

## WHAT LESSONS FROM THE PAST CAN WE LEARN ABOUT LAND REFORM IN SOUTH AFRICA THAT CAN HELP US NOW AND INTO THE FUTURE?

Gerdie Landman is a leading South African dairy farmer from the Cookhouse/Fish River Valley and founder, owner and manager of Mooimelk Koeihotel, which produces 15 million litres of milk a year.

It's an exceptional operation and a flagship of what can be achieved by a man who was willing to climb the farming ladder with hard work, self-application, commitment and an indestructible *vasbyt*.

He started out on his own in 1983 with 'bogger all' and counts himself fortunate that the bank and co-op were willing to lend him enough money to get on his feet.

### TWICE AFFECTED BY LAND REFORM

Gerdie has also been directly affected by land reform, not once but twice in his farming life. The original Landman family farm 'Mooivlei' in the Queenstown district, which had been in the family since 1900, was bought out in 1982 at market-related prices by the old South African government and consolidated into the Ciskei as part of the homeland policy.

It was a highly productive, commercially successful farm that in 1962 was judged the best Caltex Small farm (under 1 000Ha) in the Eastern Cape.

After almost 30 years, there has never been any commercial production from that once beautiful farm again.

### EVERY FARM NEEDS A SKILLED FARMER

“The lesson to be learnt from this with regard to all land reform farms, past and present, is that every farm needs a skilled farmer with training, experience or qualifications in order to farm successfully,” says Gerdie.

The family that moved into the farmhouse, enjoys the fruit from the trees on the farm, but does nothing more on the farm.

## NEW FUTURE

At age 28 Gerdie had to face that the farm was gone, and he was penniless – **but he kept the Mooivlei Holstein Stud herd of dairy cows**. The proceeds of the farm sale **was shared amongst his brothers and sister as well as** to his Mom, who was still alive at the time.

This meant that Gerdie and his wife Lorenda had to find a new farm where they could build their future.

The solution came in 1983 when state land was advertised in Farmers Weekly and Landbou Weekblad as part of a government dairy-farming project to encourage the development of a new generation of younger farmers.

Nineteen farmers under the age of 35 were selected out of 2000 applicants to purchase 19 state-owned pieces of land in the Tsitsikamma region, 200 hectares each, and develop them into dairy farms.

“The land cost R200 000 for the 200 hectares. It was absolutely raw veld, but with potential to be cultivated into pastures,” Gerdie explains. “Four white flags indicated the corners of each farm and there was no infrastructure at all; no fences, no house, nothing.

The project was financed through the government-supported agricultural development bank at the time called Landbou Krediet en Grond Besit or Agricultural Land Tenure Board.

Amongst the successful applicants, some had been farm foremen or managers and one was an agricultural extension officer.

“All 19 of us young or youngish farmers had to apply for the purchase of these farms, for which Landbou Krediet en Grond Besit was offering a fixed interest rate of 8% at a time when the general interest rate was between 18% and 24%.

All applicants had to be under 35, they had to have assets of between R100 000 and R300 000 and either some form of tertiary education or, if you only had a matric, you had to prove you had enough farming experience to qualify.

To raise the required assets, applicants either committed whatever livestock they had or they sold their house or secured loans from the commercial banks or family members. The main criterion was that you were not allowed to own too much, you had to be financially disadvantaged to a certain degree to qualify for the land. At the same time you had to prove you were capable and credit-worthy enough to access some funds to help build up the farm.

After a personal interview with the Agricultural Land Tenure Committee in Humansdorp, Gerdie was sold one of the 19 farms... Portion 12 of farm 788 in the district of Humansdorp.

The committee made it very clear that it was not an easy undertaking and that it would take complete commitment and *vasbyt*.

You even had to take your wife to the interview because they needed to know that your wife was committed to giving it a go

with you because it was a really tough challenge. As I mentioned, there were no houses on the land and we lived in a caravan for quite some time.

Today's people are led to believe that it is easy to start farming, that all you need is land.

## DEVELOPING THE NEW FARMS

“It was a huge challenge for all of us, but very rewarding as we could plan and build from zero,” Gerdie continues. “We built those farms into the most productive farming units, producing over a million litres of milk every year **(was this per farm and was it from 500 cows?). Yes...!**

“We took up state loans at the reduced interest rates, and were guided by mentors and the local extension officer, Frank Weitz, who is still the extension officer for Humansdorp. From the 19 farmers who started, 18 were successful.

## THE SECOND LAND CLAIM IN GERDIE'S LIFE

“In 1994, ten years after we took possession of our farms, there was a land claim from the Mfengu people who were moved to the Ciskei under the homeland system. Ironically they had lost their land for the same reason that we lost our Queenstown farm – for the consolidation of the Ciskei,” Gerdie explains.

“After consultation with legal advisers, we as a group of 19 farmers decided to settle the claim outside of court and the Mfengu people, who had formed the Tsitsikamma Development Trust, were handed back the 19 farms after the old government had bought the farms from us 19 farmers – again at market related prices.”

## RESULT

Six farmers negotiated a lease agreement with the Tsitsikamma Development Trust and leased back their former farms for 15 years. Gerdie was one of them.

“We maintained production and kept the farms in good running order while the members of the Trust received a good rental income from their land. The remainder of the farms that were given back to the Mfengu community rapidly deteriorated and became an embarrassment to the politicians and the leaders of the Tsitsikamma Development Trust.”

## TWO LESSONS LEARNED

Gerdie says that the first lesson learned from this land reform situation, “was rather to swiftly and efficiently settle the dispute over ownership rather than drawing lines in the sand.”

The second lesson is that “intensive farming cannot be successfully conducted without skilled farmers, capital, and enthusiasm.”

## LAND REFORM TODAY

Gerdie believes that Partnerships with a capital ‘P’ are the key to the success of land reform today.

“In the Humansdorp district there are several projects where the land belongs 100% to the new land reform owners while the commercial production is done in partnership with skilled and financially capable commercial farmers. This way the new owners can learn the trade, which sometimes takes two generations, and at the same time the farms are maintained and generate a good financial income for both partners.

## MOOIMELK COW HOTEL

The Mooimelk Cow Hotel was planned and built to milk more cows than the Landman family owned. Their own 326ha irrigation farm, known as Wynandskraal, produces fodder for 50% of the cows in the Mooimelk Cow Hotel. Therefore fodder from 3 surrounding farms is bought in to feed the total of 2 000 Holstein milking cows plus their offspring at the Mooimelk Cow Hotel – totalling 4 000 head of cattle.

“The ideal would be if one or more of these fodder supply farms, could be owned by the staff working at the Mooimelk Cow Hotel,” Gerdie maintains. “These people have learned the skills, have proven themselves as reliable workers and managers, but they need to go into a partnership with a willing and able commercial farmer. The advantages are huge if both partners can 100% own their respective fodder production farms and they can then share ownership of the Mooimelk Cow Hotel – where both parties’ cows can be kept and milked in a joint venture.

“Immediately both fodder farms have a market for all their production while the joint marketing of milk and buying inputs see both partners benefiting from the advantages of economies of scale. This will be a guaranteed financial success, and all the other goals of land reform will be reached”, says Gerdie, and if there is someone who knows about financial success from humble Humansdorp beginnings, it is Gerdie Landman.

#### Box: FARMERS WEEKLY

Gerdie Landman started reading farmers weekly at Marlow Agricultural School in Cradock.

“We had to read English and the English teacher allowed us to read articles in Farmers Weekly as our English literature of choice,” Gerdie smiles. “That is when I started following Simond Fiske and his views on agricultural economics... he was very stimulating and I enjoyed reading his views.”

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