The reinvention of land redistribution: three cycles of policy 1994-2012

Ruth Hall
Institute for Poverty, Land and Agrarian Studies
University of the Western Cape
rhall@uwc.ac.za

Abstract

The political project of land redistribution has been reinvented in three cycles of policymaking since 1994. These broadly correlate with the presidencies of Mandela, Mbeki and Zuma, and reflect changing policy agendas and ideological positions within the ANC and the tripartite alliance. The first incarnation of land redistribution was premised on the provisions of Settlement/Land Acquisition Grants (1994-1999) to households on the basis of a means test, and was designed to provide modest land for settlement and multiple livelihood purposes. The Land Redistribution for Agricultural Development programme (2000-2006) was explicitly intended to enable the emergence of a class of black commercial farmers, though this objective was later moderated to address a variety of land needs and constituencies, ranging from ‘the landless’, farm workers, women, emerging entrepreneurs and established commercial farmers. The Proactive Land Acquisition Strategy (2006-2012) initially described as an alternative to the ‘willing buyer, willing seller’ approach, has further obscured the class agenda of land reform, widened the discretionary powers of officials and enabled new patterns of accumulation. This paper describes and analyses these changes over time to one of the most significant programmes expected to alleviate rural poverty and to reduce inequality in the countryside. Its analysis focuses on the actors, interests and discourses that shaped these policy changes, and argues that concerns with poverty and inequality, while discursively embraced, have been to a large degree abandoned. It attends to the shifting politics regarding who and what land reform is for, and the competing actor networks and policy narratives that explain these changes.

No! Buying out the land will not save the peasant. Whoever advises them to accept ‘purchase on easy terms’ is a traitor, because he is trying to catch the peasants in the real-estate agent’s net and does not want the emancipation of the peasants to be brought about by the peasants themselves. (Stalin 1906, reproduced 1954 p. 218)

Introduction

The objective of land redistribution articulated in the Reconstruction and Development Programme (RDP), adopted by the African National Congress (ANC) as its first election manifesto in 1994, was to transfer ownership of agricultural land in the white commercial farming areas to poor black South Africans (ANC 1994b). The RDP’s target was to transfer 30 percent of this land within the first five years of the programme. By 1999, less than one percent of commercial farmland had been made available to black South Africans; ten years after the advent of democracy, just three percent had been transferred through all aspects of the land reform programme combined; and by 2012 about seven percent had been transferred though government estimated that half of this (Hall 2004a; MALA 2004). In 2001, a revised policy, Land Redistribution for Agricultural Development (LRAD), was adopted, which removed the pro-poor bias of land redistribution and introduced the new aim of establishing a class of black commercial farmers. In 2006, a new Proactive Land Acquisition Strategy, initially complementing and later replacing LRAD, saw the state buying land and leasing it out to beneficiaries, with the aim of eventually transferring it to them in private ownership, though plans towards this second transfer now appear to have been abandoned. While there has been continued reliance on market-based purchase, significant changes have shifted the character of the programme, diverting attention away from securing tenure for the poor for multiple livelihood purposes. The core features of these three policies are summarised in Table 1 below.

Table 1: Core features of three policy cycles

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<th>Acquisition</th>
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<td>SLAG (1995-2000)</td>
<td>Market-based purchase</td>
<td>Transfer of title</td>
<td>Means-tested (i.e. pro-poor)</td>
<td>Multiple livelihoods</td>
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<tr>
<td>PLAS (2006-now)</td>
<td>Market-based purchase</td>
<td>No transfer of title</td>
<td>Not means-tested (unclear)</td>
<td>Agriculture only</td>
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Source: author’s own
The aim of this paper is to investigate how, why and through what processes the programme of land redistribution evolved and changed in South Africa between 1990 and 2012. Its focus falls on three cycles of policy making in the democratic era. The intention is not to compare their programmatic outcomes in terms of land delivery, but rather to analyse the interests, actors and discourses that structured these policy processes. The paper aims to uncover the factors that shaped the evolution of land redistribution policy by investigating: 1) the political interests at work; 2) the actors and networks which formulated and challenged policy; and 3) the policy discourses that were adopted and employed, and through which interests were defined and pursued. This analysis of policy as process explains in part why, after eighteen years of democratic rule, land reform had fallen so far short of both official government targets and the public expectations of the early 1990s.

The analysis presented challenges two conventional wisdoms about land reform in South Africa that prevail within both academic analyses and public opinion: first, that the policy framework was the product of participatory processes in which social forces were able to agree on the broad objectives and parameters of reform (Weideman 2004); and second, that the primary political constraints facing the programme were the result of compromises struck in the course of negotiating the transition to democracy (Ntsebeza 2007). In exploring and contesting these claims, I draw on theories of political economy and analytical approaches to public policy processes, as tools with which to scrutinise the empirical material, and to provide a nuanced understanding of the evolution of policy. The paper is also cognisant of the literature on ‘failed’ development policies, by reconsidering what constitutes failure and how analysis can explain policies as the results of political and discursive contestation; and shedding light on the interests served by outcomes other than those ostensibly intended in policy. It draws attention to long historical continuities in official government thinking about the redistribution of land, and the modernisation of African agriculture.

The primary question addressed in this paper is how, why and through what processes did the programme of land redistribution evolve and change in South Africa between 1990 and 2004? In responding to this question, it explores a number of secondary questions. First, through what processes were land redistribution policies formulated? The enquiry addresses how different people and institutions envisaged land redistribution and its purposes from 1990 to 2012 and why, how and through what processes the vision of land reform contained in the RDP had by 2001 been replaced with another vision, exemplified in the LRAD programme. Second, what has been achieved through land reform? The paper presents a synthesis of available information about the outcomes of land redistribution during the three cycles of policy, not for purposes of comparison, but to analyse how actors selectively drew on and interpreted this information to advance their interests and discourses. Third, in what ways did the politics of transition shape the land reform programme and to what extent has it been remoulded in the post-apartheid era? I explore the interaction of actors and interests during the period of political negotiation and transition, in what I define as three policy cycles in the first eighteen years of democratic rule, in order to specify the continuities and discontinuities in policy thinking. In this sense, the aim is to historicise land policy in the ‘new’ South Africa. Fourth, why has land reform in South Africa failed to meet its objectives? The paper explores the ways in which policy was framed and reframed, the stated government targets, and the public expectations of the early 1990s. It
therefore draws attention to the ways in which policies were refracted through discourses and institutions and produced outcomes other than they intended. The paper thus seeks to illuminate how competing visions of what and whom land reform is for have been promoted, why the dominant vision for land reform was reframed in the first decade of democracy, how this came to be, whose discourses prevailed, and whose interests were served.

**International theory and practice of land reform**

Land reform is ‘a many-splendoured thing’ (Griffin et al. 2002 p. 279). The term has been used to denote a wide array of initiatives to alter the distribution of property, tenure regimes, the structure of production and social relations in rural areas. Land reforms have historically been associated with political and economic upheavals, including popular insurgencies and violent revolution (Barraclough 1999; Byres 2004a). Significant land reforms in the twentieth century in China and Cuba followed revolutionary changes in political regime that drew on peasant mobilisation. Nationalist, militarist and authoritarian states have undertaken land reforms in South Korea and Taiwan, as have democratically elected governments in Guatemala, Venezuela and Chile (Barraclough 1999; Borras 2007; de Janvry 1981; Lipton 2009). Land reform in the post-1945 era was a project of ‘developmentalist states’ of diverse ideologies (Byres 2004a). State ownership and collectivisation was a ‘socialist attempt to resolve the agrarian question’, while capitalist land reforms combined political aims (to stave off radicalisation and the spread of communism) with economic ones (to intensify land use and increase output): ‘[p]erhaps no other policy issue is more susceptible to shifts in ideology and the balance of political power than the transformation of land property rights’ (El-Ghonemy 2001 p. 105). Thus, Griffin et al. (2002 p. 317) claim that ‘land reform is not a technocratic exercise; it is a transforming political event’.

The classical tradition in development economics addresses the ‘agrarian question of capital’ which has two inter-related concerns. The first is the capitalist transformation of agriculture and how this can be brought about. Central to this is the reinvestment rather than non-productive consumption of surplus (Rostow 1960). This leads to a second concern, which is how agriculture can be made to yield an investible surplus to stimulate industrialisation, and how this surplus may be extracted and appropriated (Lenin 1917; Rostow 1960). Resolving this latter agrarian question is the basis for transition from a predominantly agrarian economy to an industrial one. This entails the demographic movement of people to urban centres and requires state planning and social engineering. These formulations are founded on an *a priori* teleology which holds that there exists a necessary and universal relation between these stages of development, though history shows that societies have experienced different paths of agrarian transition, which are contingent on class formation and class struggle (on politics) as well as on the distribution and redistribution of landholdings.

Bernstein’s (1996a, 2007) distinctive contribution challenges the teleological tendency in both traditions, first, by showing how in South Africa industrialisation did not emerge from the capitalist transformation of agriculture, but rather from the mining revolution, which enabled completion of capitalist transformation on the ‘Prussian path’; and second, by introducing a further variant, which he terms the ‘agrarian question of labour’ or the ‘agrarian question of the dispossessed’ in an era where urban job growth cannot absorb rural surplus labour. The latter
emerges from the crisis of reproduction brought on in both the ex-Bantustans and the labour-shedding commercial farms, and suggests an alternative potential dynamic of ‘accumulation from below’, a democratic agenda that contests the existing order on two fronts: the positions of dominance in capitalist agriculture occupied by white farmers and agribusiness, and the structures of bureaucratic and chiefly power that enforce and control access to land.

In very broad terms, land reforms have taken two forms. First, land tenure reforms have redefined the status of rights to land among owners and non owners, and introduced new systems of land administration. Second, redistributive land reforms sought to transfer land from wealthy landowners ‘either to those with no land at all (landless peasants and wage labourers) or those with tiny holdings (poor peasants)’, and in the process to subdivide large landholdings, estates or latifundia (large estates) into smaller farms that these new owners, with limited access to capital, can cultivate (Byres 2004a p. 3). They have aimed to address landlord bias in agricultural policy and to overcome the constraints of fragmented factor markets, thereby breaking the monopoly of landlord classes in both land and labour markets (El-Ghonemy 2001). Redistributive land reforms have also imposed land ceilings to restrict the sizes of farms and prevent agglomeration of holdings, though these have sometimes been circumvented by reverse rental markets, in which poor peasants have leased their land to wealthy producers able to cultivate many holdings (Griffin et al. 2002). Redistribution has therefore entailed changes not only in who owns land, but also in the scale of operation, factor inputs, and sometimes also the terms on which land is held. It is therefore a component of wider tenure reforms and agrarian reforms.

