LAND TENURE ON THE WILD COAST: Constitutional Rights, and implications of the Upgrading of Land Tenure Rights Act 112 of 1991 (ULTRA)

The provincial Department of Economic Development, Environment and Tourism (DEDEAT) aims to create a balance between the development of an under-developed, high poverty region and the protection of an environment which is nationally and internationally recognized as being of exceptional value and importance; and in planning to put a framework in place that can be supported by the widest possible range of stakeholders, including coastal communities, requested input from Interested and Affected Parties.

The Wild Coast Cottage Owners Association (WCCOA), which for years has been attempting to secure tenure on the Wild Coast on behalf of the approximately 332 legal seaside cottages, made a submission to the department through Cox Yeats Attorneys; to which I am responding, in the main, to issues of tenure for cottage owners and other PTO holders:

Without prejudice, and notwithstanding the historical, environmental, social and political issues associated with settlements on the Wild Coast, a lot of time, energy and money has been spent on tenure proposals based on unacceptable compromises; whereas it can be contended that cottage owners already possess inalienable ownership by rights of precedent, common, and gazetted law; and that these rights are firmly protected by the Constitution.

That these rights have not been enforced places the Wild Coast cottage owners in the unique position to secure land tenure on behalf of all residents of the former homelands, and lead the way towards a sane and rational outcome. No other rural communities affected by historical separate development policies have educated, well resourced, and motivated champions to represent their rights. It's up to cottage owners, not as a privileged class minority begging for second order rights, but as involved members of their local communities with equal standing before the law; and similarly affected by government's interminable delay with the full and proper reincorporation of the homelands.

1. The Constitution specifically repealed all Bantu Self Governance ordinances. In Schedule 7 of the Constitution: “Repeal of Laws”.

2. "Fundamental Rights": EQUALITY “(b) Every person or community dispossessed of rights in land before the commencement of this Constitution under any law which would have been inconsistent with subsection (2) had that subsection been in operation at the time of the dispossession, shall be entitled to claim restitution of such rights subject to and in accordance with sections 121, 122 and 123.”

Cottage Owners, resorts, and indigenous communities on the Wild Coast were clearly dispossessed or deprived of property rights existing in the rest of South Africa, and even the British outpost of Port St Johns, which was purchased for £1,000 from Chief Nqwiliso Ndamase in 1878.

The author of the WCCOA submission is aware of the limitations on property rights as outlined in the Green Paper on Land Reform - which appears to be the direction in which tenure policy is heading - and states in a paper published on the company website:

"The retention of ownership of land in the hands of the State follows models which have been adopted in socialist (and historically, Marxist) countries. It is unlikely to foster investment in land and infrastructure” and “The Green Paper raises serious concerns regarding the treatment of land and land rights in South Africa."

However, the submission, on the behalf of the cottage owners, takes insufficient cognizance of their emailed comments, which were printed and scanned, and then tacked onto the submission to DEDEAT virtually illegibly, almost as an afterthought. It would have been quicker, simpler, and far clearer, to copy/paste the submissions into a single document.

It would seem therefore that the submission forwarded to DEDEAT on behalf of the cottage owners was based largely on the research and failed negotiations between WCCOA and government to secure tenure in terms of the (unconstitutional) Communal Land Rights Act of 2004 (CLaRA). Apart from suggesting that tenure be based on Kenya's Northern Rangelands Trust model, and proposing a stakeholder meeting/workshop at some point in the future, no real direction or way forward is made clear. And despite the comprehensive history outlined in

1. www.wildcoast.co.za/files/Wild_Coast_Planning_Abridged_summary.doc
2. www.wildcoast.co.za/files/Submissions_280612.doc.zip
5. www.coxyeats.co.za/FileHandlerx?fguid=8download=1
the 39 page section on Tenure Rights along the Wild Coast seemingly drawing to the inescapable conclusion that cottage owner and residents’ current insecure tenure rights are the result of historical separate development policies; fails to make a case for outright ownership; which I contend, in a supposedly equal and nonracial society, is our right.

