Analysing socio-economic factors influencing the failure of land reform agricultural projects in Ngaka Modiri Molema District of North-West Province, South Africa

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ABSTRACT

This study examined socio-economic factors influencing failure of land reform agricultural projects in Ngaka Modiri Molema District in the North West Province. The study utilized data from a randomly selected 19 land reform agricultural projects collected through face-to-face interview using a structured questionnaire containing both open-ended and close-ended questions. The data was captured using Statistical Package for Social Sciences (SPSS). Only Microsoft Excel was applied in developing tables, charts and graphs. Incomplete questionnaires were discarded. The study analysis conducted showed that the majority of projects beneficiaries are receiving government support in the Land Reform Agricultural Development (LRAD) project in the Ngaka Modiri Molema District of the Northwest Province. The Department of Agriculture Forestry and Fisheries and Department of Rural Development and Land Reform support to the land reform projects beneficiaries is more adequate and provided in high number of land reform projects. Many project beneficiaries find more to access extension services (advice to farmers), training, credit, grants and markets. Through thorough observation and direct communication with farmers, most of factors affecting land reform failure are as follows: lack of financial support, lack of highly skilled labour and extension officers, poor management. Other contributions to the failure is age group as there are more adults compared to youth and most of the projects beneficiaries are illiterate and few are literate. The study therefore recommended that youth should be encouraged to participate on the agricultural projects. There should be continuous monitoring project implementation to ensure sustainability and growth should be encouraged. The Department of Land Affairs should release the money (BOG) they withheld to the few projects (15.8%) owner so that they can fully utilize the land. Furthermore, skilled people should be encouraged as well to participate in the projects. Short term loans should be made available to emerging farmers, since they often have no collateral to secure loans.

Keywords: Land reform, socio-economic factors, beneficiaries, analysis, restitution.

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INTRODUCTION

Since the implementation of South Africa’s land policy in 1995, the Department of Affairs (DLA) justifiably
claimed that it has laid the policy framework for the redistribution of land in South Africa. It can also claim considerable success in delivering land to poor communities and disadvantaged household (landless). So far, approximately 2,078,385 ha of land has been distributed to beneficiaries since 1995 (DLA, 2008). However, DLA intends to administer a new strategy to reduce or limit the size of the number of people in Community Property Association (CPA) (DLA, 1998). They have argued that some registered CPAs members acquired the land acquisition grant but do not utilize the land after it has been purchased. The inability of a number of CPAs to provide real benefit to the participants is exacerating the problem to DLA (DLA, 1998). In the Limpopo Province, the utilization of the land acquisition and settlement grants in some CPAs has been clouded with misunderstandings, misconceptions and dissatisfaction among beneficiaries (De Villiers and Kw, 1999).

The government’s land reform policy [No. 3 of 1996: Land Reform (Labour Tenants) Act, 1996] has introduced three components: restitution (returning land, or providing compensation, to those who were dispossessed under apartheid); redistribution (increasing black ownership of rural land) and tenure reform (improving the security of tenure of dwellers on rural and peri-urban land). In May 2001, the government reaffirmed its commitment, first stated in the Reconstruction and Development Plan (RDP) of 1994, to redistribute 30% of agricultural land to blacks, but shifted the target date from 1999 to 2014 (DLA, 2001). It describes this target as the collective aim of land reform, that is, land transferred under all three land reform programmes contribute towards attaining it, which are Land Ressituation, Land Redistribution and Land Tenure.

The system failure of the post-settlement support in one of the province e.g. Northwest province (Ngaka Modiri Molema District) land reform has been identified as a major contributing variable to the approximated 50% failure rate of new land reform projects (Williams and van Zyl, 2008). In spite of this dismal record, national government together with local government increasingly finds itself under immense political pressure to speed up land reform efforts in order to meet preconceived reform targets. They have embarked on the proactive land acquisition strategy (PLAS) for this purpose. It therefore becomes imperative that post settlement support be prioritized if the failure rate of land reform is to be reversed. Without systematic and comprehensive post transfer support, it is highly unlikely that most land reform projects will succeed in improving the quality of life of participants and make significant contribution towards transformation in South Africa (Williams and Van Zyl, 2008) in which North-west Province form part of the country regions. Therefore the objective of study was to determine the socio-economic factors influencing the failure of land reform agricultural projects in the Ngaka Modiri Molema District of North-West Province, South-Africa and suggest recommendations to resuscitate the struggling projects.

