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**Human Sciences Research
Council
Integrated Rural and
Regional Development**



HSRC RESEARCH OUTPUTS

1767

Predicament Facing Land Reform in South Africa

BY

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Outline

- **Why Land Reform**
- **Land Reform Framework in SA**
- **Land Reform Programmes**
- **Achievements and Challenges**
- **Predicaments**

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Why land reform in SA?

- **Injustice of racially-based dispossession**
- **Insecurity and exploitation of labour tenants, farm workers and farm dwellers**
- **Extreme racial inequality in land holdings**
- **Breadth and depth of rural poverty**
- **Gendered inequality in land holdings and in security of tenure**
- **Lack of land for urban and peri-urban settlement**
- **Together these empty our democracy of substantive content**

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Why land reform in SA?

- A recent history of dispossession + poverty and structural inequality have political effects
- Zimbabwe demonstrates potential explosiveness
- 1994: land reform aimed to contribute to 'reconciliation'
- Increasingly, seen as necessary for 'political stability' and environment conducive to investment
- Clearest indicator: Political Commitment to land reform-no Zimbabwe



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Land reform: what for?

- Historical justice and redress > restitution and redistribution
- Securing human and socio-economic rights of the poor eg. security of tenure, gender equality
- Poverty reduction through increased opportunities to engage production
- 'Black Economic Empowerment' (emerging black commercial farmers)
- Contributions to economic growth and development
- Land for urban and peri-urban settlement.
- Contribute to wider restructuring through agrarian reform



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Why land reform in SA?

- Unequal distribution of land and insecurity of rights are integral to a dysfunctional socio-economic structure
- 40% unemployment + unskilled and irregular low-wage work = large underclass without adequate access to the means to life (productive work with due reward)
- Variousy characterised as: 'two nations'; 'two economies'; 'structural dualism'; 'adverse incorporation'
- Increasingly acknowledged as the major problem facing post-apartheid SA
- Can land reform contribute to a restructuring that creates an inclusive, egalitarian and productive



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Land Reform Programmes

- Land Redistribution Programmes
- Land Restitution Programme
- Land Tenure Reform
- Agricultural/rural development



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Who Are Key Role Players

State, markets, civil society

STATE

- **In state-led LR: acquisition (purchase, expropriation), allocation**
- **In market-assisted LR: remove policy bias to large landowners, taxes, ceilings, grants**
- **Supportive policies (eg. subsidies) and services (eg. extension, finance)**



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Who Are Key Role Players?

MARKETS

Version A:

- Land markets ensure efficiency: match land/land uses and needs/desires of beneficiaries
- Markets promote equity: reduces possibility of rent-seeking (corruption) by officials
- Undistorted markets for goods and services help sustain production/livelihoods

Version B:

- Real markets marked by power and inequality; landless and poor lack market-power
- State has important role in regulating/influencing markets

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Who Are Key Role Players?

CIVIL SOCIETY

- **Beneficiaries:** key agents taking crucial decisions on land acquisition, land use, land tenure, land administration
- **Social movements:** mobilisation, organisation, advocacy, occupations, political pressure
- **NGOs and CBOs:** lobbying and advocacy, support for social movements, services for constituencies, service providers for government
- **Research institutions:** data, analysis, policy advocacy, training



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Land Redistribution : Alternatives

- **“Willing buyer, willing seller”**
 - Government buys farms at market prices from willing sellers
- **Compulsory acquisition**
 - Government expropriates farms
- **“Market-assisted”**
 - Beneficiaries purchase land themselves with subsidies
- **Negotiated transfers**
 - Government and land owners strike a deal



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The Land Questions

- The 'how' of land reform should be consistent with answers to questions of 'why', 'what for', 'who', and 'where', as well as 'wider context'.
- The role of the State in the market driven redistributive land reform
- Much disagreement over answers to these questions, but also over whether or not an ideal option exist

