and the landless. Few in government or in bodies such as the Commission on Restitution of Land Rights, would admit to severe shortcomings in the country's land reform programme. There is no doubt that the programme has not lived up to expectations.

The three main strategies the government adopted are yet to make a significant impact on the highly unequal distribution of land in the country. The main problem has been that land restitution and redistribution have suffered not only from an over-reliance on the government's market mechanisms to acquire land but also from cumbersome and often ineffective technocratic or bureaucratic processes arising therefrom. In a document published in May last year on the challenges and achievements of the restitution programme, Chief Land Claims Commissioner, Tozi Gwanya, lists the late lodging of claims; "exorbitant land prices and uncooperative white farmers"; administrative bottlenecks; and protracted negotiations, disputes and mediation as being among the challenges facing his commission. The lack of funding remains the main obstacle, with R701m available for the settlement of claims in 2003-04, compared with the R1.2 billion needed. (*Business Day*, 12 July 2004).

Unlike Zimbabwe, however, SA has no Lancaster House Agreement obligating the former colonial power Britain to provide funds for land reform. Yet the biggest irony is that SA has a constitution that is even worse than Zimbabwe's Lancaster House Constitution in the sense that it offers the most iron-clad protection for private land rights ever seen in post-independent Southern Africa. Still, and despite being faced with the unmatched social challenge of rolling back the frontiers of apartheid-induced poverty in post-colonial Southern Africa, the African National Congress-led government chose to use its own financial resources to buy back land based on the 'willing-buyer willing-seller' principle. Ten years later, and with hundreds of millions of rands being spent on land reform, the government looks more like the proverbial dog chasing its own tail.

What makes the situation worse has been the hardening of white attitudes to land reform in SA on the back of developments in Zimbabwe. Interestingly, while land-owners are worried about developments in Zimbabwe and Namibia, few seem perturbed by the ineffectiveness of market-led land reforms. For example, instead of working with the government to find solutions to this problem, in 2002, Agri-SA, the country's largest white commercial farmers' union, vowed that it would set up a 'resistance fund' to fight any new land legislation that gives more power to the government to acquire land. (*Mail & Guardian*, 19-25 September 2003). Such attitudes have a historical precedent in the region: "For close to two decades since ... independence, whites [in Zimbabwe] showed a great deal of adversity to the proposal to surrender some of their farmland for redistribution." (*Sunday Mirror*, 4 June 2003).

Such opposition from land owners has led to the stifling of genuine progress towards finding an alternative approach to land reform, while honest debate on the subject itself has been drowned out by calls to maintain 'investor confidence'. In other words, the same technocratic tendencies that bogged down Zimbabwe's land reform process in the 1980s are now being used not only to buttress apartheid-based property rights that are coming under siege but also to scupper efforts to revisit the market-driven approach to land reform in general. Thus, at the risk of fuelling a similar, if not more violent and bloodier response by the landless, government officials – with a nervous eye on international investors – are always at pains to insist that land reform here will 'not go the Zimbabwe way'. What makes it difficult is the almost calculated media hysteria that occurs each time the government expresses its unease on the slow pace of reform or moots any amendments to land reform legislation.

The main problem is that the media in SA tends to view the transfer of large areas of agricultural land to black claimants negatively, and often in terms of its assumed effect on national food security, employment and contribution to the country's gross domestic product (GDP). Little, if any is reported about the potential to extend the benefits of land ownership and participation in the formal economy to the majority of people in SA. Certain sections of the media have even tried to feed a psychosis of fear over land reform through a mono-causal analysis of Zimbabwe's crisis. Little if any space is given to analysis that presents Zimbabwe's crisis as a multi-layered conflict that partly has its roots in the adoption of a similar and unsustainable market-led land reform process. At the height of Zimbabwe's land invasions in 2000-2003, the local media, albeit with the help of acquiescing 'experts' even tried to unconvincingly link the collapse of the rand with the 'image problems' associated with the country's diplomatic and geographical proximity to Zimbabwe. The often cited problem is President Mbeki's 'quiet diplomacy' which, according to some, has not sufficiently distanced his government from the Zimbabwean government's approach to land reform. It is often argued that investors see this as a negative, leading the latter to suspect that land seizures might 'be reserved as an option' for the African National Congress (ANC) led government. (*Mail & Guardian* 22 April 2003).

