### LAND REFORM 'THINK-TANK' MEETING, PRETORIA, 1-2 MARCH 2003

# FOLLOW-UP DISCUSSIONS ON LAND REFORM IN SOUTH AFRICA: A REPORT ON PROSPECTS FOR DIALOGUE

19 August 2003

## **Background to this Report**

In March 2003 a group of land reform practitioners and researchers who have been engaging with each other in different projects and forums met informally to discuss the state of land reform in southern Africa. The meeting was motivated by a common concern to understand better the various problems besetting land reform in different countries in the region, and to explore ideas about constructive ways forward. From this discussion came a report, 'Seeking Ways out of the Impasse on Land Reform in Southern Africa,' which has been circulated for comment to various stakeholders and posted on two websites. The report has received some attention from the media and has been successful in generating a degree of debate about what it describes as, at best, the 'impasse', at worst, the severe crisis that characterises the attempts by different governments to deal with their countries' deep-seated land problems and inequities.

Following on from this, in late June 2003 a number of participants from the 'think-tank' workshop held a series of discussions with various stakeholders in South Africa, to get feedback on the report and to identify their views, again with a desire to encourage debate and to contribute to the building of greater consensus on the importance of meaningful, sustainable land reform in this country.

This document presents a summary of these discussions, as a further contribution to the process of stimulating debate and encouraging dialogue about the way forward. Certainly the spirit of the June meetings – lively, open, engaged – was enormously encouraging about the prospects for serious debate, notwithstanding the very different points of view on what equitable and sustainable land reform means in different constituencies.

## Who was involved in the follow-up discussions?

It needs to be stressed that these follow-up discussions were open-ended and exploratory, and that everyone around the table participated as informed individuals rather than formally mandated representatives of their respective organisations. The organisations that were engaged with in this way were (in alphabetical order):

Agri-SA; Commission on Restitution of Land Rights; Congress of South African Trade Unions (COSATU); Department for International Development, Southern Africa (DFID); Department of Land Affairs; Food and Agricultural Organisation (FAO); Human Sciences Research Council (HSRC); Land Access Movement of South Africa (LAMOSA); Land for Peace; MK Veteran's Association; National Land Committee (NLC); Nkuzi Development Association; the Norwegian Embassy; Oxfam-GB.

Unfortunately, given the informality of the 'think-tank' process, as well as the limitations of time and budget, it was not possible to meet with all stakeholders and interested groups during this first round. It is hoped that further opportunities for broader discussion and debate will unfold.

### **Areas of agreement**

When the issues are formulated as broad generalities (rather than detailed policy prescriptions), it is possible to identify areas of agreement on a range of issues among all the parties involved in the discussions. Without wanting to force a premature or false sense of consensus, we were encouraged by the evidence of common ground we found. There was general acceptance that:

- The pace of land reform is still too slow (although government officials tend to feel that insufficient credit is given for what has been achieved under difficult conditions to date);
- o Popular frustration with the pace of land reform is mounting, especially in the wake of developments in Zimbabwe, and this is destabilising, both politically and economically;
- o Commercial agriculture must be deracialised as a matter of some urgency;
- Poverty is a serious problem and improving the livelihoods of the poor must be a major focus of government policy;
- o The share of the national budget allocated to land reform is inadequate;
- O State capacity to implement land reform needs a major boost;
- O State support for land reform projects after land has been transferred to beneficiaries also needs to be strengthened, across different levels and sectors of government;
- o There are problems with loans to emergent farmers in the LRAD programme, with worrying signs that numbers of beneficiaries cannot meet their interest payments on time;
- o For land reform to meet its objectives, systematic programmes and procedures are essential it cannot be conducted in an *ad hoc* manner;
- o Dialogue between stakeholders is better than confrontation and all stakeholders can do more to encourage debate and engage more deeply with contending points of view;
- o Interaction between stakeholders at the local level, particularly in practical projects, can be especially productive;
- o More can and should be done to publicise success stories at the local level;
- o More creative thinking is needed, both within and without government, to develop alternative models and mechanisms for land reform.

There was also strong interest in the idea of a national conference or summit on land reform, to chart the way forward, although there were fears that without careful preparation and strong facilitation, such an event could achieve very little and even polarise the situation still more.

## Areas of disagreement

When it came to policy options, significant differences emerged, particularly between informants in the commercial agriculture sector and those in NGOs in favour of radical changes to the current land dispensation to benefit the poor and landless. Important areas of difference include:

- o The relative importance of the commercial agricultural sector to the national economy, now and in the future, and the need to maintain it as a strong economic sector;
- The relative importance of the commercial agriculture sector for food security (not only in South Africa but in the region);
- o The relative importance of land reform, land redistribution in particular, for boosting rural livelihoods and reducing poverty;
- o The role of the market in land reform an impediment or an important force to harness?
- o The cost to the state of buying out white commercial farmers in terms of the "willing seller/willing buyer" paradigm.

Some of the key differences concern the mechanisms by which land reform is to achieve its objectives, rather than the broader goals themselves. Important issues here include:

- The legitimacy and utility of land invasions and direct action as a means of forcing the pace of land reform and the allocation of more state resources by government - most NGO and trade union representatives either support or are prepared to condone such activities, which are anothema to farmers and also an issue of concern to government;
- o The usefulness of land expropriation of (white) commercial farmland as a tool.

Interestingly, expropriation did not emerge in these discussions as an absolute point of difference, although the issue generated considerable heat. Representatives of organised commercial agriculture acknowledged that there might be cases where expropriation of land is appropriate or necessary, but felt strongly that it should be a last rather than a preferred option. They conceded that many farmers are ill-informed about the process and think, erroneously, that expropriation will mean confiscation of their land, without compensation. Nevertheless they are concerned that widespread state expropriation will distort the land market and send negative signals to potential investors and farmers; they are also sceptical about the ability of the state to deliver land to beneficiaries more cheaply or efficiently through expropriation than at present. Government officials shared some of these concerns. NGO representatives, on the other hand, feel equally strongly that expropriation is essential if the state is to meet its targets and, more importantly, address popular frustrations at the slow pace and inadequate returns of land reform. They maintain that 'the market' is not a neutral force and that the high cost of buying land from willing sellers through the market is holding the land reform programme to ransom.

Significantly different views were also evident on the emotive issue of developments in Zimbabwe and how to analyse the underlying issues as well as the allocation of responsibilities for the problems there. However, even on this issue it is possible to see some common concerns. Observers across the spectrum are sobered by the evidence of economic disintegration and political violence, and agree that steps must be taken to avoid a similar situation in South Africa.

### **Areas for constructive debate**

These discussions have identified a number of areas where a process of structured, focused debate among the different stakeholders could be very constructive. Issues for further exploration include: What is an acceptable pace for land reform? What are attainable targets for government? What is the most appropriate mix between large-scale and small-scale agriculture and between agriculture and other land uses? When is expropriation necessary and what are the considerations around compensation? How far can land redistribution go in addressing poverty? How can under-utilised land (private, state, church) be identified and used more productively?

We would like to explore ways of taking these and related issues forward. If you are interested, the following people can be contacted in their personal capacity:

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<sup>&</sup>lt;sup>1</sup> Informal 'Think-Tank': 'Seeking Ways out of the Impasse on Land Reform in Southern Africa: Notes from an Informal 'Think-Tank' Meeting', Manhattan Hotel, Pretoria, 1-2 March 2003. The Report is available on the following web-sites: www.sarpn.org.za, www.oxfam.org.uk/landrights/impasse.doc.