



RESEARCH NOTES
AND STATISTICS

Agrarian Relations in Post-Apartheid South Africa: A Communist Viewpoint¹

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MAKING THE STRUGGLE FOR AGRARIAN CHANGE REVOLUTIONARY

The sub-title above is premised on the understanding that we are interested in fundamentally altering the agrarian structure in post-apartheid South Africa in order to serve the interests of the poor and marginalised sections of our society. This imperative continues to be the cornerstone of our struggle for total emancipation and advance towards socialism.

To properly understand the present conjuncture in South Africa, it is necessary to have a sense of her contextual history reflecting the constraints and possibilities imposed and created by those historical conditions.

South Africa is a black country, the majority of its population is black and so is the majority of the workers and the peasants. The bulk of the South African population is the black peasantry, whose land has been expropriated by the white minority. Seven eighths of the land is owned by the whites. Hence the national question in South Africa, which is based upon the agrarian question, lies at the foundation of the revolution in South Africa. (1928 Resolution Adopted by the Communist International)

The quotation above lays bare the naked injustice of land deprivation of the majority indigenous population and the fundamental altering of social, political, and class relations as a result of this perpetual economic subjugation and coercion. The destruction of the livelihood of the African majority was brutal and systematic, spanning decades of territorial intrusion, military aggression, and other forms of coercion to turn them into subservient and docile cheap wage labour to enrich the settler capitalists.

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The periods of oppression of the indigenous population, which later necessitated the inception of revolutionary struggle for liberation, began in the seventeenth century. Colonisation of South Africa began in 1652 with Dutch colonialists subjugating and enslaving, leading to virtual extermination of the Khoisan people in the Cape. The period from 1870 until the end of the nineteenth century was marked by a wave of aggression by the dominant British imperialist expansionism to dominate and conquer the entire sub-continent. Drawing a distinction between Dutch and British colonialism, in his book titled *Fifty Fighting Years: The Communist Party 1921–1971*, Michael Harmel asserts:²

The seventeenth and eighteenth century Dutch penetration was experienced by the Africans mainly as a series of incursions of robber bands intent on seizing land and cattle. Nineteenth century British colonialism was another matter, infinitely more formidable, and intent not only on annexing African land for occupation by British unemployed settlers, but also to destroy the Africans' traditional way of life and 'convert' them – with an army of professional soldiers, missionaries and traders – into docile proletarians, producers and consumers within the capitalist system of the British empire. (Harmel 1987, p. 17)

The systematic exploitation and deprivation of the black majority was enforced by what the historian Solomon Sampie Terreblanche calls the “mining and maize alliance” (Terreblanche 2012, p. 241). This mainly refers to the British and South African government, the Chamber of Mines, as well as the Afrikaner elite (agriculturalists), who contrived a cooperation plan that consolidated the white-power hegemony strong enough to “attack the economic independence of the African tenantry” (*ibid.*).

The resistance by Africans to be turned into cheap labour enslavement and their refusal to conform to imposition of hut tax resulted in wars, leading to the epic battle of Isandlwana and subsequently the Bhambatha rebellion. In the meantime, argues Michael Harmel, the need for cheap labour was met by massive importation of indentured semi-slave labour from outside, especially from Portuguese East Africa (Mozambique) and China. The labour force in 1906 consisted of 94,000 Africans, 51,000 Chinese, and 18,000 whites (Harmel 1987).

The White mine-owners and farmers, desperate for labour, petitioned Parliament to intervene and the result was taxation, pass laws, vagrancy laws, location laws and restriction of ownership of land, all aimed at undermining the independence of black farmers and making them wage labourers. Rural areas were deliberately impoverished through an active and purposeful strategy to under-develop the rural areas so that they should more efficiently serve the needs of capitalist development at the core. (Bundy 1972)

² Michael Harmel, writing under the pseudonym A. Lerumo, was a Central Committee Member of the South African Communist Party.

The destruction of the economic independence of Africans was orchestrated to anchor the envisaged economic boom on cheap and docile labour. Lord Milner commissioned the South African Native Affairs Commission under Godfrey Lagden. The Commission concluded that:

The scarcity of native labour is due first and foremost to the fact that the African native tribes are for the most part primitive peasant communities who possess exceptional facilities for the regular and full supply of their...needs...The African natives are in possession or occupation of large areas of land. No considerable change can reasonably be anticipated in their industrial habits until a great modification of these conditions has been brought about. (Harmel 1987, p. 26)

Proposals recommended by the Commission had the objective of destroying the social system of Africans, and a burgeoning class of African agricultural (petty commodity) producers that arose in the 1800s after the discovery of minerals and was competitive. The need for black cheap labour in both farms and mines, and the growing “facilities for regular supply and full supply of their needs” were destroyed through systematic land dispossession, and numerous and higher taxes to secure cheap labour supply.

