

***The Uncomfortable Truth about South Africa's Agriculture* by Wandile Sihlobo and Johann Kirsten. Published by Tracey McDonald Publishers. Recommended Retail Price: R290. Available all good bookstores and online.**

CHAPTER 3

Politics, Deception and Self-Interest Amongst Farmers' Organisations In South Africa

Enoch and Ronald heard through the grapevine that joining a farmers' organisation might be a way to have their voices and concerns heard. They scanned the maze of farmer's organisations in South Africa but were uncomfortable about which organisation would really serve their needs and aspirations in a professional way. They quickly became disappointed with the many ideas and objectives that did not address their immediate needs. Why is this a problem? Let us unpack why Enoch and Ronald will find no joy in South African farmers' organisations.

In the chapter *The Political Economy of South African Agriculture in A Country of Two Agricultures*, we highlighted the fragmentation of organised agriculture and the continuous division of these organisations along racial lines. In this process, the dualism in South African agriculture is entrenched, despite the different farmer organisations striving in many ways for the same ideal of successful, profitable and independent commercial farmers. There is no difference in the objectives of these organisations, but differences in personalities and funding, and the lack of transparency that all contribute to the fragmentation of organised agriculture in South Africa.

In this chapter, we do a deep dive into the complicated and intriguing world of South Africa's farmer organisations. We endeavour as far as possible to present a complete picture of the different farmer and commodity organisations and their roles. We also illustrate how unnecessary conflicts and divisions do not serve the interests of farmers in South Africa as a collective. To pronounce on this, it is worth thinking about the principles and characteristics of farmer organisations across the world.

Why Do We Have Farmer Organisations?

Farmer organisations are established to represent farmers' interests and defend their interests in policy development. They are, in fact, lobby groups with a strong focus on advocacy. These 'interest groups' are known for their rent-seeking behaviour, which often leads to economic outcomes that are less than economically efficient – meaning the policy outcomes are not necessarily in the interest of society as a whole. On the other hand, farmers' groups in many countries are sometimes too large, dispersed and heterogeneous, and therefore less able to influence policy than better organised and smaller urban consumer and business groups. This leads to the so-called 'urban bias' or 'anti-farm bias' in policy outcomes, which could also be problematic for food security and rural economic development.

Farmer organisations are, by definition, entities built on collective action. However, collective action also comes with its own problems, mainly related to the problem of 'free-riding' by members and unethical leaders. Members are not always actively involved and do not share the same vision as the leaders of the organisation. Members sometimes also doubt the benefits of membership and tend to be relatively lukewarm about the impact of their organisation on policy and the profitability of their business. The success of the organisation therefore is driven by the size, homogeneity and purpose of the group.

Another characteristic amongst farmer organisations is that vested interests matter. Such interests may be historical, property (or class), cultural, religious, power, security and anticipated benefits. These interests often lead to resistance to change and create conflict between different stakeholders, leaders and organisations. But most importantly, they often lead to the formation of splinter or rival groups.

There are more specific motivations for farmers to organise themselves into farmer organisations. We discuss each of these motivations below. In practice, however, farmer organisations often pursue multiple objectives at the same time. Leaders of farmer organisations are acutely aware that the bottom line for farmers is that the time and money spent on group activities should be worth the effort. They want to see the value of money in terms of economic, social and political benefits. This is why leaders of farm organisations are continuously trying to prove that their efforts and programmes are valuable to their members, or, as they like telling us, 'We are acting according to our mandate.'

Why do farmers organise themselves into producer or farmer groups?

Firstly, there are several push factors that encourage farmers to form local farmers' unions or join existing groups. These are:

- Problems and constraints cannot be solved individually or only with help from family or friends.
- Opportunities that cannot be grasped individually.
- The value of benefits from better access to inputs, finance, services and markets that all exceed the costs of membership.
- Social cohesion and trust that make it easy and pleasant to work together.

Secondly, individual farmers have social reasons for joining a farmers' group. These include:

- Sense of belonging to a group and finding protection within a group.
- Complying with the norm in a community or society – ('it is the right thing to do').
- Obtaining status and respect by becoming active in the decision-making process of the farmers' organisation.
- Obtaining visibility for external support from the government, NGOs and various projects and project funding.

