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BRIEFING
Whither agrarian reform in South Africa?
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Introduction
The African National Congress (ANC), re-elected in 2009 for another five-year term, has made agrarian reform and rural development one of its key policy priorities. The executive has made several public promises to overturn entrenched inequalities in land ownership and lift rural communities out of deep structural poverty. For example, in May 2009, President Jacob Zuma announced the establishment of a new Department of Rural Development and Land Reform (DRDLR); a month later, he said a comprehensive rural development strategy, linked to land reform and food security, would be government’s third most important priority; and the theme of his ‘100 days in office’ speech was agrarian reform and rural development.

The DRDLR has since produced a series of policy statements: various iterations of its Comprehensive Rural Development Programme, a strategic plan on rural development (DRDLR 2010), the Green Paper on Land Reform (DRDLR 2011), and the new Draft Land Tenure Security Bill. Collectively, these statements articulate government’s new vision for socio-economic prosperity in rural localities, and outline steps to achieve this. They also reflect a shift in rhetoric from ‘land reform’ to ‘agrarian transformation’, with the latter requiring a total restructuring of the political economy and the social systems that underpin rural underdevelopment and inequalities. The change in official terminology seems to herald a militant thrust towards holistic and systemic change.

Since the end of apartheid in 1994, the government has made various promises to prioritise land reform. For example, in 2005, the state-sponsored National Land Summit endorsed a resounding call for government to implement pro-poor alternatives to the seriously flawed willing-seller, willing-buyer land-reform model. A few months later, however, proposals to thoroughly overhaul land policy disappeared from national policy priorities, and the government has met only a fraction of its aim to transfer 30% of agricultural land to black owners by 2014. Government has also failed to address growing concerns around food insecurity and the adverse climatic impact of large fossil-fuel-dependent farms.

Against this backdrop, advocates of pro-poor agrarian reform question whether shifts in official agrarian policy, which began with the dramatic ANC leadership battle that took place between 2007 and 2009, will translate into meaningful improvements in rural

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living standards. Two questions dominate this debate: (1) Do recent changes in agrarian policies demonstrate a clean break from government’s pre-2009 agrarian policies? (2) To what extent does the ‘new’ agrarian policy fulfil the aspirations of small farmers and farm workers? In this article, I attempt to address these two questions.

Neoliberal agrarian restructuring

Neoliberal agrarian reform is built on assumptions of individual optimisation, marginal utility and positivist deduction – the core analytical toolkit of neoclassical economics (Akram-Lodhi 2007, Bernstein 2009, Oya 2005). The model upholds atomistic markets (invisible hands) as the best resource exchange and allocation institutions, despite widespread market failures that regularly plunge capitalist societies into crises (Milonakis and Fine 2007). Market fundamentalists generally fail to analyse and expose the private profit accumulation and labour exploitation that underpin the model. While some neoliberal agrarian scholars support land transfers to efficient smallholder farmers (Binswanger-Mkhize and Deininger 2009, Kydd and Dorward 2001), others relentlessly defend the superior technical efficiencies of large-scale farming for profit (Olubode-Awosola, Van Schalkwyk and Jooste 2008).

At policy level, neoliberal ideologues continue to relentlessly assault state intervention under Keynesian social welfare and ‘socialist’ regimes (Lapavitsas 2005). This attack targets the dismantling of progressive forms of social redistribution, camouflaged behind critiques of economic inefficiencies and corruption. This does not mean that neoliberals oppose state intervention in all situations. On the contrary, the capitalist state often intervenes to defend the interests of powerful corporations at the expense of the rest of society. In essence, under neoliberal agrarian reform, the government actively safeguards an economic model based on private profit accumulation, labour exploitation and privileging corporate interests in land and agriculture.

Neoliberalism is hardwired into South Africa’s post-apartheid constitution, overarching macroeconomic strategies and sectoral policies. In general, the 1996 constitution promotes a limited range of progressive socio-economic rights but excludes, for example, the right to work, for the millions of people who are trapped in chronic joblessness. More importantly, the realisation of the limited range of rights that are guaranteed is, in practice, subjugated to conservative fiscal policies that are premised on corporate welfare and the need to please investor elites. Bureaucrats regularly claim that delivery of the promised socio-economic rights is unaffordable, yet the constitution does not oblige the state to take any proactive steps to overcome its tight budgetary restrictions and attempt to meet the needs of the poor.

