

Land Reform and Grain Production: The Case of Emerging Farmers in Qwaqwa, South Africa

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ABSTRACT In the developing world, land reform is considered as a crucial feature of economic development. While the objectives of land reform may be attractive, achieving them is only possible if the beneficiaries of the process are sufficiently equipped and supported. In South Africa an important objective of land reform is the attainment of food security. This research paper examines the challenges that emerging farmers are experiencing in grain production in the QwaQwa area in the eastern Free State of South Africa. The farmers were allocated land during the apartheid era in a prime grain producing region. Interviews were held with farmer organizations, agricultural extension officers, private companies, as well as ten randomly selected emerging farmers, to establish the major constraints that undermine grain production in the emerging farming sector. The results of the study indicate that the challenges constraining emerging farmers in grain production are linked to the prevailing demographic conditions such as age, the skills and training that the farmers have and lack of agricultural resources. The study concludes that the criteria for selecting land reform beneficiaries' needs to be re-evaluated if emerging farmers are to make a more significant contribution to food security in the country.

INTRODUCTION

Research conducted by Claassen et al. (2002) in the QwaQwa area revealed that the productive capacity of the emerging Black commercial farmers who benefited from government's land redistribution programme in the area was limited. Several constraints were linked to this problem, including limited administrative skills, lack of human resource management skills, lack of financial resources and the untimely downscaling of training and developmental assistance. Claassen et al. (2002) traced some of these constraints to farmers' characteristics such as their advanced ages and lack of education, as well as lack of experience in farming. However, due to these conditions changing with time there is a need to undertake a longitudinal analysis to determine how they have affected the productive capacity of the farmers through time. Hitherto, there has not been a follow-up study to examine how these conditions have changed. The past

two decades over which emerging Black commercial farmers have been allocated land in the QwaQwa area are considered sufficient for evaluating the extent to which the farmers have coped with the challenges of commercial agriculture. This study sought to provide a longitudinal analysis of the Black commercial farmers in QwaQwa who benefited from the land allocation project and to evaluate the changes that have taken place within the project since 1998 when the first research was undertaken. The question that the research seeks to investigate is whether the productive capacity of the emerging farmers has changed, and if so in what way. A subsequent question guiding the research study is whether the experience that the emerging farmers have gained has provided them with better means of coping with the constraints that were at the root of their limited productive capacity. The study also seeks to identify possible measures that could be adopted to enhance the productive capacity of emerging farmers. This is important for two reasons. Firstly, as early as 1995 unemployment in QwaQwa was a staggering 29.3% (Central Statistical Services 1995). In this regard, commercial agriculture can play a very important role in employment and economic growth in the area. Secondly, with the new government policy of land restitution, more Black people are likely to take up commercial farming as a means of livelihood, within the ambit of government's land reform programme.

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In order to fully understand the economic viability of emerging small scale commercial farmers it is important to evaluate similar past programmes to determine the conditions that can affect the productive capacity of the beneficiaries of these programmes. This paper focuses on grain production by emerging Black commercial farmers who were allocated farms by the apartheid government in 1987. The paper examines the economic viability of emerging Black commercial farmers who were resettled in the QwaQwa area and their potential contribution towards food security. The relationship between land reform and food production (grain production in particular) is critical in South Africa, where debates regarding the contribution of land reform to food production are currently raging. The objective of this paper is to identify the major constraints that undermine the productivity of emerging farmers and determine how they can be addressed. Addressing this objective is important considering the huge investment that government has made through the Land Bank. In its 2003 report the Land Bank noted that up to 2003 it had spent R2 billion over a period of five years in agricultural support, as well as an additional R300 million, as support for farmers who were not economically stable (Mmbengwa et al. (2010). Mbengwa et al. (2010) note that even though evidence indicates positive contributions by this institution, the results and impact of its initiatives are not widely publicised, rendering this research study necessary. The Land Bank media release of 19 July 2011 indicates that at least 43% of the farmers who are financed by the bank do not succeed due to reasons such as the volatile economic environment, inappropriate policies, the risks of the agricultural industry and a lack of responsive institutions (Land Bank. 2011b). One of the major recommendations made in the media release is the need to design a viable farming model, involving the selection of farmers who are literate and experienced, as well as sufficiently equipped in terms of resources, including financial resources. The remainder of the paper is organized as follows. Firstly, a brief description of the historical context and objectives of land reform is provided. This is followed by the methodology employed in the study, the research results and conclusions on the findings of the study.

