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# NEW AGENDA

SOUTH AFRICAN JOURNAL OF SOCIAL AND ECONOMIC POLICY

## Pallo Jordan on Land Reform

*No single, simple solution*

**Also inside: Rethinking Economics in South Africa / Minimum Wage: A Question of Power / Politics of the Family**

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# IFAA's Student and Youth Department

The Student & Youth Department aims to establish a community and network for progressive students and youth in South Africa.

## The IFAA Forum

The IFAA Forum provides a platform for young progressives to share academic work and debate topical issues. The IFAA forum has the following objectives:

- Facilitate peer-to-peer learning among graduate students in South Africa
- Encourage interdisciplinary thinking
- Foster collaboration and communication between students and young academics
- Deepen intellectual networks between universities in South Africa
- Provide a platform for discussing progressive political/economic/social theory
- Democratise academic knowledge by opening up participation in the forum to social activists and engaged members of the public

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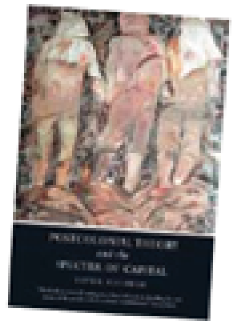

IFAA's Student and Youth department runs regular reading circles throughout the year. This is part of our aim to deepen the youth's intellectual engagement with progressive social theory.

In 2018 IFAA is conducting a fortnightly book Club on Vivek Chibber's "Post-Colonial Theory and the Specter of Capital" and Eddie Webster and Karin Pampallis (ed) "The Unresolved National Question in South Africa."

Reading Circles are convened by IFAA at the request of members of the IFAA Student and Youth network. To become a part of our reading circle please contact Rekang at: studentandyouth@ifaaza.org.

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**Monwabisi, a student in the course, sharing his views with the class**

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# NEW AGENDA

SOUTH AFRICAN JOURNAL OF SOCIAL AND ECONOMIC POLICY

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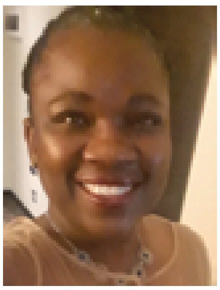
# Dr Kgabo Moganedi shares her research passion: the development of an indigenous African wine

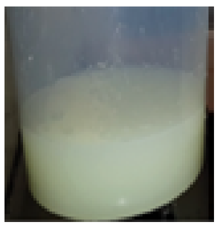
Marula wine is an African traditional brew made from the ripe fruit of a marula tree. It is a brew that is held in high regard within the African communities and has deep socio-cultural significance that unites the community during the fruit harvest.


Dr Kgabo Moganedi

The wine is produced by the women, mostly for their partners who appreciate and consider it as potent and able to restore a man's vigour. Nowadays, the women in the villages brew the wine for trading and this offers a much-needed income for the families. However, this is short-lived because the wine is only produced from late January to late March. The market for this African brew is dominated by men from the villages and those who travel from the cities to the villages to get their potions. The major shortcoming in the production of the traditional marula wine is its short shelf-life as it develops a bitter taste after seven to ten days of production.

The production of marula wine follows a spontaneous fermentation process, with the marula fruit juice and water as the ingredients. This is similar to grape wine which has been perfected by studying the dynamics during the brewing process and standardising the product. By studying the microbiological and chemical profiles of the marula wines from various localities, the essential micro-organisms that facilitate the fermentation process have been isolated and identified and the chemical principles that contribute to the aroma and taste of traditional marula wine were revealed.

The findings revealed significant geographical variations in the quality of the marula fruit and different handling and processing by different brewers during the brewing process were taken into account. This knowledge, generated from the analyses of the marula wines, is currently being used to develop a long-lasting typical marula wine without using any chemical preservatives.




**What is the impact of this study for South Africa?**
The current process of marula wine production is laborious and the resulting wines from different communities differ in strength and taste. The common spoilage of the wine necessitates frequent brewing in small volumes but this creates a labour burden on the women brewers while limiting the opportunity for a bigger profit margin. This project makes use of the resources that are available in the communities to develop a product that will bring financial stability and security to the communities.

This is in line with the National Development Plan of South Africa which is committed to breaking the cycle of poverty in the rural areas through the creation of an integrated and inclusive rural economy, and Vision 2030, which seeks to improve the socio-economic status of South African rural communities through provision of skills and education to facilitate their participation in the mainstream economy of the country.

**Are students being trained in marula wine production?**
The project currently hosts seven postgraduate students; two Doctoral, three Master's and two BSc (Honours) students. One student graduated in spring with a Master of Science degree. Five of these students are female.

**Who is funding the project?**
The project received a grant of R845 000 for 2015 to 2017 from the National Research Foundation in the Indigenous Knowledge System programme. The funds were used for the analyses of the microbiological and chemical composition of the marula wines. The current undertaking is financed through seed funding of R500 000 from the Technology Innovation Agency for development of a marula wine prototype.

**What next?**
This current project on marula fruit wine opens opportunities and serves as a template to explore other indigenous fruits and foods for development into products that can enter the mainstream economy through enhancement of the existing indigenous technology. Traditional technology employs organic processes and the products are not harmful to the environment. There is a wealth of untapped knowledge within the communities which needs to be explored to address food shortage and economic security

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# The ANC and the state apparatus

*By Ben Turok*

The Zondo and Nugent Commissions have opened a huge can of worms. If the original intention was to uncover how Zuma and the Guptas went about capturing the state, that has been well established. But, in the process, a number of other issues have emerged which deserve our attention. Among these is the relationship between the ANC and the state apparatus in a democratic system.

We recall how the liberation movement became the ruling party in 1994 and how so much was expected of it to transform the old apartheid system into a democratic order. Despite the continuing presence of the old regime in the government of national unity massive changes were indeed introduced. The Cabinet was largely new, Parliament reflected African majority rule, and there were substantial changes in the personnel who ran the public service.

Changes in the judiciary took a bit longer as did the Reserve Bank and the security forces. But in due course, these institutions also began to reflect the racial demographics of the country. So much for the form of the transition. But what about the content?

Here we come to some controversial issues. There can be no doubt about the intentions of the ANC. In the minds of its members, the ANC was in charge of the whole state machine and it had to be transformed to serve all the people and not the white minority. This meant giving direction to all its institutions to conform to the new mandate. And so people deferred to the ANC and its government.

The relationship between party and state was institutionalised by the powers assumed by Luthuli House which seemed to be able to intervene in numerous ways to assert its authority. For instance, the ANC *lekgotla* preceded the Cabinet *lekgotla*, setting out the policy guidelines for government. The Deputy President was made head of the deployment committee which determined which individuals should take up which positions. A special political committee, headed by the Deputy President, was set up to oversee the ANC performance in Parliament which selected the MPs who would serve as whips and chairs of committees. The Chief Whip was regularly summoned to Luthuli House to report on what was going on in Parliament and to get direction. The President and Secretary General of the ANC addressed the weekly meetings of the ANC Caucus, a forum that provided leadership on contentious issues.

Evidence has been led at the Zondo Commission that Luthuli House might summon ministers to influence them on matters arising in particular ministries. It is safe to assume that similar interventions took place in various other institutions though there were clearly limits with respect to the judiciary and certain other institutions. After all, the Constitution requires respect for the separation of powers between the Executive, Legislature and the Judiciary.

The question arises whether this system is good for democracy and effective government. There are now many voices about political interference in governance, including the metros being run by the DA. Here we must ask: where lies the line between a political party influencing policy as it is mandated to do by the electorate, and actually intervening in administration?

Perhaps the time has come for re-examining the functioning of the South African political system to ensure that democratic practices are not compromised, and that the interests of the people as a whole supersede all else. NA

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# On the land question: Tentative questions around a contentious issue

*By Z. Pallo Jordan*

Jordan is a former Minister of Posts and Telecommunications. He is a political analyst and writer and also a board member of the Institute for African Alternatives (IFAA).

*When centuries of land dispossession is followed by a process of reparation and compensation there is bound to be a plethora of ideas of what is a just and equitable solution. How we approach the land question has as much to do with our history as it does with the present. Jordan counsels us to be prudent and to take into account how land reform was undertaken in other countries. He also says there is a need to strike a balance between justice and economic realities as we wade through this emotive and potentially divisive issue.*

Since the adoption of a resolution by ANC's elective conference in December 2017 to change the constitutional provision requiring equitable compensation for land expropriated by the state, the dialogue on the specific constitutional clause as well as on land distribution and ownership in this country appears trapped between the extremes of hyperbole and double talk.

The issue has generated much heat, which has shed very little light on what addressing the land question in South Africa actually involves.

Historically, "the Land Question" has probably been the most intractable issue that revolutionary governments have wrestled with during the 20th century. Casting one's mind back, we can recall the Soviet struggle against the kulaks and the establishment and the dismantling of the People's Communes in China, which entailed bitter struggles, including terrible violence.

With the possible exception of Cuba, revolutionary governments that have pursued radical land reform have oscillated between "leftist" and "rightist" policies. In Eastern Europe, after World War II, the intended beneficiaries – the small farmers and peasants – were often disappointed by land reform that gave them access to land with one hand only to impose a host of conditions on its use and ownership with the other. All the revolutionary governments that attained power after World War II have been compelled to revise or rescind radical land reform measures. Since 1990 those policies have been relegated to the past.

Radical land reform was originally instituted to transfer control of the land from land-barons, absentee landlords and a class of rural gentry to those who worked on the land as serfs, tenants, sharecroppers and peasants. In order to maximise production, while stimulating a collectivist ethic amongst small landowners who are notorious for their individualism, revolutionary governments encouraged small farmers and peasants to join cooperatives. In most cases such measures were coercive, inciting passive and active resistance amongst peasants.

In Cuba small farmers and peasants acquired title to land as a result of the revolution. But the nature of the Cuban economy required the revolutionary state to maintain large-scale plantations, employing hundreds of agricultural workers whose product is integrated into the industrial value chain involved in the production of sugar.

In the classical literature of modern revolutionary movements, the "Land Question" usually refers to the "Agrarian Question", i.e. the exploitative relationship between lord and peasant, also known as feudalism, that was prevalent in Europe prior to the French Revolution. Feudal relations on the land survived late into the nineteenth century in much of Europe. Though there were variations, in general terms, prior to 1789 feudalism in Europe had a number of common features. In Asia there was far greater variation, but the essential exploitative features of that relationship were shared by communities as divergent as Arabia and China.

**"Every liberation movement in this country privileged "the Land Question" as central to the struggle for freedom and democracy.**

After the late 15th century, in colonial Africa, the Americas and the Caribbean, European colonisation, conquest, enslavement and genocide shaped the exploitative relations established between the direct producers and the colonising land owners from Europe. In the Americas, the Caribbean and the settler colonies in Africa, the European colonial powers revived slavery. Others established neo-feudal relations with those who worked the land. Over time, these evolved into the capitalist relations of production found on agri-business farms in all three regions.

Here in South Africa, in the Cape colony, one of the oldest European settler colonies, the colonisers first imported and imposed slavery. Alongside it, a neo-feudal relationship was forced on the indigenous Khoikhoi and San after their lands had been seized. After two centuries of war these neo-feudal relations were extended to territories of the two Boer Republics and, finally, during the latter part of the 20th century, inflicted conventional wage slavery on an agricultural proletariat.

European conquest and colonisation of the Americas, the Caribbean and the settler colonies in Africa invariably involved wars of dispossession and genocide – i.e. land was seized by armed force and the indigenes were either killed off, as in the Caribbean and most of north America, or reduced to »

a status not much above that of feudal serfs or to enslavement.

Plantation slavery, based on and sustained by the enslavement of millions from Africa, was the principal mode of production in the Americas and the Caribbean prior to the 1880s.

In South Africa prior to 1838, enslavement, a neo-feudal serfdom and wage labour co-existed in the European settler Cape colony. The abolition of slavery in the British Empire ended that exploitative system but reinforced the neo-feudal relations that still persisted on the land. In the towns, wage labour grew and was catapulted into dominance by the opening of the mines in 1870.

In the settler colonies of the Free State and Transvaal, a neo-feudalism co-existed with slavery on the Boer farms. British domination consequently brought emancipation from enslavement and even amelioration of the worst features of neo-feudalism. British victory over the Boers in 1901 brought the wage labour system to the former Boer republics.

The history of the European conquest, colonisation and the government of South Africa has lent the "Land Question" in this country features that can be associated with, and arose from, slavery in the Cape and in the former Boer republics; aspects very similar to the Agrarian Question in pre-modern Europe and Asia; as well as modern features typical of the wage labour exploitative system associated with capitalism.

In South Africa, historically all dimensions of the "Land Question" entailed the "ethnic cleansing" and the systematic dispossession and seizure of the land. What has been unfortunate about discourse on the issue thus far is the temptation to reduce that to an "original sin", as one commentator expressed it. White opinion-makers, including White chauvinists in foreign governments, being fully conversant

> **The most important consideration is the status, position and the future of workers in the agricultural sector.**

with that aspect of our history, read discussion of the "Land Question" as directed against Whites as a group, the descendants of the colonising dispossessors, who control virtually all productive land today.

Discourse on the land can be highly polarising and given the emotions attached to it, could become volatile. Calm, deliberative debate, based on an appreciation of our country's history – pre and post 1652 – the immense societal changes wrought by industrialisation, urbanisation and economic integration, is vitally important at this moment because the decisions and actions taken will be of great consequence not only for South Africa, but also for the region and the continent.

Most importantly, we are addressing the issue and searching for solutions in the environment of a modern industrial society in which agri-business and industrial scale farming provides most of our food. Peasant and small family farms are marginal to the economy at present. But that does not mean they have no potential, considering the place family farms occupy in the agricultural sector of the European Union (EU).

"The land" under discussion is the entire country, from Cape Agulhas to Tzaneng in Limpopo, including every city, town, *dorpie* and village. While it necessarily includes the land in the former "homelands" any attempt to confine discourse to the 13% of the land area that was the former "homelands" amounts to capitulation to the outcomes produced by White domination. What became the Union of South Africa in 1910 had been four White settler colonies, pursuing different racist policies with regard to land, land ownership and access to land.

In the two Boer republics, only Whites were legally entitled to own land. Tenant farming was the most common exploitative relationship between White farmers and the African peasants. While Africans had legal title to land in Natal, the overwhelming majority held land by communal title or as tenant farmers on land controlled by White landlords. In the Cape, which had the longest history of European domination, Africans, Coloureds and Whites had legal title to land. A stratum of prosperous African and Coloured farmers, who competed very effectively with their White counterparts, developed in both the Western and Eastern Cape. Tenant farmers and black small farmers and peasants in the northern Cape produced grain and meat for the diamond fields.

Dispossession of the land had proceeded farthest in the Cape colony and thousands of Africans and Coloureds made a living working as labourers on lands that had previously been owned by their ancestors. Pass laws and the Masters and Servants Act dominated the lives of this emergent agricultural proletariat.

The 1913 Natives' Land Act specifically targeted the stratum of land-owning African farmers and tenant farmers. By law, no African would be allowed to purchase, control or own land in any part of the country outside certain portions, set aside as "Native Reserves". Africans were statutorily excluded from 87 percent of the land area of the country. All subsequent laws regarding land were designed to entrench those arrangements and consolidate the hold and control of the best land in the hands of the White minority, by placing legal constraints on the rights of Coloureds and Indians to acquire land. One can recall the Asiatic Land Tenure Act of 1946 and the Group Areas Act of 1951.

Every liberation movement in this country privileged "the Land Question" as central to the struggle for freedom and democracy. Despite the status "the Land Question" has been accorded, since the 1930s, South African Marxists haven't theorised the "the Land Question". In the Congress tradition, Govan Mbeki produced a small pamphlet, "Transkei in the Making", during the early forties, and "The Peasants Revolt" dealing with "the Land Question" as it relates to the former homelands, specifically the Transkei peasants' resistance to apartheid policies.

Kenny Jordaan published a very challenging pamphlet on the "Land Question" under the imprint of the Cape Debating Society in 1958. Jack Simons withdrew his own cyclostyled pamphlet, published by the Modern Youth Society earlier that year, in deference when Jordaan's pamphlet appeared. Kenny Jordaan's pamphlet stands out as an exceptional attempt to analyse in some depth an issue many take for granted. Jordaan's pamphlet informs us that the "Land Question" in our country evolved through a number of phases:

- The conquest and dispossession of the indigenous people;
- The coercive proletarianisation of the dispossessed majority of the indigenous people that evolved from enslavement, a neo-feudalism, and has culminated in a labour tenancy and wage slavery on the land.
- A system of Native Reserves to whom the capitalist classes have outsourced the responsibility of reproducing the working class and absorbing the disabled, chronically ill and aged.