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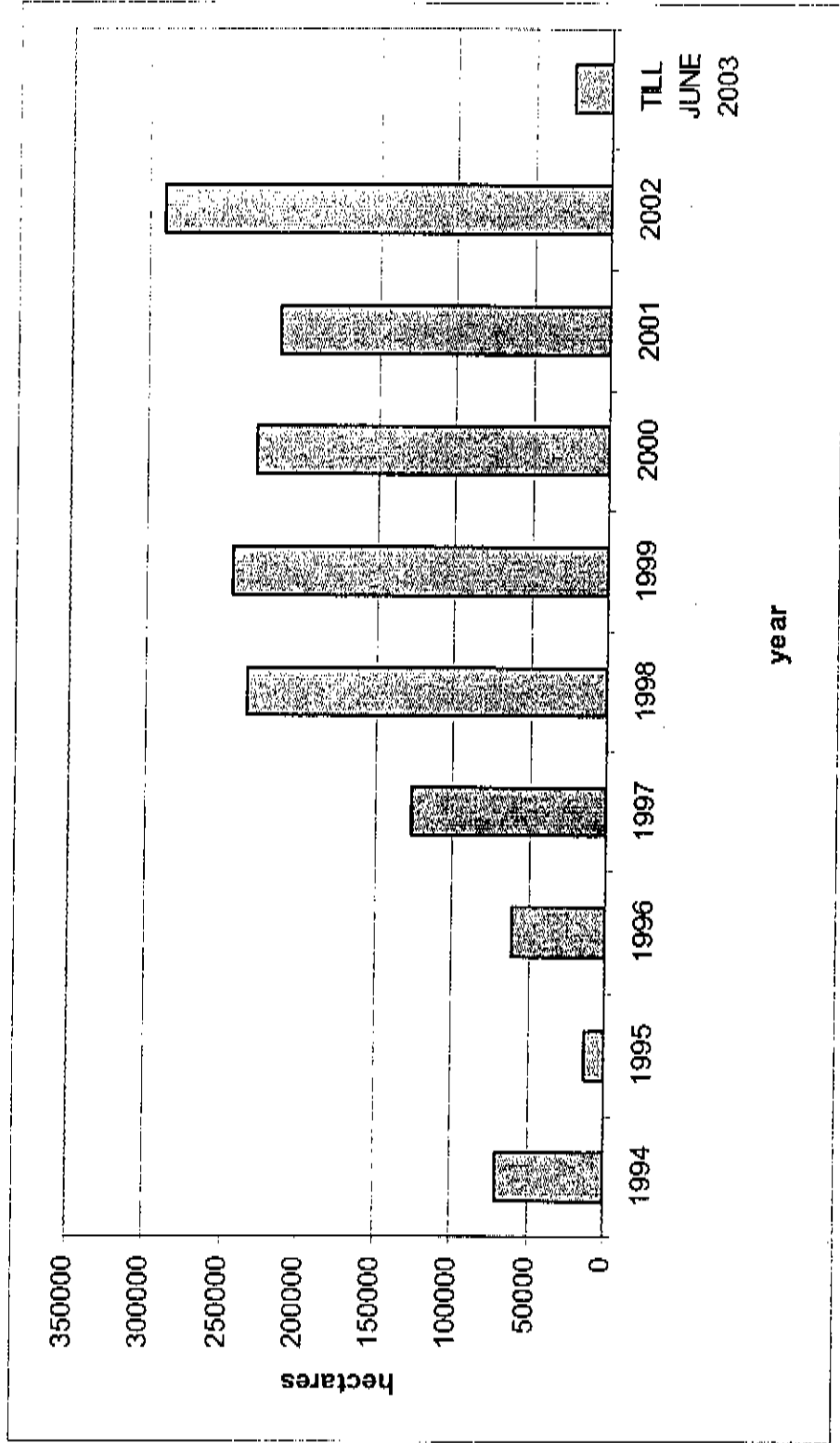
Land Redistribution

- **The 1994 RDP and World Bank land redistribution target: 30% of agricultural in 5 years, In a market-led programme**
- **Government revised the target: 30% of agricultural land in 15 years in a market-led programme(2000 to 2015)**



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Land Redistribution Programme



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Land Redistribution

- **The rate at which land been redistribution has increased in recent years but is still below the rate to achieve the official target**
- **By end of 2003 2,5 million hectares have been transferred, approximately 3% of agricultural land**
- **To reach the official target(30%) by 2015 delivery has to increase by at five-fold**



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What are the Issues?

