

## **Evaluating land reform's contribution to South Africa's pro-poor growth pattern**

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*Abstract:*

*After nearly 15 years of political transition, it becomes legitimate to question the effectiveness and sustainability of land reform in South Africa. Based on empirical findings regarding the redistributive land reform projects (restitution and redistribution) of the Mole-mole municipality in the Limpopo Province (South Africa), the objective of this paper is to evaluate the contribution of these projects to development and to analyze the extent to which they have improved people's lives in rural South Africa. The paper not only details the limited impact of the land reform projects on the socio-economic aspects of the majority of the beneficiaries' livelihoods, its assessment of the effective implementation of these land reform projects – from the initial application phase via the settlement to the final configuration of the project – allowed the identification of deficiencies and threats affecting the projects. Analysis of the failure to link land reform to development has led to recommendations, and also to a reflection on the viability and legitimacy of the existing land policies.*

*Keywords: redistributive land reform, land policies, evaluation, livelihoods, South Africa.*

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## **Evaluating South Africa's redistributive land reform: Policy and pre/post settlement implications**

### **1. Land reform in South Africa: Present reflections, new questions**

Although land reform concerns redress, social justice and reconciliation, many would consider that these objectives will never be achieved if no development occurs on the acquired lands. Development has many dimensions (especially if considered as addressing the injustices of the past) among which the increase of low income and low consumption is only one. Addressing quality of life in general, insecurity, powerlessness and low self-esteem, crowded homes, alienation from the community, etc. is as important. Such a definition of development finds a striking illustration in the case of South Africa, where no famine can be observed and where social and welfare grants often guarantee a minimum livelihood at household level (Perret, Anseeuw & Mathebula, 2005).

If the need and relevancy of land reform are accepted in South Africa and in many countries characterized by high wealth inequality rates, the efficiency and the effectiveness of the implementation of the land reform programmes are still under discussion (World Bank, 2004). A common factor of the alternative approaches for land reform is that, initially, few links are made between land reform and development, whether it is agricultural, rural or urban (DFID-ESRC, 2005). Land reform was and is still primarily understood and evaluated according to the quantity of land transferred from white populations to the previously disadvantaged and to the number of people benefiting from it (Turner, 2001).

The fact that the South African Government has implemented several more development-oriented measures since 1999 can nevertheless not be neglected.

As such, several initiatives were developed:

- Land Redistribution for Agricultural Development (LRAD) programme: focusing on the development of small-scale emergent farmers, it had also the objective of improving the coordination between the Department of Agriculture and the Department of Land Affairs (Ministry of Agriculture and Land Affairs, 2000).
- Integrated Sustainable Rural Development Strategy (ISRDS): the main objective of ISRDS is to better coordinate public action and service delivery at local level with the aim to enable sustainable development (Ministry of Agriculture and Land Affairs, 2000b). The integration of land reform in the Integrated Development Plans (IDPs) of municipalities has been guided by the formulation of land development objectives (LDOs) to be implemented by local government.
- A Strategic Plan for 2004-2007 has been developed by the Department of Land Affairs, which should lead to the acceleration of land delivery for sustainable development.<sup>3</sup> The latter has been complemented with an Agri-

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<sup>3</sup> A number of developments and programmes have been put in place attempting to address the integrated development approach in the context of land reform. A Land Care Programme funded by the Ministry of Agriculture and Land Affairs and the Extended Public Works Programme has been developed. Also through the Department of Agriculture, the CASP programme offering

BEE programme and, more recently, the Land and Agrarian Reform Project (LARP) and the Settlement and Implementation Support Strategy (SIS) to link land and agrarian reforms (DLA, 2007).

Nevertheless, many of these programmes are confronted with serious criticism: according to some, such programmes focus mainly on organizational and governance aspects and do not tackle the more structural problems restraining development (NLC, 2000; Anseeuw, 2004); others note that, even if they do focus on agricultural development, they focus on particular social groups having means of investment, reflecting a very controversial socio-political choice (Lahiff, 2001; Cousins, 2002), generally avoiding the question of land reform and development – as defined here above – *per se*.

These observations seem all the more important since the first observations concerning land reform projects - 14 years after the first democratic elections and 12 years after the implementation of the first land reform programmes – are alarming: more than 70% of all South African land reform projects in post-settlement phase are experiencing operational difficulties or are considered unsuccessful (CRLR, 2003; Department of Agriculture, 2004; Kirsten and Machethe, 2005; Anseeuw and Mathebula, 2008). Most land reform beneficiaries are failing to derive any benefit from their land: Sender (2002) even states that present land reform programmes had, in several cases, negative effects on poverty alleviation. These facts are all the more disturbing since only about 5% of the land is restituted/redistributed and that another 25% is expected to be transferred by 2014.

Although the land reform process in South Africa is still young, it seems that now is the time to start evaluating if land reform contributes to development. Indeed, after 14 years of transition, it is thus legitimate to question the extent to which land reform programmes have effectively and sustainably improved people's lives in South Africa. The objective of this paper is to have a closer look at land reform projects to understand their effective implementation on the field – from the initial application phase via the settlement to the final configuration of the project – in order to identify deficiencies and threats affecting the projects. An assessment of the effective results – related to development – of the land reform programmes will, subsequently, lead to recommendations with the aim to link the restitution/redistribution of land to development.

After this introductory contextualization, the paper will detail – in a second section – how development, within the framework of land reform, can be assessed and what consequences this has on the developed methodology. In a third section, it will present the overall results of the empirical work related to land reform projects. The main reasons for the failures to link land reform to development will be presented in a fourth section. Finally, based on the latter, some potential recommendations will be discussed.

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subsidies to land reform beneficiaries to be used for the improvement of land and infrastructure has also been implemented.

## **2. Assessing Land reform in the context of development: Research methodology**

Land reform impacts on economic growth (World Bank, 2004). But since poverty alleviation is one of the major objectives of land reform, socio-economic factors affecting land reform beneficiaries must also be considered.