Gentrification

What is interesting though is that President Mbeki's 'quiet diplomacy' has not dissuaded foreign land-owners from buying land or property in SA. In fact, unlike in Zimbabwe, local land and property laws along with the market-led land reform policy have actually encouraged local estate agents to pursue profit by creating a rich layer of foreign landed gentry under the guise of attracting foreign direct investment and so-called 'property safaris.' This *gentrification* of land has seen rich foreigners or the so-called 'snow geese', (retirees from northern countries) and Hollywood celebrities buy properties or farms located along SA's pristine KwaZulu Natal South Coast, the Eastern Cape Wild Coast, the Western Cape Coast, the Boland Triangle and the Outeniqua Belt. (*This Day*, 9 December 2004). In fact, so pervasive is gentrification and so popular is the Western Cape among foreign property buyers that the 19 April 2004 edition of the local *Mail &Guardian* dubbed it the 'Cape of good returns' for local estate agents. The onslaught by property buyers from Germany and United Kingdom has been most felt in the Western Cape towns in the Breede River Valley such as Robertson, Bonnievale, Montagu and McGregor. Most of the buyers were reportedly from Germany and the United Kingdom.

In a lengthy article, the *Mail &Guardian* wrote: "Selling Africa to non-Africans is becoming an institution. At exhibitions, shopping malls and estate agencies across Europe, people are buying up the South African coast. Over the past two years European real estate operators have … taken over the [property] market on South Africa's coasts." Camps Bay in Cape Town with "a stunning view of both the Table Mountain summit above and the coastline below… is a prime target of Ocean Estates International, a European company set up in South Africa less than a year ago to lure foreigners to the country on 'property safaris'. Clients are wined and dined in high-class hotels and chauffeured in luxury cars to huge Cape Town estates, golf course villages and beach-side dwellings in KwaZulu-Natal going for anywhere between R500 000 and R25-million. Homes have cherry-wood floors, porcelain tiles and wool carpets. A pool is a must. Michael Jackson, David

Beckham and Whitney Houston, among other celebrities, are rumoured to be buying hot spots in Cape Town and on the KwaZulu-Natal north coast…. South Africa is attractive both for its lifestyle and climate and as a sound financial investment."

Quoting Marion Taylor, of Engel & Völkers, a European estate agency newly opened in South Africa, the *Mail &Guardian* wrote, "They [foreign buyers] like the diversity and cosmopolitan atmosphere, the accessible nature, our cuisine, friendly people, celebrities, [and the fledgling] film industry." Acknowledging in the same article that most foreign property buyers have generally no connection with the country, *Mail &Guardian* further quoted local Ocean Estates manager, Mark Feuilherade as saying: "South Africa is now a global destination, on a par with the Caribbean, Florida and the south of France." According to the same report, local real estate agents shrug off government concerns about foreign land ownership as just "talk [because the government wants] foreign investment."

Despite the government expressing its unease over foreign land ownership, the *Mail & Guardian* noted that the property firms continue to thrive. In less than three months after its arrival in Camps Bay in 2002, Engel & Völkers had captured half of the property market in the area. The paper also reported that another agency, Ocean Estates has been so successful that "Europeans who have never visited are buying prime South African land 'site unseen'…." Such 'non-emotional' acquisitions already represent 20% of Ocean Estates' sales, and they are growing. The agency sends agents speaking 29 different languages to 350 exhibitions a year across the world, selling South African property. Safari leaders sell the property as a multi-value 'product.' Explaining the company's remarkable success, Feuilherade, the Ocean Estates manager further told the paper: "We offer European buyers a beach house with space and fantastic investment return… For the same money in London they'd be lucky to find a small studio flat." In fact, so much is foreign interest in property and land that even the Gauteng province, which the media suggests has investors worried about 'high crime rates', has seen Warren Buffet, of one of the richest families buying property in SA. According to the 20 August 2004 issue of the *Financial Mail*, Warren Buffet's son, Howard Buffet, has bought a 5 000 hectare game farm in the Waterberg area north of Pretoria. According to the report, the Buffet family is "believed to be part of a consortium assembling a number of farms in the Southern Cape, near Cape Agulhas, to create a 'big seven' game conservation area."

