of the money from the sale of produce of the new sites.*

2. Used Clothes

Some members indicated that they wished to start small businesses in the community but as we were not yet convinced of their motives (our experience in urban areas seemed to suggest that some people would approach us on the premise of business only to find that they sold everything after receiving funding and resorted to begging once again) we instead offered them an opportunity to buy and sell used clothes.

Selling of used clothes is not new, in fact we know of people that make a reasonable living from selling used clothes and there are businesses that are dedicated entirely to buying and selling used clothes (some even importing them from overseas).

However, generally speaking, poor people receive used clothes for free on an ongoing basis (or at least for as long as they are available). Some recipients sell the clothes and usually spend all the money (mostly on legitimate household needs) knowing that they would receive more clothes for free. This created a sub-culture of dependence and if / when the supply of clothes stopped, the recipient suffered.

We were determined to make our used clothes programme different. Our approach was based on building trust and confidence in the business acumen of our members and to help them develop a formal – sustainable - business.

We decided that (interested) members would be given 2 bags of clothes for free the first time and that they could purchase additional bags at R50 each. This R50 was recorded and saved for the inevitable rainy day.

Furthermore, we encouraged members (to work in small groups) and to save some of the money (from the sale of clothes). We offered to assist them in formalising or growing their business should they require it, for example; we painted a scenario of several gazebos dotting the township from where their used clothes and crops could be sold, or a scenario where they would travel from pension pay point to pension pay point selling their wares. This seemed to instil a spirit of determination amongst the more serious members.

CURRENT STATUS: *I am pleased to inform you that although we were unable to keep up with their demand for more used clothes we had in a short period of time established three gazebos in Finetown. The members in Sheshego and Winterveld were more innovative and took clothes and crops to potential customers, selling door to door. Each branch has between 2 and 8 members that are dedicated sellers of used clothes.*

3. Sewing Centre: Concept and Practice

Sewing centres (at least those run by charities) are notorious for creating and perpetuating dependence among the people that work out of them. Typically, a sewing centre is a place where people are trained in and acquire the necessary skills to manufacture some or other basic garment or curtain or bedding. They are then afforded an opportunity to utilise the facilities (including the machines) to manufacture and sell their wares. They are also assisted with free material (that the NGO receives as donations from well meaning donors). The people use the material, making sometimes wonderful garments or other items, selling them and living from the proceeds.

The problem however is that generally speaking the donated material is not the most suitable or appropriate for the intended item (usually off-cuts or remnants or worse still damaged material). The sewing centre is underutilised or often not operating on business principles and when the NGO is unable to secure additional free material or when they are unable to repair or service the machines, the project is forced to close down.

SANZAF is currently piloting a different model. Ours is focused on training the individuals to work in an environment close to that of the real world and not a protected one. For beginners, we only take people that have already been trained by known institutions or NGO's (typically they are trained in garment manufacture only) and we run a basic course on business management.

Work with groups of between 4-8 people and offer the group a loan to purchase material of their choice. Each member is issued with a basic kit and assigned a machine for their exclusive use (except for the over-locker and embroidery machines which are shared). The group is given four months free use of the facilities (including machinery) during which period we service and repair the machines only. From month five, members undertake to repair and service their own machines and they are expected to pay a monthly fee of R150 towards the purchase of the machine in their care (similar in concept to a lease agreement) as well as the electricity.

The initial loan (towards the material) should be recouped within the first four months (during which period they have free use of the machines) and subsequent loans are made on a matching funds basis. Each group will be allowed the exclusive use of the facility for one year – after which point we assist in securing premises and help them move their machines to the new premises.

CURRENT STATUS: We launched the first sewing centre in Finetown (May 2009). The first loan of R4000 was given and R600 has been recouped. The ladies have secured one medium-term / potentially ongoing contract to manufacture chair-bags for schools besides their own private jobs.

4. Capital Provision (Grameen Minus Interest)

When members join the club, they automatically qualify for a loan facility on their first year anniversary. However, this qualification is linked to their participation in club activities, including social and service projects as well as regular attendance of religious instruction classes (and other criteria that may be introduced as agreed upon by the majority of members from time to time).

