

Radical land reform is key to sustainable rural development in South Africa

Thembele Kepe and Ben Cousins

Sustainable rural development in 21st century South Africa will never be achieved without a radical assault on the structural underpinnings of poverty and inequality inherited from three centuries of oppression and exploitation. A large-scale redistribution of land and resources, accompanied by the securing of tenure rights in practice as well as in law, is required for long-term sustainability.

Introduction

The Rio Earth Summit in 1992 proclaimed sustainable development to be the most important policy of the 21st century. Since then governments around the world have endorsed 'sustainability' as a key principle which encompasses the integrity of biological systems, economic viability and *social equity* (Basiago 1995). The latter, however, is often ignored.

Problems of poverty and inequality are particularly stark in rural areas. Given South Africa's apartheid legacy of a deeply divided economic structure, sustainable rural development must focus on reducing inequality in the ownership and effective control of both productive assets and the benefit streams derived from them. This will require a range of complementary measures, central to which should be a radical land reform aimed at both redistributing productive agricultural land and securing rights to land and other resources.

Rural livelihoods and natural resources

In South Africa poverty and inequalities are concentrated in rural areas, despite some improvements in the provision of infrastructure and services since 1994. Over 70% of the country's poorest people reside in rural areas, and over 70% of all rural people are poor (May & Roberts 2000). Particularly vulnerable to poverty are households headed by women, the elderly and people affected by HIV/Aids. A closer look at rural poverty reveals:

- ▶ A high degree of dependence on non-rural income, including pensions and migrant wage remittances.
- ▶ High population densities, extreme land shortages and a large

proportion of households without livestock.

- ▶ Weak or absent support systems for agriculture and other land-based livelihoods, together with limited access to input and output markets. Among the consequences of this are under-cultivation and lack of interest in farming amongst the young.
- ▶ Food insecurity at household level, resulting in widespread under-nutrition.
- ▶ Rising levels of unemployment in the formal sector and continuing insecurity and low levels of income in the informal sector. Migration to urban areas does not provide an escape from rural poverty.
- ▶ Contrary to received opinion, movement between rural and urban areas is not all one-way: many unemployed workers are returning to rural areas looking for new livelihood opportunities.
- ▶ Although poverty is widespread, the rural population is socially differentiated and pockets of (relative) wealth and privilege exist.
- ▶ Surprisingly, given the highly adverse conditions, land-based livelihoods remain significant for many poor rural households, and for some that are relatively wealthy (see Table 1).

The role of land-based livelihoods in reducing poverty

In the light of these realities, programmes to enhance the land-based livelihoods of rural people are one of the few viable policy options available to government in the search for pro-poor

Table 1. The value of land-based livelihoods in communal areas

Component	Current value per household per annum*	Current aggregate value per annum#
Cropping	R1 543	R3.70 billion
Livestock	R1 200	R2.88 billion
Natural resources	R2 792	R6.70 billion
Total	R5 535	R13.28 billion

* Mean for all households including those that do not engage in these livelihood activities.

Estimated total population of 2.4 million households.

Source: Adams et al. 2000

sustainable development. Expectations that formal sector jobs will increase through encouraging foreign investment, and that this will indirectly reduce rural poverty, are clearly unrealistic. The informal sector, which comprises 'survivalist' activities for the most part, has also not proved to be a panacea for unemployment and poverty.

Meanwhile, large areas of land in both commercial farming and communal areas remain underused. It is clear that, under current conditions, attempts by poor rural households to expand agricultural production face great difficulties. A key question is thus: *how feasible are significant increases in levels of output and productivity of land-based rural livelihoods?* A growing body of evidence suggests that such increases are both eminently feasible and cost-effective, but that this will require substantial levels of investment and support by state and non-state development agencies.

- ▶ Research has shown that arable farming, livestock husbandry and harvesting and trade in wild resources play a central role in the livelihood strategies of many rural people and contribute significantly to the wider economy (see Table 1). Although under-valued by many policy makers and development planners, land and other natural resources constitute key assets for rural people seeking an escape from poverty.
- ▶ Many small-scale success stories in rural development in South Africa since 1994 demonstrate that rural areas do have the potential to generate additional livelihoods at the local level, but only if programmes and projects are appropriately designed, sufficient infrastructure exists, financial capital is made available in appropriate ways, and producers are provided with effective training and marketing support (Philip 2000).
- ▶ Many successful projects focus on agriculture and natural resources. Examples include wool and vegetable production in the Eastern Cape (Rawlins 2000) and wild resource harvesting and processing in Mpumalanga (Shackleton et al. 2000).

It is therefore clear that land-based livelihoods can play a central role in enhanced rural livelihoods, but only if rural people gain access to both land and effective support services.

