

**Land Reform in Namibia:
Motor or Obstacle of Democratic Development**

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Introduction

Land reform in Namibia is widely regarded as a prerequisite for successful rural development, and hence, poverty alleviation. Access to land is seen as necessary for the provision of opportunities to sustainable means of livelihoods and the enhancement of dignity, well-being and economic empowerment of previously disadvantaged groups and communities (RoN 2001b: 14-11).

At the same time, redistributive land reform must also be seen as an integral part of national reconciliation. The Speaker of the National Assembly was reported as telling the President of the German Bundestag, Mr. Wolfgang Thierse, recently, that land reform was not simply an 'economic transaction'. He stated that it was 'the price we have to pay for peace and a two way street where people have to meet each other' (Republikein 25.4.2003).

As in other settler colonies, demands for land reform and redistributive land reform in particular derive their impetus and strength from colonial land dispossession. They are as much a demand to bring about more equitable socio-economic development in the country as a desire to have past injustices addressed. Land dispossession was the foundation which underpinned the wealth and power which colonial settlers managed to achieve within a century of colonial rule. Redistributive land reform is thus not only an economic process but also eminently political. The land question will therefore not be solved on a purely technical level, but must take cognisance of political and emotional issues as well. However, economic and environmental considerations will have to be taken seriously if we want to solve this issue sustainably.

This paper will look briefly at land reform in Namibia. It will start off by providing a brief description of land dispossession and poverty. The next section will situate land and agriculture in the wider Namibian economy and discuss the agricultural potential of land. A discussion of the policy and legal framework for land reform as well as the different components of the programme will conclude the paper.

Land dispossession and poverty

Land dispossession mainly affected indigenous pastoralist communities such as the Ovaherero, Nama and Damara livestock farmers. Communities in the northern and north-eastern parts of former South West Africa which practised rainfed cultivation and livestock husbandry were not directly affected by dispossession. While these areas were not considered to have had sufficient mineral and farming potential by early German colonialists, the relatively small German garrison also did not have the military might to subjugate the militarily and politically powerful kingdoms in the north (Werner 1993: 139).

As a result of German inability to subdue those kingdoms, the colonial government announced in 1907 that police protection should be confined to those areas that fell within the sphere of influence of the railway line or main roads. This area was

henceforth referred to as the Police Zone. Dispossession and colonial settlement occurred exclusively in the Police Zone.

Formal colonial rule began in 1884. By the early 1890s eight concession companies had acquired rights to virtually all the land utilised by pastoralist communities. It was not until after the *rinderpest* of 1897, however, that the acquisition of land by settlers started in all earnest. By 1902 only 38% of the total land area remained in black hands (Ibid.: 138). The rapid loss of land contributed greatly to the Nama and Herero war of resistance against the German colonial forces in 1904, which led to the large-scale extermination of Herero and Nama pastoralists. Regulations enacted in 1906 and 1907 empowered the German colonial authorities to expropriate nearly all land of the Herero and Nama. As a result, German settlers owned 1331 farms and some 90% of all livestock in the Police Zone by 1913 (Ibid.: 140).

At the outbreak of World War 1, troops from the Union of South Africa conquered the German colonial forces in South West Africa. The new colonial regime continued with the establishment of white farms in the Police Zone after 1915. By the early 1950s the process of white settlement had largely been concluded. The total number of farms established by then was 5214 (Ibid.: 144).

Simultaneously with the process of white settlement, the South African colonial government began to set aside land for the exclusive use of dispossessed, black communities. These areas became known as 'native reserves', and by 1926 16 such reserves covering 2,4 million hectares had been established. While these reserves reversed the total ban on land possession by blacks imposed by the Germans, most reserves were established on marginal land (Ibid.).

South African reserve policies culminated in the mid-1960s in proposals put forward by the *Commission of Enquiry into South West Africa Affairs*¹ to consolidate existing native reserves into tribally based 'homelands'. In time, these homelands were to obtain some measure of autonomy through the establishment of tribally based legislative assemblies and executive committees. The recommendations of the *Odendaal Commission* completed the system of racially structured access to land in Namibia.

