NAMIBIA POVERTY PROFILE

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The study was conducted by a team of researchers from the Social Sciences Division of the Multi-Disciplinary Research Centre, at the University of Namibia. The project leader was Dr. Stephen Devereux, who co-authored the report together with Dr. Ben Fuller, Mr. Richard Moorsom, Ms. Colette Solomon and Prof. Chris Tapscott.

The authors would like to thank the representatives of government, donors and NGOs who agreed to be interviewed for this project, and who spoke candidly about the important but rather neglected issue of anti-poverty planning and strategising in Namibia.
EXECUTIVE SUMMARY

This report originated in a concern that poverty in Namibia remains a major economic and social problem today, five years after independence, and a problem which apparently is not receiving the priority attention that it urgently needs. The objectives of this study are: to conceptualise and quantify the nature and extent of poverty in Namibia, to analyse the causes and determinants of poverty, to critically evaluate anti-poverty policies and programmes implemented since independence by government, donors and NGOs, and finally, to make recommendations on appropriate interventions for attacking poverty more effectively in future.

While poverty can be conceptualised and measured in different ways, this report argues that narrow economistic definitions do not take account of non-income determinants, such as domestic production or the value of public services and free goods such as wild foods. They also do not consider inequality of income distribution within a country, or how vulnerability (to seasonality and drought, for example) affects household welfare at different times. Yet these factors are as important as income and assets when analysing poverty or deprivation.

Realistic measures of poverty in Namibia need to take account of social as well as economic indicators. Global statistics reveal that Namibia performs better in terms of GNP, compared to other countries, than in terms of social indicators such as infant mortality, life expectancy and adult literacy. This discrepancy is a reflection of the severe inequality in incomes and living conditions between Namibia's wealthy elite and the desperately poor majority.

Various studies using different definitions have estimated poverty levels in Namibia to be in the range 47-50% of households, or about 700,000 people, though some community-level surveys have put the figure as high as 77% in specific localities. Poverty is differentiated according to geographic location, occupation, age and gender. In general, the poor in Namibia are most likely to live in the rural communal areas, and to engage in subsistence crop farming or livestock rearing for a living. Apart from being generally poor, these rural households are also highly vulnerable to income shocks such as drought.

Colonial rule was responsible for the introduction of systematic processes of impoverishment through social dislocation and discriminatory economic policies. The "homelands" system, the contract labour system and influx control are the source of much of the poverty and inequality found in Namibia today. Although independence has seen the abolition of repressive economic and social legislation, economic imbalances persist and will take much longer to eradicate.
The centrality in colonial economic policy of low-wage export industries such as mining, beef and karakul production, and marine fisheries served to entrench economic inequality and deprivation. Namibia’s economy remains narrowly based and heavily dependent on import and export trade with South Africa. Open unemployment is estimated at 25-30%, with options for employment creation extremely limited. Few formal sector employment opportunities exist in the communal areas. The government provides most rural jobs while the private sector creates very little employment. The underdeveloped informal sector also provides few opportunities, either in rural or urban areas.

Economic poverty is reinforced by the political and psychological disempowerment felt by many communities. A dependency syndrome has developed as a result of the paternalistic practices of the colonial administration and the expectations of improved living conditions generated during the independence struggle - expectations which remain largely unfulfilled.

Low incomes, poor living standards and low levels of education are exacerbated by high fertility rates. Strong pro-natalist views militate against an effective family planning programme. Namibian women are particularly disadvantaged, for reasons including exclusion from many economic activities, limited access to productive resources, customary law that discriminates against women and the loss of traditional support mechanisms. Also, children from disadvantaged families suffer from poor health and malnutrition, and are often withdrawn from school, creating a cycle of poverty from one generation to the next.

Following an analysis of the causes and determinants of poverty in Namibia, this report continues with an examination of steps that have been taken to redress the deep inequalities and high rates of poverty inherited by Namibia at independence. This analysis was based on interviews conducted with representatives of government, donors and NGOs.

A common complaint was that government has not provided sufficient leadership and coordination to date in terms of anti-poverty strategies and policies. The consequence has been a failure to prioritise poverty reduction, and a policy vacuum which has allowed certain donors to set the agenda instead of government. It was also widely felt that government has avoided taking the really "tough" decisions, for example on land reform, that could have the biggest impact in terms of poverty reduction.

Bilateral and multilateral donors have focused much of their assistance to Namibia (perhaps too much) on institutional development - supporting government ministries and infrastructure projects - rather than channelling assistance directly to the poor through community-based organisations and NGOs. Donors did respond generously to the drought emergency of 1992/3, but this must be categorised as support for poverty alleviation rather than poverty reduction.
NGOs are perhaps most effective in terms of working directly with the poor at local level. Though there are some successes in this respect, the impact of NGOs is by definition limited to the region or communities in which they work.

The concluding chapter of this report warns against the danger of Namibia following the "Sri Lanka option" - investing too heavily in social services (poverty alleviation measures) to the neglect of investment in productive sectors that can generate real income growth for the poor (poverty reduction measures). The report argues that sustainable poverty reduction is not possible unless redistributive policies are implemented that transfer resources from rich to poor. Such policies might include land reform and more progressive taxation policies.

The report further argues that a precondition for successful poverty reduction at household or community level is decentralisation of decision-making power away from Windhoek - a process which was initiated with the Regional and Local Government elections of 1992, but has not yet been carried through comprehensively and effectively.

The report recommends the immediate establishment of an inter-sectoral Poverty Commission within government, which will strive to prioritise anti-poverty policies in government planning - notably, for the Second National Development Plan (NDP). The Commission will examine the plans and targets of each NDP, and assist the Government of Namibia in developing strategies of poverty reduction. This body should have a mandate that extends for the life of every NDP because hopefully there will come a time when its services are no longer required. The Poverty Commission will also oversee research into aspects of poverty in Namibia that are inadequately understood.

In this regard, a number of research issues are identified. Priority topics include: studies on macroeconomic determinants of poverty, perceptions of poverty by the poor themselves, a nationwide vulnerability mapping, intra-household dynamics and extended family support systems, seasonal dimensions of rural poverty, consumption patterns across the country, and the regulatory framework facing small businesses in Namibia.

Lastly, this report concludes with two statements to the SIDA-sponsored "Addressing Poverty in Namibia" seminar which was held in Windhoek on 14 November 1995. The first is by Saara Kuukongelwa, Director General of Namibia’s National Planning Commission. Her statement provides insight into different strategies - strategies that stress immediate action - proposed by the Government of Namibia to reduce poverty. The second statement is by Dr. Robert Chambers, a noted expert on poverty reduction. He offers a stimulating challenge to our conceptions of both the short and long-term processes of poverty reduction in Namibia.
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CHAPTER 1. INTRODUCTION AND METHODOLOGY

This chapter introduces the project and the methods used in compiling this report.

1.1. Outline of the report

The structure of the main sections of this report is provided by the project document, as drafted by SIDA. The project's first stated aim is as follows: "To describe who is poor and why". This complex question is addressed partly in Chapter 3 - Incidence of Poverty in Namibia - and partly in Chapter 4 - Origins and Causes of Poverty in Namibia. Chapter 2 begins with a conceptual discussion about the problems of defining and measuring poverty, before Chapter 3 offers a survey of recent "head count" poverty estimation studies in Namibia.

Chapter 5 - Anti-Poverty Measures Since Independence - addresses the second major aim of the project: "To describe and evaluate what has been done to combat poverty since independence". This chapter examines anti-poverty policies and programmes, as implemented by three broad categories of agency - government, donors (both multilateral and bilateral), and NGOs (both local and foreign).

Chapter 6 - Recommendations - addresses two final, related aims of the project: "To use the findings of the analysis to indicate priority directions for future action", and "to deduce from the findings and conclusions suitable areas and modes of support to poverty reduction by international donor agencies".

1.2. Methodology

Because of the severe time constraints under which this report was written, the bulk of the information reported here derives from a review of the relevant literature, which was acquired mainly from research organisations (such as SSD and NEPRU), government ministries, donors and NGOs.

This is not entirely a desk study, however. Interviews were conducted with selected key representatives of government, donors and NGOs, in order to discover not only what each individually is doing - or is planning to do - in the area of poverty reduction, but also to elicit opinions about successes and constraints to poverty reduction in Namibia to date.
CHAPTER 2. CONCEPTUAL ISSUES

This chapter provides a conceptual context for the remainder of this report. It addresses in theoretical terms, but also with specific reference to Namibia, some of the debates about the conceptualisation and measurement of poverty. It argues for a broader definition of poverty than the economistic "income-based" indicators such as per capita GNP, since this ignores many dimensions of deprivation which are not captured in measurements of income alone.

2.1. Poverty narrowly defined

Levels of poverty cannot be ascertained until poverty is defined, but defining poverty is a difficult and controversial exercise in itself. Poverty is an elusive concept, which can be measured in either relative or absolute terms.

- **Relative poverty** describes an individual's or group's level of wealth in relation to other individuals or groups. Thus relative poverty is closely related to levels of inequality, both within and between societies. The main problem with relativistic definitions is that they provide no unambiguous statistics against which progress in combating poverty can be assessed. For example, 50% of the population in a wealthy country may be defined as "relatively poor" because their income falls below the average national income, but if that average per capita income exceeds US$ 25,000 per annum (as in Switzerland) then the problem is obviously less severe than in a very poor country, where per capita income can be as low as US$ 200 per annum.

- **Absolute poverty** defines a cut-off point for poverty (based on income, consumption, expenditure or some other proxy) below which people are considered to be "absolutely poor", and above which they are classified as "not poor". Most methods for estimating the incidence of absolute poverty depend on a notion of "basic needs" - a minimum basket of goods (including, but not only, food) needed to sustain an individual or a household. If these basic needs are not met, the individual or household is deemed to fall below the "poverty datum line" or "household subsistence level", and is surviving (somehow) in absolute poverty. Obvious problems with this approach lie in setting the cut-off point - how to decide on the level - and the binary nature of the cut-off. For example, if the level is set at US$ 1,000 p.a., then someone whose income is US$ 999 is "poor", but someone whose income is US$ 1,001 is "not poor" - yet there will be no visible difference in their living standards.
2.2 Poverty broadly defined

Poverty is a concept that is usually measured in economic terms - in levels of individual, household or national income, measured either directly or indirectly, through a proxy such as expenditure or consumption levels. But there are several problems with using an income-based approach to poverty measurement. These problems have to do with non-income determinants of welfare, such as public services and free goods, and with inequality. Furthermore, poverty is usually measured in static terms (at a point in time), but dynamic processes (especially determinants of vulnerability to poverty) must also be taken into account.

2.2.1 Non-income determinants of poverty

At the individual (or household) level, income or wealth measures only part of the individual's total command over the resources which influence well-being. Excluded from income-based indicators are domestic production, access to free or subsidised public services (health, education, and so on), and various "free goods" or common property resources (grazing land, forest products) which might be more readily available to some groups than to others.

- **Domestic production:** If income is measured strictly in terms of cash receipts, then domestic production of food and other commodities is overlooked, and this can lead to substantial underestimation of actual individual or household "incomes". Within Namibia, for example, there are some regions where the cash economy has not yet displaced the subsistence mode of production (eastern Otjozondjupa, north Kunene), and people survive on livestock products (milk, blood, meat) rather than purchases of food from the market. Although such people might appear to be extremely poor, it is possible that their nutritional status is higher than others whose cash incomes are so low that they cannot afford to buy adequate food to feed their families from shops.

- **Public services:** If two individuals earn the same incomes and own identical assets, then the one with easy access to potable water, health facilities, schools and related services can be considered less "poor" than the one without this ease of access. "Being able to get clean drinking water, for example, matters to one's standard of living, but it is not reflected in consumption or income as usually measured. Households with access to free public services are better off than those without, even though their incomes and expenditures may be the same." (World Bank, 1990, p.26.) The current debate about introducing "cost recovery" for social services in Namibia should give serious consideration to this issue, since it means that many poor Namibians will actually become poorer because their expenses (e.g. on water) will increase, even though their incomes will remain unchanged.
Chapter 2: Conceptual Issues

- "Free goods": One important distinction between the two major agro-ecological zones in Namibia is the relative abundance of wild foods (forest and river products) in the northern savannah zone as compared to the semi-arid south. During the drought of 1992/3, households in the northern communal areas, especially Okavango and Caprivi, derived much of their food security from secondary food sources such as river fish (which are not valued in estimations of household income), but these sources were not available to most households in central and southern Namibia (Næraa et al., 1993).

2.2.2. Inequality

When income-based poverty measures are aggregated up from individuals to groups or nations, they can be misleading in that they obscure inequality in the distribution of income within the country. Currently the most commonly used indicator of a country's "development" is GDP or GNP per capita, but this measures relative poverty or wealth only in terms of average income. It ignores the fact that control over this income or wealth is never equal, but on the contrary, in certain countries, including Namibia, is highly unequal (see Chapter 3). What this means, in real terms, is that there are likely to be more poor people in Namibia than in another country with a comparable GNP and total population, but a more equitable distribution of income.

2.2.3. Vulnerability

Although poverty is typically discussed in terms of a supposedly static level or standard of living, in reality household and individual incomes fluctuate significantly, according to changing conditions both externally and within the household or family unit. It follows that a comprehensive analysis of poverty should explicitly incorporate an analysis of vulnerability to income decline, since variability of income is as serious for the poor as a low average level of income.

External factors that impinge on vulnerability include shocks, risks and stresses that can suddenly and dramatically alter a household’s economic circumstances, such as a drought, national economic decline, war and civil unrest, and many others. Internal (household-level) determinants of vulnerability to poverty include illness or death of productive family members, heavy social expenditures (weddings, funerals) and low resilience due to a lack of defence mechanisms (such as savings) in the face of income shocks.
Chapter 2: Conceptual Issues

Namibia's extremely arid and drought-prone climate provides a particularly severe external determinant of household vulnerability to poverty. Droughts occur every few years in Namibia - most recently in 1992 - with devastating consequences for crop production, livestock herds and household incomes. Although rural Namibians have developed a sophisticated range of coping mechanisms for surviving droughts (such as income diversification), many are plunged into poverty by the loss of their crops (making them dependent on the market, for which they need to raise cash), and the loss of their wealth (cattle and goats).

A less severe but more frequent problem than drought is seasonality - another factor which raises questions about static measurements of income or poverty. Crop farming households face cash constraints at the start of each agricultural season, when cash is desperately needed for purchases of seeds and ploughing services, and again just before the annual harvest, when granary stocks are lowest. Certain cash needs are also concentrated at certain times of year - e.g. school funds and hostel fees are payable at the start of each term.

2.3. Summary: Poverty and deprivation

Low income is only one dimension of deprivation, which might be defined as poverty measured in several dimensions. A more complete measure of deprivation would incorporate elements such as access to potable water, adequate housing and basic social services - health care, sanitation, primary education - as well as some consideration of the distribution of wealth between individuals. These factors determine individual or household well-being almost as strongly as levels of income or asset ownership.

It is important to bear these "hidden dimensions" of poverty in mind in the Namibian context, because of the exceptionally diverse circumstances in which individuals from various parts of the country live. One implication of Namibia's agro-ecological diversity is that assessments of poverty should be weighted according to the household's location, since the physical environment also contributes, to a greater or lesser extent, to household wealth or deprivation.

To summarise this discussion, a working definition of poverty should be developed which incorporates all aspects of deprivation, not just the economic dimension:

"Deprivation refers to lacking what is needed for well-being and a full and good life. Its dimensions are physical, social, economic, political and psychological. It includes forms of disadvantage such as physical weakness, isolation, poverty, vulnerability, and powerlessness." (Chambers, 1994, p.3.)
Chapter 2: Conceptual Issues

The operational difficulty with this argument, of course, lies in the measurement of (say) "psychological deprivation". On the other hand, it is possible to measure many indicators of well-being, not just per capita GDP. Recently, in fact, there has been a move away from income-based poverty proxies, in favour of other dimensions and indicators of well-being, such as:

- under-five mortality rates (by which countries are ranked in UNICEF's annual *State of the World's Children* report);
- the Physical Quality of Life Index (or PQLI, which combines life expectancy at one year, adult literacy and infant mortality);
- UNDP's Human Development Index (or HDI, which combines per capita GDP, life expectancy at birth, and literacy rate);
- the World Bank's Social Indicators of Development, including public spending on social services, immunisation, and fertility rates. (Chambers, 1994, p.12.)

As will be seen, which indicator of poverty is preferred is crucial in the Namibian context, since Namibia performs very differently depending on which indicator is chosen.
CHAPTER 3. INCIDENCE OF POVERTY IN NAMIBIA

This chapter examines the numbers of poor people in Namibia, and their characteristics. Various estimates of poverty levels are discussed, along with their associated definitions of poverty. Then relevant characteristics of the poor are considered, including their geographical location and demographic features.

3.1. Poverty estimation studies in Namibia

Several studies undertaken in Namibia in recent years have attempted to estimate levels of poverty, based on alternative definitions. This section discusses three of these studies in terms of their methodology, conceptualisation and quantification of poverty: CSO (1995); van Rooy et al. (1994); and Yaron et al. (1992).

1. The Central Statistics Office (CSO) recently completed data collection for a national "Household Income and Expenditure Survey", which has among its objectives the aim of quantifying poverty in Namibia and identifying its correlates. A sample of 1,100 households was visited over a period of one year, between late 1993 and late 1994. The staggered period of data collection was deliberate, partly to eliminate seasonal effects and partly because the large volume of data collected for this research project precluded a single visit by the fieldworkers to survey households. The CSO study uses alternative indicators of poverty to estimate numbers of poor households in Namibia.

2. Van Rooy et al. (1994) surveyed three communities in northern, central and southern Namibia. These were respectively a rural community (Ombalantu District in Otjozondjupa region), an urban community (Katutura in Windhoek) and a semi-urban community (Gibeon in Hardap region). 225 households were sampled, 75 in each community. Because of the small sample size, the findings from this study (which was designed largely as a test of methodology) are not to be taken as nationally representative. Household wealth was measured indirectly, using total expenditure as a proxy.

3. Yaron et al. (1992) derives estimates of poverty for one of the poorest regions in Namibia, Okavango. Although confined to a single region, the methodology used and the findings have useful implications for similar studies elsewhere within Namibia.
3.2. How many Namibians are poor?

According to the CSO study, there are 244,827 households in Namibia. These households are classified into three groups, according to their level of "economic resources", which is estimated indirectly, from weighted data on "reported total household consumption - in cash and in kind - during the survey month". These households are weighted for differences in composition, on the assumption that individuals of different ages have different consumption requirements or expenditure levels.¹ Once the household's "equivalence weight size" (EWS) is determined, a "standardised consumption level" (SCL) can be calculated, as follows:

\[
SCL = \text{Average EWS} \times \text{Total household consumption} / \text{EWS}
\]

The value of SCL is NS 7200 per year. The CSO now adopts what is effectively a relativistic definition of poverty: households whose SCL is less than NS 7200 are defined as "poor." This classification implies that 53% of all Namibian households are "poor."

Another way of expressing these figures - though this is not how the CSO report interprets them - might be as follows: 47% of Namibian households (or 115,069) are "not poor", while the remaining 53% or (129,758) are "poor." However, this interpretation falls foul of the "relativism" problem, as discussed above - there is no reason why everyone earning above average income in Namibia should be classified as "not poor" (NS 601+ per month hardly seems a reasonable income for a "not poor" household). These are purely statistical definitions, which say nothing about actual living standards and welfare levels in Namibian households.