Among the intended objectives of land reforms are to realise human rights, improve social justice and equity, reduce rural conflict and violence, improve food security and incomes for the poor, and increase aggregate agricultural production (Byres 2004a; Ghimire 2001 p. 2; Griffin et al. 2002). Economic justifications have centred on the potential to increase agricultural production, to improve equity by raising the incomes of the poor, but also to enable development of other sectors in the economy by increasing food supply. This logic is premised on a hypothesised ‘inverse size-productivity relationship’ (ISPR) or ‘diseconomies of scale’ in agricultural production, namely that yield per hectare tends to be inversely related to the size of the farm (Berry and Cline 1979; Binswanger and Deininger 1992; Griffin et al. 2004 pp. 367–372; World Bank 1994a; and criticised by Dyer 2004; Sender and Johnston 2004, among others). This thinking has origins in Chayanov’s (1925) argument that peasants are more efficient until the marginal productivity of labour is zero and that they save on reproduction costs. More recent versions of the ISPR present neo-classical arguments about the supervision costs of labour (Binswanger et al. 1995). Another variant of the ISPR that would prove influential in the South African context was Lipton’s view (referencing rice production in the Punjab) that because peasant or small-scale farmers are efficient but lack capital, they substitute capital for labour to increase output (Lipton 1977 pp. 30–31; Williams 1981 p. 39).

There is Kenyan evidence that the ISPR does hold, certainly in tea and sugar (via contract farming) and even maize (Heyer et al. 1981). Agricultural processing and marketing have economies of scale, while primary production seldom does (Cowen 1981; Francis 2000; Hayami et al. 1990). In post-colonial Africa, opening production of key commodities like coffee and tea to Africans was critical to the post-independence boom in exports, and allowed for the
intensification of land use; such marketing reforms were at least as significant as the redistribution of land in some regions (Bates 1981; Heyer et al. 1976, 1981). Later, in the context of structural adjustment liberalisation, the ISPR as expounded and promoted by the World Bank (and epitomised in Binswanger et al. 1995) provided a justification for opening markets, which would liberate small-scale African producers, because they were more ‘efficient’.

Following the decolonisation era of the 1950s and 1960s in much of sub-Saharan Africa and Asia, land reform waned on the agenda of international development and financial institutions, and donors, during the 1970s and 1980s (Borras 2003). Byres (2004b) notes the virtual disappearance of land reform from policy agendas in this period and then its reappearance in ‘market friendly’ form in the 1990s. The prime advocate of land reform in this new incarnation has been the World Bank, which credits itself with having brought land reform back to the centre stage of development thinking in the 1990s (Binswanger et al. 1995; Binswanger interview, 2006; Deininger 2003; Van den Brink et al. 2006). The Bank’s position was embedded in its own history and its role in justifying pre-emptive reforms in East Asia. In 1968 Robert McNamara was appointed President of the World Bank, directly after being Secretary of State for Defence, with the experience of rural rebellion in Vietnam at the forefront of his concerns (Williams 1981 pp. 37–38). Under his leadership up to 1977, the Bank emphasised the need for ‘redistribution with growth’ (Chenery et al. 1974), and shifted its focus towards rural development and the rural poor (McNamara 1973; World Bank 1975). Its call for investment in agriculture was overtaken by its own promotion of structural adjustment policies in the 1980s, until elements of its earlier agenda for smallholder growth were revived in new terminology by the start of the 1990s.

The World Bank’s market-assisted land reform model

The World Bank’s position has been described variously as ‘market-assisted land reform’ (MALR), ‘market-based land reform’ (MBLR) and ‘market-led agrarian reform’ (MLAR). Its main proponents are Hans Binswanger and Klaus Deininger, two senior economists from the Bank who revived and refined its previous policy prescriptions through much of the 1990s. By 1999, they defined the four key elements of the World Bank’s land policy as:

- The desirability of owner-operated family farms on both efficiency and equity grounds
- The importance of secure property rights to land in eliciting effort and investment and in providing the basis for land transactions
- The need for a policy and regulatory environment that promotes transfers to more efficient land uses
- The positive impact of an egalitarian asset distribution and the scope for redistributive land reform where nonmarket forces have led to a highly dualistic ownership and operational distribution of land, that is, a distribution characterized by very large and very small holdings. (Deininger and Binswanger 1999 p. 2)

The MALR literature contains a complex mix of progressive arguments in favour of redistributive land reform, which emphasise the need for the transfer of assets and wealth to the poor, and conservative formulae for how this should be pursued, which focus on the need to minimise state intervention in land markets and to remove market ‘distortions’ (World Bank 1994a, 1994b). Based on their experiences in the Philippines, Colombia, Brazil, Zimbabwe and
South Africa, and in response to their critics, the Bank’s key agricultural economists articulated a range of permutations of this MALR model, including ‘negotiated land reform’ (Deininger 1999) and ‘community-driven land reform’ (Binswanger and Aiyar 2003; Binswanger and Nguyen 2004). Since redistributive reforms pit the interests of the landed directly against those of the landless, the emergence of a ‘consensual’ model of MALR in the early 1990s was a departure from prior land reforms and something of an anomaly. The task of the Bank’s economists during the early 1990s was to explain how and why inefficient large-scale agriculture displaced or excluded efficient peasant agriculture, and to convince governments to adopt a market framework through which to pursue a smallholder path (Williams 1994, 1996a).

Hans Binswanger led the World Bank’s mission to South Africa on land and agricultural policy in the 1990s. He articulated the menu of options for land redistribution as threefold: 1) a ‘willing buyer, willing seller’ approach, backed up by state land purchase grants; 2) expropriation coupled with compensation at market price; or 3) expropriation with compensation just below market prices, taking into consideration past subsidies, and thereby eliminating ‘distortions’ created by the past state support (Binswanger 1996 p. 139; Binswanger and Christiansen 1993). Arguments against expropriation included the cost of political opposition this was expected to elicit, and lengthy and protracted processes of judicial appeals by landowners, which would lead to delays and high administrative costs to the state (Binswanger 1996 p. 140). The Bank argued that state-dominated land reforms had tended to be coercive and led to bureaucratic inefficiencies and inappropriate top-down planning (Deininger and Binswanger 1999). On this basis, it advocated the first option as the primary means of land reform in South Africa and elsewhere (Binswanger and Christiansen 1993; Deininger 1999; World Bank 1994a).

The defining feature of the MALR model on which these options were derived is the promotion of redistribution in a ‘demand-led’ or ‘demand-driven’ approach where potential beneficiaries who lack capital are provided with land purchase grants or subsidies to partially offset the cost of buying land on the open market. These are considered to compensate for the gap between the market price of land and its productive value – a gap created by market ‘distortions’ (Binswanger 1996). Consonant with structural adjustment prescriptions, the MALR model reflects the World Bank’s advocacy of market reforms as a precondition for development.

Accordingly, poor peasants and landless workers wishing to purchase a piece of land have to search for a willing seller, negotiate the sale price of land, compete with speculators and rich landowners to secure credit, and even bid at land sale auctions. (El-Ghonemy 2001 p. 106).

Its progenitors recommended MALR as a model to South Africa and Namibia based on experiences in Kenya and Zimbabwe, and then recommended the South African model to Colombia in 1993 (Bernal 1996). Deininger (1999) later reviewed experiences in Brazil, Colombia and South Africa, arguing that slow progress and disappointing outcomes in South Africa were the result of the incomplete application of the model by the South Africans, and that the results nevertheless endorsed the model itself. In a critical review of market-assisted land reforms in Brazil, Colombia and South Africa, Borras (2003) showed how Deininger and other proponents of MALR characterised the demerits of state-led land reforms. They claim that the
inefficiencies emerging from state-led reforms include the selection of inefficient producers, resistance by landowners, land market distortions, low levels of state accountability, inefficient state extension services, low investment on redistributed land, and ongoing dependency of producers on the state (Borras 2003 pp. 368–370; Deininger 1999). In contrast, MALR has been described as the antithesis in all respects of the state-led model in that it is expected to circumvent landlord resistance by offering full market prices, attract only efficient producers by being ‘demand-driven’, promote accountability through decentralisation, and enable appropriate post-transfer support to producers through privatisation of extension services (Borras 2003 pp. 370–374).

**Critiques of the Bank’s model**

A growing empirical and theoretical body of literature critiques the market-assisted model of land reform advocated by the World Bank, but is internally divided on the deficiencies of this model and alternatives to it. Critics have focused on the high transaction costs faced by beneficiaries, problems of slow progress and elite capture, as well as land titling programmes that have privatised communal resources, dispossession of poorer households and women (El-Ghonemy 2001). They generally agree that little land can be redistributed through markets, these programmes are likely to have unintended consequences and no successful land reform has been based on a willing buyer, willing seller process (Borras 2003; Riedinger et al. 2001). Griffin, Khan and Ickowitz (2002) argue that the inherent limits of market-based redistributive reform are thus that:

> the financial cost to the government of a ‘market friendly’, full compensation land reform is bound to be onerous and the government is likely to feel compelled to shift as much of the financial burden as possible on to the beneficiaries. (Griffin et al. 2002 p. 321; also cited in Byres 2004a p. 5)

But by itself, Byres (2004a) argues, the foreseeable outcome of both market-based redistribution, as advocated by the Bank, and confiscatory redistribution, as advocated by Griffin, Khan and Ickowitz, is a reconcentration of land ownership in the hands of the few as a direct result of the operation of market forces. Agrarian reforms to transform markets are the necessary adjunct to land reforms, no matter what the mode of land acquisition.

Beyond the theoretical debates, most of the literature critiquing MALR relates to specific country experiences; there have been few attempts to review in comparative perspective the implementation and outcomes of the MALR model. An exception, Borras’s (2003) three-country review, concludes that the prime beneficiaries have been the elite among peasant leaders, which he terms an ‘agrarian bourgeoisie’. Contrary to the claims of the model, land prices have been higher than in state-led programmes and overpricing is evident or suspected; no land taxes have been imposed; there is little or no evidence of increased investment or access to credit; farm planning prior to purchase has been poor; and the resulting pace of development has been slow and uncertain (Borras 2003 pp. 387–388). On this basis, Borras (2003 pp. 386–390) challenges the assumptions that willing buyers and willing sellers can negotiate freely in a context of
asymmetric power relations; that landowners will not attempt to overprice land; and that decentralisation ensures accountability.

Civil society organisations have compiled a substantial grey literature refuting MALR on theoretical, empirical and ideological grounds, notably NGOs working alongside social movements such as the Landless Workers’ Movement [Movimento dos Trabalhadores Rurais Sem Terra or MST] in Brazil, the Landless People’s Movement (LPM) in South Africa and La Via Campesina, the international network of peasant farmers. These actors express their views through public protest, popular materials such as pamphlets and press statements, and through actions on the ground, including the illegal occupation of private and state land. They have called on peasants to resist the attempts by the World Bank to privatise the land reform agenda by encouraging market transactions that, even when coupled with land purchase grants, saddle poor producers with unsustainable debt (for example, Rossett 2001; Wright and Wolford 2003).

Land reform in the democratising new South Africa

The ANC evolved in part in response to the theft of land. The South African National Native Congress (SANNC), which became the ANC, was founded in 1912 in response to the anticipated promulgation of the Natives Land Act 27 of 1913 [commonly known as the 1913 Land Act], which designated land on a racial basis and prohibited purchase or transacting of land rights by Africans outside of demarcated reserves. The ANC engaged in civil disobedience and mass actions in the 1950s and 60s, launched an armed struggle, and developed into a mass movement through the United Democratic Front (UDF) in the 1980s. The ways in which the ANC has over time framed the ‘land question’ or the ‘agrarian question’ and its location within the ‘national Question’ (relating to race) are essential to understanding its changing positions on land reform, agriculture and rural development during the era of political transition and under an ANC-led government from 1994 onwards.

