



**THE MANDELA INITIATIVE**  
*Dialogue and action to overcome poverty and inequality*



# Rethinking agriculture in South Africa: Constraints and opportunities

## Key lessons for policy makers

From a conference-dialogue held under the auspices of:

the DST/NRF Chair in Poverty, Land and Agrarian Studies, at the Institute for Poverty, Land and Agrarian Studies, University of the Western Cape  
the Centre for Excellence on Food Security at the University of the Western Cape  
and the University of Pretoria

The Mandela Initiative on dialogue and action  
for overcoming poverty and inequality

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A summary report by Donna Hornby and Ben Cousins



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Department:  
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REPUBLIC OF SOUTH AFRICA



PSPPD  
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POLICY DEVELOPMENT



# **Rethinking agriculture in South Africa: Constraints and opportunities**

## **Key lessons for policy makers**

### 1. Introduction

A conference-dialogue was held in Cape Town from 11-13<sup>th</sup> October 2016 with the purpose of rethinking agriculture. The key question guiding the event was: *'What role can agriculture play in helping resolve the crisis facing South Africa?'*

The crisis in South Africa is multi-dimensional. Persistently high and increasing rates of unemployment, rising inequality, a stagnant economy and a state that is not only dysfunctional in many respects but has been captured by a narrow alliance of sections of capital and political elites – these issues define the key policy-political challenges in contemporary post-apartheid South Africa.

Rural areas and the agrarian economy are important contributors to these dynamics. Large-scale commercial farming is shedding jobs while land and production concentration is occurring in response both to the dismantling of apartheid subsidies and regulated markets, and to global competition. Processes of integration up and down the value chain are creating opportunities for a new kind of financialisation that holds production at ransom. Smallholders, who are often seen as holding the promise for agrarian transformation, are also undergoing rapid processes of change. De-agrarianisation combined with shifts to highly gendered investments in livestock suggests a great deal of dynamic heterogeneity and complexity that may render simple policy solutions difficult to achieve. Furthermore, the diversity of rural livelihoods, with multi-directional rural-urban migration, suggests that farming, as a primary activity, is likely to be an option only for a few, although for many it remains an important component of a diverse portfolio of livelihood options.

Given these complexities, what role can agriculture play in helping resolve the crises facing the country? The objectives of the Conference-Dialogue were to:

- a) Promote the active participation of, and dialogue between researchers, academics, government and civil society organisations
- b) Present and engage implications of recent research on the South African rural economy, specifically production, markets, livelihoods and employment
- c) Debate the continuities and changes taking place in order to rethink agriculture and the space for policy responses
- d) Support the participation of younger and black researchers

The conference set out to ensure ‘dialogue’ and debate in order to deliver policy proposals by inviting a range of stakeholders. The programme was structured to maximise participation, with regular slots aimed at pulling out the implications of research for policy and practice.

The initiative follows discussion of the potential contribution of agriculture to the reduction of poverty and inequality in South Africa in three prior events. Firstly, lively debates on this issue took place at the ‘Towards Carnegie 3’ conference at UCT in 2012. Secondly, an action-dialogue on ‘opportunities, constraints and innovative approaches in small-scale agriculture in South Africa’ was organized by Professors Ben Cousins of PLAAS, Francis Wilson of UCT and Francois Lategan of CPUT, and took place at Goedgedacht in the Western Cape on 6<sup>th</sup> to 8<sup>th</sup> August 2014. Thirdly, Ben Cousins and John Allwood organized a consultation workshop for the Donald Woods Foundation at Hobeni in the Eastern Cape on September 15<sup>th</sup> to 17<sup>th</sup>, 2015, focused on ‘communal area agriculture and rural development’. The latter two events were funded by the Programme to Support Pro-Poor Policy Development, in the Department of Planning, Monitoring and Evaluation of the Presidency. Reports on these events are available.<sup>1</sup>

Funds for the conference-dialogue reported here also came from two other sources. Firstly, the National Research Fund which awarded a grant to Professor Ben Cousins for research on ‘job creation in rural South Africa’. This forms part of a larger grant to nine NRF-funded research chairs who meet under the auspices of the Mandela Initiative. Six researchers from the job creation project presented findings at the event. The Centre for Excellence on Food Security, hosted jointly by the University of the Western Cape and the University of Pretoria, also provided funds.

## 2. Key emerging issues and policy proposals

Consensus emerged around the importance of a number of key themes. These, with policy recommendations, form the remainder of this report.

- **Poverty of accurate, reliable national data on which to base policy development**

Policies must be based on a sound understanding of the current structure of the agricultural sector. Interventions are always focused to some degree on altering or modifying that structure, and ‘transformation’ is always aimed at benefitting

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<sup>1</sup> See (a) <http://www.mandelainitiative.org.za/images/docs/Small-scale-Agriculture-Action-Dialogue.pdf>; (b) <http://www.mandelainitiative.org.za/images/docs/Hobeni-Consultation.pdf>

some interest groups (usually those who were ‘disadvantaged’ in the past, such as small-scale black farmers, or farmworkers) rather than others (usually those who benefitted more than others in the past). Altering or modifying agrarian structure also involves targeting of sub-sectors (e.g. those that are labour intensive and thus have the potential to create jobs, or those with the potential to grow) rather than others. Land reform, and in particular land redistribution, is key to altering agrarian structure.

