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Land and Agriculture

Introduction

This chapter discusses land and agriculture before and after apartheid. South Africa has endured a long history of colonisation, racial domination and land dispossession that has resulted in the bulk of its agricultural land being owned by a white minority. According to Pottinger,¹⁸⁹ land has played a significant role in defining political power and position in South Africa. This chapter deals with this issue and others, looking at the different views, perspectives and challenges relating to land and agriculture in post-apartheid South Africa. Furthermore, the policies and programmes that have been implemented, since 1994, to pursue land and agrarian reforms in South Africa are also presented. In the main, land reform has not been properly or satisfactorily implemented in South Africa. Therefore, the chapter will look at the social and economic strands of land or agricultural reform programmes as well as the sustainability of the land reform policy.

The chapter starts by providing a brief historical background of land dispossession in South Africa, identifying the systematic processes through which Africans were dispossessed of their land. It then discusses land and agrarian reforms by the post-apartheid government, including the progress (or lack thereof), and then presents the different views and perspectives on land and agrarian reforms since 1994. Before concluding, the chapter discusses the sustainability of land and agrarian reform as a measure of addressing progressive transformation related issues, such as rural development and the alleviation of poverty.

Historical Context

The Centre for Development and Enterprise¹⁹⁰ opines that the land claimants get frustrated by the delays, and sometimes resort to land invasions. Furthermore, politicians hear from their constituencies that land reform is not working, while existing farm owners are unable to sell land once it has been gazetted as under

claim. Banks do not accept gazetted land as collateral for loans. Incumbent farmers therefore lack the incentives and/or the money to continue working with the land and it is sometimes taken out of production or allowed to deteriorate. This lack of confidence and motivation among farmers gets exacerbated in many areas by the introduction of municipal rates in respect of farm land, sometimes at levels exceeding those applicable to residential properties, and potentially costing individual farmers significant funds.

A lot has been said and written about the historical context of land dispossession. However, what is worth highlighting is that from the seventeenth century, white settlers in South Africa, through a systemic process of colonialism and land dispossession, ended up legally appropriating more than 90 per cent of the South African land, a process that was later formalised with the passing of the Natives Land Act of 1913. According to Pottinger,¹⁹¹ the position of land played a critical role in defining political, social and economic power of the colonial people as it did for Africans. Therefore, the impact of expanding white power in Southern Africa negatively shaped the lives of black people and finally relegated them to the Bantustans where they became reservoirs of cheap labour removed from productive land.

The 1913 Land Act became the culmination of efforts to exclude blacks from their own land. According to Pepeteka,¹⁹² the 1913 Land Act played a major role in restricting Africans to buying, leasing and selling land only in the 'scheduled areas' which were referred to as 'reserves' while whites were prohibited from owning land in those areas. The scheduled areas amounted to about 21 million acres, which was only 7.3 per cent of South Africa while the area, set aside for the white minority, was ten times larger than that of the African majority. The land that was made available to Africans was later increased by 5 per cent through the Native Administration Act (No. 38) of 1927 and the Bantu Trust and Land Act (No. 18) of 1936, which provided for the conversion of the reserves into Bantustans or self-governing-territories. As a consequence, Pepeteka¹⁹³ acknowledges that African people were restricted to owning land in the overcrowded 'Bantustans' which constituted only 13 per cent of the total area of South Africa.

According to Rugege,¹⁹⁴ the extent to which black people were dispossessed of their land by whites in South Africa as well as other parts of Africa during the colonial apartheid era is also an important point of departure. After the National Party took over government in 1948, the Group Areas Act of 1950 was passed and used by the apartheid state to carry out the forceful removal of black people from land declared to be white areas and to complete the policy of racial segregation by removing 'coloured' and Indian people from the so-called white

areas. Ramphele¹⁹⁵ argues that the apartheid government deliberately and institutionally limited the African people to implicitly contribute to the growth of the economy. The institutionalised underdevelopment of black people by the apartheid government is the major cause of unemployment and poverty among black people.

Pockets of black farmers who had escaped the 1913 Land Act because they had title deeds to their land were, according to Rugege,¹⁹⁶ removed under the Group Areas Act in a process that was called ‘cleaning up the black spots’. Land is a major source of livelihood for Africans. So, land dispossession meant that many black people were forced to migrate towards white-owned mines and farms to work as cheap labour under appalling working conditions. Workers had no rights, were paid very low wages, housed in compounds, controlled by pass laws and separated from their families.

Land and Agrarian Reforms Since 1994

Ntsebeza¹⁹⁷ acknowledges that while colonialism and apartheid systematically undermined African agriculture, white farmers, on the other hand, benefited from substantial state subsidies. Land reform is in this regard ‘South Africa’s way of redress, social justice and reconciliation.’¹⁹⁸ It is necessary in order to undo the injustices of the past by giving black people opportunities to meaningfully participate in the economy. The White Paper on Land Reform (not yet adopted by Parliament) and the 2011 Green Paper on Land Reform are additional attempts by government to expand access to resources in an equitable manner which could also offer prospects for economic development in the country.