At Independence in 1990 the new Namibian government inherited a highly skewed distribution of land. Approximately 36,2 million hectares of land representing 44 per cent of the total land area continue to be held under freehold title. This land is commonly referred to as the commercial farming sector. Under previous Apartheid policies, access to this land was reserved for white farmers, and the freehold farming sector is still dominated by white land owners (RoN 1991b: 147). By contrast, the non-freehold areas, formerly known as native reserves and referred to today as communal areas, comprise about 33,4 million hectares, representing 41 per cent of total land area.

These aggregate figures overstate the agriculturally usable land in non-freehold areas, as large tracts of communal land are situated in semi-desert areas. Low mean annual rainfall ranging between 50-100mm and the absence of exploitable ground water

¹ The Commission is commonly known by the name of its chairman, Odendaal.

renders much of this land unusable for agricultural purposes. If these factors are taken into consideration, 57 per cent of agriculturally usable land fall within the commercial farming sector (36 million ha.), with communal areas occupying only 43 per cent or 27 million ha (Ibid.).

The pattern of poverty in Namibia mirrors the unequal distribution of land. Namibia has the unenviable reputation of displaying some of the highest income inequalities in the world. In the late 1990s its Gini-coefficient was 0.70 (Hansohm *et al* 1999: 17). Income inequalities are vast. Ten per cent of household representing 5.3% of the population consume 44% of total private consumption, while 90% of households consume an estimated 56%. The richest 10% of the population receives 65% of income (Ibid.).

About 70% of the population lives in rural areas and 30% in urban areas. The former make a living on just 55% of the national average income (N\$ 17,198 in the mid-1990s). It is estimated that between 50% and 67% of all households (depending on the measure used) are poor. Poverty is thus most pronounced in the rural areas.

The northern and north-eastern regions are considerably poorer than the central and southern regions. Annual household incomes in five of the former regions (Oshana, Caprivi, Omusati, Oshikoto and Okavango) is less than half of the national average (Ibid.: 19). These are regions where access to land is obtained through customary tenure arrangements and where farmers practice cultivation together with animal husbandry. With the exception of Otjozondjupa region, average household incomes in regions where commercial farming is taking place are above the national average. These average figures conceal intra-regional income differentials, however. Urban areas such as Windhoek, for example, increase the regional average for Khomas Region considerably.

Land and agriculture in the Namibian economy

The agricultural resource base in Namibia is relatively poor when compared to many other countries. Namibia is one of the driest countries in Sub-Saharan Africa.² Climatologically, 28% of the country can be classified as arid, with a mean annual rainfall of less than 150mm, while 69% is semi-arid, receiving an average annual rainfall between 150mm and 600mm (Seely 1991: 2). Table 1 provides a more detailed breakdown of mean annual rainfall figures.

² The following is based primarily on Brown (1993)

Table 1: Percentages and areas of Namibia and commercial farmlands within various rainfall belts

Rainfall belts (mm)	Namibia		Commercial farmland	
	Area (km ²)	%	Area (km ²)	%
less than 100	181,1092	22	32,967	9
100-300	271,638	33	189,282	51
300-500	304,563	37	129,275	35
more than 500	65,852	8	18,521	5

Source: Brown 1993: 91

The table indicates that 55% of the entire agricultural land receives less than 300mm of rainfall on average, and only 8% receives 500mm or more, which is generally accepted as the minimum for dryland cropping (Brown 1993: 74). With regard to freehold agricultural land, i.e. the commercial farming sector, 60% receives less than 300mm of rain per annum, and only 5% receives 500mm or more.