Data gaps were identified in both large and small-scale agriculture and formal and informal markets, as well as commodity sectors. While in-depth case studies illuminate trends and dynamics, they cannot substitute for the accurate, current, *national* data required for evaluating, developing and monitoring agricultural policy and its impacts.

In his presentation, “What official stats do and do not tell us”, Liebenberg argued that historical discontinuities and definitional constraints in national data sets (StatsSA and the Labour Force Survey) limit the information available to policy makers about the current state of play in agriculture. Various other presenters noted the lack of national data on small and large farmers and informal markets.

#### Policy recommendation

*Adopt new approaches to census data and to survey data, in order to collect comprehensive national data on key current attributes and representative data on structural information. A specific recommendation is to amend the Statistics Act, 1999 to include commodity organisations.*

- **Climate change and agro-ecological factors are critical drivers of agricultural change and yet remain absent as organizing policy principles**

The severity of the 2015/6 drought in Sub-Saharan Africa created a glimpse into how the nexus of climate change and recurrent drought will unfold in the region in the future. Despite important genetic research into drought resistant maize and other grain crops (see Ludidi’s presentation), evidence from the drought and longer-term climate change effects on the countryside suggest limits to technological tinkering. Alcock projected images of a future countryside in 30-40 year’s time where persistent drought and climate warming have created bush-encroached semi-deserts that reduce rain run-off by 75%, causing crop and cattle production failures. However, the invisible but hardy goat, owned mainly by women, is a “climate change cockroach” that, as a browser, “eats the problem”. Goats are thus likely to displace the current protein dependence on beef and milk as climatic conditions increasingly favour their production. Climate change and recurrent drought are also deeply political processes.

Drought will entrench a small group of increasingly rich mainly white land and agribusinesses owners, who will buy up the cheap land available from farmers squeezed out of production. Wesso (following Naomi Klein) described these processes, which are supported by the dominant drought discourses that mobilise and direct disaster resources to commercial agriculture, as “disaster capitalism”. However, if the political will existed, strategies around “disaster socialism” could be developed in which the state buys up indebted farms for redistribution and provides social security measures to mitigate the burdens of drought on food and water insecure rural *and* urban households.

Kirsten added that there is already inadequate attention to spatially-explicit policy relating to biological and environmental conditions (such as soil type, sunlight, rainfall, temperature, pests and diseases). The re-location of maize farming in the US over the past century was a primary reason for its increased production. Some observers also argued that rural areas are more than agricultural spaces: they are carbon sinks, wetlands and grasslands, places to live in and spaces of leisure.

#### Policy recommendation

*Strategic interventions must take adequate account of current and changing agro-ecological realities, such as soils, vegetation and rainfall, which are key for assessing productive potential. Climate change uncertainty and recurrent drought must be placed at the centre of policy making. This means that risks, availability of water for irrigation, and locational advantages for different crops and types of livestock, are all more important than ever.*

- **Localised and specific spaces offer certain opportunities – commodity sectors and farm employment**

Despite the shedding of labour and reorganization of the labour regime in the large-scale commercial farming sector, agriculture is still viewed as a sector with the potential to create jobs at a relatively low cost. The *National Development Plan* (NPC, 2012) aims to create a million new jobs in agriculture and related industries (e.g. agro-processing) over the next two decades by expanding the area under irrigation, maximizing market opportunities of fruit for export and vegetables for the domestic market, and prioritizing niche crops that are small-scale and labour-intensive in character. Cousins asked whether these are these realistic estimates of agricultural employment creation potential, and whether the policy proposals are feasible? Similar questions arise in relation to the fisheries and forestry sectors.

Zalk’s presentation on hectare-job-commodity ratios highlighted the need for specific policy targeting. Fruit and flowers, excluding citrus, uses about 147,000

ha and produces more than one job per hectare, with flower production the highest at 13 jobs per hectare. Animal production, field crops, and citrus produce less than one job per hectare. However, there are opportunities, albeit constrained, in citrus, horticulture, forestry, fisheries and through the expansion of irrigation schemes.

Aliber argued that irrigation schemes might not deliver the employment outcomes expected in the National Development Plan if they are based on large financial investments in finding the “right crop” (sugarbeet, cotton, pomegranates, lucerne) and the “right partner” (commercial farmers or agribusinesses). Evidence shows these approaches have delivered disappointing results: few jobs and not significantly higher rates of employment than those on large-scale farms, along with many failed projects. Aliber suggests that irrigation schemes might be best used to support “food plots” rather than commercial agriculture.

In terms of horticulture, Genis estimated that citrus could generate in excess of 24,000 new jobs through expansion, rehabilitation and maximum utilization of land suitable for citrus production, allocation of new water licenses and support to black farmers. However, the employment trend in citrus is distinctly downward as farmers reorganize production regimes to achieve greater productivity and efficiency. Although deciduous fruit generates 1,34 permanent jobs per hectare, Okunlola argued that space for job expansion is limited and dependent on industry growth. Growth, in turn, depends on remaining competitive in global markets, where South Africa’s edge is pegged to favourable exchange rates and low fuel costs. Thus growth is most likely to occur in vertically integrated operations and large/medium scale operations, with new entrants excluded by the massive barriers of entry.