According to Partridge,¹⁹⁹ the issue of land goes beyond its use as a means of production. It is a source of livelihood through which people can obtain substances for survival. Land reform is underpinned by both ethical considerations and development. Ethical consideration refers to land reform being seen as a redress concern, which is aimed at correcting past inequalities. According to the Green Paper on Land Reform and Rural Development,²⁰⁰ it is the ‘democratic and unbiased allocation of land across race, gender and class’ that can redress the injustices of the past. It is also a development concern which is aimed at the prospect of shared economic growth and participation. Land redistribution is, in the words of Binswanger-Mkhize et al,²⁰¹ an attempt by governments to alter the distribution of land ownership, often utilised to reverse ownership patterns stemming from unfair past practices.

The Reconstruction and Development Programme (RDP) in South Africa was one of government’s first policy documents that served as a guideline for managing the land issue in the country. According to Partridge,²⁰² land reform

was one of the key features of the newly elected ANC's²⁰³ policy, as reflected in the Reconstruction and Development Programme (RDP):

Land is the most basic need for rural dwellers. Apartheid policies pushed millions of black South Africans into overcrowded and impoverished reserves, homelands and townships. In addition, capital intensive agricultural policies led to the large-scale eviction of farm dwellers from their land and homes. The abolition of the Land Acts cannot redress inequities in land distribution. Only a tiny minority of black people can afford land on the free market. The RDP must implement a fundamental land reform programme. This programme must be demand-driven and must aim to supply residential and productive land to the poorest section of the rural population and aspirant farmers. As part of a comprehensive rural development policy, it must raise rural incomes and productivity and encourage the use of land for agricultural and other productive or residential purposes.

In 1997, the government adopted the White Paper on South African Land Policy to inform land reform in South Africa. According to the 1997 White Paper on South African Land Policy,²⁰⁴ the land policy was pronounced with four objectives, namely: to correct past injustices; to engender reconciliation and stability; to promote economic growth; and to improve lives through the alleviation of poverty. In order to meet these objectives, the White Paper on South African Land Policy²⁰⁵ had three aspects, namely, (a) Land Redistribution; (b) Land Restitution; and (c) Land Tenure Reform. Land redistribution seeks to facilitate the right of access to land for residential and farming purposes. According to Kahn,²⁰⁶ it is conceived as a means of opening up the productive land for residential and agricultural development. The national government set itself a target of redistributing 30 per cent of the country's commercial agricultural land (about 24 million hectares) by 2014. Land restitution on the other hand forms the second pillar of the land reform programme. It seeks to compensate and restore land to those who lost land because of colonial and apartheid laws.

According to the Restitution of Land Rights Act of 1994,²⁰⁷ the nature of restitution is determined by three broad categories of the effects of land dispossession, namely, dispossession leading to landlessness, inadequate compensation for the value of the property, erosion of human dignity and hardships that cannot be measured in financial or material terms. Lastly is Land Tenure Reform. According to the Constitution,²⁰⁸ the tenure reform programme seeks to validate and harmonise forms of land ownership that evolved during colonialism and apartheid. Weideman²⁰⁹ argues that it is an attempt to redress the dual system of land tenure in which whites owned land as private property as opposed to communal land allocation among blacks. According to Kloppers

and Pienaar,²¹⁰ a large number of rural blacks lived and still live on communal land, registered as the property of the state under the erstwhile South African Development Trust. The White Paper on South African Land Policy²¹¹ argues that government could ensure poverty reduction by tackling the land question.

Similarly, Section 25(5) of the Constitution²¹² introduced the second pillar of land reform, which Kloppers and Pienaar²¹³ referred to as the land redistribution programme. According to the Constitution,²¹⁴ the state must take 'reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis'. In the Constitution, land rights are viewed and protected in the context of property rights. According to the Global Strategy for Shelter for the Year 2000,²¹⁵ property rights, particularly land rights, are closely connected to the problem of housing. Therefore, a person or a community that lost property post-1913 due to discriminatory laws is entitled to restitution or redress.

Nonetheless, despite the issue of land reform continually taking up a central position in policy since 1994, the post-apartheid government is still unable to achieve its desired targets. By 2000, 63,455 claims had been lodged since 1994, and only 4,925 had been settled with most of the settlements being cash payments and only 162 involving restoration of land. According to the Centre for Development and Enterprise,²¹⁶ by 2006, validated land claims for restitution numbered nearly 80,000, with 81 per cent of the claims being urban land and 19 per cent of the claims being rural land. According to Gumede,²¹⁷ government had imposed on itself a 2008 deadline to finalise all the land restitution claims. However, even though most of this land was urban land which could easily be settled with cash payment, government still failed to meet this deadline due to the legal processes, where current owners of the land would take government to the Land Claims Court for determinations.