Historical Context of Land Reform

The key objective of land reform is to improve the welfare of the greater portion of the population in a region. Land reforms have been implemented in Cuba, Bolivia, Mexico, Japan, Iran, Egypt, Syria and Iraq (Warriner 1962), and more recently in South Africa (Lahiff 2003), but have been undertaken for different reasons in different countries, under different circumstances. Historically, the justification for land reform has been attainment of equitable distribution of income, employment generation, satisfaction of the basic needs of the majority of the people (Adepoju 1986; O'Laughlin et al. 2013), rural poverty alleviation and enhancement of equity and social justice (Dorner 1972; Sobhan 1993; Thiesenhusen 1995; Lahiff 2001; Turner 2001), as well as a tool for transforming racialized patterns of land ownership (O'Laughlin et al. 2013). Other reasons for undertaking land reform include enhancement of crop production and nutritional welfare, reduction of social unrest and instability, wealth creation, reduction of rural-urban migration, grassroots empowerment and movement towards more democratic societies (Prosterman and Hamnstad 2006). Land reform can be an essential tool for socio-economic transformation, sustainable rural development and for enhancing land-based livelihoods in South Africa (Wily 2000; Kepe and Cousins 2002; Kepe 2012; Ferguson 2013). Conning and Robinson (2007) noted that the likelihood of reforms increases where land inequality is higher and peasants have greater political power.

Currently, debates are raging in South Africa regarding the role of land reform in national development, in terms of creating opportunities for social justice and equitable distribution of income, employment generation and food production. In a state of the nation address on 11 February 2010, President Zuma indicated that the success of land reform and agricultural programmes 'will show in the increase in the number of small scale farmers that become economically viable' (Zuma 2010: 9).

Where land reform involves land redistribution it is argued that the division of large farms into small holdings enhances the opportunities for efficient use of land. Banerjee (1999), for instance, argued that there is an inverse relationship between farm-size and agricultural productivity. In Mexico, while the initial phases of land

reform were widely believed to have been associated with decline in agricultural productivity, aggregate crop outputs between 1925-29 were about one-tenth larger than outputs in 1903-07, suggesting that land reform actually enhanced crop yields (Dovring 1970). Dovring (1970) argued that there is no evidence to show that the early land reform measures had any negative effect on production. In Mexico land reform created better opportunities for employment than commercial farms. This was because the newly created farms were more labour-intensive and cost-saving compared to large scale commercial farms. In India, land-reform legislation had a negative effect on agricultural productivity in all states (Ghatak and Roy 2007). There was a decline in productivity because legislation put a limit on the size of holdings. To the contrary, in a study on Zimbabwe's Fast Track Land Reform Programme, Zikhali (2008) noted that the beneficiaries of the programme achieved higher productivity than communal farmers. However, Zikhali (2008) did not show whether productivity among land reform beneficiaries was higher than that of private commercial farms. A study that was conducted in Uthungu District in KwaZulu-Natal, South Africa, showed that sugarcane production decreased by 28.31% after the new owners took control of the farms, with the exception of one farm where production increased (Van Rooyen 2008). The examples cited above indicate that there is no agreement between scholars regarding the relationship between land reform and agricultural productivity. This situation is further compounded by the heterogeneity of the conditions under which land reforms are implemented, as illustrated by the multiplicity of its objectives. One fundamental question that needs to be addressed is whether the viability of the newly formed farms is linked to the socio-economic and political dynamics that prevail in the environment where land reform is undertaken. In this study it is hypothesised that these conditions circumscribe the purpose for which land reform and resettlement are undertaken.

THE STUDY AREA

Figure 1 shows the location of the study area. Geographically, the study area is located in the Free State province of South Africa, approximately 300 km east of Bloemfontein, the provincial

capital, and immediately north of Phuthaditjhaba (Fig. 1). The area is approximately located 300 kilometres from the Gauteng and Durban-Pinetown metropolitan areas, and is fairly isolated geographically and economically. The southern parts of the region are mountainous, rising to between 1650 and 3000 meters above sea level.

