

A new Dawn for some but perhaps not for all!

Patrick Jonsson – 21st August 2006

I have just finished reading an article in the Farmers Weekly of the 25th August 2006 entitled “The new dawn of SA Land Reform”. The article describes how the farming community of Besters in KZN realised that they needed a new and different approach to managing the various land claims in their district. The article describes a very different approach, a very proactive and a very inclusive approach to managing the land claims. It would seem that their efforts have realised what looks to be a significant result with all of the stakeholders extremely comfortable with these outcomes (so far).

Of interest is the positive and quite influential role played by not only the land owners but both the Department of Land Affairs and the provincial and local governments. A number of issues arise from this approach and there can be no doubt that there are certainly lessons to be learned. This is especially so as the Besters model is being advocated as a framework for replication elsewhere.

On examination I find the following of great significance:

- ◇ There was a commitment from the Besters farming community that was universal – not one land owner disagreed with the approach.
- ◇ The leadership shown from within all the stakeholder groups was clearly positive, proactive and above all prepared to “go the journey”.
- ◇ The claimants, once engaged, cooperated and at one point all joined forces as one Community Property Association (CPA). (And this despite the inherent difficulty in qualifying claimants and quantifying beneficiaries.)
- ◇ A working group representing all stakeholders eventuated and they worked tirelessly within their constituencies to get a result.
- ◇ Not only claimants but farm workers and others whose rights under the ESTA Act participated in the process and all are beneficiaries – thus ensuring that beneficiation was more universal than simply specific to certain groups to the exclusion of others.
- ◇ A great deal of effort was put into realistic and holistic planning over a protracted period of time and I suspect that “expectations management” formed a significant part of the process.
- ◇ The Department of Land Affairs proactively managed all the claims in such a way that they ultimately made more sense from both a land use as well as from a

management and future mentoring perspective.

There can be no doubt that all of the above made a massive contribution to the success of the project and those concerned should be complimented. However it is also quite useful to examine the specific circumstances regarding the groups involved, the type of land and farms, and more especially if one contemplates using this project as a model elsewhere. (I gained a sense that Government sees this as a particularly “good” solution and would like to see this approach replicated elsewhere whenever possible.)

Some 35 land owners are involved with a total of 65 000ha of land under their care. The following combination of statistics and facts are significant:

1. The district is bounded in part by rural community land wherein subsistence farming barely survives and the local population is affected by HIV. Any local loss of jobs and income would have had a massive impact on an already poor local indigenous community.
2. The process took a long time and its success was due largely to the tenacity of the farm owners. Each land owner on average had 4 640 ha under his or her control.
3. The land eventually identified and bought for redistribution (and perhaps in some cases restitution?) amounted to approximately 14 000ha. This represents some 21% of the farm land presently farmed by the land owners.
4. Farm land for sale was easily identified and clearly agreement on pricing (where appropriate) was reached easily. (I gained the impression that some land was in fact “given” to the project by land owners. This is not clearly stated in that article other than reference is made to the landowners investing R 9 million into the project.)
5. The land procured by the project is in 14 parts and represents both grazing and commercially viable cropping land (maize production). Of interest is the fact that a number of subdivisions and consolidations were required to achieve the 14 parcels of land. The beneficiaries are organised in 14 CPAs (Community Property Associations).
6. The short term goals for the project seem to be 150Ha of commercial maize and a beef herd of approximately 2 000 head of cattle. The longer term vision represents a far more intensive farming venture with meat processing, dairy and retail contracts being the major thrust. No detailed discussion regarding future funding is apparent.
7. Claimant (participant?) numbers or beneficiaries seem to amount to some 500 families.

8. The total investment in the project so far represents R 30 million of which R 21 million came from Government.

On aggregate the above translates into the following:

CPA's	Average number of families / CPA	Average amount of land / family / CPA	Average commercial cropping / CPA (now)	Average number of cattle / family / CPA (now)
14	35	28 Ha 1 000Ha	10.7 Ha	10 143

Investment / Ha	Investment / CPA	Investment / family	Investment / CPA in farming	Investment / family in farming
R 1 0000	R 2.143 million	R 63 000	R 1.5 million	R 42 857

The final statistic of interest is that this project has taken five years to attain its present level of delivery.

So why have I taken the time and effort to analyse all this. Well it is apparent that we in the Broederstroom claim are a little different to the Besters farming community and I thought that I would like to look at the comparisons. These look something like this:

- 1st. Besters had 65 000 Ha under consideration – we have approximately 20 000 Ha under claim on the six farms = 30% of the land area.
- 2nd. Besters had 500 families under consideration. We have apparently 920 claimant families at the last count = 184% of their beneficiary numbers.
- 3rd. Besters were dealing with 35 land owners. We have approximately 450 land owners = nearly 13 times more owners.
- 4th. Besters made 21% of their land available in 14 units. To achieve the same sort of equity we would have to find 4 200 Ha and this could represent up to 95 land transactions.
- 5th. Our average land value is hard to compute. However where Besters averaged R 1 000 Ha we presently average in excess of R 100 000 Ha on sales concluded during the tenure of the Broederstroom land claim.
- 6th. In equivalent terms where Besters invested R 9 million in land purchases we could need up to R 420 million to procure a similar ratio of land.

Where does all this take us? Well frankly it suggests that the type of modelling used in the Besters area doesn't even vaguely come close to the kind of solution necessary in Broederstroom. The information and comparative analysis also suggests that the RLCC

will need to be very creative when they look for a solution that is not only affordable but is sustainable for the Mekereng.

However is there a sting in the tail? If we use the above models framework, and if we apply this framework to our claim, and if we recognise that a large portion of the Broederstroom claim is made up of land comprising the farms Haartbeeshoek 498 and 501, Kaffirskraal and Praetors Ride and which in themselves constitute approximately 25 subdivisions and a land area of $\pm 10\ 000$ Ha, we must ask the question;

“Is it possible to find anywhere near 4 200 Ha at an appropriate price amongst these subdivisions?”

Probably not but I would suggest that already there are in excess of 2 000 Ha for sale in this area. I’m not sure what pricing would apply but I am very certain that R1000 / Ha would be ludicrous!. I would also suggest that there could be another 700 Ha elsewhere in our claim area that is probably for sale. Can the RLCC afford to buy this land at market related (willing buyer and willing seller) prices? Based on the this example and many others that we have investigated probably not. However the RLCC needs to tell us this!

Finally it begs the question – even if the Mekereng claim is legitimate is there really affordable land available in an area that is (in the main) high value residential land? Can the RLCC really deliver land to the claimants? Should the RLCC be looking for alternative forms of relief? Do the Government owned parcels of land (Welgegend and Haartbeeshoek 501) represent a viable solution? Surely now is the time for the North West RLCC to come clean and give us the land owners and the Mekereng claimants the facts - what can you really afford to do? Even if the RLCC resorts to expropriation I still have the sense, based on affordability, that alternative restitution is where the solution lies. The Besters example clearly demonstrates this when using figures determined by Government. Land purchase can’t be a reality? The challenge is to know what the real solution will look like, what it will represent and what part do we as land owners have to play for this solution to become a reality?

Does the RLCC have the guts to make these decisions or will they rely on the Land Claims Court for the decision? Does the RLCC have the guts to tell the Mekereng that this is the real situation and that land is unlikely to change hands? Only time will tell.