Land reform is central to sustainable rural development, but is not sufficient

Rural development programmes focused on improving the productivity of agriculture and natural resource use in the communal areas of South Africa will not reduce poverty on their own. Overcrowding and high population-to-resource ratios remain major constraints, and increased access to land and other natural resources by the rural poor through redistribution is clearly needed. This does not have to result in 'poverty traps', as sceptics assert, but has the potential to contribute to significant economic development and poverty reduction.

Lack of clarity in respect of tenure rights to land and natural resources is also a major obstacle to development. It contributes to inappropriate land use and management practices, and to ineffective rural governance. Lack of legal security can constrain new forms of enterprise, such as eco-tourism or community forestry, which often involve partnerships with outsiders (Adams et al. 2000).

Although necessary, land reform will only be effective if embedded within a broader programme to restructure the agrarian economy. Amongst other things, this must ensure access to inputs, equipment, draught power, and marketing outlets. Infrastructure for transport and communications, and support services such as extension, training and marketing advice, are also essential. These are largely absent in the communal areas at present, and are inadequately provided for in most land reform projects. Government should play a central role in planning and implementing

such programmes, but must work closely with other agencies such as NGOs and the private sector, and in partnership with communities and enterprising individuals.

Even these complementary measures will not lead to significant reductions in rural poverty without a redistribution of political and economic power in favour of the poor. International experience shows that elites tend to capture the benefits of land reform unless there are decisive shifts in power relations. This means that the rural poor, together with their allies in the labour movement and progressive political formations, will have to confront the power of communal area elites, including traditional leaders, and organise to renegotiate the terms and conditions of employment of both permanent and seasonal labour in the commercial agricultural sector. They must address the concentration of economic power in the hands of big business within agro-food commodity chains.

It is clear that agrarian restructuring will only be realised through struggle. Thus a further necessary condition of sustainable rural development is political mobilisation by emerging social movements in the countryside. These should be supported by NGOs, churches and others in civil society, and linked to urban movements organising around issues such as forced evictions and electricity cut-offs.

How is government's land reform performing?

Government argues that South Africa's land reform programme is well-set to address the challenge of poverty reduction through sustainable development. The available statistics show otherwise.

In relation to *tenure reform*, very little has been achieved to date in terms of providing greater tenure security to those living in the former 'homelands'. The Interim Protection of Informal Land Rights Act of 1996 only provided weak, interim protection, and a draft Bill to provide stronger rights has only just been published. For farmworkers and labour tenants, legislation has had little success in preventing evictions of vulnerable people living on commercial farms, and few have received land in their own right (Lahiff 2001).

Since 2000, there has been a rapid increase in the number of land *restitution* claims that have been settled. Official statistics purport to show that of the approximately 69 000 claims lodged, nearly half (33 510) had been settled by 31 August 2002 (see Box 1). However, the claim validation process, due to end in December 2002, is leading to increases in the total number of claims. In some cases more than one claim is represented on a single claim form. Government has not released the new totals, so we do not actually know what percentage of lodged claims has been settled.

The restitution programme has not contributed much thus far to rectifying the extreme imbalance of ownership of productive resources. Most settled claims are in urban areas and derive from Group Areas Act removals. They have been settled through cash compensation, the so-called 'standard settlement offer' of R40 000 per property, and relatively little land has been restored.

Complex challenges lie ahead in relation to large rural claims, many involving hundreds or even thousands of households. The Commission for the Restitution of Land Rights has now acknowledged that rural claims need more attention: 'due to the large numbers of people involved in rural restitution claims, a policy decision was taken to prioritise such claims in order to reach more people' (CRLR 2002).

The President has announced that all land claims will be finalised by the end of 2004, something which will require a dramatic increase in budgetary allocations. In the financial year 2001/2, the restitution budget of R136 million had been used up by October, and the shortfall of R100 million needed to fund restitution activities for

Box 1: Land restitution at 31 August 2002

Total claims lodged	68 878
Claims settled	33 510
Households involved	72 251
Land restored	445 248ha
Land cost	R424 million
Financial compensation	R1 188 million

Source: <http://land.pwv.gov.za>

the year was transferred from other Department of Land Affairs (DLA) programmes. Mingo (2002) estimates that a six-fold increase in the restitution budget will be required if the December 2004 target is to be met.

In relation to *land redistribution*, progress has been very slow indeed. The current target set by the Minister is 30% of commercial agricultural land over 15 years. Box 2 shows the total amount transferred by 'land reform projects' (which lumps together redistribution, farm equity share schemes, projects under the Extension of Security of Tenure Act, and labour tenant projects) between 1994 and 2001. Over eight years, a total of 1 098 008ha was transferred, or 1.2% of commercial agricultural land (0.89% of the total area of the country).