The "Land Question" in our country is shaped by that history and consequently entails struggles waged by labour tenants, struggles waged by workers on the farms, struggles waged by peasants in the reserves (former homelands), as well as struggles for housing in the cities and towns.

During the 1960s Harold Wolpe and others explored how the remnants of a traditional peasant mode of production in the reserves were articulated with the dominant capitalist mode of production. The transition from "segregation" to apartheid entrenched this classically colonial relationship in both statutory and economic terms, culminating in the "homelands" policy.

Since the 1920s, the national liberation movement has approached the matter from different perspectives. The ANC's African Bill of Rights, adopted in 1923, spoke in terms of the abolition of the 1913 Land Act and the untrammelled right of all South Africans to buy and sell land anywhere in the country.

During the Second World War the ANC adopted The Africans' Claims as its programmatic statement. The "Land Question" features in clauses six and seven of the document as:

- "Recognition of the sanctity or inviolability of the home as a right of every family, and the prohibition of police raids on citizens in their homes for tax or liquor or other purposes.
- The right to own, buy, hire or lease and occupy land and all other forms of immovable as well as movable property, and the repeal of restrictions on this right in the Native Land Act, the Native Trust and Land Act, the Natives (Urban Areas) Act and the Natives Laws Amendment Act."

When the Congress Alliance adopted the Freedom Charter, it addressed the issue in the following terms:

- "The Land Shall be Shared Amongst Those Who Work It.
- Restrictions of land ownership on a racial basis shall be ended, and all the land re-divided amongst those who work it to banish famine and land hunger;
- The state shall help the peasants with implements, seed, tractors and dams to save the soil and assist the tillers;
- Freedom of movement shall be guaranteed to all who work on the land;
- All shall have the right to occupy land wherever they choose;
- People shall not be robbed of their cattle, and forced labour and farm prisons shall be abolished."

Elaborating on the meaning of that clause of the Freedom Charter in 1969, the ANC's "Strategy and Tactics" document adopted at the Morogoro conference explained:

> The bulk of the land in our country is in the hands of land barons, absentee landlords, big companies »

> and state capitalist enterprises. The land must be taken away from exclusive European control and from these groupings and divided among small farmers, peasants and landless of all races who do not exploit the labour of others.

The Marxist-inspired left of the movement has consistently been more militant and strident in its analysis and policy prescriptions for solving the "Land Question". In 1928, the Communist Party of South Africa (CPSA) adopted a political programme, The Black Republic, that explicitly stated:

> South Africa is a British dominion of a colonial type. The country was seized by violence by foreign exploiters, the land expropriated from the natives, who were met by a policy of extermination in the first stages of colonisation, and conditions of semi-slavery established for the overwhelming majority of the native masses. It is necessary to tell the native masses that in the face of existing political and economic discrimination against the natives and ruthless oppression of them by the White oppressors, the Comintern slogan of a native republic means restoration of the land to the landless and land-poor population.

The SACP's "The Road to South African Freedom", adopted in 1962, stated the matter more sharply:

> From the time of the first White settlement, established by the Dutch East India Company 300 years ago, the pattern was set for the ruthless colonial exploitation of the non-White peoples of our country, the expropriation of their lands and the enforced harnessing of their labour power. The Dutch made war on the people of the Cape, whom they contemptuously called "Hottentots," and rejected their appeals for peace and friendship. The so-called "Bushmen" were all but exterminated. Slaves were imported from Malaya and elsewhere. White settlers gradually penetrated into the interior. They drove the indigenous people from the best farm lands and seized their cattle. They subdued them by armed conquest and forced them into their service – at first through direct slavery, later through a harsh system of pass laws and taxation.

The SACP's programme also addressed one of the central aspects of the "Land Question", which has been the cause of confusion and if left unattended in our debate could result in misdirection. It went on to say:

> One-third of the African people live on the Reserves. The largest of these are the Transkei and Ciskei, in the Cape Province, but there are also other scattered areas widely separated in the other three provinces. The Nationalist government speaks of the Reserves as the "homelands" of the African people, but so far from being able to sustain additional population, they are grossly overcrowded already and far too small to maintain their present population of 34 million. Most Africans on the reserves are not independent peasants and have no land or insufficient to make a living. To support their families and avert starvation, most of the men in the prime of life are usually away working for White employers, and leaving the farming to old people and womenfolk. The smallness and the overcrowding of the Reserves leads to soil exhaustion. There is no opportunity for intensive farming, crop rotation, and scientific cattle pasturing, because there is not enough land. The Reserves are the most backward and undeveloped areas in the country, typical of colonial Africa. They lack industries, communications and power resources. There is no capital for improvements or mechanisation.
>
> Under its preposterous "Bantustan" scheme the Nationalist government is proposing to partition South Africa. They pretend to be conferring "independence" and "self-government" on the Reserves, which they have rechristened "Bantu Homelands," and thus to justify treating Africans in the remaining 87 per cent of South Africa as "aliens" and "temporary visitors".

And taking the matter further, the SACP declared:

> There are no grounds, in history or in reality, for the Nationalists to claim any part of South Africa exclusively for Whites. Africans live in every part of our country; their labour has gone to develop its farmlands and its cities, its mines and industries, its railways and harbours; they claim every inch of South

> Africa as their homeland. The "Bantustan" scheme is not only undemocratic and opposed to every principle of self-determination, it is also fraudulent. Though they pretend they are giving land to Africans they are not giving them any additional land at all — in many cases they are actually taking away land from them. The Nationalist Party promises independence and self-government to the Reserves, but the so-called "Bantustan" schemes are both dishonest and impractical.

And finally:

> Millions of agricultural labourers and labour tenants are employed on White-owned farms throughout the country. These are the most exploited workers in South Africa. They work without any protection from labour laws, from dawn to sunset, at hard and exhausting labour, for wretchedly low wages. The food they are given is too little, it is always the same, and it is an unhealthy diet. On most farms the housing for them is worse than what is provided for the farm animals. The use of convict labour, and compound labour, and other forms of forced labour, is common on farms in many parts of South Africa.

**"One farmer in the Western Cape arrived at a creative solution by adapting the Freedom Charter's fourth clause to his large estate.**

Neither the Unity Movement, Pan-Africanist Congress (PAC) nor the Black Consciousness Movement (BCM) would have taken issue with matters as stated above.

During the 1930s, at a time when the agricultural sector of our economy was economically more significant, the SACP and other Marxist formations spoke of the land question as the National Question. Thus for example in a letter the Executive Committee of the Communist International (ECCI) addressed to the leadership of the CPSA in 1932 we read:

> The Communist Party of South Africa must understand that the struggle for national liberation is inseparable from the struggle for land. That the successful carrying through of the agrarian revolution is the basis for the victory of the Black masses over imperialism, for national independence. The main slogan of action around which the whole struggle for

> **For tactical reasons the ANC has preferred not to tamper with the institution of African monarchs, their powers and their duties.**

> land must be centred, is the slogan for the confiscation of the land of the European landlords.

In an intervention that would become the basis of the Unity Movement's approach to the land question, Yudel Burlak, of the Trotskyist Workers' Party of South Africa, wrote:

> The native problem is mainly the agrarian problem. In a country predominantly agricultural, where 95 per cent of the population is rural, the axis of the revolution revolves around the agrarian problem. The more is this so since the native population of South Africa, 87 per cent of which still lives on the land, is deprived of land, and is **entirely** debarred from acquiring land even if it had the means to purchase.
> It must be made clear to the workers and intelligentsia of South Africa that the Native Problem, the agrarian problem is **their** problem, that liberation of the native is **their** liberation.

The solution to the "Land Question" proposed by the SACP, the ANC and shared by virtually all the liberation formations envisaged the seizure of agricultural land, as an economic asset, for the benefit of the landless, small farmers and peasants. Realisation of the CPSA's Black Republic would have entailed confiscating the farms of White landlords and land barons; the ANC's 1969 "Strategy and Tactics" document virtually adopts the same position but calls for the creation of a stratum of farmers, who employ only family labour, by the unbundling of the agri-business farms presently in the hands of big farmers, cooperatives and corporations.

Considering the background as set out above, I submit that there are a number of considerations that have to be weighed in finding an equitable solution to the "Land Question". First among these is South Africa's economic development from an agricultural colony of the British Empire into Africa's industrial powerhouse.

- Are there millions of South Africans who would prefer living in the rural areas in preference to towns and cities where they presently reside?
- How many who presently live

in the countryside would prefer moving into the towns and cities?

A second consideration is South Africa's agricultural sector. Our food is produced by huge agri-business farms, organised into producers' cooperatives with a growing number of them directly associated with and/or owned by the monopolies that dominate the minerals and energy complex.

- Would addressing the "Land Question"require us to unbundle these big farms so that we can redistribute their pieces as small farms to wannabe peasants?
- And, should such a course of action be followed, what impact would that have on our capacity to produce enough food to feed the country?

The most important consideration is the status, position and the future of workers in the agricultural sector. Most are employed by agri-business corporations on big farms. Thousands of others are employed as seasonal workers. Some are still tenant labourers. What does addressing the "Land Question" entail for these workers?

- Bearing in mind that every one of the big farms they work on is linked to a grave historic injustice.
- Bearing in mind that in many instances generations of families have laboured on these farms.
- Bearing in mind generations of low pay and degrading working conditions.

Historically, agricultural workers have been among the most vulnerable sectors of the working class and consequently the most brutally exploited. Despite numerous attempts, it has been very difficult, until recently, to organise these workers. Redress for this section of the working class extends well beyond material goods and services, but includes the very persons and human dignity of these workers.

- Would regarding such workers as essentially no different from industrial workers be helpful?
- Have any of these workers expressed a demand/desire to dismember industrial-scale farms and redistribute portions as small farms?
- Is the pursuance of cooperatives and collective farms a viable option in such instances?
- Do we want to retain the advantages of production units of scale or does social justice demand we forgo these?

One farmer in the Western Cape arrived at a creative solution by adapting the Freedom Charter's fourth clause to his large estate. He has retained one half of the farm for himself and his family, and unbundled the second half as a co-operative owned by the workers. In this manner he sought to share the land amongst those who work it.

We also have to consider land in the former homelands and other reserves. Overcrowding, serious erosion and degradation, as well as studied neglect over one and a half centuries has resulted in extreme under-development of all these regions. Except for those in the North-West province, the former homelands were not blessed with mineral wealth. Consequently, in most instances while such land might have potential, it currently has little market value. Studies, during the 1950s, demonstrated that for many peasants in these reserves it made more economic sense to leave land untilled because, proportionately, the labour input was not commensurate with the meagre product. (In other words, farming in some of these was not cost effective!) It made more economic sense to rely on what remittances migrants earned, than for the peasant woman to break her back for so little in return. How many such women, freed from the constraints of influx control laws, actually would choose a rural over an urban life?

The system of land distribution and tenure in these former homelands is in the hands of chiefs and other "traditional" leaders. For tactical reasons the ANC has preferred not to tamper with the institution of African monarchs, their powers and their duties, especially in relation to land. Very few, if any, of the peasants actually make an income by working the land. Unsustainable small plots proliferated as chiefs and kings divided and sub-divided plots to accommodate the claims of their "subjects".

- In a sector where the actual tillers are women, what rights do women have in relation to "traditional leaders"? What mechanisms are in place to ensure that women's rights are observed and respected?
- Should the "traditional" power to distribute land be retained by monarchs?
- Should the system of "traditional" land tenure be carried forward, or should it be adapted to modern times?
- What forms of support should peasants in such areas receive from the state?
- Would freehold property in land, that can be bought and sold on the open market, assist or would it compound matters by inviting in land speculators and banks?
- What forms of communal ownership could be explored to ensure that peasants who want land can farm it securely and make an income?

In regard to the above, we cannot ignore the findings made by former President Kgalema Motlanthe.

Then there is the land in cities, towns and *dorpies*. We do not often associate the Sharpeville massacre and other similar protests with the "Land Question", yet it » stands at the core of them all.

South Africa's urban space is completely racialised as a result of the 1913 Natives' Land Act and its legislative consequences – like the Asiatic Land Tenure Act, the Group Areas Act and the preposterous Bantu Self-Government Act – flowing from it. By excluding Africans from any claim on land outside the "reserves", the racist regimes defined the land in all urban areas as beyond the reach of Africans. Urban space was for everyone, other than the African people. This racialisation of urban space was known as Stallardism, encapsulated in the Natives' Urban Areas Act of 1923 and its subsequent amendments, that defined the cities as the "White man's creation", into which the "Native" would be admitted in order to minister to the needs of the Whites, but from where he must depart once he ceases so to minister. That was the essence of the Pass Laws, buttressed by the Poll Tax and other impositions on the African.

Urban land and space has been a most heatedly contested terrain during the 20th century and remains one even today, though the content of such struggles might have changed. The Anti-Pass campaigns conducted by both African and Asian communities were about access to urban land and the definition of its use/s. The 1946 Passive Resistance Campaign in Durban directly challenged the racialisation of our urban geography. Anti-Pass campaigns asserted the rights of all South Africans to the country as a whole, but especially to urban land. The squatters movements of the 1940s, subsequent struggles in Crossroads during the 1970s and '80s, the continuing establishment and defence of informal settlements by urbanising groups is a challenge inherited by the democratic era from apartheid and colonialism.

Colonial racist rule, reinforced by forty years of apartheid, has resulted in urban spaces that are typically colonial, with a "White city" and "the native quarters". Urban land is overwhelmingly privately owned, specifically by Whites. The reconfiguration of urban areas will require their active support and participation. Are there indications that the transformation agenda will receive such active support and participation?

Forced removals invariably entailed the seizure of attractive urban spaces, like District Six, Sophiatown, etc., and dumping the victims in poorer, unattractive areas.

- Should equitable redress of these injustices entail restitution of lost land or only other forms of settlement?
- Should the state (i.e. taxpayers!) – as has been suggested – purchase such land at "fair prices" then re-sell or grant it to the aggrieved?
- Should victims of forced removals and "forced" sale in terms of the Group Areas Act be compensated by the democratic state (i.e. the taxpayers) or should there be a special fund for the purpose?
- Should restitution apply solely to property-owners or should it include tenants, who also lost their homes, neighbourhoods and livelihoods as a result of forced removals?

In post -94 South Africa, struggles for access to urban land for human settlement have assumed new forms, but underscore the complexity of the issue, impacting as it does on environmental, health and land use. The inherited system of racialised settlement patterns has resulted in urban sprawl as the South African norm. That implies that all service delivery entails very long and extended/ing lines, with the attendant inefficiencies.

- Should we be addressing the issue of urban land by densification?
- In the instances that densification collides with land ownership patterns and claims, what powers do we envisage giving the state to pursue this policy objective?
- Is restitution the preferable and desired policy option we have in order to redress forced removals and coerced sale?

# Leasing of restituted commercial farms: An alternative to achieving the National Development Plan

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*Land restitution in the agricultural industry has not achieved the inclusive growth objectives of the National Development Plan (NDP) which include (1) increased and sustainable livelihoods for its beneficiaries, in particular, those from poor communities and (2) increased agricultural output. The writer considers the option of leasing restituted commercial farms as an alternative towards achieving these objectives. He goes further, calling for the leasing of a restituted commercial farm to an 'optimum farmer'[2] who will benefit the owners of the farm, the 'optimum farmer' and the society at large through increased production.*

## INTRODUCTION

South Africa has a history of land dispossession of its indigenous people, first by colonisation and then by apartheid. With the end of apartheid, land restitution became one of several pillars of the transformation agenda and of government policy. The purpose of the land restitution policy is to redress past injustices. It is widely accepted that land restitution has the potential to contribute positively towards social cohesion and to reduce poverty and inequality. This paper focuses on land restitution in the agricultural sector that consists of valuable fertile land currently used for commercial farming. It has been estimated that by far the majority of restituted commercial farms have failed. The failure has been attributed to various factors but most common among these are what could be classified as co-operative farms or those with group ownership. These failures are what are commonly referred to as 'the tragedy of the commons', the conflict that occurs among the beneficiaries of land restitution.

This paper recommends that leasing of 'restituted commercial farms' to 'optimum farmers' should be considered as an alternative in order to achieve the inclusive growth objectives of the National Development Plan (NDP) which includes (1) improved and sustainable livelihood for the beneficiaries, in particular, those from poor communities and (2) increased agricultural output. In this case, the government would be ideally placed to advocate the leasing of restituted farms to the 'optimum farmers'. Then the beneficiaries should be guaranteed fair returns for the use of their land.