Since the global level is not the objective of this research project, applying the above referenced broad definition of development to a land reform assessment, in the context of development, implies that:

- the project should maintain or enhance its capacities and assets, i.e. involve long-term maintenance and survivability (if not enhancement);
- the beneficiaries should benefit from stocks and flows of food and income adequate for basic human needs to be met or improved (Attfield, Hattingh & Matshabaphala, 2004)<sup>4</sup>.

By consequence, two levels of observation and analysis were retained: the land reform project and the land reform beneficiary.

*Land reform project level:* The project seems the relevant entity to gather information not only concerning its production structure, but also about the initial phase of project acquisition, the organization within the project, the institutional relations between the project and external institutions, the problems at project level, etc. Questions to answer to meet these ends include:

- What happened with the redistributed projects? Are they subject to economic development? Were the beneficiaries in a position to develop economically viable activities? What types of activities are developed on these projects?
- Can people benefit from these projects? Do these projects offer the opportunity/means to generate sufficient income for the beneficiaries?
- How are these projects organized? How are the activities on these projects organized? Are the institutional structures (implemented through land affairs/commission) effective to organize/manage these projects?

*Land reform beneficiary level:* The beneficiary level is needed to better understand the positioning of each beneficiary within the project and to assess their individual benefits related to the project. Assessing if land reform impacts on livelihoods implies that the benefits/opportunities/problems at beneficiary level have to be identified. Gathering information at project level will facilitate an understanding of:

- the position/role/relationships each individual has within the group.
- how land reform affects the beneficiaries' livelihoods? Have beneficiaries' livelihoods improved since they acquired land? How did access to land change the livelihoods of the rural poor (increase of monthly income, more diversified diet, etc.?)

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<sup>4</sup> A third condition related to development could be added: without undermining other such livelihoods, or potential livelihoods for the coming generation (Attfield et al., 2004).

In order to be able to compare the situation of the beneficiaries before and after land reform, historical data of the beneficiaries had to be gathered. The description of the trajectories of the beneficiaries was compared to data issued from another survey realized at community level (Perret et al., 2005).<sup>5</sup>

To do so, the Municipality of Mole-mole, in the Limpopo Province (one of the poorer and most rural provinces in South Africa), was retained as the geographical research unit for this survey for three main reasons: the municipality level represented the relevant geographical/administrative entity, Mole-mole has a large number of land reform projects, and there were links with surrounding communities where several land reform beneficiaries are coming from. In addition, the impact of land reform is expected to be important, as the entire municipality is under restitution and redistribution claims.<sup>6</sup>

The paper focuses on redistributive land reform projects (See Box 1), as – besides (labor) rights issues of farm workers and dwellers – tenure reform has not been initiated in South Africa yet. Mole-mole has in total: 42 land reform projects,<sup>7</sup> of which 39 have been assessed. The latter include five restitution projects (concerning 16953 hectares in total and, officially, 3477 beneficiaries), 16 Settlement Land and Acquisition Grant (SLAG) projects (8653 hectares and 1094 beneficiaries) and 18 (Land Reform for Agricultural Development (LRAD) projects (3117 hectares and 120 beneficiaries).

Although, approximately 80% of the Mole-mole municipal area is utilized for farming, it shows important diversities. A larger part of the municipal area consists mostly of privately owned commercial farms, whose production is mainly exported to neighboring countries (Zimbabwe, Mozambique). Scattered, areas of communal land allows some subsistence farming production. High population densities and unemployment rates in these areas lead to great expectations regarding land reform.<sup>8</sup>

Since the restitution/redistribution of land is a relatively young process, very little data is available, thus effective data collection was necessary. It was organized in three different ways:

- 1) Analysis of the existing secondary data and literature based on two different analysis axes: i) general information of the area (establishment and evolution of the social and economic structures, by accentuating the attention on two main particular aspects: history, origins, deportations and economic/agricultural situation; and ii) statistical and administrative

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<sup>5</sup> To analyse the trajectories of the beneficiaries, the communities from which the beneficiaries were originating were also analysed (Perret et al., 2005). Makgato and Sekgopo were retained for this analysis, as they were the villages from which most of Mole-mole's land reform beneficiaries were originating.

<sup>6</sup> Another 14 claims were about to be processed at the time of the survey.

<sup>7</sup> Mole-mole has in total 42 land reform projects, concerning in total 39 farms (a project can encompass several farms or concern only part of a farm), covering 31800 hectares and including officially 6152 beneficiaries. Besides the restitution projects, Mole-mole has: 17 SLAG projects, concerning 8747 hectares and officially 1183 beneficiaries; 19 LRAD projects, concerning 4027 hectares and 178 beneficiaries (Department of Agriculture, 2005).

<sup>8</sup> Only 53% is engaged in formal or informal employment (Molemole Municipality, 2004).

information, especially concerning land reform, at local and provincial levels.

2) Collection of general information through interviews and zoning: further general information was gathered in order to complete local, often historical information and to better understand geographical and natural features, as well as the socio-economic and organizational factors within the research area. This was conducted through: i) interviews with the agents of the Department of Agriculture (at provincial, municipal and local level) and with the members of the local Councils; and ii) zoning methods of the area and local communities realized with key informants from the area (tribal chiefs and councilors, extension officers).

3) Questionnaires on land reform and development: representing the core part of this work, the collection of the necessary primary data to assess the impact of land reform on development was conducted through monographic interviews, in the form of open-ended questionnaires. Because the majority of the projects, in particular the restitution projects, entail a large number of beneficiaries, it was decided to interview the management committee of the project and at least one beneficiary, who is not a management committee member, of the land reform project. In cases where a majority of the beneficiaries were not present or engaged in the project, interviews with them – when it was possible – were organized at their community of origin. This was necessary to assess the different points of views and opinions.

### **3. Land reform in Mole-mole in the context of development**

In order to assess the linkages between land reform and development, an analytical description of the land reform projects – in this case in Mole-mole – will be presented in this section. A first sub-section will be devoted to an overall description of the land reform projects in Mole-mole. The second and third sub-sections will detail the field observations at project level and beneficiary level.