The northern part comprises flat to rolling grassland. Predominant soil types that are found in the area include Avalon, Clovelly and Hutton soils. Avalon soils have good soil moisture content and with discerning applications of fertilisers and agricultural lime this soil type is suitable for crop cultivation. Like Avalon, Clovelly soils are well suited for crop cultivation. Hutton soils drain well and are equally well suited for crop cultivation, particularly in areas characterised by reasonably high rainfall as in the study area. Soils found in the study area are acidic and require regular liming. With a high summer rainfall leaching is a common problem, making frequent fertilization necessary.

Climate

The QwaQwa area falls in a cool, moderate summer rainfall climatic zone. The average annual summer rainfall varies between 700 and 800 mm per year. Variations from the average rainfall are minimal and the rainfall a reliability index is 80%. With rainfall occurring mostly in the form of thunderstorms, the possibility of hail is high. An average frequency of 6 to 8 hail storms per year is common. Hail storms have a direct and negative impact on grain production in the area (Claassen 2000).

Agricultural Development Since the Early 1980s

Agriculture forms an integral part of any economy and in order to develop the agricultural potential of the area to its fullest the *QwaQwa Agricultural Company* was founded in 1975. In April 1986 *Agriqwa*, an agricultural co-op, superseded the *QwaQwa Agricultural Company*. Between 1987 and 1994 *Agriqwa* established 114 new emerging farmers on land bordering QwaQwa and previously farmed by white farmers. Farms were allocated on the basis of previous experience in agriculture. The overarching objectives of the QwaQwa emerging farmers project were the development of a viable agri-



Fig. 1. Location of the study area

cultural sector with a well-established farming community, the creation of entrepreneurial opportunities, food security, creation of job opportunities in agriculture and supporting industries, and an increase in the general standard of living of the people of QwaQwa. Farm planning and the provision of infrastructure were done by *Agriqwa*. Technical and extension officers employed by *Agriqwa* provided emerging farmers with technical, financial, administrative, marketing and managerial services. The following

criteria served as guidelines with the planning of farm units:

- ♦ Viable units were identified on the basis of agricultural potential and farming operations most suitable for a specific area
- ♦ Against this background units were planned with the aim to realise optimal returns
- ♦ Prospective farmers were screened according to set selection criteria and farms were assigned according to the farming preferences of the individual farmers

Comprehensive subsidization of development projects of this nature by the South African government was common and the QwaQwa project was no exception. The project developed exceptionally well and showed positive signs for future downscaling of subsidies (Claassen; 2000).

Since 1995 government subsidies to emerging farmers were drastically reduced. The premise was that emerging farmers in QwaQwa should become financially independent and that they should compete in a free market environment. Government also made it clear that resources for training and development would largely be channelled to small-scale and subsistence farmers and that the needs of commercial farmers would have to be addressed by the private sector or through other creative means. The process left a void in the availability of technical and other support systems for the emerging commercial farmer. For the first time, emerging farmers were faced with the harsh realities of a very competitive market place (Claassen et al.; 2002).

METHODOLOGY

Methodological triangulation was employed in this research study, involving a questionnaire survey, and the use of structured and in-depth interviews. A total of 10 emerging farmers were interviewed. Interviews were also held with extension officers from the Department of Agriculture (DoA), farmer organizations and private companies. The farmers were selected randomly. The data was analyzed qualitatively and quantitatively. SPSS was employed in the quantitative analysis of survey data. This was necessitated by the large number of variables for which data were collected and collated. Where inferences were drawn about emerging farmers, non-parametric tests were used. This was due to the small sample size of farmers involved in this study.

RESULTS

Demographic Characteristics

The demographic characteristics of the emerging farmers were assessed in order to determine if these characteristics had any influence on the challenges that the farmers were

facing in their operations. The study revealed that the ages of the farmers ranged between 27 and 70, with a median of 54. This indicates that most of the farmers are fairly old. Five of the farmers were more than fifty years old. All farmers, except one, were male, indicating that women are a small minority amongst emerging farmers. It was not possible to determine if gender has any influence on farming capacity or performance. The only female farmer interviewed inherited her farm from her father only because her male siblings were legally minors at the time when their father died.