## BACKGROUND ON LAND OWNERSHIP AND LAND RESTITUTION POLICY

In South Africa land ownership is protected by property rights. There are three prominent land ownership categories in the country. These are Own Land, Communal Land and Commonage Land (Grain SA, 2015).

### *Own land (private ownership)*

Own land refers to land owned by an individual or legal person/entity, for example the government, a private company or a Trust. It is also referred to as Private Land ownership and the owner of the land has a title deed to the ››

> It has been estimated that by far the majority of restituted commercial farms have failed.

property. South Africa also recognises the 99-year leasehold for land.

### *Customary / communal / collective land*

Customary land is owned by indigenous communities and administered in accordance with their customs, as opposed to statutory tenure. Customary land is common in former so-called 'homeland' areas, which covers about 13 per cent of South Africa which translates into about 18 million hectares.

In South Africa, traditional leaders have authority as the chief administrators of communal land for the benefit of the community. Communal land is not governed by the principle of freehold title. Instead the permit-to-occupy principle applies.

The traditional leaders (chiefs) control the land on behalf of the community and the tribal chiefs are mandated to use and manage the land on the community's behalf and for the community's benefit.

When an individual or legal entity wants to do business on communal land, they must approach the chief who manages the communal land with a business proposal.

Consequently, it is the traditional leader who holds the power to rule on the allocation of land for development.

### *Commonage land*

Commonage land is farm land that is owned by a local municipality. In South Africa, there are two different types of commonage land. The first type is that which was owned by the municipality before 1994 which can be leased to anyone. The second type is that which was purchased after 1994 which should be hired to 'previously disadvantaged individuals (PDIs).

## CURRENT LAND RESTITUTION POLICY

Land restitution in South Africa was initially governed by the Restitution of Land Rights Act (1994). This Act determines that an individual, his/her descendants or a community who was dispossessed of a right to land after 19 June 1913 as a result of past racially discriminatory laws or practices can claim for restitution of that right in land or equitable redress. According to the Act, the claim had to be lodged by the 31 December 1998.

Restitution occurred in one of the following ways:

- Transfer of the claimed land to the claimant;
- Transfer of alternative land to the claimant;
- Financial compensation or;
- A combination of the above.

A new Act was passed on 30 June, 2014 to govern land restitution that is known as the Restitution of Land Rights Amendment Act. This Act gives land claimants a further opportunity until 30 June 2019 to lodge claims. However, the Act was declared unconstitutional by the Constitutional Court on July 2016, citing lack of consultation as the reason for the decision. Parliament was given two years to fix the Amendment.

## PROGRESS AND CHALLENGES WITH LAND RESTITUTION AND POST-RESTITUTION CHALLENGES

The post-apartheid South African government pledged to redistribute 30 per cent of 82 million hectares of white-owned agricultural land to PDIs by 2014 (Binswanger-Mkhize, 2014). However, by 2012, government had managed to redistribute 7.95 million hectares, which is about one-third of the target (Kirsten, 2012). There have been complaints that the pace of land restitution is too slow with blame pointed mainly at the lack of capacity within government (Business Enterprises, 2013, 2014). In an appraisal of the land restitution policy in South Africa, Binswanger-Mkhize (2014) concludes that, in the 20 years of democracy, land restitution has failed. The appraisal was conducted with respect to the following criteria: '(i) the number of beneficiaries relative to rural employment and the demand for land from beneficiaries, and (ii) increases in production, livelihoods and agricultural output.' These criteria are based on the inclusive growth objectives of the NDP (NPC, 2011).

The phrase 'tragedy of the commons' became widely publicised when an article by Garrett Hardin was published in 1968 (Hardin, 1968). Ostrom (2008) explains that the tragedy of the commons:

> arises when it is difficult and costly to exclude potential users from common-pool resources that yield finite flows of benefits, as a result of which those resources will be exhausted by rational, utility-maximising individuals rather than conserved for the benefit of all.

Overfishing is a frequently used illustration to depict the tragedy of the commons. In this case, one needs to imagine a situation where a group of community members have equal rights and open access to fish in a community lake with limited fish. It can be expected that the combined actions (fishing) of utility maximising individual community members acting independently according to their own self-interest will lead to overfishing. In this illustration, no one is inclined to allow the fish to replenish their numbers which would be in the interest of all community members because he/she is not sure if other community members will do the same. This leads to a situation where each individual beneficiary, acting according to their own self-interest, behaves contrary to the common good of all community members and, through their collective action, end up depleting the resource for all.

A similar situation is now evident in land restitution. Binswanger-Mkhize (2014) contends that change in the implementation of the policy is required. Hall and Cliffe (2009) are dismayed that, despite the changes to the previous land restitution policy, there has been a reinvention of the same old ideas instead of replacing failed approaches. The change needs to be evidence-based, well-thought through, with previous challenges studied and comprehensively addressed.

## POST-RESTITUTION CHALLENGES

Some of the challenges identified for the failures of restituted farms include:

- lack of commercial farming and market development skills;
- lack of capital and financial reserves to mitigate the hitches owing to drought or animal disease outbreak;
- conflict between the beneficiaries and government officials in charge of land restitution;
- conflict between the beneficiaries and the strategic partners who were to assist the beneficiaries with managing the restituted farm.

Though these reasons for failures are manageable, the most troublesome reasons for failure of restituted farms are those described by the 'tragedy of the commons' as well as conflict among beneficiaries. Various authors argue that group or co-operative farming with many members is prone to insurmountable difficulties due to internal conflicts among members, communities, strategic partners and with government officials (Anseeuw & Mathebula, 2008; Business Enterprises, 2014; Kirsten et al., 2014). This tends to be ubiquitous in cases where the beneficiaries are a large community. This finding is also echoed by Binswanger-Mkhize (2014) who notes that group or co-operative farming is one of the primary reasons for the poor performance of the land restitution programme. Binswanger-Mkhize (2014) observes that the few success stories are overshadowed by the many total or partial failures.

The infighting amongst beneficiaries is sometimes due to rent-seeking and at other times due to a difference in views between those in urban areas and those based in rural areas regarding the use of land. These differences can destroy even high-income farms. Conflicts with strategic partners and government officials are also not helpful but when compared to conflicts within beneficiaries they are less serious. For instance, strategic partners and/or officials can be replaced with others. However, this is not the case with beneficiaries: once there is internal strife among beneficiaries, the dispute typically becomes intractable because beneficiaries cannot be substituted. Conflict within the beneficiaries has a tendency of leading to paralysis of the restitution project.

Binswanger-Mkhize (2014) finds that few of the Communal Property Associations and production co-operatives are farming successfully but at least half of the projects have not produced any benefits for the participants. Evidence from the review of land restitution projects in the North West province in 2005 and again in 2010 (Kirsten et al., 2014) suggests that smaller groups (less than five) are the most successful, but that the degree of success declines as group size increases. This evidence confirms some of the theoretical problems with group operations which led Binswanger-Mkhize (2014) to question

> “
> . . . by 2012, government managed to redistribute 7.95 million hectares, which is about one-third of the target. »

> **. . . the most troublesome reasons for failure of restituted farms are those described by the 'tragedy of the commons' as well as conflict among beneficiaries.**

this approach to the resolution of land restitution. In the face of long-standing international evidence and the poor performance of co-operative farms in the past 20 years, it is most astonishing that South Africa has clung to this model for so long.

## SOME NOTABLE EXAMPLES OF RESTITUTED AGRICULTURAL FARMS

### *Zebediela Citrus Estate in Limpopo*

One of the notable restituted farms is the Zebediela Citrus Estate in Limpopo. This farm is considered the biggest citrus estate in the southern hemisphere and one of the biggest citrus farms in the world (Ndenze, 2017). In 1978, the Reader's Digest Guide to Southern Africa boasted that Zebediela farm grew one orange for every eight people in the world. This estate was a high-revenue-generating farm. In 2015, it reported a revenue of R110 million. Unfortunately, it has become one of the major restituted farm disasters.

The farm was restituted to the Bjatladi community in September 2003. The running of the estate started well through the formation of a partnership with existing farmers on the estate. Part of the agreement with the community and the farmers/partners was a lease agreement with an annual rental payment of R1 million to the Bjatladi Communal Property Association. However, there was a disagreement with the partners which was settled out of court and the community tried to run the farm by themselves. Poor agricultural maintenance programmes, however, resulted in outbreaks of diseases and parasites that negatively affected the quality of the fruit and compromised the lucrative export market on which Zebediela relied for a large part of its income. In 2016, the quality of the crop was below the standard required for exports and this led to litigation because the buyers had paid R67 million in advance to secure the 2016 crop. Complicating this were the continuous disputes among members of the co-operative. It is relatively easier to address agricultural maintenance programmes. However, group or co-operative farming disputes can be far more debilitating in the long term.

There is anticipation that the farm will be invigorated as a result of a R100 million cash investment from a Russian investor through a company known as Eight Mile (Hlatshaneni, 2017). The investor stepped in early in 2017 when the farm was on the brink of liquidation. This gave hope to approximately 260 permanent and 1,000 temporary employees who also share its ownership. The deal will see the land owners receiving a R2.5 million annual rental payment and a 50% profit share.

This clearly highlights the intricacies of running a farm and the benefits of leasing a restituted farm to an 'optimum farmer' with access to financial resources. If the management of the estate is left to the 'optimum farmer', failure can be averted. There was a strong possibility that the community could have lost the entire estate if the farm was liquidated and this would have made them worse off than before as it would also translate into a loss of income for the farm workers who have co-ownership.

### *Mala Mala Game Reserve*

Mala Mala Game Reserve is a five-star game reserve that the government bought for approximately R1.1 billion, making it the most expensive land claim thus far. In January 2014, the N'wandlamhlarhi Community Property Association (CPA) was furnished with the title deed for the land. This game reserve is considered one of South Africa's elite game lodges. A transitional agreement was reached in which the current Mala Mala operating company will continue to manage the business, while a partnership is negotiated. According to the transitional agreement, the beneficiaries receive R700,000 per month in rental fees. There was also an understanding that the partners would continue running the lodge while training and mentoring the community until they were adequately skilled to run the lodge. The community would also receive a total of R8.4m in rental from the lodge operators. Mala Mala faces similar challenges as other group or co-operative farms. If these challenges are not addressed at an early stage, it will threaten the viability of the farm. This is a high-income game reserve and the beneficiaries cannot afford to fail because this will negatively affect many beneficiaries and employees. The CPA chairperson acknowledged that they don't have the skills and the expertise to manage the farm and that it would be beneficial to lease a restituted farm to an 'optimum farmer'.

It is worth noting that the large and high-income farms contribute substantially to the economy mainly through tax revenue, and hence to society. As such, a great deal of attention should be paid to how sale and lease agreements are structured since failure has a severe impact on employees and the economic activity in contiguous areas.

It is in light of these case studies that I argue that leasing of restituted farms should be considered as an alternative in order to achieve the growth objectives of the NDP. For instance, the beneficiaries of restituted farms could lease the land to the 'optimum farmer' and earn rent or could share from the profits derived from the use of their land. In essence, I argue that the ownership and the use of a resource should be viewed as distinct issues. This distinction is the basis of the resource allocation concept of 'Optimal Value Creation' (OVC). OVC means that a resource is better allocated to the 'optimum user' in order to create optimal value and this will provide the optimal benefit to the resource owner, the 'optimum user' of the resource and the society at large. It follows that the resource owners should be fairly compensated for its use.

Unskilled farmers do not imply that a group of individuals are not skilled in other areas. For example, some members of the group could be highly skilled in other operational areas but not in the management of a commercial farm. Leasing the land to a 'highly skilled farmer' is the best resource allocation for the beneficiaries, the 'highly skilled farmer' and, ultimately, the entire society/country, as it also translates to higher tax collection for the state and higher food production which means lower food prices and improved food security. In a case where beneficiaries want to use the land as collateral, the value of the land will be higher if it is leased to a highly skilled farmer. However, if the beneficiaries wish to use the land as collateral for debt, it is advisable that they should subdivide the land into portions and use a portion of the land as security, to avoid the risk of losing their entire land holding. This simple analysis brings to the forefront the importance of using OVC in the country's land restitution policy. Leasing the land to a 'highly skilled farmer' in the case of a successful land claim is the best resource allocation option. It also saves the beneficiaries from raising the capital required to successfully run a commercial farm.

Even in cases where the successful land claimants are 'highly skilled farmers' with resources to run a commercial farm, it would still be better for them to lease the farm to another 'highly skilled farmer'to avoid the pitfalls I sketched above.

## POLICY RECOMMENDATION AND SOME PRACTICAL POST-RESTITUTION IDEAS

The failures of commercial farms post-restitution warrants a radical re-think of land restitution policy in South Africa. There is the danger that farm workers and communities in close proximity to failed restituted farms might be left worse off in a post-restitution stage than prior to restitution. Binswanger-Mkhize (2014) is also of the view that the programme "should be based primarily on family farmer models from supplementary food production to small, commercially oriented family farms". Although this would contribute to solving the complications prevalent in group or community cooperatives, the challenge is that this route is unlikely to lead to viable commercial farming. This is because South African farming is highly competitive and has to contend with very low margins at the farm gate (Phillip, 2011).

Accordingly, large commercial farmers who enjoy economies of scale have an advantage. Economies of scale are key to successful farming in South Africa. The inability of emerging farmers to achieve economies of scale does not only adversely affect them, but also those established farmers who

**“ . . . the beneficiaries of restituted farms could lease the land to the 'optimum farmer' and earn rent or could share from the profits derived from the use of their land.**

are not large enough to achieve such economies of scale for profitability. The farming industry is not as easy as it might seem and this can be seen in the reduction of the number of dairy farmers from more than 7,000 in 2005 to about 2,100 in 2013 (Nevin, 2013). The main reason behind this is low farm-gate prices which make dairy farming unsustainable. Another reason, as noted by Manonga (2015), is that "South African producers have to compete with international producers who are highly mechanised and subsidised and who practice precision farming". A clear illustration of this is the importating of chickens in 2017 and the devastating effect it had on local chicken farmers. As such, the main policy recommendation is that OVC should be at the forefront of changes » in the land reform programme and the state is well placed to be an advocate for the concept of OVC.

## PRACTICAL POST-RESTITUTION RECOMMENDATIONS: AN APPLICATION OF OVC

This section provides some practical post-restitution recommendations by applying the concept of OVC. Land restitution can incorporate OVC as follows:

### *The beneficiaries could lease the land to an 'optimum farmer' and earn rent only*

The advantage with leasing for rent only is that the income does not depend on the performance of the business and this comes with more certainty. This might work best where profits fluctuate. Thus, even if the farm made a loss in one period, the land owners will still earn rental income.

### *The beneficiaries could lease the land and opt to earn a portion of the profits only from the use of the land*

This basically entails the leased farm being established as a corporation with all the members of the community as shareholders. This system has worked in the corporate world and the practice is expected to continue in the foreseeable future. The principles could easily be applied in the land restitution programme. This will work best in cases where the farm is highly profitable. In order to address the principal agent problem, the land owners could link the remuneration of the optimum farmer to the performance of the farm. For example, they can offer a performance bonus, some shares to the 'optimum farmer' and/or a long-term employment contract. Given that the Zebediela citrus farm and Mala Mala game reserve mentioned above are high-income generating projects, they could be run like a corporation where beneficiaries are shareholders.

### *The beneficiaries could opt to earn both rental income and share in the profits*

In this case, the rent would be less than in point (i) above and the profit will be less than in point (ii) above.

A case of beneficiaries who accidentally applied OVC when they came close to a disaster.

### *The case of the Moletele community*

The Moletele community were the restitution beneficiaries of about 70 000 hectares in 2007 (Van der Walt, 2018). They came close to a catastrophe after they took over the 70 000 hectares as they struggled to pay for inputs such as fertiliser and electricity so they advertised and searched for people who could successfully run the farm. Their call was answered by locally established 'highly skilled farmers'. This resulted in a lease agreement in 2012 between Bosveld Citrus, a member of the Komati Fruit Group ('Komati') and the Moletele Communal Property Association (CPA) of the farm, in the name of Richmond Kopano. The lease agreement was designed to ensure that both the beneficiaries and Komati benefitted. The agreement included a high level of transparency and full access by beneficiaries to the financial statements of their farm. On signing the agreement, Komati furnished the Moletele CPA with a comprehensive business plan for the development of the farm. This suggests that the beneficiaries were also careful in selecting the leaseholder, a lesson that other CPAs should follow, namely, ensuring that the lessee is transparent and offers a comprehensive business plan on how their farm will be managed.