#### ***3.1. Descriptions of the land reform projects***

The restitution farms, all claimed around 1996, were transferred between 2002 and 2005 (Table 1). These restitution projects involve communities displaced between 1960 and 1970, and were mostly scattered to different places. As a result the projects are composed of subdivided groups of people, often with different traditional leaders, who have come from relatively far and diverse places.<sup>9</sup> The projects are structured through Communal Property Associations (CPAs). Each CPA is managed by a committee, which is generally elected by the beneficiaries. However, as the entire community is concerned, traditional hierarchical structures prevail in all restitution cases. The CPAs, through their committees and members, have each adopted a constitution pre-drafted by the Commission for Land Restitution, which is often implemented without any amendments. Though all

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<sup>9</sup> For example, some beneficiaries of the Marobala-O-Itsose project come from Nelspruit, Mpumalanga.

these restitution claims have already been processed, three of the five still do not have their title deeds. Except for the Ga-Mabohlajane project, which is an urban claim, the restitution projects concern large areas and many people. They are often composed of several farms (the five restitution projects cover eight different farms). On average, a restitution project concerns 695 households and 3390ha. This yields an average figure of 4.9ha per household (Table 2, Figure 1).

The SLAG projects were mainly transferred between 1998 and 2000 (Table 1). The transfer process for SLAG was less complex than that of the restitution for several reasons. Firstly, the SLAG projects often involve only one or even just part of a farm, which eases the negotiation process. Secondly, several previous owners decided to sell their land jointly and use land reform as an opportunity. Several consultants, linked to the Department of Land Affairs, were employed to organize and process the projects, at administration and community level. For each project, groups of beneficiaries gathered together in numbers sufficient to cover the price of the land<sup>10</sup> and formed trusts. As a result, the beneficiaries in each group usually come from the same community, which is often located relatively close to the project. As is the case with the restitution projects, the SLAG projects are managed by a committee, generally elected by the beneficiaries. Because these projects do not concern entire communities but rather groups of people, traditional hierarchies are generally not maintained. The trusts have also adopted constitutions pre-drafted by the Department of Land Affairs; as in restitution, they are often implemented without any amendments. All SLAG project committees are in possession of their land's title deed. The SLAG projects involve on average 68 households and 540ha, representing 7.9ha per household (61% more than in the restitution cases, but still small according to the agricultural potential of the land). Some of the projects cover only part of a farm (Table 2, Figure 1).

LRAD projects differ markedly from restitution and SLAG projects, mainly because of their focus on agricultural development. Smaller groups of interested beneficiaries acquire through LRAD farms that they have identified for agricultural development. Except for the Geluksfontein case (which is subdivided into several smaller trusts), close corporations (CC) were formed as legal entities to represent each project. Since each project generally involves a small group of people, the organization of these projects is simpler and no separate management committees are formed. Although these projects are relatively young when compared to the previous two types, they all have their title deed. In contrast to the restitution and SLAG projects where no extra investment was needed from the beneficiaries, LRAD grants do not cover the purchase price of the farm and extra capital had to be borrowed. On average, the LRAD projects involve seven people and cover 173ha. This is approximately 26ha per beneficiary. The price at which the land was acquired in the framework of the LRAD programme is on average R5598 per ha or R56229 per beneficiary (Table 2). These figures are significantly

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<sup>10</sup> Since every household is granted a SLAG grant of R16 000, the size of the trust should be proportional to the price of the land (e.g. a piece of land costing R320 000 should have a trust of at least 20 households). Only Lehlabile Trust could not find enough beneficiaries to cover the purchase price of the farm and had to borrow money. In most cases, additional beneficiaries are generally included in a trust so that supplementary funds are available for infrastructure, implements, inputs etc.

higher than those for the other two programmes. The LRAD projects mainly involve parts of farms.

### ***3.2. The negative trajectories of the land reform projects***

An initial and important observation is the overall negative trajectories of the land reform projects. This can mainly be assessed through the gross farm income, reflecting the present production base of the projects. The projects' average gross income is R37 147 (Table 3).

While large differences can be seen between the three types of land reform project (average gross income of the restitution farms is R139600, of the SLAG projects only R30670 and on the LRAD projects R14444), the differences within each land reform programme are also important, as shown by the standard deviations (Table 3). Also interesting are the differences in income structure between types of land reform projects – none of the restitution projects produce agricultural products. Of the five restitution projects, one is an urban claim, one relies on extra-agricultural activities (leasing to other farmers, etc.) and the other two have entirely collapsed. In contrast, the LRAD projects rely solely on agricultural production (in accordance with the LRAD programme's objective). The SLAG projects combine both. In all types of land reform, some projects make no income at all (Table 4).

Except the upper income group project, all of these land reform projects are in a negative spiral, with decreasing production. Only four (10.3%, 10125ha - one restitution, two SLAG and one LRAD project) have a gross income of more than R100 000. Though these projects are making profit, R100 000 is still a relatively low income when divided between the average number of beneficiaries (especially for the restitution and SLAG projects). However, these projects do seem to be able to maintain themselves. On the extreme, of the 39 projects assessed, 20 (51.2% of the total projects covering 8786 ha –two restitution, two SLAG and 16 LRAD projects) have entirely collapsed and have no income. Except for the LRAD project, the farms have diversified their production (guest houses, forestry and game farming). The 15 remaining projects (38.5%, 9812 ha - mainly SLAG projects) generate an income between R1 and R100 000. With a 45% of their income coming from leasing out the land (sometimes to the previous land owner), all of these farms show negative growth, with decreasing production levels.