Debate over foreign landownership

Although the former Minister of Housing, Brigitte Mabandla, highlighted the need for "regulation [of foreign landownership] for the common good" and also told the *Mail & Guardian* that the country would not "welcome investment at all costs", critics of land reform have attacked the government for linking foreign land ownership with escalating property and land prices in SA. Agri-SA actually believes the government should not intervene to stop foreigners from buying land here. For instance, the union's labour director, Kobus Kleynhans, told the 6 July 2001 edition of the *Mail &Guardian* that "[what matters] is the question of the productivity of the land in foreign ownership."

Other critics have accused the government of 'tossing a red herring' into its troubled land reform process, especially following Minister of Land Affairs, Thoko Didiza, that the government might consider converting title deeds belonging to foreigners into 99-year leases. (*This Day* 9 July 2004; 25 August 2004) In particular, Pam Golding Properties, which has a large international client base, has been quite outspoken about government's proposal, warning that it comes at a most inopportune time. Its Western

Cape Managing Director, Mick Boyce, told the 12 July 2004 edition of the *Business Day* that the debate on foreign land ownership has come at the wrong time because 'confidence in the country is at a high.' Drawing a link between high property prices and increased foreign investor interest on the one hand and government's sound economic management on the other, Boyce accuses the government of suggesting that "they're a victim of their own success." According to him: "we estimate that sales to foreigners in the current market are somewhere between 5%-8% (of the total). So, once again, is that level of foreign purchasing a concern?" The Democratic Alliance's Raenette Taljaard agrees: "Irrespective of whether it is about residential or agricultural land, the signal that will be sent to the market will be problematic. Whether we like it or not, we are bound by the perceptions. The reality is that the market will take a far bigger shudder from a South African pronouncement on limiting foreign ownership of land by virtue of being Zimbabwe's neighbour than we would like to believe." (*Business Day,* 12 July 2004)

Those who support foreign land ownership point to the economic impact of such a trend on the tourism industry. Since most of the farms bought by foreigners have been converted into eco-tourism wonderlands, the country earns millions of dollars each year from foreign tourists looking for an exclusive African getaway at luxury lodges.

However, Zimbabwe's experience with the rapid expansion of eco-tourism in the 1990s (especially on land previously used for agricultural purposes) raises questions over whether all the dollars flowing into the luxury lodges benefit the country or the communities around them. In SA, those who support the development of sumptuous five-star luxury lodges point to 'pockets of excellence' such as the Sabi Sabi Private Game Reserve, Rocktail Bay Lodge, Wilderness Safaris, Phinda Private Game Reserve, Jackal-berry Lodge and Londolozi Game Reserve. (*Mail &Guardian,* 5 January 2004).

While the creation of luxury game lodges on prime cattle ranching land in Zimbabwe led to the perception that white landowners were more concerned about giving land to animals than helping to restore the resource to its rightful owners, the trend into 'conservationism' on prime farmland is likely to generate similar, if not more controversy and anger. This is because the conversion of potentially good farmland into private games parks is taking place in areas already characterized by deep-rooted and fierce rural contestation over land-ownership such as the KwaZulu Natal South Coast, the Eastern Cape's Wild Coast and the Western Cape Coast. Quoting a recent report in the *New York Times*, a local daily paper, revealed that an estimated 140 private reserves have been established already in KwaZulu-Natal, covering 2 600sq. km of mostly converted farm land. Part of the problem is the unprofitable nature of arable commercial agriculture in SA.

For example, while it now cost a farmer in KwaZulu-Natal an average of R1 100 to grow a ton of maize, "the most sumptuous private lodges along the border of the Kruger National Park [offering] jaccuzis, in-room Internet, exercise rooms, pedicures, designer décor and four-star cuisine [could generate] more than R6000 a night a person." (*This Day*, 2 September 2004) A complicating factor is that some local landowners (with the government's approval) have had their land declared part of world heritage sites and so-called 'game sanctuaries,' thereby effectively locking it away from claimants. Thus, while eco-tourism tends to bring foreign currency into the pockets of landowners themselves, it has resulted in three worrying developments: (1) contested land subject to claims has been locked behind hundreds of kilometers of electric fences; (3) labour on converted farms has been made redundant; and (3) the growing trend towards game farming has contributed to the growing problem of landlessness and homelessness in the countryside. Farm evictions have become widespread because turning farms into up-scale private lodges involves forcibly moving labourers to make way for rich tourists eager to get a close glimpse of lion, antelope and elephants. Once evicted, the evictees drift on to 'empty' land around the nearest towns or cities. And many others simply become the neighboring farmers' 'land invaders.'