The status of property rights under a new dispensation was among the most contentious issues in the course of negotiating the terms of political transition in the 1990s (Klug 2000). The 1993 ‘Interim’ Constitution protected existing property rights from the time of the first democratic election, while mandating the state to undertake land reforms (RSA 1993b). This three-pronged programme of land reform was specifically provided for in the ‘final’ Constitution of 1996 (RSA 1996a, Sections 25(5), (6) and (7)). Protection of property rights was tempered with provisions to empower the state to expropriate property, including land, in the public interest (and not only for public purposes), and clarified that this included ‘the nation’s commitment to land reform, and to reforms to bring about equitable access to all South Africa’s natural resources’ (RSA 1996a, Sections 25(2) and (4)). Expropriation would be subject to the payment of ‘just and equitable’ compensation, taking into account five criteria of which market value was but one; in addition were the history of its acquisition, past state subsidies in its development, its current use, and the purpose of the expropriation (RSA 1996a, Section 25(3)). A process of land redistribution to broaden access to land was made a constitutional imperative:

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. (RSA 1996a, Section 25(5))

The first policy cycle: Settlement / Land Acquisition Grants

Following the first democratic elections in April 1994, President Mandela appointed Derek Hanekom of the ANC as Minister of Land Affairs with Tobie Meyer of the NP as his deputy. This arrangement ostensibly provided a degree of continuity: Meyer had been Deputy Minister of Regional and Land Affairs under the De Klerk government. In Agriculture, too, the ANC shared power: Kraai van Niekerk of the NP was appointed Minister, with Thoko Msane (later, and hereafter referred to as, Thoko Didiza) of the ANC as his deputy. Under the Mandela government of 1994 to 1999, a new Department of Land Affairs successfully framed a national land policy. This was in contrast to the marked failures of this government to formalise or fund policy in the areas of either agriculture or rural development. By 1994, the parameters for land redistribution had already been defined. While the new minister, Derek Hanekom, and his team within DLA defined the policy in more detail, the terms on which redistribution could happen were being determined in negotiations towards a final Constitution and Bill of Rights.

Four inter-related disputes over the meaning and purpose of land reform mark this period of iterations in policy making and implementation. Each was resolved in ways that addressed ideological requirements, while being justified in technical and operational terms. First was the disagreement over the object of land reform – whether this was the expansion of rural settlement options and diversification of livelihoods, or the creation of a small-scale farming class. Second was the subject of policy – to whom it should be targeted, and therefore the question of whether leveraging an ‘own contribution’ from applicants would be relevant or necessary. Related to this was the question of whether the vision was one of group-based ownership and production or subdivision into land parcels suited to small family farms. Third was the debate about state versus market mechanisms of land acquisition, subsidies and expropriation. Fourth were the institutional arrangements and roles of state, private sector and NGOs. These were the cardinal points mapping the terrain of ideological struggle over land reform that was fought out through institutional and discursive means in the first five years of democracy.

The ‘new’ DLA would be responsible for land reform and settlement support, while retaining core functions of its predecessor, including surveys, mapping and the Deeds Registry. Land reform was given the status of a national competency, under the authority of a single national department in Pretoria. To implement its policies, DLA would depend on its provincial and district offices as well as on other government departments. It inherited the buildings, bureaucracy and legacy of the DRLA, with its long line of predecessor departments: the Department of Cooperation and Development, the Department of Development Aid, the Department of Plural Relations, the Department of Bantu Administration, the Department of Bantu Affairs and, originally, the Department of Native Affairs (Evans 1997; Francis and Williams 1993 p. 381). With ever more euphemistic titles over time, these were institutions that had imposed segregation laws, designed and planned the homeland policy of separate development, overseen influx control, enforced permit-based systems of land rights for Africans, appointed state-sanctioned traditional leaders, deposed dissenting chiefs, imposed Betterment
planning and overseen forced removals (Hendricks 1990). This was a department that had reinvented itself over time, revising its guiding ideology and terminology, but with a consistent mandate through most of the century to address the ‘development’ of rural blacks.

Van Niekerk was one of very few ministers to retain their Cabinet posts through the political transition in 1994. Having been ‘own affairs’ Minister for [white] Agriculture under the 1983 ‘tricameral’ Constitution, then national minister when the separate houses of Parliament were dismantled in 1991, he had overseen processes of agricultural deregulation from the mid-1980s (Van Niekerk interview, 2005). Like the ANC, the NP too had no developed policy on the extension of ‘black farming’ into the ‘white commercial farming areas’ on the table by 1990 (Van Niekerk interview, 2006; Vink interview, 2005) and their initial attempts at land reform had elicited vociferous opposition. The ANC and NP agreed on key appointments to the NDA, notably Masiphula Mbongwa and Bongiwe Njobe, both returned ANC exiles with expertise in agriculture (Vink interview, 2005). Both had contributed to the World Bank’s agricultural ‘Options’; together with three Bank economists and two other South African agricultural economists, Mbongwa was one of its authors (World Bank 1994b).

**Debating land policy principles**

The first policy output of the DLA was its Draft Land Policy Principles, published in May 1995 and debated at its National Conference on Land Policy from 31 August to 1 September of that year. It proposed ‘a state assisted, market based and needs driven rural land redistribution programme’ (DLA 1995a p. 6). The ‘principles of programme design’ expressed the tensions already evident in the policy direction: it would be ‘demand/needs driven’ and have a ‘poverty focus’, prioritising ‘gender equality’ and ‘participation, accessibility and democratic decision making’ (DLA 1995a p. 6). Yet it would depend on ‘partnership between the private and NGO sectors and Government’ in which the role for government would be ‘as facilitator’, and would prioritise projects demonstrating ‘economic viability’ and ‘leverage of resources’ from beneficiaries themselves ‘in the form of credit and own contributions’ (DLA 1995a pp. 2–3). The class agenda of land redistribution was amorphous. It would be directed towards ‘the poor’ and ‘entrepreneurs’, among others:

> the main participants in the programme will be people who have been denied access to land and decent living conditions, especially the landless poor and women… ‘Emergent’ commercial farmers will be included in the programme through benefiting from the state grants available, which added to their own financial contribution, can form the basis of leveraging loan finances. (DLA 1995a pp. 6–7)

DLA suggested that two separate grants it had proposed to meet distinct needs – a ‘household basic needs grant’ (HBNG) and a ‘land acquisition grant’ – be rolled into one ‘settlement grant’ (DLA 1995b pp. 9–10). The LAPC’s ambitious initiative from 1994 onward to audit the demand for land had confirmed very widespread expressed demand, with 67 percent of respondents in a national survey indicating that they wanted access to (more) land to live on and use for
production. It also showed that the vast bulk of this demand was for small plots, with nearly half (48 percent) indicating a desire for one hectare or less. It confirmed ‘universal and immediate’ demand for land for residential purposes (Marcus et al. 1996 p. 197) from which to supplement other incomes and to pursue ‘straddling’ livelihood strategies – rather than the idea of full-time farmers that underpinned Tomlinson’s vision. Many respondents aimed to use residential plots for gardening and hoped to be able to run livestock on commonage land. Agricultural production was found to be a secondary objective, to supplement income, rather than the primary demand among those surveyed. DLA argued that the LAPC findings illustrated that:

the majority of landless people in rural districts and dense settlements prioritise a secure residential site, services and access to income, rather than agricultural land, even if such land were available in the locality, which very often it is not. It was then realized that it would not be sensible to insist that allocation of the HBNG should be conditional on the recipient physically moving to new land. Further, the question arose whether poor households, who did not wish, or who are unable, to move to new land, would be deprived of the land acquisition grant. (DLA 1995b p. 9)

This provided a research basis to justify provision of a settlement grant and exclusion of a complementary grant for acquisition of agricultural land. While the target population was yet to be determined, the single policy instrument by which all these varied needs would be met was defined. It would take the form of a single once-off subsidy for ‘settlement and land acquisition’ which could be used to pay for land purchase and provision of basic needs on this land, including water, sanitation, waste disposal, internal roads and fencing – but not housing. This was because the grant was set at a maximum of R15 000 ‘to be consistent with the level of the existing Housing Subsidy’ and as an alternative to it (DLA 1995a p. 8).

Two years into the Land Reform Pilot Programme (LRPP), and despite coinciding with the final stages of policy formulation, the mid-term review of the pilot programme was overwhelmingly concerned with operational and institutional difficulties in implementation, rather than with the design of the programme itself. It proposed that the donor consortium extend its support for a further two years (DANIDA et al. 1997). The mid-term review pointed to a tension in the logic of the redistribution programme: while its objective was to reach the poor, the disadvantaged and, in particular, women, applications for land transfer were assessed on the question of whether the beneficiaries could demonstrate ‘the wherewithal in terms of capital and skills to sustain their new community’ (DANIDA et al. 1997 p. 10). The grant design was problematic: as well as forcing people to pool resources and to form large groups, often with little in common, the grants were insufficient to enable people to invest in productive land use. It warned that:

the new ‘communities’ established through land reform will become no more than new bantustans, where people are dumped in settlements with no visible means of supporting themselves. (DANIDA et al. 1997 p. 24).
The review recommended a number of ‘policy adjustments and studies’. On acquisition, ‘Beneficiaries should not be required to sit down to negotiate land sales with landowners themselves’, but rather DLA should have dedicated teams to negotiate land purchases in consultation with applicants (DANIDA et al. 1997 p. xx). Neither proposal was implemented. Despite its observation of the effects of the small standardised household grant, the review made no recommendations about revising the grant.

To provide a legal mechanism to enable ‘communities’ to own redistributed land, DLA prepared legislation to ‘recognize group ownership schemes’ through which rural communities could hold and manage land (and other property) jointly through a new type of legal entity, a ‘communal property association’. CPAs could hold redistributed land subject to a written constitution requiring elected democratic governance and members’ participation in decision making regarding the allocation, encumbering or alienation of property (RSA 1996b). In these ways they differed from existing legal entities on offer – like trusts or close corporations – and would be consistent with the spirit of ‘community’ ownership that was embedded in policy. The model introduced a new form of tenure to the heartland of white agriculture, imprinted with constitutional principles of democratic governance and gender equity. Objections to this model came from varied quarters. Agricultural economists were dismissive of the attempt to forge community ownership rather than individual entrepreneurship. But the focus of the Communal Property Associations Act 28 of 1996 and the thinking behind it were not about the form of agricultural production, but a type of landholding within which land might be allocated to members. Group production were considered to be a ‘transitional’ phenomenon; once transferred, participants expected to be able to subdivide the land into household smallholdings, though this never happened during this period (Steyn interview, 2005). NGOs pointed out that CPAs were seen as usurping the roles and powers of traditional leaders, and were encroaching on the mandate of local government to do land use planning and zoning (Sekele 1997 p. 8). In this way, they were comprehensively alienating perhaps the two most influential local institutions of rural governance, and isolating themselves from services and support – as well as from sources of patronage.