The highest mean annual rainfall occurs in the north-east of the country, decreasing in a south-westerly direction. Accompanying these low rainfall figures is a high rainfall variability. This refers to the 'reliability with which rain falls in a particular region' (Brown 1993: 75). Annual rainfall in the north-east of the country fluctuates within 25% of the long-term mean, while this rises to 60% in the south and west of the country. In practical terms this means that farmers in the north-east of the country with a long term mean of 500mm can expect between 400mm and 600mm in any year. In the south-west, on the other hand, average annual rainfall fluctuates between 80mm to 320mm, with a long-term mean of 200mm. In addition to a relatively high degree of variability, rainfall is not always spread evenly over a rainy season. It is common for crop growing areas to receive more than their long term average annual rainfall but end up with no harvest and thus experience a so-called 'green drought'.

This brief discussion highlights the fact that opportunities for agricultural production are severely constrained by rainfall and the availability of water. Most of the land targeted for redistribution is useful only for extensive livestock ranching, and an intensification of land use is frequently only achieved by diversifying out of agriculture into game farming and tourism related activities. Low and variable rainfall make agriculture production risky at the best of times. Droughts are a common occurrence.

For reasons just outlined, the freehold or commercial farming sector which is targeted for redistribution is best suited for extensive livestock farming. In the better rainfall areas of central and northern Namibia this takes the form of beef ranching, while small stock farming with sheep and goats takes precedence in the southern half of the country. Cultivation is limited to a few small high rainfall areas and pockets where artesian water is available. Irrigation takes place on a small scale, mainly next to

artificial water storage dams and the Orange River. The irrigation potential– both small- and large scale – has probably not yet been fully exploited.

Due to its climatic conditions, Namibia remains critically dependent on the importation of food stuffs mainly from South Africa. Depending on rainfall, between 30% and 80% of the market demand for cereals has to be imported. The country is thus far from self-sufficient in food production. However, the value of agricultural exports - beef accounted for more than 70% of agricultural exports since 1990 – has exceeded the costs of importing basic food stuffs several times over since Independence (Werner 2000: 38). While food security at a national level is not considered a problem, ‘there remain vast discrepancies and inequalities at the household level with regard to economic and reliable access and stability of adequate food supplies necessary to maintain a healthy and active life’ (RoN 1995c: 1)

The contribution of the agricultural sector to GDP is modest and has not exceeded 10% since Independence. However, the economic impact of the sector is much larger than these figures suggest due to forward and backward linkages with the wider economy. In order to capture these linkages a multiplier of 1,8 is generally accepted. This means that the sector has contributed up to 18% to the GDP since 1990.

Approximately 70% of the Namibian population depends on the agricultural sector in one way or another. Apart from those people who derive an income from agricultural production in non-freehold areas, 35,000 people are employed in the commercial farming sector. Together with their dependents this amounts to an estimated 210,000 people.

Policy and legal framework

A programme of land reform was started in 1990. The programme consists of four main components:

- Redistributive land reform;
- Tenure reform;
- Development of unutilised communal land; and
- The Affirmative Action Loan Scheme.

A policy and legal framework is in place to guide land reform. This consists of the following:

- *The Constitution of the Republic of Namibia;*
- *Agricultural (Commercial) Land Reform Act, 1995;*
- *White Paper on Resettlement, 1997;*
- *National Land Policy, 1998;*
- *Communal Land Reform Act, 2002.*

Redistributive land reform is implemented in accordance with the provisions of the *Agricultural (Commercial) Land Reform Act, 1995*³. The provisions of the Act include the following:

- it lays down a preferential right of the state to purchase commercial farm land;
- it provides for market related compensation;
- it establishes a Land Reform Advisory Commission consisting of stakeholders to advise the Minister of Lands;
- it prescribes the way in which commercial farm land was to be planned and allocated;
- it provides for the subdivision and survey of holdings for small scale farming.
- it restricts the acquisition of commercial farm land by foreigners; and
- it establishes a Lands Tribunal to solve possible disputes over prices between sellers and the government.