Part Two
Legal regimes and control

While the SA government has good reasons to worry about unregulated foreign land ownership in general, a good starting point would be the cleaning up of the country's archaic land registry. Just like Zimbabwe's Ministry of Lands discovered in the late 1980s, the SA government may actually be losing its own land previously occupied under 99 year lease agreements signed by the colonial government at the turn of the last century, between the late 1890s and the end of the South African War in 1902. A thorough audit of the registry will also show whether any land or property that has since 'vanished' and which past reports have suggested, belonged to the apartheid government's many front companies, city councils and the former Bantustan states, has not actually fallen into the hands of private or foreign buyers in the last ten years. Contrary to what some property owners would have the public believe, the government's call for a regulatory framework is not out of sync with land laws elsewhere or international best practice.

Thus, while India and Switzerland do not allow foreigners to own property at all, Australia limits foreigners to buying new residential properties, which they can then sell only to Australians. Even more importantly, other countries such as Finland, Greece and Poland, just to mention a few, protect land that has particular economic or cultural importance. (*City Press* 15 August 2004). Even more significantly, Britain, whose citizens have been buying land and property in SA, does not allow foreigners to buy its own land.

For a country with severe economic inequalities arising from decades of social engineering, control measures are needed to direct the flow of investment in line with investment and poverty eradication strategies. More importantly, control measures are necessary: (1) to prevent the internationalization of what is essentially a *national of question*, that is the very basis of sovereignty - land-ownership; and (2) to curb land speculation (already a serious problem in SA's land reform process). Maintaining 'investor confidence' should not be at the expense of social justice which SA sorely needs to guarantee future political stability. If such controls are not put in place, SA runs the real risk of walking Zimbabwe's troubled path to land reform. Uncontrolled foreign landownership will render the country's land reforms hostage to powerful external interests. As it seems, an SA constantly 'dogged by the image problem' may be precisely what landowners and property owners may be banking on to pre-empt the so-called 'Zimbabwe contagion.' At the same time, postponing the implementation of control measures is also not politically sustainable. With millions of poor people in the rural areas still landless, the government itself will eventually find it difficult to balance its faith in commercial considerations with rising concerns for egalitarianism.

The truth of the matter is that speculation in land is already a serious problem preventing the government from acquiring land cheaply. Thus, speculation is not only distorting the market but is also making land expensive to buy for the government. This problem effectively turns SA's land and property market into foreign buyer's market. The financial superiority of non-nationals or foreigners enables them to price out local players, including the government itself. Part of the problem is that foreigners are buying land in areas where the battle for land will be most bitterly fought in SA. For instance, European property buyers are reportedly keeping the coasts out of reach of local communities and allowing a 'little Europe' to be built on the tip of the continent. In response, the Landless People's Movement (LPM) in the Western Cape told the *Mail & Guardian* recently that it had launched a 'national campaign to save the …coasts' by organising Western and Eastern Cape farmers to press restitution claims on disputed coastal lands. The LPM also called for a freeze on European property acquisitions there: '"These Europeans come in with their big money, sell our land back to Europeans, and keep the profit. It's not right," Randall Rossouw, LPM leader in the Western Cape, was quoted recently by the same paper. While the LPM has described the foreign buying wave as 'neo-colonialist', a local grouping of black farmers has called foreign land ownership 'colonialism in disguise.'