The Green Paper on South African Land Policy – the penultimate version of the first land reform policy – was published for comment (DLA 1996a) and presented at a parliamentary briefing in February 1996. It emphasised that redistribution would be neither state- nor market-driven, but rather a ‘state-assisted’ programme ‘taking place within the context of the market’ (DLA 1996b). Applicants themselves would be the drivers, who would take advantage of market opportunities with state assistance. The Green Paper proposed two redistribution grant-financing structures. One was a fixed R15 000 grant for ‘the poor and landless, particularly women’ and was means-tested, later confirmed as SLAG.

The government acknowledges that the Settlement/Land Acquisition Grant alone will not provide the resources necessary for a person to enter the commercial farming sector. It is not, however, the intention that the grant should fulfil this function on its own. If there are to be grants for land acquisition, then they
should be modest subsidies so that as many eligible people benefit as possible. (DLA 1996a p. 28)

A second, means-tested grant for people already having ‘a foothold in agriculture’ would encourage them to invest their own capital and leverage credit to acquire more land (DLA 1996a p. 52). This would consist of a 20 percent contribution to the first R50 000 of land cost, and a further 10 percent of the next R50 000 of land cost – a maximum of R15 000 in state grants (DLA 1996a). While the level of subsidy was variable and would be leveraged through applicants’ own contributions, its maximum was set at the same level as the SLAG. This model harked back to the DRLA model, and would later be revived in more generous terms as LRAD. Hanekom disagreed with it, and it was written out of the White Paper (DLA 1997; Adams interview, 2006).

**Parallel policy processes: Agricultural reforms**

While DLA was making new policy and establishing its ambitious programme of land reform, this period was one of consolidation and continuity for its counterpart, the NDA. By 1999, a series of tensions and contradictions had become apparent, both between agricultural and land policies, and within agricultural policy itself. Deregulation in agriculture was energetically pursued and comprehensively implemented, while the policy commitment to favouring of small farmers through the diversification of farm sizes and production systems was almost wholly unimplemented, not least due to opposition from white and some black farmers, and within the Department itself.

The new government continued the initiatives started in the 1980s to deregulate agriculture and adopted new reforms to ‘deracialise’ agriculture. Production would be diversified across a range of scales (ANC 1994e). Training and extension services would re-oriented to ‘support the establishment of a small farmer sector’, ending years of policy bias against small black producers and in favour of capital-intensity, while marketing systems would be reformed to ensure equitable market participation by disadvantaged producers (ANC 1994e p. 2).

Agricultural policy over time reversed the ANC’s original commitment to smallholder-led agricultural growth. Unlike land policy which aimed to establish ‘small farmers’, agricultural policy envisaged that markets should determine the scale of production: ‘the regulatory framework for agriculture will be scale neutral and will facilitate participation in production and marketing by new entrants to farming’ (RSA 1995b p. 7). While part-time farming should be supported, the policy emphasised that productive land should be reserved for agricultural production – implicitly, (full-time) commercial farming at scale (RSA 1995b p. 10).

**Outcomes of SLAG**

After five years of democracy, a series of pilots, and three years of national roll-out of land redistribution, the administrative and other operational costs involved in implementing land reform projects far exceeded the capital cost of buying the land (DLA 2000). Land reform was centralised and its funds underspent. Although redistribution was perceived to be ‘slow’,
expenditure and land transfers grew dramatically year on year from 1995 to 1998, with a slight fall in 1999 (see Table 2). By 31 March 1999, nearly 750 000 hectares had been redistributed to over 60 000 people at a total land cost of R1.027 billion (National Treasury 1999).

Table 2: Land redistribution 1994 to 1999 (national totals per year)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of projects</th>
<th>Number of households</th>
<th>Approved land transfer(hectares)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>2</td>
<td>565</td>
<td>6 598</td>
</tr>
<tr>
<td>1995</td>
<td>17</td>
<td>2 923</td>
<td>18 179</td>
</tr>
<tr>
<td>1996</td>
<td>41</td>
<td>4 289</td>
<td>54 448</td>
</tr>
<tr>
<td>1997</td>
<td>87</td>
<td>9 846</td>
<td>127 750</td>
</tr>
<tr>
<td>1998</td>
<td>183</td>
<td>12 249</td>
<td>238 708</td>
</tr>
<tr>
<td>1999</td>
<td>142</td>
<td>18 304</td>
<td>190 916</td>
</tr>
<tr>
<td>Total</td>
<td>472</td>
<td>48 176</td>
<td>636 599</td>
</tr>
</tbody>
</table>


At the start of the programme, a small handful of projects had been approved, typically involving several hundred households. With the formalisation of the grant mechanism, the compulsion towards group-based purchase was confirmed, while the limited funds per household and continued farm price inflation reduced the amount of land that could be bought. While the ‘rent-a-crowd’ pattern had become firmly associated with the SLAG grant, in fact the average number of households per project had fallen sharply from 283 in 1994 to 129 by 1999 (see Table 3). This reality was highly varied and these variations coincided substantially with different agro-ecological regions. Indeed, more than half the land transferred in this period was in the semi-arid Northern Cape largely through the expansion of municipal commonage for small stock-owners (Hall 2004a p. 26).

Table 1: Averages in land redistribution 1994 to 1999 (national totals per year)

<table>
<thead>
<tr>
<th>Year</th>
<th>Households per project</th>
<th>Hectares per project</th>
<th>Hectares per household</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>283</td>
<td>3 299</td>
<td>12</td>
</tr>
<tr>
<td>1995</td>
<td>172</td>
<td>1 069</td>
<td>6</td>
</tr>
<tr>
<td>1996</td>
<td>105</td>
<td>1 328</td>
<td>13</td>
</tr>
<tr>
<td>1997</td>
<td>113</td>
<td>1 468</td>
<td>13</td>
</tr>
<tr>
<td>1998</td>
<td>67</td>
<td>1 304</td>
<td>19</td>
</tr>
<tr>
<td>1999</td>
<td>129</td>
<td>1 344</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>102</td>
<td>1 349</td>
<td>13</td>
</tr>
</tbody>
</table>

Source: Drawn from DLA 2001 (author’s own calculations).

The period saw limited redistribution in a highly centralised programme of reform that created group-based landholding and attempts at group-based production. Unintended outcomes included
inverse rental markets (in which poor communities rented out their land to commercial farmers) and distress sales. Some questioned whether these transactions on redistributed land were the result of land reform being a ‘freebie’ that was never valued, and later liquidated to free up capital for other purposes, including consumption. The involvement of the donors in pilots ultimately extended to ‘technical support’ to the wider land reform programme, and continued to 1999. The process culminated in a final review (McIntosh et al. 1999) which reiterated the core findings of the mid-term review (DANIDA et al. 1997). The final report noted the DLA’s ‘[d]ifficulties of securing the support of other organs of government and the tendency of provincial offices to agglomerate functions’ (McIntosh et al. 1999 p. 14). Indeed, by the end of the 1990s, DLA had become known colloquially as Ndabazabantu – literally ‘Bantu Affairs’, an earlier name of this department – referring to its attempts to address all aspects of the rural life of black South Africans (own observation).

Despite an elaborate process of policy making over a three-year period from elections in 1994 to the adoption of the White Paper on South African Land Policy in 1997, land redistribution policy was in important respects what had originally been outlined in the World Bank’s ‘Options’. The extensive consultation and engagement with rural communities, white farmers, agriculturalists, NGOs, academics, trade unionists, church groups and others served the political purpose of gaining buy-in to assist with implementing a programme which most of them opposed for varied reasons. The grant went through various incarnations. First, separate grants were proposed to meet different needs. Then it was confirmed that settlement was the primary need, so one standardised grant set at the level of the housing grant was adopted. Then this was extended to all qualifying households (subject to a means test). Finally, the programme’s aims were broadened to a range of land uses, including production, regardless of the fact that the grant design was only expected to meet the basic costs of settlement and not extend to investing in agricultural production or other land-based economic activities.

The policy adopted resembled the market-based model proposed by the World Bank, while being justified in the discourse of pro-poor and participatory land reform favoured by the NGOs and the ANC. On core questions it remained agnostic. Through its evolution between 1994 and 1999, the class agenda and the type of agricultural sector being pursued through land reform were left undefined: land reform would cater to a wide range of needs and interests. It would contribute to a more diversified size structure in agriculture where all people would compete in a deregulated environment. It would be market-based and would rely on grant-based land purchase. The policy combined several features of competing proposals – the market-based and state-assisted purchase of land proposed by the World Bank; the pro-poor criterion promoted by the NGOs and the ANC, as embodied in the means test; a single policy instrument directly transposed from the housing subsidy scheme; and the language of ‘communities’ which elided the different and even opposing interests that cohabited within the ambit of the policy. It satisfied the ANC’s and the new bureaucrats’ aversion to state-driven resettlement by combining strong centralised political and fiscal control with reliance on local ‘grassroots’ participatory planning.

Yet it alienated almost all interest groups: the NGOs who opposed the policy; many of the rural communities with whom they worked who were frustrated with slow delivery and the absence of support beyond land transfer; white farmers who objected to large-scale settlement in the white
commercial farming heartland; and black emerging ‘capitalist’ farmers who were excluded from the programme by its pro-poor means-test and whose aspirations to individual ownership of whole commercial farms were thwarted by its criteria and grant formula. In the absence of a wider rural development programme, and in the face of agricultural deregulation and liberalisation, the deeply etched inequalities of apartheid South Africa’s countryside were to be transformed, the rural economy revived and a vibrant new class of smallholder farmers created – all through provision of a modest household grant designed to enable the purchase of land and provision of basic homestead infrastructure – essentially a rural ‘site and service’ settlement programme.

The second policy cycle: Land Redistribution for Agricultural Development

Following national elections on 2 June 1999, Thabo Mbeki replaced Nelson Mandela as State President. In convening his cabinet, Mbeki appointed a new Minister of Agriculture and Land Affairs, Thoko Didiza, to replace Derek Hanekom. From 1994 to 1996, Didiza had been Deputy Minister of Agriculture and, when the two departments were joined under one Ministry in 1996, had been Deputy Minister under Hanekom. Didiza’s key achievement was to bring the two departments somewhat closer together in the period 1999 to 2004, not least because most of the senior staff of DLA left or were replaced. As the NDA became dominant in shaping land policy, it turned back to its advisors in the World Bank and the agricultural economists at the University of Pretoria, who repackaged their earlier proposals and shaped the new programme through a technical assistance partnership. A series of policy drafts from late 1999 to late 2000 culminated in a new programme, Land Redistribution for Agricultural Development, which was launched in 2001 and altered the nature, purpose and target group of redistribution. Its focus on farming gave the NDA a more prominent role in land reform, but did not address the economic and institutional context within which production and marketing were to take place.