The constitution’s property rights clause (Section 25) commits the state to land reform but upholds private landownership and the need to pay ‘willing sellers’ a market-derived compensation. Section 25 is controversial because it also permits ‘expropriation of land for public purposes’ on condition that the owners of expropriated land are equitably compensated. Given the concentrated nature of the farmland market, Lahiff (2007) notes that ‘willing sellers’ have a veto right in determining market values for land, and thus the amount of compensation. Historical factors are included in the ‘compensation formula’, but, as Ntsebeza (2006, p. 124) underscores, this excludes ‘the naked exploitation of African labour which was central to the success of white commercial farming’ and capitalist accumulation. In summary, South Africa’s supreme law sanctions land reform grounded on transactions between willing sellers (white landowners) and willing buyers (state-assisted emerging black farmers).
In 1996, the ANC-led government adopted the Growth Employment and Redistribution (GEAR) programme, a fairly standard package of investor-friendly neoliberal prescriptions. These counter-reforms included large-scale privatisation and fiscal austerity measures to reduce the economic role of the state and distribute additional wealth to the rich. Furthermore, labour-market flexibility effectively sought to raise corporate profitability and depressed the living standards of the working poor. Although GEAR has failed to deliver on any of its growth and job creation targets, more recent economy-wide development platforms are grounded in the same flawed neoliberal principles.

The state’s agro-food-market policies, updated in 1996, completed the removal of state-supported marketing boards and price-control bodies, and ignore food-price inflation and vital measures needed to ensure access to adequate food for impoverished families. The 2001 Strategic Plan for Agriculture reduces the state to a facilitator of a profitable and globally competitive sector. ‘De-racialise agriculture for profitable farmers’ has become a cliché for advancing the interests of the aspirant black elite. Codified in the Agricultural Broad-Based Black Economic Empowerment Charter (published in the Government Gazette in March 2008), this resonates with the goal of creating a black capitalist class, which will supposedly build a developmental state – thus decorating the neoliberal agricultural reform project in fashionable nationalist rhetoric.

**Post-apartheid land reforms**

The ANC’s landslide victory in the first post-apartheid election in 1994 gave the party a mandate to implement its election manifesto – the Reconstruction and Development Programme (RDP). Among other things, the RDP aimed to overturn land-ownership inequalities through a meaningful land reform programme. Its vision was to transfer 30% (roughly 25 million hectares) of white-owned land to black owners by 1999 (Republic of South Africa 1994). How the ANC arrived at its 30% target is unclear and highly contested, but it has been speculated that the party adopted this figure on the advice of the World Bank and other neoliberal advisers (Hall 2004).

The RDP outlined a three-pronged strategy (land restitution, tenure reform and redistribution) to achieve greater equity in South Africa’s land ownership, but the government has failed miserably to achieve its own targets (Lahiff 2007). At the time of writing, 17 years since apartheid ended, a derisory 6% of white-owned farmland has been redistributed, mainly bought from white landowners willing to sell at prevailing market prices. Furthermore, this figure reflects quantitative indicators (hectares transferred) only; it does not consider qualitative indicators (such as the quality of land transferred, available water, measures of environmental damage resulting from large-scale farming, etc.).

A complicating factor is that official statistics do not accurately reflect the status quo. Under former Minister of Agriculture and Land Affairs Lulu Xingwana’s infamous ‘use it or lose it’ policy, land-reform beneficiaries who are part of projects that have become dysfunctional have lost their land. Thus the gap between the government’s stated delivery target and the amount of land actually transferred may actually be growing. However, no comprehensive evidence is available from official sources, and it is difficult to build a coherent picture from such scattered media reports as are published from time to time.²

The price of the country’s most productive farmland has risen sharply, driven partly by large-scale speculative selling and buying of land. This has dramatically increased the cost of government’s market-based land-delivery project. Limited state funds have meant that vast tracts of underused or idle fertile land cannot be purchased for redistribution, and some of the land that is affordable is of marginal quality. Almost all of the really valuable farmland,
which is used for capital-intensive export-oriented agriculture, has remained outside the government’s grasp because it costs too much. In the words of one newspaper article:

For now, previous plans to redistribute 30% of agricultural land to black people by 2014 have been abandoned. [Minister of Rural Development and Land Reform, Gugule] Nkwinti has said it was no longer practicable to meet the ambitious target, as the government could not raise the R75 billion [needed] to acquire 82 million hectares that still needed to be reclaimed and redistributed. (Molefe 2010, p. 13)

In 2005 the government hosted the National Land Summit. This assembly critically assessed the state of land reform and inspired hopes among a wide range of stakeholders that government would break with what had evolved into a neoliberal land policy. Participants at the summit, including activists from landless people’s movements and farm-worker unions, unanimously agreed that South Africa’s land-reform programme was in crisis and that its underlying assumptions were profoundly flawed. Summit resolutions underscored the need to thoroughly reconfigure land reform and restore the pro-poor thrust articulated in the RDP.