While white commercial agriculture is often cited as the main benefactor of discriminatory laws dispossessing black South Africans of their land, with some 60,000 white farmers owning 12 times more land than the 14 million rural poor, almost every sector of the country’s economy, including mining, manufacturing, finance, insurance companies, and strategic public enterprises, greatly benefited from the land alienation policies implemented under colonial and apartheid regimes (Human Rights Watch). In fact, South Africa’s richest companies – including Anglo-American, De Beers, ESCOM, ISCOR, Old Mutual, SANLAM, and Standard Bank – have long histories of wealth accumulation through the disenfranchisement, dispossession, and super-exploitation of the nation’s African citizens (Bond 2007).

Throughout most of the twentieth century (dating back to at least 1932) and up to present day, only a handful of mining companies and finance houses have controlled these most valuable resources, namely, De Beers, Anglo American Corporation (AAC), General Mining Corporation, Anglo Transvaal (Anglovaal), Rand Mines (a subsidiary of SA Mutual, a life insurance firm), Sanlam (also life insurance), Gold Fields of South Africa (GSFA), Genmin, and Johannesburg Consolidated Investment (a subsidiary of AAC) (Fine and Rustonjee 1996).

A case in example is De Beers, wherein by the end of the 1920s, it had extended its land ownership in South Africa significantly. The diamond magnate was already in possession of thousands of hectares before the 1913 Land Act as it and other mining companies (including AAC) also operated land companies such as the Transvaal Consolidated Land and Exploration Company (TCL), which was in possession of more than two million hectares by the turn of the century (Morrell 1986). One

example of this expansion is De Beer's purchase of an enormous tract of land in the late 1920s around the Kleinzee and Koingnas farms, which neighboured the Komaggas Reserve south of the Buffels River in Namaqualand (Sharp 1994).

In the area of lobbying, the Chamber of Mines (COM) was established in 1889 to promote mining interests and lobby government for legislation that favoured the mining industry. Some of the first pass laws and influx controls introduced in the Transvaal in 1895 were drafted by the COM (Lipton 1985, p. 120). Major owners of the mining giants, such as Genmin's George Ablu, proposed measures for creating cheap pools of labour that would become major components of the 1913 Natives Land Act (Dixon 2001). During this time, British-dominated mining capital and Afrikaner agricultural capital were at odds and competing for cheap labour (especially in the aftermath of the Anglo-Boer war), yet these two factions came together and heavily influenced passage of the 1913 Act, which, by almost completely eliminating black ownership of land in South Africa, resolved both groups' needs for a constant supply of cheap labour (Ilffe 1999).

Despite consisting of the majority of the population, Africans were excluded from accumulating capital from South Africa's mineral wealth due to this restricted access to and ownership of land. Dispossessed of their land and relegated to essentially slave labour, the numbers of Africans working in the mines increased from some 51,000 in 1895 to 224,000 in 1920, 476,000 in 1936, and 887,000 in 1960, with numbers reaching 1,295,000 in 1970 (Hanson 1996, p. 163; Jeeves 1985, p. 266). In 1920, for each white mine worker, the mining industry employed 7.9 black miners (Yudelmann 1984, p. 191; Crush, Jeeves, and Yudelmann 1991). However, as the wages of white workers steadily increased throughout the twentieth century (20.9 times more than of blacks by 1971), black wages paid by multinational corporations in South Africa remained constant and below "starvation wages" from 1911 to 1970 (Lipton 1985, p. 388; Magubane 1979). Thus, the mining giants not only benefited from the vast tracts of land reserved exclusively for white purchase by the 1913 Natives Land Act and subsequent discriminatory legislation depriving Africans of land, but also by the Act's creation of reserve areas in which indigenous South Africans were forced to enter wage labour – largely in mines bordering the former homelands – as they had no other means of subsistence.

As with the private mining corporations discussed above, South Africa's parastatals (state corporations) and their private shareholders too greatly benefited from the 1913 Natives Land Act and subsequent racially discriminatory legislation that deprived the majority of South Africans of their land and livelihoods. Beginning in the 1920s under the Union government's post-war Smuts administration, the government began taking an increasingly interventionist role in the economy, and established enterprises to make infrastructure improvements and to produce basic materials to bolster the import-substitution industries (Rumney 2005). These included the energy giant Electricity Supply Commission (ESKOM) and the South African Iron and Steel Corporation (ISCOR), both formed in the 1920s, and the Industrial Development

Corporation (IDC) founded in 1940 to promote new industries which included the South African Coal, Oil and Gas Corporation (SASOL), the Phosphate Development Corporation (FOSKOR) and the South Oil Exploration Corporation (SOEKOR).

These parastatals also developed relationships with many private businesses, and, together with such firms, established private companies as well as controlled shares in private firms (*ibid.*). While the state-owned corporations were influenced by government in its appointment of corporate directors, and granting or withdrawing of loans, senior management was most often autonomous and able to dictate the direction of the parastatals' operations. The state permitted private individuals to buy shares in many parastatals and thus powerful business interests in South Africa often influenced decision-making in such firms (Ilffe 1999).