This paper seeks to explore socio-economic factors and its dynamics influencing the failure of land reform agricultural projects in Ngaka Modiri Molema District of North West Province and suggested recommendations to resuscitate the struggling projects. The study defined land reform agricultural projects as those lands that have been transferred to the historically disadvantaged black people to improve their livelihoods and stimulate local economy by compensating people for or returning land unjustly taken during apartheid era.

**METHODOLOGY**

**Study area**

The study was conducted in Ngaka Modiri Molema District in the North-west Province, South Africa. Ngaka Modiri-Molema District comprises of the Local Municipalities of Ralolu, Tswaing, Mafikeng, Disobota and Ramotshe. The District has a population of 377,528 males and 421,257 females with 100,281 unemployed, 124,689 employed, 235,126 economically inactive and 338,690 cannot be applied to any category (community survey: statistics south Africa 2007). The main economic activity in the District is Agriculture, mainly crops and cattle production. Many communities within the district depend on agriculture as a source of food security and employment. Temperatures range from 17 to 31°C in the summer and from 3 to 21°C in the winter. Annual rainfall totals about 360 mm (about 14 in), with almost all of it falling during the summer months, between October and April.

**Sampling technique and size**

There are 30 active projects in the Ngaka Modiri Molema District of the North-West Province. Out of 30 the active projects, only 19 projects were randomly selected and that represent more than fifty percent of active land reform projects within the district. This was done by putting all the names of the projects in a box and selecting randomly only the required number of projects to be studied. All direct project participants within the selected projects were interviewed. Nineteen projects were sampled to enhance external validity of the findings to the population of all active projects and to have 50% or more representation of cases. The targeted population of the study includes land reform projects only. The randomly selected projects were, Bodibe chain farmer (Bloedzuigerspan), Relebone Willow Park, Thorndale farm, Borobalo Band B, BakwenaBathakwana, Louis Boerdery, Frisbee, Lesolobe Family Trust, Deo Volente Farm, Quiet Living, Open area farm, Molamu and sons, Uitgefonde farm, Rethabetswe Trading Enterprise, Temomtle project, ThusanoTrust, Bafurutse Boo Molwelwa, Batlokwa Farm, and Marabutsa Farm.

**Data collection instrument**

Data collection instrument used was questionnaire in an attempt to balance the requirement for capturing important details and unlimited applicability. According to Fidzani (1993), primary data collection always involves the trade-off between undertaking an intensive study in a small geographical area versus a broader examination of a larger area. According to Leedy (1994), the most important guideline for questionnaire construction is to inspect the
Table 1. Summary information about the projects.

