

LAND REFORM FUTURES

Four scenarios for land reform in South Africa



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PREFACE

What is the future of land reform in South Africa? Can the process be accelerated? Will it produce equitable outcomes? Whose interests will be served? What will be the impact on food security and South Africa's young democracy?

These are some of the burning questions people are asking across the country and about which there are widely divergent views - some optimistic, some ominous.

This publication contains four scenarios about what could happen in the context of land reform in South Africa by 2030. These are not predictions of what will happen or recommendations about what should happen. Instead they are narratives of what could happen.

Scenario 1 suggests the possibility of connection and capture as land reform becomes a means for politically connected interests to benefit at the expense of ordinary people. Scenario 2 focuses on market power and concentration as land reform changes the racial profile of concentrated commercial farming without broadening ownership to small farmers and local communities. Scenario 3 envisions occupation and confiscation as deepening hardship and hunger creates impetus for the growth of landless people's movements and drives land reform from below. Scenario 4 looks at the likelihood of hard bargaining and compromise resulting in a pro-poor, inclusive approach to land reform.

The process was shaped by the transformative scenario planning¹ method, which starts with the scenario team's most pressing concerns and questions, and those of over 100 people whose views were considered prior

to constructing these scenarios. During a series of interviews and workshops, the scenario team created the four storylines about the future of land reform. As described below, the scenario team comprised 40 people who approach land reform from widely differing and competing perspectives: policy makers and administrators, traditional leaders, communal property institution leaders, activists, business people, academics and consultants.

Each scenario considers the interplay of multiple driving forces. The result is not a two-by-two quadrant, typical to many scenario planning outputs, of 'high road' and 'low road' options. Rather, it is a series of imagined accounts of what might happen to the land reform question.

The stories are designed to trigger an open and constructive search for strategic responses to thorny questions of land reform. They aim to provide a common framework for conversations, debate and decision-making about how to adapt to anticipated challenges and opportunities, or how to shape the future of land reform.

1. Adam Kahane of Reos Partners describes transformative scenario planning as an approach that enables people to work with complex problematic situations that they want to transform, but cannot do so unilaterally or directly. "It is not a way for actors to adapt to a situation or to force its transformation or to implement an already formulated proposal, or to negotiate between several already formulated proposals. It is a way for actors to work cooperatively and creatively to get unstuck and to move forward." (Kahane A (2012) *Transformative Scenario Planning: Working together to change the future*. San Francisco: Berrett-Koehler Publishers)

ABOUT THE SCENARIOS

All of the scenarios begin with South Africa facing severe challenges in 2016. Economic growth is slow and poverty and inequality cast a shadow over the new democracy. The ruling party is under rising political pressure. Businesses are in decline, with farming particularly hard hit. The rural poor struggle to secure the necessities of life in the face of severe drought and water shortages.

Tensions are heightened and expectations are rising on the back of government promises to accelerate and expand land reform. Much of the rural land that has been transferred is not being used productively, and failures in agriculture intensify worries about food security.

When they cast their imaginations forward to 2030, the scenario team spent considerable time talking about their certainties and uncertainties.

They were reasonably certain that high levels of poverty and inequality will persist; natural, financial and human resources will be constrained; institutional weakness and corruption will continue; and the dry El Nino weather

cycle will have long-term consequences. Poverty, inequality, resource constraints and dry conditions are therefore features of all four scenarios.

But there were many uncertainties as well: What kind of leadership might government officials, business leaders, elites (old and new), the landless poor, traditional leaders, young people and commercial farmers exercise when in a position to influence the future of land reform? How will the political landscape unfold? Will economic growth pick up? How might patterns of land use and tenure change? Will it be possible to develop a common vision for land reform?

The four scenarios tell stories of how South Africans might respond to the challenges and uncertainties they face about the future of land reform. They are differentiated by the world views of different stakeholders about the meaning of land. In each scenario, stakeholder action influences the character of land reform and shapes who 'wins' and 'loses' in the land reform stakes.



“The four scenarios tell stories of how South Africans might respond to the challenges and uncertainties they face about the future of land reform.”



Scenario



CONNECTION AND CAPTURE

The land reform programme opens the way for politically connected players to benefit at the expense of the poor. Government is unable or unwilling to hold traditional leaders, communal property institutions and redistribution beneficiaries to account. This makes it easy for well-connected business people and politicians to capture land reform for their own purposes.

Scenario



MARKET POWER AND CONCENTRATION

The government encourages market-based land transfers through community-private partnerships. By 2030 black South Africans own about half of the land in the commercial farming sector, in which the number of commercial farms has declined significantly. The state focuses on the needs of the urban areas, but for rural people food security is at risk and expectant land claimants feel that land reform has given them a raw deal.

Scenario



OCCUPATION AND CONFISCATION

Deepening hardship and hunger drive a countrywide campaign of land invasion and occupation. The Constitution is amended to allow confiscation without compensation. By 2030, 60 per cent of commercial farmland is in the hands of black South Africans. The new government comprises former opposition groups with competing views on land and agriculture. The country lacks a clear constitutional framework for dealing with land.

Scenario



HARD BARGAINING AND COMPROMISE

The ruling party takes a more inclusive approach to land reform and uses incentives to draw private sector players, institutions and civil society organisations into resolving land reform challenges. Hard bargaining and compromise yield practical strategies for land redistribution and the gap between small-scale and commercial farming narrows. By 2030 there is a greater diversity of land holding arrangements and land uses, but food security remains fragile.

USING THE SCENARIOS

Developed through discussion and debate by the heterogeneous scenarios team, the stories do not represent the views of any individual or organisation. Rather they are scenarios that the team agreed are plausible and could unfold. They contain unresolved dilemmas that invite deeper debate and discussion. The following steps can be used to guide such discussion and debate.

First, the scenarios are presented to groups through text, slide presentation, storytelling or video.

Second, the group looks at the opportunities and challenges of each scenario in turn, considering how to adapt: "If this scenario materialised, what would it mean for us?"

Third, the group addresses the question of strategy: "If this scenario materialised, what would we do? What options do we have? What could we do separately and what would we need to do together?"

Fourth, the group returns to the present and decides what to do next. The transformative intention of this process is realised when a group considers how to transform the situation by either preventing an aspect of these scenarios, or actively working towards the achievement of another aspect.

THE SCENARIO BUILDING PROCESS AND TEAM

The scenarios building process on the future of land reform in South Africa was convened and supported by the Vumelana Advisory Fund, which contracted Reos Partners to manage the process.

The scenarios team was made up of leading actors who are representative (but not representatives) of a cross-section of people involved in land reform. Individually, they are respected leaders in their own areas of work. They have a range of backgrounds and perspectives (sectoral, ideological, professional, geographical). The team included senior public officials, business leaders, traditional leaders, leading academics, church leaders, leaders of non-profit and community-based organisations, and a range of specialists working on land reform.

Because the task of the scenarios team was to develop stories – that is, fictions – they were able to engage in informed debate without committing to any particular policy position. This also means that almost every scenario team member is likely to disagree with elements of the stories. What they agreed on was that these stories *could* (not *should* or *will*) play out in the future. As a consequence, this list of scenario team participants represents not a consensus on implicit policy recommendations, but the people themselves – a group of diverse, committed, and caring people who worked together in the hope that these scenarios might encourage dialogue that would help South Africa's land reform programme to move forward.