In terms of high protein foods, Isaacs demonstrated how structurally skewed the pelagic fish sector is in South Africa despite small fishers often creating more employment, wasting less of their catch, using less fuel and directly supplementing household food. Despite this, large industry players remain “untouchable” while elites tend to capture government subsidies. Nevertheless, there are important opportunities for small fisher expansion in anchovies and snoek for human consumption. In terms of poultry production, Meyer showed evidence that small-scale broiler producers supplying the live bird market achieve the biggest gap between production cost and bird sale price, and are more profitable than a range of differently organized commercial producers, including small-scale contractors.

Forestry has a small land footprint but generates big export revenue. However, large-scale corporate actors also dominate production with decreasing

employment in primary production. Nevertheless, Clarke argued that opportunities for employment growth exist in downstream processing, the redistribution of significant tracts of badly run state owned plantations, and expansion of community-owned plantations in communal areas in supportive joint partnership arrangements.

These commodity sector investigations confirm the possibility of creating jobs in specific commodities despite the constraints, but show that the opportunities to do so are specific and need to be correctly targeted and supported.

#### Policy recommendations

*Supporting labour-intensive agricultural subsectors is key for job creation. These include small-scale irrigation, horticulture including flowers, and carefully identified spaces in forestry and fisheries. Job-opportunities also exist in identified small-scale livestock production, particularly live chickens for informal markets.*

- **The region offers important lessons for smallholder-focused agricultural policies and land reform**

The region offers rich lessons for land reform and agricultural policy directed at commercializing smallholders and establishing large commercial operation. Smallholders are not single, homogeneous categories but are differentiated by race, class and gender (Perez-Nino). Contract farming is welcomed by some smallholders but does not benefit all equally (Hakizimana, Joala, Zamchiya). Large-scale investment by the private sector often has unintended negative impacts on both production and consumption, even when it creates jobs and raises output (Joala and Zamchiya). Land redistribution to smallholders changes the nature of livestock production systems (Mabhena, Chatikobo), and smallholder-focused land reform has the potential to support a revitalized, local non-farm economy.

Perez-Nino showed that when 130,000 small-scale contract producers took up the commercial production of tobacco in Mozambique, there was a 700% yield increase over a nine-year period. The changes also produced processes of differentiation based on highly exploitative labour regimes. The most successful producers sourced labour from easy-to-discipline Malawian seasonal migrant labour, thus making little impact on high levels of local unemployment. Joala's research in a different part of Mozambique indicated that the introduction of commercial soya created a new network of input suppliers, traders, wholesalers, processors and consumers. However, large-scale commercial farms produced poor yields leading to conclusions that capital intensive farming does not automatically lead to better efficiency and productivity. Indeed, smaller family holders were often able to do better. The commercial operations also displaced

the access many households had to land with losses in household food security, which was compounded as poor households were drawn more tightly into the developing cash-based food economy.

Mabhena argued that Zimbabwe's one-size-fits-all privileging of crop over livestock farming meant that grazing for livestock production in agro-ecologically suitable zones was reduced during fast track land reform. This resulted in "vanishing livelihoods", while more successful livestock farmers adopted concentrated production technologies. Chatikobo added that new "vernacular" land markets and new systems of livestock production have driven emerging patterns of accumulation, resulting in social differentiation.

#### Policy recommendation

*While policies supporting smallholder farming and land reform can generate positive structural changes, new monitoring criteria must be developed to assess and mitigate unintended consequences affecting new categories of vulnerable people.*

- **Smallholders in South Africa are diverse and dynamic**

Smallholders are a heterogeneous, socially differentiated and dynamic group – not just one or two static categories – with evidence that declining use of fields and growing concentration in cattle ownership in combination with non-farming incomes are driving differentiation (Beinart, Hebinck, Cousins, Hornby).

Beinart showed evidence that field crop production in the Eastern Cape is declining. Land is abundant but increased damage from bushpigs, monkeys and livestock as a result of changing practices of control (hunting and herding), reduced availability and/or high costs of ploughing services, the loss of patriarchal control over the labour of women and children and disappearance of collective forms of labour has resulted in a shift from widespread field production to small gardens and livestock production. However, Hebinck argued that the idea of 'de-agrarianisation' suggests a definite trend and process whereas 'de-activated' or 'de-intensified' agriculture is a better description of small farmers' varied responses over time. Mtero also questioned de-agrarianisation as a determinate explanation and suggested instead that small farming can form part of livelihood diversification strategies in response to rising unemployment. Data showing a steady increase in the number of households that planted crops on less than 0,5 hectares between 2012 and 2014 with a slight decline in 2015 (see Meyer) supported this analysis of variability over time. Mtero, Cousins and Hornby all indicated the importance of wage employment combined with livestock (particularly cattle) ownership as key drivers of differentiation amongst small farmers.



The evidence thus suggests the need for more targeted policy interventions. Cousins argued that a typology of small farmers involving four categories based on the primary purpose of production – own consumption or profit or combinations thereof – would help in identifying the interventions different groupings require.