### ***3.3. The slight – even negative - impacts of Mole-mole's land reform projects***

The – generally negative – trajectories of the projects have led to little (and unsatisfactory, when compared to the objectives and expectations) impacts for the land reform beneficiaries. Indeed, the results are even more pessimistic when the gross project income is analyzed per household. Considering that there are on average 121 households per project, this yields R307 gross income per beneficiary household per year (R171 for restitution, R119 for SLAG, R512 for LRAD). While the decrease of gross income per household is not a surprise (since several households occupy a farm that maintained one or a few households previously), the difference is extreme. Indeed, even for the upper income group the average gross income per household is R1494 per year; for the 2<sup>nd</sup> and 3<sup>rd</sup> income groups,

the gross income per household only represents 0.2% and 5.2% respectively compared to the productions before restitution or to the business plans.

These observations impact the number of beneficiaries still engaged in the land reform process. Firstly, only 45% of the official beneficiaries effectively took part in the land reform projects and only 3.5% were still engaged at the time of the survey (Table 5). In total, only 164 households (instead of 4691) presently benefit effectively from land reform in Mole-mole<sup>11</sup>.

As well as failing to benefit the expected number of people, land reform is also having a much smaller impact on the (relatively few) beneficiaries' lives. Firstly, not only are 96.5% of the beneficiaries not benefiting from the land reform projects, a large portion of those who presently are were previously farm workers. This accounts for 28% of the beneficiaries engaged in the projects. A further 25% are pensioners or individuals benefiting from social grants, 4% work or are businesspeople (this is mostly true for LRAD projects). Only 43% of the 164 beneficiaries, those who were previously unemployed, say that land reform has improved their situation (notwithstanding the relatively poor conditions of employment and income on the projects).

These negative findings have, in addition, to be confronted with the fact that the production base at municipal level has deteriorated. Indeed, the main observation is the important decrease of gross income per production unit, when compared with the average expected gross incomes<sup>12</sup>. The production, and subsequently the gross project income, have collapsed for the lowest income group, have been divided by ten for the second income group and is only 19.6% of what used to be produced/generated for the upper income group. It was evaluated that, in total, the land reform projects' gross income decreased by 89.5%. It has not only led to about 70% of the farm workers losing their jobs in the assessed farms, but also to the majority of the beneficiaries remaining on the farms emphasized the deterioration of their working conditions.

#### **4. Reasons for failures to link land reform to development**

The results detailed in the previous section are pessimistic. These observations are all the more problematic since more land will be restituted shortly. In order to break these negative spiral traps, there is a need to better understand what the reasons are for failures to link land reform to development. The section will present a detailed description of the identified reasons that have led to the failures of the land reform projects in Mole-mole. Four main clusters of reasons were identified: (1) unfeasibility of land reform projects; (2) unadapted institutional structures; (3) lack of collective action and institutional isolation; (4) administrative heaviness, incapacity and lack of transparency; and (5) insufficient and unadapted (technical) support services.

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<sup>11</sup> Attention should be drawn – especially regarding the SLAG projects – to the fact that large number of people only engaged in order to gather the amount of subsidies needed to acquire the farm.

<sup>12</sup> The latter were identified from the business plans or based on the production of the farms before restitution/redistribution.

#### **4.1. Relevancy and economic unfeasibility of the land reform projects**

Independent acquisition of and settlement on land, under the actual economic conditions (land prices, project profits, financial conditions) is difficult and often impossible if external capital is needed (Anseeuw & Laurent, 2007). Although the economic conditions of acquisition and redistribution of land are not always a priority of land reform, the development of an income generating activity, sustaining large numbers of beneficiaries proves unfeasible.

Firstly, especially within the framework of the restitution and SLAG projects, very little land is available per household (Table 6). On one hand, taking into consideration the carrying capacity of the area (5ha/LSU), it becomes obvious that very few projects can be feasible according to the number of households involved. On the other hand, with an expected gross farm income of R810 per hectare, a maximum disposable income of R2 992, R4 131, and R24 008 per year per household can be expected on the effectively transferred restitution, SLAG and LRAD projects, respectively. If the beneficiaries and/or labor are remunerated, which is often the case in the majority of the projects, a negative result will be obtained (even before repayment of the annuities)<sup>13</sup> – questioning the economic feasibility of these projects. These results corroborate Kirsten and Machethe's (2005) findings

Secondly, the survey has also shown that the land acquired for the projects is not always suitable for development, particularly agricultural development. Though this is not often the case with restituted land (on which the communities lived before being evicted and which, therefore, often includes several farms), it is often true of redistributed land. As regularly claimed by land activists (NLC, 2000), the present survey emphasizes that only less productive or land not suitable for development is transferred; the latter is often due to the subdivision of projects. The result is that several projects are located on parts of farms, often without basic infrastructure such as access to resources (e.g. water) or roads. Of the 39 projects, 27 are located on part of a farm, 19 lacked basic infrastructure (housing, electricity lines, roads, etc.) and 16 had problems with water.

Complemented by the fact that the projects are relatively far away from beneficiaries' residences (on average 48km separates the two locations, which also increases production costs), the lack of infrastructure also contributes to the difficulty of the working and living conditions on the farms. This is confirmed by the small proportion of beneficiaries willing to actually live on the farms: only 51 of the 164 beneficiaries currently involved with the farms said they would be willing to live on the farms, as the latter are too isolated and too far from their communities, their social and cultural environments and their family life.<sup>14</sup> Economic unfeasibility is a general factor, but even subsistence and improved well-being is not achieved. This is due to the structural approach and the principles of the land reform programmes, especially seen in restitution and SLAG.

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<sup>13</sup> Except for LRAD projects, for which the results will still be positive, but not viable.

<sup>14</sup> These results are confirmed by an additional survey carried out in the neighbouring communities of Sekgopo and Makgato (Perret *et al.*, 2005). This survey showed that less than 0.5% of the more than 300 respondents said they were willing to live on a land reform farm.

#### ***4.2. Unadapted institutional structures at project level***

Unadapted institutional structures at project level were a major concern affecting the land reform projects.

