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Press Release: Land Reform Target

Kwanalu is gratified to note the conclusions of eminent academic and agricultural economist, Prof Johann Kirsten of the University of Pretoria who has just released a paper entitled: **"South Africa has already met its 30% land redistribution target."** (see below).

While it is regrettable that prominent members of the ruling party and its associates continue to advocate for the abolishment of the "willing buyer, willing seller principle", reasoned analysis reveals that this principle and the use of normal market mechanisms have in fact delivered handsomely in transferring previously white owned commercial farm land into the hands of black South Africans.

Kwanalu's own research conducted over the past year by members at grass roots level indicates that a mere modicum of effort by the state in analysing land transfer and ownership patterns would have served the long term interests of our nation rather than a continued falling back on tired and dated rhetoric which serves to undermine the economic and social framework of South Africa. Why is it, we ask, that the state has failed to undertake a meaningful land audit whereas an underfunded and under resourced NGO has been able to provide meaningful and credible data on the pattern of and ownership in KwaZulu-Natal?

What cannot be denied and what is lamentable is the fact that our ruling politicians continue to ignore tangible and unequivocal evidence pointing to the fact that it is not land transfer which is failing the nation but rather the manner in which post transfer developmental and support policies and structures are conceived and implemented (or not!).

So many are the failures of the state in this arena that a continued publication of malpractice, deliberate acts of omission and commission by government officials in the mainstream media barely cause a ripple any longer. Rather than identifying yet another failed land reform project, we refer to another very simple incident to point to bureaucratic incompetence to highlight the lack of commitment and competence that exists - Kwanalu President, Brian Aitken recently travelled some 3 hours to a pre-arranged meeting with the Acting Head of Land Reform in KwaZulu-Natal only to be informed after a lengthy wait that the gentleman concerned had "forgotten" about the meeting and was elsewhere engaged.

Professor Kirsten correctly points to the fact that the real debate should centre on the unlocking of productive and economic potential in rural areas which we all know will lead to a better future for all.

Kwanalu appeals to our political leaders to avoid the red herrings generally bandied about and to meaningfully engage with decent hardworking South Africans who's experiences will highlight the real issues and who's skills and goodwill provide hope for meaningful and sustainable solutions.

Organised Agriculture has and remains standing in the breach - we appeal to our leaders to trust our views, advice and comment.

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South Africa has already met its 30% land redistribution target.

Prof Johann Kirsten

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As the ANC policy conference gets underway this week it is fair to speculate that heated debates about lagging land reform and arguments to radically speed it up will be prevalent. Over the last decade the ANC led government faced considerable critique on the slow pace of land reform. A lot of blame has been put on the various land reform initiatives but also on the willing-buyer willing-seller principle and also on the entrenchment of property rights in our Constitution. This is leading to calls for nationalisation of land, scrapping of the willing-buyer willing-seller principle and also improving the state systems that should implement sustainable land reform. But as Stephen Grootes writes in Business Day on 21 June 2012: “the facts are more complicated than the simple claim that white people own the majority of the land”.

What we really need to do is provide evidence to show that the ANC land reform policy over the last 18 years is delivering the goods. The policy using the market as the foundation and assisted by government programme to assist the disadvantaged can effectively promote land redistribution and also with well-coordinated agricultural policy and support programmes to beneficiaries ensure sustainable land use and food security.

I argue here that this critique on the slow pace of land reform is far too harsh on the ANC. The ruling party should actually be congratulated with the good progress with land transferred from white ownership to land owned by blacks. Evidence suggests that South Africa is actually very close to reaching the target of distributing 30 per cent of the country's agricultural land by 2014. At the speed of current acquisitions by the State through the Pro-active Land Acquisition Programmes (PLAS) and private transactions as well as completion of existing redistribution and restitution projects it is likely that we will reach, if not exceed, the 30% target by 2014. Based on results of a number of studies on private land transactions and the recent land reform and land restitution numbers presented by Minister Gugile Nkwinti in his budget speech of May 2012 it could be argued that in excess of 25% of formerly white owned agricultural land is today already black-owned. Part of this number can be drawn from empirical studies of private and government assisted land transactions but it would have been far easier to confirm had the Department of Rural Development and Land Reform and Department of Agriculture, Fisheries and Forestry not been dragging their heels on implementing a full-scale audit of land ownership for the last 3 years.

How do these numbers add-up? In 1994 South Africa had approximately 82 million hectares of white owned agricultural land. That is when the ANC made the promise to redistribute 30% of this land (24.5 million ha) to the previously disadvantaged by 2014. Up to the end 2009 when the last formal statistics were released by the Department of Rural Development and Land Reform, the government had acquired 6.7 million hectares of that land, which equals approximately 26% of that 24.5 million hectares target. Since 2009 more land has been redistributed through land reform and land restitution programmes which brought the total in May 2012 to 7.95 million hectares. This number does not include the monetary compensation chosen by some land claimants since the Department is still working on translating the amounts paid for financial compensation into hectares. Without taking into account the monetary compensation, the government has redistributed 9.7% of white-owned agricultural land to date.

But these numbers exclude a large volume of private transactions where black individuals – including many of the ANC leaders - have bought farm land from white farmers. These

transactions take place without assistance from the state and are therefore not recorded in the land reform statistics mentioned earlier. Since the deeds register do not classify the owner of the title deed according to his or her race, the actual ownership of land by blacks are difficult to estimate. The only way this can be done is through a complex process of verification of actual ownership and the registered title deed. A number of studies across the country have been done in the absence of a formal land audit and the result from this grass roots verification process make for interesting reading. In most cases the land owned by blacks ranges from 15 to 28% of all privately owned agricultural land in a municipality to as high as 40% in some cases. In Kwazulu-Natal we estimate for example that private owned land makes up only 48.8% of the province and of the 2.4 million hectares of private owned land of which ownership have already been verified and cross checked, a total of 957 000 ha or 39.8% are in the hands of black individuals or communities. If one adds traditional authorities, the Ingonyama Trust area and land owned by the State and its parastatals in Kwazulu-Natal then white owned land makes up only 24% of all land in the province that can currently be verified. These results are similar in provinces such as North West and Mpumalanga. In Mpumalanga the picture is even more dramatic with arable agricultural land formerly owned by white farmers now in the hands of large mining companies (some with black shareholding) making up 7.8% of the total area of the province. What is more important, is that the area under mining covers 13% of the best arable land in the province and is now lost to food production forever.

In essence the argument presented here is that the facts about land ownership are far more complex than are suggested by some of the views expressed in public in recent weeks and months. The ANC should therefore be brave enough to acknowledge that it has already achieved considerable success and that the policy is working despite inefficiencies and high prices paid as a result of wrong valuations and poor information. Minister Nkwinti recently listed a number of steps his Department will take in the year to come to deal with these critical problems. If these are addressed the process of land reform will be completed long before the target date.

We should acknowledge that there are still cases of many farms that were transferred to beneficiaries where farming activity is limited or agricultural production has completely come to a halt. It is therefore important that land and agricultural policies and programmes are argued and debated in tandem to ensure that farm land is protected and secured for food production for a growing and increasingly urban South African population.