THE SCENARIOS TEAM*

Organisation	Name	Position
African Farmers' Association of South Africa	Aggrey Mahanjana	Secretary-General
AgriBiz	Dr John Purchase	Chief Executive Officer
Agri SA	Annelize Crosby	Legal and Policy Advisor
Andisa Agri	Duncan Pringle	Managing Director
Bela Bela Communal Property Association	Barrington Mabuela	Chairperson
Centre for Rural Legal Studies	Sharron Marco-Thyse	Director
Commission on Restitution of Land Rights	Nomfundo Gobodo	Chief Land Claims Commissioner
Commission on Restitution of Land Rights	Thami Mdontswa	Deputy Chief Land Claims Commissioner
DB Consulting	Geoffrey de Beer	Transaction Advisor
Department of Planning, Monitoring and Evaluation	Dr Tsakani Ngomane	Outcome 7 Facilitator: Rural Development and Land Reform
Department of Rural Development and Land Reform	Hilton Toolo	Chief Director: Policy Research and Development
Ethiopian Episcopal Church	Bishop Malusi Mpumlwana	Diocese of Maropeng
Independent	Golden Mahove	Consultant
Independent	Paul Zille	Consultant
Institute for Poverty, Land and Agrarian Studies	Prof. Ben Cousins	NRF Research Chair in Poverty, Land and Agrarian Studies and Senior Professor
Institute for Poverty, Land and Agrarian Studies	Assoc. Prof. Ruth Hall	Associate Professor
Khonjwayo Traditional Council	iNkosi Mpumalanga Gwadiso	Chairperson
Land Access Movement of South Africa	Constance Mogale	Member of the Advisory Committee
Land Access Movement of South Africa	Emily Tjale	Acting Director
Land and Agricultural Development Bank of South Africa	Maine Mofokeng	Senior Specialist: Agriculture Economics
Legal Resources Centre	Shirhami Shirinda	Legal Researcher
Legal Resources Centre	Henk Smith	Attorney
Limpopo House of Traditional Leaders	His Majesty Hosi Aarone Mahumani	Hosi (Royal Leader)
Moletele Communal Property Association	Hezekiel Nkosi	Chairperson
Mondi	Maurice Makhathini	Head of Land
National Agricultural Marketing Council	Tshililo Ramabulana	Chief Executive Officer
National Treasury	Dr Duncan Pieterse	Director: Microeconomic Policy

* Alphabetically according to organisation

Organisation	Name	Position
Public Investment Corporation	Nico van Aardt	Fund Principal
Senwes	Gideon Ralepeli	Contracts Manager
Sihlanganisa Inclusion (Pty) Ltd	James Rycroft	Director
South African Sugar Association	Anwhar Madhanpall	General Manager: Land Reform and Rural Development
RCL Foods Limited	Dr Dave Thomson	Manager: Land Reform – Sugar
Tshintsha Amakhaya	Dr Monique Salomon	National Coordinator
Vumelana Advisory Fund	Vuyo Masisi	Communications and Stakeholder Relations Manager
Vumelana Advisory Fund	Mazwi Mkhulisi	Programmes Manager
Vumelana Advisory Fund	Brian Whittaker	Executive Director
Webber Wentzel Attorneys	Moray Hathorn	Partner
Women on Farms	Roseline Engelbrecht	Women's Cooperatives Programme Coordinator
Women on Farms	Carmen Louw	Land and Housing Programme Coordinator
ZZZ	Bertie van Zyl	Director

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The contribution of all those who made the scenarios possible is gratefully acknowledged:

- **The scenarios team** who built the scenarios over a period of 12 months between March 2015 and March 2016.
- **Reos Partners** who facilitated the scenario building process, in particular Colleen Magner, Managing Director of Reos Partners Southern Africa, Adam Kahane, Director of Reos Partners North America, and the South African Reos team consisting of Dinesh Budhram, Lorna Ely, Rebecca Freeth, Maikel Lieuw-Kie-Song and Bangani Ngeleza.
- **The reference group** who operated as a sounding board for the facilitators and convenors: Prof. Ben Cousins, Bishop Malusi Mpumlwana, Shirhami Shiranda and Paul Zille.
- **The editorial committee** who guided the editing of the scenarios: Dinesh Budhram, Prof. Ben Cousins, Dr Rick de Satgé, Colleen Magner, Vuyo Masisi and Brian Whittaker.
- **Consultants and advisors:** Over 100 people were consulted in preparation for and during the scenario building process. Some gave detailed interviews, others participated in meetings or commented on the scenarios or parts of them.
- **The Vumelana project managers:** Lisa Herbst and Vuyo Masisi.

— **Brian Whittaker**, Executive Director: Vumelana Advisory Fund





SCENARIO 1: CONNECTION & CAPTURE

This is a story about land reform being captured by politically connected interest groups at the expense of ordinary people. Traditional leaders gain support from the state and increase their control of land in communal areas. Some of these leaders demonstrate accountability and use their power to promote social, cultural and ecological connections between their communities and the land. Others exploit the situation to benefit themselves. Politically connected groups also gain control of land acquired under the redistribution programme and of communal property institutions established to hold land obtained through the restitution programme. Government is unable to hold land reform beneficiaries to account, which makes it easy for well-connected players to capture land reform for their own purposes.

“LAND IS POWER”

It is 2016 and land reform continues at snail's pace. There is widespread dissatisfaction amongst beneficiaries – mainly about the poor governance of land that has been restored or redistributed, as well as about the limited support for its development. Some critics blame a lack of resources and systems; others refer to limited capacity in government and inadequate accountability mechanisms. They point to failures of large-scale commercial farming enterprises on transferred land, conflicts between communal property institutions and traditional authorities, and mining deals that fail to benefit ordinary members of rural communities. Tough economic conditions add to despondency about the future of land reform.

The 2016 municipal elections sharpen competition for local power. Lively debates sometimes turn violent as they challenge the role of traditional leaders, communal property institution leaders and local councillors. Top of mind is who benefits from land in communal areas, how it is managed and how it is used. Ambiguous institutional arrangements for the ownership and management of land combine with weak accountability mechanisms to create ripe conditions for diverse elites to capture the benefits of land reform.

Shortly after the elections, allegations surface that a communal property association (CPA) chairperson's successful campaign for a municipal seat was funded with proceeds from the sale of a portion of restored land. Ordinary people are very concerned about the potential for dirty deals between those who have control over land – traditional authorities, office bearers in communal property institutions and property developers and mining companies that sometimes enlist the support of politicians.

The Recapitalisation and Development Programme is criticised for awarding extremely large grants to a small number of players who are often politically connected.

2017

The ruling party prepares for the 2019 national elections with concerns about falling levels of support. Facing a very low economic growth rate of approximately 1 per cent, continuing drought and rising food prices, it seeks to shore up support on several fronts. During its 2017 national conference there are rumours that the party will open up restitution claims to land dispossessed before

“Ambiguous institutional arrangements for the ownership and management of land combine with weak accountability mechanisms to create ripe conditions for diverse elites to capture the benefits of land reform.”





1913, and transfer title to traditional councils in return for traditional leaders agreeing to mobilise voters' support.

In the same year the state increases the powers of traditional leaders through two pieces of legislation introduced in rapid succession. The first allows traditional councils to acquire title over the land they currently administer. The second provides powers to traditional leaders over judicial processes governed by customary law. In Parliament these bills are framed as steps towards fast-tracking land reform and giving proper recognition of African values and traditions.

Consistent with this new legislation the government reaffirms that there will be no individual titling of land in 'urbanised' settlements in the former homelands. The traditional authorities retain ownership rights and are responsible for regulating access to all land in these areas.

2018

By 2018 the deadline for lodging restitution claims is fast approaching and it is clear that the Commission on Restitution of Land Rights faces a daunting task. With a few months still to go, the number of new claims exceeds the anticipated number of 400 000, including several large pre-1913 claims lodged by royal families and Khoisan communities. Many of these claims overlap, which increases the complexity of adjudication and amplifies the potential for local conflict. Allegations surface that several government officials have registered their own companies to conduct the research involved in vetting claims and to broker post-settlement mentorship agreements. The indicated cost of R240 billion for restitution is especially

stark in light of the diminishing prospects for increased budget allocations to land reform as economic growth remains very low.

Commentators note a 'disturbing' trend in the increase of claims lodged purely on the basis of reconstructed ethnic identity within pre-colonial boundaries and not on history of displacement from land. There is intense jockeying to be first in line to have claims finalised. Discontent in relation to these issues is becoming a major vote-catching strategy amongst opposition parties that begin to make headway in some rural areas.