Firstly, these problems can usually be traced back to pre-settlement organizational procedures. These procedures are often initiated externally, especially in SLAG projects, through the Departments of Agriculture or Land Affairs or an appointed consultant. The initiating people or bodies organize the potential beneficiaries into CPAs or trusts, usually following existing power structures. This resulted in apathy among a large portion of the beneficiaries, as well as in opportunities for illegal practices and misuse of assets by those in power, on behalf of a minority of beneficiaries. This has implied important internal and internal-external conflicts (either resulting in the entire blockage and collapse of the project; implying on decision making processes, task realization, lack of responsibility and motivation; or leading to illegal practices, misuse of assets and vandalism realized by excluded people) This was most often seen on SLAG farms, but also occurred on one restitution farm.

Secondly, the land reform projects are characterized by unadapted institutional and legal entities. During the implementation process, two major types of constitutions have been adopted: (1) representing the entire group/trust (with title deed on the name of all beneficiaries), (2) representing the management committee (with title deed on the name of the management committee members). Because of the previously detailed power structures, the many not engaged beneficiaries, or of the many beneficiaries leaving the projects, the actual beneficiaries/management committees present on the projects are often different than the representative entity. A first consequence of these discrepancies concerns access to services, in particular financial services. For example, often the names on the title deed do not correspond with those of the people who apply for credit to develop acquired land; therefore, access to credit is refused. On contrary with many studies dealing with communal property and investment (Graham & Darroch, 2001; Kirsten & Machethe, 2005), it is not the status of the CPA itself, but rather the internal organization and conflicts limiting access to credit. To highlight the severity of this issue – none of the restitution and SLAG projects had obtained a loan. A second main problem caused by these differences concerns the process of decision-making. Either the decisions are made from the outside, which can lead to mismanagement and unfairness; or decisions simply cannot be made since the people are absent or are of insufficient numbers.

Out of the 39 projects, 22 underlined that their constitution and legal structure was unsatisfactory and that they wanted to amend it. Because of the previously described power structures (traditional hierarchies, unrepresentative groups), only one project noted that amending their legal structure would be administratively possible. In addition, very little attention has been given to conflict resolution systems; conflict management and resolution was only implemented by one

restitution project through an externally appointed lawyer (by the commissioner)<sup>15</sup>.

#### ***4.3. Lack of collective action and institutional isolation***

From the survey results, the isolation of the projects is evident. Of the 39 projects assessed, four have no contact with any institution (Table 7), namely one restitution project and three SLAG projects. None of these projects generates income. It should be noted that, of the 39 projects, only 12 have any dealings with private institutions. Nearly all the LRAD projects (16 of 18), 60% of the restitution projects and 50% of the SLAG projects are without such contact. Again, the large majority of these projects generate no income (eight come from the second income group). Only 21 projects are part of associative institutions (professional associations, local associations, etc.)<sup>16</sup>. On contrary to the SLAG projects, most of the LRAD and restitution projects are not part of such associations, possibly due to the scattered character of the latter. Lastly, very little collaboration has taken place between former property owners and farmers and beneficiaries. Only one project has shown such collaboration; this collaboration, however, was not very developed.

Significantly, all the third income group projects are members of the three identified institutional groupings. A positive correlation between farm income/production and institutional links is thus evident. However, very little effort is made either by the projects themselves or by the coordinating institutions (e.g. the Department of Agriculture) to promote collective action. Any collective action and support arises not from the organization of farms but from the community contacts. The community is still an important security network for a project, at both beneficiary and project levels.

#### ***4.4. Administrative heaviness, incapacity and lack of transparency***

Administrative problems are also an important limiting factor (with the activities of the local Departments often heavily condemned by the beneficiaries).

Firstly, concerning the administrative heaviness, all procedures are long, difficult and often costly for the beneficiaries. The time lapses between the demands for land and the actual acquisition are a good example: the average time lapse for a restitution/redistribution claim to be settled in Mole-mole is 7.8 years (Table 8). Even after this lengthy process, some of the beneficiaries of the survey still do not have their title deeds. This does not only make government a second hand negotiator, as Aliber and Mokoena (2000) write, it also leads to an important demotivation of the potential beneficiaries and a deterioration of the production structure (lack of maintenance of implements, land and perennial crops).

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<sup>15</sup> Since shortly, and mainly due to the importance of these conflicts, the Soekmeaar Farmers Association has been created (grouping approximately 15 of the land reform projects). This has been done with the Department of Agriculture.

<sup>16</sup> Two local associations were identified in Mole-mole (Soekmeaar Farmers Association, together with the Department of Agriculture, dealing mainly with conflict resolution and facilitating the approaching of public or private institutions and a Local Farmers Association dealing with implements and labour collaboration.

The activities of local government and administration are also not transparent. Several activities are implemented without consultations or agreement with the beneficiaries. Furthermore, some of their engagement and practices can be illegitimate. This questions the land reform processes from a structural point of view since the implementers of certain activities, projects and programmes are the same individuals who monitor of the entire processes. Engaged from the beginning in the land reform processes, they are part of the implemented power structures and are potentially benefiting from it. The total absence of an external monitoring system becomes appears, and yet seems to be drastically needed.

#### ***4.5. Insufficient, uncoordinated and not adapted (technical) support services***

Lack, changing and incapacity of personnel are also main constraints. If according to Hedden-Dunkhorst and Mollel (1999) the number of departmental officers on the field did not decrease, their number - considering the number of people to serve - did. The high turn-over rate of personnel was also emphasised as a constraint: Interviewees were complaining about new people coming in, having no knowledge of the different files, having little experience.

This brings us to the incapacity and the unadapted (technical) services of the field officers. Many beneficiaries said they did not effectively benefit from the support officers. Too little presence on the field and a lack of knowledge – mainly managerial and community based expertise - were the main reasons coming out of the interviews. It has to be noted that the expertise and capacities of these extension officers dealing with land reform projects – often concerning large amounts of households or even entire communities is totally different than the those needed on a 'usual commercial farm'. Different tasks (including project management, community management, community psychology, alternative dispute resolution, etc.) are needed to serve a 'new type of farmer' (Anseuw, 2004).