Training and Education

Only one farmer had received tertiary education. A total of seven farmers have attained an educational level lower than Grade 12, suggesting that most emerging farmers are poorly educated and not fully literate. A number of initiatives have been launched in the QwaQwa area in order to equip emerging farmers with skills. These initiatives include the training in grain production by the company *Grain South Africa*. *Grain South Africa* offers a number of training courses including soil science, fertilization, cultivar selection, mechanization, equipment maintenance, cultivation and pest and weed control. Some farmers have received additional training from *Vrystaat Ko-operatief Beperk* (VKB), University of the Free State (through its Department of Sustainable Agriculture), *Grain South Africa* and private companies, especially seed houses and fertiliser manufacturing companies. Consequently, of the 10 farmers who were interviewed, nine have received on-farm training, even though only three farmers have received hands on training in all nine areas that are considered as vital for viable commercial grain farming. The areas in which farmers had received training include soil science, fertilization, cultivar selection, mechanization and maintenance, crop cultivation, pest and weed control, farm management (planning and developing business plans), finance and financial applications and marketing. VKB offers hands-on training in finance and financial applications, as well as farm management. Through farm management training VKB also accords emerging farmers skills in business planning. Interviews with emerging farmers revealed that the extension services from the DoA were either non-existent, generally poor and not

readily available (Fig. 2). The DoA admits that in some cases the services rendered by their extension officers is not up to standard. Only two farmers have access to good extension services. Interviews with both the farmers and extension officers from the DoA showed that the DoA is understaffed, while its experimental farms are not being used due to poor management and lack of staff.

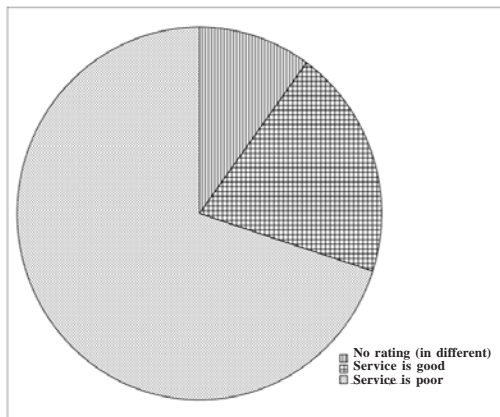


Fig. 2. Rating of services from the DoA by emerging farmers

Unlike extension officers from private companies, extension officers from the DoA are unable to provide specialised service to the farmers. An added disadvantage is that the DoA extension officers are responsible for serving large areas due to shortage of staff in the department. Consequently, the DoA now relies on consultants and facilitators from other stakeholders to render assistance and hands-on-training to the emerging farmers. Regardless of the constraints they face, the DoA extension officers are working hard to support the commodity groups of farmers that they have set up to enhance independence and sustainability and to reduce subsidy dependence.

However, despite the training that emerging farmers have received, the majority of the farmers are still not adequately skilled to become economically viable grain producers. This is because there is still a widespread deficiency of critical skills within the emerging farming sector. One of the extension officers from the DoA attributed the deficiency of skills to the discontinuation of the in-service training programme for emerging farmers by the DoA in 1995. Before

1994 an in-service training programme was run by *Agriqwa*, a development corporation responsible for establishing emerging farmers during that time. As noted by one of the extension officers from the DoA, half of the farmers who need additional training have less than twenty-five years farming experience. Extension officers from the DoA are of the opinion that practical courses and workshops should be run for emerging farmers as the farmers find it difficult to implement theory. This training should equip the farmers with skills in maintenance of farm equipment and machinery, use of herbicides, correct methods of tillage, marketing, farm management and leadership. In addition the farmers should receive training in labour relations in order to improve their skills in labour management.