I have always been opposed to, and argued outspokenly at Hole in the Wall AGMs, against the diluted rights under the CPA - Trust - Shareblock - and 30 year lease structure that the WCCOA was attempting to negotiate; Largely because of the diluted and revocable rights - whereas we have rights to full title; but also, essentially, because it failed to include the local community at Hole in the Wall; (where I have been a regular visitor to our family cottage for over 40 years, and a permanent resident for the past 6) and sought rather to create privileged class (white) enclaves, while ignoring the uneducated local communities plight as they are unaware of, or do not have the capacity to claim their rights.

Instead of proposing compromises based on the strictures of the CLaRA and the Green Paper (which is not policy, but rather a government discussion document to engage public participation and input) as has been the case: we need to fight for our rights, and the rights of all individual PTO holders among our local communities where our cottages are located - and by extension all homeland residents - as equal citizens of South Africa.

It appears that the Green Paper on Land Reform has been largely formulated by the technocrats of the SAPC; so special cognizance should be taken of the fact that in the former USSR, where their ideology led to a totalitarian state which failed so dismally, especially with regard to human rights: “Over 50 million people and legal entities acquired private ownership rights in the country, and by the end of the 1990s some 7.6 per cent of the Russian Federation’s territory was privately owned, the report states. This percentage represents 129 million hectares of land and is comparable to the area of continental Western Europe.”

Communist China, also, has experienced failure with collective ownership and production models and has made strides towards individual property rights.

Aside: “George Orwell wrote in his essays on fascism that “a technocratic society is a prerequisite for fascism,” as the strict procedural approach of the Nazi government demonstrated.”

Even the ANC disavowed collective property models at Polokwane, during the 52nd National Conference in 2007: Resolutions, under RURAL DEVELOPMENT, LAND REFORM AND AGRARIAN CHANGE:

"13. Current approaches to land reform are not achieving the scale or outcomes required for the realisation of a better life for rural South Africans." In particular: ...

"f. The tendency to encourage beneficiaries not only to hold the land under common ownership, but also to organise themselves into collective production arrangements has constrained the success of land reform programmes".

In Botswana, where control was moved from the Chiefs to the Land Board: “One of the most frequent complaints against the land boards is that they allocate land inequitably, that they favour those with influence and many cattle, and ignore the land claims of those who are politically inarticulate and have few animals.”

Considering the Polokwane resolution, there’s a curiously mirrored disconnection to reality with the CLaRA, which was declared unconstitutional in May 2010 because it put too much power into the hands of (unelected) traditional leaders, and the Green Paper which aims to put that power into the hands of Land Rights Management Committees. Either way, the ANC government has long since demonstrated and acknowledged that they cannot implement the bureaucratic structures as the required institutional and local capacity does not exist. And as demonstrated in Botswana, Land Rights Boards and Community Property Associations are equally open to abuse.

7 wikipedia.org/wiki/Property_Law_of_the_People's_Republic_of_China
8 en.wikipedia.org/wiki/User:Zenoseiya/Technocracy
9 www.anc.org.za/show.php?id=2536 - rural
Apart from the top-heavy, committee driven and impractical bureaucratic structures of current policy direction; some anecdotal evidence of the abuse potential from a prominent human rights lawyer in South Africa:

Quote:
"Clients are members of a land restitution trust. Because they are in conflict with the trustees over corruption and maladministration, the trustees won’t certify their residence on trust land. Therefore they can't open bank accounts or apply for or renew social grants."

“FICA and Home Affairs enslave people to the Traditional Authority. Unless you have the TA's stamp forget about banking or social services; so don't anger the TA. It is a mechanism of control and it suits the purpose of the ruling elite.”

~Richard Spoor

Whether TA, LRB, CPA or 'Trust', the same problem persists: individuals will not have the security of tenure promised in the Constitution of South Africa; and are at the mercy of committees and the interests of the powerful. Individual title will surely go a long way to obviating this common failure and disconnection between collectivist ideology and reality.