In addition to this, there are other institutional barriers which seriously hinder the progress of reaching the land reform goal. These barriers, according to Partridge,²¹⁸ include market failures undermining the willing buyer-willing seller requirement for land transactions; conflicting agendas in the policy setting process; monetary instability; barriers to land subdivision and finally the lack of post-transfer support for farmers.

Willing Buyer- Willing Seller

According to Partridge,²¹⁹ the 'willing buyer-willing seller' (WBWS) requirement is the most criticised requirement of the South African land redistribution programme. It requires that a seller has to submit a formal agreement to sell his/her land at a price which must be validated as market-related by an independent

valuator, generally retained in the Department of Land Affairs. If the estimated market value is below the seller's asking price, Lahiff²²⁰ argues that the negotiations that take place between the seller and valuator will enable the seller having to opt out if necessary. Therefore, Partridge²²¹ argues that the seller determines his own selling price with no contribution from the beneficiaries; and even though prices have to be approved by an independent valuator, evidence of negotiations breaking down over the prices being minutely less than the asking prices suggests poor negotiating skills from the valutors.

Conflicting Agendas

According to Partridge,²²² there are many actors who are actively involved in shaping South African land policy, hence putting different forces on the policy process. Lahiff²²³ argues that the first group of actors include groups and individuals who argue for the preservation of the current commercial farming sector. Although they challenge radical reform, this group generally accepts the notion that measures need to be put in place to ensure the increase of African farmers in the sector, which will consequently suppress social tensions. Partridge²²⁴ identifies the second group of actors as groups such as the World Bank as well as proponents of Black Economic Empowerment who encourage land reform through the market; while the third group of actors are those who push for a more radical reform process, calling for the state to play a more direct role in redistributing land to the disadvantaged, with minimal or no compensation. According to Greenburg,²²⁵ this group includes the Landless Peoples Movement; grassroots ANC members, in particular the ANC Youth League; the Economic Freedom Fighters (EFF), led by former ANC Youth League Leader Julius Malema, and various other NGOs, all of which call for direct expropriation against white farmers. According to Lahiff,²²⁶ all of these conflicting political forces have led to 'a messy compromise that has proven to be extremely slow and has failed to deliver on its key policy objectives'.

Economic Issues

According to van der Merwe,²²⁷ inflation has generally been high and unpredictable in the South African economy, despite inflation-targeting measures being adopted since 2002 to keep inflation between 3 per cent and 6 per cent (van der Merwe 2004). Therefore, according to Nieuwoudt and Vink,²²⁸ the primary reason for the poor black minority not being able to gain access to land in developing countries is high rates of inflation.

Partridge²²⁹ argues that the failure to allow the subdivision of land is arguably the single largest contributor to the failure and general underperformance of

land reform projects, because not only does it foist inappropriate sizes of farms on people, but it also forces them to work in groups, whether they want to do so or not. Although the Subdivision of Agricultural Land Act doesn't restrict subdivision entirely, getting permission from the government brings in uncertainty and delays in the process, effectively increasing the cost of acquiring small areas of land. Therefore, according to Partridge,²³⁰ this means that given the small size of the grants offered under land reform, beneficiaries are forced to pool together with other beneficiaries in order to make up the full amount needed to buy a piece of land.

The main causes for land reform failure in South Africa, as Partridge²³¹ puts it, is the fact that policies that have succeeded in transferring land have not been supplemented with support to the beneficiaries to enable them to make productive use of the land. According to Jacobs,²³² there are five key functional areas of support for farmers receiving land through the land redistribution programme. These include extension services, infrastructure support, skills development and capacity building, financial assistance, and access to markets. In response to the lack of agricultural support, the Comprehensive Agricultural Support Programme (CASP) was launched in 2004. According to Partridge,²³³ the primary purpose of this programme was to make provision for agricultural support to targeted beneficiaries of the land reform as well as agrarian reform programme within six specified priority areas. The six priority areas referred to are 'information and knowledge management', 'technical and advisory assistance, and regulatory services', 'training and capacity building', 'marketing and business development', 'on-farm and off-farm infrastructure and production inputs' and 'financial assistance'. However, despite the added effort to support post-transfer, the post-1994 government has failed to deliver on its targets. The South African government made very big promises with its land policy targets. Trying to achieve these targets has put serious financial constraints on government and, in particular, the Department of Land Affairs.

Sustainability of Land and Agrarian Reform

It is important that a discussion of land and agrarian reform takes into account rural and agricultural development as measures for addressing poverty. According to Twala and Selesho,²³⁴ land and agrarian reform programmes are the most important rural development strategies employed by the post-apartheid government. This is primarily because land remains a major source of livelihood for people in rural and peri-urban communities, as well as communal farmers. According to Twala and Selesho,²³⁵ agricultural growth is the best way to reduce rural poverty at farm level, in the rural economies.