The most land transferred in any one year was 245 290ha. Achieving the current target of 30% of commercial farmland would require an average transfer of 1.72 million ha per annum, nearly seven times the largest amount transferred in any one year. A rough estimate of the cost of such a transfer is R15 478 million, which, if spread over 15 years, would cost R1 031 million per year, three times the amount budgeted for land acquisition in 2003/4.

The DLA budget is set to increase over time, from R851.487 million in 1997/98 to a projected R1 016 million in 2003/04. Adjusted for inflation, it does not represent a real increase. In addition, the amount allocated to 'land reform' within that budget is set to decrease (Mingo 2002). The percentage of the national budget allocated to DLA over the next few years hovers around a paltry 0.34%. It thus seems highly unlikely that many of government's targets for land reform will be achieved.

This analysis of 'delivery' begs the question of whether or not the livelihoods of land reform beneficiaries have improved as a result of receiving land. The most recent systematic assessment of impact, the 1999 *Quality of life* survey commissioned by DLA, reported that poverty levels of beneficiaries remained high, much dissatisfaction continued to be expressed, and land remained under-utilised. In addition, 'many projects do not yet show any signs of economic potential' (May & Roberts 2000:4). In-depth case studies of land reform projects (for example, Mogkope 2000) confirm these findings, and suggest that inadequate attention has been paid to livelihood aspects both during the planning phase and after beneficiaries move onto their land.

How sustainable are land-based livelihoods?

Concerns are often expressed in relation to the ecological sustainability of small-scale agriculture and natural resource harvesting in communal areas. Although these dangers are often exaggerated – as in the case of 'overgrazing' of rangelands – under current socio-economic conditions, some land-based livelihood activities are indeed unsustainable. One example is current rates of harvesting of medicinal plants, in response to an expanding market, growing commercialisation, and the desperation of the rural poor in need of cash for survival. Suitable technologies and practices should be researched and promoted to ensure that land and resource use is indeed sustainable.

When people's land and resource rights are secure, and their incomes are beyond the bare minimum, they are much more likely to invest effort and resources in conservation and land use practices which 'meet the needs of the present, without compromising the ability of future generations to meet their own needs'. Research in the former Venda homeland shows how deeply farmers respect the land, and how indigenous soil and water conservation technologies using stone terracing can form an integral part of productive cropping systems (Critchley et al. 1998).

Conversely, when people are uncertain about their long-term rights to land or resources, their immediate needs take precedence, and severe resource degradation can occur (Box 3).

Conclusions and policy recommendations

Land reform and rural development programmes put in place since 1994 have made little difference to the lives of most rural South Africans. All the evidence suggests that 'existing land reform policies have failed to bring about the expected transformation of landholding ... to date and are most unlikely to do so in future.... This demands a new vision of land reform and a major public debate around how this can be brought about' (Lahiff 2001).

This new vision must incorporate an emphasis on sustainability, in all three dimensions, including ecological sustainability. But sustainable rural development in 21st century South Africa will never be achieved without a radical assault on the structural underpinnings

Box 2: Land redistribution 1994–2001

Total land area of SA	122 320 100ha	
Former 'homelands'	17 112 800ha	13.9% of total
Former 'white' SA	105 267 300ha	86.1% of total
Commercial agricultural land	86 186 026ha	70.4% of total
Land reform projects	1 098 008ha	0.89% of total
No. of projects	931	
No. of households	98 958	

Source: DLA

Box 3: Grass burning and hunting in Mkambati Nature reserve, Pondoland

Hunters from neighbouring villages who hunt illegally in Mkambati Nature Reserve burned strips of grass close to the reserve boundary to encourage new growth that will attract wildlife to areas where they become easy pickings for the hunters. Conservation officials in turn burned grass at the centre of the reserve to encourage animals to stay away from the boundaries. Burning and counter-burning, by hunters and conservation officials, resulted in the temporary disappearance of certain grass species (for example, the important thatch grass *Cymbopogon validus*). Many other endemic plant species (for example, *Leucadendron pondoense*) were destroyed in these fires.

Source: Kepe 2001

of the poverty and inequality inherited from three centuries of oppression and exploitation. Thus a large-scale redistribution of land and resources, accompanied by the securing of tenure rights, in practice as well as in law, is required for long-term sustainability.

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Programme for Land and Agrarian Studies

School of Government, University of the Western Cape
Private Bag X17, Bellville 7535, Cape Town, South Africa
Tel: +27 21 959 3733 Fax: +27 21 959 3732
E-mail: plaas@uwc.ac.za
Website: www.uwc.ac.za/plaas

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