The Moleteles' venture has since benefited from their partner's adeptness as well as their processing facilities and their extensive distribution networks.

> **"The failures of commercial farms post-restitution warrants a radical re-think of land restitution policy in South Africa.**

The beneficiaries receive a share of the turnover and also benefit from Komati's economy of scale. Komati is responsible for inputs, administration costs, transport, logistics and marketing. This partnership has helped the Moletele CPA address a crucial element of successful commercial farming: economies of scale. The Board members of the Moletele CPA have their own careers and attended to CPA matters after hours and this shows that the beneficiaries could be skilled in other fields and not necessarily in commercial farming. Other community members also benefit from preferential employment since citrus farming is a labour-intensive venture. The farm currently employs 116 permanent and about 400 seasonal workers. This partnership also contributes to community development through the provision of an internship programme for prospective farmers and scholarships. It contributed to the success of the Moletele CPA which received the Vumelana Governance Award in 2014 (a prize of R300,000), for being the best-run CPA in the country. Most of the fruit is exported while the rest is delivered to processors for juicing or sold locally. The collaboration has aided this black-led enterprise to report its first profits.

This is a clear illustration of successful implementation of OVC.

This success suggests that allocating the use of land to the 'optimum farmer' is the best resource allocation for both the land owner and the 'optimum farmer'. In fact, allocating the use of land to large commercial farming companies who enjoy economies of scale might be the best option in the long term for beneficiaries. This is because large farming companies are sustainable and are able to face international competition. Binswanger-Mkhize (2014) observes that:

> Large commercial farms are a very successful model around the world, and are well placed to contribute to agricultural growth. It is also the model of the large-scale commercial farming sector in South Africa, which has been a high-performing sector for the past 20 years, even though all programmes and policies that provided it with special benefits have been abolished (2014, 265).

It is also worth mentioning that instead of selling a restituted farm, leasing it might be the best option in the long run for the beneficiaries, since land is a treasured immovable asset and one that generates perpetual income. Asset or land ownership by marginalised communities is key to the broad-based transformation programme of the South African government. Communities need to be persuaded not to sell restituted farms. Rather, lease them as this could help the country to reduce the high levels of inequality.

## CONCLUSION

Land restitution is an accepted part of post-apartheid South African government policy. It is aimed at addressing past land dispossession. Thus far, land restitution in the agricultural industry has not achieved the inclusive growth objectives of the NDP which includes (1) increased and sustainable livelihood for its beneficiaries, in particular, those from poor communities and (2) increased agricultural output. Hence, the leasing of restituted farms should be considered an alternative in order to achieve these objectives. The lease agreement should attest that the beneficiaries will be rewarded fairly for the use of their land. This will benefit both the owner of the land and the 'optimum farmer' and the society at large in terms of increased production, increased contribution to tax and food security. I argue that this requires making OVC an essential pillar of land restitution policies in South Africa. OVC also leads to the desirable levels of efficient use of land. Since economies of scale are key to successful farming in South Africa, it is imperative that beneficiaries select a lessee who knows how to achieve economies of scale. The beneficiaries also need to ensure that transparency is central to the agreement and that their lessee provides them with a detailed and comprehensive business plan of how their farm will be run to ensure its success.

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ENDNOTES

1 This paper was presented at the Colloquium on Land and Property in a Contested Terrain, held at the University of Witwatersrand on the 02 July 2018.

2 'Optimum farmer' refers to a 'highly skilled commercial farmer'. NA

# Economic pluralism in South African universities

*By Stephanie Craig*

Stephanie Craig is an economist at DNA Economics with a keen interest in governance, economic development and public policy. Stephanie graduated at the University of Cape Town with a Business Science degree in 2013, specialising in Economics and Law, and completed her Masters in Economic Development at UCT in 2016.

*In the mid-20th century a mathematical approach to economics took root in economics departments of universities in the West which has become the dominant mode of teaching the discipline. There is now a deep re-think taking place about whether this technical method should continue. The questioning grew after the financial crisis in 2008 and the disillusionment with neoliberalism in many parts of the world. Those who call for a more pluralistic approach to economics hold that this kind of economics doesn't teach us anything about the conditions we see around us. Through her groundbreaking, original research, Stephanie Craig presents us with the rationale behind the demand for pluralism and makes a compelling argument for the need to change the way economics is taught.*

In the last decade there have been mounting levels of frustration among students of economics at higher education institutions across the globe as they grapple with the lack of relevance of their degrees to real-world socio-economic challenges. Although not a new phenomenon, the disconnect between what economic students are taught in the classroom versus what they see happening in the world around them reached peak levels in the 2008 global financial crisis. This served as a catalyst for student groups to mobilise and put significant pressure on universities across all continents to adapt their economic curriculums, in particular by including more pluralistic content.

South Africa is no exception to this global trend. In September 2018, the first ever Rethinking Economics for Africa (REFA) festival was held at the University of the Witwatersrand, bringing together hundreds of students, social activists, academics and researchers to discuss possibilities for adapting economics to better suit the African context. This is a very important first step to take, as it has become evident that one of the biggest challenges to changing the way economics is taught in South Africa is the uncertainty and apprehension regarding what 'economic pluralism' actually means. Fears of 'throwing the baby out with the bathwater,' and simply replacing orthodox economics with heterodox theories are widespread. This is an unfortunate consequence of the failure of those pushing for pluralism to make their case in a clear and precise manner, tainting the movement as being ideologically driven without a sound, objective basis.

This article addresses the issue of economic pluralism with a view to understanding its salient features. It does so in three ways: firstly, it provides a framework with which to analyse the issue of economic pluralism in higher education institutions so as to foster more precise discussions around its inclusion. Secondly, it outlines the author's vision of what a pluralistic curriculum would achieve and, most importantly, it clarifies what economic pluralism is *not* meant to be.

Finally, the article details the results of a survey conducted among staff in economic departments at various South African universities. The survey found that general support for teaching a wider range of economic schools of thought is plagued by several practical and ideological challenges. If the recommended changes in this paper's conclusion are to occur, proponents of economic pluralism will have to assist universities to find innovative and effective ways of implementing them.

## WHAT DO WE MEAN BY ECONOMIC PLURALISM?

The call for more economic pluralism at higher education institutions is often a very complex and contentious topic. What one would think should be an objective decision around the merits of including or excluding certain content in higher education economic curriculums frequently turns out to be a politicised debate about which people have strong, varying emotions.

More often than not, this is because the ambiguous and nuanced nature of the term makes it difficult for people to effectively communicate their arguments, often unknowingly talking at cross purposes. Thus, it is very important to develop an analytical framework with which to untangle the various components of the pluralism debate to clarify the type of pluralism and specific challenges being discussed.

Sean Muller, a senior lecturer at the University of Johannesburg, offers a version of such a framework in his insightful paper entitled, 'What does a South African economics degree look like' (Muller, 2017)? He clarifies the various aspects that need consideration in the creation of a localised South African economics degree by asking the following questions:

- Content of curriculums – what topics are being included?
- Framing of content – how is the content being interpreted and presented to students?
- Contextualisation of the content – does the content reflect local circumstances and history?
- Relevance of the content – is the content relevant to the socio-economic challenges currently facing students and their country?
- Accessibility of the content – is the content being taught and assessed in a manner that students can relate to and understand? Are students able to relate to their teachers?

> **“ . . . general support for teaching a wider range of economic schools of thought is plagued by several practical and ideological challenges.**

The utility of these questions lies in the way that they enable a thorough assessment of economic curriculums in South Africa, separating out the nuanced issues. An application of this framework to the main complaints being made by students across the world provides a clearer picture of the problems:

- Content of curriculums – Many students working their way through a typical university economics curriculum are not taught that their course content, often neoclassical, is one specific school of thought, distinct from the myriad of economic theories that have emerged from a rich and complex global economic history. Similarly, they are not exposed to complementary subjects such as politics or history, which play an integral role in shaping economic events.
- Framing of content – Which content is portrayed in a good light versus which is considered bad? How are the different schools of economic thought or different types of economic systems being portrayed against one another? Why is economics framed as a discipline separate from politics when political factors influence so many economic decisions?
- Contextualisation of the content – Economic models, mathematics and theory are taught in the abstract, without any contextualisation to real-world applications. Abstract models, mathematical equations and graphs, albeit meant to simplify complex phenomena, are undermined by their strict assumptions which fail to represent everything that is going on in the real world.
- Relevance of the content – Many young economic graduates feel under-equipped to use their education and have difficulty explaining the things they see going on around them. They are not given the skills and holistic understanding needed to be able to begin addressing the challenges »

- their economies and countries face. Likewise, the textbooks from which they are taught do not reflect many of the major socio-economic issues facing society and they feel no more equipped upon graduation to begin addressing these than they did upon entering tertiary education (Pilling, 2016).
- Accessibility of the content – Economics is not always taught in a way that all students from different backgrounds can understand. Here, issues such as language barriers, the quality of teaching, the way in which the content is assessed, are important.

Evidently, each of the points raised are related yet distinct issues, meriting separate debates. Likewise, one solution is unlikely to address all these issues and reforming the way that economics is taught may require multiple interventions to get it right.

## WHAT DO WE NOT MEAN BY ECONOMIC PLURALISM?

Just as important as creating a framework within which to have the pluralism debate is the need to clarify what the call for economic pluralism in higher education institutions is *not*. It is particularly crucial to address the misconceptions and false assumptions being made as they are a hindrance to collaborative and inclusive progress.

For example, the call for pluralism has, for some reason, become associated with a 'dumbing down' of economics by opponents immediately assuming that the intention is to remove the technical difficulties that students struggle with and make the subject, as a whole, easier. Others have associated pluralism with "the politics of the left," as "the dominant economic orthodoxy currently has such a strong association with the political practices of neoliberalism" (Stilwell, 2006) and oppose it on an ideological basis.

Many of the negative reactions also stem from the assumption that pluralism will entail the baby being thrown out with the bathwater – simply getting rid of orthodox, neoclassical economics and replacing it with alternative schools of thought. Moreover, significant opposition to the call comes from academics who see other schools of economic thought as being incorrect and therefore, not something that should be taught. For those who view economics as an objective science with clear right and wrong, distinct from other more subjective areas of humanities studies, there is not much room to debate different views and understandings of how the world works.

**"Many students working their way through a typical university economics curriculum are not taught that their course content, often neoclassical, is one specific school of thought.**

To address these concerns and correct misperceptions then, let the following statements be made regarding what economic pluralism should *not* be:

- It is not about taking away from curriculums but rather it is about adding more content.
- It is not about the 'dumbing down' of economics but rather the development of more critical reasoning skills.
- It is not about removing mathematics or technical, quantitative skills from the curriculum but rather it is about the development of the ability to apply such skills to varied, real-world issues.
- It is not about an outright rejection of neoclassical economics but it is about broadening the scope to include more heterodox economics.
- It is not an ideologically driven movement and it need not be aligned to any one political view at all.

## WHAT WOULD A PLURALIST ECONOMIC CURRICULUM ACHIEVE?

What then would an adequately pluralist economics curriculum contain? In my view, it would have to offer the following:

- Exposure to all relevant schools of thought, the history of their development and associated subjects such as politics or history.
- A critique of different schools of thought and a justification of preferences;
- The application of economic theory to complex and country-specific situations.
- The application of mathematics to solve real-world issues as opposed to application of formulas without understanding them.
- Strong critical thinking, reasoning, research and data analysis skills.
- A range of theories and different subjects for students to draw on to create unique, multi-faceted solutions.

The aim of such a curriculum would not be simply to get rid of orthodox economics, but instead to present it as one possible way of interpreting

economics events in the real world. Students should be made aware of the myriad of other schools of thought and be able to substantiate why they might prefer one over the other. It's about producing students who are able to understand why they are being made to focus on getting the mechanism of mathematical tools correct, and how they can use these in a variety of real-world applications.

It is also about ensuring that young graduates develop a well-rounded understanding of how development and policies work. It is problematic that many economists graduate without any exposure to political economy, while many political scientists enter the work force with very little understanding of how the theories they espouse interact with the economy.

## THE STATE OF ECONOMIC PLURALISM IN SOUTH AFRICA

An examination of university economic curriculums in South Africa reveals that many students graduate with a bachelor of commerce in economics without being made aware that there are a multitude of different schools of thought, let alone being prompted to study them. Nor are they encouraged to study complementary subjects such as philosophy and politics.

Although the incorporation of more diverse content in economic curriculums is by no means a panacea for all the issues identified in Muller's framework, it is an important first step in the right direction and a good place for universities to start making changes. Furthermore, there appears to be a demand for such content among South African students who are disillusioned with the status quo in economics departments, as was evident at the REFA festival.

However, not all relevant parties are in agreement. While some universities, such as the University of Cape Town, are in the process of adapting their undergraduate economics curriculum, change has been very limited or non-existent at other higher education institutions in South Africa. The major question at this point thus seems to be not whether things have changed but rather what are the major impediments to change?

What is significant here are the objections and concerns of those in positions of power – namely, South African academics. If there are valid and significant counter arguments, proponents of economic pluralism must understand and adequately address these to see change take place. A survey of academic staff in economic departments at various South African universities shows that support for change hinges on concerns regarding the manner in which it will occur.

> **"[economic pluralism] . . . is not about the 'dumbing down' of economics but rather the development of more critical reasoning skills.**

## WHAT DO SOUTH AFRICAN ACADEMICS HAVE TO SAY ABOUT ALL THIS?

A survey was sent out to over 300 academics working in economics departments at eight South African »

> **. . . while the neoclassical tenets are presented as facts, there is no scientific basis for having to accept them as we do the law of gravity.**

universities, canvassing their thoughts and objections to the idea of a wider range of economic schools of thought and economic history being introduced into economic curriculums. In total, there were 34 responses to the survey, of which 82% were senior academic staff members and 12% were junior academic staff members. These responses came from all eight of the sampled universities and respondents were not clustered according to institutions.

It should be noted that, as the overarching purpose of this paper is to promote the exposure of economics students to a wider range of theories and complementary subjects, such as politics and history, the survey was limited to an assessment of the diversity of content in economic curriculums. The narrow definition of economic pluralism adopted by the survey thus does not consider issues regarding the framing, contextualisation or accessibility of the content.

## ARE SOUTH AFRICAN ECONOMICS DEPARTMENTS TEACHING PLURALIST ECONOMIC CONTENT?

The first section of the survey attempted to form a picture of current teaching trends within economics departments at South African universities. Respondents were initially asked whether they had preferences in terms of schools of economic thought. The majority, 10 respondents, indicated that they did not have any preferences, while nine respondents indicated a preference for institutional economics, eight for behavioural economics and five for Marxist economics. An analysis of the possible correlations between preferences and institution of respondents revealed no apparent clustering of ideological preferences across the sampled universities. At most of the institutions, four to six different types of preferred schools of thought were highlighted.

It is unfortunate that very few economists with neoclassical preferences responded to the survey because, as proponents of the dominant theory being taught, it would have been interesting to find out whether they had any particular objections to changes in the status quo. This might be a sign of possible sample selection bias, with those academics who prefer subjects other than what is currently being taught, or who prefer a greater variety of subjects to be taught, more likely to respond to the survey than those who are happy with what is currently being taught.

It would appear that the diverse preferences of academics are not necessarily what they are being required to teach students. When asked whether they thought their university identifies with a particular type of economics, responses were roughly equally split between 'yes,' 'partially' and 'no,' with a higher total proportion of respondents indicating some level of ideological identity prevailing at their institution.

All the respondents who indicated that their university does subscribe to a particular school of thought, whether fully or partially, identified that school as being neoclassical in nature. Consequently, it is not surprising that most respondents gave their university a two or three out of five, when asked to rank the institution according to the plurality of the content being taught.

Moreover, there appears to be clear trends in terms of the subjects that academics think should be a compulsory part of economic programmes and those that should be offered by other departments at their universities. In particular, academics think that subjects such as introductory psychology, politics and philosophy are valuable for students to take but need not be offered by the economics departments.

This is not surprising as these are not economic subjects. However, considering that they are quite important for economics students to take as complementary subjects, it is concerning that most respondents gave their institution a two out of five for the strength of their economics department's relations with other social science departments. There seems to be little collaboration occurring across departments.