Four of the six farmers who farm all their land had 20 or less years of farming experience. Spearman correlation coefficients were computed to determine if there was any relationship between farmers' ages, their years of farming experience and the nature of training that the farmers have received. The number of years of farming experience ranged between 12 and 30, with a median of 22. The results revealed that there is some correlation between the age of the farmers and the number of areas in which they have received on-farm training, even though the correlation coefficient is only 0.5. The correlation between total number of years of farming experience and the number of areas in which farmers have received on-farm training is also 0.5. While the relationship between the ages of the farmers and their years of farming experience on the one hand, and the number of areas in which farmers have received training on the other was fairly strong, the Chi-squared test indicates that this relationship is not significant at 95% confidence level, but is significant at 90% confidence level.

Farming Divisions

The findings of this research reveal that of the ten farmers who were included in the survey eight practice mixed farming. These farmers are raising both crops and livestock on their farms. While most emerging farmers are hoping to be commercial farmers, many of them have only succeeded to be mere subsistence farmers. Some emerging farmers regard livestock as a form of diversification and a risk averse strategy against crop failure. Consequently, they con-

sider it as a viable alternative for using land that would otherwise be underutilised due to financial constraints. High input costs, prolonged dry seasons and technical skills levels common to crop farming further motivated the move towards livestock farming. For this reason some emerging farmers in the QwaQwa area have already completely switched from crop farming to livestock farming.

Operational and Viability Problems

Interviews that were held with the farmers, DoA extension officers and VKB consultants revealed that there are a number of operational problems that emerging farmers are experiencing in grain production. These problems are noted in Table 1. The same problems were also highlighted in the interviews that were held with extension officers from the DoA and VKB. As shown in Table 1, a lack of financial resources is the biggest problem underlying the challenges confronting emerging farmers.

Table 1: Viability problems experienced by emerging farmers in their farming operations (N=10)

<i>Nature of problem</i>	<i>Number of farmers affected</i>
<i>Workforce Related Problems</i>	
Ill mannered workforce and high staff turnover	2
Lack of reliable and skilled workforce	3
Poorly educated workforce	1
Lack of time management within the workforce	1
<i>Administrative Problems</i>	
Lack of skills to handle administrative responsibilities	4
<i>Family Related Problems</i>	
Family problems affecting farming operations	2
<i>Farm Management Related Problems</i>	
Time budgeting	1
Lack of marketing skills	3
High input costs	1
<i>Financial Problems</i>	
Lack of adequate financial resources	6

Some of the problems that emerging farmers experience, relate to the lack of capacity in translating the skills that they have acquired into practice. The interviews that were conducted with extension officers revealed that the problems emerging farmers experience relate to mechani-

zation, fertilization, pest and weed control, as well as the optimal timing of crucial farming activities such as planting. In most cases outdated and poorly maintained equipment and a lack of financial resources contributed to the latter. Additionally, interviews revealed that farm workers are unable to follow instructions. This has serious implications on adherence to the farm calendar. Due to poor organizational skills many emerging farmers do not stick to planned work schedules or year plans. Most of the farmers are unable to keep records of transactions (book keeping), even though they have been trained to do so. For most emerging farmers these problems render VKB extension services extremely vital. In addition to skills training, VKB also negotiates for DoA subsidies on behalf of the farmers, though VKB has identified the risk of creating a dependence syndrome amongst emerging farmers, whereby farmers will remain perpetually dependent on subsidies and hand-outs, contrary to other situations reported elsewhere where it has been shown that emerging Black farmers can succeed without such support.

Regardless of the support emerging farmers are receiving from farmer organizations and private companies, there is still a general lack of production capacity within the emerging farming sector. This situation is worsened by a lack of adequate farm supervision. Too often the farmers are absent from their farms and operational problems are not detected early. Lack of adequate farm supervision skills can be traced to the general lack of managerial skills. Most emerging farmers are not sufficiently equipped or skilled to handle multiple tasks simultaneously. Evidence from both the questionnaire survey and interviews indicates that a large percentage of emerging farmers find it difficult to handle two or more tasks simultaneously. This is often the case during harvesting operations. Poor organizational skills, poorly trained staff and a shortage of staff and equipment contribute to this state of affairs.

