

# Land Expropriation without compensation

## Will it eradicate inequality?

The ANC's May 2018 Land Summit has referred a proposal to amend its Expropriation Bill to its NEC to allow for expropriation of land without compensation (EWC). Then the Constitutional Court will be asked to test it for compliance with Clause 25 – the Property Clause. Malema has offered his party's 6% to the ANC's 62% to achieve the two-thirds threshold to amend the constitution.

**Weizmann Hamilton**  
Executive Committee

Predictably the white right has spread alarm amongst urban and rural whites of impending doom – land invasions, home disposessions and an escalation of the toxic myth of white farmer genocide. The DA has denounced EWC as theft and a violation of the sanctity of private property. Even the normally sober capitalist, *Business Day* has indulged in histrionics: “land expropriation, a reason to panic” (Peter Bruce). A “desperate, terrible, historic land mistake”, editor Tim Cohen lamented (*BusinessLive* 05/03/2018).

Whether the ANC Land Summit's approach will result in a constitutional amendment, remains to be seen. The ANC, however, is not waiting for the ConCourt process. There is consensus amongst legal experts, including the High Level Panel on the Assessment of Key Legislation and Acceleration of Fundamental Change, (HLP) led by former president Kgalema Motlanthe, established in 2017. The Property Clause neither prohibits EWC nor insists on the “willing seller, willing buyer” principle or that “just and equitable” compensation necessarily means “market value”.

The Gauteng Government will now immediately start identifying unused land for “rapid release”. It will implement a “site-and-service” programme, and distribute title deeds weekly on “Title Deed Friday”.

Will EWC achieve economic emancipation, the correction of the historical injustice caused by the “original sin” of colonial and apartheid land dispossession?

### Inequalities in wealth rooted in class, not race

Black nationalists claim ALL whites own SA's wealth. It is of course true that the apartheid social pyramid – whites at the top, Indians below them and coloureds further down, closest to black Africans – still persists today. But superimposed upon massive racial inequalities are class inequalities. In fact the fastest growing inequality is amongst blacks.

This applies also to land ownership. Only 8% of whites live in rural areas. The claim that ALL whites own the country's wealth and land is false. Only a tiny minority within the white population today, as under apartheid, owns the majority of wealth in general and land in particular.



ANC desperate to polish its 'radical' credentials

The EFF is providing the ANC with an alibi for its betrayals. In fact the greatest indictment against the ANC is that under it, black land dispossession without compensation has continued uninterrupted.

### Gear – the original sin

The Growth Employment and Redistribution policy (Gear) has had a catastrophic effect. In the cities expectations of a decent life for all were betrayed. In the rural areas the ANC land policy's three main planks – redistribution, restitution and tenure reform – failed.

The “opening up” of SA's agricultural markets under Gear threw established white and emerging black farmers into the shark-infested waters of neo-liberal global capitalism. Gear-dictated public spending cuts meant the Land Reform budget, which never exceeded 1%, is today at its lowest level ever – 0.4% –only 0.1% for land redistribution. Only 9% of land has been redistributed.

Addressing Parliament's Land Reform Portfolio Committee, Dr Aninka Claassens, UCT Land and Accountability Research Centre director, pointed out that land tenure is more insecure than under apartheid. The few who obtain redistributed land remain tenants of the state with “conditional use rights” subject to “productivity”.

The land reform budget and farms are subject to elite capture. At the present rate it will take another 40 years to complete restitution “...if land claims are reopened and the expected 397,000 claims are lodged, it will take more than 700 years.” (*Daily Maverick* 15/03/18) Corruption means no support for land restitution.

White farmers exposed to escalating farming costs, have evicted hundreds of thousands of workers and tenants, accelerating urban migration. Squatter camps have mushroomed as public spending caps have created a massive housing backlog. There have been over 4,000 land occupations over the past two years. This shows that in urban areas they are driven by the need for housing, jobs, access to health and education.

As Mmatlou Kalaba, University of Pretoria Agricultural Economics lecturer points out: The apartheid regime had

supported the white farming sector through direct subsidies, cooperatives, commodity boards, input subsidization, preferential Land Bank financing terms, tariff protection, guaranteed market access through agricultural control boards and profits through price controls. Dismantling this system completely, the ANC government opened up the agricultural and food markets beyond World Trade Organisation accession criteria. Today only 13% of the Land Bank's loan book clients are black.