#### Policy recommendations

*The design of support programmes must be based on an understanding of the underlying dynamics of differentiation. Such interventions would distinguish between the needs and requirements of various types of smallholder farmers, as well as between loose and tight value chains and markets, and support both producers and market intermediaries in appropriate ways. Specific support should be provided to subsistence-oriented smallholders on welfarist grounds. However, even with support, these processes are not linear and policy should be sensitive to reversals as well as re-entry into agriculture.*

- **Strategic partnerships and joint ventures between smallholders and the private sector show some potential as well as great risks**

Successful joint ventures can boost both agricultural productivity and achieve important agrarian transformations. Presenting research into lessons from 15 successful joint ventures, Pieterse indicated the importance of carefully negotiated agreements and early dividends or returns combined with longer-term incentives for beneficiaries to remain involved. In one example, a milk-share scheme, the farmer/landowner owns all the fixed assets (land, milk parlour, irrigation infrastructure) while the partner owns the movable assets (cows, tractors) with costs distributed accordingly. The operation was financed through a combination of a private bank loan (65% of costs) and LRAD grants from the Department of Rural Development and Land Reform. The bank loan was fully paid within seven years and each beneficiary has received dividends totaling R750 000 since 2004 as well as equity shares valued at over R800 000. However, Manenzhe's case study into the livelihood outcomes of restitution claims of seven highly capitalized, fertile, sub-tropical farms in Levubu, Limpopo, paints a very different picture. The initial partnership arrangements in all seven CPAs failed, resulting in liquidation or massive debts. The difficulties arose as a result of the contradictory trade-offs the CPA and joint venture partner had to manage between livelihood benefits to beneficiaries (such as access to land, jobs and dividends) and sustaining the conditions for production (such as a small disciplined workforce, and the reinvestment of profits). Where job opportunities and wages were tightly controlled, profits were possible.

Even had claimants obtained employment, Kudejira showed that the livelihoods of farm workers remain inadequate for secure social reproduction. Focusing on Zimbabwean workers living on farms in Limpopo, Kudejira concludes that despite post apartheid legal reforms, the apartheid legacy persists on farms in the form of meager wages, food and nutritional insecurity, caused partially by food deserts because of the distance from farms to food points.

While Pieterse argued that the right combination of partners, working responsively to meet specific needs and with an understanding of local dynamics and drivers, could bring about agrarian transformation in South Africa, others were more skeptical about this being achieved through large-scale commercial farming models in an environment of fierce competition and job shedding.

#### Policy recommendations

*Limited but carefully targeted support for partnerships between large-scale commercial farmers, commodity organization and land reform beneficiaries generate substantial benefits for all parties. However, a broad-based agrarian transformation strategy cannot be driven solely by such partnerships.*

- **Big value in smallholdings and informal markets**

A number of presenters pointed out that the often un-noticed smallholder sector and informal markets comprise billions of rand in private investments. Kenyon's conservative calculations of the 'informal' cattle trade in the Eastern Cape amounts to over a quarter of the agricultural GGP for the province; Alcock estimates that the national market value of trade in goats is R6,5 billion p/a; and Cousins' research indicates that the value of vegetables supplied to bakkie traders by irrigation plot-holders in Msinga, KwaZulu-Natal is R15-R20 million p/a. Ngubane also shows that the value of goods supplied by small farmers to 27 Spars from a centralized hub in Limpopo reached nearly R500 000 over a four month period.

#### Policy recommendations

*Policy tends to focus exclusively on formal markets and large commercial farming models neglecting the important arena of informal markets, loose value chains and small producers. Interventions should be based on a good understanding of the structure and dynamics within these spheres.*

- **Underlying conceptions and paradigms of agriculture inform policy making in a problematic manner**

A set of largely unexamined conceptions, assumptions and paradigms in relation to agriculture appear to inform current policy frameworks. Rusenga, focusing on

livelihoods generated through land reform in Limpopo, shows how farming is assumed to be a full-time occupation, with notions of 'economic viability' drawn from farming systems and levels of income that predominate in the large-scale commercial farming sector, and with agriculture seen as only an economic activity. Formal markets are assumed to be more important than informal markets. Farmers are classified as either 'subsistence' or 'commercial' producers. Considerations of multiple rural livelihoods and the multi-functionality of agriculture do not appear to inform policies.

#### Policy recommendations

*Policies are implicitly biased towards the current 'winners' in the agricultural sector. Policy makers should be challenged to reconsider their paradigmatic choices, whether these are conscious or not, and researchers can play a key role in doing so.*

- **Connections between rural and urban spaces**

The 'rural' is not a homogeneous space with no connection to the 'urban'. Such assumptions neglect the way in which the rural is reproduced. In his presentation on the rural non-farm economy, Neves' showed maps that track inputs into, and outputs from agriculture in Weenen, KwaZulu-Natal. Despite the extensive networks spanning the province, the country and the globe, agriculture in Weenen is disembedded from the local economy, producing few local livelihoods or multipliers, and inhibiting inclusive growth. Policies that emphasize formal and metro markets underpin these developments. In a different focus on rural-urban connections, Hornby argued that the pressures to secure livelihoods in contexts of increasingly precarious employment drive young men and women out of rural homes to towns and cities. Ceremonies involving cattle and goat slaughters pull these family-members back home, where familial obligations are asserted and claims made. Investments in ceremonials are thus a rational response to holding together families in the face of pressures that fragment them.