As a more robust and less relativistic poverty indicator, the CSO also measures poverty according to a household's "food consumption ratio" - food consumption as proportion of total household consumption. According to this definition, a household that spends 60 - 79% of its total consumption on food is "poor." A household that spends 80 - 100% of its total consumption on food is "very poor." (CSO, 1995, p38).

¹ The following "equivalence weights" were used by CSO: head of household = 1; other adult (>14 years old) = 0.4; child (<15 years old) = 0.1.
Chapter 3: Incidence of Poverty in Namibia

Table 3.1. Poor households in Namibia by food consumption ratio, 1994

<table>
<thead>
<tr>
<th>Food consumption/ Total consumption</th>
<th>Classification</th>
<th>Households</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Number</td>
<td>%</td>
</tr>
<tr>
<td>0% - 59%</td>
<td>Not poor</td>
<td>146,896</td>
<td>60%</td>
</tr>
<tr>
<td>60% - 79%</td>
<td>Poor</td>
<td>73,448</td>
<td>30%</td>
</tr>
<tr>
<td>80% - 100%</td>
<td>Very poor</td>
<td>24,483</td>
<td>10%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>244,827</td>
<td>100%</td>
</tr>
</tbody>
</table>


Food is the largest single component of consumption for the average Namibian household, at 37% of total consumption. However, again according to the CSO preliminary data, it exceeds 50% for several categories of household, including those with low or very low economic resources, those living in the northern communal areas, rural households, and those whose main source of income is "subsistence farming". (Of course, many of these categories overlap, sometimes substantially.) So this poverty indicator already provides several pointers as to poverty's correlates, which will be discussed at greater length later in this chapter. However, the CSO data are not yet disaggregated by gender of the household head, so it is not possible to compare average incomes of male- and female-headed households.

In the recently published SSD study by van Rooy et al., a poverty datum line was estimated at NS 116.63 per month (or rather, per four week period) for an adult male in the rural areas. (As with the CSO data, no distinction is drawn between male- and female-headed households.) This figure yields different poverty lines for various households, depending on household size and composition. For a nuclear family of two adults and two children between 6 and 16 years old, the poverty line is NS 408.19; while an extended family with 4 adults, 4 children between 6 and 16 years old, and 4 young children under 6 years old would need NS 1,049.63 in order to survive each month (van Rooy et al., 1994, p39).

Table 3.2. Poverty in three Namibian communities, 1994

<table>
<thead>
<tr>
<th>Location</th>
<th>Community</th>
<th>Poor households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural (north)</td>
<td>Ombalantu</td>
<td>57%</td>
</tr>
<tr>
<td>Semi-urban (south)</td>
<td>Gibeon</td>
<td>77%</td>
</tr>
<tr>
<td>Urban (central)</td>
<td>Kanutura</td>
<td>68%</td>
</tr>
<tr>
<td>All locations</td>
<td></td>
<td>68%</td>
</tr>
</tbody>
</table>

Source: Van Rooy et al., 1994, p.40.
In Table 3.2, a household is defined as poor if its level of expenditure is insufficient to attain a basic subsistence level - i.e., household spending falls short of the poverty lines calculated for the given household size and composition.

Two poverty lines, and three categories of household, were defined for Yaron et al.'s 1992 study of rural development in Okavango Region:

"The food insecure - those whose poverty is so great that they are unable to meet even their basic food needs."

"The generally poor - those who have insufficient income to meet their general basic needs but who are able to meet basic food needs."

"The income sufficient - those with income sufficient to meet all their basic needs."

The distinction between "food insecure" and "generally poor" is made in terms of non-food basic needs such as clothing, housing and spending on essential health care. Applying these definitions to survey data produced the following counts of households falling into each category in Okavango Region in 1992.

<table>
<thead>
<tr>
<th>Category</th>
<th>% of all households</th>
<th>% of female-headed households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income sufficient</td>
<td>47%</td>
<td>22%</td>
</tr>
<tr>
<td>Generally poor</td>
<td>13%</td>
<td>6%</td>
</tr>
<tr>
<td>Food insecure</td>
<td>40%</td>
<td>72%</td>
</tr>
</tbody>
</table>

Source: Yaron et al., 1992, p.31.

Just over half the households surveyed (53%) are classified as poor or very poor. In real terms, the average food insecure household would need to double its income in order to meet its basic food needs and to treble its income to meet all of its basic needs. A useful additional feature of the Okavango study is its disaggregation of selected poverty data by gender of the household head. Table 3.4 reveals that as many as three-quarters (78%) of female-headed households are classified as poor or very poor. Only one female-headed household in five (22%) is income sufficient, compared to almost half (47%) of all households surveyed.
Chapter 3: Incidence of Poverty in Namibia

3.3. Alternative indicators of poverty in Namibia

In terms of average income, Namibia is far from being one of the world's poorest countries. In fact, in the 1993 World Development Report, Namibia is ranked as only the 62nd poorest country in the world, lying about mid-table in a listing of 127 countries. With an estimated GNP per capita of $1,460 per annum in 1991, Namibia is classified as a "lower-middle-income" country, along with such countries as Colombia, Peru, Philippines, Malaysia, Rumania, Thailand, Morocco, Cameroon and Mauritius (World Bank, 1993b, p238).

However, according to the Human Development Report: 1994, Namibia ranks 84th out of 173 countries in terms of GNP per capita, but only 127th in terms of its Human Development Index (HDI), a composite measure which considers infant mortality, life expectancy, and adult literacy as an antidote to the more conventional indicator of GNP per capita. Namibia therefore slips 43 places if the purely economic measure is replaced with social indicators. Only four countries show a higher negative discrepancy between GNP and HDI - Gabon, Guinea, the Seychelles and the United Arab Emirates. Like Namibia, these countries are known for their high levels of economic inequality, and this is reflected in poor performance on social indicators relative to fairly good performance in aggregate economic indicators. As the Human Development Report concludes:

"For some countries - such as Angola, Gabon, Guinea, Namibia, Saudi Arabia and the United Arab Emirates - the income rank is far ahead of the HDI rank, showing that they still have considerable potential for translating their income into improved well-being for their people." (Human Development Report, 1994, p.95; emphasis added.)

Table 3.5 reveals that Namibia performs better than the average for the sub-Saharan Africa region on most indicators of poverty or deprivation. However, the most striking dissimilarity is in terms of income, since Namibia has a GNP per capita almost three times the average for sub-Saharan Africa as a whole. This higher income is only partially reflected in indicators of health and nutrition status, since these are not dramatically better for Namibia than for the region as a whole. In terms of total fertility rate and means years of schooling, for instance, the differences are negligible.

In terms of adult literacy, Namibia ranks lower than the average for sub-Saharan Africa - though it should be noted that recent work on the 1991 Census data suggests a figure for adult literacy in Namibia of around 60%, not 40% as given in the Human Development Report. According to the Census, 60% of Namibians aged 15+ have attended school for four or more years (four years of schooling being a widely used proxy for literacy). Although this figure is not provided separately for men and women, it is known that 26.5% of women and 24.5% of
men aged 15+ have never attended school at all, which represents a slight gender bias against women (Literacy Directorate, 1993).

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Namibia</th>
<th>Sub-Saharan Africa</th>
<th>World Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. GNP per capita (US$ per annum)</td>
<td>$1,520</td>
<td>$540</td>
<td>$4,160</td>
</tr>
<tr>
<td>2. Life expectancy at birth (years)</td>
<td>58</td>
<td>51</td>
<td>66</td>
</tr>
<tr>
<td>3. Under-five child deaths (per '000 births)</td>
<td>81</td>
<td>183</td>
<td>97</td>
</tr>
<tr>
<td>4. Malnutrition (% under-fives malnourished)</td>
<td>29%</td>
<td>31%</td>
<td>36%</td>
</tr>
<tr>
<td>5. Maternal deaths (for every 100,000 births)</td>
<td>370</td>
<td>590</td>
<td>310</td>
</tr>
<tr>
<td>6. Total fertility rate</td>
<td>6.0</td>
<td>6.5</td>
<td>3.4</td>
</tr>
<tr>
<td>7. Measles immunisation (% of children)</td>
<td>71%</td>
<td>46%</td>
<td>77%</td>
</tr>
<tr>
<td>8. Primary education (% reaching grade 5)</td>
<td>70%</td>
<td>48%</td>
<td>68%</td>
</tr>
<tr>
<td>9. Mean years of schooling</td>
<td>1.7</td>
<td>1.6</td>
<td>5.2</td>
</tr>
<tr>
<td>10. Adult literacy rate</td>
<td>40%</td>
<td>51%</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: Compiled from *The Progress of Nations, 1993*, UNICEF; and from the *Human Development Report, 1994*, UNDP.

Comparing infant mortality figures with per capita GNP, *The Progress of Nations* calculates a "performance gap" for Namibia on the issue of infant mortality. Namibia's actual level of under-five child deaths is 81 per thousand live births. The expected level of under-five mortality, given Namibia's per capita GNP, is 62, so the gap is 19 - in the wrong direction. As the *Human Development Report* suggested, there is much room for improvement here.

Namibia also performs poorly in nutritional terms compared to its income level. Although it is one of the wealthiest countries in sub-Saharan Africa, the malnutrition level (at 29%) is only slightly better than average for the region (at 31%). In fact, Namibia has the highest malnutrition level of any country in the world whose GNP per capita exceeds US$ 1,000.

None of these statistics is disaggregated by gender, so it is not possible to deduce whether there is any systematic bias, in terms of children's health, nutrition and participation in education, against either girls or boys. It would of course be extremely useful, for policy purposes, if gender-disaggregated data were made available, and institutions that collect, process and disseminate statistical information on Namibia should be encouraged to do this.
3.4. Characteristics of the poor in Namibia

As discussed above, defining the poor in Namibia must be done with caution. In addition to problems of definition, there are social, economic, and cultural practices that shape the characteristics of poverty across Namibia's thirteen regions. Many of these characteristics are not yet completely understood. The following discussion highlights this problem. According to van Rooy \textit{et al.}, the incidence of poverty varied in the three communities they studied. In a similar fashion the characteristics of the local populations of the poor also varied.

Van Rooy \textit{et al.} (1994) found that the percentages of female-headed households classified as poor in three sample communities ranged from 78% in Gibeon and 71% in Ombalantu, to 58% in Katutura. Yaron (1992) found that 78% of female-headed households in the Okavango were either "food insecure," or "generally poor." On this evidence, the Okavango shares similarities with Gibeon and Ombalantu regarding the prevalence of poverty among female-headed households. Yet, Yaron also finds an incidence of 53% of households in the Okavango living in poverty (food insecure plus generally poor). This figure is close to that found by van Rooy \textit{et al.} for Ombalantu, but differs greatly from the overall incidence of poverty they found in Katutura (68%) or Gibeon (77%).

The CSO study, because it is a country-wide study with a large sample monitored over the course of a year, should go a long way toward alleviating some of the problems posed by smaller, limited studies. Though it is possible from all the steadies mentioned above to draw a composite picture of the poor in Namibia; they are more likely to be from the north, rural, engaged in subsistence farming and/or a pensioner. An interesting fact from the CSO study is that 40% of employed Namibians are underemployed. Thus simple participation in the market economy is not always a guaranteed gateway out of poverty. Rather the manner in which people engage in market activities must be addressed in order to alleviate conditions of the working poor.

One factor which studies such as Van Rooy \textit{et al.} and the CSO study tend to neglect are the roles of kinship and reciprocity in poverty. In Namibia both are crucial aspects of social life. Kinship and the moral obligation to assist family members can be a blessing and a curse to both the poor as well as to those living above the poverty level. Ideally, better off family members can be relied upon to assist with expenditures such as school fees, clothing, subsistence and emergency expenses. Such assistance often goes a long way towards alleviating the worst effects of poverty and makes living in deprivation more manageable. Yet, often the added burdens imposed upon better-off relatives can lower their own ability to better themselves financially. In areas where there is a concentration of poverty, one often finds that the level of immiseration is spread past the definition of the actual poor. In these areas those few people who earn sufficient income to escape being classified as poor, are supporting a
network of individuals extending far beyond the confines of their household. In this way the general level of deprivation caused by poverty is increased dramatically.  

On a more positive note, it can be argued that at least the benefits of economic growth and employment creation are "trickling down" to the very poorest members of society through this process of informal redistribution of wealth. In particular, given the high inequality between urban and rural areas noted above, income that is remitted from urban employed people to their unemployed relatives in the villages serves to reduce this level of inequality - the extended family spreads income from richer to poorer Namibians. Yet there are also worrying indications that this "moral economy" support system may be eroding over time, with people who move to town increasingly neglecting their obligations to the family they left behind. If this is the case, then the rural poor face greater risks and vulnerability than ever before, since they can no longer call on their employed relatives to assist them financially through a crisis such as drought (Næraa et al., 1993).

3.4.1. Demographic characteristics of poverty

The CSO derived profile notwithstanding, three groups - the young, the elderly and women - experience the sharpest insults of poverty. Some of these insults flow from the skewed economy Namibia inherited from apartheid; some are intrinsic to Namibian society itself. In this section these disadvantages are examined.

The Young

"The leading causes of death among children under the age of five are diarrhoea (42%), undernutrition (40%), acute respiratory infection (pneumonia) (30%) and malaria (31%), while low birth weight is the probable leading cause of death of 11-12% of under five deaths" (MoHSS, 1994, p.1).

This quote from a Ministry of Health and Social Services report points out the grim effect that poverty has on the very young. All these diseases, with the possible exception of malaria, are strongly correlated with poverty and reflect the high levels of deprivation in poor households.

Infant, early childhood and child mortality are all highest among children in the rural constituencies of the four Northern Regions of Omusati, Ohangwena, Oshana, and Oshikoto. The same pattern holds true for levels of undernutrition, wasting and stunting (UNICEF, 1993).

2 Fuller (1993) provides a discussion of the role of kinship and reciprocity in the economic strategies of Namibians.
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1991, pp. 37-45). Given that the rural North is where the highest incidence of poverty is expected, it is reasonable to assume that these conditions afflict many of those who would otherwise be classified as "poor." In the rest of the country the incidence of mortality and the various aspects of poor nutritional status among children at all socio-economic levels needs to be better understood. A 1990 study indicated, for example, that the rate of low birth weights gave "considerable cause for concern" (UNICEF, 1991, p.40).

Once children reach school-going age, they face additional obstacles. Not only are children reared in poverty more likely to be nutritionally deprived, poor families also are often hard pressed to pay for school uniforms, school fees or hostel fees. And, as the number of school-age children in a family increases, the greater the burden on a poor family to send their children to school. Often the result is that children leave school when their parents can no longer afford to send them. A crucial factor here appears to be attendance at secondary schools, where rural families must frequently take on the added burden of hostel fees to send their children to secondary schools outside their home communities. Bright, capable students are regularly withdrawn from school after completing primary education. This threshold is significant, because Van Rooy et al. (1994, p.45) found that education of the head of household was the primary factor in determining whether a household was poor or not poor. Specifically, they determined that the incidence of poverty decreased if the head of household had secondary education or above.

Therefore, the regular withdrawal of poor children from school at the point of entry into secondary education creates a cycle of poverty from generation to generation. It should be mentioned here that this discussion concentrates on children in communal areas. Very little research has looked at the incidence of poverty and issues relating to the access to health and educational services available to the children of workers on commercial farms. Anecdotal information, however, indicates that levels of poverty might be high among this segment of the population and that access to services might be low.

An increasing concern for all Namibians is the spreading incidence of HIV infection. Adolescents and young adults who drop out of school for economic reasons, or who fail to attend local health clinics because they cannot afford the fees, are less likely to have access to educational, health related programmes which can provide them with the information necessary to avoid infection. Although AIDS has not been seen as a major issue in Namibia until recently, the Ministry of Health and Social Services organised a "World AIDS Day" event in 1994 to draw attention to the growing threat of AIDS in Namibia.

If experience from other countries can be used as a guide, then once poor individuals contract HIV or develop AIDS, they will be subject to degrees of discrimination which inhibit their ability to hold a job or pursue a career. Possible discrimination from health insurance providers, or the simple fact that many health plans have a set benefit limit for HIV, will force many of those who contract the disease into poverty as their benefits expire and they draw on
their personal savings and other resources. These people will increasingly be forced to rely on a public health service which may lack sufficient resources to cope with their needs.

**The Elderly**

The elderly face a different set of problems. It is significant that both the CSO study and van Rooy *et al.* find that when a household draws a major portion of its income from pensions there is a possibility of poverty. The study by van Rooy *et al.* found that in Katutura 100% of households where the head of household was a pensioner, were poor. In Ombalantu and Gibeon these percentages were 59.5% and 78.6% respectively. A pattern established during Namibia's colonial period often has the very old in rural areas living in households with the very young (typically their grandchildren), while the "missing middle generation" is away in urban areas or even in South Africa.

According to the theory of these arrangements, the elderly are supposed to look after young and infant children of economically active adults who are either working in towns, or are away seeking work. These households are supposed to receive remittances either in kind or in cash on a regular basis. Yet, due to unemployment levels of 25% to 30% (FAO 1993, p.25) and the relatively low wages that unskilled workers are able to earn in the event that they find work, these remittances are seldom regular or plentiful. Increasingly a new pattern has emerged for the elderly, as often a household with a pensioner as its head will include one or more adults who could best be classified as "discouraged workers" who have opted out of the labour market. Such households are at an extreme disadvantage as they have more adult mouths to feed.

**Gender**

Gender as a factor in poverty in Namibia is little understood. Until recently attention has been paid mostly to the effects of poverty on women, with female-headed households being singled out as a "vulnerable group". This has yielded a useful set of knowledge about the problems confronting female-headed households. Yet very little is currently known about the internal dynamics of poor households, especially those where men and women are present. Given that many "female-headed" households have male members or men who are temporarily absent (e.g. a grown-up son or a boyfriend who is a migrant labourer), these dynamics are crucial to our understanding of poverty.

Additionally, we know very little about the effects poverty has on men. In Namibian society, especially in traditional spheres of indigenous Namibian society men have role expectations which include their becoming married at a certain stage of their adult lives. Often this is seen as a major step a man takes into adulthood. Aside from being a matter of romance, marriage is, for a man, an expression of his ability to marshal the economic resources necessary to pay for various aspects and ceremonies of the marriage process. It goes without saying that men
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who come from poor families are less able to meet these expectations. One consequence is that poor men may be excluded from the possibility of marrying and establishing a family which can expand their social and economic options - in other words, they are likely to remain poor. As more gender sensitive ethnography on Namibia is completed, some of these issues and their implications for poverty should receive detailed attention.

What is clear is that Namibian women are particularly disadvantaged in terms of poverty. There is a growing body of evidence indicating that the status of women changed dramatically for the worse with the incorporation of Namibia into the wider market economy (Lau, 1987). Female-headed households are now a common feature of rural Namibia, due to the fact that many men have left the farms to seek cash employment in towns and cities. Both Yaron et al. and van Rooy et al. note the high incidence of poverty among female headed households. Another study found that rates of child stunting were systematically greater in female-headed than in male-headed households throughout Namibia (UNICEF, 1991, p.44).

