



## Notes from Meeting held at Chatham House 17 September 2004

### International Crisis Group Report Launch

#### **Blood and Soil: Land, politics and conflict prevention in Zimbabwe and South Africa**

(These are abbreviated notes from the meeting and not a complete transcript)

#### **Speakers:**

**Gareth Evans – President ICG**

**John Prendergast – Special Advisor to the President ICG**

**Peter Kagwanja – Director Southern Africa ICG**

#### **Gareth Evans**

Most of those familiar with the issue of land in southern Africa accept that a historical injustice took place when white colonisers took land away from the black Africans who had previously lived on it. It is possible to reverse these injustices in a way that does not damage production or take resources away from other priorities. Most people are equally aware of the train of events that turned Zimbabwe from being the star of Africa to the basket case it is today, and ICG have been watching the knife edge along which Zimbabwe has travelled for some time.

This new report brings all the policy elements of the crisis together in a new way, bring experts from different fields together for the first time to analyse the problems. The report focuses on South Africa and Zimbabwe and draws out both the similarities and differences between the two countries as far as the land issue is concerned.

A large portion of the blame for Zimbabwe's situation must rest on the shoulders of president Mugabe, who largely ignored the land issue in the 1980's before turning it to political gain in the 1990's. However the ICG also emphasises the responsibility the UK government must take, not only for the cumbersome approach to redistribution in the 1980s and 1990s, but also to the provocative and bellicose rhetoric of the UK government, particularly in the late 1990s.

By the time the UN Stepped in, in 2000, with the UNDP trust fund proposal, it was too little too late.

The tragedy is that it is not the relatively wealthy and privileged white farmers who have suffered most in Zimbabwe, but the black Africans who have seen their livelihoods and incomes destroyed. The book points the way forward about policy change. It is hard to identify policy change in Zimbabwe. It is almost impossible for land reform without leadership change. Zimbabwe should really start working on transition and equity change.

The key to making land reform work in South Africa is to have strategies aimed at black empowerment and poor, through the collective input of ICG colleagues and others that these things can be achieved.

### **John Prendergast**

The situation of South Africa is the elephant in the room as far as land reform in southern Africa is concerned. The issue has not yet erupted in that country. Current patterns of investment and interest on Land reform are not encouraging.

Land has been a driving force in South Africa. Expropriation provided a driving tool during the apartheid era. Land inequality is the worst in Africa. In 1994, when post-apartheid government came into power, it faced a major challenge on land policy.

However, land reform has been placed on the backburner because the costs of reform are too high. Other issues demanded the attention of policymakers. Agriculture is a much smaller part of the economy in South Africa. Urban and peri-urban areas are fast-growing. Economic inequalities are increasing. The perception of underestimation of land reform is becoming combustible. There is an increase in the unemployment and poverty rate.

According to government targets, 30% of agricultural land is to be redistributed by 2015. Since 1994, only 10% has been transferred to black Africans. Land reform is not a major part of the government's social/ development programme.

Violence on farms is unacceptably high and is increasing among black farm workers. Rural violence shows no sign of abating. There is a slow enactment of land reform in South Africa.

In Zimbabwe's context. South Africa's land reform at present largely amounts to illegal squatting by the landless poor in the shanty towns. The government is very reluctant to tie the land issue to the urban housing crisis in South Africa. Rural poverty and landlessness are on the rise. Land reform is crucial for addressing inequities, unemployment and poverty.

Restitution can help reduce poverty. The government has to commit to enhance the livelihood of the poor. Partnerships should be the priority in land reform e.g. between farmers, NGOs etc. More can be done to support commercially viable consumption on small scale farms.

The government has to promote subdivision of large commercial land; introduce taxes on land above a certain size; encourage restitution.

To meet the 30% target by 2015 the government should commit more of its budget, involve women and civil society to implement programmes. Yet 10 years after apartheid, land reform is still up for grabs. Land reform should be the engine for economic transformation.

### **Peter Kagwanja**

While working on this report, we got input from all sides of the debate on the land issue. Zimbabwe's Minister of Foreign Affairs (Mugabe's right hand man) and the land minister were both consulted. Colonialism created tremendous inequalities and colonial injustices carried on beyond independence. Sanctions against the Mugabe government contributed to economic shortfall. However so has political dispensation created by bad government.

The situation in Zimbabwe could potentially cause a domino effect in Africa. Though South Africans see Zimbabwe as a wakeup call their response so far has been rational but limited. In Zambia however Mugabe is popularly seen as a hero.

Demands of land reform must take place within the entire political order. The implementation of SADC principles ahead of March 2005 elections is aimed at stopping monopoly of the problem by government. Zimbabwe needs the support of the international community to support farmers who have lost their land. Distribution should be seen as something inter-fused with the economy.

### **Questions to the panel**

#### **The suggestion was made that an Agricultural bank be set up.**

The Lancaster House agreement realised the need for capital. It was proposed that an agricultural bank be set up (private capital investment). It could be used to allow large scale farmers and black farmers to be given long term low interest loans to invest in shares in the large scale farms. Joint stock companies could create the opportunities for export.

Also, the US, Japan and Western Europe spend trillions on subsidises. If these are removed, there will be a revolution in agricultural practice.

#### **IICG were asked about the role of donors in helping to fund land reform:**

NGOs are on the ideological edges of the land reform debate. At the 2002 Summit held in Johannesburg, South Africa it looked like momentum was really building in South Africa, in pushing the issue of land reform. However, it fizzled out over the last two years, There is only one party that has prioritised land reform.

South Africa established a framework within the rule of law. South Africa's programme could be a success. If the world community can make a collective decision, it could be made a success of. Namibia is an example of a country that has been addressing some of the problems faced in South Africa.

In the context of Zimbabwe, new land commission money should come from international donors, the IMF etc. It needs international resource support.

#### **The panel was further pressed on the dangers of donor interventions**

Donors confront critical contradictions. There is a political party in power that has manipulated and redistributed resources to stay in power. The regime that was confronted in the late 1990s are coming out of structural adjustment and has redistributed resources to manipulate power. Starvation occurs in mainly urban areas. Commercial farmers and new settlers have failed to produce a surplus.

#### **The panel was asked whether there has been a shift of thinking in South Africa, with regards to the right and left's belief on large scale farming:**

The World Bank published a report acknowledging 3 things

1. Most land given was marginal land (the model of land reform). There is plenty of evidence of small scale farming that have been successful.
2. The large black underclass identify land as a social reform. If money comes from donors, are there the markets?

Further questions that need answering are:

What is the model of land reform that can be used by donors, that can be successful?

Is there a model that can deal with the tensions like social development challenge, or the market economy?

**The panel were asked about different models of land reform:**

Algeria and Kenya have gone through land redistribution exercises. Kenya in particular is a good example, where the World Bank provided large masses of land to peasants in the highlands. What went right in Kenya is an example of what is wrong in Zimbabwe (giving land to the elites). In the 21<sup>st</sup> Century, land is an industry and having shares and transforming land into companies is what should be encouraged.

Meeting closed