

Press Release

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South African Institute of Race Relations
The power of ideas

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Land reform without tears

Miraculously, despite the Land Acts, South Africa is in the fortunate position that demand for farm land can probably be met without the disruptions, risks, and costs of radical redistribution. This is one of the key findings of a paper on land reform published by the Institute of Race Relations (IRR) in Johannesburg today.

The paper argues that there is almost certainly enough land already in state ownership to meet demand for land for farming purposes. This includes land in communal areas as well as land in commercial areas that is already in state ownership but is lying fallow, often because previous land reform projects have failed or been abandoned.

The paper quotes various government and other reports to the effect that there is plenty of underutilised and very good land available in the former homeland areas, some of it with above-average rainfall. It says that "title to this land should be transferred at a reasonable price to the current occupants, most of whom are tenants of the state as represented by traditional leaders".

In commercial areas, developing farmers could lease land already in state ownership with a firm option to buy as soon as they can afford to put down a deposit, purchase to be financed by the commercial banks against secure title. The paper warns, however, that finance for the purchase of land is only the starting-point: farmers also need access to finance for working capital. No less important is access to know-how.

The IRR's paper, entitled *From Land to Farming: Bringing Land Reform Down to Earth*, is written John Kane-Berman, a policy fellow at the IRR.

Elaborating on his paper Kane-Berman said: "Demand for land to go farming is more limited than official ideology assumes. It is far outweighed by demand for land for housing in the cities and small towns, to which people are moving as part of an urbanisation process that no amount of land reform can halt. This means that demand for farm land can probably be satisfied without radical redistribution or jeopardising the country's agricultural output. But it also means that South Africa needs to speed up its rate of economic growth in order to absorb more people into employment in the manufacturing, mining, and services sectors of the economy."

Kane-Berman also said that the role of the market in the orderly transfer of land "should not be underestimated". His paper pointed out that an unknown quantity of farm land had already been transferred from white to black through market transactions.

Download *From Land to Farming: Bringing Land Reform Down to Earth*, [here](#).

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