<table>
<thead>
<tr>
<th>Project no.</th>
<th>Name of the project</th>
<th>No. of beneficiaries</th>
<th>Year</th>
<th>Size of the project land (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bodibe</td>
<td>180</td>
<td>2002</td>
<td>701</td>
</tr>
<tr>
<td>2</td>
<td>Relebone</td>
<td>36</td>
<td>2008</td>
<td>420</td>
</tr>
<tr>
<td>3</td>
<td>Thorndale</td>
<td>2</td>
<td>2009</td>
<td>712</td>
</tr>
<tr>
<td>4</td>
<td>Borobalo band</td>
<td>7</td>
<td>2008</td>
<td>1600</td>
</tr>
<tr>
<td>5</td>
<td>BakwenaBatlhakwana</td>
<td>7</td>
<td>2006</td>
<td>503.5</td>
</tr>
<tr>
<td>6</td>
<td>Louis Boerderg</td>
<td>4</td>
<td>2007</td>
<td>680</td>
</tr>
<tr>
<td>7</td>
<td>Frisbee</td>
<td>10</td>
<td>2007</td>
<td>157</td>
</tr>
<tr>
<td>8</td>
<td>Lesolobe</td>
<td>6</td>
<td>2002</td>
<td>850</td>
</tr>
<tr>
<td>9</td>
<td>Deo Volente</td>
<td>6</td>
<td>1996</td>
<td>134</td>
</tr>
<tr>
<td>10</td>
<td>Quiet Living</td>
<td>6</td>
<td>2001</td>
<td>255</td>
</tr>
<tr>
<td>11</td>
<td>Bafurutse</td>
<td>4</td>
<td>2002</td>
<td>2880</td>
</tr>
<tr>
<td>12</td>
<td>Batiokwa</td>
<td>4</td>
<td>2002</td>
<td>327</td>
</tr>
<tr>
<td>13</td>
<td>Marabutsa</td>
<td>4</td>
<td>2003</td>
<td>131</td>
</tr>
<tr>
<td>14</td>
<td>Open Area</td>
<td>6</td>
<td>2002</td>
<td>317</td>
</tr>
<tr>
<td>15</td>
<td>Molamu and Sons</td>
<td>5</td>
<td>2007</td>
<td>235</td>
</tr>
<tr>
<td>16</td>
<td>Uitgefonde</td>
<td>2</td>
<td>1997</td>
<td>850</td>
</tr>
<tr>
<td>17</td>
<td>Rethlabetswe Farm</td>
<td>11</td>
<td>2005</td>
<td>280</td>
</tr>
<tr>
<td>18</td>
<td>Temontle Project</td>
<td>9</td>
<td>2008</td>
<td>512</td>
</tr>
<tr>
<td>19</td>
<td>Thusano Trust</td>
<td>10</td>
<td>2008</td>
<td>5665</td>
</tr>
</tbody>
</table>

assumptions underlying the question.

Method of data collection

Data was collected through face-to-face interviews using semi-structured questionnaire. The researcher conducted the interview in order to be able to explain the questions thoroughly to the respondents and for the beneficiaries to provide all the information they have and some questions they want to ask. It was also to enable the researcher to collect some information which might be left out of the questionnaire.

Method of data analysis

SPSS (Statistical Package for Social Science) (2004) was used for capturing of the data. Only Microsoft Excel was applied in developing tables, charts and graphs. Incomplete questionnaires were discarded. Only data from completed questionnaire forms were captured and analyzed.

The socio-economic constraints variables of the land reform farmers in Ngaka Modiri Molema community will be fitted to the linear form of Cobb-Douglas production function. The model was proposed by Knut Wicksell, and tested against statistical evidence by Paul Douglas and Charles Cobb in 1928 (Salvatore, 1992). Use of production function is intended to reveal the relationship between the output and the socio-economic constraints to be used in the study (Kamanga et al., 2000). Failure of Land reform is a function of input factors (socio-economic constraints). These socio-economic constraints vary and directly affect success of land reform agricultural projects. Any general production function can be expressed in the form:

\[ Y = f (X_1, X_2, X_3 \ldots X_n) \]

Where \( Y \) is the output of failure of land reform agricultural projects and \( X_i (i = 1, 2, 3 \ldots n) \) are the socio-economic constraints that affect production of equation.

RESULTS AND DISCUSSION

Project information summary

Table 1 shows the number of projects, number of participants, year and size of the project land (in hectares). A total number of 302378.5 ha was distributed among 19 projects with an average of 456 ha per project with an average of 11 beneficiaries per project. The projects started operating in 1996 until 2009, thus for the past 13 years.

Demographics of the projects

Demographic information is an essential tool for most aspects of administering and developing society. Table 2 shows that 49% of all the project beneficiaries are female while 51% were male. The LRAD projects are dominated by 59.5% of beneficiaries who are over fifty years; 38.9% of the beneficiaries are between twenty and fifty years, 1.6% of them are less than twenty years of age. Over 64% of the project beneficiaries are married, 25% are unmarried, and 11% are widows and widowers. About 83% of the respondents of the LRAD projects possess less than matric qualification; 8% possess matric and 9% possess’ tertiary qualifications. These demographic data such as age structure, gender structure, marital status,
Table 2. Demographic data.