In the period 1999 to 2004, land redistribution came to be identified with new processes of class formation, and with an emerging discourse of black economic empowerment. The new policy saw a reversion to a modified version of the earlier FSPs in its vision of entrepreneurial ‘emerging’ commercial farmers. It bore a strong resemblance in its mechanisms both to the World Bank’s original proposals for land reform and rural restructuring in the early 1990s and, though on a far larger scale, to the apartheid government’s limited programme of subsidised land purchase that had been introduced in 1993 and roundly rejected by the ANC. Land reform had come full circle. But the shifts in policy and its politics were more dramatic than changes in practice: LRAD did not realise the modernist vision that had informed it, but showed remarkable continuities in several respects with its predecessor SLAG. By 2004, the NDA finally launched a programme of agricultural support as its counterpart to the DLA’s land reform programme. Under Didiza’s leadership, land reform was recast as a programme of farmer settlement on varying scales within a capitalist and commercial farming system. New alliances were formed and came to the fore as an Africanist agenda that prioritised race over class took centre stage, and found supporters both among the small but growing class of black commercial farmers and within the old agricultural establishment.
Didiza’s first public announcement as Minister, in June 1999, was to impose a moratorium on new land redistribution projects pending a ministerial policy review (Sibanda 2001 p. 2). Earlier that month, on 6 June 1999, operational policy in the form of the ‘Products of the Department of Land Affairs’ document had finally been approved – the culmination of five years of policy making (DLA 1999b; also DLA 1999a, 1999c). The moratorium created a hiatus in land reform: implementation slowed as provincial directors interpreted the moratorium differently and some continued to process and approve projects that were well into the planning phase (Govender van Wyk interview, 2005; Western Cape Alliance 2000).

New policy making had already been underway in the DLA since 1998. Yet the Minister did not continue with this internal policy process. Instead, she mandated her advisor, Pinky Makatini-Miles, to lead the review together with Agriculture DDG Masiphula Mbongwa, the terms of reference of which were not made public. No final report from the ministerial review was ever released. A preliminary report circulated within the two departments in December 1999 argued that the SLAG had unintended outcomes that ‘often ran counter’ to the objectives of existing policy (MALA 1999a p. 2) as had indeed been shown in numerous studies (DANIDA et al. 1997; McIntosh et al. 1999). It had produced a rent-a-crowd syndrome where names were added to applications in order to accumulate grant funding, without people having any intention to become part of a project. The review’s own critique though was not limited to the failure to meet existing programme objectives, but presupposed the need to meet a wider range of land needs, specifically those of aspiring black commercial farmers (MALA 1999a). By encouraging group projects, ‘SLAG indirectly supports the notion that Black people can only prosper under communal and subsistence farming’ (MALA 1999b p. 5). The report argued that redistribution under the SLAG programme had failed to alter the structure of agriculture because it had not supported black commercial farmers, and had provided ‘little incentive to attract investment and entrepreneurship’ (MALA 1999b p. 3).

The first draft of the Ministry’s new policy framework ‘An Integrated Programme of Land Redistribution and Agricultural Development in South Africa: A Discussion Document’ (MALA 1999b), identified four problems with existing policy: 1) eligibility criteria for the grant; 2) the structure of the grant; 3) policy inconsistency; and 4) institutional limitations (MALA 1999b) and proposed changes in respect of each. Much of what was proposed was later discarded, with the exception of the ideological bent towards commercial farming and the adoption of variable levels of grants, now available to individuals. In contrast to its predecessor, the new programme promised to ‘create a significant class of black commercial farmers’ (MALA 1999b p. 3). It would ‘facilitate structural change by creating more medium and large new farmers’ (MALA 1999b p. 7). Provision for larger grants would ‘attract investment, managerial, and entrepreneurial skills to agriculture’ (MALA 1999b p. 10), though the criteria themselves required that they already be involved in agriculture. As Schirmer (2000) showed, those with a background in farming and cash to invest would likely be political and business elites, especially in the ex-Bantustans.

Far from discarding the market-based framework, as it claimed, the new approach reinforced reliance on ‘the market’. The new programme initially envisaged that land could be bought outright or leased with an option to purchase (MALA 1999b p. 8), though the latter option was
not put into operation, in part because grant funding could not be made available on the same terms for buyers and lessees. It proposed a reduction in the state’s role in mediating these transactions: responsibility for project design would shift to applicants themselves, and the DLA would develop and make publicly available a database of land for sale and descriptions of land sought by applicants, ‘so that buyers and sellers can find each other’ (MALA 1999b p. 7). The proposal presupposed that commercial banks would issue loans to enable land purchase and oversee land transfers.

The new programme embraced an entrepreneurial vision; it envisaged that those entering at the ‘bottom’ would accumulate capital and expertise and ‘graduate’ to qualifying for further grant finance (MALA 1999b p. 10). The new programme would benefit 200 000 applicants and transfer 10 million hectares – an average of 50 hectares per applicant – at a cost of R5.4 billion over 15 to 20 years (MALA 1999b p. 10). Even at current prices in 1999, these funds would have bought about a third of that amount of land (3.4 million hectares, at the prevailing average price per hectare), unless less costly land of below average quality were targeted (HSRC 2006 p. 7). It expected that three-quarters of applicants would enter at the through the ‘small window’, but did not consider these to be ‘farmers’; instead, the agricultural sector would be transformed through the introduction of 50 000 black medium and large farmers (MALA 1999b p. 10).

On 11 February 2000 the Ministry publicly released a policy statement: ‘Strategic Directions on Land Issues’ (MALA 2000a) and the next week, on 17 February, Didiza held a parliamentary briefing to explain the new direction (MALA 2000b). The policy statement criticised the market-led approach, but elaborated it; now this would denote not only the means of acquiring the land but also the purpose of doing so, which would be production for ‘the market’. In line with GEAR, this would create jobs and contribute to export-led growth. As in the Ministry’s first proposal (which was not made public), it criticised the existing programme for failing to meet its objectives while adopting new objectives:

The placing of responsibility on market forces, as (the) core redistributive factor has not produced the desired effect and impact. This has limited the level of choice, suitability and quality of land parcels acquired for the beneficiaries of land reform program… The grant program in its current form has not made any significant contribution to the development of semi-commercial and commercial black farmers. (MALA 2000a p. 2)

The policy direction did not merely broaden eligibility, but entailed a wholesale change in its purpose and target group. The proposed target of reaching 200 000 households was a radical reduction in the target of 600 000 households in the earlier period, and implied an even more restricted programme than the actual rate of transfer at that time. This served to legitimate a programme that, while claiming to be scaling up land redistribution, apparently aimed to do so for the benefit of fewer people. In this way, scaling down the programme was justified in the language of scaling it up.
Through a series of revisions over the coming seven months, the new programme would drop its title of being ‘integrated’ and be confirmed as Land Redistribution for Agricultural Development, the DLA flagship programme for the subsequent seven years. The idea of ‘windows’ to prescribe different ratios of grant to loan to own capital originated in a World Bank document prepared for the NDA. The World Bank had proposed a sliding scale on its first mission to South Africa between 1992 and 1994, but this had been sidelined in favour of a fixed grant (Van den Brink interview, 2005). Now the idea was resuscitated in a context where the proposal for distinct ‘windows’ had been criticised from within the two departments, by the economists advising them, by the land NGOs and by the farming establishment – who all agreed that they were based on no coherent rationale and that the distinctions between them would be, in practice, arbitrary.

‘LRAD was almost exactly what we wanted – what we set out in the early 1990s’ (Binswanger interview, 2006). But in important respects it was not. What LRAD held in common with the Bank’s original proposals were a limited state role in mediating transactions and a vision of the landless and non-landless becoming active agents in the land market. It was, in this sense, a return to a purer notion of the Bank’s model of market-assisted land reform, such as presented in Swaziland, rather than its ‘Options’ (World Bank 1994a). By 2002, the DLA denied that LRAD was a programme for commercial farmers, and insisted instead that the majority of beneficiaries were ‘the poor’ (Mayende 2003).

In the end, LRAD would support land acquisition, infrastructure and land improvements only, not expenses relating to a top structure (specifically housing), nor inputs to production as previously proposed; it would therefore have no applicability in communal areas where the majority of black farmers were to be found. Where farm acquisitions would displace existing farm workers employed and resident on the land in question, they would not have a prior claim but they could be accommodated within the group of applicants, or assisted to apply for grants for acquisition of land elsewhere (MALA 2000a p. 10). LRAD would be a programme for commercial farmers, without any ringfenced resources directed specifically to the poor. The programme was limited to those wishing to farm. While the Ministry had argued in favour of clearer eligibility criteria, by removing the needs-based eligibility criterion it had done the opposite by abandoning the idea of targeting altogether. In these ways, the proposed policy failed to build on the experience of the previous five years, it presented no mechanisms to give priority to women and, while it asserted the need for integration, its actual content demonstrated a failure to integrate land and agricultural policy.

Contrary to its name, the proposed new programme is about the acquisition of land. Initial start-up, infrastructure and transaction costs are accounted for, but subsequent needs for agricultural extension, credit, marketing and research services, and the role the NDA needs to play in providing these, are not specified or budgeted. This is a key omission. Without a policy on how the NDA will re-orient its services towards promoting agricultural development among land reform beneficiaries, and small-scale producers in particular, there is no indication that the functions of
LRAD was formally launched in August 2001 with the transfer of the Nkomazi Sugar Project in Mpumalanga. In launching LRAD, Didiza resuscitated the 30 percent target which Hanekom had preferred to ignore once it had become apparent by the mid-1990s that it would not be met. She extended it over a longer timeframe of 20 years in total, to 2014. The 30 percent target was, of course, ‘a purely arbitrary figure with no intrinsic significance’ (Aliber 2003 p. 10). During this period of re-framing land redistribution, this target – its most iconic feature – and its origins and meaning were never brought into question.

The convoluted policy processes leading up to LRAD were characterised by repeated attempts to incorporate and accommodate criticism while retaining the overall vision of a commercial farming class, and produced highly discretionary policy. The final version of LRAD provided no policy direction on prioritisation of target groups, land uses or even land. It was a programme for which the vast majority of citizens would be eligible, but from which few could benefit. Without further criteria, low-level policy – access to information, ability to perform the hefty responsibilities of preparing an application, and prioritisation by government officials – would determine who would benefit. Choices about how the growing budget would be spent, which land acquired, and for whom, would be left to the DLA’s provincial offices, sometimes in consultation with their counterparts in provincial departments of agriculture (PDOAs).

Following a directive from the Minister for her two departments to partner on the new programme, the diverse modalities of and criteria applied in implementing LRAD tended to reflect national level tensions between the departments. Processes for and requirements for project screening, project design and grant approval in the provinces varied greatly, with some provincial departments of agriculture, such as KwaZulu-Natal, playing a central role in determining the overall character of the programme, soliciting applications, creating their own application forms (for DLA funds), while elsewhere, as in the Eastern Cape, DLA remained more dominant, interpreting policy criteria and establishing norms to be applied in project assessment. As Jacobs et al. (2003) noted, “closer cooperation is expected between various government departments and spheres of government, with an enhanced role for district municipalities and provincial departments of agriculture” (Jacobs et al 2003: pp. 5). Yet competing interpretations of LRAD, its purpose and criteria, and different institutional relations at provincial level, produced quite different results, as shown below.