During the first half of the twentieth century, the racial division between English peoples and the Afrikaans-speaking peoples was vast. The English were wealthier and more educated, whereas a large segment of the Afrikaner population was poor, illiterate, and remained unskilled (Bienefeld and Innes 1976). One of the major goals of Afrikaner nationalist politicians in creating parastatals was to "provide employment for surplus white (mainly Afrikaans) unskilled workers and eventually to create an Afrikaans-speaking managerial class" (Malherbe and Segal 2003). Additionally, early twentieth-century governments recognised the need to expand the Afrikaner's role in the economy outside of agriculture (which served as the dominant activity of the Afrikaner population at that time). The creation of parastatals allowed for both the training and employment of skilled white labour (as opposed to unskilled black labour), as well as the economic diversification of Afrikaner capital (Bench Marks).

While Afrikaner nationalists' creation of the first parastatals in the 1920s aimed to expand the Afrikaner economic base, measures to advance economic empowerment of the Afrikaans-speaking segment of white South African society further took shape at the People's Economic Congress (Ekonomiese Volkskongres) held in Bloemfontein in 1939 (Jones 1995, pp. 124–29). Here the beginning of the apartheid government's three-pronged strategy of "volkskapitalisme" (literally "peoples' capitalism"), which aimed to increase the economic prospects of the poor white population through additional racially discriminatory laws, various social-security programmes to redistribute wealth among South Africa's whites, and expansion of the parastatal sector, was developed (Terreblanche and Nattrass 1990, p. 12). The People's Economic Congress produced the Federale Volksbellegings (FVB), an association that assembled Afrikaner capital for the development or appropriation of commercial firms. As a result, parastatals such as ISCOR, SASOL, and TELKOM came under Afrikaner control by the late 1940s, with financing provided by Afrikaner-owned finance institutions such as SANLAM and the Volkskas bank (Jones 1995, pp. 124–29).

Furthermore, in its findings that white enterprise benefited from apartheid policies despite several firms' claims that such discriminatory measures had hampered their

economic returns, the Truth and Reconciliation Commission (TRC) listed seven categories of white society that reaped the benefits of dispossession and exploitation of Africans:

- a. White-owned large-scale agricultural, farming and agri-business enterprises benefited from the colonial-era restrictions on black land ownership that were maintained during apartheid, and the extremely low wages such enterprises were able to pay to the landless.
- b. Those enterprises involved in extracting and exploiting the mineral wealth of the country benefited from the provision of a relatively cheap migratory labour force, which was brought into being by land expropriation, forced removals, apartheid pass laws and influx controls.
- c. Those businesses with an industrial workforce benefited from the existence of a reserve of unemployed workers resulting from enforced landlessness.
- d. Those enterprises involved in manufacturing processes that depend heavily on energy inputs such as electricity benefited from the relatively cheap power that was generated through the exploitation of cheap labour on the coal mines.
- e. The arms industry benefited substantially from the military requirements of the apartheid regime, which resulted from its internal repression and external destabilisation.
- f. Those banks and financial institutions that bankrolled the military–industrial complex and the minerals–energy complexes in South Africa benefited vicariously from all the above conditions.
- g. Those banks and financial institutions that lent directly to the apartheid regime during the 1980s benefited from the relatively high interest rates they were able to charge as a consequence of the difficulty Pretoria encountered in borrowing during the imposition of sanctions internationally.
- h. White residents generally benefited from the discrepancies in public investment between white towns and black townships and rural areas – in everything from health and education to water and sanitation – and from the existence of cheap domestic labour to be employed in the home. (Truth and Reconciliation Commission 2003, pp. 140–41)

As indicated above, these large-scale land acquisitions and accumulation by dispossession laid the basis for introduction of the Natives Land Act of 1913. This Act was the direct outcome of the Ladgen Commission, which modelled its proposals on the Glen Grey Act implemented by Cecil John Rhodes in the Glen Grey District of the Cape Colony. The Glen Grey Act was the crystallisation of the collusion of the Chamber of Mines and government as Cecil Rhodes was Prime Minister of the Cape Colony from 1890 to 1896, whilst continuing in diamond mining and the earlier establishment of the De Beers mining Company, in 1887, with investments from Rothschild and Sons Limited; he became chairman of De Beers when it was founded in 1888. The super-profits enjoyed by monopoly capital particularly, but

not exclusively, in mining, were built upon and continue to ride on the back of exploitation of cheap African labour.

The net effect of the 1913 Natives Land Act was the total destruction of the economic base for the black majority who were confined to 7 per cent of land reserved for occupation by Africans. The land reserved for Africans was marginally increased to 13 per cent in 1936 through the promulgation of the Natives Trust and Land Act. This produced the existing dualism in the agricultural sector, i.e. African subsistence farming and white commercial agriculture. Furthermore, series of measures were instituted to buttress white commercial agriculture through subsidies and support packages. As with other sectors,

Under the apartheid regime, whites were assisted by the state in every aspect of agriculture, including provision of land and infrastructure, generous financial support, regulation of markets and legal coercion of farm labour.³

The most marginal lands were set aside for reserves that amounted to 13 per cent of the land allocated to almost 85 per cent of the population, and 87 per cent to 15 per cent of the white population. In the white urban areas, Africans' residence and tenure were restricted; in the reserves or homelands, land was not only scarce and increasingly degraded, but also based on tenure regimes that were altered to serve the accumulating minority interest, and became corrupted, insecure, underdeveloped, and the least formally recognized. Furthermore, there is an estimated 3 million persons living primarily on "privately owned" commercial white farms under harsh and poor working conditions, and insecure tenure and personal insecurity. Many of these persons' descendants were original occupiers of the lands that were excised during this period of "accumulation by dispossession." As several Africans acquire these lands, primarily through redistribution and restitution or through private acquisition, a new generation of matters and insecurities related to tenure rights are arising which policy reforms are seeking to address, marking an added feature to changes in agrarian relations in South Africa.