<table>
<thead>
<tr>
<th>Participants</th>
<th>Percentages (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender of the respondents</td>
<td></td>
</tr>
<tr>
<td>% of female respondents</td>
<td>49</td>
</tr>
<tr>
<td>% of male respondents</td>
<td>51</td>
</tr>
<tr>
<td>Age of the respondents</td>
<td></td>
</tr>
<tr>
<td>% of age of respondents less than 20 years</td>
<td>1.6</td>
</tr>
<tr>
<td>% of age of respondents &gt;20&lt; 50 years</td>
<td>38.9</td>
</tr>
<tr>
<td>% of age of respondents more than 50 years</td>
<td>59.5</td>
</tr>
<tr>
<td>Marital status</td>
<td></td>
</tr>
<tr>
<td>% of respondents married</td>
<td>64</td>
</tr>
<tr>
<td>% of respondents not married</td>
<td>25</td>
</tr>
<tr>
<td>% of others (widows and widowers)</td>
<td>11</td>
</tr>
<tr>
<td>Level of education</td>
<td></td>
</tr>
<tr>
<td>% of respondents less than matric</td>
<td>83</td>
</tr>
<tr>
<td>% of respondents having matric</td>
<td>8</td>
</tr>
<tr>
<td>% of respondents having tertiary qualification</td>
<td>9</td>
</tr>
</tbody>
</table>

education and economic activity, was assisting to identify specific characteristics that have a direct impact on population dynamics, (Mfono, 2001).

**Project constraints**

**Lack of security**

Figure 1 shows that 84.2% of the projects beneficiaries have no security problems and 15.8% have security problems from theft and murder on the farm. Less crime on farms are due to higher banking technology farmers are familiar with.

**Government support, extension services and production inputs**

Figure 2 depicts that 26.3% of the LRAD projects in the study area do not have access to government support to the farmers and 84.7% have access to government support. Out of agricultural support and production inputs received by farmers, some of the beneficiaries were indicating that they receive irrelevant support from government, for example attending livestock farmers’ day while farming with vegetables. Furthermore, some of the farmers receive tomato seedlings instead of green pepper while the soil sample is suitable for green pepper production. In general, this might result in farmers adding more fertilizers to correct the soil so that it may be suitable for the production input they received. Land reform beneficiaries need economically efficient production mix with accessible supporting services. It is precisely this that inhibits successful land reform implementation. SEAMEO (2000) observed that more often than not, the land reform project beneficiaries are ill-advised production planning and also lack of correct support services to carry it out. Failure in the land reform projects has been noted by Williams and van Zyl (2008). One of the lines was the introduction of strategic partners and mentoring that will contributes to sustainable farming and maintains food security within the provinces (Kirsten and Machete, 2005).

Figure 3 shows that 10.5% of the projects lack services from extension officers in their projects and 89.5% have access to service from extension officers and they know their extension officers. The beneficiaries have a problem with understanding the information shared by their...
extension officers. Quality and quantity of extension services have been declining over the past few years. HSRC (2003), Hall (2004), Wegerif (2004) and Bradstock (2005) argue that land reform beneficiaries experience problem of accessing services of extension advice. Lack of adequate and relevant updated knowledge on various subject areas by extension officers might be the stumbling block for the extension services to be rendered effectively. For instance, in Limpopo Province, the Extension Recovery Plan was introduced to all extension officers in order for them to upgrade their level of qualification. Applicable training and capacity building are also required for the land reform beneficiaries to improve their farm management skills.