By Law, we should already have full ownership: Act NO. 112 of 1991 - UPGRADING OF LAND TENURE RIGHTS ACT\(^1\) (ULTRA) was never repealed; and was actually ratified by Act NO. 34 OF 1996\(^2\): To amend Act No. 112 of 1991, so as to insert a definition of “putative holder”. Act 112 states:

"CONVERSION OF LAND TENURE RIGHTS INTO OWNERSHIP

Conversion of land tenure rights mentioned in Schedule 1
2. (1) (c) any piece of land which is surveyed under a provision of any law and does not form part of a township, shall at the commencement of this Act be converted into ownership, and as from such conversion the ownership of such erf or piece of land shall vest exclusively with the person who, according to the register of land rights in which that land tenure right was registered in term of a provision of any law, was the holder of that land tenure right immediately before the conversion."\(^3\)

LAND RIGHTS SUMMARY

1. In the report submitted to DEDEAT, the author clearly enumerated the reasons for the prejudicial land rights of cottage owners as based on the policies of separate development - the forerunner of apartheid - and makes a clear case for equal rights of cottage owner PTOs, together with individual PTO holders in local communities to Freehold.

2. The Green Paper, apart from introducing further draconian restrictions on property rights, is arguably a slightly amended version of CLaRA, under which the cottage owners were attempting to secure their tenure. In declaring it unconstitutional "Chief Justice Ngcobo, writing on behalf of a unanimous court, describes the pivotal role played by laws such as the Bantu Authorities Act in “relentlessly” dispossessing African people of their land and undermining their tenure security. The judgment explains that the tribal authorities created by the Bantu Authorities Act have now been transformed into “traditional councils” by the Traditional Leadership and Governance Framework Act of 2003. The Communal Land Rights Act gave these traditional councils wide-ranging powers, including control over the occupation, use and administration of communal land. In other words, apartheid-created tribal authorities are given a new lease on life with additional powers over land, service delivery and development in a democratic society. This is a contradiction that has significant implications for democracy, equality and citizenship rights in rural areas.”\(^4\)

3. We, along with individual PTO holders in our local villages (and in fact throughout the former homelands) have right by precedent and common law to full Freehold. These rights are entrenched in the constitution.

4. Full ownership was in fact, but not deed, already granted in 1991 with Act 112: wherein the land tenure rights were converted from PTO to outright ownership. Furthermore, the registrar

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\(^3\) www.info.gov.za/view/DownloadFileAction?id=129009
\(^4\) www.urbanlandmark.org.za/newsletter/issue/0502/download/clipping05.pdf
of deeds is to make the necessary entries and endorsements on presentation of relevant documentation; and "No transfer duty, stamp duty or other fees shall be payable in respect of any such entries and endorsements."  

GOING FORWARD

1. You cannot fix problems with the same mindset that created them.
2. If it ain't broke, Don't fix it.

Access to, inheritance, and transfer of land is a fundamental right, and the problems we're dealing with here were mostly solved by the 19th Century in the more successful developed countries.

"In the 11th & 12th Century Civil law began to encroach on the Anglo-Saxon system that had prevailed in England.

An uprising of the English common folk against the arbitrary personal & land control of the English nobility, resulting in the Magna Carta – proclaimed the great fundamental of common law. The Magna Carta gave a surety of ownership to the freemen of England. Inheritance, land, earnings were all protected and the Crown could no longer dispossess a freeman at their will, but only under just laws. It was not perfect but it was a huge step towards a just system. And as such, over the centuries, great jurists and constitutionalists supported and discussed it.

"Because a Grant in Fee Simple title encapsulates the elements of ownership, inheritance, personal rights, income, equity, even bankruptcy – it is the basis of Common Law. Remember from where it developed – the Magna Carta - where the common man claimed his right of ownership."

Whereas it is acceptable to pay rates and taxes, it is wholly abhorrent to be expected to pay rent for our cottages, given that we should possess full rights of ownership from the already (theoretically) converted PTOs. So the question becomes "how to implement tenure on the Wild Coast and derive meaningful benefit for local communities?" (See AFRICAN INDIGENOUS LAND RIGHTS IN A PRIVATE OWNERSHIP PARADIGM: Cousins elaborates on the communal land rights system, emphasising the political and social embeddedness of land rights. He sketches a picture of pre-colonial land tenure, when "[l]and tenure was both ‘communal’ and ‘individual’, and can be seen as a system of complementary interests held simultaneously". He then proceeds to sketch how colonial rule changed it. This often entailed the colonial state's trying to retain a form of "communal" land tenure that might suit its interests."