Also, in these areas that were designated as black, there has been a lack of investment in social and economic infrastructure as well as social amenities. Human development indicators have largely remained a challenge with health, food security, education, and access to justice most compromised.

THE STRUGGLE FOR LIBERATION AND THE LEGACY OF THE 1913 NATIVES LAND ACT

In 1910 the British Parliament handed power not to the hands of the suffering African majority but to the white minority, ostensibly consolidating an alliance hatched

³ Sustainable Development Consortium (2007) available online at www.phuhlisani.com/oid%5Cdownloads%5CChapter%203.pdf, viewed on April 17, 2013.

to end the Anglo-Boer war. This alliance found common ground in the insatiable drive to destroy and ruin African land ownership generally by a class of African petty commodity producers, and exploitation of cheap labour for white capitalist accumulation interests.

The indifference of the British Parliament as well as the 1912 Natives Land Bill propelled the formation of the South African Native National Congress (later the African National Congress), which spearheaded the centrality of the unity of the African people. The growing national and political consciousness served as a foundation for the establishment of the African National Congress (ANC), and was further strengthened by the campaigns against the Natives Land Act of 1913. Many militant campaigns were waged gallantly by the liberation movement including the anti-pass, forced removals, passive resistance and defiance campaigns.

It was in 1955 that the liberation movement succinctly articulated the principles for land reform, in the Freedom Charter, during the Congress of the People in Kliptown. The Freedom Charter envisioned that “The Land Shall Be Shared Among Those Who Work It!” Flowing from this clause, the Freedom Charter demanded that, “Restrictions of land ownership on a racial basis shall be ended, and all the land re-divided amongst those who work it to banish famine and land hunger.”

The South African Communist Party (SACP) made an insightful analysis of the South African situation, characterising it as a special form of colonialism. The “Road to South African Freedom” programme that it adopted in 1962 exposed the naked oppression and systemic brutality of successive apartheid and colonial regimes. The 1962 programme declared that, “The revolution will restore the land and the wealth of the country to the people, and guarantee democracy, freedom and equality of rights, and opportunities to all.”

The SACP also made an observation that the 13 per cent of land set aside for African occupation – the so-called reserves, or “homelands” – were grossly overcrowded and the soil exhausted. Land degradation and complete absence of irrigation systems made it difficult to farm productively with sufficient technologies on a sustainable basis. As a consequence the independent livelihood of Africans was destroyed and the economic base obliterated, thus entrenching de-agrarianisation and introducing dependency. The persistent chronic underdevelopment of the former homelands created the rural/urban divide and resultant migration patterns in the post-apartheid period.

The damage inflicted by “Colonialism of a Special Type” (CST) was elaborated by the SACP in 1989, and the fundamental approach to the destruction of the reality of colonial domination and the abominable Natives Land Act was pursued through the advancement of the National Democratic Revolution. In this context the SACP concluded:

To fully eliminate the system of colonial domination, it will be necessary to ensure democratic ownership and control over decisive aspects of the economy. At the same time, the state will protect the interests of private business where these are not incompatible with the public interest. This applies equally to land distribution: there is an imperative need to restore land to the people. This will take a variety of forms, including state ownership of large-scale farms, redistribution of land among the land-hungry masses and state assistance to them, the setting up of co-operative farms, and guaranteeing the freedom of movement and settlement. It will also entail the task of overcoming the enormous economic under-development of many rural regions. (SACP 1989)

The process of land dispossession and destruction of the growing class of African agricultural producers for the growing food commodity market in the growing mines and towns resulted in a South African spatial economy that was segmented by colonialism and apartheid into, on the one hand, white urban areas, commercial farming areas, and small towns, and on the other, black reserves (later called homelands) for the African majority.

This process took place over 256 years that focused on accumulation by dispossession primarily through conquest. The 1913 Natives Land Act that came about 256 years later formalised this racial imprint in our spatial economy and formalised forced removals for the next 80 years, up to our year of independence in 1994.

The consequence has been what has come to be defined as the triple challenges of sustained inequality, structural unemployment, and increasing poverty. Today, an estimated 12 million South Africans go to bed hungry; 600,000 primarily black graduates remain unemployed; and a significant amount of service backlogs such as access to water, sanitation, and electricity are in the rural areas (mainly the provinces of KwaZulu-Natal, Eastern Cape and Limpopo).