## IS THERE SUPPORT FOR ECONOMIC PLURALISM AMONG SOUTH AFRICAN ACADEMICS?

In light of all this, the question remains – do South African academics support the call for more economic pluralism in higher education institutions? Responses to the survey indicate that a large majority (82%) of the respondents do. What was surprising about this response is that support for the call came from all the universities in the sample. It is also interesting that this support did not appear to be significantly affected by the respondent's preferred school of thought.

## REASONING BEHIND THE POSITION OF ACADEMICS

Some very interesting findings emerged when respondents were asked to justify their position towards more pluralistic content in economics, particularly from those who oppose it or are neutral about it. Those in favour of introducing more economic pluralism cite reasons that have long been argued by its proponents: that the orthodox school inhibits critical thinking. That one school of thought can never adequately represent the complex, multi-layered world in which we live and that debate is essential to good economics seems to be roundly endorsed. In addition, they point out that while the neoclassical tenets are presented as facts, there is no scientific basis for having to accept them as we do the law of gravity and thus open thinking and debate is needed to produce other ideas and theories to counter their assumptions. We should also be developing innovative methods of resource allocation.

Opponents of change to the current design of the curriculum argue that students enter South African universities with a very low quality of secondary education which restricts their ability to grasp even the most basic of economic concepts. They express concern that such students will have difficulty coping with a more complex and nuanced curriculum. Some academics recommend getting these students up to a basic standard first rather than adapting and complicating the content they are being taught.

Similar concerns were echoed by those who are neutral about the suggested changes, particularly around the low level of mathematical ability of students coming from public schools. The sense is that criticism about the use of mathematics and statistics in economics comes from students' aversion to the subjects and their ill-preparedness for the mathematical rigour of economics, as opposed to there being an actual problem with teaching numerical concepts and content. A strong sentiment emerging from respondents is that mathematics, statistics and economic modelling should not be discarded or removed from the curriculum.

In addition, academics who hold a neutral position expressed concern that the pluralism movement is ideologically driven, as opposed to being based on strong empirical evidence and objective reasoning – that the desire is simply to replace orthodox economics with heterodox economics. They are concerned that not enough evidence will be used to assess which ideas work and which are not broadly applicable.

There is also a very practical question about how much time should be dedicated to each economic school of thought. In the view of these academics, not all ideas are created equal and neoclassical economics has been widely accepted. So while students should be taught a critique of mainstream ideas, they feel that it is unreasonable to expect all schools of thought to be presented equally and taught in the same level of detail.

## CHALLENGES TO ADOPTING MORE PLURALISTIC ECONOMIC CONTENT AND PEDAGOGY

On questions about the impediments to the introduction of more pluralistic content in economics degrees, respondents indicated that the following factors were most relevant to their institutions:

- Limited time and space in academic programmes for additional subjects.
- A lack of academics with appropriate or adequate pluralistic qualifications.
- Complexity involved in designing a comprehensive pluralistic curriculum.
- Conflicting opinions of academics in economic departments.
- Not seeing the narrow focus on neoclassical economics as a problem.

### *Practical Challenges*

The limited time and space in academic programmes for additional subjects is an issue that emerges as one of the practical implications of curriculum change. There is a fear that the incorporation of additional economics subjects could result in the removal of others, or the extension of the length of programmes, which will have cost and time implications for students.

This situation is made more difficult by the "lack of academics with appropriate or adequate pluralistic qualifications". A problem often cannot be solved within the same context in which it was created, thus it follows that academics may not be equipped to change the system in which they were trained. Respondents noted that the "complexity involved in designing a comprehensive pluralist curriculum" was a major challenge facing universities.

Lecturers will also naturally be more comfortable teaching content they studied and neoclassical economics lends itself particularly well to teaching large classes. For example, problem sets with defined right or wrong answers are much easier to assess than those which require narrative or thoughtful responses. That there are only a few pluralistic teaching materials available, with undergraduate economic textbooks covering mainly

**"Challenging the status quo at economics departments is essentially a threat to existing intellectual capital.**

neoclassical economics, ensures that universities remain fixed on an orthodox path.

### *Ideological Challenges*

Perhaps more problematic than the practical considerations are the ideological challenges. Respondents indicated that two major hurdles that need to be overcome are (1) "conflicting opinions of academics in economics departments' and (2) "the narrow focus on neoclassical economics not being seen as a problem". Change will be difficult if firstly, people do not see any reason for it, and secondly, if they cannot agree on what should actually be done.

Although there are not any significant variations across respondents with different positions, those who are neutral ranked "limited incentives to prioritise pluralist economics teaching and research" as a more relevant challenge than those who support the movement. This is important to note as there are few incentives within universities and in the field of economics as a whole to promote pluralistic economics. This influences the type of research being undertaken by academics which, in turn, filters into what they teach their students.

Additionally, one cannot hold a discussion on adopting pluralist economics without recognising the existing power asymmetries at play. Challenging the status quo at economics departments is essentially a threat to existing intellectual capital. Offering different schools of thought is tantamount to questioning the relevance and importance of neoclassical professors and seasoned academics in those departments.

Labour market dynamics are also an influential factor because South African universities, to a large extent, orient their programmes to match the needs of employers with limited value placed on a liberal arts education. If the labour market does not demand skills taught in a pluralistic economics curriculum, universities are less likely to drive such changes as an imperative. Evaluation and ranking systems which look at performance metrics, such as throughput and graduate placement rates, also feed into the marketplace of ideas with critical views being relegated to the dark matter of intellectual space.

> **"Forums need to be created through which students and pluralist economists help to create implementation plans.**

## CONCLUSION AND RECOMMENDATIONS

While there is support among some academics for curriculum change, the challenges outlined above would first have to be overcome for the pluralist approach to be set in motion. On the ideological level, proponents of more pluralist content in economic curriculums must make their case in a balanced, evidence-based manner, emphasising that it is a move towards a more progressive and holistic application of critical reasoning skills. They should strive to correct the misconceptions that economic pluralism simply entails a complete removal of neoclassical economics and quantitative methods.

At the practical level, academic institutions will need assistance with introducing new content into economic curriculums. Forums need to be created through which students and pluralist economists help to create implementation plans and find ways to make expanded economic curriculums the new standard for teaching economics. All parties should expect that this process may take some time with much trial and error.

All participants in this process acknowledge that the move towards economic pluralism is complex and fraught with challenges but the difficulties it poses should not be used as a reason to abandon the change. With this in mind, the following three action items are recommended as good places for economic departments to introduce the proposed changes:

- Make the History of Economic Thought a compulsory subject for all economics students so that the foundation for a pluralist approach to economics is set. The historical development of the field is essential in this regard.
- Foster more discussion in current subjects around applications of different schools of thought.
- Encourage greater levels of inter-faculty cooperation, making it easier for students to take electives from other departments.

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# Towards rethinking economics in South Africa: reflections on REFA

By Carilee Osborne and Rekang Jankie

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*This article complements Stephanie Craig's insightful look at the status of economics in South African universities (see pg 22). The writers give us an insider's view of the Rethinking Economics Festival (REFA) that took place at the University of the Witwatersrand in September. It questions the narrow, technical approach that has been adopted by economics departments in universities and the neoclassical (and, in recent decades, neoliberal) assumptions that are the foundation of this approach. Importantly though, it sketches a new vista that is opening for the teaching of economics, thanks to a vibrant coalition of students, activists, academics and civil society organisations.*

In his seminal book, "Capital in the 21st Century", Thomas Piketty wrote,

> To put it bluntly, the discipline of economics has yet to get over its childish passion for mathematics and for purely theoretical and often highly ideological speculation, at the expense of historical research and collaboration with the other social sciences. Economists are all too often preoccupied with petty mathematical problems of interest only to themselves. This obsession with mathematics is an easy way of acquiring the appearance of scientificity without having to answer the far more complex questions posed by the world we live in (2012: 36).

As we reflect on ten years since the 2008 global financial crisis, Piketty's criticism of mainstream economics, dominated broadly by the neoclassical school, is particularly relevant as the prescriptions and theories of mainstream economists are increasingly challenged in public discourse. Despite this, many universities and government departments have yet to shed their obsession with mathematical representations of the "economic problem" of our era. Neoclassical economics continues to dominate the economics curricula with discredited policy choices, such as austerity, still on the agenda for South African government policymakers.

There has, however, been a growing call to "rethink" the discipline, something embodied by both the student-led movement, *Rethinking Economics,* as well as the academic-led *Reteaching Economics*. While these movements began in the UK, they have direct relevance to South Africa where much of economics almost slavishly follows the same curriculum as the majority of US and European universities.

At most universities, the core curriculum (usually a series of compulsory modules on macro and micro economics) is predominantly based on the assumptions of the neoclassical school. With scarce regard for the evolution of economic thought, this is presented as a *value-free truth,* the only approach to economics, rather than just one specific, partial and narrow perspective.

Alternative schools of thought, like Marxist, feminist, ecological or Keynesian perspectives, are brushed over if taught at all. In addition, the absence of historical sociology or political economy means that it is extremely difficult for undergraduate students to conceive of solutions to contemporary South African social and economic problems or even develop a basic understanding thereof. The curriculum presents complex problems such as wage or income inequality, the provision of basic services or poverty as a function of narrow, technical problems often requiring micro interventions.

Indeed, "the economy" itself is taught as something limited, narrow and technical rather than the complex, interrelated system that it is. Teaching the economy this way ignores how a myriad of other factors are involved in the construction of a capitalist economy. These could range from the wielding of public power through states or corporations, the forces of social reproduction to the role of the environment and nature. Effective approaches to public policy are hence also stymied, as the political and social dimensions of macro policy, for example, are rarely considered. As a result, economics in South Africa is marked by a series of tensions between the dominant norms and traditions of the discipline and the credible and growing challenges posed to it by our very real social and economic problems, which are now close to crisis point.

The implications of this stretch far beyond undergraduate, or even postgraduate, education as students move out of university and into corporate, government or policy roles. Not only are they poorly equipped to adapt to working outside of academia, they have a highly limited understanding of what is at stake in questions of the economy and the few tools to address these.

> **Neoclassical economics continues to dominate the economics curricula with discredited policy choices.**

It is in this context that the Institute for African Alternatives (IFAA), alongside partner organisations including the Institute for Economic Justice (IEJ), hosted the inaugural Rethinking Economics for Africa (REFA) festival in September 2018.

The festival brought together academics, students, activists, policymakers, researchers and members of the public for a discussion about the present and future of economic thinking, teaching and public debate in South Africa with the aim of contributing to the building of a more just and equal society. We present here a summary of IFAA's work at the festival alongside personal reflections on the broader question of what it means for a fundamental rethink of economics.

## THE FESTIVAL STRUCTURE AND IFAA'S STREAMS

The festival was subdivided into five streams across a range of interlinked topics. IFAA staff were responsible for conceptualising two streams, which they jointly developed with the Rethinking Economics for Africa (REFA) student organisation at the University of the Witwatersrand. The first stream was titled, *"An Economics curriculum for contemporary African realities"* and aimed to explore what sort of economics discipline is best suited to contemporary South African and African realities while questioning whether our current economic curricula satisfies these needs.

The stream began with a session that allowed students from across the country to present their ideas about what does and does not explain the material reality of life in their communities or country. This was followed by a workshop on understanding Gross Domestic Product (GDP), which not only critically reconceptualised how we measure progress and development but also reimagined the pedagogical methods we use to teach key economic concepts. The question of pluralism and how it is understood by South African academic economists as well as how the curricula impacts on graduates entering the workplace were also discussed.

**. . . "the economy" itself is taught as something limited, narrow and technical rather than the complex, interrelated system that it is.**

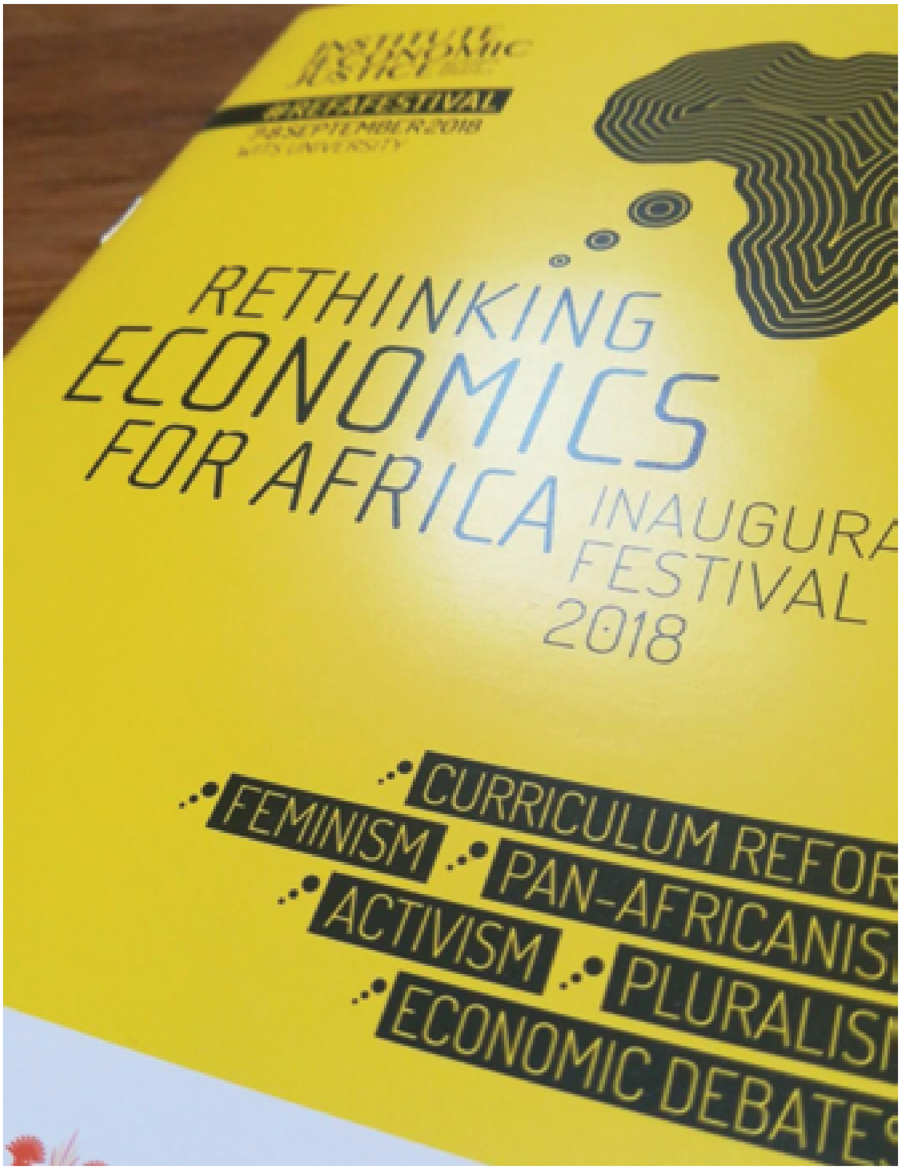
One of the most relevant topics was the proposed new economics curriculum: the Curriculum Open Access Resources in Economics project (CORE). CORE is an internationally-developed, open-access economics curriculum which is being adopted at the University of Cape Town and the University of the Witwatersrand and piloted at a variety of other South African universities. While CORE addresses some of the critiques of how economics has been taught, it has been argued that it doesn't go far enough to address the fundamental questions contained in the critique of the discipline.

The second stream, *"Pluralism and Political Economy,"* presented the rich and diverse historical roots of economics, which have been largely ignored in the discipline since the latter part of the 20th century. The stream criticised the narrow, mathematically loaded approaches that presume to depict how the economy operates. In this stream, discussions explored how economics can adopt a more pluralist approach; what economics can learn from philosophy, sociology, social theory and statistics; as well as the under-theorisation of colonialism in Africa's underdevelopment. It also hosted a workshop on Fanon and class-formation in post-colonial Africa and a discussion on Marxism in Africa. One of the highlights of the programme was a lively debate on whether markets are really efficient from a neoclassical, post-Keynesian and Marxist approach.

In addition to vigorous contestation on the content, this was a prime example of how students can be taught in different ways about the key assumptions of other schools and be stimulated to engage with them, something which we would hope can be duplicated in formal classroom settings.