If PTOs are simply upgraded to Freehold as happened in Kenya, and some other former colonies that followed this route in recent history, some lessons can be learned. For example:

• In Kenya, no limit was placed on speculators who bought up prime land at rock bottom prices and thus caused dispossession of the poor.

• In Australia, the Aboriginal Land Rights Act of 1976 gave traditional Aboriginals inalienable Freehold title, including mineral rights, to former Aboriginal reserves, and provided a procedure for them to claim title to other areas of unalienated Crown Land.

Gender inequality is another challenge: It has been argued that the customary law of intestate succession puts widows in a precarious position and further, that women have traditionally had no claim to title; whereas the husband has the right to dispose of land without their consent, and can potentially dispossess his wives. However this is not an insurmountable problem. Ante Nuptial Contracts, as essential as they are in the modern world, have not been a factor in customary marriages. But reasonable provision can be made upon conversion, or transfer, of inferior rights to ownership, to specify whether spouses, with their knowledge and assent, are in - or out - of community of property.

While all existing PTO holders along the Wild Coast should, and must, be recognised as the legal and rightful owners, with full right to use and dispose of their property according to their wishes, it is imperative that development is balanced against environmental conservation, and

15 loveforlife.com.au/node/3284
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In as far as possible development should be restricted to the nodal model proposed by the SDI and the Wild Coast Tourism Development Policy.

In mitigation of potential environmental impacts: the prescient 1km Coastal Conservation Area (CCA) provides a formidable barrier to entry and will inhibit speculation and over-development along the coastline. However, it must be noted that presently there is seemingly no control or enforcement on customary land use or new unplanned dwellings, which are springing up at an alarming rate within the CCA. So, in order not to infringe the indigenous rights of local residents, nor the constitutional rights of the citizens of South Africa, it could perhaps be feasible that only existing dwellings within the CCA may be developed, and the footprints regulated. DEDEAT should engage urgently with the local headmen and chiefs to enforce these measures.

The reality of the situation, however, is that all the PTO holders within the CCA must also share the right to sub-divide and transfer their property. The fact that the land is within the CCA does lower the desirability, fortunately, so this should not pose a significant problem. Although some investors will still be prepared to purchase undeveloped land within the CCA at the risk of never getting building permission; the transferrable right of Freehold should command far higher prices than the infamous "brandy plots" of years past; so local residents selling part or all of their land will be neither "poor" nor involuntarily "dispossessed."

From my perspective as a local resident in Hole in the Wall, the highest priority is for development nodes to be surveyed, and all PTOs converted to Freehold in accordance with Act 112 of 1991. Free market principles (within a control framework with ethical and aesthetic building ground-rules) will then provide the capital (financial and intellectual) for the development of tourism; and create a multitude of land-rich millionaires virtually overnight.

Hole in the Wall: The complex with green roof and rondavels enjoys a secure PTO with business rights, and is on the market for approximately R2 million. Surrounding houses in the village are currently worth virtually nothing.

This will provide numerous avenues for economic development and taxation, while preserving existing norms and customs:

Both “customary” and new commercial transactions can still both be conducted through the local chiefs/TA at applicable rates. (As a member of the community in good standing, aside from payment to the owner of the PTO, the current rate for my permission to take occupancy of a piece of land is “a cow” (about R5,000) and a few cases of beer and drink. Permission to build on individual land is customarily granted by the headman for a fee of about R500.00.)

Customary land use transactions should be officially registered at a nominal rate, but not taxed at all; to prevent dispossession of the poorer landholders.

Transfers and registration of commercially valuable properties (i.e. outsider purchasers) will generate transfer duties and other taxes, and incur annual rates to pay for infrastructure.

Personally, I would rather pay R1,000 a month in rates and taxes, even if only for the removal of solid waste, than R100/month rent for a property I already (theoretically) own.
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CONCLUSION

"Government is a disease masquerading as its own cure." – Robert LeFevre

Since the dawn of civilization, villages and towns have been built by inhabitants with secure, if not inviolable, rights to the land on which they live. Government invariably only emerged as a result of those developments; and can never be the original creator of the foundation on which it rests.