For the large part women have been excluded from many types of economic activity. In other ways they have had their options limited due to their role as child bearers. Still in some regions of the country women are denied access to basic productive resources such as land. In northern Namibia, women acquire access to land through marriage. Land, livestock and most "household" assets are in fact controlled by the man of the house: "as soon as the husband dies, his relatives are entitled to everything he owned" (van der Laan, 1993, p.54). In fact, this statement is rather simplistic. Although there have been cases reported of a widow and her children being evicted from their own home by the deceased man's relatives, these incidents are probably the exception rather than the norm. Some Traditional Councils in the north (Ndonga and Kwanyama being the first) recently took a decision to ban this practice.

Another major impediment has been restricted access to education. Statistics show that school enrolment is dominated by girls until Grade 10, after which (Grades 11 and 12) there are more boys than girls - i.e., more boys passing "Matric", which is a basic prerequisite for most formal sector jobs in Namibia. In poor households there is often pressure on young women to leave school and tend children or otherwise help in domestic activities. This cuts them off from any chance at bettering themselves. Also, young women who become pregnant while in school are required to leave until after the birth of their child. Very few poor families then have the resources to watch and care for the child while the young mother tries to resume her studies. Such women can fall into a vicious cycle where multiple childbirths becomes a millstone that drags them deeper into poverty. Lacking skills, they have few if any economic alternatives; work as a domestic, if they can find it, is the most common alternative. These women are vulnerable, because of their economic dependence, to relationships with either a single man, or a series of brief liaisons in which the implicit bargain is sex in return for food and support for their children. If these relationships turn abusive, these women are faced with the unhappy alternatives of suffering abuse or of letting their children go hungry.
In a similar fashion, the loss of traditional support mechanisms for unwed mothers has also led to the impoverishment of many women. A recent study indicates that the number of unwed mothers in the south of Namibia is increasing (Iken and Maasdorp, 1994). This trend has also been observed elsewhere in the country. A major factor in this regard is the high costs of a traditional marriage, and the inability of many unemployed or underemployed Namibians to afford the marriage ceremony. Marriage in traditional societies provides mothers with certain protections, especially the right to ask for support for their children from either their husband or his family. Without the legal and social framework provided by marriage, however, men often fail to take their responsibilities towards women and children seriously. As a result, such men rarely contribute substantially to the costs of raising their children, either having no contact at all or making only occasional visits and irregular contributions of food or cash. "Unmarried and unemployed mothers rely on their parents for their economic security. The support provided by the children’s fathers is negligible." (Iken and Maasdorp, 1994.)

Another tradition practised in some parts of Namibia was the public acknowledgment of men to children they have sired out of wedlock. This acknowledgment often took the form of a fine. These fines, however, also established a claim on the part of a woman to further support. While the Iken and Maasdorp report notes the increase of unwed mothers, some useful questions to ask might also be: to what extent do men acknowledge the children they sire out of wedlock, and to what extent do they support those children? Certainly, the general socioeconomic decline of indigenous peoples during the apartheid years has also witnessed a decline in continuation of these practices (Fuller, 1993).

On a more positive note, customary practices have long provided a buffer to impoverishment. Two social institutions - the extended family and generalised reciprocity - have long worked as social forms of insurance and succour whenever times are tough (Fuller, 1993). The extended family and its functions, as well as the need to further examine this unit of Namibian society, have been previously mentioned. Generalised reciprocity, or the constant sharing that takes place between family and friends, needs mention. This important practice has its origins in pre-colonial society and has survived quite well through the colonial and post-colonial periods. Goods, money and services are given freely to family and friends in the knowledge that at some time in the future there will be a return. The return gift may not always be of a value equal to the original gift, but it will be a return. More important is the bond this creates between people and the knowledge that they can borrow from each other in the future. This system has long been one of the major buffers used by indigenous peoples to cope with an unpredictable world, though there are indications that it has partly broken down during the decades of South African colonial rule in Namibia (Fuller, 1993).

Finally, Namibian schools are currently undergoing massive reforms in their goals, curriculum and teaching methods. Also, the national literacy programme offers adult Namibians a chance to gain or regain important reading, writing and numeracy skills, which should equip adult learners better to compete for jobs. Still, these changes are recent and many of today's adult
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women experienced a school system that channeled them into courses such as home-making and secretarial courses. As a result, they have neither the skills necessary to compete in the job market, nor the possibility of a rising career trajectory, unless they return to school or literacy classes - a daunting prospect if they are mothers and single.

3.4.2. Geographic characteristics of poverty

Poverty is a serious problem throughout all of Namibia. Still, there are geographic factors that merit consideration because they shape both the character of economic deprivation, and also the nature of responses geared towards poverty reduction. The main factors considered here will be the north/south divide and the urban/rural demarcation.

Generally this division occurs along the line made by the veterinary cordon fence (also known as the Red Line) that bisects the country between the 19th and 20th parallels South Latitude. Included in the North of the country are parts of the Kunene, Oshikoto, and Otjozondjupa Regions, and all of Omusati, Ongwena, Oshana, Okavango and Caprivi Regions. The majority of this part of Namibia is rural with communal systems of land tenure. These are also the most heavily populated parts of Namibia, with well over half of the country’s population living here. Historically, the North has suffered from official neglect regarding the construction of basic infrastructure. Another factor that hindered development was the war for independence between 1966 and 1989. Since 1990, however, the Government of Namibia has placed emphasis on bringing this part of the country up to the level of the rest of Namibia. Consequently, many residents of the North are seeing clinics, roads, electricity, telephones, and schools in their communities for the first time.

The Red Line has historically been a major problem for this area insofar as it constrains trade in livestock and livestock products for farmers north of the fence. Recently there has been some relaxation of this barrier, with Meatco setting up quarantine kraals and abattoirs in Oshakati, Katima Mulilo and other centres, in order to buy up cattle, slaughter it and export processed meat or even live animals, after meeting quarantine restrictions. There have been no studies on the impact of this new livestock marketing system in the northern communal areas, but indications are that it is the larger, more commercially-minded farmers who are benefiting, not the small farmers who rarely sell animals anyway. If this is true, then the expanded livestock marketing opportunities may actually increase land grabbing and illegal fencing by larger farmers, thereby exacerbating existing patterns of economic stratification.

Besides the veterinary cordon fence, there are social and environmental processes at work within this vast region that may lead to greater impoverishment regardless of any future actions taken by government. A recent study found that the average size of land holdings in the four former Ovambo Regions (Omusati, Ongwena, Oshana and Oshikoto) is too small to produce much if any agricultural surplus. One factor for this limitation was the increasing
size of commercial and privatised holdings by the very wealthy as well as the associated act of fencing off large tracts of land. This is also causing greater socioeconomic differentiation within rural communities, as some households accumulate ever more wealth while others are increasingly marginalised (Frayne, et al., 1993). These actions will deprive the majority of residents in these regions from any form of participation in agricultural markets, regardless of any government policy geared towards opening up the north.

As a generalisation, it might be stated that households with strong rural-urban links are better placed than those which are isolated, socially and economically, in their remote drought-prone villages. Despite the (limited) evidence of a declining "moral economy" among extended families, the ability to call on relatives who earn monthly wages for support when needed is a major factor in sustaining the poor and vulnerable through crises. In the north generally there appears to be a tendency for families to try to retain their children on the farm, since they are needed as agricultural labour - in contrast to the south, when children contribute less to the household economy and are sent to hostels at a young age, in the hope that they will grow up educated and find lucrative employment with which to support their aging parents. Even within the north, though, this generalisation must be refined. The former Ovambo regions historically established better links with the rest of Namibia and neighbouring countries (notably South Africa) than the Okavango Region, which in many ways remains one of the most insular and poorest regions in the country. It is often said that "people from Okavango don't travel", and this certainly accounts for at least some portion of their poverty.

One recent study of Uukwaliuudhi District in Omusati Region found that 41% of households derive their principal source of income from pensions, while only 13% derive income from sale of agricultural goods (Forbes Irving et al., 1993). A similar pattern was found in the Okavango (Yaron et al., 1992, p.27). Small, insufficient land holdings also lead to the overall degradation of land, especially rangelands, as farmers are less able to move their animals to seasonal grazing areas. Fencing and the shrinking of the basic agricultural resource through overuse will lead to a downward spiral of productivity and the spread of impoverishment. Other areas of the North, notably the Kunene, the Okavango, and the Caprivi should be monitored to see if these processes are beginning there as well.

The south consists of parts of Kunene, Oshikoto, and Otjozondjupa Regions, and all of Erongo, Khomas, Omaheke, Hardap and Karas. This area, south of the Red Line, contains all Namibia's commercial farms. The incidence of poverty is very low among commercial farmers. As noted above, however, the conditions of farm workers and their families on commercial farms is a matter requiring further investigation, as the limited evidence available suggests levels of poverty and deprivation which exceed any other group in Namibia.

For example, according to a recent study (Jones and Maasdorp 1994), children of farmworkers face great difficulties in securing access to education, due do a combination of low wages, distance to schools and relatively expensive hostel fees. San children are
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particularly at risk of missing out on education altogether. In addition to problems of distance and cost, most children of farmworkers are forced to go to work by the age of 14 or 15. Another recent study showed that 43% of male and 38% of female farmworkers on commercial farms have no education; 51% of males and 46% of females have some primary education; while a mere 6% of males and 17% of females have some secondary school education (Namibian Broadcasting Corporation et al., 1994). This chronic lack of education forces farm workers into a state of virtual serfdom, as they have little option but to go to work for the employer of their parents.

Included in the south are also a number of former Native Reserves and Bantustans which now are designated as communal farming areas. These areas are in stark contrast to commercial farms as they suffer from an acute lack of investment and development. Ironically, the southern communal areas already exhibit the long term effects of decreasing land holdings and extended overuse by farmers that are beginning to be seen in the north. Rangelands have been overcrowded and overgrazed for decades with subsequent long-term ecological damage. The southern communal areas are all in marginal parts of the country where rainfall and biological productivity are the least able recoup after a single period of overuse let alone continual overuse during the course of decades. In addition to their environmental marginalisation, the southern communal areas have been largely bypassed by the development of infrastructure, which is largely attributable to its isolation and low population. This also results in a low level of economic activity in the south generally.

"The low population density and the limited purchasing power among the people limits the potential for successful income generating activities looking for markets within the communities. The distances to bigger settlements causes constraints with regard to transport costs and competition with imported goods." (Directorate of Rural Development, 1992, p.ii.)

Apart from broad differences between northern and central/southern Namibia, another factor is the high variability observed in incomes across regions, due to regional variations in agro-ecology and hence agricultural economy. In the cattle-rearing regions of Herero and Kaoko, a high proportion of household income comes from cattle sales, and average household income is double or treble the average income of other regions. In the poorer semi-arid regions of western and southern Namibia, small stock sales (goats rather than cattle) generate less income, and pensions, casual employment and remittances become more important. This is clearly seen in Table 3.5, where cattle regions (Herero and Kaoko, using the pre-1992 regional election names) emerge as the wealthiest, followed by the crop regions (Owambo, Kavango, Caprivi) and finally the small stock regions (Damara, Nama, Bushman).
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Table 3.5. *Monthly income, January 1992, ranked by region and income source*

<table>
<thead>
<tr>
<th>Rank</th>
<th>Region</th>
<th>Monthly Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Herero</td>
<td>N$ 1,361</td>
</tr>
<tr>
<td>2.</td>
<td>Kaokoland</td>
<td>N$ 827</td>
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<tr>
<td>3.</td>
<td>Owambo</td>
<td>N$ 683</td>
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<tr>
<td>4.</td>
<td>Kavango</td>
<td>N$ 584</td>
</tr>
<tr>
<td>5.</td>
<td>Caprivi</td>
<td>N$ 572</td>
</tr>
<tr>
<td>6.</td>
<td>Damara</td>
<td>N$ 515</td>
</tr>
<tr>
<td>7.</td>
<td>Nama</td>
<td>N$ 492</td>
</tr>
<tr>
<td>8.</td>
<td>Bushman</td>
<td>N$ 279</td>
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</table>

<table>
<thead>
<tr>
<th>Rank</th>
<th>Source of Income</th>
<th>Contribution to Total</th>
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<tbody>
<tr>
<td>1.</td>
<td>Permanent employment</td>
<td>N$ 276</td>
</tr>
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<td>2.</td>
<td>Sale of livestock</td>
<td>N$ 182</td>
</tr>
<tr>
<td>3.</td>
<td>Government pension</td>
<td>N$ 158</td>
</tr>
<tr>
<td>4.</td>
<td>Sale of home production</td>
<td>N$ 51</td>
</tr>
<tr>
<td>5.</td>
<td>Casual employment</td>
<td>N$ 21</td>
</tr>
<tr>
<td>6.</td>
<td>Remittances</td>
<td>N$ 15</td>
</tr>
<tr>
<td>7.</td>
<td>Sale of crops</td>
<td>N$ 3</td>
</tr>
</tbody>
</table>

Total | N$ 706

Source: Compiled from Devereux *et al.*, 1993.
CHAPTER 4. ORIGINS AND CAUSES OF POVERTY IN NAMIBIA

4.1. Introduction

The determinants of poverty in Namibia are to be found in a combination of historical, political, ecological, demographic, administrative and economic factors which individually and collectively have shaped, and continue to shape, patterns of socio-economic welfare. In the sections below, the proximate causes of poverty will be discussed individually although it is important to bear in mind that their impacts are cumulative. Thus, it is not possible to assign overwhelming importance to any one determinant under present conditions.

By all standard social, economic and development indicators sensitive to differences in status, inequalities in Namibia are extreme by international comparisons. In the UN’s Human Development Index (HDI), for instance, Namibia ranks 84th in 1992 GNP per capita but 127th in the HDI, putting it amongst the highest negative gaps out of the 183 countries listed (HDR 1994, Table 1). The incidence of poverty continues to be pervasive throughout the country. However, its form and extent varies from region to region, a legacy of both short-term events and long-term processes. Short-term events that create or exacerbate poverty and vulnerability include drought and seasonality - the impacts of these being mediated by differing rural ecologies between northern and southern Namibia - and the recent upsurge in rural-urban migration, as low-income communal farmers flee drought-prone agriculture in search of jobs and a steady income in towns. (Unfortunately, given the high levels of urban unemployment, the main consequence of this migration is merely to increase the incidence of poverty in the low-income suburbs and peri-urban informal settlements.) Long-term processes have their origins in the colonial period, and include discriminatory land and labour policies; the extractive colonial economy, which created a highly bimodal distribution of income; and the introduction of restrictive trade practices which reduced Namibia to the status of a captive market for South African goods.

4.2. Structural constraints and legacies

4.2.1. Trends and conjunctures in factors causing poverty

It was argued earlier that poverty, although commonly conceived in economic terms, has other major dimensions, especially physical, social, psychological and cultural. Differences in these dimensions modify not only the classification of poverty status at a given economic level but
also the economic definitions themselves, in terms both of the benchmark quantities (poverty datum line etc.) and of the weights assigned to items in the income or expenditure baskets. To take an example appropriate to rural Namibian society, a pastoralist communal farmer placing greater value on household and extended family consumption of herd products may have a cash income or expenditure pattern limited enough to qualify as 'poor' in a cash-based relative deprivation index despite an overall household income sufficient for 'well-being and a full and good life'.

The historical relativism of community perceptions of poverty adds a complicating factor in applying both relative and absolute concepts of poverty to a particular socio-economic conjuncture. In Namibia the systematic racial discrimination and conspicuous inequalities of wealth strengthened the sense of relative deprivation amongst marginalised rural communities during colonial times alongside material tendencies towards impoverishment. Again, different rates of change in ideological and cultural preferences may generate varied norms of poverty and deprivation within the same community, crystallising for example as generational differences between elders and youth. Such differences in material expectations have sharpened in many communal area communities since independence.

Social and economic poverty is commonly measured as a snapshot in time. There is always the risk, however, that abnormal influences will bias the results. A series of such snapshots helps to filter out such influences as well as to measure long-run trends. However, the differing rates of change in overlapping factors as well as their degrees of resonance need to be understood in context. In Namibia that need is strongest in the environmental and economic domains given the arid climate and the economic exposure to external shocks. The interactions between cyclical and secular trends may also have powerful impacts.

Short-term cyclical impacts can be the most dramatic. A poverty survey undertaken in January 1993 would have found large numbers of households in the Ovamboland regions close to destitution and even starvation as the disastrous drought of 1992 was compounded by the late onset of the rains in the 1993 season. Yet normal to good harvests were reaped in 1991 and 1993. As the driest country in sub-Saharan Africa, Namibia is particularly prone to both seasonal climatic variability and drought and there are few years when there is not at least one drought-affected area. Other short-term cycles affecting rural communities include seasonally endemic diseases such as malaria and the drying up of shallow wells and dams. Significant irregular impacts arise from infectious diseases such as meningitis and insect plagues such as locusts.

Over medium timescales lasting more than one year the most serious impacts upon the poor tend to derive from prolonged drought, economic recession and price fluctuations. Although a regular long-term cycle in historical rainfall fluctuations is as yet uncertain, over the past century there has been very roughly one prolonged drought sequence every 15 years affecting much of the country over 3-5 consecutive years. The knock-on effects of loss of pasturage and
harvests on semi-arid and arid farming systems that are marginal everywhere except in the northeast have in several instances been devastating - one estimate put mortality in the 1915-16 famine in Owamboland and the influenza pandemic of 1917-18 at a quarter of the entire population.

Namibia’s economic vulnerability is mainly to external rather than internal forces, on the one hand through close integration with the South African economy and on the other to major fluctuations in the international prices of its principal export commodities. Of these two broad influences the South African linkages are less powerful but significant nevertheless, subjecting Namibia to South African business cycles and the effects of external shocks such as the sanctions-related currency collapse in mid-1985. Beef cattle, Namibia’s main export to South Africa, have on the whole benefited from higher and more stable prices with protection from cheap imports and a regulated market, but have occasionally suffered deep quota cutbacks during South African market gluts (e.g. 1978-79).

Since most Namibian export commodities go overseas the impact of price volatility and sudden price drops can be severe. In major economic recessions the impact of simultaneous price falls on several export industries may combine to cause general economic collapse: this happened during the Great Depression of the early 1930s and the worldwide recession of the early 1980s. Four leading sub-sectors are especially vulnerable: diamonds (to sudden mine production quota cutbacks); base minerals (to both short-term price volatility and periodic major price falls, leading to mine closures); karakul pelts (to changes in fashion preferences); and white fish (to oversupply in southern European markets).

Long-term trends have been on the whole secular rather than cyclical. They include, above all, the systematic accumulation of wealth, skills and political power on a racially exclusive basis over a century of settler-based colonial rule and the equally systematic denial until the last decade of the colonial period of economic opportunity to black Namibians in terms of property, education and skilled employment. The labour reserve and contract labour system entrenched the long-term marginalisation of surviving indigenous farming communities as well as the concentration of wealth in urban centres at the expense of the communal areas. There was also the cumulative social and economic impact of a 23-year low-intensity war concentrated in the north as well as its more widespread post-independence aftermath in the reintegration of combatants and returnees.