Although most media reports tend to dismiss claims that foreigners are pricing out locals from the land and property market, there is a clear link between SA's wave of foreign 'land invasions' on the one hand, and the rise in land property values across the country, on the other. Marion Taylor, was quoted by the 19 April 2004 edition of the *Mail & Guardian* as saying: "One effect [of the foreign property onslaught] has been skyrocketing property values. Coastal property [in the Western Cape] has doubled in price over the past three years [2001-2004]." According to her, the demand from foreign property buyers explains why the country has witnessed the highest increase in house prices since 1981. In Upington, which boasts prime agricultural land along the Orange River, land usually sells for about R25 000 to R30 000 a hectare. But at a recent government sale, such land had fetched a staggering R100 000 a hectare, Land Affairs Director, Obed Mvula, told the 9 July issue of *This Day*: "This was either because they [land owners] didn't want to sell or wanted to make a quick buck." According to the same report, in other areas like Van Zylsrus near the Botswana border, foreign buyers who converted agricultural holdings into game farms were driving up prices. Mvula further told *This Day* that "until recently, land went for about R400 a hectare there but now prices of R765 a hectare were not uncommon. A farm recently sold for R1 400 a hectare." The latest issue of the authoritative estate agents' trade magazine, *Property Professional*, is quoted by the *Financial Mail* as saying that prices of game farms and lodges in SA have actually doubled in the last two years. According to the *Financial Mail* of 20 August 2004, "a fully stocked 1 000ha farm costs about R4.5 million. A 3 000ha farm is worth between R10 million and R12 million."

Interestingly, although commercial farmers in the Van Zyslrus area confessed to *This Day* that high prices were hampering land reform, they told the same paper that they were still opposed to restrictions against foreign ownership. "Foreigners are paying up to twice the commercial value for land and its definitely driving prices up. But if land prices increase, the wealth of the country increases", Agri Northern Cape president Johannes Moller added.

Although he defended his position by saying that some of the land that is being snapped by foreigners and converted into game farms in his area is not suitable for agriculture, the truth of the matter is that his argument is based on a common and dangerous assumption that Africans claim land for agricultural purposes only. Still, high prices for prime agricultural land in the area has forced the government to "buy marginal land that belongs to [owners] who are not doing well," said Mvula. (*This Day*, 9 July 2004.)

Market - driven myths

A major shortcoming in the debate on foreign landownership in SA is that it has focused largely on the impact on property values. The truth of the matter is that high property and land prices in SA are the symptoms and not the underlying causes of the disease. The underlying problem is the country's market-led land reforms which are based on the 'willing-buyer-willing-seller' concept. In a market-driven land reform process, land owners are free to sell their land to anybody who can match the asking or 'market' price. This allows for widespread speculation or collusion between private (or so-called 'independent') property evaluators on the one hand, and sellers on the other.

Over the last ten years, several factors have conspired to create the situation the country finds itself in today. Here the parallels with Zimbabwe in the 1980s are interesting. Having created political stability and an environment conducive to investment, land prices in Zimbabwe in the 1980s shot to new heights resulting in the government being unable to buy land for resettlement. Similarly, in SA, allegations have surfaced that local white farmers have been deliberately inflating land prices by cashing in on the loopholes in the method of land acquisition and the government's desperation to settle land claims. As in Zimbabwe, millions of South Africans are also crying foul saying white commercial farmers are inflating land prices in order to thwart agrarian reform. The Department of Land Affairs (DLA) has also recently expressed concern at the tendency of some white farmers to hold onto the most fertile land while off-loading marginal land into the hands of the government, often at exorbitant prices.

Thus, contrary to what the liberal paradigm would have us believe, some of problems outlined above alone cast serious questions about the ability of the market to distribute resources such as land more efficiently. On 6 May 2000, the *Saturday Argus*, reported the case of a Cape farmer who had agreed to sell his farm to the government for R3 million, but then suddenly decided to ask for R21 million for the same farm only a year later! Western and Southern Cape Regional Land Commissioner, Alan Roberts, told the *Saturday Argus* that when approached by government, "landowners push up their prices and they give all kinds of economic excuses." Some of the most expensive land acquired by the government to date has been bought in the Burgershall area situated between the White River and Hazy-View in the Mpumalanga province. Here, seven claims covering a mere 12 543 hectares cost the DLA a hefty R112 million in 2003. In the first phase of the claim, the government forked out R29.2 million or R45 000 per ha for approximately 1 645ha that was to be handed over to the Giba community. (*This Day,* 11 November 2003).

