

'New' agrarian reform proposals and accumulation in South African agriculture

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Political and social dilemmas under power-sharing agreement in 1994

- Widespread promises to highly politicised black population anxious for qualitative social change: poverty eradication, full employment, redistribution of resources, social integration and protection of human rights;**
- Market liberalisation to attract greater investment, high-value export agriculture, structural adjustment and streamlining the state budget seen as the key to modernizing the economy**
- Constitutional protection of private property but redistribute land to black rural population**

Land division 18 years after apartheid

17% of rural land is held by 16-18 million black farming households (4 million households), mostly as 'trust' land set up under apartheid.

Nearly 80% owned by 35 000 – 39 000 white commercial farmers – but owning almost same percentage: suggests concentration in larger units

Only 7% redistributed through land reform but nearly half of that “leaked back” to previous white owners - resale

- **Commercial agriculture shapes and dominates agrarian economy overall: highly centralised with a handful of large conglomerates, either reorganised central cooperatives or agribusinesses, upstream operations with an interest in other sectors of the economy.**

Streamlining commercial agriculture

- Land consolidation measures began in 1980s;
- De-regulation;
- State subsidies to white farmers gradually reduced, weeding out less productive farmers
- Fewer (large) commercial farms,
- More finance capital pumped into agribusiness
- Privatisation of development banks
- Price controls on food removed – impact on food security on poor rural and urban households
- Overall effect was to strengthen agribusiness

Market-based state-assisted land reform

- **Redistribution, restitution, tenure reform programmes within land reform, all based on purchase of white-owned commercial farmland at market prices with state assistance; Willing buyer/Willing seller**
- **Maintain both the productive white commercial agricultural sector as it existed and “deracialise” -- expand the number of black commercial farmers within it**

Failed national land reform since 1994

- non-distributive with weak rights to land – difficult to implement; old power structures and social practices in the countryside**
- few new black farmers successfully integrated into commercial sector – capital, support, infrastructure and services, competitive environment – cards stacked against them**

What 'new' development plans?

- The **New Growth Path (NGP)** and 2030 **National Development Plan (NDP 2030)**
 - latest macro-development frameworks in South Africa
 - presented during early phase of Zuma Presidency (2009-2011)
 - promise to “restructure” South Africa’s unequal ‘ownership and production’

What 'new' development plans?

- NDP 2030 is a **20-year** plan developed by the National Planning Commission; NGP shorter horizon (2020?) **under the EDD**
- Both claim to follow in old RDP footsteps
 - **History:** adopted in the 1994 but dumped in 1996 in favour of neoliberal macroeconomic policies

What 'new' development plans?

- **On the surface:** bold commitment to tackle longstanding and big socio-economic challenges in South Africa:
 - **Create JOBS** (*unemployment fluctuates around 25%*);
 - **Reduce POVERTY** (*around 40% and falling?*)
 - **Reduce INEQUALITY** (*from 0.60 GINI to 0.70*)

A roadmap for 'new' land and agrarian landscape?

- NGP& NDP 2030 state 4 major land reform and agrarian change themes:
 - Expand numbers of & support for smallholder farmers (+300,000 by 2020)
 - More farmworkers under better conditions in agriculture (+1 million by 2030)
 - Food security for all
 - "Green economy" initiatives in agriculture
- **BUT:** existing large-scale commercial farmers given a leading role in neoliberal agrarian restructuring today & over the next 2 decades

A roadmap for 'new' land and agrarian landscape?

- **3 channels to 'connect' smallholders** into farming for profit and capital accumulation:
 - in each municipal district with farmland available, established farmers help to identify 20% of land to redistribute through local land market
 - speed up tenure reform in former bantustan areas
 - integration into agro-food value chains under control of large corporations

HARD REALITIES: Concentrated Ownership

- *Farmland ownership* mirrors increasing concentrated ownership in agriculture for profit and capital accumulation
 - *Capital stock at R242 billion & 60% 'farmland' share- 20% fall compared to 2 decades ago*
- Rising share of *new investments in agriculture* poured into machinery and 'ecologically harmful' inputs

HARD REALITIES: Concentrated Ownership

- Who are the *Investors* in dominant agricultural system?
- Farm investment increasingly covered through *commercial bank credit* -- lending to sector that is less able to service and repay debt
- *Reinforces power of finance capital* in agrarian capitalism

