Can land redistribution help reduce rural dependency in South Africa?

In Africa’s Limpopo Province, deagriculturalisation (a declining share of agriculture in both workforce and output) has led to unemployment and rural dependency. One theory suggests that land redistribution could help to create agricultural growth and jobs, leading to increased incomes from rural non-farm activities. Can South Africa improve rural development outcomes through small-scale farming?

Research from the University of Sussex, UK, and the University of Pretoria, South Africa, examines how land inequality in poor countries affects agricultural employment. The researchers highlight the impact of what they call ‘premature deagriculturalisation’ on rural livelihoods in the former homeland area of Limpopo Province, South Africa. Their survey covers 585 households from three Limpopo regions: West, South and Central. The results are compared to similar data from Rajasthan in India.

Farmland in South Africa is very unevenly distributed, especially in Limpopo Province. This happened mainly because of political land seizures (the forced removal of black farmers from their land under apartheid). Smallholdings have been displaced by larger, more capital-intensive farms requiring less labour.

Agriculture usually plays an important role in the development process. It stimulates change as poor countries’ economies move from being primarily agricultural towards a manufacturing or service-based economy. But in Limpopo, the loss of farming jobs happened too soon. New, non-farm livelihood opportunities had not yet developed sufficiently to provide people in rural areas with alternative ways of earning an income. This has led to severe unemployment and a heavy dependency on income from outside rural areas, mainly migrant remittances and pensions.

The research finds that:
- In poor countries, severe land inequality is associated with a lower workforce share in agriculture.
- In Limpopo, only 43 percent of income is from local sources (compared with 83 percent in Rajasthan).
- Shares of income (8 percent) and assets associated with agriculture (22 percent) in Limpopo are very low.
- 59 percent of households are dependent on either migrant remittances (32 percent) or pension income (27 percent).
- Male unemployment averages 60 percent, and is higher in households dependent on outside income.
- In the West Limpopo region, where land is more evenly distributed, income and assets associated with agriculture are significantly higher, poverty and unemployment are markedly lower, and dependency on outside income is less.

About three-quarters of South Africa’s poor people live in rural areas. Rural poverty is particularly high in Limpopo and the Eastern Cape provinces, where 44 percent of the country’s poor people live. Does the experience of the West region of Limpopo Province suggest that land reform and farming development could contribute to poverty reduction in some of South Africa’s poorest regions?

The researchers conclude that:
- Opportunities for non-farm jobs in South Africa are limited.
- Land redistribution, together with support services for farmers, has been successful in reducing unemployment in other parts of the world (for example, Latin America).
- Greater land equity and support for small-scale farming could help generate broad-based growth and poverty reduction in South Africa.

Robert Eastwood, Johann Kirsten and Michael Lipton
Robert Eastwood and Michael Lipton
Department of Economics, University of Sussex, Falmer, Brighton, BN1 9SN, UK
T +44 (0)1273 606755 ext.2471 or 2249
F +44 (0)1273 673563
R.K.Eastwood@sussex.ac.uk
m.lipton@sussex.ac.uk
Johann Kirsten, Dept of Agricultural Economics, Extension and Rural Development, University of Pretoria, Pretoria 0002, South Africa
T +27 12 4203248 F +27 12 4204958
johann.kirsten@up.ac.za

Family first
Land transfer rights in West Africa

Land tenure can help to increase agricultural productivity and growth, and also ensure social harmony and good governance. However, debate continues over which type of tenure should be promoted and how land tenure should be regulated.

Many experts believe land tenure systems develop over time, from land being owned by a community to a system in which individuals hold land rights, which can be bought and sold. In fact, land rights systems are often more complex. There are many different kinds of rights other than outright ownership, including rights to use land resources, to grow certain crops, to lease land and to sell it.

The ‘Changes in Land Access, Institutions and Markets in West Africa’ (CLAIMS) project carried out research in Burkina Faso, Mali, Ivory Coast and Benin to examine land tenure structures and conflict.

In most of West Africa, indigenous people and migrants traditionally used the ‘tutorat’ system. Under this system, individuals or communities gave land to newcomers on the condition that they would follow local rules and customs. The settlers were under a ‘debt of gratitude’ to their landlord, who could demand services from them. However, the tutorat system meant that even when a ‘newcomer’ family had worked land for generations, they were still not the true owner and had lower status.

The research shows:
- Increasing pressure on land means that transferring rights often involves cash payments. Although cash transactions are increasingly common, the desire to keep family land means that many rural sales are not seen as final. Many buyers have to keep re-negotiating rights with the seller.
- Conflict can arise within and between families over who can sell land rights.
- Tension between generations is now common, with younger members accusing elders of selling their inheritance and attempting to claim back land ‘sold’ to migrant buyers.
- There are several institutions to regulate land rights, but these often have overlapping responsibilities and contradictory policies. This means regulations are not always enforced and are open to interpretation.

Pressure on land leads to privatisation and individual ownership in many parts of the world. In the study sites though, pressure on land increased the importance given to sustainable Development of the Arid and Semi-Arid Lands of Kenya in 2005. This policy has strong support and the potential to reduce poverty and increase resilience to drought in arid lands. It aims to:
- involve local people in development through improved local institutions and decentralised planning
- improve water systems, land management, animal health, marketing and alternative income opportunities to pastoralism
- improve the legal framework for land tenure, management and land conflict resolution
- provide appropriate basic services, such as mobile schools and clinics
- focus on equality and opportunities for women and girls, who are particularly disadvantaged and affected by drought, because they have responsibility for providing food and water for their family
- increase links with other areas to open up markets and develop financial services
- help pastoralist groups, as well as non-governmental organisations and UN agencies, support this policy. However, it has been slow to reach the pastoralist areas in the arid regions of Kenya, and to be approved and implemented. While it may provide the solution to many years of under-development, until it is passed, nothing will happen.
- increase its commitment to this policy and push it through the political system, despite Kenya’s slow legislative process
- take strong action to get all key ministries to support the policy and its implementation
- prioritise the budget for policy implementation and ensure that all relevant ministries are held accountable for spending the funds needed
- use current donor support and willingness to help with the humanitarian crisis to secure long-term commitment to funding the policy’s implementation.

Mary Kirkbride
Oxfam GB, Oxfam House, John Smith Drive, Cowley, Oxford, OX4 2JY, UK
T +44 (0)1865 473727 kirbbridemary@hotmail.com
Delivering the Agenda. Addressing Chronic Under-development in Kenya’s Arid Lands, Oxfam Briefing Paper 88, by Mary Kirkbride, 2006 (PDF)