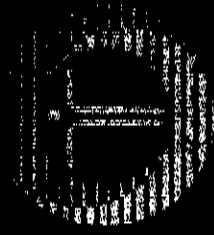
- **How to resolve predicaments and contradictions.**
- **Land Price: The Land Market-land in the market out of reach of would-beneficiaries**
- **Grant size vs Land Prices: LRAD-on sliding scale starting from 20, 000**
- **Land price, group size and group projects being discouraged**



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Land Redistribution-LRAD

- Land Redistribution for Agricultural Development launched in 2001-marked increase in land transfer and expenditure
- LRAD is not based on HH-income and offers grants on a sliding scale from R20, 000 to R100, 000.
- The character of beneficiaries varies but there is a concentration at the lower end
- LRAD is for agricultural land use and there is emphasis on commercial farming



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Land Redistribution

- Other land redistribution programmes-outside LRAD – are on a low key, others being phased out, other being designed, others in state of flux.
- SLAG projects (LRAD offers bigger grants) are seldom used, but technically still available.
- Land for settlement falls between two departments with DLA focusing on agriculture and DoH focusing on urban housing.



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Land Redistribution

- **The planned Land Redistribution for Settlement (LRS) sub-programme brings together three partners Local government, DLA and DoH.**
- **The Municipal Commonage Programme: Use of commonage land for agricultural purposes. Uptake of the programme has been slow**



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Land Restitution

- 63, 455 restitution claims were lodged by deadline of December 1998.
- 41 claims settled by early 1999
- 46, 727 claims were settled by end of 2003, transferring a total of 819, 292 hectares.
- Most of the settled claims are urban claims settled with cash compensation.



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Land Restitution

- **Only 185 rural claims have been settled and approximately 10, 000 rural claims are still outstanding**
- **The President has set a deadline that all claims must be settled by end of 2005**
- **What are the developmental benefits realised-impact on livelihoods of beneficiaries**



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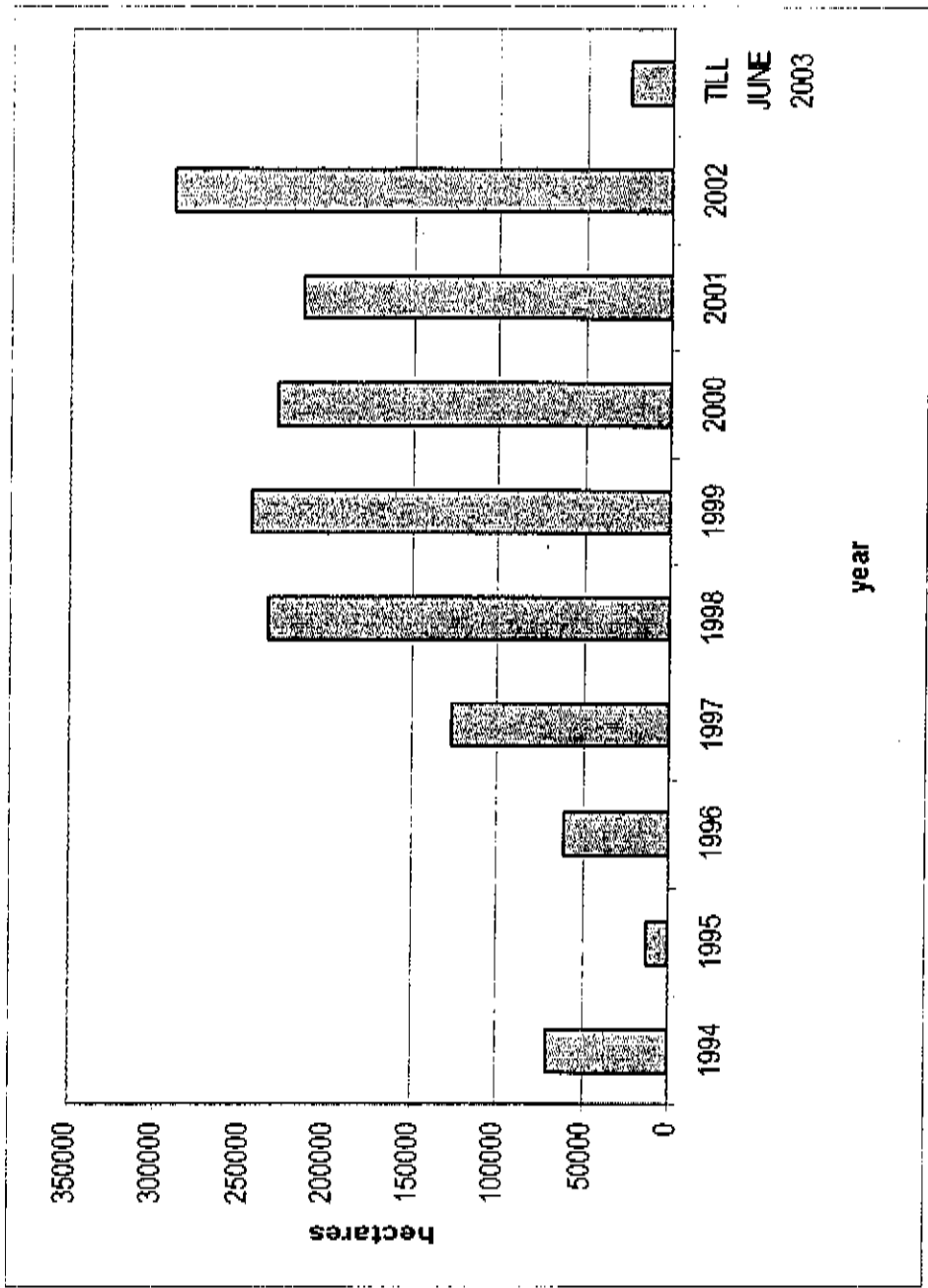
Land redistribution in SA 1994-2004