A major route through which LRAD started to be implemented was via an agency agreement concluded between DLA and the Land Bank in 2002. This meant that ‘the Land Bank has a portion of the budget to take care of the commercial sector’ (Mayende interview, 2002). The new role, and injection of capital, came at a welcome time for the embattled bank which, having emerged from a bitter racialised conflict (Dolny 2001), was also facing its most fundamental transformation in its 90-year history. The Land and Agricultural Bank Act 15 of 2002 imposed new ‘developmental’ obligations on it while also redefining it as a self-financing institution, ending its lifelong reliance on direct budgetary transfers (RSA 2002). The Land Bank, unlike DLA, was clear that LRAD did not give priority to marginalised or poorer applicants, and that no
concessions would be made to target the poor (Oricho interview, 2002). Acting as an agent for DLA boosted the liquidity of the Land Bank and improved its performance against its new ‘developmental’ mandate to support ‘emerging’ (black) agriculture (Fandeso in Contact Trust 2003). In KwaZulu-Natal and Mpumalanga, more than half the LRAD projects approved by the end of 2002 were handled through the Land Bank rather than through the provincial offices of DLA (DLA 2003c). Using its ‘Special Mortgage Bond’, the Land Bank offered LRAD applicants, as first-time buyers, concessionary interest rates on loans to serve as their ‘own contributions’ with which to leverage higher LRAD grants (Maloba interview, 2002). As an agent of DLA, it found a ready market for its repossessed or ‘bought-in properties’ and disposed of 30 such farms to LRAD applicants within the first year (Oricho interview, 2002). The Land Bank therefore came to combine three roles: 1) the authorising authority for LRAD grants; 2) the lender of the ‘own contribution’ with which to leverage the grant; and in some instances, 3) the owner (and ‘willing seller’) of agricultural properties. This produced the conditions for conflicts of interest to arise.

Before the end of 2002 it had become clear that the Land Bank’s new clients were in default and it began to repossess farms bought with LRAD grants and its own loans. It was widely blamed for placing new and cash-strapped farmers in a debt trap by lending too much to LRAD applicants, up to 60 percent to 70 percent of total costs, compared to standard practices of debt-equity ratios under one-third in the banking sector (Kirsten interview, 2002; MALA 2003). While over the coming years it refused to release details about the numbers of repossessions (own observation), it acknowledged the possibility of a ‘revolving door’ syndrome in land reform: ‘we have a fear of undoing land reform, but we have to [repossess properties]’ (Oricho interview, 2002). Despite this mixed performance, and in the absence of any further budget allocations from DLA, it continued to package LRAD projects; effectively, it could offer almost all of its black clients LRAD grants as a (usually once-off) subsidy on its loans. The agreement was not renewed, when it became clear that the Land Bank had over-committed LRAD grant funding well in excess of the initial disbursement of R60 million from DLA. By September 2003, it had committed R100 million in grants and a further R300 million in loans (Fandeso in Contact Trust 2003). These would not be processed.

One area of continuity between SLAG and LRAD was the failure to provide state support for subdivision; instead, this responsibility, and cost, was devolved onto beneficiaries with the result that very few properties were subdivided (MALA 2003). The LRAD policy observed that, once the property was transferred in ownership under a legal entity, the new owners could choose to subdivide and carry those costs themselves. It is not clear whether this ever happened (Jacobs et al. 2003; Lahiff 2007). A second continuity was in the ‘rent-a-crowd’ phenomenon arising from a continuing contradiction between farm prices and the grant structure (Hall 2009b). For those without substantial resources of their own, LRAD continued to offer small grants like its predecessor, SLAG, and did not account for differing land prices across the country (HSRC 2006). In the face of the continuing failure to subdivide land, whole farms would need to be bought at market price, requiring the pooling of grants by many applicants, and the formation of communal property institutions like CPAs or trusts. The irony of the new programme, therefore, was that while it rhetorically distanced itself from the previous one, its provisions in practice replicated the flaws of the previous grant structure it was intended to remedy: 1) reliance on
landowners for the supply of land on the market; 2) compulsion to form groups to acquire whole properties; and 3) the virtual absence of agricultural support services.

The answer to the rent-a-crowd problem was to outlaw large projects but, since the reasons remained unaddressed, this merely put much land available for sale on the market beyond the reach of would-be beneficiaries (Hall 2004d; Jacobs et al. 2003). LRAD implementers imposed limitations on group sizes – as well as exhorting implementers to stop the establishment of large group projects (Govender interview 2002). This was interpreted in widely differing ways across the provinces (Jacobs et al. 2003). In the Eastern Cape’s Amathole district, for instance, where projects were limited to five applicants, it translated into a de facto limitation on those applicants who had no capital to contribute to farms that could be bought and invested in for R100 000; none were for sale (Sukula interview, 2002). Thus here, as elsewhere, the conundrum facing would-be beneficiaries was the need to accumulate enough grant and loan finance (without becoming overly indebted) in order to purchase whole farms at market price and to finance initial investments in production and operating costs, while remaining within the arbitrary limits placed on group sizes. Compounding this was the need for grants to cover initial investment and production costs, in view of the almost total absence of agricultural support until the introduction of the Comprehensive Agricultural Support Programme (CASP) in 2004 (Hall and Lahiff 2004; Jacobs et al. 2003; National Treasury 2004).

In a quest to ensure that farmers would ‘emerge’, some provincial implementers used a poverty line or income target per person to determine the number of participants allowed within a project. In KwaZulu-Natal, the R25 000 income target required those entering at the bottom of the sliding scale (with R20 000) to demonstrate how they could produce a return on investment above 100 percent in the first year of operation – a highly unlikely scenario (Jacobs et al. 2003 p. 13). Income targeting – the hallmark of state planning half a century before, and epitomized in the Tomlinson Commission – was revived, albeit in the absence of minimum farm sizes. In many parts of the country, LRAD projects took one of two forms: individual or small group projects comprised of those with their own resources to invest from businesses or jobs elsewhere; and group projects as had been seen under SLAG though usually involving fewer participants (Hall 2009a; MALA 2003). In addition, joint ventures in the form of farm worker equity schemes or other shareholding arrangements became more prevalent because, as management of the business enterprise would not be affected, the number of participants was not constrained (Mayson 2003). According to its proponents, LRAD responded to the lessons of the past, under SLAG, and was supported by theory and comparative experience (Kirsten interview, 2002; Binswanger interview, 2006). By 2003, DLA initiated a review of LRAD, a ‘grant size study’ to interrogate concerns about the ‘debt-trap’ and the re-emergence of group farming (DLA 2003 pp. 2–3). The review was based on three joint departmental workshops conducted with the World Bank, and was authored largely by Van den Brink (MALA 2003 p. 5; Van den Brink interview, 2005). It was never publicly released, but selected findings were reported by Thomas and Van den Brink (2002) in a series of joint presentations (own observation). Armed with data not available to outsiders, they claimed that the report disproved critics by showing that most applicants were at the bottom of the sliding scale; they concluded that LRAD was reaching the poor (Van den Brink et al. 2007). They used it to justify a call for an increase in the grant levels, in recognition of the problem of over-indebtedness, but LRAD grant levels as determined in 2000 were unchanged.
until 2008 when the Minister announced an increase ranging from 430 to 550 percent across the sliding scale (Xingwana 2008 p. 10), dramatically reducing the number who would benefit.

The Ministry’s (and Bank’s) review of LRAD noted the continued failure to integrate land acquisition with agricultural support, the bureaucratic and centralised nature of delivery, and the enduring problem of buying land at market price with small grants – yet concluded that what were needed were further land market reforms to stimulate the supply of land on the market through an agricultural land tax, and to promote the supply of smaller land parcels through subdivision (MALA 2003). Its core findings coincided substantially with those of outside critics:

Unfortunately, given the restrictions on the size of the grant, officials often proceed to promote the formation of larger groups, continuing the ‘rent a crowd’ phenomenon associated with SLAG, instead of assisting in the sub-division of the farm, or assisting the beneficiaries in finding smaller farms or less capital-intensive farms. This tendency is further re-enforced by the reluctance of officials of the Department of Agriculture to sub-divide farms below what they consider to be the ‘viable’ size. The programme then often ends up with projects attempting collective commercial farming, or projects where beneficiaries hire a farm manager to run the enterprise. (MALA 2003 p. 12)

Following the adoption of LRAD and the removal of the income ceiling, the DLA’s strategic and operational plans identified four ‘marginalised groups’ – women, farm workers, the youth (up to the age of 35) and the disabled – that would now be ‘prioritised’. DLA would earmark a minority share of resources for these groups and report on delivery to them. Thus, two competing discourses came to characterise all official statements on LRAD: the first equated participation in LRAD (as a black South African) with previous disadvantage; the second identified disadvantage (or ‘marginalised groups’) as a sub-set of LRAD beneficiaries, to whom a minority of the available resources would be channelled.

The question of who was supposed to benefit from LRAD, and who was in practice benefiting from it, formed the focus of intense disagreement between the Minister, DLA officials and critics of the programme. Most of this debate took place without any reference to data on the beneficiaries themselves; in the absence of any baseline information on participants entering the programme (Citizen Surveys 2003 p. 237), the class profile of beneficiaries was imputed from the level of grants being disbursed – though the incentive to accumulate small grants obviated this logic. Although the opportunities for poor people to acquire land did not change substantially with the shift from SLAG to LRAD, the discursive construction of the new programme as one which would establish black commercial farmers, and thereby attend to the need of the existing industry to deracialise, produced real effects on the roles of and relations between policy actors. It elicited the support of the established (largely white) industry and of the black commercial farmers who hoped to reap benefits from it, and the opposition of NGOs. Like the ANC and government, all these actors exaggerated the degree to which the new policy broke with the past.
For the first time, ‘farmer’ became the dominant term to describe those who would benefit from land reform. This assimilated project criteria for a commercial farmer and generalised them. This period also saw a shift from the plural to the singular – ‘beneficiaries’ to ‘the farmer’ or ‘the applicant’ – occasionally in the masculine form ‘he’. Who would these new ‘farmers’ be? Eligibility requirements indicated that they would be acting and farming individually, controlling land use and farming decisions, and quite possibly hiring labour. Prioritisation of full-time farming, and the requirement that applicants be willing to live on or near their new land, was informed by an aversion to ‘weekend farmers’. As the Minister’s newly arrived adviser from the World Bank observed, referencing the Bank’s ISPR argument:

‘Weekend’ or ‘telephone’ farmers are people who have a job in the city, and they have a farm, and they go there for the weekend. And they are not good farmers, because you can’t run a farm like that. They all say, well I have my farm manager, but they can never trust their farm manager… It relates to the supervision costs of labour argument. (Van den Brink interview, 2005)

State officials developing the new framework were divided on whether full-time farming, or commercial farming, should be the objective of land reform. Some DLA staff pointed out that part-time farming would have to be a major focus, because the poor often could not afford to farm full-time and, when provided with land far away, without services or settlement support, would not even be able to afford to relocate. The rich could not afford to move because they relied on off-farm incomes, and the poor could not afford to move if this meant foregoing housing, access to land and services elsewhere. Building on Polly Hill’s work in Ghana (1963), Nigeria and India (1983), Bernstein (2008) refers to these as those ‘too poor to farm’ and those ‘too busy to farm’. In the final instance, LRAD elided the issue by merely requiring applicants to be ‘willing to live on or near the land and operate or work on it’ (MALA 2000c p. 8). As it turned out, as in Kenya where Cowen (1981) coined the term, the location of land far from the urban centres or the communal areas where the applicants lived led to ‘straddling’ (Andrew et al. 2003).