External economic factors have also exerted major influences. One is long-term shifts in export commodity prices. Karakul prices, for example, fetched high prices for over 40 years, but have made little recovery in real terms since the price collapse of the early 1980s, taking with them much of the prosperity of commercial ranching in the south. Major downward trends in base metal prices since the early 1970s and uranium prices during the 1980s have led to mine closures and large-scale retrenchments.
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Interactions and conjunctures have been influential in both exacerbating and alleviating poverty-generating processes in Namibia. The great famine, for example, greatly weakened the Ovambo people’s defences against simultaneous conquest by Portuguese and South African forces in 1915. The coincidence of the next prolonged drought with the Great Depression, which virtually shut down earnings from migrant labour during successive years of rural stress, did permanent damage to rural self-reliance and helped to deepen long-term dependence on the contract labour system. All rural communities in the colonial reserves experienced the inexorable pressures of long-run population growth against restrictions on urbanisation (the so-called influx control policy) and denial of productive investment. Perversely, the harsh migrant labour regime, by denying urban outlets, raised the rate of income remittance to the communal areas whilst restricting income-earning opportunities.

4.2.2. Long-term processes generating poverty

The gap between heightened expectations of the material benefits of independence and national development and inadequate capital and human resources to generate such benefits is a post-colonial dilemma to which Namibia is new but already no stranger. Redressing structural imbalances inherited from the colonial period has been a major government preoccupation of the early years of independence. The scale and tractability of such inheritances will have a large bearing on the achievement of broad development goals, not least in poverty reduction.

By no means all aspects of that inheritance have negative implications, although the benefits are often mixed. For example, the nation’s well developed transport and communications infrastructure, built partly for strategic reasons, now offers one of Namibia’s principal attractions for local and foreign investment. The new employment thereby created, however, is likely to be slow in coming and expensive in capital cost per job, with limited potential for poverty reduction. Meanwhile the recurrent costs of maintaining a publicly funded transport infrastructure geared heavily towards servicing affluent suburbs and commercial farming areas restrict resources for investment in deprived townships and communal areas.

The impact of colonial rule has universally been held responsible for the widespread poverty which pervades Namibia today and this apportionment of blame is largely correct. However, it is important not to project a millennial view of the past, in particular by inventing a pre-colonial ‘golden age’ of contentment and social equality. Broadly speaking, the stone- and iron-age societies in pre-colonial southwestern Africa lived at a low level of material production and consumption in a harsh farming and hunting environment. By present-day international standards most of the people would have been classified ‘poor’. The communities were nevertheless integrated, self-sustaining and technologically self-reliant. All had strong kinship
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mechanisms of wealth redistribution and social security. Particularly at the clan and extended family levels, these social and cultural traditions can still exert powerful influences today in rural communities and between rural and urban family members.

Some poverty did exist in the pre-colonial era. Manifestations of absolute poverty were usually episodic rather than structural in nature; in other words, poverty was not a pervasive feature of the social economy, but was precipitated by specific events or occurrences. The most powerful and widespread impacts were from multi-year droughts which could decimate livestock and harvests and bring large communities to the brink of famine. Less frequently, epidemic stock disease, such as the rinderpest epizootic of 1896-97, could wreak similar devastation. Inter-ethnic raiding, which was usually localised and small-scale, could result in a sudden loss of livestock for sections of a community. However, although internal clan balances might be disturbed it was rare for recovery not to be complete within a decade at most. Structural impoverishment, perpetuated over lifetimes or generations, was more or less restricted to small numbers of war captives and slaves and to dependent ethnic minorities attached to the more powerful clan families.

The arrival of European traders, travellers and missionaries in the 19th century began to destabilise the social and political integration of the communities of the Namibian interior. Increased warfare, judicial raids, witchcraft accusations and stock taxation to pay for manufactured imports made sudden household impoverishment more frequent and widespread, also reducing the ability to recover from episodic disasters such as drought. Impoverished dependent sub-communities grew; refugee settlements formed.

Colonisation introduced systematic and generalised processes of impoverishment. Few African societies suffered a colonisation process as violent, sudden and radical as did the peoples of southwestern Africa just before and after the turn of the century. The first, gradualist phase of German colonisation (1884-1904) accelerated social and economic dislocation, introduced wage labour and used forced labour under harsh conditions. The German war of conquest after the Herero and Nama uprisings of 1904 resulted not only in a military policy of genocide which killed 60% of the population of central and southern Namibia but also dispossessed the survivors of most of their land and livestock, leaving them to subsist under a life-threatening forced labour regime. The far north, although not subjected to military conquest, was sealed off, leaving demand for imports and internal processes of impoverishment to generate the desired result, large-scale labour migration.

It was the expropriated land which formed the principal asset for colonial settlement as between 1920 and 1960 the South African colonial administration parcelled it out to white farmers on easy terms and with generous subsidies. A statutory ban on purchases of freehold land by blacks denied Namibians even the right to buy it back until the 1980s. With the notable exception of Rehoboth and a few small pockets, most of the land allocated to reserves and now making up the central and southern communal areas was agriculturally marginal and lay
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on the edges of or outside the areas of pre-colonial settlement and farming. The consequences of colonial land theft remain today one of the fundamental structures of rural inequality in independent Namibia.

Consolidating the land theft, few African societies except Zimbabwe and South Africa itself have been as systematically engineered as in Namibia. Reserves on marginal land in central and southern Namibia served as labour pools and social dumping grounds; the northern communal areas were isolated to sustain the contract labour system. Underlying both legal regimes of labour migration was a colonial political economy that regimented the remaining communally-based rural communities as reservoirs of labour for commercial undertakings, both rural and urban, in the freehold land zone in which the commercial economy was built. Little infrastructural development took place and only rudimentary social services were provided. The migrant labour system thus effectively subsidised commercial enterprises by displacing the social costs of reproduction from the commercial sectors to the small farmer systems of the reserves.

Although migrant workers' remittances supported their families in the reserves, the contract system as a whole reinforced patterns of dualism within the society. While the white dominated zones of Namibia were being modernised with the help of African labour, the reserves were neglected administratively and economically. The legacy of this system is still being felt in Namibia today and it is evident in the general underdevelopment of the communal areas. Thus, farming systems in many areas remain unadapted (despite their unsuitability under present conditions), and many households in the rural areas continue to rely on wage transfers from family members working in the urban centres.

The common colonial perception of the reserves as backward relics of pre-colonial tribal societies frozen in time denies the dynamic poverty-generating processes imposed by the 'labour reservoir' regime. Stock-raising communities were confined to reserves which were typically inappropriate to their farming systems. Both the Nama and Herero people, for example, practised semi-nomadic pastoralism, which relied on opportunistic grazing as a means of coping with the erratic rainfall regime. Confine in much smaller reserves on poorer land with scarce water resources forced livestock farmers to concentrate their herds on limited pastures at higher risk.

Confine on marginal land, combined with the subsequent injudicious siting of water outlets by colonial authorities, has led to severe overgrazing and a reduction in the carrying capacity of the land. This, in turn, has left livestock farmers especially vulnerable to drought since they are no longer able to practice transhumance in search of available grazing. Much of the rural poverty in the centre and south of the country thus has its genesis in the early colonial period.
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The post-independence legacy is stark inequality in access to land: some 4200 commercial ranches control 44 per cent (36.2 m ha) of the national land area while 20,000 rural households in the southern and western communal areas and 125,000 households in the north have 41 per cent (33.5 m ha), only half of which is usable for farming purposes. This engineered dualism in the farming economy has entrenched large pools of poverty on both sides of the divide: in the reserves households deprived of productive labour and infrastructure; on the ranches isolated small working communities on very low wages.

In the towns, 'influx control' forced dependents into deprived rural communities and held back on building low-income urban housing for rent while denying blacks the right to own urban real estate or build their own shelter. Together with the policy of segregation, later apartheid, it also structured colonial society into racial layers of institutionalised deprivation: 'Coloureds' retaining free movement and limited freehold property rights; employed 'Bantu' allowed urban family residence under strict conditions; work-seekers from the central and southern reserves allowed in only as single migrants; and from the northern reserves only men recruited as short-term contract workers with no right to stay.

The employment impact of this policy of social engineering, designed to assure a cheap and regimented labour supply for the construction of the commercial economy, was profound and all embracing. Structurally, at the top of the scale whites controlled most managerial, skilled and white-collar posts until late in the colonial period. White unemployment was virtually unknown. Those classified as 'Coloured' suffered both formal and informal racial discrimination but gained entry to semi-skilled and clerical grades. In terms of both numbers and seniority their access accelerated during the 1980s with the large expansion of state bureaucracies. A similar pattern developed for both white and 'Coloured' women in the public service, financial institutions and commerce.

The great majority of black Namibians, however, were excluded. Where in the early decades the overriding concern of the colonial administration had been to reduce the economic self-reliance of rural blacks so as to drive up the supply of ultra-cheap unskilled labour, mainly of younger black men, by the 1960s and 1970s the policy priority had switched to reversing the accelerating urban inflow of jobless rural blacks deprived of alternative economic opportunity by the successful underdevelopment of communal area farming and the growth of generalised poverty. As the labour and residential control apparatus crumbled, informal settlements began to mushroom during the 1980s around Windhoek and most towns of any size, a social migration which accelerated sharply after independence. The net result was a translocation of rural underemployment to expanding pools of open urban unemployment. Predominant in this urbanisation process have been younger men from the densely populated northern Communal Areas, but the proportion of families and women has increased as short-term male contract labour declined. At the rural pole of the process the salient feature was an intensification of women's labour, both productive and reproductive. Whether on short-term contracts or later as job-seekers or permanent emigrants, the long absences of younger able-bodied men
withdrew their labour from key components of the agricultural and parenting cycles. More recently, the growing permanence of moves to the towns has reduced the size and reliability of remittance flows to rural families, while the participation of younger women has shifted more of the burden to the elderly household members.

The colonial framework of racial social engineering also imposed severe barriers on Namibian business development. Barred from owning either rural or urban land, few black Namibians had the collateral to raise business finance or to secure sites for investment. Emerging entrepreneurs among Namibia's non-white majority were generally confined to small retail operations in the Bantustans and Locations. A system of licensing businesses was used to prevent non-whites from owning lucrative establishments in the centres of large towns or in strategically located areas. When property restrictions were eased during the 1970s and 1980s, the parastatal 'development' institutions, notably the Bantu Investment Corporation and its successor the First National Development Corporation (FNDC, but known more widely through its Afrikaans acronym ENOK), were widely regarded as agents of control. Prior to independence the FNDC often served to siphon of wealth from the Bantustans into the coffers of the Administration for Whites. For example, in Khorixas, the 'capital' of the Damara Bantustan most of the larger FNDC projects were white-owned. As a result business and personal taxes paid by the owners of these establishments went to the Administration for Whites and not to the Damaraland Authority. Despite the fact that the vast majority of customers to these establishments were residents of Damaraland, they saw little return from many of the FNDC projects in their 'homeland'. At independence, the FNDC dominated commercial property, wholesale supplies and business credit throughout the northern communal areas. Rural business expansion, concentrated mainly in the retail trade, entertainment, transport and handicrafts, took place largely outside the formal sector.

The once draconian apparatus of labour repression has now largely disappeared, particularly with the enactment of the Labour Code. But the extreme imbalances in economic power between employers and workers in most sectors combine with mass unemployment and lack of skills to perpetuate an authoritarian, low productivity management culture. Inadequate provision of education and vocational training is one of the most severe and enduring legacies of the colonial period.

The legacies of war should also not be ignored. The war waged by South African forces against the national liberation movement served to constrain and distort development activities in the north, where most of the military action was concentrated. The disruption of farming activities was but one feature of this; the aftermath of local employment opportunities created by the war economy, and suddenly lost when peace arrived, has had more profound impacts. This is especially the case amongst San communities which were commandeered for counter-insurgency purposes, but it is also evident in communities resident in the peripheries of towns in Oshakati, Rundu and Katima Mulilo, where substantial numbers of unemployed and socially dislocated people have congregated as well as marginalised communities of former
collaborators. Finally, the great majority of the 43,000 returnees have yet to be fully reintegrated into local society and suffer high rates of unemployment and adjustment stress. The risk of long-term marginalisation and impoverishment is real.

Other powerful legacies are less attributable to specific colonial policies although facilitated by the development of Namibia as a low-wage exporter of primary commodities. One is the dominant position in the economy of large enclave enterprises, especially in mining. In most respects local sourcing and reinvestment of profits have been limited in scope and scale, reducing potential linkage effects on economic integration and employment creation. A second is the lack of investment in workforce training common to most but not all business enterprises, which continue to draw on the South African labour market at higher labour costs rather than develop Namibian capacities.

The inherited structures of economic inequality and deprivation are deeply entrenched and enduring. The 'dumping ground' function of the reserves has burdened them with a disproportionate share of the costs of social reproduction. The lack of investment in small farming systems has denied them market access, economic skills and productive resources. Commercial farmland, urban property and business assets are overwhelmingly in the hands of a small, exclusive racial minority as is the limited pool of management and professional skills. Historically disadvantaged Namibian communities not only lack economic resources for transcending conditions of poverty in the new democratic environment but also, with significant but limited exceptions, lack the means to generate such resources.

4.3. Rural poverty

During the colonial period most Namibians, deprived of land, property rights, skills and development resources, had only two main ways of earning a living: subsistence agriculture and wage labour. Both sources were deeply embedded in poverty-creating institutional structures.

Despite the fact that Namibia is a large country, it is not a richly endowed land and much of the country is desert or semi-desert. Outside the far north and northeast, neither the climate nor the soil are suitable for arable agriculture on any scale. With a national average rainfall of approximately 250 mm, Namibia has the driest climate in sub-Saharan Africa. The coastal Namib desert covers some 15 per cent of the national territory. Over much of the interior the mean annual rainfall is in the range 100-400 mm and only low-density stock-farming is possible, sheep and goats in the south and west, cattle in the centre-north. Even in the sub-humid zone of the far north the mean rainfall is at 400-600 mm marginal for secure arable farming. Only in the Caprivi Strip (650-700 mm) are the climatic risks for arable farming
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reduced. Rainfall variability, already high in the north at 25-30 per cent of the long-term mean, rises towards an extreme 60 per cent or more in the arid south.

The climate thus sets definite limits to the production possibilities of the country and its agricultural resources, although substantial, are limited in range and very thinly spread. The average maximum stocking ratio compatible with sustainable pasture management decreases from about 8-10 LSUs/ha\(^3\) in the northern freehold zone to 12-15 LSUs/ha in central parts to 20-25 LSUs/ha in the south. Given that stock-feed is unaffordable on a large scale except for a handful of intensive enterprises such as dairy and pig farms, the low productivity of natural pastureage requires large tracts of land to generate sufficient income from livestock to sustain even small stock-farmers. Sizeable areas of sandveld in the east and northeast are in any case unusable as pasturage for lack of accessible groundwater or because of mineral deficiencies or plants poisonous to livestock.

As much as 54 per cent of the national territory is classified as 'arable', but even in areas of higher rainfall in the north and north-east, arable agriculture is problematic due to rainfall variability. In other parts, an erratic rainfall regime and saline and sodic soils, with high absorptive capacity and poor fertility, render the land generally unsuitable for cultivation. Lack of drinking water over the deep sandveld covering most of the region has prevented year-round human settlement; surface water is scarce and boreholes are difficult and expensive to maintain. Thus most small farmers are settled in small densely populated areas - the oshana flood plain (Owambo), the Okavango River valley and eastern Caprivi - using the surrounding savanna belts for seasonal pasturage.

Much of the land farmed is agriculturally marginal. Under these conditions, small scale farmers not only receive extremely poor returns on their labour and investment, but they are also especially vulnerable to exogenous shocks such as drought, pests etc. Many farmers are perpetually food insecure, and hence poor, simply because their land is unable to produce sufficient crops under existing conditions.

As a consequence of colonial policies, access to productive land is biased towards owners of freehold farms, the majority of whom are descendants of colonial settlers. At present, less than 30 per cent of the land suitable for farming is owned by subsistence farmers (some 95 per cent of all farmers) and this is a major factor in determining inequality of incomes and wealth in the rural areas. While the average size of commercial farms is estimated at 7200 hectares, black-owned livestock farms average some 335 ha, and black Namibian arable farms about 10 hectares and less. Direct constraints on economic activity inevitably ensue from this limited access to land, although the impact varies from region to region.

\(^3\) A livestock unit (LSU) is roughly equivalent to 1 head of cattle or 5 sheep or goats.
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The majority of Namibia's population lives in the northern communal areas (60 per cent of the total), where land is of varying quality, largely determined by rainfall and the availability of water for livestock and domestic consumption. In the densely populated central oshana flood plain increasing population has led to shortages of farmland and forest resources. For the majority of farmers in the north, however, hitherto the major constraints faced in their agricultural practice was not a shortage of land per se, but a shortage of inputs, extension services, markets etc. The northern areas of the country thus require agrarian reform as much as they require land reform if poverty is to be seriously addressed. Lack of investment in water infrastructure has also held back the expansion of farming communities into the sparsely populated land south and west of the Okavango River, although increasing numbers have moved despite the difficulties of finding year-round drinking water.

Since independence, shortages of pasturage have grown rapidly as a consequence of the enclosure of communal grazing land in many areas of the north, and particularly in the former Ovamboland and Okavango regions. The enclosure of communal pastures into private farms is being undertaken by the rich and politically powerful, and it is generally at the expense of the poor and powerless farmers. Under this practice, farmers who enclose land continue to graze their livestock in the common grazing areas, and only move them on to their private farms once the pastures are exhausted.

The escalating enclosure of the commons has several implications: it is disrupting age-old patterns of opportunistic transhumant grazing and is greatly increasing pressure on unfenced grazing areas. This in turn is leading to greater social differentiation, as those who lack the means to fence are forced to graze their cattle on ever smaller areas of grazing. The chances of their livestock surviving drought diminish accordingly and under these conditions, richer farmers will survive with their wealth intact while poorer farmers will not.

For farmers in the centre and south of the country, a shortage of grazing land is an acute problem and directly affects their livelihood. This land shortage, as indicated, is a legacy of dispossession that occurred during the colonial era. This state of affairs has been aggravated by the often hurried and inappropriate siting of water outlets and inappropriate fencing of certain grazing areas. At the same time, a shortage of alternative income sources among livestock farmers leads to a tendency to maximise herds, although cultural factors also play a role in this respect. This in turn leads to overgrazing and a downward spiral of environmental degradation and poverty, as carrying capacities decrease, herd sizes fall, and those animals that survive are rendered increasingly vulnerable to drought.

The broad thrust of colonial land and labour policy was to transfer resources from small farming systems into the commercial economy while minimising urbanisation pressures by suppressing social inequalities in the reserves. To this end much infrastructural spending on the reserves was geared to keeping people on the land, however impoverished, rather than improving their productive capacities. In the late colonial and post-independence periods the
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barriers to both deepening rural inequalities (land enclosures, households without land or livestock) and permanent urbanisation have become much less formidable.

Formal sector employment opportunities in the communal areas remain scarce to this day. The war economy in the north inflated the service sectors during the late colonial period but most of the jobs thereby created vanished with the South African military withdrawal, severely reducing also the market for small traders. The absorption by central government of the defunct second-tier administrations and the expansion of regional branches of ministries has conserved public sector employment, the largest single source of rural jobs. There is a limited outreach into the rural areas through the teaching and health services. Reform policies and emergency schemes have also directly created new employment through the development brigades, food-for-work and labour-intensive rural road construction, in which the participation of women from poor households is strong. Commercial structures are nevertheless very weak and create little employment outside the few government administrative centres.