#### Policy recommendations

*Attention is needed on the non-farm rural economy in order to generate inclusive growth. This includes incentives to develop local markets and suppliers.*

- **High levels of concentration in the agricultural sector squeezes out space for inclusive growth**

In his closing remarks, Andries Du Toit reminded participants that real people living lives of struggle and desperation are often excluded and marginalised in interventions aimed at consolidating and expanding big economic drivers, such

as large scale commercial farming, agro-industry and processes of consolidation. Kirsten, however, argued that an evolving global agricultural structure shapes the structure and dynamics of agriculture in South Africa. Consolidation of input suppliers, resulting, for instance, in the top four global firms controlling 97% of the market for poultry genetics and the top three companies controlling 53% of the seed market, puts farm production in South Africa at the mercy of fluctuating prices. One response of South African farmers has been to consolidate land ownership, with 50% of commercial farmers now owning over 90% of the land. Along with this has gone consolidation of gross revenue with only 5% of farmers generating 52% of total gross farm income. These macro changes, however, disguise many variations.

Genis, for instance, showed that commercial farmers have responded with different strategies and degrees of success to this corporate dominance and the “fierce” inter- and intra-sectoral competition that has accompanied the liberalization and de-regulation of the sector. Accumulation strategies have included:

- expanding the scale or scope of *production* (eg. size, location),
- expanding the scale or scope of the *business* (by investing up or down the value chain),
- increasing efficiency (by lowering costs or re-organising production processes), and
- engaging in political activity to secure preferential access or to maintain control over key inputs, markets and processes.

Not all commercial farmers navigate these changes and strategies successfully, and while some accumulate and expand, others only manage to maintain production at constant scales and yet others struggle to remain in production at all. Family networks are often key to surviving and expanding.

#### Policy recommendations

*Policies must attempt to address the high levels of concentration in the agricultural sector – in relation to the ‘upstream’ components of value chains (i.e. inputs such as fertilizers and seeds), in production, and ‘downstream’ components such as agro-processing and retail. Concentration is the outcome of different processes, such as increased levels of re-investment by successful accumulators, who thus expand the scale and scope of their operations, and of rent-seeking behavior by large concerns that exert market power. Hidden bias towards large-scale operations in policy environments is another factor that needs to be examined. Past policies of liberalization and deregulation may have led to increasing levels of ‘private regulation’ that favour larger-scale interests, such as more onerous standards for fresh foods. Are there lessons on how to address concentration from the energy sector (i.e. renewables over past 5 years)?*

- **Financialisation of the agricultural sector offers opportunities for capture by financial capital**

Ducastel showed that de-regulation introduced new financial actors into agriculture, altering the way that power had previously been structured through co-ops based on farmer membership and the financial institutions that served them. These actors had, in the past, collectively secured the conditions for the accumulation of (white) agrarian capital. The new actors, in the form of private equity funds, government pension funds and a range of individual investors, promote agricultural financial firm models designed to extract value for shareholders who are no longer farm-based. These financial interests can clash with the interests of the former co-ops, now registered as private companies, which have a small number of big farm producers dominating governance structures and whose interests are to maintain their dominant agrarian position. However, black emerging farmers are absent in both these forms of financialisation, and are increasingly marginalized from these new sources of accumulation.

A case study presented by Sommerville tracks some of the same actors that Ducastel identified as key to these new models. She shows how a number of corporate off-shoots from an initial agribusiness company were able to capture income from a number of non-agricultural streams, including, massive gains through land price increases, managerial fees appropriating government grants (particularly 'Recapitalisation' funds), processing and logistics, and securing preferential access to markets through "social responsibility" claims. She notes the complexity of the operations of capital in the farming sector, which obscures financial transparency and the "role of 'transformation' in re-substantiating long-standing patterns of racialised uneven development".

#### Policy recommendations

*Rigorous financial regulation is required in a context of increasingly complex and opaque investments in order to ensure benefits flow to the intended beneficiaries of state policies.*

- **National food policies may need to be reconsidered**

Dubb argued that the pursuit of agricultural rationalization, de-regulation and liberalization was founded on attempts to lower food prices in order to keep urban and rural wages low and to de-racialise the countryside through the disciplining effects of competition. These strategies had mixed results. Focusing on the maize-livestock complex, Dubb shows that agriculture has become capital intensive, a market for international capital and a producer of competitive but

not cheap raw inputs, while its contribution to rural employment has decreased. The highly volatile but rising prices of staple food prices, which make up a large proportion of the costs of consumption of the poor, have been only partially successful in keeping down the costs of labour power, making it doubtful that it has been sufficient to “renew surplus appropriation in the broader national economy”. Dubb suggests that a food price policy, particularly inflation-adjusted maize meal price setting, should be pursued. He also asks whether or not intensive beef production, which is a costly source of protein, is expendable and whether current production modalities should be replaced with small-scale cattle and goat farmers employing ecologically efficient, extensive grazing systems.

Meyer showed that the overall agricultural growth rate of 2.5% since 2004 is made up of a highly variable commodity-specific picture. Poultry has the highest percentage share of production value across all commodities, with consumption increasing 61% between 2002/4 and 2012/4, and yet it has grown by less than one percent, with trade patterns reflecting net imports to meet local demand. In terms of maize, the primary staple, a contradictory picture emerges. Real prices globally have declined as a result of a technologically driven 70% increase in yield since 1980. In South Africa, this has resulted in a gradual substitution of the area under white maize with soybean and yellow maize production. Soybean production is rising, responding to increased demand resulting from the flexible trade in futures arising from the different products of soya (the “crush” value) while yellow maize is primarily used as feedstock. These shifts have occurred despite a steady increase in the human consumption of white maize over the past decade.