It is a myth that the commoner "subjects" in the former homelands do not wish to have equal private property rights, equivalent to those of historical Freehold in South Africa. Nor, as some would condenscend: that they never had equivalent rights historically, or are incapable of managing their own affairs if such rights are upheld. Many to my knowledge, especially amongst the villagers in Hole in the Wall, registered their individual PTOs decades ago; but are held in limbo by the tripartite government's inability to address the central, inimical, dichotomy: CLaRA, on the one hand, attempted to impose the communal tenure concept over existing individual land rights holders, and place them under the arbitrary control of Traditional Authorities; whereas the ideals of the National Democratic Revolution (NDR) is to transform and democratise the institution of traditional leadership: In 1998 the then Premier of the Eastern Cape, Mr. M. Stofile, gave a speech to the House of Traditional Leaders, wherein he said "it is incumbent upon Traditional Leadership to seek to purge the institution of all illegitimacy by being prepared to commit class suicide when the audit of Traditional Leadership takes place." 18

The Green Paper now seeks to remove that power from the TA and impose it through Land Rights Boards and Committees, which should include the TA. On the whole, considering the paradox, this is a reasonable approach for managing tenure where communal property rights are the case. But why should long-overdue individual property rights be withheld until this is formalised?

"It is also but right to mention, not only the inconveniences they are preserved from who live in a communion of goods, but also the advantages they are deprived of; for when the whole comes to be considered, this manner of life will be found impracticable." ~Aristotle 19

The Wild Coast needs to be conserved insofar as possible while balancing a burgeoning population and development requirements; but it is immoral, unethical, illegal and unconstitutional to withhold existing individual land rights from the common man.

Reincorporation is nothing like land restitution or redistribution: Broadly speaking, secure land tenure in the former homelands is the biggest obstacle to development, and should be enabled and prioritised in isolation from Land Reform and restitution in the rest of South Africa, as it is primarily a case of converting existing PTOs to ownership. The legislation already exists, but is stifled by the focus on, and failure of land restitution and redistribution failures.

"The Department of Rural Development and Land Reform spent R5 billion in 2010 and 2011 bailing out failed land reform and land restitution projects. The problem is not the pace of land reform but the utterly inept manner in which it is carried out with a 95% failure rate. Now the farms are being recapitalised and handed over to commercial farmers. The land reform beneficiaries become landlords. This is empowerment?" –Richard Spoor

Communal and Individual property rights can coexist where applicable. However Communal ownership is mostly indicated in land restitution cases; which do not apply throughout most of the established settlements and holiday resorts of the Wild Coast, or indeed, the Transkei in general. (Some victims of dispossession or relocation through establishment of nature reserves, individual cottages, and Matanzima's much hated "betterment scheme" do have recourse to the institutional mechanisms already provided for restitution.)

Dr. Clarissa Fourie, in a paper presented in 2000 20 clearly distinguishes the different aspects of Land Reform in South Africa, and underpins the case for CPA's to form collectives of Labour Tenants and other claimants (e.g. informal settlements) in greater SA (87%), while the former homelands (13%) were intended to have inferior rights upgraded to Freehold, where possible.

19 aristotle.thefreelibrary.com/A-Treatise-on-Government/2-5
20 users.iafrica.com/a/au/augusart/online_itcsa.html
"There were two major Land Acts passed early in the twentieth century, which changed the face of South African society and whose effects will be felt for generations to come. These were the 1913 Land Act No.27 and the 1936 Trust and Land Act No. 18. These Acts effectively reserved 87 percent of the national surface of the country for Whites, Coloureds and Indians, but mostly for Whites. Black South Africans, probably about 75 percent of the population, were limited to 13 percent of the country's land. That is, Black South Africans could only occupy or own 13 percent of South Africa. I believe this is the largest ratio in the world of discriminatory land holding, either between races or 'haves and have-nots.' This has to be dealt with by the new South African government's land reform programme.