The *Land Reform Act* provides a very wide definition of beneficiaries of land reform. These will be

Namibian citizens who do not own or otherwise have the use of agricultural land or adequate agricultural land, and foremost to those Namibians who have been socially, economically or educationally disadvantaged by past discriminatory practices.

Although the *White Paper on Resettlement* provides a slightly more specific definition of beneficiaries, it is still too wide to be useful. In terms of its provisions a broad spectrum of previously disadvantaged people will be considered for resettlement ranging from those with no access to land and no means of production to people in employment, no land but up to 149 large stock units. This cut-off point is determined by the Affirmative Action Loan Scheme administered by Agribank, which is accessible only to people with 150 or more large stock units. Income levels do not matter in the selection of land reform beneficiaries according to the Permanent Secretary in the Ministry of Lands, Resettlement and Rehabilitation (The Namibian 21.11.2002).

Some observers have praised these very flexible selection criteria as a strong point of land redistribution in Namibia. Experience suggests, however, that without more narrow and specific criteria and more transparent selection procedures, the benefits of land redistribution will be captured by elite groups who might have been previously disadvantaged but no longer fit this category by any stretch of the imagination.⁴

The *Resettlement Policy* lists the objectives of and options for resettlement on land acquired under the *Land Reform Act*. Amongst other things, government will seek

³ This Act will be referred to below as the *Land Reform Act*.

⁴ At least one Permanent Secretary, one Regional Governor and several civil servants have been allocated land under the land reform programme during 2003 and 2003.

- to give an opportunity to the target groups to produce their own food with a view towards self-sufficiency;
- to create employment through full-time farming;
- to bring small holder farmers into the mainstream of the Namibian economy by producing for the market; and
- to alleviate human and livestock pressure in communal areas (RoN 1997).

Redistributive land reform and resettlement are thus aimed at alleviating poverty by improving the productive capacity of the poor by ‘purchasing and allocating land to enable them to make a living’ (Ibid.). After five years of government support, settlers are ‘expected to completely support themselves’ (Ibid.: 8). The *White Paper* does not spell out exactly the level of welfare at which settlers are expected ‘to support themselves’ and ‘make a living’. It merely asserts that ‘a target minimum income level has to be established...[and] should be adjusted when necessary to reflect changes in the economy’ (RoN 1995: 6).

Namibia’s land and resettlement policies seek to bring about this improvement in the standards of living of previously disadvantaged people by transforming the large scale commercial farming sector into small-scale units. Anticipating increasing pressures on existing land as a result of population growth, the *National Land Policy* proposes to make the subdivision of large scale farming units conditional on the ‘maintenance of farming units of an economically viable size’ (RoN: 1998: 16).

The determination of what constitutes an ‘economic unit’ was left to the *Land Reform Advisory Commission* (LRAC) which was established in terms of the *Land Reform Act*. Underlying its recommendation on minimum farm sizes was a minimum target income for beneficiaries of N\$ 15,000 per annum. This figure was proposed by the Central Bureau of Statistics as the minimum required to provide ‘a decent standard of living’ for a household of 5-6 people. Based on this figure the LRAC decided that beneficiaries should not be allocated less than 1,000 ha. in the central and northern regions for livestock farming and at least 3,000 ha. in the southern parts of the country.

It is commonly believed that small-scale farms are more productive than large-sale ones. Amongst other things it is held that small-scale farmers are more productive on account of the fact that they employ family labour rather than hired labour (Informal Think Tank 2003: 6). While hard and fast data on this issue is not available, anecdotal evidence in Namibia suggests that many land reform beneficiaries may be employing double or three times more labour per hectare than the average commercial farmer. The fact that a substantial number of beneficiaries seem to be absentee farmers who are employed in towns during the week, helps to explain this situation. While this practice undoubtedly increases the labour absorption rate on small-scale farming units allocated under the redistributive land reform programme, it is questionable whether this represents an increase in productivity.