2022

The ANC has survived the challenge it faced in the 2019 elections, thanks in part to support from traditional leaders. A major focus of land reform becomes rural development in communal areas, home to nearly a third of South Africa's population. It becomes apparent that the leadership style and accountability of traditional leaders to their communities has a significant bearing on what happens and who benefits. A few traditional councils invert the current 'transformation' requirement so that 60 per cent of members are elected by their community and 40 per cent by the senior traditional leader; and their accountability improves noticeably.

In many cases, however, strong government support for the traditional leader lobby enables leaders and their networks to derive material gains for themselves. For example, there is a marked increase in the number of plots on communal land being sold to outsiders, often for considerable amounts of cash. This leads to

SCENARIO 1: CONNECTION & CAPTURE

loss of productive land and impacts negatively on tenure security and livelihoods. There is also a sharp upward trend in land deals between traditional leaders and private individuals and companies, especially for mining, the development of shopping malls and renewable energy plants. Sometimes ordinary community members who live on this land are consulted in decision-making processes and benefit appreciably from dividends and rental income that is ploughed back into development and invested in supporting rural livelihoods. But more frequently, such land deals enrich traditional leaders, politicians and corporate executives at the expense of ordinary people.

In some areas there is a conscious return to past cultural practices. They focus on restoring a sense of dignity and pride related to customary identities, and reconnecting people with the land through more sustainable use of resources, meaningful rituals and recognition of sacred sites. While this appears to enhance social cohesion in some areas under the control of traditional authorities, it also increases conflict over disputed boundaries.

Regardless of whether traditional leaders seek to restore cultural dignity or not, women's rights to land in communal areas continue to be subordinate to men's. Discontent among women in some areas produces large-scale support for the Rural Women's Movement.

While the older generation of traditional leaders favours cultural practices to promote a sense of belonging, younger traditional leaders want to do deals with powerful business people: "Why can't I enjoy the fruits of my wealth? I can bring my people into the 21st century.

'You expect me to watch my people suffer when we have all of this?'

Self-interested behaviour takes different forms. In 2022 an audit of the 50:50 farmworker equity scheme reveals that a higher number of commercial farmers than expected have opted into the scheme. These are mostly individual farmers who see the opportunity for a financial injection and sharing of risk. This has proved to be an expensive policy for the state. The mood towards these commercial farmers shifts from hailing them as pioneers of agricultural land reform, to labelling them as greedy and opportunistic, cashing in to rescue marginal farming enterprises. In the process, they have hollowed out the state fund for farmworker equity without conferring real benefits to farm workers. The next few years see paid-out farmers paying off their debts and trying to escape what some call a 'forced marriage' with their workers. The fiscus takes a knock, as do the banks that provided loans.

Poor governance creates loopholes for exploitation by powerful interests on restored commercial farmland. Some leaders of communal property institutions take the lion's share of the income generated by rural enterprises on the farms. Tensions between independent communal property institutions and traditional councils are endemic in some areas. In some cases, traditional leaders capture communal property institutions by replacing elected trustees with members of their councils. In other cases, communal property institutions act as 'mini tribes', appealing to constructs of African identity to justify their unaccountable governance practices.



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“Only the very largest of commercial farming operations prosper, and concentration of land holdings increases. Wealthier enterprises produce more for export, while production for local markets stagnates.”



Self-interest is also evident in urban areas where 65 per cent of the population now live. Intense competition for limited land and housing creates opportunities for ruthless property developers. Many are politically connected and develop flimsy, over-priced rental housing for the urban poor; sometimes on farmland adjacent to expanding towns.

Food prices are pushed up by recurring droughts, floods and export demand, and are exacerbated by the lack of certainty about land policies, which curtails investment. Only the very largest of commercial farming operations prosper, and concentration of land holdings increases. Wealthier enterprises produce more for export, while production for local markets stagnates. Around this time, many maize farmers in Mpumalanga move their operations out of the province, or quit farming altogether, due to the negative impact of mining operations. The subsequent drop in maize production is a further trigger to food price increases.

On redistributed land, the business elites who have received the bulk of the 15 per cent of farmland transferred to date, continue to struggle to make their farms profitable. Emerging farmers who are restricted to lease arrangements on farmland owned by the state suffer from the inept advice and support offered by government officials. Still others experience interference in their farming operations by traditional leaders.

Previously successful small- and medium-scale black farmers, some of whom have received farms via the redistribution programme, start to fail. Without effective state support they cannot achieve the necessary

economies of scale. Others cannot access supply chains because they are squeezed out by entrenched social networks or new forms of patronage.

2024-2029

South Africa is becoming increasingly polarised along lines of ethnicity. The ruling party's 'demon of tribalism' rises as competition for party leadership is increasingly contested along such lines. Ethnic and inter-community conflict increases in rural areas due to challenges to the boundaries of tribal communities as defined in the apartheid era.

The state tries to usher as many land claimants as possible into 'tribal' claims under traditional leaders and then to transfer the land to traditional councils or pay out cash compensation to the institutions involved. Meanwhile, the Commission on Restitution of Land Rights has not yet directly addressed the pre-1913 claims, and traditional leaders continue to lobby for a constitutional amendment to make this possible.

Many people get used to the daily abuses of power, but there are particular issues that cause outrage and produce an organised response. When titanium mining finally goes ahead in Xolobeni on the Wild Coast, it precipitates a powerful reaction from local communities as well as from people across South Africa and beyond its borders. The protests are violently quelled, resulting in 20 deaths.

The anti-corruption movement grows and corruption becomes the key issue in both the 2024 and 2029

SCENARIO 1: CONNECTION & CAPTURE

national elections. Networks of patronage ensure that enough people either live in hope of benefitting from corruption, or live in fear of exposing it, and so the anti-corruption lobby does not have much effect on election outcomes. The courts are clogged with cases against various forms of corruption and a major constitutional challenge to the power of traditional authorities takes a long time to be heard. In 2029, a landmark Constitutional Court ruling declares legislation that grants land titles to traditional councils to be unconstitutional.

The situation in 2030

South Africa's towns and cities are densely populated, in stark contrast to rural areas. Mpumalanga resembles an open cast mine while Limpopo, the North West Province and the Wild Coast of the Eastern Cape are lined with mining operations. Across the countryside there

is contestation over scarce water resources, and the concentration of industrialised commercial agriculture is increasing.

There are disjointed parcels of productive land owned by communal property institutions and by traditional councils. In communal areas, fields previously used for crops are now used as communal grazing to support large herds of livestock. Over 80 per cent of these animals are owned by rural and urban elites, including civil servants who have invested in large residences in communal areas and receive free services intended for the poor. There is very little tenure security for rural households, and women remain particularly disadvantaged.

The clamour for more accountable and democratic governance of land grows louder in urban and rural areas.

“There is very little tenure security for rural households, and women remain particularly disadvantaged.”



2



SCENARIO 2: MARKET POWER & CONCENTRATION

This is a story about land reform changing the racial profile of concentrated commercial farming without broadening ownership to small farmers and local communities. The state's efforts to ramp up land redistribution are derailed by fiscal constraints and legal challenges to expropriation. With its attention firmly fixed on South Africa's growing urban population, the state looks to the commercial sector to support rural land reform and improve food security. Land reform largely takes on the character of partnerships between the private sector and land reform beneficiaries. A growing cohort of black commercial farmers benefits and becomes increasingly well organised and vocal. The urgency of land reform appears to have fizzled out. Or has it?

“LAND IS A PRODUCTIVE ASSET”

It is 2016 and South Africa is facing challenging local and global economic conditions. GDP growth is at 1 per cent. Conditions are dismal for the unemployed and the poor. The urban population is growing rapidly and the demand for food is rising at a time when local food production is declining in the face of the worst drought in 20 years. The opening of a second period of restitution claims increases expectations among land claimants and places renewed pressure on a state facing fiscal constraints.