THE ENEMY MANOEUVERING

South Africa has one of the most extreme distributions of land in the world. In 1994, white farms occupied 85.8 million hectares or 86 per cent of arable land, of which 10.6 million hectares were under cultivation. About 15 million people, roughly half of the African population, lived in the bantustans on some 14 million hectares, one-sixth of the area fenced by 60,000 white farms (Bernstein 2013).

As racist tyranny of apartheid was facing its inevitable collapse, during the political transition to democracy pre-1994, white commercial agriculture was also busy manoeuvring; “organized agriculture” had been busily, and effectively, repositioning itself for a post-apartheid dispensation. One example was a creeping deregulation from the late 1980s or earlier, and accelerating during the transition from 1990 to 1994, above all to dismantle the different kinds of commodity-based state marketing schemes with their administered producer prices and other forms of subsidy key to the fortunes of white farmers in the earlier period of apartheid (*ibid.*).

The authority to engage in practices of privatisation, deregulation, and liberalization was enforced by the Nationalist Party (NP) government. The NP laid significant groundwork for subsequent land reform policy. This included agricultural liberalisation and deregulation policies, the Advisory Commission on Land Allocation (ACLA), legislation to upgrade tenure rights, adherence to free market principles, the abolition of racial land laws, and the introduction of a partial grant for land acquisition (Weideman 2004). Once again the apartheid government colluded with white commercial farmers who, having benefited handsomely from state subsidies, were given a further boost to remain dominant in the post-apartheid period.

Measures to safeguard capitalist farming and agriculture in the “new South Africa,” following the abolition of the institutional apparatus of apartheid, were anticipated and initiated in the final years of apartheid, and have continued since 1994. Freed from the former constraints of trade sanctions on agricultural exports, and of barriers to inward investment by international agribusiness and to outward investment by South African farmers and firms elsewhere in Africa and further afield, production and accumulation have grown, accompanied (or accomplished) by concentration of both farming and agribusiness, technical change, and the reduction of the farm labour force (Bernstein 2013).

The apartheid government, conscious of its impending demise, wanted to keep monopoly capital dominant and provide a soft landing in the new environment. In this way they kept a firm stranglehold on the economy and, in this context, agriculture. Major restructuring of the agrarian structure was intensified with deregulation, farm concentration, and privatisation of cooperatives built by public money. Agribusiness – understood here as corporate activity upstream of farming (supply of seeds, fertilizer, agrichemicals, and machinery) and downstream (milling and other processing, marketing and distribution) – was already highly concentrated in some branches and commodities by the end of apartheid. It has become generally, if not comprehensively, more concentrated since 1994, with further processes of vertical integration, consolidation of market power, and private regulation.⁴

Food processing and distribution is also highly concentrated in South Africa. A few large corporations dominate food processing: National Brands, Pioneer Foods, Tiger Brands, and Nestlé SA together account for over 80 per cent of market share of processed food staples. The share of a handful of supermarket chains in retail food sales increased from about 55 per cent in the early 2000s to 62 per cent in 2008 and 68 per cent in 2010. The two largest, Shoprite and Pick n Pay, had a combined share approaching 50 per cent in 2007 (Bernstein 2013).

⁴ The two giant sugar corporations, Illovo and Tongaat-Hulett, practise high levels of vertical integration of cane production with upstream and especially downstream activity. They dominate South Africa’s sugar sector and are increasingly active in the southern African region (see further below), with a recent strong interest in biofuel production (and subsidies to support it).

Major cooperatives were privatised, ostensibly fraudulently, by stealing public wealth in favour of a few white capitalists. For example, privatisation of the giant summer grain cooperatives, key pillars of “organised agriculture” during apartheid, meant in effect the privatisation of their physical assets (notably grain silos, plus maize mills, feed mills, feedlots, and so on) and financial assets accumulated from four decades of state subsidy (Amin and Bernstein 1996). The most prominent example is AFGRI, the name by which the former East Transvaal Cooperative (OTK) is now listed on the Johannesburg Stock Exchange (JSE).⁵ AFGRI advertises itself as:

South Africa’s leading agricultural services and foods business offering a wide range of physical and intellectual inputs to farmers, producers and users of agricultural products. As a transforming force in the business of agriculture, AFGRI offers farming clients banking, broking, logistics, trading and retail services and we are producers of animal feeds, poultry, proteins and oil.

The SACP has recently unpacked this privatisation and financialisation, as well as related sale of national economic sovereignty to the highest bidder, with the illustration of AFGRI.

AFGRI was originally an agricultural cooperative set up to assist white farms. It was handsomely supported by successive white minority governments with subsidies and other assistance. After 1994, instead of transforming this cooperative to service emerging and subsistence farmers, government liberalised agriculture. Like other former agricultural cooperatives (KWV, Clover, Senwes), it transformed itself into a private company and listed on the JSE in 1996. Reportedly the company will now de-list from the JSE and will be sold to a North American company.

It is not difficult to discern, therefore, that whilst the revolutionary alliance was preparing to govern, dissecting the economic landscape and articulating policy guidelines in documents such as the SACP’s “Path to Power” and the ANC’s “Ready to Govern” of 1989 and 1992, respectively, the apartheid government still controlling the state apparatus laid the foundation to subvert these policy prescripts in order to safeguard the interests of monopoly capital. “Ready to Govern” articulated commitment to restructure agriculture to “move away from reliance on large scale agriculture” as well as reverse farm concentration, etc.