Access to productive employment of some kind, whether formal or informal, is one of the key determinants of poverty, dependency and economic opportunity. Despite problems of definition and methodology, the census and labour force surveys, both conducted in late 1991, shed some light on the macro-structure of employment and unemployment. Most productive employment is generated in the commercial economy, reflecting the predominance it achieved during the colonial period. Thus of the total of 394,000 persons in employment, defined by the census to include all those aged 10 and above with part-time earnings, however small, some 56 per cent had paid jobs, of which two-thirds were in the private sector. However, although 40 per cent of paid employment was rural, the majority of private sector employment comprised low-waged farm labourers in the freehold farming zone. State employment is thus proportionately more significant in the communal areas: it accounted for nearly half of paid employees in the northern communal areas, where 36 per cent of government jobs were located, and afforded women better access with a markedly higher female: male ratio than the local private sector.

Paid employment has expanded rapidly in the communal areas over the last 15 years and in 1991 accounted for 23 per cent of all economically active persons in the northern communal areas. However, larger numbers worked on 'own account' with no hired employees (28 per cent) and as unpaid family workers (32 per cent), the great majority on family farms. In both categories women outnumbered men, more especially as unpaid household labour, emphasising their key role in sustaining the subsistence and household enterprise foundations of the rural economy. Open unemployment was at 16 per cent only just below the national rural average with women accounting for 37 per cent of the number; although many were

4 In Omusati, Oshangwena, Oshana, Oshikoto, Okavango and Caprivi Regions.
probably from the growing regional towns, these ratios point to serious dislocation of a subsistence mixed farming economy based mainly on female labour.

The extent of 'underemployment' was not measured by the census and inadequately by the labour force survey. The concept is in any case problematic and at best complex in seasonally based subsistence farming societies with diverse productive activities. Similarly, many of those classed as 'not economically active' are in practice active contributors to integrated household economies or to household investment in its future well-being through education. Not surprisingly, women in the northern communal areas made up 84 per cent of 'home-makers' - defined as persons 'wholly engaged in household duties' and thus excluded from both paid and subsistence work - who outnumbered the open unemployed. Retirement from work, whether productive or home-making, was clearly no easy option for small farmers: a third of people aged 65 and over, equally men and women, were classed as still economically active. At the opposite end of the age spectrum, a high proportion of teenagers (84 per cent of age 10-19) and young adults (37 per cent of age 20-24) were full-time students, with females in the majority. These ratios are above the national average and signal a large-scale diversion of potential household labour away from participation and on-the-job training in what were formerly integrated processes of household work and socialisation and into formal education and training.

4.4. Urban poverty

The ability of the commercial economy to absorb the flood-tide of new entrants to the labour market, even in the long run, is correspondingly doubtful. The complementary thrust of colonial economic policy was to build a commodity-based export economy founded on cheap and regimented labour and low urban social costs (by imprisoning the unemployed and dependents in the reserves). The result was a fostering of enclave industries (fishing, mining) lacking forward and backward linkages; a small, externally supplied service sector geared to affluent consumption patterns; and a retarded mass market with only fragments of local manufacturing. Industrial and commercial production was nearly all concentrated in the strategic capital, Windhoek, the export enclaves and the centres of the farming districts to the virtual exclusion of the main population centres in the north.

Namibia's economy is both dependent and narrowly based, and the country's GDP is largely accounted for by four sectors: mining and quarrying (32 per cent), general government (18 per cent), wholesale and retailing (13 per cent) and agriculture and fishing (11 per cent). There has been little diversification of the economy in recent decades, and the manufacturing, commercial services and utilities contribute less than 7 per cent each to the GDP. The Namibian economy in consequence remains heavily dependent on South Africa for
manufactured goods, professional skills and investment finance. About 75 per cent of all imports currently come from South Africa, which largely determines the price, range and quality of goods sold in Namibia. As a member of the Southern African Customs Union and having a very small manufacturing sector of its own, Namibia must pay the generally higher prices of protected South African industrial goods or the SACU tariff on overseas imports. It is also subject to the investment-deterring influence of full exposure to competition from the major South African industrial centres.

The limitations of the economy inevitably narrow the options for mass employment generation. At present less than fifty percent (43 per cent) of the labour force is in paid employment in the formal sector, with open unemployment between 25 per cent and 30 per cent. With the possible exception of the fishing industry, the prospects for rapid employment generation in this sector are limited at present. This stems in part from high or increasing capital intensity in mining (which employs just 5 per cent of the work force) and commercial agriculture, and from the fact that continued expansion of the public sector, hitherto the largest single employer of wage labour (in excess of 40 per cent), is fiscally unsustainable at present salary levels.

As a consequence of a distorted economy and as a legacy of apartheid rule, there is both a critical shortage of skills and a severe problem of unemployment among the semi skilled and unskilled. The colonial economy absorbed large numbers of unskilled workers into the mines, commercial farms and, to a lesser extent, domestic service. This economic structure had little need for managerial or professional skills, and Namibians suffered both educationally and in their employment prospects as a result. Nowadays, for those work-seekers with skills, demand generally exceeds supply and thus far there has been little competition for employment. The jobs which they fill, moreover, tend to be in the urban areas (in Windhoek in particular) where social services are relatively good and lifestyles are easier. The converse applies to those who have limited skills. Competition for employment is fierce, wages are low, and many are forced to eke out a subsistence in the urban 'informal' sector. The informal sector itself is underdeveloped, with an over-emphasis on petty commodity trading which, in many quarters, has reached saturation point. Urban poverty is thus a growing phenomenon in Namibia and the situation is likely to deteriorate further if employment opportunities are not created in both rural and urban areas.

Since independence the focus of economic, social and institutional change has been mainly on the urban areas and especially Windhoek. Namibia's democratic constitution has opened up political access to all citizens. Ethnic concentrations of wealth, privilege and institutional power nevertheless persist, notably in the state apparatus and the business community. To the established white elites have been added emergent black businessmen in certain sectors (commerce, the fishing industry, transport) and rapid expansion of black participation at all levels of the public service.
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The direct effects of such expansion are small. Most public service posts, for instance, go to well educated candidates from middle or high income households and there has been no big expansion of numbers in the bottom grades (labourer, cleaner, typist etc.) to which poorly educated candidates have better access.

The indirect effects are, however, more widespread. The steep salary gradient combined with the major expansion of public service numbers in middle and senior posts has generated substantially more aggregate disposable income, with the multiplier effects concentrated in the capital. These include more jobs for house servants and guards, drawn mostly from poor households; increased suburban building and construction activity; and a boost to the retail sector. More negative is the strong bias with increasing household consumption towards imported rather than locally made goods. There are also potential 'crowding out' consequences. In what was already one of Africa's better paid public services, more posts at middle and senior levels expand recurrent expenditure on central government salaries and may reduce the resources available to poverty-reducing programmes. Finally, expanding Windhoek-centred consumption adds extra pull to a fast accelerating urbanisation trend for which new job creation lags far behind the growth in unemployment. Open unemployment, defined to exclude any casual or part-time earnings, was 45,000 in the urban areas at the 1991 census or 26 per cent of the urban economically active population, a ratio substantially higher than the 17 per cent in the rural areas. Women accounted for fully 44 per cent of the unemployed, reflecting in part a shift in urbanisation from single men towards whole families. In addition to open unemployment, the income of a substantial proportion of those classed as employed would have been drawn from low-earning casual labour, part-time jobs and informal sector activities.

The impetus towards centralisation of authority and decision-making in the capital is reinforced by the party list electoral system which ties members of the National Assembly to their party leadership rather than particular interest group or geographic constituencies. Few mechanisms are yet available for the views and interests of the poor and of disadvantaged groups to be represented in central political institutions. The National Council, which although indirectly elected, is more closely linked through the constituency based Regional Councils to rural communities, has to date performed ineffectually as a second chamber legislative watchdog. Similar obstacles apply to participation in national debates on key issues affecting the poor. The land question offers one example: following the government's major exercise in national consultation through the Land Reform Conference in mid-1991, there were no available mechanisms, apart from an appointed Technical Committee on Commercial Farmland, to pursue a consultative process involving rural communities and NGOs. Nor at a later stage were other possible channels, such as Select Committee hearings or the elected Regional Councils, taken up when the first land legislation was presented to the National Assembly in 1994.
4.5. Environmental degradation and resource depletion

Environmental factors are prominent in Namibia by virtue of its fragile, arid ecology, the predominantly rural population dependent on marginal farming systems and the dominance of the primary sectors relying on exploitable natural resources. The makers of the Namibian constitution recognised their importance by writing in the principle of 'sustainable utilisation'.

The fragility of the arid and semi-arid eco-systems in which most farming communities are located has been described above. The high variability in rainfall renders the arid regions of the country particularly vulnerable to over-exploitation by people and animals and without proper land management, desertification is threatening in a number of areas. The process is marked not so much by drastic loss of vegetation cover as by a change in its composition at the expense of the more nutritious species and of edible species in general.

Three types of degradation stand out. The first is of pasturage for domesticated livestock. The loss of perennial grasses is marked in some areas, especially the densely populated parts of the north. Around village settlements generally but especially in the drier south and west, loss of vegetation cover can be severe and the smaller herds and flocks of poor households, with their more limited range, are hardest hit. The second is bush encroachment, which has seriously reduced the carrying capacity on commercial ranches in the northern freehold zone. The encroachment is long-lasting and costly to eradicate. The third is deforestation in the crowded central and western parts of the oshana flood plain, which has accelerated in recent years and is depriving poor households of valuable building materials and fuel.

Degradation of farming environments affect poor households directly and with greatest force. The depletion of other commercially exploitable natural resources may have equally powerful indirect effects. Much damage has already been done. The most spectacular instance is the marine fishing industry, where in the 1970s over fishing destroyed the pilchard stock, resource for one of the world's great pelagic fisheries. The brunt was borne not by the fishing companies, which had already exported most of their profits into South African commerce and real estate, but by the thousands of migrant workers who lost their jobs immediately without compensation and the tens of thousands of family members in the northern communal areas who lost precious wage remittances. Even today the partial recovery, which may never return to former abundance, has taken the industry to only 20 per cent of its former output. The depredations of the distant water fleets in the offshore hake fishery caused damage nearly as severe. The reversal since independence has been dramatic with the imposition of national control through an enterprise zone (EEZ) and a fisheries policy geared to long-term stock recovery. Several thousand new jobs have already been created at sea and on shore. But the employment gain could have been much greater had the fish stocks been sustained close to their optimal levels.
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Plundered fish stocks are at least renewable resources with some prospects for at least partial commercial recovery. Exploitation of non-renewable resources is a one-way process. During the colonial period exploitation of the best mineral deposits was encouraged with few controls on reinvestment of profits, local linkages or rates of exploitation. Today, two of the three big mines (CDM and Tsuneb) are close to being worked out and the third (Rössing) is halfway through its rated lifespan. Although Rössing has ploughed back some of its profits into social and business development, the fall in world uranium prices during the late 1980s forced a cutback in Rössing's employment and its financial contribution to social concerns, with recessionary implications both locally (in the Arandis area near Swakopmund) and in the north, where many retrenched Rössing workers returned. This episode highlighted the dangers and vulnerability of national dependence on an extractive industry - a vulnerability which, paradoxically, would have been more severe if the proceeds from the industry were being distributed more widely among the Namibian people.

For it is not an exaggeration to conclude that the tangible benefits to the Namibian population at large of more than 80 years of lucrative diamond and uranium exports are not easy to discern. Much of the tax revenue derived by the state from the mining sector over the years has been of little direct benefit to the poor, going mainly into salaries for middle and upper income public service salaries. On the other hand, at least the 12-13,000 production jobs created by the three big mines in their prime have been vital sources of income not only to the workers but also, since many were and are migrants, to household budgets throughout the northern and western communal areas.

Since independence the pace of mineral prospecting has picked up. Oil prospecting may yield strikes. Marine diamonds may eventually come close to the present output of shore diamonds. But direct job creation for Namibians is likely to be much less than in the existing two mines. New large-scale mining projects are not yet in sight and the lead-times are long. Thousands of mining jobs have already been lost in the short period since independence and thousands more are at imminent risk. The legacy of unregulated resource exploitation could yet be one of Namibia's most intractable causes of poverty.

One other natural resource, water, has both renewable and non-renewable features. Access to adequate water supplies is vital for all rural communities. Part of the rural water supply derives from renewable sources such as dams and rivers. But an important part derives from groundwater extracted by boreholes. Rates of recharge vary greatly and in areas where the recharge is slow or the aquifer is of fossil water, over-extraction may permanently damage the resource. On the sandy soils of the oshana flood plain, where much of the drinking water comes from shallow wells, there is a real risk of long-term deterioration in water quality from salination and from chemical pollutants should the use of fertiliser become widespread. Already hard pressed poor farming households are highly vulnerable to any drop in the quantity or quality of the shallow groundwater supply.
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4.6. Technological aspects of poverty

A major contributor to declining productivity per capita in the rural areas is the gap between population and output trends: while the population is increasing rapidly, the farming systems remain largely unadapted and in many areas are little different from those practised during the past century. Productivity thus remains constant or, more commonly, declines as the soil becomes exhausted and other natural resources are over-exploited.

This state of affairs is typified in the Okavango region where farmers historically practised a form of slash-and-burn agricultural rotation along the fertile terraces overlooking the Okavango river. Under this system, no or limited additional inputs were required (fertiliser, crop rotation, weeding etc.) since land was only utilised for a limited period of time before being left to regenerate. Over time, and with a rapid increase in population (a 140 per cent increase in the twenty year interval from 1970 to 1991 for example) pressure on land in close proximity to the river has grown progressively. The slash-and-burn method of rotation has had to be abandoned and households are compelled to stay on the same piece of land if they wish to remain close to the river. Thus, farms are mono-cropped, with no fertiliser input and rotation. Without a change in farming methods and without additional inputs into the soil, this has led to progressive exhaustion of the land and a progressive decline in productivity.

While problems of farming system adaptation are especially severe in the Okavango region, similar patterns are to be found throughout the crop growing communal areas. Typically, returns on land are diminishing and households have either to clear more land (which, if it is available at all in close proximity, requires more domestic labour) or invest more inputs. Since both labour (to be discussed below) and inputs are generally in short supply, many households are unable to plough, plant and weed during critical phases in the growing season.

Available evidence indicates that probably less than 20 per cent of household income is derived from agriculture in the former Ovambo region (less than 1 per cent is derived from crops), 16 per cent in Okavango (68 per cent of which derives from livestock sales and just 6 per cent from crop sales - 1 per cent of total income) and 34 per cent in Caprivi (85 per cent from livestock and 15 per cent from crops - 5 per cent of total income). This trend is aggravated by the fact that there is significant disinvestment in agriculture (both in terms of labour and inputs). At the same time, there is a tendency to invest more in livestock, because the returns from this sector are seen to be better, despite declining rangelands. This is a vicious circle which results in minimal domestic food crop production, reduced grazing for livestock and ultimately increased food insecurity at the household level.
In years of low rainfall many households are unable to meet their immediate consumption needs. Reliable statistics on the extent of malnutrition are not available in Namibia, but a National Demographic and Health Survey conducted in 1992 provided evidence of widespread stunting and wasting among children under five years of age with up to 45 per cent either moderately or severely stunted in the northeastern region. Not surprisingly, declining rural productivity is forcing more and more people to migrate to the urban centres in search of work.

In the communal areas where livestock rearing predominates, similar problems of unadapted farming systems are to be found. In the former Herero and Nama regions, as indicated, farmers continue practice methods which are more appropriate to extensive rangelands rather than the more confined pastures now at their disposal. Herd sizes in such regions are kept at a maximum, despite the real threat of overgrazing, and off-take is well below sustainable levels. While most farmers appear aware of the limitations of this system, few have any options to pursue.

The failure of farming systems to adapt can be attributed to administrative neglect, during much of the colonial period. This included underfunded and inadequate extension services, inadequate access to inputs (fertilisers, implements etc.), inadequate access to credit, inadequate access to and development of markets, and the inadequate development of appropriate technologies. Individually and collectively these shortcomings have led to a progressive decline in agricultural productivity per capita in most communal farming communities. Farmers thus increasingly look to other income sources for their survival.

Rural non-farming skills have also suffered. The Owambo iron- and copper-smiths famous throughout the region largely disappeared in the face of imported trade goods and loss of their ore sites after colonisation. But several rural crafts have emerged in recent times as important income sources for the poor, notably basketry for Owambo women, wood-carving for Kavango men and weaving for women in the south. These groups have improved their market access, although this poses a formidable problem to small income-generating projects in the communal areas, especially in remote or sparsely populated areas. It is nevertheless a general feature of rural and low-income urban communities that while small-scale entrepreneurial activity is widespread it is concentrated in services rather than manufacture - many small cuca shops in the north, for example, but few roadside or backyard workshops.

In the urban areas a legal and policing regime hostile to any visible small-scale enterprise (SSE) activity severely limited the scope for informal income-earning initiatives. Informal markets in the low-come suburbs emerged into the open only at the end of the colonial period and even today the number of street sellers in Windhoek's central business district must be proportionately amongst the lowest for a town of comparable size in a developing country. Health, liquor and public space regulations have all been deployed at times to drive traders off
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the streets. Planning controls and technical standards are geared mainly to affluent suburbs and formal sector businesses and often obstruct SSE opportunities.

In the formal sector labour market the deficiencies of both the inherited schools education system and the scarce vocational and technical training are key constraints both in accelerating job creation and in improving access for Namibians to skilled jobs. Lack of technical skills and of training for self-reliance also retards SSE development through seeking out and supplying market niches.

4.7. Social and gender aspects of poverty

Rapid population growth is placing considerable strain on existing resources. High population growth is an outcome of a variety of factors, including strong pro-natalist views, high levels of poverty, low educational levels (especially of mothers), and lack of access to family planning services.

Most rural areas have youthful populations with accompanying high "dependency ratios" (being the proportion of people potentially economically active compared to those classified as economically inactive - children younger than 15 and adults older than 60 years of age). The percentage of the rural population under 15 years of age varies from 43 per cent in the Caprivi to 48 per cent in Okavango. Rural dependency ratios likewise are high, ranging from 51 per cent in Caprivi to 56 per cent in Ovambo. When all children of school going age and younger (0 to 19 years) are taken into account together with those of pensionable age, the dependency ratio is even higher, ranging from 61 per cent in Oshakati to 65 per cent in Okavango. These statistics imply that less than 40 per cent of the total rural population are potentially available for work. The statistics also offer clues to an understanding of the labour shortages which are endemic to crop production in the communal areas.

Extended family systems, usually comprising three generations, are common throughout the communal areas and provide social and economic support and serves as a mechanism for child rearing. Although the mean rural household sizes range from 4.3 in Caprivi to 6.3 in Kavango, these statistics disguise the fact that many households are considerably larger. 50 per cent of households in Kavango and 48 per cent in Ovambo have more than 8 members, and 32 per cent and 22 per cent respectively have more than 10 members. Although large households hold the potential for generating household labour, large numbers of very young and very old people, as consumers rather than producers, inevitably represent a drain on domestic resources.
case where local communities lack control over the decisions which affect their lives. Under colonial rule, there was little popular participation in decision making, and the approach to development was paternalistic - government assistance was frequently seen as a reward for collaboration. This has given rise to a dependency syndrome in many communities, which have become the passive recipients of development aid. In the south and centre of the country, in particular, many households survive largely on funds received from old age pensions. While pensions provide a safety net, they hardly provide a basis for sustainable development. The psychology of poverty thus remains as serious a problem as more conventional factors such as productivity and markets.