In rural areas, most farms transferred through the restitution programme are failing. Commercial farming or ecotourism enterprises that belong jointly to large groups of people face difficulty in yielding benefits for all. Many such projects collapse owing to conflicts over power and decision-making. Communities that have land restored are frustrated at being unable to use their land rights to raise capital for its development.

Many communal property institutions established to hold restored land are placed under administration. Government tries to improve governance compliance in communal property institutions through the Land Rights Management Facility and appoints consultants and

strategic partners to mediate conflict. Critics accuse these players of being the main beneficiaries of this kind of land reform. As thousands of new claims are lodged, there is a high degree of scepticism about the possibility of restitution.

Much of the land transferred through the redistribution programme has good potential, but is not being used productively. Large sums of money are allocated to beneficiaries through the Recapitalisation and Development Programme, but these have little effect on production levels, despite the requirement that mentors or strategic partners provide expert assistance to the beneficiaries.

The question of how to feed a rapidly urbanising population becomes more pressing as the 2019 elections loom. Worries about food insecurity are exacerbated by agricultural failures on land reform properties and the implications of an ageing white commercial farmer population. The sons and daughters of these farmers have little interest in inheriting the farm and are instead pursuing alternative professions. Unless the farms are adjacent to larger commercial operations that want to

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“In the meantime, due to uncertainty about when claims will be resolved on their land, private owners provide bridging finance to help the government purchase their land. Many medium-scale commercial farms whose long-term viability is in question are transferred through these means.”

expand and take on the risks, these commercial farmers are often unable to sell their land.

Beyond worries about local food security, there are concerns about whether South Africa can remain internationally competitive in the agro-food industry. Nevertheless a small number of large-scale operations continue to be very successful and contribute to increased exports to countries such as China.

2019

In the 2019 national elections the ruling party retains power, but the percentage of its electoral support falls below 60 per cent for the first time. The party turns its attention to a much more assertive land redistribution strategy. The intention is to pick up the pace of rural land reform through the rapid transfer of land, and to increase food production in the medium term. The Expropriation Act passed in 2017 means that the state can bypass the ‘willing buyer, willing seller’ principle when it deems necessary, but expropriation or the amount offered as ‘just and equitable compensation’ can be contested in the courts.

Expropriation is handled circumspectly, but with a sense of urgency. The state places on record that compensation should be based on market prices and moves quickly to identify commercial agricultural land for expropriation. The primary beneficiaries envisaged by the state are black commercial farmers with a proven track record and whose leases will be upgraded to full title after three to five years if their operations are assessed to be commercially viable.

The government also enacts legislation designed to protect and empower farmworkers through the 50:50 farmworker equity scheme, which is structured so that participating farmers earn points on the AgriBEE scorecard.

Many landowners who have received expropriation notices choose to contest these in court. The courts are congested and cases proceed at a snail’s pace. Once again, fingers are pointed at those who seem to be benefitting most from flaws in the land reform process. This time lawyers are blamed for gaining financially from fees and unnecessary administrative delays, all of which come at a high cost to the system.

In the meantime, due to uncertainty about when claims will be resolved on their land, private owners provide bridging finance to help the government purchase their land. Many medium-scale commercial farms whose long-term viability is in question are transferred through these means.

2022

By 2022 the expropriation of high value agricultural land is costing the state more money than it can afford and legal challenges are slowing the process of land transfer.

Meanwhile, urban issues are demanding more immediate attention. More people are hungry; informal settlements are mushrooming, and the numbers of unemployed youth are growing. Sporadic illegal invasions in urban and peri-urban areas make newspaper headlines, highlighting the restlessness of people who expect to acquire land for

SCENARIO 2: MARKET POWER & CONCENTRATION

settlement and want it soon. Economic growth remains stubbornly below 2 per cent.

At the ruling party's 55th national conference in late 2022, there is recognition of the acute vulnerability of South Africa's growing urban population to food shortages and price hikes. The conference resolves to prioritise urban issues of overcrowding, hunger and violent protest and, more quietly, decides to take its foot off the accelerator of rural land reform. Around this time, the results of a new land audit are released, demonstrating that a higher percentage of agricultural land has been transferred than previously calculated. Within weeks, the Department of Rural Development and Land Reform engages agricultural industry representatives about expanding their role in on-going rural land reform.

Their discussions falter initially. What pulls the negotiations through is a shared recognition that commercial farmers, regardless of race, are needed to sustain the viability of the agricultural sector – as a contributor to GDP, as a source of employment, and as a means of feeding a growing urban population. Less publicly there is recognition that public-private partnerships have a stronger track record in establishing profitable commercial farming ventures than state-run programmes.

It is agreed that development finance institutions will help to accelerate the rate of market-based land transfers and support efforts by the state to acquire more commercial farmland for redistribution. Programmes to integrate black commercial farmers into high value supply chains will be accelerated. Banks agree to offer production loans at preferential rates with the risks shared amongst all the

suppliers in a value chain. Strategic partners will broker partnerships with black commercial farmers and provide mentoring. The private sector also agrees to 'salvage' non-compliant communal property associations and trusts as part of their social responsibility programmes.

In cases of the restitution of high value agricultural land, group claimants will receive the land subject to leaseback and shareholding arrangements in joint venture companies. Medium-term leases will be buttressed with skills transfer. Claimants will gradually pay down the value of the land using dividends earned as shareholders. In the forestry and sugar cane sectors, they will be eligible for preferential supply agreements with paper and sugar mills. Privately capitalised funds will be established with government guarantees to enable commercial farm owners to enter into joint ventures with emerging farmers. Land portions will be acquired using money borrowed from such funds. Joint management agreements will include an exit strategy once the debt has been repaid and a return earned on their investment.

2025

By 2025 a small but significant number of black commercial farmers are benefiting from improved extension services and skills development. Services are provided by a combination of government agencies, retired farmer mentors, input suppliers and AgriSETA, coordinated under the revised Agricultural Extension Policy.

The situation of farmworkers is mixed. As farms grow in size, capital investment in digital technologies and new



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machinery displaces many low-skilled workers. High- and semi-skilled farm workers are in demand, but earn below average wages, as black as well as white commercial farmers keep input costs to a minimum in order to be competitive.

Through an agreement with the Department of Rural Development and Land Reform, some of the larger white commercial farmers have set up their own equity arrangements with their workers in return for having their land protected from restitution claims. However, many farmworkers participating in equity schemes complain about low dividends and a lack of access to decision-making on farms.

In the late 2020s, a crisis in South Africa's river systems is largely blamed on uncontrolled use of agricultural chemicals. The impact on irrigated land creates conflict between upstream and downstream farmers. In one area, negotiations result in an agreement to use organic fertilisers. Farmers downstream threaten to set fire to the orchards of their upstream counterparts if the agreement is broken.

Some black farmers succeed and some fail in the first few years of this renewed drive. Those who cannot make it are bought out by larger farmers, while those who flourish look to enlarge their own farms. In a highly competitive global market, concentration is a key outcome of successful investment. Given the poor performance of the rand, many commercial farmers focus on exports.

2028

Agricultural data shows that in 2028 South Africa is food secure at a national level, but household food security remains compromised. According to an international NGO, 18 million people in South Africa are going to bed hungry, up from 12 million in 2014. The private sector is accused of playing an opportunistic role by inflating prices and using land reform as an opportunity to make more money.

Community-private partnerships between communal property institutions and private mining and agriculture companies are commonplace, and partnerships between traditional councils and private investors have evolved in some communal areas. More restitution land projects are staying afloat and communal property institution governance is strengthened by improved regulation. But the distribution of benefits to communal property institution members becomes a cause of conflict as benefit flows increase.

SCENARIO 2: MARKET POWER & CONCENTRATION

The situation in 2030

By 2030 there has been a marked increase in land transfer to black South Africans and the target of transferring 30 per cent of commercial farmland has been achieved. The trend is one of gradual and partial deracialisation of commercial agriculture.