Finally, as has been shown in the project, community, social and family life can not be separated from land reform initiatives. These projects need thus not only to be 'economically integrated', but will have to be supported by basic infrastructure. It will necessitate the development but also the coordination of complementary basic services and service providers needed for development (public roads, water access, sanitation, etc.).

### **5. Linking redistributive land reform to development: conclusion and potential recommendations**

The results detailed in this paper - based on a research realized in the Mole-mole Municipality (Limpopo Province) - show that land reform is, at present, only marginally, and in the many cases even not, improving livelihoods in rural South Africa. Only four out of 39 projects were identified as sustaining: although it does not benefit beneficiaries extensively, they are maintaining their production. The large majority of the beneficiaries, i.e. 4527 out of 4691 beneficiaries (96.5%), do not benefit at all from the land reform projects. Nevertheless, due to the historical bias and the sensitive socio-political character of land in South Africa, land reform

will continue. In Mole-mole, for example, another 14 farms will be restituted in the coming years and eventually the entire private land area will be claimed. Solutions to overcome these failures are thus essential.

A first potential recommendation deals with the enhancement of the implemented institutional structures, through more transparent and participative procedures. The not adapted institutional structures are mainly a result, initiated during the beginning (pre-settlement) phase of the land reform projects, of imposed leadership, grouping of people (interested or not) supporting power structures and the un-negotiated implementation of legal structures (particularly the constitutions). Institutions and leadership structures should be established through negotiations and compromises, leading to a more representative structure of the totality of the beneficiaries, quantitatively and qualitatively, leading subsequently to a more sustainable development. Major (community) conflicts will be avoided<sup>17</sup> and better adapted legal representation will be acquired.

A second recommendation emerging from the research deals with the need to enhance collective action in order to avoid institutional isolation – a major obstacle to cooperation (putting together implements, etc.), empowerment (access to marketing channels, etc.) and political action (obtaining of government support, etc.). Interaction should be enhanced through gatherings (organized, for example, by external support services/institutions) and project proximity. Enhanced interaction will facilitate, through the congregation of common interests and objectives, collective action (in a more or less structural form).

Thirdly, a strong, coherent institutional structure, including external monitoring systems, could lead to a more integrated land reform project in a coordinated and adapted institutional framework. The research emphasized the lack of an overall integrated institutional structure, at project level but also encompassing all different levels and stakeholders concerned with land reform projects. This would thus imply the project itself, but also all institutions, support services, administrative procedures, etc, from the beginning phase throughout a project's lifecycle. The success of land reform requires the interaction of all stakeholders involved, vertically and horizontally. A coordinated, coherent institutional structure is necessary to enable this. This will not only overcome the institutional isolation many projects suffer from, but also lead to a better coordination of adapted and basic services needed for development (public roads, water access, sanitation, etc.).

These potential recommendations should not be apprehended separately, but should form a coherent ensemble. As such, complementing it with overall conflict resolution and monitoring systems, externally driven and avoiding top-down autocratic approaches, would enhance governance, coordination and coherence. Nor are these recommendations (the only and unique) magic potions to link land reform to development. They might even lead to questioning the relevancy of the South Africa's present land reform programmes. Being not feasible in the large majority of the cases, many of the interviewees emphasized not willing to move to

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<sup>17</sup> The latter should be complemented by an entirely external conflict resolution system throughout the project's live cycle.

these newly acquired lands. As such, not only development but also redress is at stake. Increasing impact, in number and well-being of beneficiaries without affecting the country's production base, seems to require intensive intervention of the state (such as inciting (financially), land use (controlling the (under)use or of land) or pluri-property (taxation of pluri-property owners) regulatory measures). The latter have lead to questioning the development model South Africa has been engaged in since fourteen years and revisiting South Africa's land and agrarian question (Cousins, 2002; Anseeuw, 2006).

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**Box 1: Redistributive land reform in South Africa**

**Land Restitution** (Restitution of Land Rights Act 22 of 1994) enables people or communities dispossessed of their land after the 19<sup>th</sup> of June 1913 (implementation date of the first Native Land Act) to make a claim for the restitution of their land rights (or the equivalent, i.e. other land or financial compensation). In March 1996, the deadline for claim submission, 68 878 individual or grouped claims were submitted.

**Land Redistribution** aims to assist through subsidies previously disadvantaged populations to purchase available land at market price. Although it can take on different forms (individual, grouped or commonage resettlement), two major programmes exist:

- **SLAG** (Settlement and Land Acquisition Grant) representing a subsidy of 16,000 Rand per household wanting to acquire land (for subsistence, commercial or other reasons).

- **LRAD** (Land Reform for Agricultural Development) sub-programme, implemented in 2000, promotes agricultural development, and supports the transfer of private agricultural land to individuals or limited groups who are able to invest in commercial farm development.

Transfer of private title deeds is facilitated through LRAD subsidies that increase in value according to the beneficiaries' own investment. Based on increasing own contributions in labor and farm assets (if the beneficiary is not in a position to contribute financially), up to a financial contribution of 400,000 Rand, LRAD will provide proportionally increasing subsidies from 20,000 up to 100,000 Rand (Ministry of Agriculture and Land Affairs, 2000).

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**Table 1: Land reform in Mole-mole by type of land reform project**