Production inputs include fertilizer, pest control, improved seeds and others. Figure 4 shows that 31.6% of the projects do not have access to production inputs and 79.4% of the projects beneficiaries have production inputs. The reason for underperforming while receiving more production inputs might be the incorrect method of applying production inputs, for example planting date and incorrect spacing and incorrect dosage of vaccinations and etc. Again most of farmers are of old age (pensioners) and they are illiteracy (check demographic factor table). Farmers are constrained by the traditional nature of farming which might result for them not to receive the farming technology and again lack visible benefits of education in term of farmer productivity

(Sharada, 1999). Obidike (2011) also indicated that low productivity among farmers are due to some constraints that lead to lack of access to timely and up-to-date information which would have enabled them to achieve optimal yield from their farmlands.

**Disease and access to veterinary services**

Figure 5 shows that most of the respondents (94.7%) are not affected by disease whereas 5.3% of the projects are affected by diseases. Anthrax was found as one of the disease affecting cattle projects in the area of study. Nell (1998) says that lack of suppliers of important agricultural inputs for livestock farmers, such as vaccines and feed supplements reduces the desirability of animals.
The majority (94.7%) of the respondents indicated that they have access to veterinary service for their livestock whereas 5.3% find it difficult to have access to veterinary services (Figure 6). This is caused by the lack of information to the farmer and extension officer. Animals without proper treatment result in poor condition. Lack of suppliers of important agricultural inputs for livestock farmers, such as vaccines and feed supplements, and common problems of genetic inferiority of animals further reduces the desirability of animals (Nell, 1998).

**Lack of transport, shortage of storage and distance to market**

10.5% of the projects are affected by lack of transport and 89.5% are not affected by the lack of transport (Figure 7). Yet again, 15.8% of the projects are affected by the lack of storage while 84.2% are not affected by the problem (Figure 8). Transport is important when taking inputs to the farm and products to the market. An efficient transport system is critically important to efficient agricultural marketing. Thormeyer (1989) argues that, if transport services are infrequent or poor quality or expensive, farmers will not be timeous and will be exposed to price risk. During harvest, farmers get low income because of excess supply in the market and those who have storage get more income because they sell at later stage when demand is high and supply is low.
According to Nkosi and Kirsten (1993), inadequate infrastructure merely takes away from the farmer the limited incentives that are available to them.

Figure 9 shows that majority 94.7% of the project beneficiaries indicated they do not experience problem with distance to the market while 5.3% of the project said they are far away from the market and it costs a lot. Jari (2009) indicated that lack of access to market information and market sources are one of the main contributing factors to the slow development of market opportunities. Senyolo et al. (2009) showed that market plays a crucial role in improving the income of the poor farmers. Furthermore, Bailey et al. (1999) argued that many communities complain of insufficient access to traders' mainly due to traders that are reluctant to make trips because of high transaction costs and they incur due to poor physical infrastructure such as roads and loading facilities, as well as distance to reach farmers. Due to these problems farmers find themselves having to sell their products to local buyers and often do not get an appropriate return on their inputs (Lubambo, 2011).

**Lack of finance**

More farmers (84.2%) in the district have indicated that they have financial problems whereas 15.8% of them are well financed (Figure 10). Shortage of finance in the projects causes the beneficiaries to find it difficult to buy production inputs such as fertilizer, seeds and implements among other and also to find it difficult to feed their families. Lack of finance (especially working capital) poses a big threat to the beginner farmer development. Most land reform farms do not have the necessary infrastructure and adequate mechanization to execute all the cultivation practices effectively and timely (Senwes, 2003). Kirsten and Machete (2005) indicated that there is a limited access by land reform beneficiaries to the funds for them to cover the production costs. Even though capital budget (R50,000,000) was introduced by government to the Land Bank in 2001, the money was worn out before year 2004 (HSRC, 2003). As a result of these constraints, farmers started to shows reluctance to farming and abscond from the projects.

**Lack of water and electricity**

The results on water and electricity indicate that less number of projects (26.3%) do not have access to electricity in their projects while 73.7% have electricity on their projects (Figure 11). Some of the farmers use
generators to pump water from the boreholes, this results in high cost of production that can contribute to financial constraints. About 31.6% of the projects are affected by lack of water and 68.4% of the projects are not affected by the shortage of water (Figure 12). Most of the farmers who are affected by lack of water are in vegetables production; this leads to poor quality and quantity of their products. Nel and Hill (1997) agree with the results that most of the farmers have focused almost exclusively on the rearing of livestock, with limited cultivation being practiced due to water problem.