## STUDENTS AND THE MOVEMENT

The REFA festival and the broader movement, Rethinking Economics for Africa, did not emerge in a vacuum. The 2015 #FeesMustFall movement presented many challenges to universities for solving the serious problems that South Africans face in their daily lives. The festival reflected on these challenges in its programme. IFAA and IEJ felt that it was imperative that a wide selection of student voices



were heard at the festival. To this end, sponsorships were made available to 30 students and young activists from nine universities across the country to join students from Wits and the University of Johannesburg (UJ). A key component of the festival was to give students an equal voice in discussions, not as a mere token of representation but out of a strong belief that students and young people are often confined to the margins in these discussions. This often results in learning processes that are far removed from the experiences of a significant segment of our country's population.

Prior to the festival, IFAA, IEJ, REFA, Wits and UJ held a workshop centred around student perspectives on the state of curricula in South Africa. Students outlined the content of the current curricula; their lack of application at undergraduate level; their highly abstract nature; their apparent lack of grounding in African realities; the paucity of African economists and scholars in the curricula; the lack of exposure to other fields; and a host of other issues. This session helped students form an understanding of the status quo and exposed them to similar struggles faced at other universities.

The organisers of the festival realise that its broad aims will only be achieved by linking various social groups who want to see the transformation of economics as a whole. This means working with progressive forces in civil society, sympathetic academics and all those who are supportive of the call to *rethink economics*. Students recognise that the transformation of economics curricula and economics in general will not be a quick process. Accordingly, they identified a set of actions that they can carry out to facilitate the process and supplement what they believe to be missing in the curricula. These include the hosting of workshops, seminars, reading groups, public debates and many others.

Over the course of the inaugural REFA festival, students from across South African universities and beyond were engaged in meetings, workshops and debates centred on the current state of economics and potential alternatives. The solutions that students collectively developed have been compiled and are presented here as a call to action for rethinking economics for Africa:

- **"Organise students in our universities to engage in the process of Rethinking Economics for Africa by forming societies to supplement the existing curriculum and challenge the status quo.** Organise reading groups, talks, conferences, debates and panels. Involve other organisations and activists to grow a movement for Rethinking Economics for Africa.
- **Promote Pluralism: the teaching and application of different schools of thought and ways of thinking about problems inside and outside our universities.** Demand curriculum reform to include the history of economic thought and courses on different schools of thought.
- **Challenge the curriculum so that it is critical and relevant.** Challenge the neoclassical dominance of economic practice in our universities and in society by being critical. Demand that essay writing forms a crucial part of the curriculum to build on qualitative skills and move away from the existing mathematical obsession in the syllabus. Introduce a critical thinking course in the curriculum and advocate for the curriculum to be critical throughout.
- **Decolonise economics curricula.** Have a component that includes African thinkers and professors that is rooted in the everyday experiences of South Africans, one that empowers us to solve the problems that we face. Practical assignments need to be given out to allow the students to develop an informed viewpoint of the South African economy
- **Democratise economics by making it accessible to members of society, drawing knowledge from the ground up.** Engage with civil society, communities and activists of all stripes in a bilateral educational process. Demystify economic discourses to empower all citizens."

> **"**
>
> **It is imperative to also ask the deeper, philosophical questions about what purpose economics serves in our contemporary economy.**

This call to action is indicative of a student body that wants to be critically engaged with the state of economics in South Africa and situate it in the realities of the many South Africans who are currently excluded from the economics discourse, despite forming an integral part of the economy.
To democratise economics means abandoning the top-down approach that has historically characterised the discipline and to rescue universities from being sites of elite knowledge production towards a transformative agenda. The call for concrete links between various stakeholders reinforces this radical departure from the status quo.

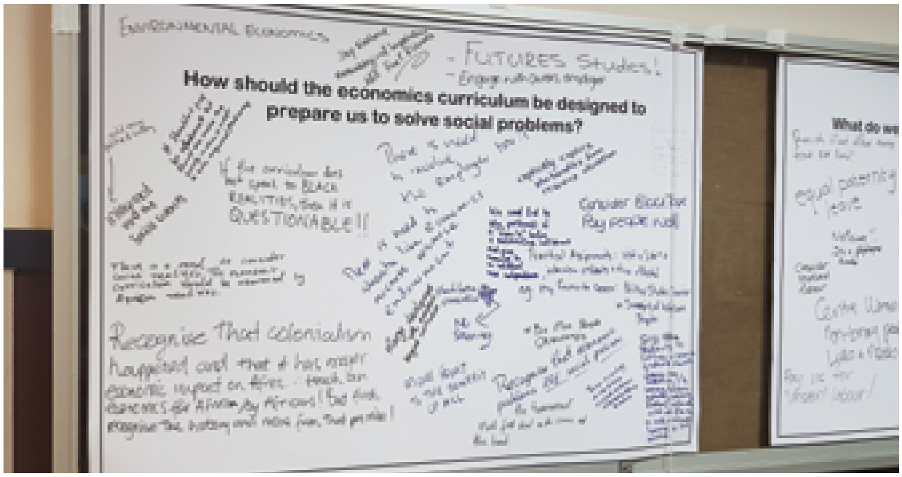
To paraphrase UK Rethinking Economics student leader Samiah Anderson, in contrast to the caricature of millennial youths, students are asking to be taught *more,* not less. The REFA student movement provides a solid foundation for the post #FeesMustFall student activism landscape: it has a clear programme, it has begun forging concrete links and is committed to bringing about change in both the university and broader society.

## GOING FORWARD

A snapshot of the South African economy in 2018 compels us to rethink economic policy in this country. One way to do this is to ensure that the next generation of economists and policymakers are trained in a broad, contextually grounded and pluralist way. While the development of REFA organisations, the adoption of CORE and the hosting of the REFA festival are necessary and promising developments, it would be wrong to conceive of change in a narrow technical fashion that looks for easy, palliative responses to the deeper problems. It is crucial to understand *how* economics departments have become embedded in a particular neoliberal ideological paradigm for reasons that relate to global structures affecting higher education as a whole.

Changing university curricula requires understanding how they fit into this broader paradigm. The use of American textbooks, American models and even the types of research produced by university departments are not merely metaphysical concerns. Rather they are bound up in a structural project with a set of unequal material interests. Ironically this is something that the economics curriculum prevents most students from grasping.

This structure is also not limited to economics. Rather, it is at the core of how higher education has developed under neoliberalism, intrinsically




bound up in a global trend towards managerialism and corporatisation at universities disguised as striving for *excellence* and *global relevance*. As Andrew Nash points out, "The pursuit of excellence seeks to create an academic equivalent for the ideology of the market, in which value can be quantified precisely, although not always by monetary value" (2013: 43).

Excellence, within this paradigm, has a particular meaning with strictly administered boundaries and measurements that are not conceived in relation to the pursuit of truth, knowledge or "the good life" but rather to finding work in a competitive labour market. Nash argues that, "In this way, excellence allowed higher education to become compatible with the needs of capitalism" (2013: 44). This pursuit of "excellence and global relevance" has had huge implications for universities in the Global South. It has meant conforming to these 'global standards' even if it is at the expense of a curriculum grounded in local realities.

In this way, excellence encourages academics to take on norms and problems which are not their own and which, all too often, they can understand only at a remove — in the way that someone understands instructions given from above rather than projects formed for yourself. Someone from a poorer country, when seeking excellence in this global context, learns to speak in a voice that resembles that of an audience they may never have encountered, or may have encountered only on brief visits to the global centres, rather than finding ways of engaging with the communities in which they work and live and the traditions developed in their own societies. In short, excellence brings the cost of a systematic alienation of the intellect" (Nash, 2013: 50).

It is imperative to also ask the deeper, philosophical questions about what purpose economics serves in our contemporary economy and in the citadels of knowledge. Why do we teach economics at our universities? What is the study of economics about? Which objectives do we want to achieve from teaching students economics? How do we define the standards or criteria for evaluation? On what ethical or moral foundation do we ground these? Whose interests are served by the way the discipline is taught? It is through attempting to answer these questions that we can truly begin to rethink economics for Africa.

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# Minimum wage for South Africa: A question of power

*By David Francis and Imraan Valodia*

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*The debate about a minimum wage waxed and waned for almost two decades, until it eventually reached the point at last where became law. What are the factors that determine why a country should introduce a minimum wage? Is the minimum wage a floor or a ceiling and what impact can we expect it to have on social and economic development? The authors discuss the minimum wage in the context of the legal, economic and political landscape of South Africa, paying specific attention to the vast inequality for which the country has become notorious. They use impressive data to make a compelling case to support the decision to pass the minimum wage legislation.*

## INTRODUCTION

South Africa has embarked on the historic implementation of a national minimum wage. This is both a timely and important intervention because the South African labour market continues to generate some of the highest levels of income inequality in the world, partly the result of unemployment but also due to massive inequalities in wages and a significant growth in low-paid jobs. While policy attention is turning, rightly and importantly, to issues of wealth, it is vital that we continue to focus on income inequality too. The minimum wage is intended as a structural intervention – one attempt to transform the nature of the South African labour market by setting a realistic wage floor, and establishing the institutional capability to implement a system that ensures that wages are set at fair and humane levels.

This intervention cannot have come soon enough. In 2015, the top 10% of full-time South African employees took home, on average, 82 times more than the bottom 10%, with the average earnings for white workers more than three times higher than for African workers (Isaacs, 2016). This is not only a reflection of very high wages for executives, but of just how low the wages are for the lowest earners. Wage inequality matters, because, as found by Finn, (2015) it is the largest determinant of overall income inequality by a significant margin. Wages account for 90.65% of total income inequality in South Africa – far in excess of the contribution to inequality from remittances and investment income combined. People in the poorest households survive on R323 per month while in the richest households, people have R12,509 – nearly 40 times more – in 2012 prices (DPRU & CDSA, 2016). Furthermore, the pattern of low pay in South Africa also has a marked gendered aspect. The minimum wage is one tool that can be used to raise wages at the bottom of the income distribution, mitigate poverty to some extent, and begin to decrease South Africa's rampant income inequality.

The process leading to the adoption of the National Minimum Wage (NMW) in its current form has its genesis in the call by former president Jacob Zuma, on 17 June 2014, as part of his State of the Nation Address, for South Africa's social partners to address low wages, wage inequalities, and violence in the labour market as well as protracted strikes (National Economic Development and Labour Council, 2014). As a response, the South African National Economic Development and Labour Council (Nedlac) convened a conference in November 2014 which gave rise to the Ekurhuleni Declaration. The Declaration was significant because it signified recognition by the social partners of the following important issues. Firstly, that wages are the most important component of income for South Africa's working people. Secondly, that income from wages is the main source of ensuring a sustainable livelihood for workers. It is also a key factor in the competitiveness and sustainability of enterprises in the private sector, as well as the sustainability of enterprises in the public sector. A key part of the argument is that increasing wages at the bottom end of the wage distribution creates the possibility for boosting the demand for wage goods, and for boosting domestic production. Third, unemployment and underemployment, including the legacy of low wages, are the biggest causes of poverty and inequality in the country. Fourth, unemployment, underemployment, poverty and income inequality can result in income insecurity that undermines social cohesion. Finally, that large pay differentials between executives and low-income workers undermine the prospects for cooperative labour relations and workplace cohesion (Valodia et al., 2016).

> **“ In 2015, the top 10% of full-time South African employees took home, on average, 82 times more than the bottom 10%.**

The minimum wage is certainly an economic intervention, but it is equally a legal and political one. We have written a number of articles on the need and viability of the NMW in South Africa (Valodia & Francis, 2016; Valodia, 2017), and we present these arguments in brief here. In this paper, we develop an argument for how the minimum wage can increase the bargaining power of workers and suggest two important implications. First, through bolstering both formal and substantive bargaining power, the minimum wage is an opportunity to raise the incomes of half of all working people in South Africa, and we argue that including the concept of power into a model for understanding how labour markets work allows us to break out of viewing minimum wages as a zero-sum game which will necessarily lead to job losses. Second, we suggest that improving the bargaining power of workers will allow for a more effective enforcement of the NMW. In order to develop this, we turn first to the institutional landscape of minimum wages in South Africa, before examining the economics of labour markets. Finally, and most importantly, we turn to the issue of power between employers and employees and the role that the minimum wage can play in increasing bargaining power of low-wage workers.

## THE LEGAL: INSTITUTIONS FOR MINIMUM WAGES IN SOUTH AFRICA

Wage determination in South Africa has until now been based on two key pieces of legislation: the Labour Relations Act (LRA) of 1995, and the Basic Conditions of Employment Act (BCEA) of 1997. The former provides for collective bargaining (for almost all employees) and it sets out the legal framework within which collective bargaining operates. The BCEA specifies the basic rights and conditions of work for all employees, irrespective of whether they belong to bargaining councils. It also provides for sectoral determinations, which set minima for sectors where collective bargaining is not present. Sectoral determinations cover 46%, or 4.9 million workers, while 14.3%, or 1.5 million, are covered by public sector collective bargaining agreements. A total of 9.9%, or 1.1 million workers are private sector workers covered by trade union agreements, and a further 7.6% are private sector workers covered by bargaining council agreements. This left 22.3% of the workforce, numbering 2.4 million workers, uncovered by any form of minimum wage protection[1] (DPRU & CDSA, 2016).

The problem of patchy coverage of minimum wages has been exacerbated by the findings that, under the fragmented minimum wage dispensation, enforcement is poor. Rani, Belser, Oelz, & Ranjbar, (2013) find that, for 2011, non-compliance with minimum wages was very poor in certain sectors: 30% in manufacturing, 60% in agriculture and more than 70% in construction. Furthermore, Mayet (2010) and Rani et al. (2013) show that minimum wage noncompliance is very high in vulnerable sectors which fall under sectoral determinations, such as security, domestic work, the taxi industry, construction and agriculture (Murahwa, 2016, p. 2). In general, Bhorat, Kanbur, & Mayet, (2012) found very high levels of minimum wage noncompliance. For 2011, they found that 44% of workers *covered* by some form of minimum wage legislation get paid below the legislated minimum, and the magnitude of this under payment is 35% on average. There were thus two clear problems with the previous minimum wage legislation, both of which should be addressed, at least to some extent, by the introduction of the NMW. The first is the large gaps in minimum wage coverage under the sectoral determination and collective bargaining systems. The second is the very poor compliance with the current laws. While the minimum wage will automatically cover those excluded from the current system, it should go some way to addressing noncompliance because, absent any improvements in enforcement, its simplicity and transparency could improve compliance. We discuss this in more detail later in this paper.

## THE ECONOMIC: LOW PAY IN SOUTH AFRICA

With this background of the legal landscape of minimum wages, we now turn to the economic situation. It is important to make the point that the minimum wage is not a policy intervention on the margins, but rather one that seeks to effect structural change at the heart of the economy. Much of the debate about the implementation of the minimum wage in South Africa concerns the long-run employment dynamics following its implementation, and the extent to which, if at all, the new wage floor will lead to job losses. But one of the most important aspects which is often ignored is how the policy process has highlighted the depth and extent of low pay in South Africa.

> **“People in the poorest households survive on R323 per month while in the richest households people have R12,509 – nearly 40 times more.**

The labour market in South Africa has generated, and continues to generate, some of the highest levels of inequality in the world. While executive salaries are some of the highest in the world, low pay is widespread, with over half of all full-time workers earning less than R3,500 per month in 2016 (Valodia et al., 2016). This is compounded by persistently high unemployment, which is concentrated in poor households. In this regard, we have two important observations. The first is that there is an egregiously high level of unemployment among households in quintiles one and two, at 61.2% and 32.7% respectively (this is according to the narrow definition of unemployment which does not take into account discouraged work seekers), compared to 3.3% for those in quintile five, the richest 20% of the population. This is in comparison to the national unemployment rate which is recorded at 25.1%. The second observation is the average wage of the employed. Those in quintile one earn an average wage of R1,017 per month and those in quintile two earn R1,707 per month, compared to R13,458 for those in quintile five, and a national average of R5,787 in 2012 prices (DPRU & CDSA, 2016). These figures highlight both the magnitude of wage inequality in the country and the extent of low pay. They are even lower than expected because they include part-time workers, and thus reflect actual take-home wages rather than monthly adjusted figures. Finally, the percentage of working households rises significantly across the quintiles, from 36.2% in quintile one to 87.8% in quintile five. These data suggest that poverty in the country is, among many other variables, a problem of both extremely low pay (for those in employment) and extremely high unemployment. Recent calculations show that the monthly mean wage is R10,634 compared to the median wage of R4,485 (Valodia et al., 2016). This gives an indication of just how skewed the income distribution by those earning high salaries: the average worker earns less than half of the average salary.