#### Policy recommendations

*The importance of food prices in determining the cost of wages opens space for targeted food policies. These should include investigation into white maize price ceilings, supported by interventions aimed at increasing protein access through production support to small-scale (live) poultry farming and goat and cattle farming based on extensive rangeland systems.*

Most presentations are available at:

<http://www.plaas.org.za/event/rethinking-agriculture-south-africa-constraints-and-opportunities>

*Report compiled by Dr Donna Hornby and Professor Ben Cousins  
5<sup>th</sup> December 2016*



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## RETHINKING AGRICULTURE IN SOUTH AFRICA: CONSTRAINTS AND OPPORTUNITIES PROGRAMME

Note that there may still be changes to the programme; delegates are advised to check the daily programme at the conference. All venues are in the Belmont Square Conference Centre, Rondebosch

### DAY 1: TUESDAY 11 OCTOBER 2016

8:00 - 8:45	Pre-registration		
8:45	Participants please to be seated		
8:45	<b>OPENING</b>	<b>Welcome, Opening remarks</b>	
	<b>Belmont 1</b>	Welcome: <b>Andries du Toit, Director: Institute for Poverty, Land and Agrarian Studies, UWC</b>	
		Conference-dialogue background: <b>Francis Wilson, University of Cape Town</b>	
		<b>Donna Hornby, PLAAS:</b> Introduction to programme and participants	
9:00	<b>PLENARY 1</b>	<b>Signposting the issues</b>	<b>Debating theme</b>
	<b>Belmont 1</b>	FACILITATOR: <b>Donna Hornby, PLAAS</b>	
		<b>Lisa del Grande, Department of Agriculture and Rural Development (DARD):</b> The politics of land in South Africa	
		<b>Margareet Visser, Institute of Development and Labour Law, UCT:</b> <i>Fewer jobs now on commercial farms</i>	
		<b>Nimrod Zalk, University of London:</b> Job opportunities are in industry, not the farm sector	
		<b>Wandile Sihlobo, Head Agricultural Economics, AGBIZ:</b> No alternative to free agricultural markets	
		<b>Phillan Zamchiya, PLAAS researcher:</b> <i>Regional lessons: Big agriculture hurts small farmers</i>	
		<b>Jama Mashele, Nelson Mandela Metropolitan University:</b> <i>Organic production systems can solve existing constraints</i>	
<b>Christopher Tapscott, University of Western Cape:</b> Land reform administration undermines rural development			
		Agriculture is key to solving the economic crisis in SA	Fishbowl
10:30	TEA		
11:00	<b>PLENARY 2</b>	<b>Rural jobs: commodity sector possibilities and constraints</b>	<b>Debating theme</b>
	<b>Belmont 1</b>	FACILITATOR: <b>Phillan Zamchiya, PLAAS</b>	
		<b>Ben Cousins, PLAAS, University of Western Cape:</b> Overview	
		<b>Michael Aliber, University of Fort Hare:</b> Smallholder irrigation	
		<b>Moenieba Isaacs, PLAAS, University of Western Cape:</b> Fisheries	
		<b>Jeanette Clarke, Consultant:</b> Forestry	
		<b>Amelia Genis, Landbou Weekblad:</b> Citrus	
<b>Adetola Okunlola, PLAAS:</b> Deciduous fruit			
		What opportunities exist to create jobs in rural areas?	Presentation and buzz groups
13:15	<b>LUNCH</b>	<b>Lunchtime conversation: Is rural employment creation a lost cause?</b>	

Appendix one: Conference Programme

14:15	<b>PLENARY 3</b>	<b>Rural jobs: Debating possibilities for policy support</b>		<b>Debating theme</b>	<b>Method</b>	
	<b>Belmont 1</b>	FACILITATOR: Tshililo Manenzhe, Rural Development and Land Reform Content Advisor, Parliament.		What policies would support rural job creation?	Presentation, flash cards, buzz groups	
		Nicolas Pons-Vignon, University of Witwatersrand				
		Mafa Hara, PLAAS, University of Western Cape				
James Rycroft, consultant						
16:15	<b>PLENARY 4</b>	<b>Rural jobs: Summarising the emerging issues</b>		<b>Debating theme</b>	<b>Method</b>	
	<b>Belmont 1</b>	FACILITATOR: Mnqobi Ngubane, PLAAS, UWC		The key issues, areas of consensus and disagreement	Presentation, plenary comments/walk-about	
Ben Cousins, PLAAS, UWC: Issues emerging from the day						
17:00	<b>DAY CLOSURE</b>					
<b>DAY 2: WEDNESDAY 12 OCTOBER, 2016</b>						
<b>Day's theme</b>			<b>Debating issue</b>	<b>Method</b>		
Smallholders: crops, livestock, markets, differentiation and heterogeneity			Are smallholders agents of agrarian change?	Parallel panel sessions, plenary pull-togethers		
<b>PANELS</b>	<b>1 - 3</b>	<b>P1: Cropping and social differentiation in South Africa's communal areas</b>	<b>P2: Livestock production in communal areas and land reform contexts</b>	<b>P3: Smallholders and (informal) food markets</b>		
<b>VENUES</b>	<b>Breakaway 1</b>		<b>Breakaway 2</b>	<b>Breakaway 3</b>		
<b>Facilitators</b>	Tola Okunlola, PLAAS		Stha Yeni, Oxfam SA	Cyriaque Hakizimana, PLAAS		
<b>Pull-togethers</b>	Helena Perez-Nino, PLAAS		Tshililo Manenzhe, Parliament	Lisa del Grande, DARD		
8:30	William Beinart, Oxford U: Why have South African smallholders largely abandoned arable production in fields: A case study		DEBATING ISSUE: Is arable land still important to smallholders, and if so, in what way?	Donna Hornby, PLAAS: Social Reproduction, the ceremonial fund and livestock production in a land reform project in Besters, KwaZulu-Natal	DEBATING ISSUE: Does smallholder livestock production contribute to the agricultural economy? In what way?	Kenneth Carden, Southern African Food Lab: A smallholder market study in Mkhanyakude, some results and future plans
	Ben Cousins, PLAAS: Smallholder employment in Msinga, KwaZulu Natal			Tapiwa Chatikobo, PLAAS: Livestock, grazing and land reform in southern Matabeleland: A theoretical perspective		Raymond Auerbach, Nelson Mandela Metropolitan University: Organic farming can feed the world!
	Farai Mtero, Society, Work and Development Institute, Wits: Deagrarianisation and social differentiation in the rural areas of the Eastern Cape			Mike Kenyon, Consultant: Comparing livestock production on land reform and trust lands		Kenneth Carden and Mnqobi Ngubane, PLAAS: Smallholders and decentralised produrement of fresh produce by rural supermarkets