- 'While described as a market-led programme, land reform in SA has combined aspects of a state-led LR and a market-led LR (land is bought by willing sellers at market prices) ... leading to stalemates... Increasingly, practitioners are calling for more holistic interventions driven from the local level, that would acquire and transfer land in response to the scale and nature of local needs'



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Delivery of land redistribution

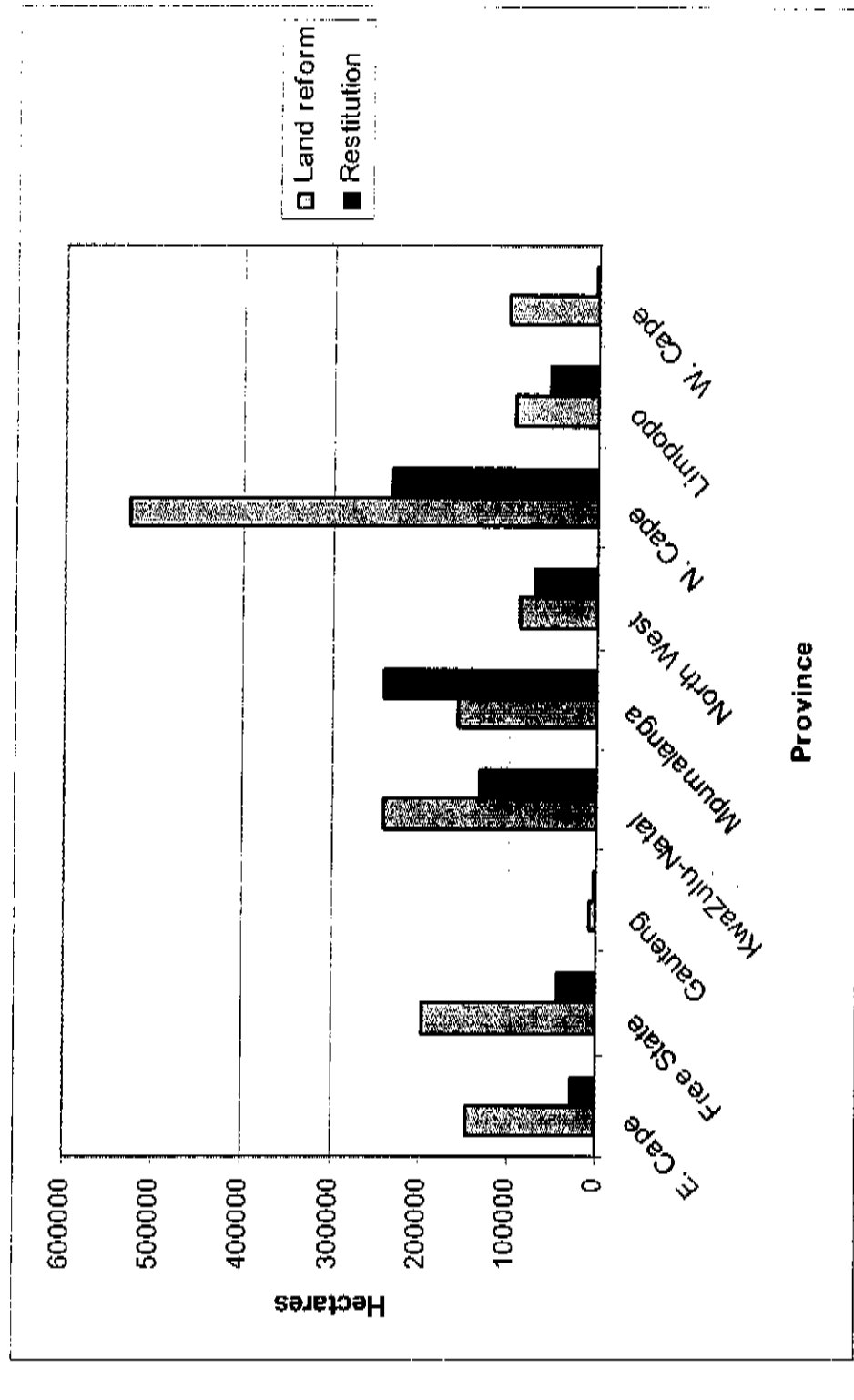


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Land delivery: 1994 – 2003

[Land reform: June 2003; Restitution: December 2003]



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Land Tenure Reform:

- **Tenure Security for all**
- **Tenure security is the key to tenure reform in the communal areas**



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Farm Tenure Reforms

- **Extension of Security of Tenure Act (ESTA).**
- **Land Tenure Act (LTA)**
- **Little is known about how many farm dwellers have been evicted from farms**
- **The increase of informal settlements (especially around small towns) suggests that farm workers move from neighbouring farms.**
- **There are 32 ESTA projects nationally and 21,000 Labour Tenant claims**
- **Development and Tenure options for ESTA occupiers and labour tenants are largely being pursued through LRAD.**



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Farm Tenure Reform

- New legislation is being developed (but at this stage little is known about it) to consolidate ESTA and LTA into one law.



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Communal Land Tenure

Reform

- **Tenure security is the key to tenure reform in the communal areas**
- **The CLRB will transform existing old-order rights into new-order rights**



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DETERMINING THE NEED

- Land rights administration has become untenable in many of South Africa's communal areas
- To respond, government legislation is to hand over control to communities, supported by a new system of Land Boards
- Implementing the Communal Land Rights Bill will require operational support
- In doing this, the equality principles of the Constitution will be met



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PROMOTING ECONOMIC SECURITY

South Africa's rural districts face acute poverty. Economic goals of tenure reform include:

- **Tenure security for all in relation to economic land uses**
- **Provision for just and efficient land development**
- **Options for households to improve their livelihoods by using their land resources**



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TENURE SECURITY FOR ALL

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FACING UP TO OBSTACLES

Existing Communal Property Associations (CPAs) don't always work well. The CLRB will need to consider:

- It's not easy for communities to write land systems**
- Compliance with new systems is often poor**
- Land registration is often neglected**

A new system will need to be user-friendly and may need to include incentives for compliance

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MORE STUMBLING BLOCKS?