4.8. Institutional environment of the poor

Several sets of constraints inhibit the poor in their efforts to escape poverty. These constraints can be described as "institutional" in the sense that they are part of the environment in which poor people have to struggle to survive, and over which they can exert apparently little or no influence. Four sets of constraints are discussed here: rural institutions, inequality, drought and vulnerability.

4.8.1. Rural institutions

A prominent feature of Namibia's political and administrative structure is the weakness of institutions at the regional and district level. This feature marks a sharp contrast to the prominence of district-level administrative structures in many other African countries. At independence, no municipal authorities existed in the communal areas and the ethnically-based second-tier authorities were abolished. Into the void left by the absorption of the second-tier establishments into the central public service have stepped both traditional leadership structures and the new regional councils. Both, however, have very limited resources and assets and can do little on their own to generate poverty-reducing programmes; nor in the absence of a regional planning process can they do much to influence national development programming. The Regional Councils do nevertheless gain local legitimacy by being elected on a constituency basis and by having a geographical focus. More recently Councils have taken a more active role in articulating issues of local concern, often as intermediaries between local communities and central government. Both they and the newly created communal area municipalities have at best rudimentary supporting administrations and, with the possible exception of Khomas, lack an independent revenue base.
A disturbing feature of most rural areas is the strongly pro-natalist view held by both men and women. Fertility preferences remain high and among rural women surveyed in 1992, the optimal number of children desired was consistently lower than the actual number given birth to (in Ovamboland 6.2 as opposed to 4.5, in Kavango 5.8 as opposed to 3.8, in Caprivi 5.9 as opposed to 3.8). This trend is exacerbated by low incomes, poor living standards and low levels of education, all of which are known to correlate inversely with population growth. It is also evident that women enter the reproductive process at a youthful age, adding reproductive responsibilities to their existing productive chores.

Educational levels, although improving, are extremely low throughout the communal areas, with many adults never having attended school. Levels of functional literacy (defined as having attained standard 4 (grade 6) or higher) range from 17% in Okavango to 28% in Caprivi. Few school children complete their schooling (less than 0.7 per cent of school children in the northern communal areas were in matriculation in 1991) and drop out rates are high. This state of affairs militates against ongoing programmes of family planning.

Gender imbalances are also prominent in the rural areas. Due to both cultural practices and the effects of migrant labour, women constitute the principal farmers in most communal areas and in the crop growing regions of the north in particular. According to the Census 64 per cent of subsistence farmers in Ovamboland were women, 59 per cent in Okavango and 64 per cent in Caprivi. These gender imbalances reflect the outcome of extensive migration from the rural areas (both seasonal and permanent). As a consequence of the efflux of younger men (and increasingly of young women) the structure of households has been seriously distorted in recent decades. Characteristically rural households have a predominance of old people, of women and of children. Household food security for many households, thus, is directly related to the burdens placed on rural women by their dual productive and reproductive roles as well as by the barriers to their social and legal advancement and access to services.

Traditionally, reciprocal relationship between men and women, and between different generations, ensured some spread of responsibility amongst all members for basic survival tasks. Increasingly, they now fall to women, and to older women, especially, in respect of child care. Changes in the sexual division of labour have particular implications for women's ability to adequately undertake domestic tasks, particularly in circumstances where routine household activities (collecting water and firewood, food processing and preparation) are already time-consuming and burdensome. Processing of the staple crops (millet, sorghum and maize) is done by hand since there are few labour and time-saving technologies for food processing and preparation available. These responsibilities inevitably limit the amount of their time that is available for agricultural activities.

Notwithstanding the above remarks, there is a significant gap in our understanding of intra-household relations and dynamics throughout Namibia, and nothing at all is known about the distribution of poverty and vulnerability within the family unit. For example, research in many
other countries has demonstrated gender bias against female children, or generational bias against elderly relatives. In Namibia, as in sub-Saharan Africa generally, it might be expected that gender bias is less pronounced than in south Asia, because of the high value of females not only in domestic reproduction, but also in agricultural production and other important economic activities. Similarly, the existence of a universal pension for Namibians over sixty might counteract the tendency observed elsewhere, for the elderly to be marginalised and neglected within the home - or even evicted from the home, as unproductive drains on scarce household resources. However, until detailed research on intra-household issues is undertaken in Namibia, these will remain unproven speculations.

Despite declining agricultural productivity in the communal areas, few alternative sources of income generation are available locally. Most formal sector employment is to be found within urban centres to the south, and without alternative off-farm employment, those rural dwellers who are unable to make a living on the land have little option but to emigrate to the cities and towns.

There is convincing evidence that the primary determinants of wealth among rural communities are not to be found in the communal areas themselves, but depend on the extent of inputs (wage remittances in particular) from people elsewhere. Variations in the affluence of rural households thus often lie more in the success with which family members secure employment in the urban areas and the extent to which they maintain links with home, than with differences in agricultural performance between rural households.

As rural households are increasingly incapable of meeting their domestic needs through agriculture, household members are compelled to seek employment in the formal sector and in informal activities on the urban peripheries. The post-independence era, in particular, has seen a rapid increase in the number of people emigrating to the urban areas and to Windhoek in particular. The stresses which this influx of people is placing on the urban infrastructure is considerable, and there has been a dramatic growth in informal settlements on the urban periphery with accompanying urban poverty. This state of affairs, as will be seen, is aggravated by the fact that a narrow economy is limiting the prospects for mass employment creation in the formal sector.

Emigration from the rural areas (those in the north in particular) has also led to a paradoxical situation where, despite rapid increases in population and growing unemployment, many households suffer labour shortages at key times of the production cycle, leading to further reduction of agricultural productivity.

While poverty is the outcome of many factors, including restricted access to natural resources, services and training, it is reinforced by the political and psychological disempowerment of communities. Where a sense of futility and helplessness prevail, the objective determinants of poverty are likely to assume insurmountable proportions among the poor. This is especially the
In the communal areas traditional leaderships have regained credibility in some areas as local administrative and judicial organs, but are still compromised in many cases by divided local loyalties on political or ethnic grounds. In areas where social divisions and land enclosures are accelerating they may also be associated by poorer residents with the interests of the emergent elites. Only in Caprivi and to a lesser extent Okavango Regions do traditional leaderships command sufficient popular support to deliver effective services, such as justice and land apportionment, on a representative basis. In former Ovambo, where unlike other communal areas headmen derive income from allocating land, their social and political authority is sufficient only for limited representative functions. Elsewhere, communal area traditional leaderships are generally fragmented, often competing for clan and political allegiance, a factor commonly identified by rural communities as hindering the coordination of rural development efforts.

Alternative civil structures such as community-based organisations, NGOs and churches often have local credibility but many lack the managerial, financial and organisational skills to sustain programmes directed to the poor. Under the South African administration, virtually all forms of community-based organisation were vigorously suppressed, as the administration feared they would be vehicles for political mobilisation. This lack of a history of community mobilisation has proved very problematic for community leaders, NGOs and government extension officers in their attempts to initiate community-based development projects. The process of community mobilisation has generally been slow and problematic. NGOs have also lost some of their most able leaders to the public sector and political representation. Yet despite the severe shortage of skilled personnel and the confusions over identity and goals, there has been a noticeable strengthening in several fields, in particular credit unions, communal area farmers' associations and urban housing cooperatives. A mid-1994 survey for the Namibian Development Services Directory identified more than 250 Namibian and foreign NGOs providing development services or resources; a compilation from existing lists offering far from comprehensive coverage identified another 150 primary NGOs and CBOs engaged in development activities.

Regional, municipal and NGO capacities are nevertheless still dwarfed by regional branches of central government ministries and parastatals. As well as taking over the second-tier administrations, many ministries have expanded their regional offices and administrative cadres. In the case of the two big service ministries, education and health, major reform programmes have led to improved and more equitable service delivery in the rural areas generally and especially in the communal areas where the largest numbers of rural poor reside. Other line ministries have often been less effective to date, in part because reform processes have been slow to achieve results and new capacities have taken time to become operational. The proliferation of ministries - there are 18 compared to 8 colonial departments - and a unilateral approach to implementing their mandates have tended to entrench a lack of coordination at both the national and regional levels. One example is the multiplicity of regional centres and administrative boundaries, each ministry preferring its own. Although
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Consuming significant resources, few regional offices can yet deliver effective development services or generate projects and programmes in their areas. More generally, the strategy of channelling development efforts through centralised command structures risks fostering a top-down approach which strengthens the leverage of the powerful, reduces community participation and concentrates resources on state bureaucracies at the expense of services to poor and marginalised sections of the population.

A major challenge in Namibia's rural communal areas in the coming years is to strengthen participation and empowerment at the grassroots level. The process of decentralisation that was formally initiated by the regional elections of 1992 must be carried through effectively and forcefully if it is to make a meaningful positive impact on people's lives. The mobilisation of communities by NGOs, donors and government agencies must be continued in a way that encourages self-help initiatives rather than entrenching dependence on handouts and outsider expertise. The case of Canamco in Okavango Region arguably provides a model for the patience and commitment needed to transform dependent marginalised rural households into pro-active empowered communities. Such examples should be built upon and adapted for other parts of Namibia.

4.8.2. Inequality

The commercial or cash-based economy, the so-called formal sector, is proportionally larger in Namibia than in many developing countries, particularly in Africa. In the conventional national accounts statistics sectoral production has in recent years contributed some 97 per cent of total GDP and subsistence agriculture, although probably undervalued, a mere 3 per cent. Informal sector activities, that is very small-scale self-employment with minimal equipment on an individual or household basis, expand slightly the value added in production for self-consumption. But the structural dominance of commercial production in the national economy appears almost total.

Namibia's GDP per capita was estimated at US$ 1,188 in 1989, which meant that Namibia is generally classified as a lower-middle to middle income country. This comparatively high average income excludes Namibia from eligibility for World Bank loans and from significant access to several potentially lucrative sources of financial and technical support, including Japanese bilateral aid. But averages can distort reality, and the truth in Namibia is revealed better by disaggregating the income statistics. The top 5% of income earners in Namibia, corresponding almost entirely to the white settler population, earned US$ 14,560 in 1989 - comparable to high income countries - while the bottom 95% of Namibians earned just US$ 319 per capita. This last figure would put Namibia among the twenty poorest countries in

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the world. In the rural communal areas, even including subsistence income, the average per capita income was just US$ 63 in 1989 (FAO, 1993, p.14).

Even within rural communities, a wide range of incomes and standards of living is commonly found. In a 1992 survey of eight Okavango villages, for example, mean household income was calculated at approximately N$ 10,500 per annum, but the median household earned only about N$ 6,000 per annum. This substantial difference, depending on how average incomes are defined, is explained by the larger number of poor households than rich households, and the relatively high incomes earned by a very few households (which pulls the mean income up without affecting the median).

Table 4.1 reveals the extreme inequality of income distribution in Namibia just prior to Independence (and there is nothing to suggest that the situation has improved much since Independence). The small group of whites amount to only 5% of the total population, yet they control 72% of Gross Domestic Product. The poorest 55% of the population are blacks living in the communal areas, and they control just 3.4% of Gross Domestic Product.

Table 4.1. Income shares of three segments of the Namibian economy, 1988

<table>
<thead>
<tr>
<th>Segment</th>
<th>Share of Population</th>
<th>Annual GDP per capita</th>
<th>Share of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsistence sector: Blacks</td>
<td>55%</td>
<td>$85</td>
<td>3.4%</td>
</tr>
<tr>
<td>Modern sector: Blacks</td>
<td>40%</td>
<td>$750</td>
<td>25.4%</td>
</tr>
<tr>
<td>Modern sector: Whites</td>
<td>5%</td>
<td>$16,500</td>
<td>72.2%</td>
</tr>
</tbody>
</table>


"What the white population earns in a day of work, the urban black population earns in two weeks and the rural black population in one year." (World Bank, 1992, p.xv.) This extremely skewed income distribution, which is closely related to the racial composition of Namibia, is comparable to that of South Africa, which has one of the most unequal distributions of income in the world.

Similarly, a survey conducted by SSD for the SIDA-funded Drought Monitoring Project in 1993 found that the average (mean) monthly income of 606 communal area households was N$ 706 (Table 4.2) in January 1992, before the impact of the coming drought was felt. This figure is more than double the median income, which stood at N$ 320 for the same month. One reason for this is the relatively high incomes of urban residents, which pulls up the mean.

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5 This figure is higher than the poverty datum line reported by van Rooy et al. (1994), because it is not weighted by adult equivalents.
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Table 4.2. Mean monthly income, 1992, Namibian households

<table>
<thead>
<tr>
<th>Household Type</th>
<th>Households Surveyed</th>
<th>Mean Monthly Income, 1992</th>
<th>Median Monthly Income, 1992</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communal area households</td>
<td>606</td>
<td>N$ 706</td>
<td>N$ 320</td>
</tr>
<tr>
<td>Commercial farm workers</td>
<td>77</td>
<td>N$ 196</td>
<td>N$ 140</td>
</tr>
<tr>
<td>Commercial farm owners</td>
<td>48</td>
<td>N$ 37,387</td>
<td>N$ 6,808</td>
</tr>
</tbody>
</table>

Source: Compiled from SSD drought survey data (Devereux et al. 1993).

The 1990 *World Development Report* set an "upper poverty line" at $370 per capita, and a "lower poverty line" at $275 per capita per annum (World Bank, 1993a, p.111). With an average GNP per capita well in excess of $1,000 per annum in 1990, the average Namibian would not be regarded as poor or very poor, and yet more than half the population earn well below even the "lower poverty line". This dualism gives an illusion of comparative prosperity in Namibia, and disguises the harsh economic reality facing the majority of the population.

"Effectively, there are two Namibias: one modern, one traditional. ... Apartheid policies led to the present situation, where whites dominate most positions of responsibility, own a disproportionately large share of physical assets, and receive a disproportionate share of the country's income."

(World Bank, 1992, p.2.)

The CSO study indicates the intractable nature of Namibia's bifurcated inequalities. As Table 4.3 indicates below that five years after independence, despite a doubling of available income, there has been little movement with regard to any major redistribution of incomes.

Table 4.3. Population and GDP Disaggregated by three population groups, 1995

<table>
<thead>
<tr>
<th></th>
<th>Whites</th>
<th>Non-whites supported by the Modern Economy</th>
<th>Non-whites supported by the rural economy</th>
<th>All Groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of population</td>
<td>5.1</td>
<td>40</td>
<td>54.9</td>
<td>100</td>
</tr>
<tr>
<td>Distribution of GDP, Percent</td>
<td>71.2</td>
<td>25.4</td>
<td>3.4</td>
<td>100</td>
</tr>
<tr>
<td>Per Capita GDP</td>
<td>N$ 32,919</td>
<td>N$ 1,500</td>
<td>N$ 145</td>
<td>N$ 2,360</td>
</tr>
</tbody>
</table>

Chapter 4: Causes of Poverty in Namibia

4.8.3. Drought

Namibia is the driest country in sub-Saharan Africa, and yet over 70% of the population live in the rural areas and depend on agriculture for the bulk of their food security and incomes. It is no coincidence that the distribution of population corresponds closely to patterns of rainfall distribution. In the absence of large-scale irrigation schemes, rainfall is essential for agricultural production. Crop cultivation in Namibia is confined almost entirely to the northern and northwestern regions of former Ovambo, Okavango and Caprivi. Crop cultivating households in the northern communal areas produce mainly for their domestic consumption needs, with any surpluses being stored against future shortfalls.

South of the northern communal areas, rainfall is generally so low that crop farming is not possible, and livestock rearing is the primary economic activity, both for communal farmers (most of whom live in Kunene, Erongo, Omaheke, eastern Otjozondjupa, Hardap and Karas regions), and for the 4,500 or so commercial farmers (whose cattle or karakul ranches are located mostly in Otjozondjupa, Khomas, Hardap and Karas regions).

In their efforts to minimise the risks of an uncertain climate and a declining physical resource base, rural households throughout the communal areas have developed multiple income sources as part of their survival strategy. In addition to income earned from agriculture, cash income is generated from remittances and from wage salaries earned by family members in nearby towns, from old age pensions and from informal sector activity.

The 1992 drought had a devastating impact on crop production and livestock herds in most rural areas of Namibia. A secondary effect was on household incomes. No surplus crops were available for sale. Livestock sales generated less income than would normally be the case, because both the numbers of animals owned and their quality fell steadily the longer the drought persisted, especially in critically affected regions such as Erongo. With smaller harvests and fewer animals to sell, households raised less cash than they would normally do through these means, which are often the primary source of cash income for poor rural families. A recessionary spiral set in, especially in the rural areas, with farmers and traders having less to sell and buyers having less cash to spend, resulting in a decline in employment and income-earning opportunities in both the formal and informal sectors. An additional recessionary effect came in the form of reduced employment for agricultural labourers on commercial farms, many of whom were dismissed by the farm owners.

Survey data for the SSD drought monitoring project found that the average monthly income of over 600 households living in the communal areas nationwide declined by more than 25% during 1992 (see Table 4.3). Not surprisingly, rural incomes were affected most adversely, so another consequence of the drought was to widen existing economic differentials between rural communities and urban settlements. Living standards are generally lower in rural areas. The data indicate that monthly incomes in January 1992 were already some 20% lower in rural than urban communities. Since the economic effects of the drought were felt mainly by
agriculturalists (crop farmers and livestock rearers), the drought served to magnify this income differential. Rural areas took the brunt of the income shock, while urban incomes remained more or less constant. The net effect was that the urban-rural income gap widened substantially during this year. By early 1993, average urban incomes in the communal areas were some 43% higher than average incomes in the rural communal areas. On the other hand, this trend towards increasing polarisation might have been partly offset by economic support, in the form of food and cash transfers, which was extended from urban income earners to rural agriculturalists.

Table 4.4. Changes in mean monthly incomes among communal households, 1992

<table>
<thead>
<tr>
<th>Month</th>
<th>Rural</th>
<th>Village</th>
<th>Town</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1992</td>
<td>N$ 721</td>
<td>N$ 672</td>
<td>N$ 861</td>
<td>N$ 706</td>
</tr>
<tr>
<td>February 1993</td>
<td>N$ 406</td>
<td>N$ 520</td>
<td>N$ 834</td>
<td>N$ 505</td>
</tr>
<tr>
<td>Change in 1992</td>
<td>-43.7%</td>
<td>-22.6%</td>
<td>-3.1%</td>
<td>-28.5%</td>
</tr>
</tbody>
</table>

Source: Compiled from SSD drought survey data (Devereux et al. 1993).

As noted above, in contrast to agricultural income, income from non-agricultural formal sector employment did not fall by much during the drought. Many rural households have at least one family member in employment of some kind - teachers, nurses, cleaners, government workers - whose income typically contributes to the support of not only the employee's immediate family, but also to relatives living in other households elsewhere, especially in rural areas. Employment in formal sector occupations was not adversely affected by the drought, and during 1992 the relative importance of these sources of income intensified, as income from other sources declined.

This point illustrates the immense value, in household food security terms, of having access to a source of income that is not negatively influenced by climatic crises like drought. An equivalent role is played by pensions, which were also paid regularly throughout 1992, guaranteeing at least one stable source of income during the drought period. One dimension of poverty which is overlooked in static "income counting" approaches is vulnerability of these income sources. Security from the threat of sudden collapses into absolute poverty or destitution is best provided by diversity of income sources. In this sense, a household whose monthly income of N$ 1,000 comes from four unrelated sources is less vulnerable and therefore less "poor" than a household which earns N$ 1,000 each month from a single source such as sales of goats, which are highly vulnerable to theft, disease, or drought.