Appendix one: Conference Programme

	<p><b>Paul Hebinck, Wageningen University:</b> Heterogeneity among smallholders: the relevance of styles of farming analysis for (South) Africa.</p> <p><b>Helena Perez-Nino, PLAAS:</b> Consensus and disagreement emerging on arable land and social differentiation in communal areas</p>		<p><b>Clifford Mabhena, National University of Science and Technology, Zimbabwe:</b> Livestock production, access to grazing and radical land reform in a dry region in Zimbabwe</p> <p><b>Tshililo Manenzhe, Parliament:</b> Consensus and disagreement emerging on the economic importance of small-scale livestock production</p>	way?	<p><b>Ishmael Jaja, University of Fort Hare:</b> The safety of meat under different production systems</p> <p><b>Lisa del Grande, DARD:</b> Consensus and disagreement emerging on whether and where opportunities are for growth in smallholder market share</p>		
10:30	TEA						
Panels 4-5	P4: Lessons from the region			P5: Water, drought and climate change			
VENUES	Breakaway 2			Breakaway 3			
Facilitators	Farai Mtero, SWOP, UCT			Tapiwa Chatikobo, PLAAS			
Pull-togethers	Amelia Genis, Landbou Weekblad			William Beinart, Oxford University			
11:00	Phillan Zamchiya, PLAAS: Soya investments and changing agro-food systems in Mozambique		<b>DEBATING ISSUE:</b> How useful is the distinction between (large) commercial and smallholder farmers?	Rauri Alcock, Mdukutshani: Women livestock owners are the future farmers in a changing climate		<b>DEBATING ISSUE:</b> Limits and possibilities of sustainable agriculture?	
	Cyriac Hakizimana, PLAAS: Land and Agricultural Commercialization in Meru County, Kenya: Evidence from Three Models			Prof Horman Chitonge, UCT: Land and water restitution in South Africa: Process, outcome and prospect			
	Refiloe Joala, PLAAS: Changing agro-food systems and the role of agribusiness - Zambia			Ronald Wesso, Oxfam SA: The impact of the drought on agriculture and food in South Africa			
	Helena Perez-Nino, PLAAS: The political economy of socially differentiated smallholders: the intersection of class, race and gender			Ndiko Ludidi, University of Western Cape: Genetic tailoring of maize and other grain crops for resilience during drought			
	Amelia Genis, Landbou Weekblad: Lessons emerging from the region on how useful the sharp distinction is between large and small farmers			William Beinart, Oxford U: Consensus and disagreement on ecological and climate constraints on farming			
13:00	LUNCH	Lunchtime conversation: Are smallholders "real" farmers?					
<b>DAY 2: WEDNESDAY 12 OCTOBER, 2016 (continued)</b>							
	<b>PLENARY 5</b>	Smallholders: possibilities, constraints and complexity			Debating theme		Method
		FACILITATOR: Scott Drimie, SA Food Lab					
		Helena Perez-Nino, PLAAS: Consensus and disagreement emerging on arable land and social differentiation in communal areas					