Another concern regarding small-scale farming under unpredictable and unreliable rainfall regimes relates to the vulnerability of beneficiaries to drought. Flexible

grazing management regimes are one way to cope with drought, as is the ability to sell off livestock before a drought and restock rapidly after the first good rains. The first option requires larger pieces of land than the recommended allocations, while the second option requires access to financial services not yet in place (Ibid.). While the latter option can be developed as part of national drought mitigation strategies, beneficiaries remain limited to the size of their allocated units.

Finally, the transformation of large scale commercial farming units occurs at a time where markets – and this includes markets for beef – are liberalised. It remains to be seen to what an extent small-scale farmers will be able to compete successfully under these conditions ‘where ready access to information and capital favour larger enterprises’ (Ibid.).

Access to credit will be a crucial determinant of whether land reform beneficiaries will turn into successful small-scale farmers. At present, beneficiaries of individual land allocations do not receive any financial support from government to start farming. Unless they can use savings or pension money, beneficiaries will find it very difficult to obtain credit, particularly since only few leasehold agreements could be registered in the Deeds Office. The delay in registering leases is caused by limited resources to survey allocated portions of land and produce survey diagrams which are required for registration.

Government’s position on tenure rights to redistributed land seems ambiguous. The *Agricultural (Commercial) Land Reform Act, 1995* provides for the granting of 99 year leasehold rights to allocated farming units and subsequent registration of such lease agreements in the Deeds Office. The *Land Reform Act* also provides for the possibility to buy an allocation after five years, subject to certain conditions. In terms of the *Act*, however, these rights are circumscribed in so far as rights to assign, sublet, mortgage or in any way encumber a farming unit allocated by the MLRR is subject to the written approval of the Minister. However, in a legal opinion the Office of the Attorney-General expressed the view that a mortgage could be registered on any lease agreement registered in the Deeds Office.

In spite of this legal opinion, the *Draft Land Tenure Policy (2002)* continues to state that the rights of settlers will be subject to a number of limitations which include the right of the Minister to change the agreement with settlers and the power to revoke a lease if the holder is in breach of the terms and conditions relating to the productive use of the land, financial viability etc. The *Draft Policy* proposes that even the erection of buildings on a holding should be prohibited unless consent from the Minister has been obtained.

Towards the end of 2002 the Minister of Lands, Resettlement and Rehabilitation introduced an amendment to the *Land Reform Act*, in which he proposed that the section of the *Act* which provides for the option to purchase a farming unit after five years be deleted. Such land, he argued, should never be for sale. Instead, ‘it should rather serve as place where some future potential commercial farmers should graduate from and be able to acquire their own agricultural land’.

Despite the emphasis on poverty alleviation and economic development in land reform and resettlement policy papers, it is not very clear how land redistribution fits

into a wider rural development framework and how significant its impact on poverty alleviation is likely to be. Amongst other things, this raises the question as to whether land redistribution is pursued to provide a basis for sustainable rural livelihoods or to satisfy the interests of the elite (Informal Think Tank 2003: 5). This question seems relevant in view of the very wide definition of beneficiaries, which has enabled members of the elite to benefit from land redistribution.

It is also significant in this regard that neither the *Poverty Reduction Strategy for Namibia*, which was approved by Cabinet in 1998, nor the *National Poverty Reduction Action Programme 2001-2005* which is based on it, pay much attention to land redistribution as a means to alleviate poverty in the long term. According to the *Poverty Reduction Strategy*, 'the agricultural base is too weak to offer a sustainable basis for prosperity'. It foresees that in 'a quarter century from now, the large majority of the country's inhabitants...are likely to have moved into urban centres...' (RoN 1998a: 5). These views reflect the conclusions of a World Bank study on poverty reduction that the opportunities for developing cultivation on redistributed freehold farmland seemed limited and could at best achieve a 'one-time gain for poverty reduction' in those few areas where cultivation was possible on land presently farmed by extensive methods (World Bank 1997: 12).