The inability of some farmers to handle multiple tasks simultaneously is one of several factors undermining grain production among emerging farmers. Consequently, maize yields are often below the national average of 5 tonnes per hectare. The average yield among the majority of emerging farmers in QwaQwa has remained

as low as 2 tonnes per hectare. In order to concentrate on the most promising farmers, VKB has divided the farmers into three categories.

The first category is that of farmers who lease all their crop fields to other farmers due to a total lack of crop farming capacity or lack of interest. The second category comprises farmers who would like to diversify but lack resources and equipment. The third category consists of farmers with a well established crop farming component, but with limited resources for future expansion. It is the last two categories of farmers that are receiving the most attention from VKB. Selected farmers from these categories are accorded the opportunity to participate in VKB farmers' and harvest days, as well as workshops and other events where they receive training. When asked to suggest solutions that would best address the challenges they are facing, emerging farmers gave varied responses on the issue (see Table 2).

Table 2: Type of assistance required by emerging farmers in solving the problems they experience (N=10)

<i>Type of assistance needed by farmers</i>	<i>Number of farmers who need this type of assistance</i>
No response (indifferent)	2
Financial Support from Department of Agriculture/ Government	3
Support in acquisition of farming inputs (fertilizers, seed, etc)	2
Control of input prices	1
Close monitoring of grain marketing by government to avoid price manipulation	2

While most emerging farmers view additional support from government as the panacea for the challenges they are facing, VKB maintains that government support, especially through subsidies, should only be given to farmers that have exhibited potential for success so as to enhance their productive capacity and make them less reliant on future developmental aid. Extension officers from both the DoA and VKB concurred that government grants and subsidies are not being awarded correctly. As one extension officer argued: 'It is like throwing good money away. Farmers with potential should be considered for financial assistance, but are ig-

nored by government. Government only pays attention to those that are constantly moaning. They won't make it anyway.'

Land Utilization and Adequacy

There are different views among emerging farmers regarding the adequacy of the land that was allocated to them. Six of the farmers noted that their farms were big enough to support their families. This is contrary to the view expressed by the other four farmers who consider their farms to be too small. Most farms that were allocated to emerging farmers in the study area are less than 200ha in size. Extension officers interviewed hold the view that the farm units, given the agricultural potential of the area, are not short of providing a sustainable livelihood, implying that the farm units are of sufficient size to support the livelihoods of the households of the beneficiaries.

This study sought to determine if a lack of farming skills had any influence on full utilization of land. Due to lack of financial resources for input procurement, six farmers leave their cropland fallow from time to time. Despite the problems identified none of the 10 farmers who were interviewed have considered selling their farms as a solution. However, some reports from the DoA indicated that some of the farmers had already sold their farms due to indebtedness. The majority of emerging farmers earn a living from farming only. A small minority have started small businesses to enhance cash flow. Underperformance of emerging farmers has led to underutilization of land. Among the ten farmers who were interviewed, three sublease or rent their farms or portions of their farms for monetary returns, while another practices sharecropping. Interviews that were held with extension officers from the DoA revealed that some of the tenants to whom the farms are leased are white farmers. Some emerging farmers lease their land for between R200 to R250 (approximately US\$19.9 to US\$23.6) per hectare per season. Indebted farmers find it difficult to service their debts with the proceeds from their rented cropland or sharecropping and other farming activities still performed. In order to survive many fall back on subsistence livestock farming. The subleasing and renting of farms shows that land shortage is not a critical issue in the QwaQwa area. Subleasing and renting of farms is a manifestation of more serious underlying issues which are linked to inadequate financial resources:

- ♦ First, without a reliable source of finance it is difficult to maintain productivity and to retain a well trained and reliable workforce.
- ♦ Second, of the ten farmers who were included in this study only six fertilise their land according to the needs of the soil, while the rest are unable to do so due to a lack of financial resources or equipment.
- ♦ Third, only three farmers have fully mechanised their farms. The remainder depend on old and largely unreliable equipment.

Due to lack of adequate financial resources seven farmers repair and service their own equipment even though their expertise is limited. Two of these farmers regard the outsourcing of maintenance services as too expensive while another four claim that they either have the skills to service their own equipment or have relatives or friends who can do it for them. However, extension officers from the DoA argue that the on-farm maintenance and repairs that emerging farmers are doing are of low standards. Most emerging farmers lack skills and facilities such as well equipped workshops and the financial resources to buy spare parts and equipment. However, those farmers who are under the guardianship of VKB have access to well equipped VKB workshops.