On the occasion of the anniversary, new members are signed on and taught the rules of the club by older members. Members that have been with the club for the past year are asked to form groups of between 4-5 members (they decided amongst themselves who they want in the group). Each individual member is then asked to identify a business idea (that they wish to run). Each group is then asked to identify the first member in their group that will receive the first loan. The group is told that the second member in the group will only qualify to receive a loan when the first member repays at least 50% of the loan. The next member qualifies for a loan when the previous member repays 50% of the loan until all members receive their loan.

We agree right at the outset on the maximum amount available to each member (members generally ask for between R500 and R2000). We remind members that have yet to receive their loans that the success or failure of the member that has taken the loan prior to them determines whether or not they will get a loan and we will not accept any excuse, including theft or natural disaster. This way, each group (like in the Grameen Bank experiment) is held jointly liable for the failure of other members and equally jointly rewarded for the success of the members. Members have one year to repay the loan and on repayment of the loan (even before the end of the loan period) a member may qualify for another loan, this time double the first amount.

CURRENT STATUS: *In Winterveld the loan programme was started in February 2009 and by June 2009 the fourth member in all three groups qualified for a loan (we setup three groups of four members). Members 1-3 have repaid between 50% and 75% of their original R1000 loan. They are running various (small) businesses and have maintained or grown their business to 125% of the original loan amount, i.e. the average value of stock plus cash is now R1250.*

In Sheshego, two members have fully paid up and we are negotiating the terms of the second loan as two other members were expelled as they failed to honour the terms of the loan. We are yet to start the programme in Finetown.

5. Feeding Scheme

Many people see a feeding programme as the only or the best way of helping the poor. I have no doubt in my mind that a feeding programme is an important and an essential service – especially if you are serving unemployed or the homeless. But how does one take a relief orientated service such as a feeding programme – which can become long-term – and add a developmental or empowerment component to it¹³.

For beginners, one needs to look at who you are serving. Is the project serving abandoned children or school pupils, street children, the homeless or unemployed adults. For each of these we need to identify an appropriate response and put into place a programme to move the recipients of the food into a state of self-sufficiency.

In Winterveld, for example, we were confronted with a situation where a high-school was having difficulty securing its feeding-scheme budget from the Department of Education. They approached us to assist in feeding some 160 pupils, from very poor families, until they were able to secure their budget. They were confident of receiving positive feedback from the Department of Education within 4 months.

The school, which was built under the former Bophuthatswana homeland administration, lacked adequate facilities including a play area. However, they had a piece of land which they were unable to utilise or develop due to a lack of resources. We negotiated with the school management and offered to assist them with a feeding programme for four months on condition that they agree to allow us an opportunity to initiate a school-based community gardening programme.

The idea behind the gardening programme was that the unused land be made available to the parents of the 160 pupils (and other interested members) for them to utilise for growing vegetables on a 90:10 basis. The school was tasked with informing and motivating the parents.

SANZAF approached club members and requested their participation in the gardening project. However, we insisted that they take responsibility for the feeding programme – both in preparing as well as distributing the food. We undertook to fund the feeding scheme but agreed that the basic ingredients e.g. vegetables and bread, would be purchased from members who grew or sold them (i.e. from their gardening or business project).

CURRENT STATUS: We arranged and paid for a grader to level the ground. The school land was divided equally between the interested parents / members and work has started on the school gardening project. We are one month into the project, but already there is evidence to suggest that the initiative will be successful. Similar initiatives under different circumstances were initiated in other schools/communities¹⁴ to various degrees of success and for now at least the families working at the various gardening programmes have been able to grow sufficient vegetables for their household needs as well as to sell the surplus.

Conclusion

At best, the main source of income for many of our club members is one or other state grant. The gardening, old clothes and sewing projects have allowed our members to augment their income with money raised through these ventures. It has also afforded them an opportunity to uplift their families.