Even during the negotiations the NP apartheid government was not negotiating in good faith as evidence of the manoeuvres presented above bears witness. Having analysed the tactics of counter-revolution by the apartheid state, the SACP warned:

⁵ OTK, based in Bethal, was one of the two biggest summer grain cooperatives; the other was Senwes, the Central West Transvaal Cooperative, based in Klerksdorp, which is the single largest trader of white maize, wheat, and sunflower seed (Chabane *et al.*, forthcoming, p. 11). OTK’s ‘transition’ to a private agribusiness corporation was made possible by provisions of the 1993 Cooperatives Amendment Act, another (apartheid) government move during the political transition that was little remarked in the fraught circumstances of the time.

Under the guise of protecting “group rights,” they seek to perpetuate their monopoly control over the wealth of our country. In fact, their stranglehold over the great bulk of our country’s productive land, machinery and capital is the accumulated result of more than a century of colonial dispossession, oppression and exploitation of the majority. There can be no true liberation from colonial oppression in our country without transforming this fundamental economic legacy. (SACP 1989)

COMMERCIAL INTERESTS AND GRASSROOTS VIGILANCE

White commercial agriculture enjoyed political power stemming from decades of NP support. The sector was influential in encouraging the willing-buyer, willing-seller principle. This thuggery was favoured by the World Bank, which was also busy manoeuvring to protect white monopoly capitalist interests. The World Bank argued for a market-based land reform programme to redistribute 30 per cent of white-owned land over a period of five years (*ibid.*). These arguments were uncritically embraced and were included in the subsequent ANC policies, such as the 1994 Reconstruction and Development Programme.

Non-governmental organisations (NGOs) were influential in shaping the Restitution Act as well as the Extension of Security of Tenure Act. Additionally, NGOs were also instrumental in promoting women’s land rights, particularly of rural women. NGOs influenced land reform policy in two ways: through their direct involvement in policy formulation, and through the channelling of their staff into the newly established Department of Land Affairs (DLA). Individuals from land and rural NGOs did important and quality research, and have contributed far more to South African land policy than is commonly recognized (*ibid.*).

Critical to these policy developments and debates was the issue of compensation for land, given the extent of accumulation of dispossession by accumulation. Section 25 (3) of the Constitution states that

the amount of compensation and the time and manner of payment must be just and equitable, reflecting an equitable balance between the public interest and the interest of those affected, having regard to all relevant circumstances, including – a) the current use of the property; the history of the acquisition and use of the property; the market value of the property; the extent of direct state investment and subsidy in the acquisition and beneficial capital improvement of the property and the purpose of the expropriation.

This was a reasonable compromise given the negotiated settlement of this contentious matter of land, and the extent and largely corrupted nature of the land dispossessions. The challenge was with its implementation that did not make provision for the full application of this constitutional provision in the last 19 years of democracy. It is only in the last 24 months that policy has been developed to implement such a provision, and an associated “Property Valuations Bill” is at an advanced stage of processing through Cabinet and Parliament towards enactment. The envisaged “Office of the Valuer General” shall set norms and standards for valuations based on just and

equitable compensation in the case of land reform. Provision for adjudication of disputes arising from the valuations is also being made by the policy as well as the legislation being developed.

AGRARIAN REFORM IN THE POST-APARTHEID DISPENSATION

Acutely aware of the challenges of skewed racial land ownership patterns and landlessness, as well as spatial distortions, the post-1994 state, notwithstanding commitments to redressing the imbalances and injustices of the past, had to contend with the objective conditions imposed by its history and the global environment.

The preface to the “White Paper on South African Land Policy” of April 1997 highlighted below articulates the historical injustice but quickly laments the complexity of the legacy.

Our history of conquest and dispossession, of forced removals and a racially-skewed distribution of land resources, has left us with a complex and difficult legacy. To address the consequences of this legacy, the drafters of the South African Constitution included the following three clauses:

- A person or community dispossessed of property after 19 June 1913 as a result of past racially discriminatory laws or practices is entitled, to the extent provided by an Act of Parliament, either to restitution of that property, or to equitable redress.
- The state must take reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis.
- A person or community whose tenure of land is legally insecure as a result of past racially discriminatory laws or practices is entitled, to the extent provided by an Act of Parliament, either to tenure which is legally secure, or to comparable redress.

The three key elements of the land reform programme – restitution, redistribution, and tenure reform – address each of these constitutional requirements.

It may be added that the contradictions in the policy formulation as well as implementation have contributed to the growing challenges in addressing the legacy. As has been demonstrated through the manoeuvres in the pre-1994 period, there were serious contestations involving on the one hand, the right-wing Nationalist Party and big business, aided by the neoliberal posture and influence of the World Bank, against the pro-poor policies of the liberation movement on the other.