Rising food costs: concentration in agro-food value chains

- **Soaring staple food prices push urban and rural poor into food insecurity and hunger: food affordability question**
- **The cost of bread at retail level has been rising twice the upper-band of inflation in the last year -- after the Competition watchdog started to breakup cartels in wheat-bread value chain**
- **Four corporations control SA agro-food processing and are moving into other parts of Africa**

Land concentration: the case of expanding private wildlife production

- Conversions of stock and crop farms to producing wildlife: about $\frac{1}{4}$ of South Africa's commercial farms -- nearly 9000 -- have diversified operations to some form of game ranching or have converted altogether
- About 20.5 million hectares of farmland, or nearly 23% of South Africa's total farmland.

Private wildlife ranching, a particular form of scale

- **major shift in land use**
- **land concentration (ownership, production, distribution)**
- **changes in social relations on the land**
- **compare to 18 year period of land reform & goals of diversification of landholding, rural development**
- **social effect – farm dwellers living and working on white commercial farms (farm dwellers)**
- **conservation vs agriculture and food production**

Forces driving this trend:

- white landowners seeking diversified form of accumulation under conditions of de-regulation, re-regulation in context of greater competition as part of global market (macro pressures), export production**
- growth of agribusiness and concentration of production in larger units**
- concentration of land both a goal and a result**
- land and labour reform**
- conservation and expanding wildlife species**

Displacements and social effects

- Earlier waves of evictions in early 2000's; now farm dwellers pressured to leave:
- jobs end, less access to resources for livelihood strategies;
- landowners destroy houses and other infrastructure to recreate appearance of 'unspoiled wilderness'
- no protection from wild animals,
- some small pay outs; avoid courts & institutions.

Casualisation, loss of land and land rights

Most farm dwellers end up in rural informal settlements and rural townships

In Trophy hunting subsector, most lose their jobs; a few farm workers are retained for skinning, tracking, fence repair;

(See Mkhize 2012 and Brandt 2013)

- **By 'expelling' tenants, owners make rights to land rights very difficult to prove and to implement – rights which are already minimal within land reform**
- **Farm dwellers have little awareness of rights**

Large luxury private game reserves

- Higher (minimum) wages for making beds, kitchen and cleaning work than for farm labour (sectoral determination)- mainly women.**
- Mostly maintenance and security jobs for men, often on casual basis**
- Downturn of luxury tourism market immediately meant retrenchment or part-time work; casualisation**
- Boosts already extremely high rates of unemployment in rural settlements and townships**

Absorption of farm labour by either formal or informal economy is a myth;

Marketing of upscale private wildlife-based tourism and corporate social responsibility programmes instrumentalise notion of community development, with very few initiatives on the ground, often confounded with conservation education

Conclusions

- **Dramatic land consolidation and concentration through merging of farms and scaling up of private wildlife production**
- **Major change in land use: controversy over food production and food security vs large-scale land use for wildlife, largely serving leisure markets**
- **Loss of livelihoods and foothold on land for farm dwellers with few prospects in new situation**
- **Ambivalent and/or contradictory role of state towards private wildlife production reflects broader political dilemmas**

(N.Andrew's research on luxury private game reserves was carried out within the framework of an inter-university project (UCT/UFS/VU) called 'Farmdwellers, the forgotten People? Consequences of conversions to wildlife production in KwaZulu-Natal and the Eastern Cape' and some points in this presentation benefit from collective findings as well as student research within the project.)

General Conclusions

New state agrarian proposals to expand smallholder farming for commercial sector are likely at best to create an artificial enclave within the current framework: accumulation for a few black farmers, but mostly for agribusiness; in its hands, 'restructuring' is a misnomer.

Greater financialisation of sector together with concentration of land, agricultural production and value chains also likely to have negative impact on food accessibility, land redistribution and rural poverty in general; highly unlikely to create jobs and improved prospects for farm workers; tenure reform currently at an impasse and not far-reaching.

A different scenario?

Instead of 'allowing' a very modest number of black commercial smallholders to compete with (and in most instances be squeezed out by) established farmers and/or corporate agriculture, and instead of viewing the rural poor as an obstacle to this highly unequal development, a different approach would be to mobilise them – including those who want to farm on a different basis – to carry out thoroughgoing transformation in their interests together with others dispossessed and disenfranchised by the policies of the past – and present.

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