The post-apartheid period has seen significant growth in wage inequality, in spite of a profusion of redistributive policies enacted by the state, and the policies in place to address vulnerable work. In 2016 there were 6.2 million workers out of 13.2 million (47.3%) who earned less than R3,500 (DPRU & CDSA, 2016). This alone is a striking figure. What is more notable, however, is that 53.1% of *all* working women earn less than R3,500 per month, compared to 42.5% of men (Ibid.). At an even lower point on the income distribution, R2,500 per month, 40.8% of all working women earn below that

> **. . . . increasing wages at the bottom end of the wage distribution creates the possibility for boosting the demand for wage goods.**


level, compared to 29.9% of men. In agriculture, nearly 85% of all workers earned less than R3,500 in 2016. For domestic work, this was 91%. In construction, 55% of workers earn less than R3,500 per month, and in retail, this figure is 48%. This is in comparison to manufacturing (39.7%) and financial services (36.9%) (Ibid.). Furthermore, far more women than men work in low paid jobs, and women earn less than men across the income distribution. Indeed, some recent research by Stats SA found that, in 2015, the median wage for women was only 77.1% of that for men. For the bottom 25% of wage earners, the median wage for women is only 75.0% of that for men (Statistics South Africa, 2016). What is striking is that low pay is concentrated in wholesale and retail trade, community, social and personal services (CSP), and private households. Indeed, 55.1% of all workers earning below R3,500 per month are found in these sectors. Two important things are common (to differing degrees) between these sectors: the first is that they are poorly organised (particularly in CSP and domestic work), and secondly, women make up a high proportion of the workforce (in CSP and domestic work, women are the majority). These figures underscore the depth and extent of low pay in South Africa, and they provide the impetus for the implementation of the national minimum wage. They also, however, point to some systemic problems in the labour market – those with the lowest bargaining power earn the lowest wages.

## THE POLITICAL: BARGAINING POWER AND MINIMUM WAGES

We have now discussed both the institutional and economic landscape of the national minimum wage. It is clear that low pay is widespread, and is concentrated in certain sectors, both those where there are high proportions of women, and those where organising is difficult. Much of the criticism, of minimum wages, from a neo-classical perspective at least, focuses on the negative impacts on employment when wages are raised by legislative means. In this perspective, and assuming perfect competition, the market for labour behaves like any other market. For example, in the market for tomatoes, we have a downward-sloping demand curve. The cheaper the product, the greater the amount demanded, and this is a linear and constant relationship. Under this conception of the labour market, increasing minimum wages can have only one effect, and that is a commensurate reduction in employment.

We would argue that is a very simplistic view of how labour markets actually operate, and it completely ignores power relationships in labour markets. Indeed, labour markets are different from other markets in several important ways. First, unlike in a market for tomatoes where, at least in theory and in some limited instances in practice, the buyers and sellers have equal power, in the labour market the buyers of labour (employers) have a lot more power than the workers, particularly in sectors where workers are unorganised or where workers face a systemic disadvantage.

Second, labour markets are more complex, and there is a whole range of social forces that shape outcomes in the labour market. For example, gender relations have a huge impact on labour market outcomes.

Women in low-paid jobs have lower bargaining power both because of their social status as low-paid workers but also because they are women in what continues to be a patriarchal and sexist society. »

This means that we cannot approach labour market regulation in the way we would for any other market. Fine argues, “it is wrong to consider that the labour market as a whole and individual labour markets function in the same way. There are not only different labour markets but each is structured and is reproduced differently” (Fine, 2013, p. 16). An understanding of power relations must underpin the debate about intervening in the labour market. Even if we take an individualist rather than class-based approach, few classically trained economists would argue that salaries are set purely on the basis of the marginal productivity of an individual, or on the basis of the equilibrium of demand and supply for a certain set of skills. Nevertheless, much of the opposition to the minimum wage, or indeed to any intervention in the labour market, is predicated on the assumption that the labour market is a commodity market that should be treated no differently to, say, the market for tomatoes. But this view does not take into account the political and historical realities in which the labour market operates, nor the most important point that employers and employees do not participate in the labour market as equals. It is quite clear, both empirically and conceptually, that the bargaining power of both parties is highly significant in wage-setting negotiations, and it is abundantly clear, certainly in the low-paid, low-skilled section of the labour market, that bargaining power lies predominantly with the employer. If we broaden our perspective and, instead of perfect competition in the labour market, we imagine a monopsonistic labour market which recognises that employers have more bargaining power than workers, the demand curve for labour would be upward sloping at some points.

This is an extremely important change since it implies that in cases such as this the imposition of a minimum wage would result in *increases* in employment (Basu, Chau, & Kanbur, 2007). More conservatively if the labour market demand curve is at least flat at lower wages the implication is that an increase in the minimum wage up to a certain point will not lead to job losses (this exact point is, of course, very important).

A second criticism of the minimum wage is that its enforcement will be poor and ineffective and its inadequacy will undermine the effectiveness of the NMW. More recent theoretical work by Basu, Chau, & Kanbur (2011), has developed the concept of ‘endogenous enforcement’ of minimum wages. While the models are complex, the intuitive idea is quite simple. In models with imperfect competition, workers and employers themselves have agency in the enforcement of minimum wages.

There are two implications of this. First, the employment effects of minimum wages run the full gamut of possibilities, depending on the exact nature and configuration of these relationships, from increasing employment to a neutral impact to a negative impact. Second, and more importantly for us, a carefully designed minimum wage policy can enable significant enforcement from workers themselves. It is for this reason that the new NMW was designed to be transparent and easy to understand. It is easy for an employee to calculate if they are being paid at least the required R20 per hour. This is in contrast to the complicated schedule of minimum wages contained in the sectoral determinations (although it must be noted that the sectoral determinations which are above the minimum wage will remain in place). This transparency can empower workers to ensure that they are being paid the minimum wage. This is particularly important in sectors where it is difficult for workers to organise, and to get assistance with minimum wage compliance. The most obvious of these is domestic work. In private households, bargaining power lies almost entirely with the employer, and the employee has very little recourse to ensure a fair wage. As we have seen, noncompliance is very high in private households. A simple and transparent national minimum wage will go some small way to shifting bargaining power to employees, and raising wages.

## CONCLUSION

Clearly, the problems of low pay and high-income inequality are over-determined, and will require a systematic and coherent labour market policy in South Africa which addresses both low and excessive pay, among other factors. But the NMW is nonetheless an important policy intervention because it effectively improves the bargaining power of low-paid and unorganised workers. So consuming are the debates about the relationship between minimum wages and employment levels, that the ability of minimum wages to raise wages is often forgotten. While the extent of the effect of the minimum wage on employment levels remains to be determined, what is incontrovertible is that the minimum wage in South Africa will raise the incomes of almost half of all working people, the majority of whom are women. As we have argued here, the minimum wage is a powerful policy instrument because it acts in three particular spheres: the legal, the economic and the political. Firstly, it provides a formal legal framework that ensues no workers remain uncovered by minimum wage protection. Secondly, given the extent and depth of low pay, the minimum wage is not merely a formal policy mechanism, but will substantively raise the wages of almost half of all working people. Finally, the minimum wage matters because it shifts the balance of power in wage bargaining between employers and employees.

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ENDNOTES

1 These figures are for workers earning below the cut-off level stipulated in the Basic Conditions of Employment Act (which was set at approximately R200,000 per annum in 2014). This is important because all sections of the BCEA apply to workers earning less than this amount. NA

# Confronting the scourge of violence against South Africa's women

*By Kammila Naidoo*

The writer is Professor of Sociology and Vice-Dean of Research (Faculty of Humanities) at the University of Johannesburg, Kingsway Campus, Auckland Park. She has published in the areas of gender, family, and sexual and reproductive health.

*Thousands of women throughout South Africa participated in the #TotalShutDown marches to draw attention to what the mainstream media has described as "the war on women". The nation-wide grassroots mobilisation has been distinctly feminist, articulating anti-patriarchy sentiments. What challenges need to be confronted in order to affirm South African women's rights to safety, security and equality?*

Gender-based violent crimes within families, communities and society at large have been increasing at an alarming rate. The statistics are grim, with one in two women predicted to experience some form of violence within their lifetimes. Over time the South African government has drafted various pieces of legislation and policies to address violence against women. Although acknowledged for creating an infrastructure to enable effective support for women, there is currently much criticism of state institutions for poor interventions, few prosecutions and inadequate implementation of policy.

In the organised waves of protest against male violence, it is important to reflect on what the state offers, why it consistently fails to deliver and what could be put in place to make its programmes work? The following South African legislation in some way addresses gender violence in the country:

The Constitution of the Republic of South Africa, Act 108 of 1996. Chapter two of the South African Constitution, the Bill of Rights, protects the rights of all South Africans. These include the rights to equality, dignity and freedom from all forms of violence, maltreatment, abuse and exploitation while protecting access to justice and fair treatment (amongst others).

The Domestic Violence Act (DVA), Act 116 of 1998 was intended to provide victims of domestic violence with protection from abuse. The DVA takes account of the variety of family and co-residential relationships existing in South Africa within which violence can occur.

The Criminal Law (Sexual Offences and Related Matters) Amendment Act, Act 32 of 2007. This Act is more specific than the DVA in that it defines rape, sexual assault, compelled rape or sexual assault, and the compelling of persons older than 18 years to witness a sexual offence. All the aspects of gender-based violence referred to in the Sexual Offences Act are covered in the DVA, with the main difference being the relationships between victims and perpetrators. The DVA refers to "an intimate relationship" whereas this does not have to be the case under the Sexual Offences Act.

## ACTIVATING THE LEGISLATION TO EMPOWER VICTIMS OF ABUSE

In order to effectively enact the various pieces of legislation, *The National Policy Guidelines for Victim Empowerment* (NPGVEP) were developed to ensure a co-ordinated, multi-sectoral and departmental approach to addressing the needs of victims (women, domestic violence and rape survivors, abused children, abused elderly people, abused people with disabilities, victims of trafficking, farmworkers and others) (Republic of South Africa, Department of Social Development, 2009:14). Based on these identified groups, the NPGVEP also invoked a number of Acts and Guidelines such as the Constitution, the DVA, the Children's Act, Act 38 of 2005, and international frameworks such as the United Nations Declaration of Basic Principles of Justice for Victims of Crime and Abuse of Power and the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW).

These guidelines determine which national government departments, civil society organisations, and academic and research institutions would play a key role and *work together* to ensure effective implementation and thereby empower survivors of violence. Several departments and government entities now comprise the core of the Victim Empowerment Management Forum (Republic of South Africa, Department of Social Development, 2009:17). They are the Department of Social Development (DSD), which is the lead and co-ordinating Department, the Department of Justice and Constitutional Development (DoJCD), the South African Police Services (SAPS), the Department of Correctional Services (DCS), the Department of Health (DoH), the Department of Education (DoE), Provincial Victim Empowerment Programme coordinators from provincial Departments of Social Development and relevant civil society organisations, academic and research institutions.

> “
> **The family has become the site of extremely violent incidents in South African society – both for women and children.**

The NPGVEP was followed by the *National Policy Framework: Management of Sexual Offence Matters,* which attempted to enhance its effectiveness. In addition to the victims of violence identified by the NPGVEP, the framework importantly added Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) persons, immigrants and refugees, and awaiting-trial detainees and incarcerated offenders. The additional entities that then became relevant were the National Prosecuting Authority (NPA), the Department of Women, Children and Persons with Disabilities (DWCPD), the Department of Basic Education (DBE), Legal Aid of South Africa and the National House of Traditional Leaders (NHTL).

The DWCPD was later dissolved, and when the Department of Women (DoW) within the Presidency was established it was probably assumed that this would now fall to the DoW, although this is not indicated on its website. The various pieces of legislation, policies and treaties provide an armament of strong protection for abused women and children irrespective of social background, nationality or sexual orientation. Yet as the protest marches suggest, good policy if not effectively applied becomes inconsequential. What challenges then do victims of gender violence face when reporting cases, charging perpetrators or seeking protection?

## CHALLENGES FACING THE IMPLEMENTATION OF ACTS

- *Problem of socio-cultural and political discourses:* Although it is reasonable to assume that there is often a lag between drawing up Acts and their implementation, action is often weakened by prevailing socio-cultural practices and political discourse. While 2018 celebrates 20 years of the DVA (Republic of South Africa, 1998), there are media reports on the complicity of some senior state officials in sexist stereotyping or acts of violence against women (including their intimate partners). Reporting of violence has thus been inhibited by a social environment in which hegemonic male-dominated systems and discourse persist and where women are frequently 'blamed' for their own abuse. The lack of empathy and support adds to their trauma. CEDAW (Republic of South Africa, Department of Social Development, 2009:10) recommended adopting measures to start a dialogue about socio-cultural practices and institutions that perpetuate prejudices, misogyny, heteronormativity and gender inequality.
- *Strains of the family context*: The family has become the site of extremely violent incidents in South African society – both for women and children. Studies by the Centre for the Study of Violence and Reconciliation show that more than 50% of women in Gauteng have been victims of violence with about 80% of men in these studies admitting to ››

being violent towards a partner. Married women are a particularly 'high-risk' category in domestic violence with 83% of abused women having children living with them at the time of their abuse (CSVR, 2016: 3). However, while the site of violence is often within the parameters of family life, there is often reluctance to move beyond the family to seek recourse. Family interventions commonly represent attempts to keep partners together and not to give an abused spouse the option of moving into an autonomous safe space. Compounding this are religious leaders who offer advice that maintains patriarchy, encouraging wives to forgive perpetrators, drawing on the scriptures asking both women and men to change and to accept the status quo (Memela and Ayogu, 2005).

- *Inadequate responses of service providers:* It is often the case that abused women feel stigmatised and aggrieved by the dismissive attitudes of service providers. When reporting abuse at a police station, they face poor service, long waiting times or insensitive questioning by a member of the SAPS (Heard, Tshwaranang Legal Advocacy Centre & Aids Foundation South Africa, 2015:22). The Tshwaranang Legal Advocacy Centre (2009) found that the police were usually either not recording domestic violence *or* were recording it but not as required by the DVA in a domestic violence register. Poor data capture has led to perceptions that domestic violence and rape have in fact declined. The police have also been found to be non-compliant in serving notices and warrants on perpetrators. Additionally, those in breach of protection orders are often not arrested. A common reason cited is that offenders cannot be easily traced (Tshwaranang Legal Advocacy Centre, 2009). Apart from the police, clinic and hospital health workers are often described as extremely unsympathetic and highly judgmental. This is particularly the case when healthcare workers come from the same cultural traditions as the victim and are themselves also survivors (FirstRand, 2014; Kim & Motsei, 2002).
- *Misdirected and insufficiently trained officials:* All state-run structures are performance-managed and thus accountable for productivity and delivery. Striving to show competence and good annual practice is being linked to periodic declarations by the SAPS that rape, femicide, and domestic violence in the country (or parts of the country) are in decline. Officials often find themselves pressurised to make claims that levels of gender-based violence are under control or have dropped in their constituencies. SAPS performance indicators show a reduction in the number of rape cases reported (South African Police Service, 2014). This illusion of a decrease in sexual offences and domestic violence would in turn reduce the focus on, and funding of, gender-based violence interventions. Financial support for the NGO-sector and for shelters have been cut as more funds have been diverted towards government departments' marketing and campaigns on gender-based violence. It would be useful if more funds were to be invested in training and maintaining specialised and dedicated staff in the SAPS, NPA and DoH. Police officers are often untrained, unable to interpret the law adequately, or correctly collect and use medico-legal evidence. This results in postponement of proceedings and the mishandling of cases (Memela and Ayogu, 2005).
- *Lack of coordination and leadership issues*: A lack of coordination between different departments has a bearing on what is delivered and in particular on whether perpetrators are apprehended and brought to court. Thus, in the event that a woman reports her husband as a wife-beater, she has no guarantees that she (and her children) will receive protection and counselling, that he will face legal and correctional consequences, and that the violence will end. For this to happen, coordinated action of the SAPS, DSD, DoH, NPA and possibly Victim Empowerment Programmes is required. A 2015 Soul City study (Tshwaranang Legal Advocacy, 2015) highlights the problem of

> **"South Africa is currently described as the rape capital of the world, with overall levels of gender-based violence akin to a country in a state of war.**

duplicate mandates and confusion of roles which negatively affects implementation of the DVA. There is also a high turnover of key officials; often effective agents are replaced by less effective and unskilled functionaries. With this may come a loss of institutional memory and a growing cohort of leaders who may not have independent track records or credibility. Internal dynamics and egocentrism may lead to attempts to wipe out previous managers' legacies and go back to the drawing board to build new and possibly less-effective approaches. Lack of strategic assessments and evaluations of the performances of programmes and departments undermine the potential positive effects of the Domestic Violence and Sexual Offences Acts.