The “White Paper on Land Policy in South Africa” was adopted in 1997, a year after the adoption of “Growth Employment and Redistribution,” which entrenched policies of deregulation, trade liberalization, fiscal discipline, etc. Market-led land reform, advanced through the willing-seller, willing-buyer principle, was

implemented during the height of neoliberal hegemony. It was in the context of neoliberal onslaught that the discourse of agrarian revolution was superseded by commercial interests under the guise of safeguarding production discipline for food security.

Land reform must be clearly distinguished from agrarian reform. The former is concerned with rights in land, and their character, strength, and distribution. The latter focuses not only on these, but also a broader set of issues: the class character of the relations of production and distribution in farming and related enterprises, and how these connect to the wider class structure. It is thus concerned with economic and political power, and the connections between them; its central focus is the political economy of land, agriculture, and natural resources. Although distinct, and presenting different challenges, land reform and agrarian reform are inseparable (Cousins 2005).

Understanding, as derived from the “White Paper on Land Policy” of 1997, that “*Land ownership in South Africa has long been a source of conflict*,” and given the acceptance that, as the Central Committee of the Communist International in 1928 argued, “*Hence the national question in South Africa, which is based upon the agrarian question, lies at the foundation of the revolution in South Africa*,” Government ought to have proceeded to advance agrarian reform as part of accelerating the National Democratic Revolution. However, the balance of class forces conspired against this strategic advance.

As we mark 20 years of freedom in our country, we will celebrate the remarkable achievements in changing the lived experiences of our people. It is, however, important to grapple with a class analysis of the 20-year milestone. The SACP has noted that monopoly capital has been the largest beneficiary of our democratic breakthrough. In the agrarian sector, the confluence of market approaches, viz. privatisation, deregulation, and liberalisation, served to forestall radical transformation. This served to build a fortress for commercial agriculture and to entrench a stranglehold on vast tracts of land to maintain economic control.

The land reform process is widely criticised for not applying expropriation provisions to fast-track transfer of ownership of land. Further criticism is levelled for implementation of the market-led, “willing-seller, willing-buyer” approach. The market distortions impeded land reform, and government has been criticised for failure to proactively intervene in the land market in order to progressively accelerate land redistribution. The process has also been challenged by the complexity of the claims, resulting in lengthy delays due to court processes. In addition, Ruth Hall (2007) criticised government for lack of effective post-settlement support, resulting in “under-utilisation of redistributed land.”

Notably, the *Mid-Term Review* highlights that

between 1994 and December 2011, government settled 76,368 land claims relating to 2.9 million hectares (11.1% of 24.5 million ha) of land under the Land Restitution Programme. A total of 712 of these claims, for 292,995 ha, were settled between 2009 and December 2011, against a target of 1,845 claims for the period.

Between 2009 and June 2013, a total of 1,082,540 hectares of land were distributed to 13,007 beneficiaries, of whom 4,552 were women and youth accounted for 3,861; however, only 30 were people living with disabilities. These are the designated groups and a conscious effort must be made to determine the impact of government programmes on these groups.

Government has adopted a National Infrastructure Plan coordinated by the Presidential Infrastructure Coordinating Commission, which has identified 18 Strategic Integrated Projects. These projects are identified as strategic on the basis that they will have a catalytic impact, and that they integrate and create linkages between various geographic locations as well as key sectors of the economy. Strategic Integrated Project 11 targets agrarian change through improving investment in agricultural and rural infrastructure that supports expansion of production and employment; small-scale farming and rural development, including facilities for storage (silos, fresh-produce facilities, packing houses); transport links to main networks (rural roads, branch train-lines, ports); fencing of farms; irrigation schemes for poor areas; improved R&D on rural issues (including expansion of agricultural colleges); processing facilities (abattoirs, dairy infrastructure); aquaculture incubation schemes; and rural tourism infrastructure.

RECENT LAND TENURE AND RURAL DEVELOPMENT POLICY REFORMS

Over the last five years, and particularly the last 26 months up to November 2013, the ANC-led alliance has been engaged in policy deliberations on land and agrarian reform that reviewed progress since the ushering in of democracy in 1994, in an attempt to address blockages to land access, comprehensive tenure reforms, and improvement in our rural development approach. These policy reforms arise from a “Green Paper on Land Reform” that was adopted by the Cabinet in August 2011, and lessons from the Comprehensive Rural Development Programme adopted by government in May 2009. These policies arose from deliberations within the ruling party and the South African Communist Party since the July 2005 Land Summit, and were resolved in the 52nd Congress of the ruling party of 2007 whose manifesto recommended a Department of Rural Development and Land Reform, and made rural development one of the five priorities of government.

The principles and strategic thrust of these policy reforms are aimed at realising a new and inclusive “*land and agrarian order*” so as to redress entrenched historic injustices, transform rural society, promote reconciliation, and enhance nation-building. The long-term goal of land reform is to promote social cohesion and

development, based on shared growth and prosperity, relative income equality, full employment, and cultural progress. The principles and strategic thrust underlying land reform, as set out in the “Green Paper on Land Reform,” are:

1. deracialising the rural economy;
2. democratising the allocation and use of land across gender, race, and class; and
3. sustained production discipline for food security (and food sovereignty).