The combination of foreign ownership and the market-driven approach to land reform have thus had wider implications on the nature and pace of land reform in SA in general. Studies by the Programme for Land and Agrarian Studies (PLAAS) at the University of the Western Cape have also long revealed the tendency by poor urban-based claimants to prefer monetary pay-outs to land restoration. Thus, while the majority of rural land claims largely remain unresolved or have been bogged down by escalating cost, most claims lodged by urban-based claimants have tended to yield cash payments rather than land. For instance, of the 36 488 claims settled by March 2003, the PLAAS study could only identify 184 rural claims that were settled with land! Of the 65 455 claims settled by the end of March 2003, the majority were urban claims that were settled financially. In the meanwhile, the government had already spent R2.01 billion buying land and paying off claimants. This explains why the increase in the number of claims settled by the DLA was not matched by an exponential increase in the number of households that benefited directly from the acreage transferred. (*Business Day,* 9 September 2003).

The tendency to prefer cash payments was/is largely a function of massive levels of poverty in marginalized black communities in general. More fundamentally, however, the problem raises questions about the utility of market-driven land reforms to resolve issues of historical or social injustice resulting in land alienation. As most claims have been solved financially, it is not surprising that the government's own initial deadline of settling all land claims by 2005 fell short of expectations. The back drop of spiraling costs must be seen against the relatively small budget of the DLA which threatens to sink the entire land reform programme.

According to reports, the DLA needs about 10 times its current budget to fulfill its mandate to reverse the racially skewed patterns of land ownership and control. In 2004, the Treasury allocated the DLA just R1.7 billion in total, compared with R2.4 billion for Foreign Affairs, R2.2 billion for Home Affairs, R8.4 billion for Correctional Services and R20.2 billion for Defence. (*This Day*, 1 September 2004) Given this situation, it is difficult to see how the government will meet its revised deadline of transferring 30% of land to landless blacks by 2015 without revisiting and assessing the viability of its main method of land acquisition.

In the meanwhile, there is clear evidence that the uneasy truce established in 1994 between the landless and the landowners may soon be drawing to an abrupt and violent end. A constant reminder of this reality is SA sprawling and expanding patchwork of informal settlements, themselves products of unreported land invasions that predate Zimbabwe's land invasions of 2000-2003.

Revisiting the fallacies of the market paradigm

A speedier process of land reform in SA will necessarily come to rest with the debunking of the theoretical foundations of economic liberalism in general. The theoretical basis of the market-based land reform framework is liberalist and suffers from at least three basic weaknesses, particularly with respect to the situation in Southern Africa. The first weakness springs from the very assumption of the existence of competitive market forces in the land market in the region. The second assumption is that market forces, where they exist, are capable of ensuring the optimal allocation of resources. The third assumption is the implicit suggestion that market forces have historically played a key role in bringing about the land problem faced in Southern Africa today.

In Zimbabwe, the principle of the willing seller-willing buyer proved to be a failure for over twenty years. This classic failure of the market led to the advent of violent agrarian politics as there were no willing sellers or able buyers. The main player in the market, the government, simply did not have enough money to buy back land for resettlement at the required scale. Thus, reports from Namibia and SA now confirm what few want to acknowledge, and ironically, what Zimbabwe has known for 20 years: that under market-led land reforms, the pace of land re-distribution largely depends on the willingness of the landowners to cooperate with the government. Those who own land tend to show a general unwillingness to sell. Alternatively, if they show willingness to sell, they tend to speculate and try to profit from the government's unenviable task of buying back land at a premium. This, in itself, is a classic case of structural market failure, which inevitably points to the urgent need for corrective measures.

Such measures should take the form of government intervention aimed at regulating the land market in the interests of the landless and social justice. Otherwise, a lack of regulation or intervention leaves room for the initiative for faster land reform to come from the landless themselves. Therefore, by not quickly changing its land laws to regulate the market, SA alongside Namibia, may simply be postponing the inevitable.