Tenure reform in non-freehold areas

Tenure reform in the non-freehold or communal areas was not regarded as particularly important by policy makers. In view of the fact that the majority of Namibians are living off the land in communal areas and indications that traditional tenure rules and administrative structures are disintegrating, tenure reform in communal areas should enjoy a much higher priority. On the one hand, a programme of tenure reform would go some way to secure the customary rights to land and natural resources of rural people. On the other hand it would protect small scale farmers on communal land against future land inequalities as local elites and agri-business seek to secure rights to land. Finally, secure tenure relations in non-freehold areas may have a positive influence on investment and economic development in these areas that have been neglected under the Apartheid dispensation.

The *Communal Land Reform Act* which was passed in the latter half of 2002 and signed into law in early 2003 seeks to address some of these issues. In broad terms, the *Act* provides for the registration of all land rights held in communal areas. It distinguishes two different kinds of rights to be recognised: (i) customary land rights; and (ii) rights of leasehold.

With regard to customary land tenure, the *Act* recognises and confirms the powers of traditional leaders to allocate and revoke rights in land. However, customary land administration will be formalised. Proposed *Communal Land Boards* will control customary allocations and revocations of land rights. After commencement of the *Act*, applications for new allocations of land will have to be addressed in writing to the Traditional Authority. Once granted, the latter will have to inform *Communal Land Boards* about new allocations and furnish particulars with regard to such

allocations to the Board. Once the Board has satisfied itself that a particular allocation does not infringe on the land rights held by another person, does not exceed the maximum area prescribed and does not fall into an area reserved for common usage, such a right will be registered by the Communal Land Board and a certificate of registration will be issued to the applicant. In this way customary land rights will be legally protected.

Existing customary land rights holders will have to apply to their respective Land Boards for recognition and registration of their land rights. The criteria used in new allocations are applied to assess the legitimacy of such allocations. Should there be reason to doubt the validity of a claim or that there are conflicting claims, Land Boards will have to initiate a hearing.

The *Act* provides for the inheritance of customary allocations through the Traditional Authority of a particular area. These provisions are aimed to ensure that rights to land will remain in a particular family for as long as a family wishes to keep them. Any other transfers of customary rights can only occur with the written consent of the Chief or Traditional Authority of a particular area.

The *Communal Land Reform Act* seeks to make unused communal land available to individuals under leasehold with a view to promote agricultural development. This will effectively reduce the areas of jurisdiction of traditional leaders by bringing customary land under the control of the state. The *Act* empowers the Minister of Lands to designate portions of a particular communal area within which long term leases may be granted for agricultural development purposes. Such designation has to be preceded by consultations between the Minister, the Land Board and Traditional Authority of a particular communal area. Land Boards are only authorised to grant rights of leasehold if Traditional Authorities have consented to this. Should the latter refuse, the Land Board will submit the matter to arbitration.

Grantees of leaseholds may be required to survey their land at their own expense. Once surveyed, the leasehold will be registered in the Deeds Office under the *Deeds Registries Act, 1937*.

The *Act* also provides for the legalisation of enclosures of communal pastures and prescribes an elaborate procedure for assessing such applications

Finally, persons who are aggrieved by a decision of a Traditional Authority and/or Land Board will be able to appeal against such a decision to an appeal tribunal appointed by the Minister of Lands.

Experience from other countries in the region suggest that the best policies and legislation will remain meaningless unless transparent and democratic land administration and management structures are established. This does not necessarily imply that existing traditional structures be replaced *in toto*. Instead a careful evaluation of these structures needs to be carried out to determine their strengths and weaknesses in order to strengthen the former and reduce the latter. In some instances new structures new to be created to improve transparency and accountability of customary land administration systems.

The Development of Communal Land

The development of unused communal land for agricultural purposes is the third component of the land reform programme. The feasibility of this option was investigated for the *National Conference on Land Reform and the Land Question* in 1991. It was concluded then that this was a high cost option and that benefits were unlikely to be widely distributed (RoN 1991: 498). However, the Minister of Lands argued that it was much cheaper to develop communal land for small scale commercial farming than to buy developed land on the open market. For that reason, government is pursuing this option.