With continued concentration, farms are now very large and the number of commercial farms has halved to 20 000 from 40 000 in 2016. Black South Africans own about half of the land in the commercial farming sector. Many other black farmers operate small to medium-size enterprises. More than 50 per cent of forestry and sugar cane production is controlled by communal property associations and trusts. Communal areas remain neglected, although some community-private partnerships have taken off in areas with high cropping or livestock production potential.

Commercial partnerships and shareholding take centre stage on rural land. But with over 70 per cent of the population living in or near cities the state has its attention firmly fixed on the immediate needs of the urban areas. A young generation is growing up hungry, landless and marginalised on urban fringes, tantalisingly close to wealth, and adjacent to very large commercial farms in rural areas.

In 2030 the phrase 'land reform' is rarely used by government. For many South Africans, however, the 'land question' has not been finally resolved. There are signs of discord as some realise that land reform has given them a raw deal and that household food insecurity has not been overcome for the poor. Will pockets of persistent demand erupt into conflict?



“ Commercial partnerships and shareholding take centre stage on rural land. But with over 70 per cent of the population living in or near cities the state has its attention firmly fixed on the immediate needs of the urban areas. ”

3



SCENARIO 3: OCCUPATION & CONFISCATION

This is a story about the deepening of hardship and hunger, which creates impetus for the growth of landless people's movements and drives land reform from below. A countrywide campaign of land invasion and occupation moves the land reform agenda in a populist direction and destabilises the political landscape. Ultimately the Constitution is amended to allow for the confiscation of land without compensation, which has a major impact on investment and commercial farming.

3

“IZWE LETHU – IT’S OUR LAND, TAKE IT BACK”

It is 2016 and South African society is politically volatile. Racial inequality is rife with people living in vastly different social and economic conditions. The majority experience poverty and insecure employment or unemployment, especially the youth who face dismally low prospects owing to their poor education. In contrast, the growing middle class and the wealthy maintain their standard of living.

The economy is growing at a sluggish 1 per cent, well below the 5 per cent required to address the 25 per cent unemployment rate. Low growth is aggravated by the severe drought gripping most northern and eastern parts of the country. Falling tax revenues threaten public spending on state programmes such as education and health. The social grant system, the main safety net for the poor, is under strain.

There is much debate about the centrality of land reform in addressing inequality, but few meaningful policies are in place. It is uncertain how land reform will be funded amidst competing priorities. As people seek better livelihoods, the idea of land occupation is spreading: ‘#LandMustFall’ is already trending. Political parties that

support land redistribution without compensation latch on to this groundswell and some young people invade properties in rural and peri-urban areas. They are forcefully evicted through the courts.

Meanwhile, rising food prices dominate the media headlines and conversations. Urban and rural poor, already vulnerable, are facing serious hunger, as a number of country-wide studies indicate. The government criticises commercial farmers for profiting from high food prices. Commercial farmers accuse the retail sector for squeezing them and hiking the price of food after it leaves the farm gate. The retail sector blames the state for trying to interfere. Many simply blame climate change.

2019-2029

The 2019 national elections take place in the midst of a national debate about food security. However, few political parties understand the root causes of food insecurity, nor do they propose viable solutions. The ruling party holds on to power, but achieves an outright majority in only six of the nine provinces. South Africa has a new president.

“There is much debate about the centrality of land reform in addressing inequality, but few meaningful policies are in place. It is uncertain how land reform will be funded amidst competing priorities. As people seek better livelihoods, the idea of land occupation is spreading.”



In 2020, as South Africa commemorates 30 years since the release of Nelson Mandela, there is loud dismay at the slow pace of land reform. Activists cite the latest research showing that patterns of land ownership have changed little between 1990 and 2020 and that a small number of white farmers dominate food production. Land policy is failing to place productive and well-located land into waiting hands, partly because the budget for land reform remains at less than 1 per cent of the total national budget. The price of commercial farmland is soaring, due mainly to the demand for food production. There is a drive towards self-sufficiency, supported by mobilisation through '#FarmersMustFall' and '#WeCanFeedOurselves'.

As the economy continues to struggle, unemployment rises to 40 per cent of the working age population, its highest level since 1994. This continues to put pressure on public spending. The sense of crisis is deepened by a government announcement that social grants will not be increased because this is unaffordable.

Many different groups of people want land for a wide variety of purposes: market-oriented black farmers are keen to enlarge the scale of their enterprises, former farm workers want small plots to grow food for themselves, and people in certain communal areas want land in the face of population pressure. Some have either had their restitution claims rejected or are still awaiting the outcome of their claims. With an eye on productive neighbouring farms, they dismiss government's promises to improve livelihoods in the former homelands as "an attempt to keep us quiet. We want to go to where we were before. That is our land."

The drive to act is fuelled by youthful agitators who are social media savvy and take advantage of free internet access being rolled out by leading technology companies. Although there is no 'landless people's movement' as such, they play a strong role in connecting what might otherwise appear to be random acts across the countryside. Under the banner of "Land! Food! Jobs!" the invasion and occupation of land in urban and peri-urban areas spills into the countryside. These local spontaneous actions snowball into a concerted land invasion campaign marked by property damage and violent confrontation with security forces.

Some of the occupiers are land claimants; others cannot lay claims on the basis of historical dispossession, but believe they deserve to own their own land. Some former farm workers and migrants from rural areas who occupy peri-urban farms see small-scale farming as a strategy that can supplement urban employment. Empty plots of private land within the cities are occupied by the urban poor.

In the face of growing hunger, some occupiers target unused farmland and immediately start preparing the soil for planting as they take on the role of 'guerrilla farmers'. Existing production systems are severely disrupted. Spade in one hand and mobile device in the other; a young guerrilla farmer boasts that she has a Twitter following of 40 000 and links the struggle for land with other struggles such as quality education and jobs.

The state clamps down on occupiers in order to protect property rights. The world sees images of police and private security personnel breaking down shacks, destroying

SCENARIO 3: OCCUPATION & CONFISCATION

vegetable gardens and beating people. Observers suggest that these images are reminiscent of apartheid era policing and the Marikana massacre. Invaders are subject to harassment and the clampdown extends to residents of nearby informal settlements who fall victim to security force harassment and thieves alike. Despite widespread denunciation by politicians, business media and international investors, sporadic occupations continue across the country.

2022

The fact that people have taken land reform into their own hands triggers soul searching within the ruling party. At its 2022 national policy conference, many delegates invoke the land clause of the Freedom Charter, which seems as relevant now as it ever was. Nelson Mandela's conciliatory strategies are denounced and sympathy is voiced with Robert Mugabe's legalisation of land occupations in Zimbabwe in the early 2000s. Reviewing post-colonial struggles across Africa, there is growing consensus in the ruling party that inherited colonial structures must be 'forcibly destroyed' in order to enable transformation. Proponents of this view cite several examples across the continent where the fruits of such actions are now starting to be realised, including the agricultural sector in Zimbabwe.

The stage is set for a dramatic reconfiguration of the constitutional framework for land reform. The ruling party and smaller parties to the left harness their collective power in an extraordinary sitting of Parliament to amend the property clause in the Constitution and vote to legalise the confiscation of land without compensation.

From now on only compensation for improvements on the farms will be paid. The parliamentary debate also leads to a decision to scrap targets originating from the 2013 National Development Plan (NDP), on the basis that these pursued a 'neo-liberal agenda'. A new redistribution target of 80 per cent of commercial farmland within five years is adopted.

The next day, a newspaper opinion piece suggests that the constitutional amendment has allowed the state to bypass the onerous and unaffordable trajectory of land reform that it was following, and avoid anarchy.

The business community in South Africa is in uproar. There is a further devaluation of an already weak rand. Foreign direct investment in South Africa plunges. Rating agencies demote the country's bonds to junk status and capital flight intensifies.