The Good Muslim – Good Neighbour initiative has been an eye opener. It has shown us that there are alternative ways of serving the poor and that sometimes it is up to us, **service providers**, to make a mind shift towards a more sustainable method. It has also shown us that people are slow to change and that one needs to build the trust and confidence of the people you are serving (and they yours) in order to achieve the objective of poverty reduction or elimination.

The Good Muslim – Good Neighbour initiative does not claim to be the answer to the poverty challenge but it is an alternative method. This initiative will probably never make millionaires of our members but at least they now have a potential source of income and the resources to take themselves out of the poverty trap and towards self-sufficiency.

NOTE: In January 2009, SANZAF Gauteng launched the Golden Smile Initiative a pilot project taking the best of the Good Muslim – Good Neighbour Initiative and extending it to the broader community (irrespective of religious affiliation). It is based on the principle of a shared responsibility borne out of a sense of a shared destiny and will see SANZAF providing a range of services to communities living on the fringes of poverty.

Three communities situated adjacent to the Golden Highway have been identified, i.e. the Lehae, Vlakfontein and Finetown, a distance of 10,2km. The initiative will directly affect 3000 families but hopes to affect the 30,000 odd families living in these communities, giving them access to education and other opportunities to enhance their skills and life.

The Golden Smile is refreshingly different and innovative in its conceptual stage and SANZAF has a proven record of achieving its targets. This is an initiative with immensely concrete possibilities and to realize it requires partners with foresight ...

Footnotes

1. Final Report **Poverty and Inequality in South Africa** – 13 May 1998
2. Nelson Mandela's Speech at Trafalgar Square - 3 February 2005.
3. Giving and Solidarity, edited by Adam Habib and Brij Maharaj – page 288.
4. Mission Statement: The South African National Zakah Fund (SANZAF) is a religious, socio-welfare and educational organisation that strives to facilitate the empowerment of needy families through the efficient collection and effective distribution of Zakah (compulsory annual poor tax) and other Sadaqah (voluntary charity) – in a proactive and cost effective way through projects – with dignity, sincerity and a shared responsibility.
5. SANZAF Audited Financial Statements (2007-2008 Financial Year).
6. There were no formal structures or organised services for Muslims living in Sheshego and Winterveld at that time except for the occasional food hamper or similar relief aid that was distributed by individuals and NGO's.
7. There are two ongoing debates on Zakah. Firstly, can Zakah be given to non-Muslims? Secondly, what is the best way of disbursing Zakah? The general consensus is that Zakah can only be given to poor Muslims and while it is acknowledge that education and training are better ways of improving the lives of the poor, most people believe that a person has to be really poor to qualify for Zakah and that feeding seems to be the favoured way of helping.
8. The blame here must be placed at the feet of Muslim NGO's and individuals who created this understanding amongst the people they assist, albeit sometimes unintentionally.
9. The rules were adapted from the 16 Decisions of Grameen Bank www.grameen-info.org
10. Some of the people who lived in these areas were illegal aliens or refugees who were worried that the database might be used to expose them to the authorities and thus did not want information to be recorded. We tried to convince them otherwise but were determined that we could only potentially assist them if they were on our list.
11. Some of the people who attended the workshop were the only Muslims in their family and needed to obtain permission from their families before they committed to the rules. Others chose to wait and see what programmes we were offering while others were forthright and claimed that they have 'friends'.
12. We assisted with 75% of costs of uniform and stationery.
13. In Brazil, some municipalities have introduced a food incentive-exchange programme known as the "CAMBIO VERDE - GREEN EXCHANGE" that apparently works very well. The idea behind the programme is that people collect recyclable or discarded waste and take them to a collection site in return for which they are given vegetables and fruit (according to a formula based on the quantity or weight of the items they collect). It apparently is a phenomenal success in that it has helped to keep the cities clean while at the same time helping to feed the poor. See www.sustainablecitiesnet.com/.../sustainable-city-curitiba-brazil/ and other links
14. In Kimberley we introduced (June 2009) a gardening project in an informal settlement in the yards of community where we run a community feeding scheme.