- **More than one tenure system in the same community has been a serious problem in Francophone Africa**
- **Adjudication in itself can create and destroy new rights – women and the poor are at risk**
- **Elites in communities can often manipulate new land determinations**
- **Traditional Local Councils may not always be popular or representative**

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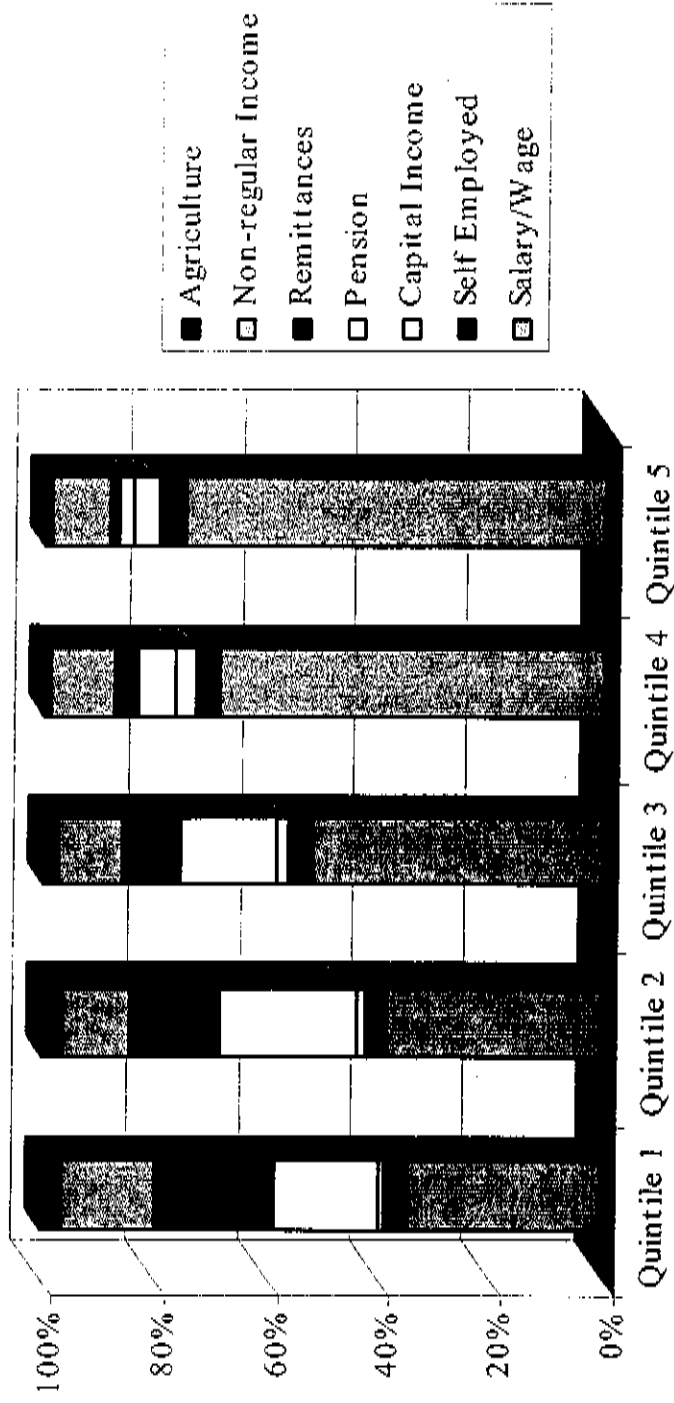
Predicament of land & agrarian reform

1. **Livelihoods: Land is needed to support people's livelihoods – targeting appropriate people, land sizes and forms of production.**
2. **This requires a proactive planned approach to make land available in areas of high demand – eg. through expropriation, right of first refusal, land taxes – and subdivision to make available appropriate parcels.**
3. **Link to rural development – land reform needs to go hand-in-hand with infrastructure and service delivery and job opportunities: developmental state.**
4. **Fundamental “land reform” cannot succeed in isolation from wider changes in the agrarian structure and in the role of the state and the**

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Rural Sources of Livelihoods

Main Income as a Percentage of Total Income, by Quintile



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