If past experience with market-driven land reforms in Zimbabwe is anything to go by, the thinking that market forces ensure the optimal or efficient allocation of resources can certainly not apply to the land issue. White landownership in Southern Africa was established through colonial conquest, alienation and social engineering. For the last three hundred years, such land has been inherited rather than traded in open markets. Thus, to argue that market-led land reforms can help address the inequities of colonialism and apartheid is, at the very least, highly fallacious. Furthermore, the agrarian history of the region clearly reveals a generalized absence of rational utilization of land and the existence of gross inefficiency among the majority of white landowning families. Inefficient use of land is primarily what prompted the colonial state in SA, Namibia and Zimbabwe to constantly dole out subsidies to support white capitalist agriculture for generations. Thus, today it is not uncommon to find prime agricultural land either lying idle or being utilized for game parks, even in situations where there is no food security. Therefore, in a situation of severe landlessness and unemployment, the failures of market-driven land reforms become a recipe for violent agrarian politics.

A third important point is the unquestioning glorification of markets that is clearly based on a convenient selective amnesia. This thinking seems calculated at obscuring the fact that white and black land ownership patterns in Southern Africa did not emerge through market forces. Existing land-use patterns were forged through imperial force and colonial subjugation of indigenous black people. This factor explains why land has been a source of sustained resistance by indigenous people for generations. Logically, land is a highly emotional subject to them and its restoration is a question of historical justice. Therefore, just as it failed in Zimbabwe, the market-driven process used by SA will not address the fundamental question of colonial injustice. In fact, this method of land acquisition largely explains why 20 years after independence in Zimbabwe, a mere 6 000 white farmers still held nearly 60 percent of all fertile land, while Africans (99 percent of the population) only held about 30 percent of largely unproductive land. Even though the method sounds good to international investors, it also explains why 10 years on, very little land in both Namibia and SA has been transferred to its rightful owners – with all set targets missed.

Conclusion

What SA and Namibia ought to learn from Zimbabwe's experience is that under the liberal market-led land reform paradigm, the amount, quality, location and cost of land will be driven largely by both powerful external and local landholding interests. As the current debate in SA over foreign landownership demonstrates, these interests include white farmers, landowning companies, private property evaluators and estate agents. Thus, in this sense, "it is neither the [government] as driver of the land acquisition policy, nor the beneficiaries who drive the process in accordance with their needs," argues Zimbabwe's land expert, Sam Moyo. Land reform needs to be assisted by deliberate social action of all stakeholders, including the state, if a crisis of expectations is to be avoided. Otherwise, an unassisted process necessarily becomes an inherent threat to peaceful land reform and becomes hostage to populist alternatives or violent models of restorative justice such as land invasions.

Both Namibia and SA may have laudably chosen to manage rural transformation in the spirit of reconciliation, investor 'sentiment' and liberal democracy. However, they run a serious risk of getting caught up in a 'catch-22' situation, that is, between the apparently irreconcilable bottom-line priorities of landowners and foreign investors on the one hand, and the social justice and human rights-based agenda of land activists, on the other. What local planners need to know is that once land invasions start, the power to determine the pace of land reform will inevitably shift away from the landowners and the government to the landless. Either way, critical lessons from Zimbabwe ought to be drawn if land reform in SA is not to become dogged or held hostage by so-called 'investor sentiment'.

Suggested Readings

1. *Financial Gazette*, 25 August 1989; *Africa Confidential,* 22 September, 1989; BBC, Network Africa, 21 September 2001; *Mail & Guardian*, 19-25 September 2003, *Sunday Mirror,* 4. June 2003; *This Day*, 6, 11 November 2003, 9 December 2004, *Business Day* 9 September 2003; *Financial Mail*, 20 August 2004.

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3. Johnny Steinberg. *Midlands*, (Jonathan Ball Publishers, 2002); Margaret Lee and K. Colvard, *Unfinished Business: The Land Crisis in Southern Africa,* (Africa Century Publications, 2003), J. M. Nkomo, *The New Zimbabwe*, (Harare, Sapes Trust Books, 2001); H.V. Moyana, *The Political Economy of Land in Zimbabwe,* (Mambo Press, 1984); R. Palmer, 'Land reform in Zimbabwe, 1980-1990', *African Affairs* Vol. 89. No. 355 (April 1990); S. Moyo, 'The interaction of the market and compulsory land acquisition processes with social action in Zimbabwe's land reform', (Unpublished, paper presented at the Annual Colloquium on Regional Integration in Southern Africa: Past, Present and Future, Harare, 24-27 September 2000).

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