Type of land reform project	Project	Legal entity	Title deed	Origin of beneficiaries	Transfer date	Households	Area (ha)
<b>RESTITUTION</b>	Rita/Bethesda	CPA	n	Moletsi/pietersburg	04.04.2004	574	3580
	Ga-Mabohlajane (urban)	CPA	n	Koninggratz/Dendron	04.10.2004	936	52
	Makotopong	CPA	y	Makotopong/Pietersburg	26.02.2002	950	3600
	Marobala-O-Itsose	CPA	y	Moletsi/Dendron/Nelspruit	16.01.2004	427	7148
	Morebene	CPA	n	Zoekmeaar/Matoks	01.07.2005	590	2573
<b>Total restitution</b>						<b>3477</b>	<b>16953</b>
<b>SLAG</b>	Fanang Diatla Trust	Trust	y	Zoekmeaar	09.02.2000	49	62
	Hivuyerilwile Trust	Trust	y	Sekgopo	04.07.2000	30	669
	Ikageng	Trust	y	Dikgale	16.11.1998	104	418
	Kgadima	Trust	y	Sekgopo	05.10.2000	88	1140
	Lehlabile Trust	Trust	y	Zoekmeaar	01.02.2000	43	720
	Lehlangeng	Trust	y	Sekgopo	17.11.2000	52	1139
	Mapiribiri	Trust	y	Dikgale	26.05.1999	68	289
	Makgato	Trust	y	Makgato	28.01.2000	55	186
	Makhamotse	Trust	y	Sekgopo	09.11.2000	121	1392
	Marginalised	Trust	y	Dikgale	25.06.1998	137	973
	Marobala Chicken	Trust	y	Dikgale	06.06.1999	88	232
	Matau Investment Trust	Trust	y	Makgato	28.08.2000	60	524
	Matshehla	Trust	y	Dikgale	26.05.1999	60	396
	Soka Lehlo	Trust	y	Makgato	28.01.2000	35	104
	Thusanang Trust	Trust	y	Ramokgopa	25.05.1999	45	85
	Waterval	Trust	y	Dikgale	01.10.2000	59	324
<b>Total SLAG</b>						<b>1094</b>	<b>8653</b>
<b>LRAD</b>	Fishof comokgerepi	cc	y	Blouberg	01.01.2002	4	825
	Maiwasshe Estate	cc	y	Thoyoyandou	01.05.2002	3	916
	Oracle Props 1044 CC	cc	y	Polokwane, Aganag	01.01.2002	3	400
	Re a leka	cc	n	Moletsi/Ramagopa	01.03.2005	12	7
	SpringKaan Farm	cc	y	Matoks/Pietersburg	01.07.2005	3	566
	Tau-tlou-phuti Project	cc	y	Lebowa Kgomo	01.01.2005	2	259
	Babogadi Trust	Trust	y	Ga-Poopedi	01.02.2005	6	9
	Gotlotlometsa TR	Trust	y	Ga-Poopedi	01.02.2005	6	9
	Letswa Tshemong	Trust	y	Ga-Poopedi	01.02.2005	16	28
	Letjepe Mpolaye	Trust	y	Ga-Poopedi	01.02.2005	17	26
	Bare Gakeleme Trust	Trust	y	Ga-Poopedi	01.02.2005	6	9
	Keya Lema Trust	Trust	y	Ga-Poopedi	01.02.2005	6	9
	Ke Lema Kelenosptr	Trust	y	Ga-Poopedi	01.02.2005	6	9
	Mokgadi Trust	Trust	y	Ga-Poopedi	01.02.2005	6	9
	Letlapa Go Lema TR	Trust	y	Ga-Poopedi	01.02.2005	6	9
	Mmabafaata Trust	Trust	y	Ga-Poopedi	01.02.2005	6	9
	Lephala Le Basom	Trust	y	Ga-Poopedi	01.02.2005	6	9
	Basomi Trust	Trust	y	Ga-Poopedi	01.02.2005	6	9
	<b>Total LRAD</b>						<b>120</b>
<b>TOTAL</b>						<b>4691</b>	<b>28887</b>

Source: Department of Agriculture, 2005.

**Table 2.: Synthesis of the characteristics of Mole-mole's land reform projects**

	Restitution	SLAG	LRAD
Number of projects	5	16	18
Average area per project (Ha)	3390	540	173
Average area/HH (ha/HH)	4.9	7.9	26
Average price per project (Rands)	1 325 490	774 857	674 750
Average price per ha (Rands)	391	2588	5598
Average number of HH per project (effectives)	695	68	7
Average number of benef per project (effectives)	4156	338	12
% Male/Female	- <sup>1</sup>	64/36	74/26
% Youth	- <sup>1</sup>	6	4
Origin of beneficiaries	* Far * Scattered places * 1 community	* Less far * 1 geographical area * Part community	* Less far/far * 1 geographical area * Limited group
Acquisition procedure	Claim (previously displaced)	Seller driven	Seller/Buyer driven
Time to process applications (years)	7.8	2.9	2.3
Financial implications for beneficiaries	None	SLAG grants (# hh according to price)	LRAD grants (% of own contribution) + loan
Type of acquired farm	Several farms	Entire or part of farm	Entire or part of farm
Legal/ institutional structure	* CPA * Elected constitution * Traditional tribal hierarchy  * Not always title deed	* Trust * Elected constitution * Community elected management committee: * Title deed	* CC <sup>2</sup> * No constitution * No hierarchy – no management committee * Title deed

(1) no data available

(2) One LRAD project had a trust as legal structure that was subdivided in 13 sub-trusts.

Source: Department of Agriculture, 2005; Anseeuw & Mathebula, 2005.

**Table 3: Gross project income per type of land reform project**

<b>Land reform type</b>	<b>Agricultural income (Rands)</b>	<b>Other income (Rands)</b>	<b>Total income (Rands)</b>
<b>Restitution</b>			
Average	0	139600	139600
Standard deviation	0	279823	279823
Maximum	0	638000	638000
Minimum	0	0	0
<b>SLAG</b>			
Average	22139	8531	30670
Standard deviation	39435	12272	44548
Maximum	141542	13080	143453
Minimum	0	0	0
<b>LRAD</b>			
Average	14444	0	14444
Standard deviation	50361	0	50361
Maximum	214000	0	214000
Minimum	0	0	0
<b>Total</b>			
Average	15749	21397	37147
Standard deviation	42416	102111	108642
Maximum	214000	638000	638000
Minimum	0	0	0

Source: Anseeuw & Mathebula (2005).

