



South African President Wants To Be More Like Zimbabwe

Jacob Zuma promising accelerated "land reform."

Marian Tupy

February 14, 2017

Back in 2000, a poll conducted by the South African Helen Suzman Foundation found that only 9 percent of Zimbabweans thought that "land reform," which is to say expropriation of mostly white-owned commercial land and its redistribution among black Zimbabweans, was the most important issue in the forthcoming election. That low number ought not to have surprised anyone who spoke to ordinary Zimbabweans. A tiny portion of blacks saw their future as subsistence farmers on tiny plots of ancestral land. They saw themselves as manufacturers, accountants, lawyers, doctors—just like everyone else.

Robert Mugabe, the 92-year-old Marxist who has been in charge of Zimbabwe since 1980 and who was recently nominated for yet another stint in the highest office, saw things differently. The election, which he thought he might lose, would be fought on the issue of land distribution. Conveniently forgetting that most of the farm land changed hands under his presidency and was, thus, legitimately owned under the laws that he promulgated, Mugabe stoked anti-white resentment. Along with the usual electoral shenanigans, such as voter intimidation and out-of-date voter rolls, land reform helped to return him to office.

Over the next few years, almost all of the country's 4,000 white-owned farms were invaded by state-organized gangs. Some of the farmers who resisted the land seizures were murdered, while others fled abroad. Mugabe claimed that the land would be given to the landless masses. In fact, much of the best land was given to his cronies. The new owners showed little aptitude for farming, however. The agricultural sector soon collapsed, and with it most of Zimbabwe's tax revenue and foreign currency reserves.

Those parts of the economy that processed the agricultural produce soon followed, as did the banking sector, which relied on farms as collateral for future lending. To meet its obligations to domestic and foreign creditors, the government ordered the Reserve Bank of Zimbabwe (RBZ) to print more money, sparking the first hyperinflation of the 21st century. At the end of 2008, when the Zimbabwean dollar was finally scrapped in favor of the U.S. dollar, hyperinflation ran at an annualized rate of 80 sextillion percent.

Why bring up this piece of history?

South of the border, in the economic powerhouse of Africa, an unpopular government in trouble with the electorate, is contemplating its own Zimbabwe-style land reform. South Africa's President, Jacob Zuma, has recently promised to speed up land reform. According to Zuma, "the challenges of poverty, inequality, and unemployment have their roots in the vast tracts of land that was stolen from the indigenous people of South Africa". Land reform should, therefore, be "radically accelerated".

Considering that the minister of rural development and land reform, Gugile Nkwinti, has already acknowledged "that much land had already been transferred [from largely white commercial owners to inexperienced black small-holders] in most cases of transfer a productive farm which was a going concern had collapsed," South Africa ought to tread very carefully. Following the land reform in Zimbabwe, land productivity started to lag heavily behind that of South Africa. If South African agriculture collapses, other economic problems will be sure to follow.

Marian L. Tupy is the editor of HumanProgress.org and a senior policy analyst at the Center for Global Liberty and Prosperity. He specializes in globalization and global well-being, and the political economy of Europe and sub-Saharan Africa.