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14:00	<b>Belmont 1</b>	<b>Tshililo Manenzhe, Parliament:</b> Consensus and disagreement emerging on the economic importance of small-scale livestock production	Are smallholders a lost cause or are they the vehicle for agrarian renewal?	Panel session summary presentations, buzz groups, questions and comments to presentators and panelists
		<b>Lisa del Grande, DARD:</b> Consensus and disagreement emerging on whether and where opportunities are for growth in smallholder market share		
		<b>Amelia Genis, Landbou Weekblad:</b> Lessons emerging from the region on how useful the sharp distinction is between large and small farmers		
		<b>William Beinart, Oxford University:</b> Consensus and disagreement on ecological and climate constraints on farming		
16:00	<b>PLENARY 6</b>	<b>The Gender Debate</b>	<b>Debating theme</b>	<b>Method</b>
	<b>Belmont 1</b>	FACILITATOR: <b>Adetola Okunlola, PLAAS</b>	Small women farmers meet social reproduction needs while men who farm contribute to national agricultural productivity	Participants group with the position they support and help the presenter generate an argument. Each debater gets 10 m to put initial arguments forward and 5 minutes to defend them. Audience votes using green cards.
		<b>Stha Yeni, Oxfam SA:</b> FOR		
		<b>VERSUS</b>		
<b>Helena Perez-Nino:</b> AGAINST				
17:00	<b>PLENARY 7</b>	<b>SUMMING UP THE DAY</b>	<b>Debating theme</b>	<b>Method</b>
	<b>Belmont 1</b>	<b>Ben Cousins, PLAAS</b>	The issues, agreements, differences	Presentation
		<b>Mnqobi Ngubane, PLAAS</b>	The plan for tomorrow	Invite a plenary walk-about
17:00	<b>DAY CLOSURE</b>			

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DAY 3: THURSDAY 13 OCTOBER, 2016					
Day's theme			Debating issue		Method
Commercial agriculture in South Africa: continuity and change over two decades			Are there spaces for transformation, and if so, where?		Parallel panel sessions, plenary pull-togethers
<b>PANELS</b>	<b>6-8</b>	<b>P7: Concentration of land ownership and production</b>	<b>P8: Non-farming agrarian capital</b>		<b>P9: Commercial farming and land reform</b>
<b>VENUES</b>	<b>Breakaway 1</b>		<b>Breakaway 2</b>		<b>Breakaway 3</b>
<b>Facilitators</b>	<b>Tola Okunlola, PLAAS</b>		<b>Mnqobi Ngubane, PLAAS</b>		<b>Cyriaque Hakizimana, PLAAS</b>
<b>Pull-togethers</b>	<b>Refiloe Joala &amp; Ben Cousins, PLAAS</b>		<b>Helena Perez-Nino, PLAAS</b>		<b>Phyllan Zamchiya, PLAAS</b>
8:30	<b>Frikkie Liebenberg, University of Pretoria:</b> What official statistics do and do not tell us	<b>DEBATING ISSUE:</b> Foregone conclusion or space to buck the trend?	<b>Antoine Ducastel, CIRAD:</b> Facing financialisation. Resilience, mutation and extinction of agrarian capital in South Africa	<b>DEBATING ISSUE:</b> How important is non-farming agrarian capital as a driver of agrarian change?	<b>Duncan Pieterse, National Treasury:</b> Boosting agricultural production and achieving agrarian transformation: Lessons from successful joint ventures throughout SA
	<b>Ferdie Meyer, BFAP, UP:</b> Trends in the production and marketing of major agricultural commodities, 1994-2016		<b>Alex Dubb, PLAAS:</b> Agribusiness and the grain-livestock complex		<b>Tshililo Manenzhe, Parliament:</b> Strategic partnerships between the private sector and rural communities: the fate of farmworkers?
	<b>Amelia Genis, Landbou Weekblad:</b> Explaining concentration: reproduction, accumulation and the differentiation of large-scale commercial farmers in South Africa		<b>Melanie Somerville, University of British Columbia, Canada:</b> Farmland as a financial asset in South Africa and Canada		<b>Clemence Rusenga, University of Cape Town:</b> The agribusiness model and land reform beneficiaries' livelihoods in Greater Tzaneen Municipality, Limpopo province
	<b>Johann Kirsten, SUN:</b> The changing nature of global agriculture and the increased concentration in land ownership and production		<b>David Neves, PLAAS:</b> Space, markets and non-farm employment in rural South Africa		<b>Denboy Kudejira, PLAAS:</b> Zimbabwean farmworkers in Limpopo province: the limits of South African land reform
	<b>Refiloe Joala &amp; Ben Cousins, PLAAS:</b> Emerging consensus and disagreements on what the drivers and implications of concentration are		<b>Helena Perez-Nino, PLAAS:</b> Emerging consensus and disagreements on the importance of non-agrarian capital for agrarian change		<b>Phyllan Zamchiya, PLAAS:</b> Emerging consensus and disagreement on whether a transformative relationship is possible between commercial farming and land reform
10:30	TEA				
<b>Commercial agriculture: possibilities, constraints and complexity</b>			<b>Debating theme</b>		<b>Method</b>
<b>PLENARY 8</b>	<b>FACILITATOR: Scott Drimie, SA Food Lab</b>				

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11:00	<b>Belmont 1</b>	<b>Refiloe Joala, PLAAS:</b> Emerging consensus and disagreements on the drivers and implications of concentration	What opportunities do the continuities and changes in commercial agriculture offer for rethinking agriculture in South Africa?	Panel session summary presentations, buzz groups, questions and comments to presentators and panelists
		<b>Helena Helena Perez-Nino, PLAAS:</b> Emerging consensus and disagreements on the importance of non-agrarian capital for agrarian change		
		<b>Phillan Zamchiya, PLAAS:</b> Emerging consensus and disagreement on whether a transformative relationship is possible between commercial farming and land reform		
13:00	<b>PLENARY 9</b>	<b>Final words and closure</b>		
	<b>Belmont 1</b>	Andries du Toit, PLAAS: Some thoughts on the possibilities emerging on whether and how agriculture can address South Africa's crises		
1:10		<b>LUNCH and DEPARTURE</b>		