Credit

Of the ten emerging farmers who took part in this research study, only two have access to credit facilities from banks. The rest fund their own farming operations. Most of the farmers are not credit worthy and they are unwilling to seek financial assistance that would require them to surrender their farms as collateral security for loans. Some farmers are already indebted and are no longer able to borrow additional money because they have exhausted their collateral security. In order to deal with this situation farmers sub-lease, leave the land fallow or resort to more extensive systems of farming, especially livestock farming.

DISCUSSION

Land reform has been accorded a high priority status in South Africa and the challenge for policymakers, commercial farmers, agribusinesses and researchers is to find appropriate ways of implementing it (Mashatola and Darroch

1997). Land reform is important because agricultural growth needs to be broad based, equitable and economically efficient in order to increase the purchasing power of the rural masses (Hazell 2005). From the foregoing discussion we can argue that the value of land reform partly lies in the fulfilment of its promises to generate agricultural growth and the role that emerging farmers can play in this endeavour. Such growth would be characterised by the increase in the number of emerging farmers that become economically viable. Mmbengwa et al. (2010:2753) state that 'the quest for sustainable and productive emerging farming is borne out of the need to bring the previously disadvantaged farming entrepreneurs into the mainstream agricultural economy'. The allocation of commercial farmland to emerging Black farmers in the QwaQwa area by the apartheid government in 1987 may have been an attempt to achieve this objective. However, the challenges facing emerging farmers in the QwaQwa area today indicate that sustainability and envisaged high productivity are likely to remain a 'tall order' that can only be realised by a few. This problem partly results from the prevalent lack of skills and inadequate resources within the emerging farmers sector which partly stems from the policy changes that were instituted in the agricultural sector. The Land Bank regards the scrapping of the National Marketing Act (1968) in 1996 as the key driving force behind the changing of the policy environment for the agricultural sector, which led to the withdrawal of direct financial support to farmers and the severe scaling down of government support for agricultural research and extension services (Land Bank 2011a). According to the Land Bank report on emerging farmers (Land Bank 2011a), this situation was exacerbated by the liberalization of South Africa's international trade in agricultural products in terms of the Marrakech Agreement of 1994, which enhanced the vulnerability of emerging farmers due to the volatility of market forces.

Evidence from this research demonstrates that emerging farmers are facing critical operational problems, including those related to limited administrative skills, lack of human resource management skills, lack of financial resources and limited training and development programmes. These are the same challenges that were identified by Claassen et al. (2002). This suggests that the challenges facing emerging

farmers have not abated. Some challenges are linked to the demographic characteristics of the farmers including age, poor schooling and lack of experience in farming. Farmer characteristics like age, level of formal education and experience, as well as access to alternative sources of income, land and complementary resources such as equipment, technological knowhow and manpower have been considered as the major conditions influencing the performance of emerging farmers countrywide (Land Bank 2011a). These challenges prevent some farmers from farming all their land. This situation makes it difficult to support the assertion by some emerging farmers that their farms are not big enough, since some farmers are unable to farm all the arable land on their farms.

Another important issue emerging from this research study is the piecemeal approach to the challenges that are faced by emerging farmers. There is no agreed position or approach between the key stakeholders involved in the handling of issues related to the needs of emerging farmers. Central government, provincial government, farmer organizations and the private sector do not share the same view regarding the needs of emerging farmers. For example, while it is generally agreed that emerging farmers should be accorded government support, the private sector and farmer organizations do not consider the provision of subsidies and loans by central government as the real solution to underperformance by emerging farmers. VKB, for example, has adopted a more encompassing approach, comprising of provision of financial support, mechanization and marketing assistance to successful emerging farmers. In the VKB approach, support to emerging farmers is an incentive that is tied to performance and productivity. The need to use incentives to create viable farm units within the emerging farming sector has already been established (Land Bank 2011b). This approach seems to mirror findings from earlier research that suggest that farmers need favourable incentives for them to invest and produce efficiently (Hazell 2005). This suggests that while production subsidies are an important factor in supporting farmers, subsidies could work better if they are given as an incentive for demonstrable productive capacity. There is also a possibility that underperforming farmers might get snared in a dependency syndrome in which they become perpetually dependent on government