Liversage²³⁶ acknowledges evidence that reveals ‘that agricultural growth and development, through land and agrarian reform, may lower food prices and thus provide cheaper wage goods which stimulate industrial growth, thus recognising the use of land as a productive resource and an integral part of the economic growth’. According to Gumede,²³⁷ if there is anything to be distilled from the Zimbabwean land reform process, it is the model where new land owners are given small plots of between two to five hectares for them to be able to practise subsistence farming and petty commodity production. Such could be achieved by subdividing large farms into smaller units to act as a multi-functional farm that will benefit more people. Therefore, rural, peri-urban communities as well as communal farmers should be given adequate land in order for them to practise subsistence farming because land reform goes hand in glove with a restructuring of the rural economy.

Moyo²³⁸ also argues that land reform in South Africa should result in agrarian transformation which must ensure food security and environmental sustainability for the country. The apartheid government has equated national food security with large scale commercial farming – a sector dominated by the white minority. According to Gumede,²³⁹ the potential for millions of South African smallholders to increase production, raise income and create much needed jobs was overlooked, even in the post-apartheid dispensation. The post-apartheid government prioritised grafting the redistributed land onto existing communal units, and much of this land was deemed as no longer productive. Now, because of this, there is no doubt that successful large farmers will always have a key role in South Africa’s agricultural economy. It would seem that the current model is not compatible with a critical need to transform the rural economy and to create more rural jobs.

A progressive transformation process should benefit smaller farmers and emerging African commercial farmers. In Mozambique, for example, Liversage²⁴⁰ argues that land and natural resource are used by commercial farmers to occupy a central position in their livelihoods, contributing to food security within the country and regions. Therefore, by strengthening land reform process, it is hoped that people will invest more in the land and agricultural development. However, it is also recognised that a range of other inputs would also be required and that land reform in itself will not necessarily lead to increased economic activity and poverty reduction. According to the National Planning Commission,²⁴¹ these inputs may include:

- Converting some under-used land in communal areas and land reform projects into commercial production; and
- Choosing and support those farmers that have the highest potential for growth and employment.

Furthermore, the National Planning Commission²⁴² proposes a model for a more feasible land reform which is to be achieved through the following:

- Enabling a fast transfer of agricultural land to black farmers without interfering on the land markets or business confidence in the agricultural sector;
- Making sure that targeted human population groups is trained and developed through programmes such as learnerships and apprenticeships, in addition to training and agricultural science, to ensure the production that will take place on the transferred land will be sustainable;
- Developing institutions of monitoring to safeguard small and emerging farmers from corruption and speculation arising in the market;
- Aligning fiscal targets with government expenditure to make sure that land is transferred successfully; and
- Establishing cooperation between white farmers and black farmers to facilitate skills transfer and chain integration.

Furthermore, the southern Africa region is confronted by a number of challenges. Not only is the region faced by the problem of racially skewed land distribution and poorly resourced land administration, the region is also confronted with unsustainable land utilisation, leading to a decline in the ability of our land resources to provide goods and services. It is therefore important that land users be provided with adequate skills, knowledge and other resources to be able to optimally and sustainably utilise the land for income generation and poverty reduction. There is a need to enhance and deepen skills development, infrastructure development, service provision and credit access to ensure the better use of existing irrigation facilities, to extend irrigation schemes and enhance water access by rural dwellers. There is now a renewed emphasis, which is placed on overcoming food insecurity through support for smallholder farmers and by stimulating the market opportunities for smallholder farmers. The ANC's goal of creating a million agriculture-related jobs by 2030 might suggest that it is recognising the opportunities associated with the agricultural sector.

Conclusion

This chapter has provided a brief historical background of land dispossession, and identified the systematic processes through which Africans were dispossessed of their land in South Africa. It also discussed land and agrarian reform since 1994, including the progress (or lack thereof) regarding land and agrarian reforms by the post-apartheid government. It also briefly covered experiences of other countries. As argued in Gumede,²⁴³ South Africa can learn a lot from land reform processes in Zimbabwe in terms of what worked and what should be avoided.

However, although the land question for South Africa appears similar to that of Zimbabwe from a historical sense, it might very well be that the current contexts require different kinds of intervention.

Key Terms

Colonialism: A practice of acquiring full or partial political control over another country, occupying it with settlers, and exploiting it economically.

Land Redistribution: The process of reversing land ownership patterns.

Land Reform: The changing of laws, regulations or customs regarding land ownership.

Land Tenure: Ownership of land through title deed or similar past practices.

Willing Buyer-Willing Seller: A process whereby someone selling land sets the price for land and the buyer agrees with the price given.