Large commercial farmers attempt to sue the state in a series of high profile court cases. There is a rise in violent crime including farm killings of both white and black commercial farmers. Many farmers begin to emigrate to countries north of the Limpopo River. They take with them skills and capital to set up operations in countries that create more favourable and secure environments in which to live and work. Leaders of several African countries indicate that they can accommodate at least some of the farmers.

In the midst of an economic meltdown, the government initiates negotiations with its BRICS counterparts to seek alternative sources of investment in agriculture. There is talk of a fundamentally revised tenure

“The fact that people have taken land reform into their own hands triggers soul searching within the ruling party. At its 2022 national policy conference, many delegates invoke the land clause of the Freedom Charter, which seems as relevant now as it ever was.”



system based on state leasehold and an alternative land registration process. Rumour has it that these negotiations started a long time ago and that land confiscation was a temporary and convenient move, riding on the back of an inevitable increase in land invasions.

The landless people's movement starts organising around the notion of food sovereignty. The Latin American food sovereignty movement Via Campesina and other global peasant movements begin to support radical agrarian reform and small-scale, self-organised farming in South Africa.

In the meantime, overall levels of agricultural production have plummeted and agriculture infrastructure has all but collapsed. Hundreds of thousands of farm occupiers as well as many of the urban poor do not know where their next meal will come from. The urgent need to rejuvenate national

food production is widely acknowledged within the movement and more broadly.

On the swathes of land that have been forcibly occupied, the situation is mixed. On some farms production is virtually at subsistence levels, whereas on others a sizeable surplus is marketed. On a few farms the productivity of small-scale producers is as high as that of large-scale commercial producers. Their potential is clear, but there is a long way to go before the agricultural sector achieves the levels of output seen in the mid-2000s. Overall there is increasing reliance on expensive imported food.

The swelling of the landless people's movement triggers changes in the country's political landscape. In the 2029 elections, left-wing opposition parties claim credit for transforming the system of land ownership and effect a shock defeat of the ruling party. South Africa has new political leadership for the first time since the advent of democracy in 1994.

SCENARIO 3: OCCUPATION & CONFISCATION

The situation in 2030

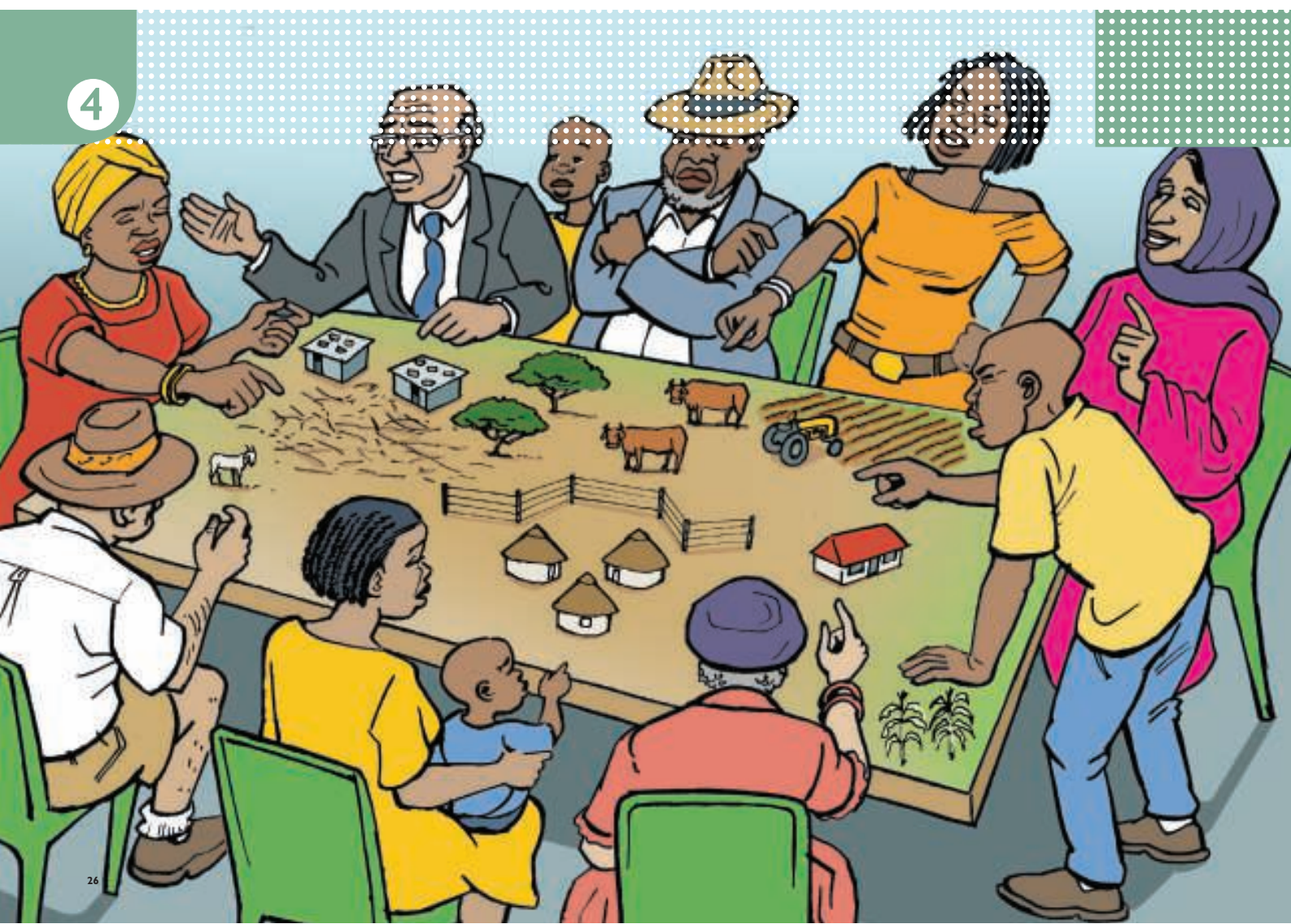
The land reform system is dramatically altered from what it was in 2016. The new government has to confront a radically changed agrarian structure, with 60 per cent of commercial farmland now in the hands of black South Africans.

The country lacks a clear constitutional framework for dealing with land. There is an urgent need for new agriculture and land reform policies, but the political leadership comprises members of a variety of left-wing groupings with diverse views on land and agriculture that have to be reconciled.

The people have taken land reform into their own hands and have made a new beginning, but the future is uncertain.

“ The landless people’s movement starts organising around the notion of food sovereignty. ”





SCENARIO 4: HARD BARGAINING & COMPROMISE

This is a story about an inclusive approach to land reform with a pro-poor orientation. Policy makers create an enabling environment in which a wide range of actors can contribute to land reform, based on multiple forms of ownership, tenure, land use and scale of operations. Over time, hard talk, concessions and compromises enable small-scale farmers, land reform beneficiaries, civil society organisations, financing partners and others to play active and collaborative roles, and the state moves towards a facilitative and coordinating function. By 2030 pockets of success are apparent and the state reaps the benefits of pro-poor inclusivity. Nevertheless, food security remains fragile.

“THIS LAND IS YOUR LAND; THIS LAND IS MY LAND”

It is 2016 and land reform in South Africa is increasingly fraught. There is consternation over the lack of productivity on land transferred through restitution and redistribution, food prices are rising in the context of a depreciating rand, and a dry weather cycle is causing the worst drought in 20 years. Tensions run high between the many interest groups involved in land reform as pressure builds to achieve the National Development Plan target to transfer 20 per cent of commercially viable land by 2030. Sixty-five per cent of young adults under 25 are unemployed.

In the 2016 local government elections the ruling party's poor showing in metropolitan municipalities marks a turning point for the former liberation movement. This coincides with rolling urban protests against the costs of education, health care, public transport and food. In some areas these are led by branch members of the ruling party. In others, they are led by student activists on university campuses. Urban voter disaffection distracts attention from the extensive set of rural land reform policies being moved through the consultation and promulgation process.