It should not be forgotten that the Drought Relief Programme also played a major role in sustaining drought-affected households through the 1992 emergency. Drought relief has an immediate impact in terms of poverty alleviation - though not on poverty reduction, since its motivation is to replace lost income rather than to create additional income. Food aid kept many poor rural families alive during 1992. However, unless carefully targeted and limited to
their primary aims, relief programmes carry considerable risks of encouraging dependency, in the long run jeopardising more fundamental goals of poverty reduction.

One example is the linking of food aid to income-generating projects through food-for-work: when the aid stopped, many project activities collapsed for lack of markets and adequate income flows to keep participants motivated. A second is the injudicious siting of emergency boreholes, carrying such risks as remoteness from established farming communities, depletion of groundwater and degradation of surrounding vegetation. A third is the perpetuation of relief measures for other reasons once their immediate objectives have been achieved, reducing incentives to self-reliance and distorting local markets. All three examples have been manifested in Namibia since 1992, with varying degrees of donor participation.

4.8.4. Vulnerability

Measures of poverty generally divide a population into the poor and not poor, at a point in time. As noted in Chapter 2, however, this static, head-counting approach can mask the dynamics of impoverishment, and to allow for this requires an analysis of vulnerability. In addition to the broad division of the population into the poor and not poor, the category "not poor" can be further divided into those who are relatively secure and those who are vulnerable to poverty. Families who are vulnerable to impoverishment typically depend on a source of income which generally provides its members with sufficient resources to stay out of poverty but which could collapse suddenly, forcing these "not quite poor" individuals into temporary or permanent conditions of poverty. Examples of vulnerable sources of income include wages earned by farmworkers and agricultural income from sales of crops or livestock - both of which are at grave risk of collapsing during a drought.

The dynamics of this process are poorly understood in Namibia and require further study. Certain broad aspects of the process can, however, be examined. For the purposes of the discussion that follows the factors that can contribute to sudden income decline have been divided into economic, social and environmental factors.

As noted above, there is a significant correlation between educational attainment and poverty. This factor permeates any discussion of economic factors contributing to vulnerability of impoverishment. Generally, less educated and lower-skilled individuals are more likely to be poor. The same is true with the near poor. Individuals who fall into this category are likely to be less skilled and to be employed in lower-skilled positions. These people face a number of obstacles as they seek to maintain economic independence.

The majority of Namibia's workforce could be described as unskilled or semi-skilled. When this factor is coupled with Namibia's high levels of unemployment, the resulting competition for available jobs depresses wages. Employers offer low pay for low and semi-skilled positions.
with any increases to keep pace with inflation rare. In addition to low pay workers in this
category face the constant possibility of dismissal as employers know that there will be a
stream of applicants for any open position. Thus, if demands for better pay or a downturn in
the economy put a squeeze on the employer's profits, the near poor face sudden
unemployment - a fact that will send them, and those who depend upon them, into poverty. As
in other situations, the poor and near poor often neither know about, nor have access to,
services which could assist them in enforcing provisions of the Labour Act, hence their unfair
and illegal dismissals often fall through the legal safety net.

Among the poor social relations play an important role in daily life. As already discussed, an
extended family can be a double-edged blessing. A large group of kin helps to efficiently
spread risk and scarce resources. On the other hand, that group can experience a series of
financial demands which place all members in jeopardy of impoverishment. Social obligations
such as funerals and weddings increase the financial demands on those within the extended
family unit who are employed. So do incidents such as a court case where it is common for a
family unit to band together and defend one of its members by collectively hiring a lawyer.
Certain periods, such as the beginning of the school year, place an extraordinary burden on the
working members of an extended family when both school and hostel fees must be paid, as
well as shoes, uniforms and supplies purchased, sometimes for a large number of children.
These demands may force many in the extended family into periods of poverty. Overall,
however, the function and resilience of these extended family units as a buffer to
impoverishment needs further quantification and research.

Finally, environmental factors (including seasonality) may increase vulnerability to
impoverishment. For many of Namibia's rural communal farmers, who depend on rain-fed
agriculture, the winter months when either the previous year's harvest is running low, or when
the grazing is growing scarce and the animals are becoming thin, is a period of high
vulnerability to farmers who might not otherwise be classified as poor.

In addition to seasonal variability, the periodic droughts that afflict the country also have an
adverse and long-term effect on the vulnerable. As discussed above, large numbers of families
who would not otherwise be classified as poor fell into absolute poverty during 1992, when
rain-fed agriculture became impossible and thousands of livestock died. The extent to which
these families remained poor or saw their vulnerability to poverty increase even after the
rains returned the following year is not known, as no follow-up surveys were conducted on
post-drought recovery. However, with another drought possibly looming in Namibia during
1995, many households weakened from the previous drought have certainly had insufficient
time to build up their livestock herds and savings again, and these households can be thought
of as especially vulnerable.

The challenge facing policy-makers in Namibia is to implement effective safety nets, that
prevent vulnerable people from falling through the social security system and emergency relief
provisions, while at the same time avoiding dependence on handouts and charity. During the
last drought, for instance, the delays in implementing food-for-work projects left thousands of able-bodied adults excluded from relief assistance, since they were not counted as members of "vulnerable groups" who received monthly free food rations. This is a particularly serious case of vulnerable individuals falling through a system that was intended to support them during a crisis, but failed to do so in practice. In future, not just emergency measures, but all anti-poverty interventions, must be carefully designed and effectively implemented, to protect Namibia's poorest and most vulnerable citizens from hunger, disease and premature death.
CHAPTER 5. ANTI-POVERTY MEASURES SINCE INDEPENDENCE

This chapter examines the role of government, donors (both multilateral and bilateral) and NGOs (both foreign and local) in terms of their impact on poverty alleviation and poverty reduction in Namibia since independence in 1990.

5.1. Government policies and programmes

A general comment made by those both in and out of government interviewed for this project is that there is a need for the GRN to provide much more in the way of leadership and coordination when it comes to poverty alleviation and poverty reduction. At present there are no overarching plans, nor even any assertion by the GRN that poverty is a priority. This is in contrast to countries such as Malawi and Mozambique, which have National Commissions on Poverty. This failure to articulate priorities has led to a confusing situation. Respondents noted that line ministries are sometimes seen as working against each other in efforts to reduce poverty. At other times their lack of coordination resulted in duplication of efforts. According to one respondent from outside the government, the absence of commitment from the highest levels of the GRN has allowed certain ministries to ignore the problems of poverty altogether. This despite the fact that the Transitional National Development Plans of 1991/93 and 1992/94 included poverty explicitly in their four national development objectives, namely:

- reviving and sustaining economic growth
- creating employment opportunities
- alleviating poverty, and
- reducing inequalities in incomes


Namibia's First National Development Plan (NDP1) echoes the Transitional Development Plans by placing poverty reduction prominently on the agenda for the rest of the decade. NDP1 goes further, and provides measurable targets for poverty reduction:

a seven percent reduction in poor households by the year 2000;
a halving of the "very poor" or "severely poor" households by the year 2000.

(First National Development Plan, p. 41)

These targets are laudable, and they offer a chance to measure (within the constraints discussed in Chapter 3) the success or failure of efforts to reduce and alleviate poverty. However, NDP1 does not go on to specify how different activities of the government will directly address the issue of poverty. Poverty reduction or alleviation objectives are implicit or explicit in the mandates of the following ministries:
Chapter 5: Anti-Poverty Measures in Namibia

Ministry of Trade and Industry (specifically through employment creation);
Ministry of Lands, Resettlement and Rehabilitation (through provision of land to the rural poor);
Ministry of Health and Social Services (through the state pension scheme);
Ministry of Regional and Local Government and Housing (through provision of low-cost housing and subsidised municipal services to poor communities).
Ministry of Basic Education and Culture (through education and training)
Ministry of Agriculture, Water and Rural Development (through extension services, water facilities, and development assistance to rural poor)

NDP1 contains discussions of all of the above activities, and calls for improvements over the time of the Plan. Yet, as noted above, there is no overall strategy as to how any specific activity - for example, the provision of water services or greater opportunities in education - will aid in meeting the overall target of poverty reduction. Neither is there a sense of prioritisation as to which Ministry, or group of Ministries, and which activities are considered the most important. The lack of prioritisation over poverty reduction activities could be crucial if the optimistic targets of 5% annual growth in the economy of Namibia are not met. Lower growth, or worse, recession, will reduce the resources available to GRN for poverty reduction. Hence, a strategy for that assigns importance to different activities for the life of a particular NDP is crucial as this will assist the GRN in deciding where to cut back in periods of low economic performance. Lastly, NDP1 makes no provision for the inclusion of Namibia’s poor in the planning and implementation of policies and programmes which are aimed at poverty reduction.

The absence of guidance from the government is seen as having a negative effect on the actions of both donors and NGOs. In the vacuum of leadership donors are free to pursue their own agendas regarding poverty reduction. As a result they fall back on institutional preferences and/or personal preferences of programme officers as to which parts of the country they direct their activities and which types of programmes they support. Often these biases are dependent upon experiences gained in other developing countries and may not be applicable to Namibia. Non-Namibian NGOs also labour under the same constraints. Namibian NGOs differ slightly in that most lack the capacity to develop any comprehensive responses to poverty reduction on their own. Yet, because some Namibian NGOs are well integrated into the communities they serve, they are strategically located to provide effective services if, and when, they are given a broader framework within which they can direct their activities.

A concern associated with the lack of an overall strategy for poverty reduction was the lack of capacity within the public service to articulate these goals. Respondents outside of government felt that the abilities of staff in key policy positions within the public service was not developed to the point where an issue such as poverty reduction and all its implications could be cogently addressed. In addition, it was noted that the issue of poverty was rarely addressed within government circles prior to independence. This means that policy debates about poverty
Chapter 5: Anti-Poverty Measures in Namibia

reduction are starting from the most basic level. These points were echoed in discussions with the National Planning Commission which pointed out that at independence four years ago there was little, if any, planning capacity within the public service. Indeed, the National Planning Commission itself has only recently been constituted. Its institutional youth means that neither its powers within the GRN including its relation to other ministries (the Ministry of Finance being perhaps the most important), nor its relation to the donor and NGO communities are well defined. Similarly, the Central Statistics Office is only now beginning to provide the basic information about income levels within Namibia that will assist the development of policies directed towards poverty reduction.

The Ministries of Health and Social Services and Basic Education and Culture were regularly singled out by respondents as having done the best job towards poverty reduction. Basic Education and Culture was noted for the dramatic changes brought about in Namibia's school system: the upgrading of teachers, institution of a new curriculum, building of facilities, and use of English medium were considered the most important achievements. Given that education, or the lack of it, was found to be an important factor in determining poverty, this bodes well for the future. Significantly, the planning section at this Ministry is very clear about the fact that they will not see significant changes to the output from Namibia's school system until NDP2. Their rationale is that too much basic groundwork must be done during NDP1 to both undo the legacies of the past, and bring staff and teachers up to a standard that will enable them the successfully implement the policies of the future.

The Ministry of Health and Social Services was mentioned for its efforts to both bring many health services closer to the people, and for its distribution of the pension scheme. With this latter programme, the major reform has been to equalise pensions, which had previously been tied to racial classifications. Given the major role that pensions play in poor households, this reform can be seen as significant. In an interview with the MoHSS, the impending introduction of further reforms and of making certain services more widely known was discussed. This ministry is very much aware of the crucial role that pensions play not just for a single older person, but for a whole family at or below the poverty line.

There are also additional services such as allowances for children for which people can apply. This leads to one of the major constraints facing the Ministry - there are too many people who qualify for both the pension scheme and other forms of income transfer. If all Namibians who are entitled to receive these pensions and other transfers were reached, the available funds would be rapidly used up. Annually, the pension programme is in deficit, even though the Ministry knows that they are not reaching "thousands of eligible people."

"Although pensions in Namibia play a large role in alleviating poverty the inherited system is characterised by extreme inequalities and arbitrary coverage. Over 80% of those eligible in the North are receiving pensions while less than 30% do so in the Kavango area. .... the current coverage is approximately 61% of all those eligible." (National Planning Commission, May 1994, pp.13-14.)
Chapter 5: Anti-Poverty Measures in Namibia

Prominent amongst the issues confronting the government in the first years of independence has been the land issue. As outlined in Chapter 4, the combined results of the colonial land expropriation, the settlement of that land with white farmers and the reserve and migrant labour system has entrenched deep structural inequalities, which directly affect the majority of the rural population, and which are profoundly unjust. The President's declaration in his opening statement to the Land Reform Conference in June/July 1991, that "the land question in Namibia is one of the most burning issues facing our young nation today", has been a common theme of many public statements in recent years. Redressing past injustices is widely seen as a key means of tackling rural poverty.

The national consultation convened by the government through the Land Reform Conference signalled its recognition of the depth of national interest in land reform. The Conference concentrated mainly on freehold farmland, the commercial farming zone. In its final Consensus, the Conference conceded that 'given the complexities in redressing ancestral land claims, restitution of such claims in full is impossible'. As sources of freehold land for redistribution it targeted land owned by foreigners, under-utilised land, very large farms and multiple ownership of farms. It called for a technical committee on commercial farmland to evaluate the potentials and make recommendations; government later established such a committee and based its first draft legislation, the Agricultural (Commercial) Land Reform Bill (B29-94) now before the National Assembly, largely on its report, promising also a second bill on communal land.

The Land Reform Bill would ban new foreign purchases or long leases on farmland and allow the state to expropriate 'under-utilised' or 'excessive' land, the latter defined as ownership of more than two 'economic units'. All farmland would be divided into agro-ecological zones for each of which standard maximum unit sizes would be defined. Going beyond the 1991 Consensus, the bill would also establish the state's right of refusal on all freehold farmland offered for sale. Any land thus acquired would have to be used for land reform with priority to 'those Namibian citizens who have been socially, economically or educationally disadvantaged by past discriminatory laws and practices'.

The Consensus statement on restitution has since been widely and incorrectly interpreted as an abandonment of all ancestral claims. In fact the issue remains very much alive in many rural communities. In the most recent instance, the leader of the Hai//om San community in the east reaffirmed their claim to a share of the Etosha Pan area on grounds of pre-colonial occupation, adding a view widely shared amongst communal farmers: 'If [the Namibian Agricultural Union] continue to claim the land is only for commercial farmers they intend to take the land from us for the second time through the Bill.' The recent NGO-sponsored People's Conference on Land, held at Mariental on 5-7 September 1994, called for a reopening of the

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5 The Namibian, 19 October 1994.
Chapter 5: Anti-Poverty Measures in Namibia

issue through the appointment of a commission "to study the current situation, problems and claims arising in relation to ancestral lands...", taking account of "relevant experiences of other countries and international law...".

The People's Land Conference, convened as an NGO sequel to the government-sponsored 1991 Land Reform Conference, also broadened the Consensus demands on access to freehold land:

- Priority should go to "those who lost land through dispossession";
- Commercial holdings should be restricted to "one farmer, one farm";
- The constitutional requirement for "willing buyer, willing seller" transactions should be "one among other options";
- Farmworkers should be assisted to keep livestock and obtain pasturing rights on their employers' land.

The only direct challenge to colonial land confiscations mounted to date was by the Sorris-Sorris community, who trekked and camped for months outside the former reserve, now the Daan Viljueen Park, from which they were removed in 1956. But informal, small-scale challenges have increased since independence, for example through occupation of commonage or parts of farms.

Although ministers have frequently advocated a partial redistribution of commercial land within the framework of national reconciliation, there has been as yet no formal policy statement on land reform. The current Bill does not establish principles of policy and is regarded mainly as an enabling instrument. The state's right to purchase any farmland put up for sale might, for example, be waived in every case or alternatively, if exercised in every case could transfer 20-25 per cent of all operating farms if the Prime Minister's hypothetical estimate in 1991 of farm sales is near the mark.8

The current debate on land reform is noteworthy for the narrow range of options presented and for the absence of considerations of equity and poverty reduction. These limitations can in part be attributed to the burden of past land practices and Namibia's insulation from land reform debates and programme experiences in other countries. During much of the colonial period the 'family farm' model was axiomatic: freehold farms were distributed exclusively to white settlers on heavily subsidised terms. Large-scale company ranches occupied only a small

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7 Conference Resolutions.
8 Opening Address: "The Way Forward".

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share of freehold farmland. In the reserves land enclosure was suppressed and large accumulations of livestock were either banned or heavily taxed. In the 1980s the second-tier authorities started buying commercial farms for resettlement or drought relief, controls on accumulation in the reserves were relaxed and the FNDC began demarcating and allocating 4000 ha ranches in southern Ovambo and Kavango.

Since independence these processes have noticeably accelerated. The government has acquired a few additional farms to add to the existing state-owned farms inherited from the colonial administration. Scores of fenced farms have been legally established in the eastern and northern communal areas by various devices, mainly assignments by traditional authorities. There have also been hundreds of illegal enclosures of communal rangelands with no more than verbal interventions from the government. Credit schemes, although little developed in practice, have been geared to assisting larger communal farmers to acquire land in the freehold zone. State technical services to communal farmers has gone mostly to a small minority of wealthier or commercialising farmers, an example being subsidised tractor ploughing in the Caprivi. Resettlement in the freehold zone has usually taken the form of allocating individual farms to groups of disadvantaged individuals or displaced communities - the eventual solution offered to the Sorris-Sorris community.

Presenting the views of the NAU, its president Paul Smit recently declared: "we are adamant that commercial land must remain commercial and that communal land must over time (be it 50 or 200 years) be commercialised". This perspective, implying the preservation of the existing 'family farm' model and its extension into most of the communal areas, is still taken for granted by many politicians and officials. Yet the long-term sustainability of the present pattern of commercial stock-farming is open to serious doubt. Both cattle and small stock ranches have high production costs by international standards and depend heavily on exports to protected markets in South Africa and the European Union to which terms of access are unlikely to remain as favourable in the future. The individual ranches, although large by intensive farming comparisons, are ecologically far more vulnerable to the highly variable distribution of rainfall than the free-range pasturing practices of pre-colonial communities and of present-day communal stock-farmers retaining communally managed rangelands resources. Nor is it clear what impact the withdrawal of colonial subsidies to commercial farms, especially subsidised mortgage interest rates, will exert on farm investment and land prices in the long run.

Recent research on African range management has questioned the assumption that fenced commercial ranches are always more efficient that communally managed commonage. While stock off-take rates may be much lower, the greater stocking densities may achieve higher outputs per unit land area than on commercial ranches. There can also be little doubt that communal stock farming, although not egalitarian, is far more equitable in its distribution of

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9 *The Namibian*, 13/10/94.
proceeds - through greater access for small farmers and kinship redistribution mechanisms - than commercial ranching on the settler model, with farmworkers living in extreme poverty and sometimes debt bondage and with the much higher lifestyle consumption demands of farm-owning households.

