Land reform in South Africa is in trouble. Can it be saved?

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What has gone wrong in South Africa’s land reform programme, and how can its failings be addressed? After twenty-two years, land reform has barely altered the landscape of South Africa, with only 8-9% of farmland transferred through restitution and redistribution.

Around half of rural land reform projects have seen some improvements in the livelihoods of beneficiaries – but these are mostly quite limited. Several thousand restitution claims lodged by 1998 await resolution, and over 20 000 resolved restitution claims have not been implemented. These could be swamped by new claims lodged since 2014, which already number around 150 000 and might rise to 400 000.

Farm owners have worked out how to evict unwanted workers within the parameters of the law. Labour tenants have been ignored. In communal areas, the only legislation that secures land rights is the Interim Protection of Informal Land Rights Act of 1996, which has to be renewed annually but has barely been used. Traditional councils are set to take private ownership of ‘communal’ land and ordinary people will have only secondary rights. Overall, land reform has failed miserably.

Why? Current policy frameworks are muddled and the strategic thrust of the programme is unclear, partly because it is not seen as contributing to a wider process of agrarian reform. Little support for black smallholder farmers is offered. A large-scale commercial farming model underpins official assessments of ‘viability’ and hobbles thinking about small-scale agriculture. Policy focuses only on rural land, but urbanisation means that there are many other needs and opportunities, such as food production on the edges of cities.

Partly as a result of these confusions, land reform has been captured by elites: a small number of ‘emerging’ black capitalist farmers and traditional leaders, but also commercial farmers, consultants and agribusiness corporates.

The ruling party is challenged by the EFF, which calls for confiscatory land reform without compensation, which the ANC reacts to by issuing radical-sounding policy statements. These disguise the elite bias evident in practice on the ground. Vote catching is a key consideration, and helps explains government’s decision to extend the period for lodging new restitution claims to 2019.

The property clause, which requires compensation to be paid for land acquired by the state, is not the fundamental constraint it is made out to be by activists. Acquiring farms at prices below market value is quite possible, since compensation must be ‘just and equitable’. More importantly, if the budget for land reform increased from its present 0.4% of the national total, to 2%, for example, land purchase would be eminently affordable. Insufficient political will by the ANC is more constraining than the constitution.

In fact the constitution is enabling of land reform, rather than disabling. In particular, Section 25(6), which requires that the state secure the land rights of black South Africans, is of key strategic significance, and securing rights should remain a key objective of land reform, in urban as well as rural areas. It is vital, however, to connect land rights to production, employment and livelihoods.
A new direction for land reform is needed. In my view the main objective of land and agricultural policy should be to reconfigure the inherited and highly skewed agrarian structure. This will help clarify who should be the key beneficiaries of reform.

The deregulated and increasingly concentrated agricultural economy has shaken out a large number of white farmers, but many relatively unproductive landowners remain. Their farms could be acquired through market purchases. The top 20% of producers, who produce 80% of all agricultural value, could then be left aside for perhaps two decades, to ensure that land reform does not put food security and exports at risk.

In my view the land of the other 80% of landowners should not go to the rural poor, most of whom desire jobs rather than land. The key beneficiaries should rather be the 200 000 market-oriented, black smallholder farmers who produce crops and livestock for sale. Subdivision of large farms should be allowed, and the proposal in the National Development Plan that the area of land under irrigation be expanded and allocated to smallholders needs to be implemented.

Land restitution has been a mistake - it is complex, conflict-ridden, expensive, and yields few sustainable benefits. The extension of the period for lodging land claims compounds the error, and generates expectations that will be difficult to meet. Given that relatively few claimants desire to be farmers, we should seek closure through standard cash settlements, as in most urban land claims. Where claimants genuinely want to farm, restoration of at least some of the land could be considered, and in some contexts joint ventures with private sector partners might make sense.

Challenges to the capture of land reform by elites are likely to emerge over time. One danger is that a simplistic form of populism takes hold, emphasizing racial disparities at the expense of class and gender-based inequalities. But focusing on class and gender should be the key thrust of a land reform that attacks the structural underpinnings of poverty, which will also thereby address racial inequality.

The current drought and rising food prices should serve as reminders that the practical challenges of land reform remain immense. Can we re-organize the rural economy so that we achieve social justice, but at the same time feed growing numbers of urban residents at affordable prices? However valid the call by the new generation of activists for a fundamental rethink of the post-apartheid order, this challenge must be met.

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