The third policy cycle: Proactive Land Acquisition Strategy

The third cycle of policy, centering on a Proactive Land Acquisition Strategy (PLAS), can be dated as starting from 2006, under the leadership of a new Minister of Agriculture and Land Affairs, Lulu Xingwana, following a cabinet reshuffle by Mbeki in which she took over from Thoko Didiza. Initially an adjunct to the LRAD programme, the strategy really took root from 2009 under Zuma’s government, and under the leadership of Minister of Rural Development and Land Reform, Gugile Nkwinti, during which time it emerged as the primary and, by 2012, as the only means of land redistribution. Under the Provision of Land and Assistance Act 126 of 1993, PLAS gives far-reaching discretionary powers to officials of the renamed and redefined Department of Rural Development and Land Reform, to purchase land directly, rather than by disbursing grants to enable beneficiaries to purchase land. Officials may determine which land should be acquired by the state, whether it should be transferred or leased, and if so, to whom
and on what terms. A key feature of PLAS is the provision of state land on a leasehold basis, ostensibly on a trial basis pending an assessment which could pave the way towards a later ‘second’ transfer of ownership to beneficiaries. This direct purchase of farms by the state was itself a reversal of the state land disposal thrust emphasized by Mbeki. For this reason, all land sold by the state under Mbeki, and all land bought by the state under Zuma, now count towards the 30% target. As the PLAS framework explains:

the department leases farms to emergent black farmers for a minimum of three years after the trial-lease period has expired the land can be disposed off (sic) to the same beneficiaries if they have been satisfactorily assessed by the Department. Out of the entire purchase price, the beneficiaries pay 6% as rental fee for three years as part of the loan agreement with DRDLR’ (DRDLR 2010: 1).

PLAS combines elements of its predecessors, notably the continued reliance on land markets, purchase of whole farms at market price, and avoidance of block purchase, planning and subdivision. As in the past, as provided by the White Paper (DLA 1997), the Department could expropriate land, acquired it on auction, purchase it through normal market transactions or negotiated transactions, or receive it in the form of donations (DLA 2006: 12). At the same time, it rests on a reversal of the demand-led approach, proposing instead a supply-led approach. Rather than being ‘beneficiary demand driven’, as its predecessors were, in the sense that they relied on would-be beneficiaries to approach the Department to express their demand or desire for land, it would be ‘state driven’ (DLA 2010: 1). This raised the question of how to match people to land, or, in most cases, land to people. Thus ‘the state can buy/secure suitable land before or after beneficiaries have been identified and quantified’ (DLA 2006: 11; original emphasis).

Not only the timing, but also the mechanisms and criteria for identifying and quantifying beneficiaries, were left unspecified. The PLAS policy says its target is ‘black people (Africans, Coloureds and Indians), groups that live in communal areas and black people with the necessary farming skills in urban areas, people living under insecure tenure rights’ (PLAS 2006: 7) – arguably over half the population. Among these eligible groups, whose interests should take precedent, or how projects should be prioritized, is not specified. While these processes of finding beneficiaries and allocating them leases to specific farms are underway, the provincial offices of the Department need to implement holding arrangements – specifically, to appoint and pay a caretaker to manage the land, or enter into a contract with a management or security company to ensure the fixed infrastructure on the farms is maintained (DLA 2006: 15).

As for provisions for a second transfer, from the state to lessees, this would hinge on a formal assessment of the land use and productivity of beneficiaries, through an unspecified process to be overseen by the DRDRLR in conjunction with the Department of Agriculture (now DAFF). The desire to ensure the state’s ability to remove failed farmers was central:
‘Beneficiaries who are in arrears with their lease fees and who have not broken even during the lease period will be removed from the farming operation and new beneficiaries will be installed’ (DLA 2006: 16-17).

More recently this concern with making tenure rights contingent on state-administered determinations of proper land use, and the state’s ability to remove and replace beneficiaries, was confirmed:

‘Mr Nkwinti said the state would not hesitate to take away a farm and give it to another deserving entrepreneur if…. the farmer failed or proved to be uncommitted’ (Radebe 2012).

On the other hand, if assessed favourably, the second transfer could proceed, though how this would happen was also not specified.

‘Once a particular lease period has expired and the selected beneficiaries have demonstrated their farming capabilities after the Department of Agriculture has assessed their performance, the beneficiaries will be given the opportunity to exercise the option to purchase. The DLA at this stage will consider applicable grants as per the LRAD grant system, lease fees paid and other discounts before disposing of the land to the beneficiaries’ (DLA 2006: 17).

A central component of PLAS is the privatisation of implementation, through service level agreements (SLAs) for the development of the land and identification of beneficiaries. Such agreements were anticipated to be concluded with estate agents, financial institutions, commodity-groupings, as well as the Land Bank and major agribusinesses such as Illovo and Tongaat-Hullett (DLA 2006: 9). One of the benefits of outsourcing implementation through SLAs was envisaged to be that ‘government would be able to keep some supply-led processes at arm's length’ which was preferable as ‘supply-led projects that are undertaken directly by government are more apt to be impeded or distorted by pressure exerted by various groups’ (DLA 2006: 9).

Several interpretations of ‘proactive land acquisition’ emerged, with the DLA pursuing supply-led approaches in which the state purchases land upfront from private landowners (willing sellers) and later identifies beneficiaries to whom this land can be either leased or transferred in private ownership (DLA 2006; Chakache, Motswege, Shabane, Williams, all 2006, pers. comm.). The Bester’s project in the Ladysmith area of KwaZulu-Natal was the first initiative towards a proactive strategy. Here, in 2006, and in a context of outstanding labour tenant applications, farmers and agro-processing businesses proposed and secured a partnership with claimants that saw the expansion of existing enterprises and their consolidation into a larger project. Also in KwaZulu-Natal, the DLA proceeded by purchasing a sugar cane farm with 300 hectares under irrigation, using LRAD funds, to be leased out for five years (with an option to purchase) to a legal entity consisting of the 73 farm workers already employed there. The terms
on which the state would sell the land on to the beneficiaries (if they invoked their option to purchase) have not been decided – whether the state will ultimately sell at market price (realising a return on its investment) or fix the price at the level at which the land was purchased, and whether the beneficiaries would be required to apply for grants and then pay these back to the state, as the seller, or whether the grant system would fall away entirely (as it subsequently has) and if so how the second transfer would be funded.

In Mpumalanga, PLAS has been vigorously pursued and has focused on acquiring land for labour tenants, as an alternative approach to the process outlined in the Land Reform (Labour Tenants) Act 3 of 1996. The DLA issued a call for land in the province and engaged with farmers’ unions (AgriSA, NAFU and TAU) and estate agents to identify land for sale, and decided to prioritise the ASGISA development corridor along the N17; in this way it managed to buy an unspecified number of properties from private owners, as well as repossessed properties from the Land Bank. The DLA’s plan was to acquire farms at scale, and over time to move towards individual title on residential plots, with grazing land being held communally. It indicated that it will give preference to those labour tenants who are considered to be ‘real farmers’, such as people who have more than 60 head of cattle, equating wealth with a commitment to farming (Motswege 2006, pers. comm.). In Msukaligwa local municipality in the Ermelo area of the Gert Sibande district, PLAS was used to acquire large areas of land for labour tenants. Here, a black residents on white-owned farms had lodged applications in terms of the Land Reform (Labour Tenants) Act, and the DLA had run up against two problems: in most instances, farmers would reject claims, leading to legal confrontation; and where farmers were willing to sell, the LRAD grants were insufficient for labour tenants to buy the land they already used. There was a mismatch between the grants available and the labour tenants’ rights that were to be secured. The DLA, therefore, opted for proactive acquisition as a way to get around the straitjacket of the grant structure, and, by late 2006, had bought 25 farms in the Msukaligwa local municipality. On investigation, it turned out these had all been bought from just two former owners.

The early outcomes signal some of the difficulties and contradictions of employing PLAS as a means of securing or upgrading rights of existing occupiers. At one farm outside the town of Breyton, the tensions inherent in the PLAS model became evident. An elderly couple, their children and grandchildren – with an outstanding labour tenant claim – had been the only people resident on the farm for some years, where they kept a small herd of cattle and poultry and cultivated maize and vegetables for their own use; only the old man was employed. When the farm was acquired, they were told they would be joined by people living and working on all the former owner’s other farms. They would have to farm together, and a foreman selected from another farm which households would join together, prioritising those whom he considered ‘business-minded’ and who did not have many cattle.

The immediate outcome of PLAS in this case was that all the farm workers and labour tenants lost their employment and cash incomes from the moment the farms were transferred into state ownership. Some got casual work elsewhere; none could find permanent jobs. A second outcome was that labour tenants were expected to pay rent for grazing land that they had previously accessed for free. After a 5-year trial period, all, some or none of the farm dwellers may have the
option to buy this land, but it was unclear how this will be decided. None of the labour tenants was aware that the land was not going to be transferred to them in full ownership; they were not aware that they would have to pay rent for the land they had previously accessed for free; and they were not aware that over time they would be expected to buy the land, and would probably need to take out loans to do so.

A key benefit of PLAS is the opportunistic use of market opportunities as they arise. As the provincial director of the DLA in Mpumalanga observed, under PLAS, ‘We are not under pressure. We can buy now, plan later’ (Archary 2006, pers. comm.). These examples of a ‘supply led’ approach constitute a break from past practices, as the state is now actively using market opportunities where they arise, and in some instances is approaching landowners to sell. These initiatives are in their early stages and could hold some promise; however, they also are problematic in major respects.

First, PLAS is a supply-led initiative and, in this case, it was not clear that it was the right land for these people; it was bought primarily because it was offered. Second, the requirement to pay rent and to purchase land with grants continues the pattern of forcing people – with different resources, aspirations and histories – to share land, fuelling the potential for conflict among new landowning groups, and the dominance of wealthier cattle owners. Third, PLAS may negatively affect the rights of farm dwellers and labour tenants, as it is being used inappropriately to substitute for the (stalled) rights-based programmes for labour tenants and other farm dwellers. Fourth, predictable problems of relying on a supply-led approach (inappropriate acquisitions, delays and a failure to prioritise) have arisen. To avoid these in future, it will be important to provide a clear framework within which decisions will be made about where land will be bought, and for whom.