2017

By mid-2017, the economy is grinding along at 1 per cent growth. Inflation is edging towards 10 per cent and the rand is volatile, swinging between R18 and R20 to the US dollar. In this tight fiscal context the National Treasury cuts the Department of Rural Development and Land Reform's budget.

There is an air of urgency at the ruling party's December 2017 national conference, particularly about how to recapture the urban vote and retain the loyalty of its rural voters. A group of younger leaders emerges, critical of mistakes they feel the previous generation of leaders have made in recent years. They warn about making promises that cannot be kept, including about land reform. At a press conference immediately after the conference, the newly elected president of the ruling party announces that South Africa is on an unsustainable path to land reform and expresses commitment to a pragmatic and inclusive approach that aims for more effective land distribution in both urban and rural contexts.

“The clear message is that patterns of landholding will have to change in the interests of redressing historical legacies, but without crippling commercial agriculture or placing unrealistic demands on a strained fiscus.”

4



2019

Despite this sentiment, the ruling party suffers further losses in the 2019 national election and is supported by only 57 per cent of voters. It is still in control, but is sensitive to the risk that it may lose the election in 2024 unless it makes dramatic changes. The new president gathers a group of young advisors. They work closely with recently recruited professional bureaucrats who maintain a clear boundary between their work and that of the politicians. The Department of Rural Development and Land Reform leadership launches a major staff training programme coupled with tighter management of staff performance. 'Building capacity for land reform' becomes its watchword.

The new Minister of Rural Development and Land Reform affirms her support for her department's mission to "initiate, facilitate, catalyse, coordinate and implement an integrated agrarian reform programme". In her first speech she identifies subdivision of land as a priority catalyst and political analysts count her use of the word 'partnership' no fewer than 17 times.

The second period for restitution claims closes weeks after the elections and much is made of the fact that the 400 000 new claims will be speedily addressed by a revitalised and autonomous Commission on Restitution of Land Rights.

However, the full extent of the land re-form predicament soon becomes apparent. Restitution and redistribution will cost the fiscus R180 billion against an annual budget of R7.5 billion. This excludes complex claims not yet

finalised from the first round. The policy of imposing ceilings on farm size will require a further R100 billion.

The state sets out to unclutter the policy agenda. It moves swiftly to replace foreign ownership of agricultural land with long-term lease agreements, and implements the AgriBEE Sector Code. Freehold land that is underused or lying fallow will be subject to extra taxation. The clear message is that patterns of landholding will have to change in the interests of redressing historical legacies, but without crippling commercial agriculture or placing unrealistic demands on a strained fiscus. Meanwhile, the Department of Human Settlements renews its efforts to address urban spatial apartheid legacies through setting new targets for establishing mixed income housing estates. It sets up a commission to review the bureaucratic processes that impede the issue of title deeds for low-income housing, and to improve the efficiency of the Deeds Registry.

The government retracts its policy on ceilings for farm sizes. Work starts on the development of a range of incentives to encourage private landowners, financiers, NGOs, local communities, universities, input supply companies and retailers to respond constructively and collaboratively to the land reform challenges.

2020-2024

Over the next five years a range of new land reform strategies are piloted in cities and small towns, on agricultural land, and in growing urban settlements located in former homelands. The state adopts a 'social compact' approach to its engagement with prospective beneficiaries.

SCENARIO 4: HARD BARGAINING & COMPROMISE

From 2020, South Africa's economic growth rate starts rising on the back of growth in the US and recovery in China. A pact between labour, government and business, forged after the 2019 election, shows positive signs of bolstering the resilience of the South African economy. By 2022, the growth rate is at 2.5 per cent and resources start to flow towards land reform. For the first time in eight years, the Department of Rural Development and Land Reform is allocated a larger budget than the previous financial year.

This seems to end a hiatus in land restitution. Amidst growing pressure, the Commission asks for patience while it finalises all the claims from the first claims period and prepares to unveil a 'practical' strategy for the newer claims. In 2022, the government announces it will follow the lead of the urban restitution programme and apply a 'standard settlement offer' for the overwhelming majority of claimants who want cash settlements. It comprises part cash settlement and part access to housing benefits per legitimate claimant. The remaining claimants will have to wait for restoration of their land.

In urban South Africa, there is a major drive to transfer ownership of land and housing. The Department of Human Settlements challenges the finance sector to address 'gap market' opportunities for township dwellers who aspire to move to the suburbs and earn too much to qualify for a housing subsidy, but too little to qualify for a home loan. A subsidised financial instrument for low-income aspiring homeowners is launched by the five major banks in partnership with the Department of Human Settlements. Vacant land close to the suburbs is targeted for mixed income housing estates. Driven by

the state to serve an emerging middle class, the initiative is funded by the private sector; which tops up housing subsidies for low-income units. Most rural migrants do not qualify for the scheme; instead they continue to experience insecure land tenure in informal settlements on the periphery of major cities.

In rural areas, farmland is actively acquired by the state through expropriation and by offering 'just and equitable' compensation at typically 20 per cent less than market value. Many of these farms are subdivided to encourage smaller scale farming. White commercial farmers who choose to sell their land rather than risk land invasion, retire or seek greener pastures elsewhere. Land belonging to the top 20 per cent of producers is ring-fenced to protect agricultural productivity.

There is a fierce debate about leasehold arrangements on land acquired through land reform and held by the state. Some argue that this enables government to reverse the historical advantages of the white minority and to prevent failed land reform farms being sold back to whites. Others insist that the state's persistence with short-term leasehold deprives new commercial farmers of the collateral they need to invest in inputs and infrastructure. Still others are concerned about the state being exposed to risk from failed land reform farms.

The Department of Rural Development and Land Reform is increasingly aligned with the Department of Agriculture, Forestry and Fisheries as it invests in opening up access to the agricultural value chain to link farmers to agro-processing operations.

“A pact between labour, government and business, forged after the 2019 election, shows positive signs of bolstering the resilience of the South African economy. By 2022, the growth rate is at 2.5 per cent and resources start to flow towards land reform.”



“The state adopts a more facilitative and co-ordinating role to support small-scale operators, regulate competition and maintain infrastructure.”



The 2024 elections return the ruling party to power; reversing some of the previous urban losses. Election commentators suggest that the party has received a renewed 'license to govern' on the back of recent signs of progress.

Planning is still mired in conflict between municipal and traditional authorities. While the implementation of the Spatial Planning and Land Use and Management Act has been patchy since 2015, it has started to shift attention to inclusivity, access and local economic development. This catches a global wind of change in support of small-scale production and the localisation of food supply chains. Small-scale farmer movements in Latin America and India have reached critical mass and are championing the spread of successful practices.

The state broadens its support beyond medium- and large-scale black commercial farmers to small-scale farmers. It drives growth in viable small-scale farming through a range of rewards and penalties. For example, it incentivises agri-business and commercial farmers to bring smallholders into high value supply chains, while exerting strict controls on the terms and conditions offered to smallholders. As the space for innovation grows, multiple financing mechanisms become available for small land holders. These include government grants, effective funding schemes from development finance institutions, and preferential procurement policies pioneered by certain retailers.

2025

By 2025 the gap between small-scale and commercial farming narrows, with 5 000 more black small-scale farmers entering formal supply chains. Research shows that 150 000 continue to supply informal markets, which are supported by local municipalities.

District land reform committees become more effective. They identify land for redistribution, monitor compliance of commercial farmers with AgriBEE, and locate farmworker eviction hotspots.

Despite these gains, the productivity of the whole agricultural sector falters during this time of change. This is exacerbated by the increasing unreliability of rainfall in some areas, which places dryland agriculture under extreme pressure. Maize production is seriously affected and food prices rise sharply. As more small-scale producers enter supply chains, the quality of fresh produce declines somewhat.

Following a ten-year slump, there is a rising demand for commodities, and agricultural commodity prices increase. Farmers with export commodities gain, but the weak rand puts those with imported inputs under pressure, forcing them to mechanise and pursue production on a larger scale. The commercial farming sector becomes more concentrated.