In response, the government took several steps, two of which received widespread publicity. First, proactive state purchases of land and area-based planning were introduced through the Land and Agrarian Reform Project (NDA 2008). Second, the government commissioned a high-level investigation into foreign land ownership. Unfortunately, instead of addressing the structural drivers of the land crisis and confronting the entrenchment of private property rights (guaranteed in South Africa’s constitution), these interventions merely tinkered with sideline concerns and failed to yield significant results. It is against this backdrop that the ANC adopted its resolutions on agrarian reform and rural development at its national conference in Polokwane in 2007.

**Polokwane resolution**

Among the resolutions taken at the Polokwane conference, is one on rural development, land reform and agrarian change (known as RDAC) (ANC 2007). The extraordinary volume of information contained in the resolution bears testimony to extensive research and soul-searching in the party about the unsatisfactory speed and trajectory of agrarian transition. It weaves together a number of fundamental arguments and has become a key reference in the discourse of the 2009 cabinet.

RDAC resolves to combat ‘environmentally damaging agriculture’ and highlights frequent water shortages as an immediate and growing threat. Implicit here is the view that industrial-scale farming-for-profit, which depends on environmentally destructive chemicals and inefficient water use, plays a significant role in threatening the future of the planet. Unfortunately, however, RDAC does not go so far as to propose replacing industrial agriculture with sustainable agro-ecology in service of pro-poor agrarian change. Instead, RDAC covers a myriad of practicalities about post-1994 land and agricultural reforms. Concerns range from the land-delivery crisis to the way in which rich countries use tariffs and subsidies to advance their own agricultural sectors at the expense of developing countries. It contains a brief yet sober evaluation of the land-delivery crisis, forthrightly conceding that:

We have only succeeded in redistributing 4% of agricultural land since 1994, while more than 80% of agricultural land remains in the hands of fewer than 50,000 white farmers and agribusinesses. The willing-seller, willing-buyer approach to land acquisition has constrained the
pace and efficacy of land reform. It is clear from our experience that the market is unable to effectively alter the patterns of land ownership in favour of an equitable and efficient distribution of land. (ANC 2007)

However, if viewed in proper context, this remarkably bold self-critique comes as no surprise. In 2007, factional infighting, based on self-enrichment and personality cults rather than political principles, was tearing the ANC apart (Basset and Clarke 2008, Fikeni 2009). Thus the party’s acknowledgement of more than a decade of blunders can be seen as a way of scoring political points against political adversaries associated with then-President Thabo Mbeki who was ousted as ANC leader during the 2007 conference. Moreover, now that scathing critiques directed at Mbeki and his supporters have receded, it is clear that state bureaucracy has become utterly corrupt, inefficient, arrogant, greedy and repressive.

Regarding policy interventions, RDAC restates the ANC’s aim to ‘redistribute land to a modern and competitive smallholder sector’, ‘re-build the culture of agricultural livelihoods and rural entrepreneurship’ and ‘integrate smallholders into formal value chains and link them with markets’ (ANC 2007). The World Bank and proponents of neoliberalism actively champion these ideas. At the same time, they warn that concentration of farmland ownership in the hands of powerful economic and political elites combined with mass rural misery could fuel social instability (Binswanger-Mkhize and Deininger 2009, Kydd and Dorward 2001). However, their best alternative is to pontificate about so-called free competition among small-scale capitalists. The RDAC resolution fails to unambiguously reject this outdated and fraudulent mantra. On the contrary, it proudly upholds this myth.

RDAC targets several technical hurdles perceived to have impeded land delivery, arguing that a key barrier is an apartheid-era law blocking the subdivision of agricultural land. However, belated promises to remove this legal obstacle are unlikely to prevent the consolidation of land ownership driven by the logic of industrial farming. RDAC backs the idea of a land tax as a multi-pronged instrument to expand the supply of redistributable land. Presumably the idea behind this is to introduce a very high land tax to reduce the amount of underutilised or idle farmland, absentee landlordism and land speculation.

At several points RDAC laments the woeful lack of organisation and mobilisation among the rural poor, an essential part of a pro-poor solution to the agrarian question. Many barriers obstruct a handful of small trade unions from organising farm workers in South Africa (Jara and Hall 2009). Large numbers of workers live on the farms where they work, and many farm owners keep union organisers off their properties. Most South African farmers do not tolerate any questioning of their authority. Job shedding is further eroding the farm-worker unions’ membership base; farmers increasingly opt for casual workers, hired mainly through labour brokers, who find it difficult to enforce their rights.