In recent years, reports have emerged that non-payment of rent is very widespread indeed, with no rentals having been paid in some provinces (Ranwedzi 2012). Whether the Department, or DAFF, was able to determine in specific cases or overall the degree to which this was due to the inability, or unwillingness, to pay, has not been made public. In any event, most leases have now been extended from the initial three years (five years in some cases) to a further six years, including in cases where no rent had been paid for the initial ‘trial period’, this after Minister Nkwinti ruled out the imminent possibility of the state acting on its promise of a ‘second transfer’ – by 2011, he had clarified that the state would hold the land either in perpetuity or at least for a long period, and that leasehold would be the major form of tenure for the foreseeable future. Meanwhile, he predictable problems of leasehold in agriculture have emerged, with beneficiaries pointing out that they could not secure bank loans for investment in production, on the basis of three-year leases, and had little incentive to expand production infrastructure when this capital improvement could well accrue to the state at a future date (Ranwedzi 2012). Since its inception in 2006, no official national (or even provincial) survey has been conducted, to the knowledge of this author, to review PLAS projects and to inform changes in policy or practice.

For now, what is clear is that under PLAS, available budgetary resources are being crowded in to fewer projects, compared to redistribution in the past. Averages for the period 2009 to 2012 were expenditure of R8 million per project (846 projects) and R652,000 per person (10,447 people)
(National Treasury 2012). As Table 4 shows, compared to earlier periods, the numbers of beneficiaries per project have dropped dramatically, while hectares per beneficiary have increased – though obviously these averages (the only analysis possible on the basis of the limited official published data) provide little insight into varied circumstances within and between provinces. Further, the scale of land delivery is set to drop, with budget projections that delivery of land under PLAS will in the coming two years decline and then stabilise at less than 50% of the previous rate – for example by 2014 the rate will be less than half of what it was in 2008. This is due largely to diversion of funds away from land acquisition to fixing failing projects under the Recapitalisation and Development Programme, through which government is funding capital investment in farms, as well as in the agribusiness partners now engaged in each project.

**Table 4: PLAS projects, hectares and beneficiaries, 2009 to 2012, and averages (by province)**

<table>
<thead>
<tr>
<th>Province</th>
<th>Projects</th>
<th>Hectares</th>
<th>Beneficiaries</th>
<th>Ha / Project</th>
<th>Ha / Beneficiary</th>
<th>Beneficiaries / Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>EC</td>
<td>123</td>
<td>132 849</td>
<td>1 167</td>
<td>1 080</td>
<td>114</td>
<td>9</td>
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<tr>
<td>FS</td>
<td>102</td>
<td>71 428</td>
<td>427</td>
<td>700</td>
<td>167</td>
<td>4</td>
</tr>
<tr>
<td>GP</td>
<td>56</td>
<td>7 683</td>
<td>231</td>
<td>137</td>
<td>33</td>
<td>4</td>
</tr>
<tr>
<td>KZN</td>
<td>154</td>
<td>72 936</td>
<td>4 817</td>
<td>474</td>
<td>15</td>
<td>31</td>
</tr>
<tr>
<td>LP</td>
<td>92</td>
<td>40 512</td>
<td>481</td>
<td>440</td>
<td>84</td>
<td>5</td>
</tr>
<tr>
<td>MP</td>
<td>122</td>
<td>100 933</td>
<td>1 209</td>
<td>827</td>
<td>83</td>
<td>10</td>
</tr>
<tr>
<td>NC</td>
<td>57</td>
<td>350 869</td>
<td>176</td>
<td>6 156</td>
<td>1 994</td>
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<td>747</td>
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<tr>
<td>WC</td>
<td>41</td>
<td>31 051</td>
<td>1 693</td>
<td>757</td>
<td>18</td>
<td>41</td>
</tr>
</tbody>
</table>

Source: DRDLR 2012: p. 22 (last three columns are derived by the author from data in the other columns)

All this suggests that monitoring and evaluation are urgently needed. Quality of Life Reports were produced for 1999, 2003 and 2006. These produced useful even if somewhat limited insights, not least because they adopted varied methods and research instruments, and drew different samples – and what’s more are now seriously outdated. No national review of PLAS is currently in public domain. Monitoring of PLAS will need to focus on the crucial question of
who is getting what? On what terms? How was this decided? And how are they doing? What are the benchmarks for ‘success’? What policy and implementation adjustments are needed?

The most recent attempt to enforce ‘production discipline’ among beneficiaries, and to further strengthen the link between land use and tenure (in)security, is Minister Nkwinti’s recent announcement, in August 2012, and as reported by the Business Day, that the state aims to enter into formal ‘performance contracts’ with those to whom it has provided land, ‘in a bid to reduce the number of unproductive and dysfunctional farms in the country (Radebe 2012). The purpose of these binding agreements between PLAS beneficiaries and Nkwinti’s department was to ensure that ‘they stayed productive or would lose the farm’ (Radebe 2012). Part-time farming again came under fire, as it had for decades before, and as emphasised by the World Bank, with Nkwinti clarifying that government ‘could not afford to give free agricultural land to people who wanted to do farming only as a weekend hobby’ (Radebe 2012).

PLAS addresses the question of how to get the land, but leaves unresolved the core questions of which land should be bought and who it is being bought for. Potential dangers of this approach are the purchase of land inappropriate to the needs of potential beneficiaries (especially land that is far away from where they live and have established livelihoods and social networks); problems of caretakership of land by the state pending land use planning, beneficiary identification, development planning and settlement; and potential abuse of these weaknesses in the process by landowners, state officials and/or local elites. Proactive acquisition can form part of a wider strategy for acquisition – and can certainly help to address the problem of underspending – but giving discretion to civil servants to disburse funds cannot substitute for policy. A fundamental missing link in PLAS, as it has been practiced, is any methodology to engage in participatory ways with rural people to identify their land needs.

Conclusions

This paper investigated the convoluted nature of policy processes that unfolded between 1994 and 2012, and the internally inconsistent nature of the policies produced. The growing influence of agricultural policy (and in turn of both white and black established farmers) on land policy demonstrates the complex and contingent nature of policy making, shaped by interests and power, by actor networks and their discourses. It also reflects narratives of race, class and gender that were used to frame and justify policy positions; and the sudden dominance, under Mbeki, of narratives of economic development and efficiency over justice and equity, and the growing concern, under Zuma, about ‘production discipline’. This period also saw, within the policy views of the ANC in government, the normalisation of the farming system in the commercial areas, and a growing acceptance of existing production regimes alongside (and accommodated within) a transformation agenda. In this sense, the period saw the ANC’s changing conception of the land question and ways to address it. Also evident were the tenacity and continuity in contested notions of farming and means of promoting agricultural development.

An elaborate process of policy making was enacted over the three-year period from elections in 1994 to the White Paper in 1997 and implemented through to 1999, bearing the imprint of several actor networks, institutions and ideologies. As well as the market-based and state-assisted
purchase of land proposed by the World Bank, it combined several other features: a multiple livelihoods approach and pro-poor criterion (as embodied in the means test) that were promoted by the ANC and the NGOs; a single policy instrument directly transposed from the housing subsidy scheme; and the language of ‘communities’ which elided the different and even opposing interests that cohabited within the ambit of the policy. Yet it alienated almost all interest groups, including the NGOs who opposed its market-based framework; many of the rural communities with whom they worked who were frustrated with slow delivery and the absence of support beyond land transfer; white farmers who objected to large-scale settlement in the white commercial farming heartland; and black ‘emerging’ capitalist farmers who were excluded from the programme by its pro-poor means test and whose aspirations to individual ownership of whole commercial farms were thwarted by its criteria and grant formula.

This second cycle of policy making after 1994 saw a return to the neo-classical economic arguments which had informed the World Bank’s agricultural sector strategy in the early 1990s. LRAD was publicly presented as Didiza’s programme but, while she approved it, it was the product of a long process, predating her tenure as minister, of adjustment to the original World Bank proposals. A fundamental ambiguity embedded in these policy processes was whether the problem with land reform was that it was market-dependent and so led to projects inappropriate to people’s needs and capacities, or that it failed to result in market-oriented agriculture. While claiming the former, new policy addressed the latter. The changing discourse also reflected a changing understanding of the purpose of land reform. This had been not to maximise production but to minimise poverty and inequality. By 2001, the goalposts had shifted. In its own review of the first cycle of land reform, the World Bank concluded that ‘a suitably adapted land reform’ could help to develop a ‘diverse and less subsidy-dependent rural sector’ (Deininger and May 2000 p. 17). This had not been its purpose. They concluded that what was needed was a stronger role for the private sector, greater responsibilities for beneficiaries and communities themselves, and less state involvement. The one area in which the Bank could confidently report success – targeting of the poor and benefits not being appropriated by non-poor beneficiaries – was changed under LRAD. The poor would not be targeted and would compete for limited resources, on a sliding scale tipped against them, with the not-poor.

Under PLAS, the state entered the market as a market-player (willing buyer) but retained the overarching paradigm of market-based land reform, the model that has been in contention in South Africa (and elsewhere) for the twenty years. It is a poorly informed player – implementers have no policy guidance on which to determine which land to buy, for whom, why and for what. Area-Based Planning (ABP) can potentially provide guidance; initiatives towards such a planned approach represented a positive development – but this was only embarked on in some districts, and largely not carried through. PLAS provides a mechanism to scale up acquisition while circumventing obstacles imposed by the grant system. Yet it raises strategic questions: on what basis are beneficiaries being chosen and allocated land, and on what terms? How are resources being rationed? What is acceptable use of available funds? Need policy guidance and oversight on this. Where should redistribution be focused, and how can this support more intensive land use and create (self-) employment? And, if the state is to be the landlord, and beneficiaries its tenants, what kind of landlord will it be, does it possess the capabilities and means by which to
manage the leasehold model on, potentially, 30% of the country’s farmland, and what will be the conditions, and security, of tenure for those who occupy its land?

From a theoretical point of view, it is now clear that land reform is not oriented towards resolving either the agrarian question of capital (resolved through the establishment of capitalist agriculture in the twentieth century, alongside mining and manufacturing development) nor is it evidently contributing towards resolving the agrarian question of the dispossessed. While some people are clearly benefitting, what form of economic restructuring is being sought is not clear. No matter what changes to the mode of acquisition – whether the willing buyer, willing seller approach is abandoned or accompanied by expropriation – wider questions regarding its role in changing social relations remain. Most urgent, for those concerned with questions of either political oversight, or with impacts on inequality, is the question of whether rampant elite capture (intimated by various reports to date) have any validity, and if not, whether the allocation of whole commercial farms to individuals or individual families, as is often the case, is having any effect at all on the expansion of livelihoods through employment or self-employment. Without evidence of this, increased budgetary commitments are unlikely, and the scale of the programme is likely to continue to contract, transferring substantial benefits to fewer and fewer people. More worryingly, the limited inroads made by land reform into economic inequality in the countryside serve to undermine the argument for redistributing economic assets. In this context, insistence on ‘production discipline’ and castigation of production failures by people emulating commercial farming models in a hostile economic environment, and with limited support, now threatens to reorientate the whole logic of land reform away from redistribution and towards limited accumulation for the better-off.

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