The Ministry of Lands, Resettlement and Rehabilitation appointed consultants to investigate the potential of developing unused communal land for agricultural purposes. They identified approximately 13,700km² (1,370,000 ha) of communal pasture land that could be developed in the four north-central regions and another 8,860 km² (889,000 ha) in Kavango (IDC 2000: 32; 2002: 18). It is proposed that these farms be developed into commercial units ranging in size between 3,600 and 4,000 ha. The development cost of a farming unit that size was estimated to be N\$ 392,000 compared to the average of N\$ 1,2 million the Ministry had paid for developed land⁵ (Republikein 16.5.2002).

While this particular development trajectory would provide a significant number of previously disadvantaged Namibians with access to land, its impact on equity would be less impressive.

The Affirmative Action Loan Scheme

An Affirmative Action Loan Scheme (AALS) was first implemented in early 1992. Its primary objective is to relieve grazing pressures in the non-freehold or communal areas by encouraging big livestock owners to purchase commercial farms. In terms of the scheme, Agribank provides loans for a 25 year period at interest rates which are subsidised by the government. Table 1 summarises interest rates and government subsidies under the Scheme.

Table 1: Interest rates and government subsidies for full-time communal farmers, 1998

Year	1	2	3	4	5	6	7	8	9	10 on
Applicant	0%	0%	0%	2%	2%	2%	4%	4%	8%	16%
Subsidy	16%	16%	16%	14%	14%	14%	12%	12%	8%	0%

Source: Agribank 1998

⁵ It is likely that this estimate is far too low. In the 1980s the capital costs of developing a 5,000 ha farm in Oshikoto and Kavango region with 8 paddocks ranged between N\$ 440,000 and N\$ 480,000 (RoN 1991: 485). More specifically, the present estimate does not seem to factor in the high failure rate of drilling for water.

Currently the following criteria are in place to qualify for an AALS loan:

- The applicant must be identified as a farmer in the communal areas.
- He/she must own a minimum of 150 large stock or 800 small stock or the equivalent thereof.
- Proof must be rendered by the authority of the communal area of the numbers of the applicant's stock in the area.
- The applicant must furnish proof that he/she has removed his/her total stock out of the communal area (Werner and Vigne 2000: 50).

Loans are granted against security of mortgage bond and productive use of land is insisted upon.

State guarantees were introduced to finance the difference between the purchase price of commercial farmland and the reasonable value of that land for agricultural and pastoral purposes. The latter valuation is based on what the land can produce, and is generally well below the market price. It was anticipated that communal area farmers might experience difficulties in financing this difference.

Since 1992 a total of 231 full-time farmers successfully applied for loans totalling N\$ 159,5 million under the Affirmative Action Loan Scheme to purchase 1,33 million hectares land in the free-hold sub-sector. Thirty-one per cent of this land was bought in the southern districts, accounting for only 13% of the total loan amount. The most popular districts were Gobabis where 50 people bought land, followed by Grootfontein (44). Outjo and Otjiwarongo registered 35 and 25 purchases respectively. Table 2 provides a brief summary.

Table 2: Affirmative Action Loan Scheme: Full-time Farmers 1992-2001

Macro-Region	No. of loans	Ha. purchased	% of total	Amount granted	% of total
South	47	412,640	31	21,152,338	13
North	184	918,131	69	138,371,797	87
TOTAL	231	1,330,771	100	159,524,135	100

Source: Agribank 2002

The AALS was amended in the late 1990s to cater for part-time farmers as well. By 2002 a total of 137 part-time farmers obtained loans amounting to N\$ 84,1 million to purchase 758,219 ha. of land. One third of this land was bought in the south and the remaining two-thirds in the northern and central areas. Only 12% of the loans were spent on land in the southern areas. Table 3 provides a summary.