The land policy reforms seek to be inclusive of the following four programmes or pillars: (a) restitution of land rights, (b) redistribution of land, (c) land tenure reform, and (d) development of the land. Furthermore, they define the strategic objectives of land reform as two-fold: that all land-reform farms are 100 per cent productive; and rekindling the class of black commercial farmers which was deliberately and systematically destroyed by the 1913 Natives Land Act, as well as by other subsequent pieces of legislation enacted by colonial and apartheid regimes.

Directly in line with the overarching principles promoted by the “Green Paper,” the National Development Plan (NDP) adopted in August 2012 has a 2030 vision of spatially, socially, and economically well-integrated rural areas, where residents enjoy economic growth, food security, and increased employment opportunities, as well as improved access to basic services, health care, and quality education. By 2030, agriculture is envisioned to create close to 1 million new jobs, contributing significantly to reducing overall unemployment. In achieving this, the NDP identifies the following policy imperatives for land reform, which are closely aligned to the “Green Paper” policy proposals, and are incorporated into the rural development and agrarian strategic focus of the coming Medium Term Strategic Framework (2014–19):

1. Improved land administration and spatial planning
2. Up-scaled rural development
3. Sustainable land reform (agrarian transformation)
4. Improved food security
5. Small holder farmer development and support
6. Increased access to quality basic infrastructure and services, particularly in education, health-care, and public transport in rural areas
7. Growth of sustainable rural enterprises and industries, characterised by strong rural–urban linkages, increased investment in agro-processing, trade development, and access to markets and financial services, that result in rural job creation.

The specific objectives of the “Green Paper” are to (amongst others): enable a strategic approach to land reform; limit the extent of private land tenure in commercial farming areas; and provide for fair, effective, and transparent allocation and governance of land to various land-reform beneficiaries in commercial farming

areas and on state-owned land, including “communal” or colonial apartheid-designed “ethnic and/or tribal” areas. Additional goals include mandates to secure and protect the land rights of all citizens, particularly vulnerable farm dwellers, women, and youth, while providing *regulated access* to land for its productive utilisation by non-South Africans; these are all within the context of a four-tier land tenure system. Components of the four-tier tenure system are the following:

State and public land with leasehold tenure; Privately owned land: freehold with limited extent; Land owned by foreign nationals: freehold with precarious tenure; Communally owned land: communal tenure with institutionalised use rights.

Hence, measures proposed by the “Green Paper on Land Reform” aim to enhance land rights and tenure security; improve the scope and efficacy of implementing the land restitution programme; ensure a transparent, fair, accessible, and accountable land administration system; and to provide for efficient and accessible land dispute resolution mechanisms that are enforceable, justiciable and accessible to the poor.

Over the last 26 months to November 2013, 16 policies have been developed or reviewed. These policies broadly seek to:

1. Scale up land and tenure reform through Proactive Land Acquisition Strategy (PLAS) in which the state proactively targets land for purchases and matches this with the demand or need for land in communities. It further seeks to obtain this through the four-tier tenure system outlined above.
2. Catalyse land development by recapitalising old challenged projects; developing rural markets, industries, and credit facilities; as well as supporting new farms needing new plants and infrastructure. In addition, it will provide development support to beneficiaries.
3. Provide an enabling institutional environment by establishing: (a) the Office of the Valuer General, as earlier explained, in order to ensure just and equitable compensation to land acquired for land reform, to adjudicate over disputes on price decisions, and as a valuation service provider to other structures of government on a needs basis; (b) a Land Rights Management Board and District Land Rights Management Committees to find social solutions to social problems in commercial farming areas around evictions and area development imperatives; (c) a Land Commission to address double registration and other questionable acquisitions of land in communal areas.

CONSTRAINTS, CHALLENGES AND OPPORTUNITIES

The unceasing capitalist onslaught continues to pose a threat to the advances we are making. This is a pre-eminent challenge facing progressive movements worldwide. There are a number of specific challenges arising from our recent historical context. Manipulation of the market-based approach has resulted in the state having to pay prices beyond market value for land acquired for land reform and

development; this has had an adverse effect on the availability of resources and further constrained the redistribution of land. However, as mentioned above, the space has opened within the revolutionary alliance to take bold action to change this approach, and adopt a “Just and Equitable principle.” The establishment of institutions to regulate the land market and pricing will improve the process of land acquisition.

A further challenge arising from the mistakes of liberalisation is damage to the sovereignty of our wealth, land, and food security, as demonstrated in the example of AFGRI earlier.

In terms of the Land Restitution Programme, many cases take longer to resolve due to their complexity, but also due to disputes between claimants or families. The disputes have often been between choosing financial compensation or land. Financial compensation is part of redress but does not advance the agenda of changing land ownership patterns. Further, there is also the risk that beneficiaries will run into bankruptcy and re-sell the land back to the white farmers, thus reversing the advances in the land reform process.

A challenge that continues to loom large relates to financing systems and credit facilities for the poor, and particularly women. The financial sector remains untransformed and serves the interests of profit maximisation, and therefore does not extend loans to the rural poor and cooperatives.

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