**Fencing problem and irrigation infrastructure**

Figure 13 shows that 36.8% of the beneficiaries are experiencing a fencing problem in their projects and 63.2% are not affected by fencing problem. Most of the projects affected by the problem are the livestock (cattle) farmers. Without fencing animals are vulnerable to theft exposed to wild animals.

Fewer projects (26.3%) in Figure 14 are affected by lack of irrigation infrastructure while 73.7% of the projects are not affected by this problem. Lack of irrigation infrastructure makes it difficult for the farmer to irrigate their vegetables. The projects beneficiaries are forced to use floods irrigation which is dangerous to soil nutrients. The lack of infrastructure can seriously impede on development initiatives in rural areas. Ruijs et al. (2004) argued that investment in infrastructure have important positive effects on development.

Figure 15 shows that 15.8% are in need of machinery and 84.2% are not affected by the problem. Crop farmers find it difficult to utilize the whole land without proper machinery on the farm. Mechanization as it has been identified as one of the primary challenges that need urgent attention in beginner farmers. It plays a crucial role in agriculture for its use for land preparation (Senwes, 2003).

**Drought problems**

Only 5.3% of projects experience drought problem while 94.7% of the farmers survive drought through the use of irrigation (Figure 16). Drought affects most of the livestock grain farmers and it ends up being a loss to farmers due to late rainfall. The frequent recurrence of drought has a devastating impact on economic returns, stock numbers and employment. Most of South Africa is drought-prone, obliging farmers to develop coping responses to deal with the phenomenon this was observed by Myburgh (1994).

**Availability of grazing camps**

Figure 17 shows that 89.5% of the farms have enough
grazing camps for the survival of their animals and 10.5% of the projects have a shortage of grazing camp on the farm. Most of farmers around the district tend to overstock which leads to overgrazing and as results soil erosion occur on the farm. Stock density is small as well due to lack of camps. Poor condition of livestock is also attributable to inadequate grazing and the extreme degradation of the natural resource (Neill, 1998).

**CONCLUSION**

The study analysis conducted showed that the projects beneficiaries are receiving government support in the Land Reform Agricultural Development (LRAD) project in the Ngaka Modiri Molema District of the Northwest Province. In line with the findings, the Department of Agriculture Forestry and Fisheries and Department of Rural Development and Land Reform support to the land reform projects beneficiaries is more adequate and provided in high number of land reform projects. Many project beneficiaries find more to access extension services (advice to farmers), training, credit, grants and markets. Through observation and direct communication with farmers, constraints affecting land reform are as follows: lack of financial support, lack of highly skilled labour and extension officers, poor management. Other contributions to the failures is age group as there are more adults compared to youth and most of the projects beneficiaries are illiterate and few are literate.

**RECOMMENDATIONS**

Based on the empirical results of the study, the following recommendations are made to the service providers especially South Africa Rural Development and Land reform Department to improve the productive standards of the all land reform projects.

i) Since adults are the ones dominating the projects, youths should be encouraged to participate in the project by government and adults.

ii) Continuous monitoring project implementation to ensure sustainability and growth should be encouraged.

iii) Both Department of Land Affairs and Department of Agriculture should co-operate with each other.

iv) Highly skilled extension service officers and agricultural commodity specialists must visit the project more often and the projects beneficiaries must know their extension officer.

v) The Department of Land Affairs should release the money they withheld to the projects owner so that they can fully utilize the land.

vi) Since there is high number of illiterate people in the projects, skilled people should be encouraged as well to participate in the projects.

vii) Soft or long term loans should be made available to emerging farmers, since they often have no collateral to secure loans. This will address the needs on the shortage of electricity, fencing, and transport for the sustainable projects within the district to few farmers affected by those constraints.

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