Informal land tenure in communal areas, on farms and in backyard shacks remains a thorn in the side of planners. At a procedural level, the *Bakgatla Ba Kgafela* Constitutional Court judgement creates a precedent

SCENARIO 4: HARD BARGAINING & COMPROMISE

for the state to support choices made by individual communities about the tenure solutions that will work best in their context. In some areas this ushers in a version of what some call 'living customary law'. However, entrepreneurs in communal areas who seek to use land rights as collateral for loans continue to be turned away by the banks.

On the back of continued global growth, South Africa's economic growth rate moves up to 3.5 per cent. Rising optimism amongst South Africans is visible in their renewed engagement with each other. There is a greater sense that opportunities and challenges are shared and can be addressed.

2029

By 2029, the South African landscape is starting to show signs of change. There is a greater diversity of land holding arrangements and land uses. Planning and zoning at the municipal level encourages mixed land use. Different scales of agricultural production are evident on land in urban, peri-urban and rural areas.

The state adopts a more facilitative and co-ordinating role to support small-scale operators, regulate competition and maintain infrastructure. It leaves the informal sector alone, such as the bakkie trade in fresh produce and the supply of goats for ritual slaughter, which tend to thrive in a low regulation environment. There are isolated cases of proactive municipal support such as providing open spaces for weekly market days.

The situation in 2030

By 2030 there is growing plurality in the South African countryside. Land rights are clearer and partnerships are developing to include small landholders, commercial farmers and active citizens. Forty per cent of agricultural land outside the former homelands is black-owned. While a variety of value chains are developing, food security remains fragile at both national and household levels, presenting a threat to a state that is otherwise reaping the benefits of pro-poor inclusivity. Will the pockets of success apparent by 2030 become mainstream in the next decade and will they create the basis for improved food security?

The stage is set to tackle the intractable issues of security of tenure for farmworkers and backyard shack dwellers, the proliferation of informal settlements, securing land rights, and promoting development on communal land.

“The stage is set to tackle the intractable issues of security of tenure for farmworkers and backyard shack dwellers, the proliferation of informal settlements, securing land rights, and promoting development on communal land.”



GLOSSARY OF TERMS

Many of the terms in land reform are contested. Here we provide a brief description of how they are used in this booklet.

AgrIBEE scorecard: Broad-Based Black Economic Empowerment (BBBEE) was introduced to empower South African black people who were previously marginalised from participating in the economy during the apartheid regime. AgriBEE aims to facilitate BBBEE in the agricultural sector by implementing a sector code of good practice, which measures seven elements to assess the inclusion of black South Africans in qualifying enterprises throughout the agricultural value chain.

BRICS: Acronym for a group of five major emerging economies, which includes Brazil, Russia, India, China and South Africa.

Commercial farmer: Farming for a profit (rather than consumption).

Small-scale farmer/smallholder: This is a contested term and various definitions abound.

The term 'smallholder' is a generic term with numerous definitions and applications. Smallholder production spans a range of different tenure settings. Definitions are typically located within the continuum that characterises small-scale agricultural production. At one end of the continuum are people whose agricultural activities make a small contribution to household livelihoods through improved food security and livestock asset holdings. The extent of this contribution may vary substantially from season to season. At the other end of the continuum are producers whose range of farming activities generate a significant surplus, which allows for reinvestment and capital accumulation. This may result in the expansion or diversification of their agricultural production and household livelihood activities.

Communal land: In law this land comprises the former homeland areas which combine land identified in the Schedule of the 1913 Land Act, and land added in terms of the 1936 Land and Trust Act and subsequent processes of homeland consolidation. People living in communal areas are in a legal vacuum following the striking down of the Communal Land Rights Act by the Constitutional Court in 2010. Communal areas are owned by the state and land administration by traditional councils remains deeply contested. In many areas there has been a complete breakdown of land administration systems.

Communal property association (CPA) and communal property institution (CPI): Communal property associations along with legal trusts tend to be grouped under the term communal property institutions. These are the corporate structures that allow property previously owned by the state or privately to be transferred in freehold title to a group of beneficiaries.

Development finance institutions: Alternative financial institutions, which include microfinance institutions, community development finance institutions and revolving loan funds.

Ecological connectedness: The extent to which a person identifies with nature as an element of their sense of self.

Expropriation: To deprive a person (owner) of their property for public use. Section 25 of South Africa's Constitution allows for property to be taken away from its owner to achieve land reform or some other public interest or purpose (such as building a road or dam). The same section also allows that expropriation may not happen without 'just and equitable' compensation.

Farmworker equity scheme: Farm equity schemes use state funding to enable qualifying farm workers to gain an equity share and an increased role in the management of the farming enterprise on the property where they are employed in order to further the objectives of land reform.

Food security: The World Food Summit of 2009 defined food security as existing 'when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life. The four pillars of food security are availability, access, utilisation and stability. The nutritional dimension is integral to the concept of food security.'

Food sovereignty: As defined in 1996 by the Via Campesina, an international peasant farming movement, food sovereignty is the 'right of peoples to healthy and culturally appropriate food produced through ecologically sound and sustainable methods, and their right to define their own food and agriculture systems.'

Guerilla farming: The act of farming on land that the farmer or farmers do not have the legal right to utilise.

Just and equitable: Section 25 of the South African Constitution allows the state to expropriate land for the purpose of land reform or public purpose or interest, but that the owner of the property must receive just and equitable compensation. This is defined as an 'equitable balance between the public interest and the interests of those affected'.

Land claims: A land claim is a written request made by a person, a direct descendant of a person, an estate, or a community for the return of land, rights in land or other equitable redress that has been lodged with the Commission on Restitution of Land Rights in the prescribed manner.

Land tenure: Land tenure is the name given, particularly in common law systems, to the legal regime in which land is owned or accessed by an individual, who is said to 'hold' the land. Land tenure reform is the process of moving from less to more secure forms of land tenure.

Land reform: Land reform is the changing of laws, policy or regulation regarding land ownership, often transferring rights of ownership from the more to less powerful via government initiated programmes. It consists of land restitution, land redistribution and land tenure reform.

Land restitution: For much of the 20th century, racially discriminatory laws and policies around land ownership and use in South Africa resulted in extensive dispossession, severe inequality and segregation. Land restitution is the process by which communities who can show that they or their families were dispossessed of their land after the June 1913 Land Act can seek restoration, the award of alternative land or financial compensation.

Land redistribution: The process by which black South Africans are helped by the government to purchase land from white land owners for the purposes of land reform.

Land rentals (in relation to the State Land Lease and Disposal Policy 2013): A policy published in July 2013 supersedes all previous policies on leasing property from the Department of Rural Development and Land Reform and states that beneficiaries of land redistribution can lease land from the state. The state purchases farms from willing sellers, and beneficiaries are able to lease the farms on 30-year leases, renewable for a further 20 years. After 50 years of leasing, the beneficiaries are able to apply for the right to purchase the farm.

National Development Plan (NDP): The government's National Development Plan identifies the role different sectors of society need to play in reaching the goal of eliminating poverty and reducing inequality by 2030. According to the plan, South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and by promoting leadership and partnerships throughout society.

Self-sufficiency: The state of not requiring any aid or support for survival. The term is usually applied to varieties of sustainable living in which nothing is consumed outside of what is produced by the self-sufficient individuals.

Social compact: An implicit agreement among the members of a society to cooperate for social benefits.

Traditional councils: Institutions recognised by the Constitution that replace the pre-apartheid tribal authorities. Traditional councils administer the affairs of the traditional community. A traditional community is subject to traditional leadership and observes customary laws (customs and usages traditionally observed by the indigenous peoples of South Africa). Legislation governing the functions and powers of traditional councils varies province by province.

Tribal claims: A land restitution claim made by a community of people on tribal grounds in line with the right enshrined in the Constitution of the Republic of South Africa that provides for the 'restitution of property or equitable redress to a person or community dispossessed of property after 19th June 1913 as a result of past racially discriminatory laws or practice.'



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