Today agricultural production is monopolised by a handful of conglomerates in turn controlled by finance capital. “...about 40,000 large-scale, capital-intensive and corporatised operations produce 91% of agricultural production. They, and their retail and value chain counterparts, control the availability, price, quality and nutritional value of what we eat, not the indebted small commercial farmers.” (*Businesslive* 12/03/18).

These corporations are in turn controlled by the banks: Standard Bank, First Rand, Nedcor, Investec, and international institutions banks like JP Morgan Securities and RMB Morgan Stanley control on average 70% of the agricultural value chain. (*Uncensoredopinion.co.za* 13/07/17)

### ANC continues black land dispossession

For colluding with colonialism and apartheid the pre-capitalist traditional leaders faced armed resistance, most famously the late 50s Pondoland Uprising. Instead of dismantling these institutions, the ANC legitimised, funded and expanded them. Traditional leaders collude with big business and multinational corporations in pillaging mineral resources, destroying the environment and exploiting rural populations. Black rural dwellers find themselves today as tenants on this communal land. They have no title, no right or means to develop the land and under constant threat of eviction.

The Royal Bafokeng Nation's (RBN), control of platinum mines profits, is riddled with corruption the former public protector found. The Ngonyama Trust, of which King Goodwill Zwelithini is sole trustee, encompassing 30% of KwaZulu Natal's most fertile land was given to the Zulu Royal House in secret by De Klerk the Inkatha Freedom Party's Gatha Buthelezi, the king's uncle, a week before the 1994 elections to persuade him to participate.

Tenants are given “Permission to Occupy” (PTOs) certificates – an apartheid invention. The Trust netted R96 million in 2016/17 from developer fees. The Trust now plans to replace PTOs with 40-Year lease agreements. Rent defaulters' leases will be cancelled, their assets expropriated without compensation for improvements.

Ramaphosa's insistence that EWC should not threaten “food security” is a signal to big business that they will not be subject to EWC. King Zwelithini has threatened to build up a financial war chest to resist any attempt to wind up the Ingonyama Trust Land as recommended by the Motlanthe-led HLP. Immediately after his State of the Nation EWC announcement, Ramaphosa reassured the House of Traditional Leaders that they remain the recognised custodians of traditional land. At the Land Summit, he apologized

for Motlanthe's description of traditional leaders as “village tin-pot dictators” in effect repudiating the HPL's recommendations.

The RBN's court action against the Department of Rural Development and Land Affairs shows traditional leaders consider themselves accountable neither to the government nor their “subjects”. The RBN insists it is the lawful custodian of over 60 properties and do not need to consult.

The EFF completely agrees with Ramaphosa on the property of big business traditional leaders. National spokesperson Mbuyiseni Ndlozi stated on Sharpeville Day that the EFF has no intention of touching private property (*Huffington Post* 21/10/18). Both the ANC NEC and the EFF have responded to King Zwelithini's threats by offering conciliation and talks.

### Only socialism can eradicate poverty, inequality and mass unemployment

It is possible, even likely, that there will be some land expropriation without compensation with or without a constitutional amendment. Facing a possible election defeat in 2019, the ANC is in desperate need to be seen to be doing something different, even radical, to secure electoral support.

But EWC will not eradicate inequality, unemployment, poverty or even homelessness. In embracing EWC Ramaphosa is not repudiating neo-liberal capitalism. He is renewing the ANC's vows with it. His budget was the most savage austerity since 1994. The fear of a rating agency downgrade means there will be no increased social spending.

Land ownership does not provide jobs, access to decent health, education or affordable services. Ramaphosa's commitment to protecting food security is meaningless for the 15 million who go to bed hungry every night or the 18% of African children (20% coloured, 7% Indian and even 7% white) who suffer from stunted growth due to malnutrition.

The Gauteng Provincial Government's site and service scheme will not exempt title deed holders from the ever rising cost of services. It is also an abdication of its responsibility to provide housing. Those able to afford a mortgage are at risk of dispossession by the banks. 1000 houses are repossessed every month. The capitalists are in fact implementing their own EWC in both the farms and the cities.

The banks, agri-business, industry, construction, commerce are all inextricably linked together in the reproduction of poverty and inequality. It is not the constitution that stopped the ANC from implementing genuine radical economic transformation – the nationalization of the agricultural and financial cartels that dominate food production, distribution and sales under the democratic control and management of the working class. It is its commitment, shared with the EFF, to capitalism. The Property Clause is a diversion – an attempt to infect the masses with the constitutional cretinism they suffer from.



Residents of Protea Glen, Soweto, 'occupy' land in May 2018