subsidies. The fact that some emerging farmers who have been farming for decades still seek government subsidies is evidence of the dependency syndrome that has already taken root. An important finding of this research is that farmer organizations can play a vital role in skills development and capacity building within the emerging farmers sector, thus minimizing the need for emerging farmers to depend on government support and funding. This is exemplified by the various successful roles that VKB is playing in farmer development programmes within the QwaQwa area. The role of farmers' organizations in capacity building has since been established (Carney and van Rooyen; 1996).

Findings from this research study throw light on the need to evaluate the criteria for selecting land reform beneficiaries. Our findings echo those from an earlier research study by the Land Bank which alluded to the need to identify proper criteria for selecting farmer beneficiaries (Land Bank; 2011b). However, the choice of selection criteria depends on the objectives of land reform. It has been shown from existing literature that land reform is premised on a diversity of objectives. The challenges facing emerging farmers in the QwaQwa area are stifling opportunities for achieving the goal of using land reform as a tool for economic growth and food security. As demonstrated by the findings of this research study most farmers who were allocated land over two decades ago are still "emerging" regardless of the huge financial investment that government has made through the Land Bank. Despite this huge investment the DoA is still understaffed and unable to provide effective extension services to the farmers while former experimental farms are almost derelict. Despite the viability problems that emerging farmers are facing, many of the farmers are reluctant to sell their farms, demonstrating the hopes they hold about land ownership and the role that access to agricultural land plays as the only source of livelihood amongst emerging farmers. This means land is likely to be 'locked away' from the land market and potentially more productive farmers by some underperforming farmers. This is against the background that the establishment of emerging farmers has been constrained by available land resources (Land Bank 2011a). However, in the light of the above discussion it is crucial to note that in a way our findings partly confirm results from previous research, though the results ap-

pear to be stereotypical. This is because most previous research on land reform tended to associate failure of this process with the “usual suspects: lack of money and equipment; lack of skills (both technical and managerial); lack of post-settlement support; lack of appropriate legal structures; and infighting” (Hart; 2012: 563).

CONCLUSION

In the QwaQwa area, emerging farmers face a number of serious challenges which undermine their economic viability. Most farms in the area are not run as viable economic units. Ageing of farmers and lack of skills and resources are key problems responsible for creating these challenges. It can therefore be concluded that the challenges facing emerging farmers in the QwaQwa area are multifaceted and dealing with them would require a diversity of solutions. A unified approach in which all the major stakeholders, including central government, provincial government, the private sector and farmer organizations are engaged in dealing with these challenges could provide a lasting solution to the challenges. While government assistance has been provided to most farmers, underperformance has created a situation in which some farmers are likely to become totally dependent on government loans and subsidies. The private sector, especially through farmer organizations, can be a sustainable alternative providing support to emerging farmers.

RECOMMENDATIONS

There are three key recommendations that emanate from the discussion. First, in order to address the operational challenges that threaten the viability of the majority of the emerging farmers in QwaQwa there is need to develop private sector – farmer organization partnerships. These partnerships can reduce the dependence of farmers on government subsidies while promoting entrepreneurship amongst the farmers. The growth of entrepreneurial skills within the emerging farmers sector will create a mechanism for unlocking the potential of these farmers and enable them to transform their farms into viable business units. This will eradicate the dependency syndrome. Second, in order to address the challenges that face emerging farmers in QwaQwa in a holistic manner, an integrated ap-

proach is needed, requiring the inputs of all the key stakeholders (including the private sector, central government and farmer organizations), to ensure that the challenges are not addressed in a piecemeal manner. Finally, as a long-term solution to the problems that emerging farmers are facing, the evaluation of criteria for selecting land reform beneficiaries is important to ensure that emerging farmers meet the criteria and fulfil the objectives of land reform. This issue could be considered in future research on emerging farmers.

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