Thirdly, by organising themselves, farmers can defend and strengthen their resource base in terms of the five capitals of their business:

- Social capital – to have a voice and bargaining power in engagements with government and off-takers.
- Human capital – access to training, coaching, demonstration and exposure.
- Natural capital – access to land, water and seeds.
- Financial capital – access to production finance and mortgage finance.
- Physical capital – access to inputs, machinery, etc.

Membership of farmers' organisations is part of the life and being of farmers and part of their risk management strategies, but also part of their sense of belonging. Farmers are often members of different farmer groups. The same farmer can be a member of the local farmers' union, which is affiliated to the provincial and national union, but then he/she can also be a member of the commodity organisation and the branch of that organisation in the district.

Although membership costs are often kept low, attendance at meetings frequently is poor due to the struggle by management to maintain services and benefits for members if the organisation cannot deliver on government support and policy influence.

History and Politics Divide South African Agriculture

More substantive and relevant to South Africa is that history matters. The apartheid system created 'two agricultures' and the inherent dualism in the sector. This entrenched dualism, and the distrust amongst farmers, has been plaguing South African agriculture for decades. As a result, we have seen the fragmentation of farmer organisations, an issue that continues to entrench the dualism. The politicisation of organised agriculture and the division of these organisations according to racial lines bedevil progress in the sector, taking the achievement of a common vision of a united, inclusive and prosperous agricultural sector beyond our reach. What is unique to South Africa is that there are organisations representing the commercial interests of white farmers, and different organisations representing black farmers. For example, we have AgriSA (formerly the South African Agricultural Union), TLU-SA and SAAI, all claiming they represent the interest of mainly white commercial farmers. Black farmers are split between NAFU (the original Black Farmers' Organisation affiliated with NAFCO), AFASA, SAFDA and BFASA. This is problematic and contributes to South Africa being 'a country of two agricultures'.

The farmer organisations have different members, foci, governances, finance structures, and levels of tacit knowledge. However, should you read the objectives, purpose and reason for existence, they all use the same words: 'to promote inclusive growth', to 'promote the interest of commercial agriculture'; sometimes the words of Christian values, family values, black disadvantaged farmers or even family farms or small farmers are sneaked in to try to create some distinction from the others.

The organisations representing farmers in South Africa clearly remain largely organised along racial lines, with an alarming tendency to proliferate – all trying to extract rent from various government programmes without any benefits flowing to their (unaudited) memberships. As a result, debates and negotiations around government policies, programmes and plans have become contested with little chance of successful implementation, as all programmes end up accommodating the opposing views of these vested interests.

This division is a further manifestation of dualism and stems from opportunism and the fundamental mistrust between organisations; one can assume that this mistrust is partially responsible for the lack of unity in the sector.

Moreover, this proliferation of organisations and the contested policy views result in a lack of collaboration between the government and the private sector and ultimately result in the slow implementation of various action plans. The farmer organisations become frustrated by the lack of delivery and extreme bureaucracy. When they try to implement transformative initiatives, they sometimes are not supported by government officials, primarily at the

provincial level and in the municipalities. As a result, the farmers who need and deserve support the most are underserved.

Farmer organisations across the world tend to be political. They are not only political regarding their links to national politics and ideologies, but also political regarding the election of office bearers who represent them and what they stand for.

South Africa is no different.

Farmers' organisations are diverse regarding their official registration, legal status, purpose, locality (local, national or commodity) and membership base (race, gender, size). Despite the diversity, these organisations also have several commonalities:

- Shared interest in matters related to the farming and rural economy.
- Internal governance and management practices.
- Collective action.
- Provision of goods and services to members.

Farmers form producer or commodity organisations for many reasons and motivations. There are just as many reasons why working in groups is not easy. The aspects that are common to the views of most members of South African farmer organisations are:

- The problems in agriculture are always the government's fault, and solutions should come from the government.
- There is distrust and tension in the community.
- Farmers had bad previous experiences after joining an organisation.
- Leaders are weak and not inspiring.
- Members have unreasonable expectations about what the groups can deliver.
- Members do not respect their obligations to the organisation.
- Participation dwindles because of long and unproductive meetings.
- Frustration, disagreement and conflicts in groups often lead to the organisation's split into rival groups.

We have talked about the multiple objectives and purposes of farmer organisations. We can, therefore, classify the organisations based on their focus:

- Representation of farmer interests, policy development, lobbying and advocacy.
- Economic service delivery, input supply, production, marketing and processing.
- Financial services (credit, insurance).
- Information, training, research.

This is a useful framework to classify the various farmer and commodity organisations in South Africa.