Table 3: Affirmative Action Loan Scheme: Part-time Farmers 1992-2002

Districts	No. of loans	Ha. purchased	% of total	Amount granted	% of total
South	30	249,203	33	9,806,916	12
North	107	509,016	67	74,280,200	88

TOTAL	137	758,219	100	84,087,116	100
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Source: Agribank 2002

In total, 368 previously disadvantaged Namibians have benefited from the Affirmative Action Loan Scheme. Since 1992 they bought 2,088,980 hectares of freehold agricultural land through the Scheme, almost four times as much as Government has purchased for redistribution.

Farm workers

As in Zimbabwe, the issue of farm workers is becoming more acute as land redistribution progresses. Redistributive land reform in Namibia faces a particular dilemma with regard to farm labourers. This dilemma is determined to a large extent by the fact that the land targeted for redistribution is of a marginal nature with limited scope for intensification. At present, the commercial farming sector employs on average one labourer and his dependents on 1,000 hectares of land. In terms of the recommendations of the Land Reform Advisory Commission, allocations of agricultural land should not be less than 1,000 hectares in the central and northern regions and at least 3,000 hectares in the more arid south. A rough calculation suggests that sustainable redistributive land reform will not necessarily put more people on the land than are currently employed in the commercial farming sector.

More to the point, however, it must be assumed that most farm workers on redistributed land have lost their jobs without compensation, although no accurate data on this problem is available (Werner 2001; Werner 2002a). At present no integrated plan exists to accommodate farm labourers within the wider ambit of land reform and rural development. For as long as this is not in place, farm labourers are likely to be the losers of land reform, and in a very profound sense, redistribution would solve one problem: the needs of the landless by creating another one: landless and unemployed agricultural workers.

The *Commission of Inquiry into Labour-related Matters affecting Agricultural and Domestic Employees* which submitted its report in 1997 had some very specific recommendations on the matter. Amongst other things it recommended that

- Government consider agricultural employees as primary beneficiaries of the land reform policy, in order to break the cycle of poverty and dependency from which generational workers, in particular, suffer;
- Government allocate State-owned land to, or purchase freehold land for individual or groups of agricultural employees and their families;
- Government and agricultural banks consider granting loans to agricultural employees to buy into, and thereby jointly own, private land, on condition that employees obtain a minimum 50% share of such property; and
- Government consider purchasing privately-owned land in selected areas to be used for the resettlement of currently employed or retired agricultural

employees and their dependants, and to be managed on an individual or collective basis (RoN 1997: 228).

Conclusion

The pace of land redistribution in Namibia is widely regarded as being too slow. However, in terms of targets set for National Development Plan 1 (NDP1) government exceeded its targets by far. Targets for land redistribution set out in NDP2 (2001/02-2005/06) however, would lend credence to these concerns, as these require the Ministry of Lands, Resettlement and Rehabilitation settle 36 families or 180 people per annum for the Plan period.

Much of this paper highlighted some complicated issues regarding redistributive land reform in Namibia. The conclusions from this discussion are that Namibia faces some tough challenges in implementing a land reform programme that satisfies all its objectives in a sustainable way. Even then, land redistribution is not likely to produce quick socio-economic results. Its impact on rural poverty in the long term will be limited, to say the least.

However, it was also pointed out that the socio-economic aspect about land reform was but one of several. Equally important are political considerations. A more equal distribution of freehold agricultural land is an important precondition for reconciliation and stability in the country. After a Cabinet Retreat in December 2000 it was reported that members of the Cabinet had agreed 'unanimously...that land reform is an imperative if Namibia is to maintain its peace and political and national and racial harmony' (New Era 22.12.2000-1.1.2001). This, no doubt, is a fundamental requirement for continued economic development in the country as well as the consolidation of democracy. The challenge is to satisfy these political demands with as little economic and social costs as possible. The first step in this direction is to acknowledge the problems lying ahead and to face them squarely.

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