**Table 4: Mole-mole land reform projects by income group**

<b>Gross farm income group</b>	<b>R0 (1<sup>st</sup> income group)</b>	<b>R1-R100000 (2<sup>nd</sup> income group)</b>	<b>100000 &lt; (3<sup>rd</sup> income group)</b>
Number of projects			
Total	20 (51.2%)	15 (38.5%)	4 (10.3%)
Restitution	3	1	1
SLAG	2	12	2
LRAD	15	2	1
Agricultural income (Rands)			
Average	0	11018	112236
Standard deviation	0	10907	89752
Maximum	0	26160	214000
Minimum	0	0	0
Other income (Rands)			
Average	0	9763.333	172012
Standard deviation	0	14853.6	311553
Maximum	0	60000	638000
Minimum	0	0	0
Total income (Rands)			
Average	0	20781.33	284249
Standard deviation	0	13102.82	238232
Maximum	0	60000	638000
Minimum	0	5800	141542

Source: Anseeuw & Mathebula (2005).

**Table 5: Beneficiaries of land reform in Mole-mole by type of project**

	<b>Official beneficiaries of projects</b>	<b>Beneficiaries effectively engaged in projects</b>	<b>Beneficiaries presently benefiting from projects</b>
<b>Restitution</b>			
Total number	3477	1633	15
Average per project	108	422	3
% of official beneficiaries	100.0	46.9	0.4
<b>SLAG</b>			
Total number	1094	357	122
Average per project	68	24	8
% of official beneficiaries	100.0	32.6	11.2
<b>LRAD</b>			
Total number	120	120	27
Average per project	7	7	2
% of official beneficiaries	100.0	100.0	22.5

Source: Anseeuw & Mathebula (2005).

**Table 6: The redistributed/restituted surface per household**

	Restitution	SLAG	LRAD	Total
Average surface per household (ha)	6.2	8.5	49.4	27.1
St dev	6.3	6.7	90.9	64.9
Max (ha)	16.7	21.9	305	30.5
Min (ha)	3.7	2.6	1.5	1.5

Source: Anseeuw & Mathebula (2005).

**Table 7: Mole-mole's land reform farms' access to institutions**

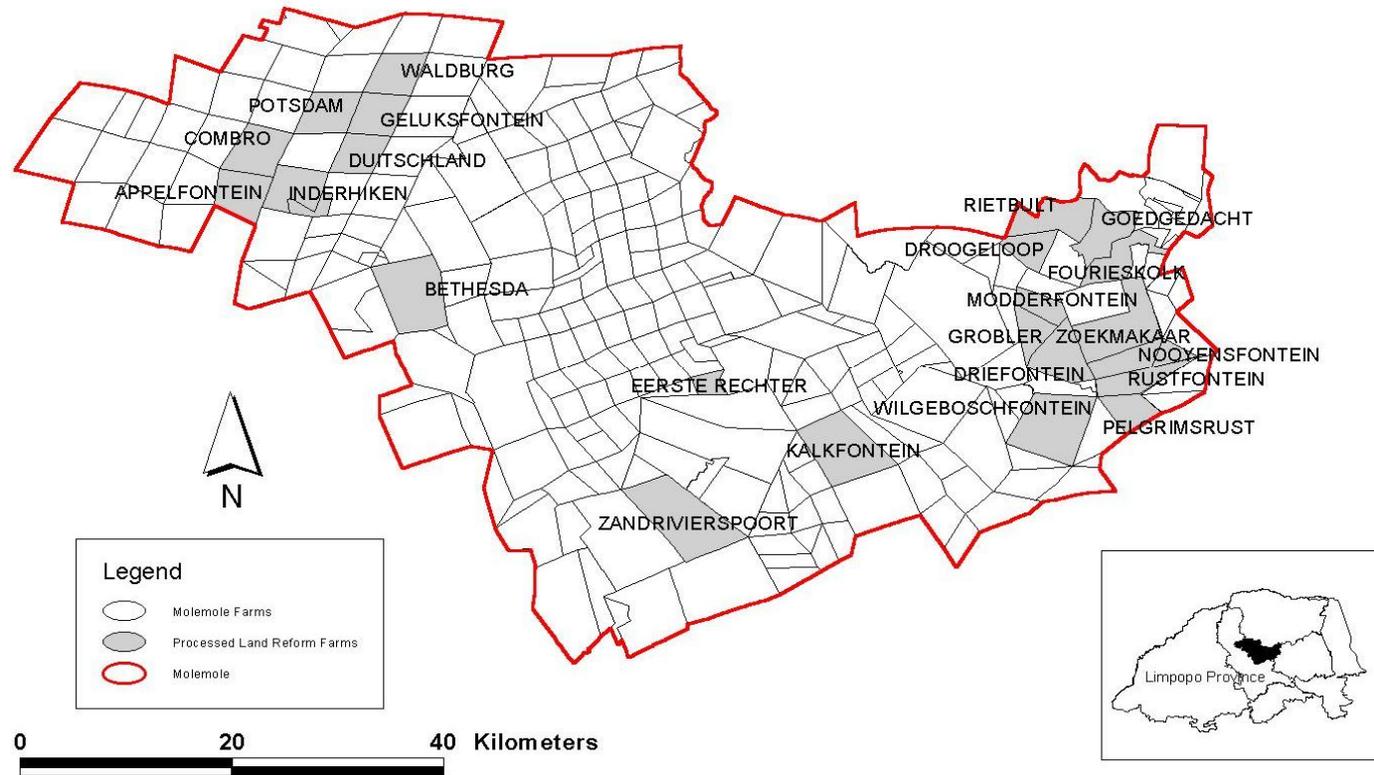
	Assessed farms without access to			
	Public institution	Private institution	Associative institutions	Any institution
Number of farms (n=39)	4	27	21	4

Source: Anseeuw & Mathebula (2005).

**Table 8: Duration between restitution/redistribution claim and effective transfer in Mole-mole (in comparison to the redistribution projects)**

	Restitution	SLAG	LRAD	Total
Duration between claim/demand and effective transfer (years)	7.8	2.9	2.3	3.5

Source: Anseeuw & Mathebula (2005).



**Figure 1: Processed and unprocessed land reform claims in Mole-mole**  
Source: Anseuw & Mathebula (2005).

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