Weak or non-existent organisation applies also to mass-based small-farmer movements across rural villages, albeit for different reasons. Judging from 1994–2005 resistance in the countryside, the Landless People’s Movement (LPM) arguably marked the highest and most inspiring development in rural mobilisation and organisation. However, the LPM’s biggest mistake was to model its activism on donor-dependent rural advocacy groups and non-governmental organisations (NGOs). Ad hoc protests and land occupations failed to grow into militant grassroots rural movements. Campaigns were limited to exerting reformist pressure on government rather than fighting for anticapitalist agrarian change. In the absence of principled leadership, the once-promising LPM seems to have withered into oblivion. There is an urgent need to reconstruct an independent agrarian social movement, rooted among poor farmers and farm workers, to mobilise and agitate for agrarian change based on a rejection of neoliberalism.
In summary, RDAC concedes that land reform in post-apartheid South Africa has been a failure. This bold self-criticism, coupled with alternatives phrased in fashionable rhetoric about the developmental state (Jara and Hall 2009), has become the key reference point of the political leadership appointed to serve in Zuma’s 2009 cabinet. However, whether agrarian reforms initiated by the Zuma administration will meet the needs of poor rural people who find themselves at the bottom of South Africa’s socio-economic pyramid remains to be seen.

**Post-2009 vision for agrarian change**

As the Zuma government nears the end of its (first) five-year term in office, information is trickling into the public domain about the administration’s vision for agrarian and rural development: things do not look promising for those hoping for fundamental change. A statement on the July 2010 cabinet lekgotla promotes a farming model that rests on private profit accumulation while paying lip service to human needs. Under the subheading ‘rural development and land reform’, the statement reads:

> In our discussion on strategies to improve the lives of citizens that live in the rural areas of our country, we recognize that we need a two-pronged approach. We will focus on the expansion of commercial farming and agri-processing opportunities to stimulate local economic growth and employment, while also increasing the number of smallholder farmers and their market share. In addition, a parallel strategy of providing predictable income for the poor through work in the Community Work Programme will be intensified. (Zuma 2010)

Commercial agriculture prioritises profits for investors over human needs and the generation of sustainable employment. From the viewpoint of the rural poor, this inherently flawed farming model causes rather than cures contemporary agrarian crises. As fewer giant agribusinesses exert increasing control over agriculture, many small farmers have been driven to ruin. Consumers also face soaring food prices related to expensive farm inputs and speculation in agro-food futures markets (Greenberg 2010, Magdoff and Tokar 2009).

The Community Work Programme is a recent invention as government desperately battles to reduce mass unemployment through public works programmes. It delivers short-term poverty-wage jobs instead of a reliable pathway out of poverty for participants. It is not based on the constitutionally guaranteed right to work and excludes the unemployed from the direct management of public works activities. Moreover, it is not part of any attempt to shift society away from neoliberalism towards an alternative economic model that fosters socio-economic equity, participatory democracy or ecological sustainability.

At the end of August 2011, the cabinet finally approved the long-awaited Land Reform Green Paper and, one month later, published it in the Government Gazette, thus making it available for public comment (DRDRLR 2011). What agrarian-development framework does this Green Paper advocate and how does it compare with the bold and potentially far-reaching rhetoric that was bandied about from 2007 to 2009? The core of the document proposes the establishment of agencies to administer and manage land allocations, and it details the mundane technicalities of the powers and functions of each agency. Perhaps in acknowledgement of its own restrictive scope, the Green Paper goes on to promise further Green Papers on ‘rural development’ and ‘communal land tenure’ that are to be published at some unspecified future date.

A lengthy and meandering introduction precedes the so-called substantive parts of the Green Paper. The introduction covers familiar territory: the historical significance of South
Africa’s ‘agrarian question’ and the conciliatory spirit in which it has to be resolved. It reiterates that ‘unjust past land dispossession’ forms a compelling rationale for the restoration of land rights to the dispossessed. It calls for greater appreciation of the ‘cultural value of land’. ‘Agrarian transformation’ appears among the disjointed array of terminology, but the document lacks the vision of a new agrarian future and pathways towards the radical restructuring that is needed.

The single land-tenure regime that it outlines, consisting of four tiers, is not different from the existing structure of land ownership and control. It proposes that private landholding, as entrenched in the constitution, will remain intact alongside insecure tenure in the former Bantustans. The Recapitalisation and Development Plan, which is already in place to sustain productivity on farms that fall under the land-reform programme, places agricultural development in the hands of big agribusinesses. This scheme to rescue ‘collapsing land-reform projects’ is marketed as ‘skills transfer’ through joint ventures with commercial farmers, and it commits the state to investing public resources in a dubious farming model for profit, capital accumulation and labour exploitation.

