

On a road to nowhere without better infrastructure

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This essay first [appeared](#) on Business Day, 12 April 2022

One of the downsides of the heavy rains during the 2021/2022 summer season was the destruction of already poorly maintained rural roads in SA. These road networks are at the heart of the farming value chain, especially for transporting produce from farms to storage areas and markets for consumption and export.

Several farmer associations have highlighted this challenge and called for local and national government intervention to improve the roads. For the Free State, which is a key region to SA's grain and oilseed production, the deteriorating road infrastructure challenge was raised last weekend at the presidential imbizo in Mangaung, which was led by President Cyril Ramaphosa.

While media coverage concentrated mainly on the Free State over the past few days, this is a challenge across all provinces of SA. Other provinces that have thus far not been as vocal are likely to speak up in the coming months as the country approaches a busy period of harvesting summer grains, oilseeds and major horticulture such as citrus and vegetables.

The deteriorating road infrastructure increases the transaction costs for established farmers and agribusinesses, which have to shift some of their resources towards maintaining stretches of roads even though this is a public sector duty, instead of investing time and capital in their businesses.

Emerging commercial farmers are particularly hard hit as they lack such resources. Importantly, with the decline in rail usage over time in the agricultural sector, roads have become the main mode of transporting staple foods across the country and to the ports. As a result, SA cannot speak about increasing agricultural production through partnership programmes if the infrastructure challenges are not at the centre of any growth plan.

This is also not the main task of the department of agriculture, land reform & rural development, which is the main interface between farmers, agribusinesses and the government. It mainly falls under the department of public works & infrastructure as well as provincial and municipal governments. However, the agriculture department should elevate this challenge within government structures because otherwise it will hinder its plans for boosting growth and employment in agriculture and the rural economy.

The 2021/2022 summer crop harvest period, which begins this month, is not likely to escape the transport glitches as the continuous rains will worsen the challenge, especially in KwaZulu-Natal. Still, going into the 2022/2023 production season this should be the major focus and will have positive spin-offs in terms of temporary employment in rural towns that require road upgrades and maintenance.

Sequencing this infrastructure need, along with the implementation of the Agriculture & Agro-processing Master Plan, could improve sentiment in the sector. Moreover, this would allow agribusinesses and farming enterprises to shift resources they are spending on roads into production and partnerships with new entrants in the sector, and ultimately drive inclusive

growth. If there is no intervention to improve road infrastructure, government intentions to boost agriculture risk not being taken seriously.

While I make this point from an agricultural perspective, the improvement in road networks would have positive spin-offs for other sectors of the economy and industries. For example, the domestic tourism industry also suffers from poorly maintained roads, as do the mining industry and various areas of manufacturing. These are also critical sectors of the economy, and mining, tourism and agriculture in particular are at the core of the rural economy, which relies heavily on primary industries.

Another important aspect is that better-maintained roads lower the transaction costs of transporting food products from production to consumption. Over time that has beneficial effects for prices of some products at the retail level.

SA's rural roads have been poorly maintained for some time. Government infrastructure programmes, national and local, should therefore prioritise roads. The Free State, the North West, Eastern Cape, Northern Cape and Limpopo could benefit immensely from improved road networks and better municipal service delivery.

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