- *Necessity for shelters and post-shelter services:* A lack of government funding has offered fewer prospects for new shelters to be built, particularly in the rural areas, or for the existing shelters to be properly maintained. In a study on shelters in South Africa, Bhana et al. (2012) suggest that although shelters offer a space in which women can make life-changing decisions, it is often a struggle to get the state to pay to keep them functioning and optimally serviced. While accepted globally as a vital crisis-intervention step towards emancipating abused women, they are yet to be acknowledged by the state as essential for saving the lives of women and their children. Evidence shows that children exposed to violence at a young age experience depression, withdrawal and other behavioural problems, and if uncounselled may have a high likelihood of living out troubled, anti-social adult lives. Thus, follow-up programmes that cater for the needs of women and their children are important to keep them safe and stress-free. This may include assistance in finding employment, skills-upgrading, educational needs, advice on how to gain access to legal aid, counselling or specialised health care. The move to the shelter represents a break from the family and the cycle of abuse. Arguably, in South Africa the tendency is to seek to reconcile the abused woman with her violent partner. Where men have not faced any consequences, the return home usually results in repeated exposure to violence.
- *Absence of a feminist-informed political will:* South Africa is currently described as the rape capital of the world, with overall levels of gender-based violence akin to a country in a state of war. The #TotalShutDown marches represented a historic moment for women working to bring gender-based violence to an end. With the slogan "enough is enough" shouted across the length and breadth of the country, the campaign has highlighted the need for collective action, for strong leadership, for raising awareness about the statutory Acts that are intended to protect women and for the perpetrators of domestic violence, wife-beating and rape to be apprehended and sentenced. With a specifically feminist agenda, the call has been for a strengthened political will – and for the President himself to influence change and to listen to the voices of women. The point about the "entrenchment of patriarchy" (Bennett, 2001:90) and the difficulties entailed in dislodging such an amorphous edifice has been raised for the past few decades. A feminist-informed political will can confront patriarchy at every level, whether in the home, the workplace, on campuses or in public arenas. Such resolve can potentially transform attitudes and behaviours, rally progressive men into supportive action, and keep state officials accountable for how they attend to, and serve the interests of, abused women.

## CONCLUSION

The legislation and treaties presented in this paper provide a broad overview of the legal framework governing gendered violence in South Africa. While it can be shown that the infrastructure of available policy is strong, the persistence of gender-based violence – wife-battering, rape, femicide and other forms of abuse – highlights the barriers to implementation that need

**"Apart from the police, clinic and hospital health workers are often described as extremely unsympathetic and highly judgmental.**

to be addressed. Since most violence against women emanates from within the 'private politics' of family life, there needs to be mechanisms and interventions that draw out these private, intimate and familial conversations into the public domain. In doing so, however, socio-cultural and political discourses will need continuous tackling. Re-training of service-providers and getting the police to deal decisively with apprehending offenders and recognising gender-based violence as a human rights violation would be a good beginning. More funds need to be invested in the provision of shelters. Coordination between departments – perhaps driven via a dedicated coalition of cadres with a coherent game plan – is critical and needs support. Above all, an invigorated feminist-informed political will needs to spread from civil society to the upper echelons of the state.

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# Advancing progressive alternatives: IFAA 2018 in review

The Institute for African Alternatives (IFAA) is an independent policy research institute and think-tank committed to advancing progressive alternatives to our social and economic system based on the principles of equality, non-racialism, self-reliance and democracy. Based in South Africa, IFAA has a Pan-African and global perspective and consciousness.

As we close the year with this 71st edition of *New Agenda: South African Journal of Social and Economic Policy*, we reflect on the range of topical and contentious issues we covered, such as land reform, decolonisation, inequality, state capture and development on the continent. *New Agenda* aims to bring solid, policy-relevant research to the public in an accessible and intelligible form while also advancing progressive economic and political alternatives.

We started the year with a report for the Development Bank of Southern Africa (DBSA) titled "Infrastructure, Industrialisation and Community Development in Africa" which was published by DBSA early in 2018. Our research department also completed a paper for the not-for-profit economic research Trade and Industrial Policy Strategies (TIPS). This research was on the interface between infrastructure and minerals-based industrialisation initiatives in Africa's resource rich economies.

Our research team is currently working on local procurement in the gold mining industries in Ghana and Tanzania. The report is due in 2019.

The research team also played host to several seminars attended by policymakers, academics and members of civil society. Seminar topics included "Monopoly Capital in South Africa," "Structural transformation and imperatives for productive investment," and "Rethinking Economics Curricula in South Africa."

We continue to highlight the growing inequality in South Africa and in the world at large. South Africa's inequality statistics remain alarming, with a recent report indicating that 10% of the population owns at least 90-95% of the country's wealth. In our work and public engagements we stress the dangers of continuing along this path. To stimulate discussion and motivate for urgent policy interventions, IFAA is engaged in publishing the proceedings of a 2017 conference titled "Confronting Inequality". The book, titled "Confronting Inequality: The South African Crisis," was published by Jacana Media and was due for release in December 2018. The book is situated within the global explosion of inequality studies since the publication of Thomas Piketty's "Capital in the 21st Century" and aims to outline both a research and social agenda to bridge the vast chasms dividing our society.

The IFAA Student and Youth Department continues to grow and in 2018 hosted a number of forums and launched a blog, the ProgressiveCorner.com. The Department is currently working on a documentary exploring decolonisation and the student movement in South Africa, and was one of the players who launched the Rethinking Economics for Africa (REFA) Movement in September at the University of the Witwatersrand.

The IFAA Student and Youth department aims to create, support and empower a network and community of progressive students, young academics and youth in civil society to participate in the search for alternatives routes to creating an equitable society.

All students, young academics and activists can join the department via our website and keep up to date with its events, publications and other activities.

Apart from our research, publishing and student forums for engagement, IFAA took part in several other public activities aimed at promoting our values and mission in society. IFAA's Deputy Director and researchers have presented papers at a number of academic conferences, seminars and courses throughout the year.

One of the highlights of the year was a large 'town-hall' style public event that we hosted to involve civil society in renewing South Africa's political landscape. The audience was addressed by some of our most prominent public figures: Pallo Jordan, Ben Turok, Kgalema Motlanthe and Thuli Madonsela.

We expect 2019 to be another busy year. To be kept informed of our activities simply add your name to our mailing list by emailing admin@ifaaza.com.

To subscribe to New Agenda please visit our website at ifaaza.org. NA

# The challenges of ownership of land and its use in the African continent

**Chief Justice of the Republic of South Africa, Mogoeng Mogoeng, delivered the Chief Albert Luthuli Memorial Lecture on 24 November 2018 at the University of KwaZulu Natal, Westville Campus.**

**Chief Justice of the Republic of South Africa Mogoeng Mogoeng**

The Chief Albert Luthuli Memorial Lecture aims to promote the principles and values that he stood for and upheld, like peace, human rights, justice and the harmonious co-existence of people, regardless of race, colour or creed.

The theme this year is about the challenges facing the African continent, especially regarding the ownership and use of land. We all know that Chief Albert Luthuli was awarded the Nobel Peace Prize because of his unwavering commitment to the resolution of challenges, however taxing or frustrating, by peaceful means. To address challenges relating to land use and land ownership in Africa, the solutions we propose in his memory must be inclusive and geared at securing enduring peace, stability and shared prosperity.

In his appreciation of the relationship between landlessness on the one hand and poverty and homelessness on the other, Chief Luthuli said: "These rights could and should be extended to all people in an integrated society for each to use voluntarily according to his inclination and capabilities."

Back in the fifties the Nobel Laurette also said, "You will agree that the masses of the African people live in abject poverty in both rural and urban areas and so many Africans find themselves landless and homeless".

Highlighting the need to soldier on until this inhuman treatment of the African people in their ancestral land is reversed, Chief Albert Luthuli observed, "Since Union we have witnessed a decided deterioration in making available to [African people] opportunities for full development. Must we fold our hands in despair when we see our people drift to ultimate impotence and perpetual slavery? God forbid that we should be so untrue to Africa and the cause of freedom."

Chief Albert Luthuli's philosophy of freedom, landownership and poverty eradication transcended the borders of South Africa. It was truly Pan-Africanist. Modern day South Africans should similarly be determined to find solutions for the land issue for the entire African continent that result in sensible, humane and just land ownership patterns, sustainable and beneficial land use by all, shared prosperity and enduring peace.

The major challenge that confronts almost all African countries is the land issue. In fact, it could be said that the struggle was primarily about the dispossession of African people of their land. This is true of virtually all African countries. We find land and wealth ownership in Africa is overwhelmingly in the hands of our former colonisers or their descendants. This would explain why justice and genuine peace is hard to come by in Africa.

In honour of the memory of Chief Albert Luthuli, we must resolve this historic challenge; this monumental injustice; this abuse of the fundamental human rights of the African people.

Within an African context it makes sense to conclude that landownership, accompanied by properly guided and funded diligent usage, equals wealth ownership.

Chief Luthuli was convinced about the effectiveness or potency of a peaceful means to resolve challenges that appear to be intractable. African people must wake up to the reality that the objectives Chief Albert Luthuli struggled for and died pursuing are far from being realised. Some of the peaceful strategies effectively employed to wage the liberation struggle should not have been abandoned when the right to vote and the opportunity to occupy high government positions was realised. An earnest pursuit of the peaceful resolution of the land and economic issues should have been continued. There must be a worldwide united campaign to conscientise the global community about the injustice and devastating effect of the landlessness and virtual exclusion of the African people from meaningful participation in the mainstream economies of Africa. The exploitation and exclusive enjoyment of Africa's wealth by all others but Africans must also be campaigned against.

**Chief Albert Mvumbi Luthuli**
**(1898 - 1967)**

War is not an option. Strategies that militate against peace and stability are not an option. But silence and inaction in the face of life-threatening and dehumanising migration, abject poverty and landlessness are also not an option.

As Chief Albert Luthuli would have done, African people must pursue meaningful, purposeful and truly intentional dialogue with those who own land and are the sworn defenders of the status quo. Internal and global campaigns must also be waged concertedly and tirelessly until normalcy is restored.

Even in those African countries where the state or indigenous people own land, the terms and conditions for the use of that land set by investors must be revisited. True, no nation can thrive without significant foreign investment, but any land use or investment that is not mutually-beneficial is not worth it. The greed-driven, heartless exploitation of Africa's mineral and other natural resources must end. Economic activity on home soil that benefits foreigners or only very few citizens, when the overwhelming majority dies in abject poverty, disease and crime, is indefensible.

African leaders must wake up to their real responsibilities, which entail making good on all the good promises they routinely make when they seek high political office. African people have been feeding on empty promises and rousing speeches for far too long. The abject poverty and attendant migration challenges have reached crisis proportions. It is time to act more and talk less.

To achieve this requires selfless, ethical and truly servant leadership that is not imprisoned by greed and a never-satisfied appetite for money and material possessions. Modern-day dictators who pretend to care about the plight of the people when it is really themselves, their hidden masters, funders or handlers that they seek to serve, must be seen through and rejected.

That way, workable solutions to landownership and mutually beneficial and sustainable land use as well as shared prosperity would become a realisable dream. Let us each play our part in our own circles of influence, pursuing national unity and reconciliation without sacrificing the urgent need to end African landlessness, homelessness, ignorance, sickness and debilitating poverty.

Investors must be made to honour their social responsibility contracts. Never again must African soil and resources be exploited, with the connivance of greedy African leaders who occupy positions of high responsibility, in return for only a few classrooms and boreholes. A genuine win-win investment is what Africa needs and deserves in return for the exploitation of its minerals and other natural resources as well as its labour force. The positive and tangible impact of investment on the lives of the African people is what we must all insist on. There must be transparency on the terms and conditions of investment so that citizens can know how investments are ploughed back into the state or land-owning rural communities.

As the President of the Brahman Farmers Society in Namibia, Mr Ryno Van der Merwe - a white brother – said, the landownership question will not be properly resolved until our white compatriots are willing to sacrifice and share. I agree. This they must do, not out of guilt or a sense of self-condemnation but a sense of justice, purpose and commitment to sustainable peace, stability and national unity and healing.

Injustice is unsustainable. In recognition of this reality our pursuit of peace and justice must not be grounded on a false or shaky foundation. We must first internalise the truth outlined in the Preamble to our Constitution and the aspirations we have all committed ourselves to realise. The quality of life of all citizens must be improved and the potential of each person must be freed through, amongst others, the envisaged landownership patterns and the transparent and responsible manner in which we allow land and all its treasures to be used. Greed and heartless disregard for the centuries-old disgraceful plight of the poor African masses must not be allowed to be sustained by nice-sounding and clever business lingo any longer.

## NOW IS THE TIME. KE NAKO.

# Calling for fundamental change

*By Mary Turok*

The writer is an ANC stalwart and continues to be active in the party after a life-time of political activism.

*This is a summary of the Report of the High Level Panel on the Assessment of Key Legislation. The High Level Panel was created in 2015 by the Speakers' Forum. Its mandate was to review legislation and its implementation and propose steps to strengthen, amend or change some of these laws.*

Twenty years after the fall of apartheid the question was being asked: how far have we gone?

The fourth democratic Parliament (2009-2014) resolved that the next Parliament (2014-2019) should improve governance by reviewing the legacy of the new legislation and its impact.

Following extensive consultations and workshops it became clear to the Panel that, despite extensive legislative reform, the ills of the past are being re-produced in post-apartheid society. The changes observed had not dented the deep inequities in the quality of services received, nor had they made fundamental changes in outcomes.

The Report, published in November 2017, had a very wide and complex brief. The following is a summary of the contents:

- Poverty, Unemployment and Wealth Distribution (Chapter 2) is a primary concern and the Panel makes a range of recommendations to unlock the current impasse such as improving public health and education, and lowering barriers into the economy.
- Land Restitution, Redistribution and Security of Tenure (Chapter 3) is of concern because of the slow pace of land reform. The Panel found that policy and law has drifted from being pro-poor and there is a lack of vision for rural reform. The Panel recommends specific changes to legislation including a detailed framework for land reform.
- Social Cohesion and Nation Building (Chapter 4) are a major challenge after three centuries of colonial and apartheid rule. Spatial Inequality (Chapter 5) is identified as one of the most visible manifestations of the legacy of apartheid. Its architects and executors worked energetically to map a racial hierarchy on to the land, trapping disadvantaged communities in poverty and underdevelopment, creating inefficient cities and robbing poor, rural people of secure livelihoods. The report points out that two decades after the transition to democratic rule the geography of apartheid is largely unchanged for the poorest and most vulnerable South Africans. The Report recommends the


upgrading of informal land rights by a robust land recording system, the expropriation of well situated private land and the redistribution of well situated land owned by cities and companies.
- Implementation of Legislation (Chapter 6) is a cross-cutting theme focused on the importance of sharpening Parliament's role in guiding execution. The Panel recommends a comprehensive audit of major challenges and remedial action. State working in silos. The Panel therefore recommended that Parliament set up a special task team that cuts across portfolios to process the report.
- In the Way Forward (Chapter 7) the Speakers Forum had directed the Panel to develop a plan to guide implementation of the recommendations. However, the Panel pointed out that, given the deeply entrenched nature of many of the problems, it was unable to produce such a plan in the time available.

In April 2018 Parliament appointed an Ad Hoc Committee to deal with the Report's recommendations. It was agreed that the Committee act as a "clearing house", distributing recommendations to the relevant Portfolio Committees rather than trying to be a "super" Portfolio Committee itself. NA

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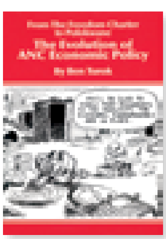

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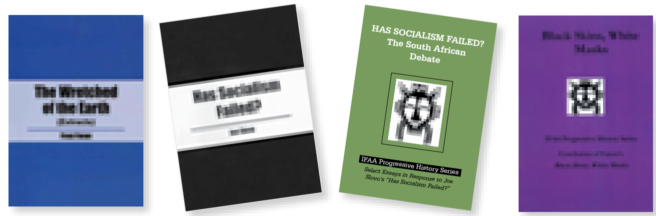


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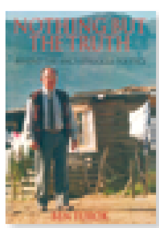


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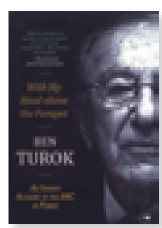


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