To conclude this brief comment on the new Green Paper, some remarks on the proposed land-administration and management structures might be in order. If the paper becomes policy, two of these agencies, the Land Management Commission and the Land Valuer-General, would be concerned with fairer market-dictated land prices and would aim to protect the quality and values of land. The idea is to set up autonomous bureaucracies that report to the Rural Development and Land Reform Minister on land-related matters. The overlap with the existing deeds registry, which keeps a repository of land valuation data and transactions, is considerable. However, the Land Management Commission might enjoy greater legal powers to ‘seize or confiscate land gotten through fraudulent or corrupt means’ (DRDLR 2011, p. 6). However, expecting these regulatory bodies to correct for ‘land market failures’ merely reinforces the myth that property markets can work for the resource-poor landless. Both agencies focus on cleaning up peripheral administrative irregularities and inefficiencies that have bedevilled land reform, but fail to pave the way to an alternative agrarian framework.

To protect the land-tenure rights of farm dwellers and workers, the Green Paper proposes another two structures: the Land Rights Management Board and Land Rights Management Committees. However, a review of the Green Paper reveals that farm workers stand to benefit little, if at all, from this or from the other land policies that seem to be in the pipeline. Government’s 2010 Summit on Vulnerable Workers in Agriculture, Forestry and Fishing heard evidence of the widespread violation of laws designed to protect farm dwellers’ rights. From the viewpoint of farm workers and rural development NGOs, neither the Labour Tenants’ Act (No. 48 of 1996) nor the Extension of Security of Tenure Act (No. 67 of 1997) have countered relentless job-shedding and casualisation in the agricultural sector. The Draft Land Tenure Security Bill of 2010 ostensibly closes the loopholes in the earlier Acts. Its objectives include harmonious farm relations and enhanced tenure security for farm dwellers, but the Bill also calls for the establishment of agri-villages and there is a danger that these could develop into cheap-labour reserves.

Indeed, it is intriguing that land disputes in the former Bantustans are excluded from the Bill’s purview. It is common knowledge that the Bantustans were designed to function as reservoirs of cheap labour for industrial development in apartheid South Africa (Ntsebeza 2006), and most households in the former Bantustans still struggle to survive on plots of marginal land allocated by tribal autocrats. Overturning land-based inequities in the Bantustans is an essential element of a holistic solution to South Africa’s agrarian problem.
Conclusion

The conceptual substance of the new agrarian transformation rhetoric touted by ANC politicians is questionable. New policies that purport to deliver a so-called equitable agrarian landscape adhere tenaciously to post-1994 neoliberal agrarian thinking. The government’s ambitious rural service-delivery proposals rest on a mix of bureaucratic, cost-recovery and privatisation principles that contradict lofty goals to uplift rural living standards. Limited to minor reforms to the land management bureaucracy, the 2011 Green Paper clearly falls short of the 2007–2009 rhetoric which pointed towards a possible break with the failed neoliberal land reform model. It fits within the framework imposed by the investor-friendly constitution and associated macroeconomic policies, making it a blueprint for uneven development. Furthermore, ongoing efforts to de-racialise capitalist agriculture promote the twisted logic of neoliberal agrarian political economy. Stripped of its fashionable nationalist rhetoric and myths about small-scale capitalism, the new policies are likely to widen agrarian inequalities. Capitalist agriculture thrives on labour exploitation and monopolistic resource ownership; it fuels ecological and food insecurity crises; it works against the interests of resource-poor small farmers, landless farm workers and the unemployed.

South Africa needs an agrarian restructuring plan that breaks from the flawed trickle-down logic of neoclassical political economy. The minimum principles of this alternative framework must be human needs, social equity and participatory democracy. The structure and workings of agricultural value chains must be grounded on these basic values to restructure, among other things, land ownership, employment, agro-processing, investment and distribution networks. Guaranteeing access to healthy food for all and expanding ecologically sustainable farming must be at the heart of twenty-first-century agrarian development. Progressive rural social forces, particularly small farmers and landless farm workers, must mobilise around this complex agrarian transformation agenda, as they hold the key to unlocking future possibilities.

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Notes

1. I do not interrogate the questionable perspective that South Africa’s contemporary agrarian question is reducible to the transition to capitalism, except that ‘the dispossessed’ rather than ‘capital’ must now spearhead and complete this transition (Cousins 2007).
3. Under South African law, a president may serve a maximum of two five-year terms.

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References