"The 1913 and 1936 Land Acts identified about 13 percent of the national land surface for Black South African occupation. After 1948, when apartheid was introduced and refined further, these same areas, became the Homelands or 'Bantustans.' The South African government's intention was that these areas would become 'independent states' separate from the South African state.

"The 1913 and 1936 Land Acts also introduced inferior forms of land titles for Blacks. In 1936 the South African Development Trust was formed, in which all land in the 13 percent, which was not already held by Blacks in freehold, became vested in the Trust.

"This Trust made land available in this 13 percent to Blacks only, by allocating a range of highly restrictive titles. Permissions to occupy, 99 year leasehold which could be cancelled administratively, house rentals and so on. A condition of title was always that it had to be occupied by a Black person and often the state could take the land back for unacceptable, read 'political' behaviour.

"The new government has developed a range of new land policies and legislation to redress the social injustices of the past and to turn the apartheid history of the country around. These policies include:-
1. Redistribution of land
2. Restitution of land to those who were removed
3. Large scale formal housing development for low income groups
4. Re-structuring the cities and towns
5. Giving land rights to labour tenants
6. Securing customary rights holders
7. Upgrading and giving title to informal settlements
8. Unifying the land delivery legislation and procedures
9. Rationalising administrative structures
10. Facilitating group registration approaches
11. Changing inferior titles to freehold
12. Gender equality
13. Providing a comprehensive, user friendly, affordable, accessible, transparent land information system, especially to the historically disadvantaged."

She goes on to say, however, "one of the critical areas which still remains to be addressed is that of the 13 percent customary tenure areas, which are still largely owned by the central state. Central government is very keen to divest itself of this ownership and give the land rights instead to those individuals/households/families in occupation and/or to tribes."

It should be well noted by now that government initiatives, Community Private Partnerships (CPP) and Public Private Partnerships (PPP) have manifestly failed on the Wild Coast. Tourism development should therefore be left in the hands of entrepreneurs and innovators within the private sector; and not in the hands of bureaucrats and civil servants with no relevant experience. Their job is to enforce the (existing) laws to enable secure land tenure, to inform and regulate, and to provide infrastructure where applicable and feasible.

In closing, kindly forgive any factual errors or possible misinterpretations of the law. While neither an academic nor legal expert, my intent herein is to provoke thought and to shift the debate towards a rational outcome to enable positive transformation and development of the Wild Coast's tourism potential; and to provide as solid a case as possible for security of tenure for all residents.

My feelings and experience as a resident of the Wild Coast are that, despite my assertions of equal rights to ownership, I have always maintained cottage rights are already secure, and I will gladly forego conversion of tenure indefinitely for our quitrent based PTOs, if only the previously disadvantaged rural residents receive their rights so long denied them; and that they are allowed to capitalise on their land themselves. In order to avoid repetition of the situation which played out in Hole in the Wall in recent years, when individual's land rights
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were abused to a formidable extent by government officials and outside vested interests; it is vitally important that individual PTO holders rights are recognised and formalised, and that if any developments proceed on their land, that they are compensated at market related prices:

In 2005, a Record of Decision was granted to a group of American companies, a mixture of "for", and "not for" profit entities (but all belonging to the same person) fronted by a local subsidiary. See www.wildcoast.co.za/node/96 (Would you pay R30,000 for this piece of land?) for the sequence of events that played out from 2006 to date, and which resulted in a warrant of arrest being issued for Brian Dinning, the American CEO, on 24 counts of wire fraud.

It is my sincere hope to see the people and tourism flourish along the Wild Coast, through bottom-up, reality scaled innovation and entrepreneurship in the development nodes, enabled through secure land tenure; as opposed to top-down, macro economic plans that have no basis in reality. We do not need "cultural village" and "heritage site" white elephants, or "coastal beautification projects" marring the natural Wild Coast splendour. Nor should the people ever again be placed in the situation of having to give up their land for jobs.

Please also see www.wildcoast.com/development for more writing on the subject.

Jeff Brown
Hole in the Wall
wildcoast.com

"Throughout history, it has been the inaction of those who could have acted, the indifference of those who should have known better, the silence of the voice of justice when it mattered most, that has made it possible for evil to triumph." ~Haile Selassie