5.2. Multilateral and bilateral donors

The United Nations agencies are often criticised (especially by NGOs) for working too much through government structures. Only recently have they started to work through NGOs and CBOs. NGO representatives noted that some bilateral donors came in and threw money at NGOs without assessing the NGO's capacity to handle funds. Some NGOs have a sound approach - grassroots, focusing on capacity building and provision of management skills, not cash. Much depends on individuals within agencies. Sustainability of initiatives is a problem in donor agencies, because of high staff turnover. Agencies need to develop a strong core staff of Namibians, for continuity irrespective of changes in expatriate staff and consultants. The problem of recruiting and retaining staff is serious, though: Namibians prefer to work for government - fourteen Namibians have left UN agencies this year alone, because of better benefits in government or the private sector.

Recently, the United Nations Development Programme (UNDP) has decided to focus on poverty as an issue in Namibia. It has commissioned a report on the perceptions of poverty, and is engaged in a poverty mapping exercise. This focus will allow the UNDP to target its resources toward poverty reduction in areas where the need is greatest. The programme approach of agencies is good - not a plethora of projects, but a coherent programme. This is a recent development, as is the welcome trend towards channeling resources through local NGOs, not only through donors and government.

"Since donors are looking for maximum impact from the money they spend, they tend to channel their funding towards regions with the greatest number of people and highest concentration of population." This search for visible results can lead to regional disparities - some regions are being neglected, even though people there could benefit dramatically from small inputs of support. People who are better organised or have already demonstrated an ability to pick up on opportunities are more likely to receive support from those who are completely marginalised: "You reach out to those you can reach most easily."

Outside the UN family, the largest multilateral donor in Namibia has been the European Union (EU). The EU's pre-independence assistance was financed from special budget lines and channeled largely through NGOs such as the Council of Churches in Namibia (CCN). During the transition to independence and immediately afterwards, EU short-term assistance was channeled principally to NGOs and educational projects. Under the first agreement signed in November 1990 the EU committed its budgetary support to projects in education, health,
housing and agriculture. The bulk of this funding went to projects that can be described as welfarist rather than poverty-reducing. Examples of projects which absorbed most EU support to Namibia in the early 1990s were: an investigation of groundwater supplies in the northern sandveld zone, strengthening of primary health care services, upgrading of teachers in science and mathematics, and the provision of food aid for the 1992/3 Drought Relief Programme. One of the few projects that might be described as income-generating (and hence poverty-reducing) was an assessment of prospects for commercialisation of mahangu. Most of the EU's assistance was geared towards the GRN's main development priorities, and in the agriculture and health sectors was targeted for rural farming communities in the north.

Under the National Indicative Programme signed in March 1992, a further block of EU support was committed to Namibia over five years under the Lomé Convention, mainly to agriculture (40%), health (30%) and education (20%). Areas identified for the remaining 10% included low-cost housing and human resource development. The EU has also supported several other projects of direct relevance to rural poverty reduction, in particular a study on the integration of returnees, a micro-project scheme to assist small NGOs and CBOs, and a study on meat marketing from the communal areas.

An assessment of Swedish development assistance to Namibia commended SIDA for its achievements to date, but concluded by recommending that "continued Swedish assistance should be given a clearer orientation towards the objectives of poverty alleviation and employment promotion, two of the major socio-economic challenges of independent Namibia" (Melber et al., 1993, p.1).

"The over-arching objective of Swedish international development assistance is "to improve the living conditions of poor people"" (Melber et al., 1993, p.5). This is achieved through a combination of five goals: economic (growth), social (equality), political (independence and democratic development) and environmental (sustainable resource utilisation).

These broad goals are compatible with the general development objectives of the Namibian government, which focused on economic growth, inequality reduction, poverty alleviation, and employment creation in NDP1. NDP1 also reflects the need to raise the social and economic status of women (Republic of Namibia, 1995, p.53).

As one of the three largest donors to Namibia (along with Germany and the European Union), SIDA has provided support to a very wide range of institutions and activities, not all of which can be said to impact directly on poverty. These include support to the Bank of Namibia, the Central Statistics Office, the Office of the Auditor General and to Posts and Telecommunications in Namibia's North. Other activities of SIDA have the objective of indirectly supporting the poor through support for democracy, human rights, gender-related projects and activities aimed at enhancing environmental awareness. Drought relief efforts have centred on community-based water supply in rural communities. Support to district roads construction in the North has paved the way for enhanced trading, access and
communications. SIDA’s largest amount of assistance since 1990 has been directed to the basic education sector. A new three and a half year Development Cooperation Agreement with the Namibian Government puts increased focus on poverty reduction, in particular sectoral support to Basic Education and Transport. Labour-based public works and community-based school construction projects in Namibia’s Northern rural areas result in training, employment and income-generation for significant numbers of people. A large contribution to Adult Literacy and Basic Education in marginalised communities in Nyae Nyae in the former Bushmanland are examples of other SIDA projects with a direct impact on the poor.

A general criticism that might be levelled at the major bilateral and multilateral donors is that the balance between direct support and indirect support to Namibia’s poor is skewed too heavily towards indirect support - building institutions and institutional capacity for delivery of assistance and services to the poor, rather than delivering assistance directly to the poor. This is because major donors deal directly with communities comparatively rarely - most of their support is channelled through ministries, which have their own agendas and mechanisms for reaching the poor.

5.3. Local and foreign NGOs

NGOs, due to their independent status, are in a strong position to influence activities that promote poverty alleviation and poverty reduction. In particular they can fill the gaps left by government and/or donors who often have legislative restrictions and institutional requirements governing their operations. Foreign NGOs are, more often than not, well-funded. They can, if properly guided, provide funds for programmes that are a crucial component to an overall strategy of poverty reduction within a country. In addition they can provide for targeted research that can assist policy-makers. Some local NGOs are closer, both physically and socially, to the constituencies of the poor and the economically deprived. As such local NGOs provide a key avenue of communication and assistance between larger organizations and the disadvantaged. Local NGOs can also act to mobilise people around issues affecting their poverty. This mobilisation may take the form of community organisation or political activity.

A crucial issue with regard to NGOs is sustainability. For local NGOs the issue manifests around their ability to successfully plan, implement and monitor programmes targeted toward poverty reduction. The colonial era left a dearth of managerial skills amongst the majority of Namibians, especially in those areas where poverty is acute. As a result, some local NGOs that are well integrated into their communities are unable to cope effectively with an influx of funds and resources. Foreign NGOs are faced with a different sort of sustainability problem. Foreign NGOs operate with a freer hand than do most local NGOs and or donors. Accordingly, they may initiate projects outside of local or national structures - projects which because they are outside local bodies may develop creative and significant approaches to
problems of poverty - yet, whose sustainability can be minimal once the NGO ceases its direct support.

5.3.1. Foreign NGOs

Most foreign NGOs based in Namibia have poverty alleviation and poverty reduction as part of their basic mandate. A good example is the Ford Foundation, an American NGO which has programmes in Namibia devoted to Urban Poverty and Rural Poverty and Resources. This NGO often takes an approach to poverty that is oriented towards capacity-building and policy formulation. Recently, the Ford Foundation awarded a grant to NEPRU for the study of poverty in Namibia. This grant will contribute significantly towards policy debates on poverty reduction by collecting and analysing macro-economic data on poverty in Namibia that the country currently lacks.

Foreign NGOs also supply a significant body of expertise and experience in terms of personnel who have worked in different developing countries. In a country such as Namibia where the question of local capacity is, and will be for the foreseeable future, a major problem at all levels, staff from the donor and foreign NGO community can fill crucial gaps. This issue has been taken up by another major foreign NGO in Namibia, Oxfam-Canada, which has provided a significant amount of training for locally-based NGOs.

Generally, foreign-based NGOs are eager to follow the lead of the GRN in developing an overall anti-poverty strategy. Their expressed desire to have a local strategy is in direct contradiction to criticisms of their operations which claim that foreign NGOs fail to coordinate their activities with Namibian institutions. This is essentially a "chicken and egg" argument because foreign NGOs simply reply that in the absence of an overall strategy they must do something. The fact that Namibia is a young country has been used in the past - with some justification - as a reason why certain policies and institutions are underdeveloped. As Namibia nears its fifth year of independence, the power of this justification will increasingly wane. Fortunately, there are institutions in place that can begin to formulate and implement nationwide policies towards complex issues such as poverty. And, there is also a growing appreciation in many circles that something must be done, urgently.

5.3.2. Namibian NGOs

Local NGOs range from well funded foundations with a strong base in Namibia's business community to the numerous community-based organisations based in the former locations. Generally all these organisations have a much higher profile in on the ground in Namibia than
Chapter 5: Anti-Poverty Measures in Namibia

do many foreign-based NGOs. Local NGOs, even those not based in communities, tend to recruit staff from the populations they serve. Because of this, issues that vex many in the internationally-based development community, such as fluency in English, are not problematic. In addition, because many local NGOs (and their staff) have been in operation for longer than five years - whereas most international organisations arrived in Namibia only just prior to or after independence - they have a higher profile among Namibia’s small population.

Namibian NGOs are in a similar position to foreign NGOs when it comes to anti-poverty programming. They too feel that the lack of an overall strategy with defined goals hurts their efforts. As a result, they feel that their efforts, while worthwhile, are too scattered and ad hoc to bring about a large-scale reduction in poverty in the country.

From the outside, Namibian NGOs are criticised as being fragmented and at times working at cross-purposes to each other in terms of poverty alleviation and reduction. Many of today’s local NGOs were formed in the crucible of the final years of the liberation struggle, and as such suffered a hangover of “liberation politics” when the focus of their organisations needed to change dramatically from political mobilisation to provision of services. Should the GRN take a lead in formulating overall policies about poverty alleviation and poverty reduction, this would help many NGOs redirect their energies. Once more, the lack of a county-wide policy is an obstacle to the efficient functioning and harnessing of the talents and energies of this group of organisations.

Finally, a comment regarding the skills and capacity of Namibian NGOs. A number of respondents from various organisations mentioned that too often donors (and foreign NGOs) “throw money” at local NGOs without any consideration over their ability monitor and spend that money. As a result, a self-fulfilling prophecy occurs - funds are often poorly managed, and reporting on their expenditure and the activities they generate is very weak. Thus a perception that Namibian NGOs are ineffective and mismanaged is created. Oxfam-Canada was mentioned as a singular exception because it funds programmes within an NGO, and trains staff at that NGO in the management techniques that a donor organisation will require.

While Oxfam’s efforts are laudable, another issue rears its head, however - the “brain drain”. Many young, talented Namibians use their positions at local NGOs as a stepping stone into more lucrative and prestigious positions in the public service or the donor community. Once they obtain training and experience in NGOs, their job prospects brighten, and they can be lured away. The solution is to develop capacity country-wide - and in a sense, provided the most talented individuals do not leave the country, this is what is happening. But this is a slow process, and developing the overall capacity to manage a fully independent modern economy will take several years at least.
5.4. Summary

Poverty reduction must be the ultimate goal underlying all development initiatives, yet this objective is rarely stated explicitly in project documents or programme strategies, and many activities carried out in the name of development in Namibia have little obvious relation to poverty reduction. Although a high proportion of policies, programmes and projects can be claimed to have at least an indirect impact on poverty, it is no exaggeration to state that none of the government, donor and NGO representatives interviewed for this project have clearly articulated ideas about what poverty is, what are the main causes of poverty in Namibia, and what actions can and should be taken to tackle poverty directly and most effectively. When asked if poverty reduction was an explicit objective of their activities in Namibia, most agency and government representatives claimed that it was, but this claim could rarely be supported by reference to documentation.

There was general agreement among all interviewees that not enough is being done to combat poverty in Namibia. Given the smallness and weakness of the Namibian economy, the popular focus on formal employment creation is misguided - the potential for expansion is too limited. There is an over-emphasis on income-generating projects, to the neglect of agriculture, where the majority of Namibians earn their basic livelihood. An enabling environment has been created for industry - the Labour Act, Investors' Code - but not for agriculture. The land issue has not been addressed, nor has the question of community access to other natural resources - water, forests, wildlife.

Perhaps the overwhelming complaints from virtually all interviewees concerned the absence to date of a clear strategy for combating poverty in Namibia, and the lack of consultation and coordination among the actors involved in activities that are, after all, intended to uplift the living conditions of Namibia's poor. One interviewee expressed these problems succinctly, as follows:

"There's no strategy on poverty. There's no framework for consultation and discussion around poverty issues. There is the political will at government level to engage the donors and the NGOs. But when it comes down to working with civil servants there is no understanding of how to coordinate activities or work together on meeting common objectives."

With this in mind, three sets of recommendations emerge out of the discussion in this chapter, one for each of the main actors involved in anti-poverty activities.

**Government:** Should coordinate and focus anti-poverty measures in Namibia; preferably by establishing a Poverty Commission (see Chapter 6); should set targets for poverty reduction and develop strategies for achieving these targets within specified time frames (by NDP1 Mid-term Review, or NDP2). 

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Chapter 5: Anti-Poverty Measures in Namibia

Donors: Need to follow government's lead, rather than applying their global agendas to Namibia; also need to monitor their programmes more precisely in terms of their poverty reducing impacts.

NGOs and CBOs: Should be registered with government; should create a forum to coordinate their activities and share experiences; need support to improve their management of donor funds.
CHAPTER 6. CONCLUSION AND RECOMMENDATIONS

6.1. A "hand in hand" approach to poverty reduction

The theme of the 1990 World Development Report was poverty. In this document, the World Bank argues for a two-pronged approach to national anti-poverty programmes, an approach which emphasises both economic growth and provision of basic social services to the poor. The report highlights the dangers of focusing on one element and ignoring the other:

"In some countries, such as Brazil and Pakistan, growth has raised the incomes of the poor, but social services have received too little attention. As a result, mortality among children remains unusually high and primary enrolment unusually low... Some other countries, by contrast, have long stressed the provision of social services, but growth has been too slow. In Sri Lanka, for example, primary enrolment rates and under 5 mortality rates are exceptionally good, but the potential for raising the incomes of the poor has gone to waste for lack of economic opportunity. Progress has been greatest in the countries that have implemented both parts of the strategy... In Indonesia and Malaysia this approach has brought about a substantial reduction in poverty along with rapid improvements in nutrition, under 5 mortality, and primary enrolment." (World Bank, 1990, p.3.)

The danger facing Namibia at present is that it could follow the "Sri Lanka option". Since independence, a high proportion of government spending and donor support has been directed (correctly) to the social sectors - particularly health and education, which suffered relative neglect during the period of colonial administration. While it is important in the short term to improve the health and basic education levels of the Namibian people, in the longer term there are serious doubts about either the sustainability or the desirability of pursuing this narrowly focused "development" strategy.

For example, one of the major problems facing the Namibian economy is unemployment, and education is widely regarded as the surest route out of poverty and unemployment. Indeed, this report has emphasised the strong causal association between education and poverty reduction. People who are literate and numerate have better chances of securing formal employment than illiterates, or alternatively using their education to improve themselves economically through informal sector activities and enterprises. On the other hand, it is increasingly true that education does not guarantee any Namibian a job. Unemployment in Namibia currently stands at 30-40%. If resources are directed towards education to the neglect of job creation, the end product is not a reduction of poverty, but merely an increase in the numbers of educated people who are either unemployed or forced into low-status,
low-earning occupations. Clearly, more attention needs to be focused on providing employment options to school leavers, and also to the possibility of adopting a more vocational and less academic focus in school curricula.

In terms of policy implications, interventions can be divided into one of two kinds: transfers to alleviate poverty and provide a minimum safety net for the poor, and initiatives to create sustainable income growth and hence real poverty reduction. In fact, both are necessary - these are the two prongs of the strategy outlined above. Public spending on social services serves poverty alleviation and safety net functions, though of course education and good health can also be seen as investments in human capital, which raise an individual's productivity and economic potential. But real and sustainable poverty reduction comes from expanding the economic opportunities available to a country's citizens.

Unfortunately for the government, sustainable improvements in terms of poverty reduction are only possible if significant redistributive policies are implemented. Despite the government's clear commitment to improved delivery of social services (health, education, water supplies, pensions) to poor Namibians, it has so far failed to act in areas where real transfers of wealth and assets from wealthier to poorer Namibians are involved. These areas include land reform and taxation - which could be far more progressive than it is now, in the sense of taxing high earning individuals and companies to finance wealth creating enterprises among the poor.

The Ford Foundation acknowledges the achievement of the post-independence government in redirecting resources away from wasteful sectors such as "defence" and towards socially desirable sectors such as education and health. But it also argues for more attention to be focused now on economically important sectors, specifically in the rural communal areas, where poverty in Namibia is most severe.

"In Namibia, the government has made significant investments in construction of schools, health facilities and roads in rural areas. Since independence, forty percent of government expenditures have been dedicated to education and health; and only five percent to defence. But the vitality of rural areas will hinge largely on the ability of the rural economy to provide income earning opportunities for rural people. In neither country [Namibia and South Africa], however, are there clear and compelling proposals on the table for rural economic development." (Ford Foundation, 1994b, p.4.)

6.2. Recommendations

Eliminating poverty is not only about raising economic growth and improving social services for poor people; it is about generating the conditions for sustainable livelihoods, which
requires a broader range of interventions than job creation and increased public spending. This concluding section of the report presents recommendations in three areas: establishment of a Poverty Commission; decentralisation of government; six anti-poverty strategies; and ten priority research topics.

6.2.1. Poverty Commission

As noted earlier in this report, a commonly voiced complaint is that the Government is not taking the lead in terms of strategising and coordinating anti-poverty measures. One of the reasons for this might be that poverty reduction does not fall neatly into any single line ministry, but cuts across many ministries.\(^\text{10}\) Nonetheless, it is the view of this report's authors that the Government should take the lead in terms of strategising on anti-poverty measures. Accordingly, the major policy recommendation of this report is that a Commission be set up as a watch-dog and discussion forum on poverty issues, to be called perhaps: "Commission on Poverty and Sustainable Development".

This Commission should be located in the National Planning Commission, and should involve representatives of Government (the Ministries of Finance, Health and Social Services, Education and Culture, Agriculture, and Trade and Industry). This will not be a technical committee, nor will it create a new bureaucracy - instead it will fulfill a catalyst function and operate with only a skeleton secretariat. The Poverty Commission should consult with interested NGOs, research institutes (Central Statistics Office, NEPRU, Social Sciences Division), donors, other interest groups, and representatives of the poor themselves to strategise on the best manner in which to operationalise the poverty reduction requirements of the current NDP.

The principal mandate of the Poverty Commission should be to ensure that policies which aim explicitly at a comprehensive reduction of poverty in Namibia are incorporated and prioritised in Government's medium to long term planning - such as the Second National Development Plan (NDP2), later this decade. The Poverty Commission would serve as the focal point for such planning and strategising. Likewise, the mandate of the Poverty Commission should run from one NDP to another. Ideally, it should work itself out of business.

\(^\text{10}\) It was precisely in response to a perceived need to "mainstream" gender issues across all sectors of government that the Department of Women Affairs was set up in the Office of the Prime Minister, rather than within a single line ministry, and it is the conclusion of this report that a similar initiative is called for in the context of anti-poverty strategising.
Another mandate of the Commission will be to compile and disseminate information on poverty in Namibia, with the specific intention of advising government about appropriate anti-poverty interventions, and their coordination across ministries. Research could be commissioned on key topics for topic-oriented fora, such as annual workshops. (A model for this could be South Africa's Carnegie Commission of the 1980s.) Among the topics the Commission might investigate are the following:

- strategies for involving the poor in both the analysis of poverty in Namibia and in the development of programmes aimed at poverty reduction;
- population projections and implications for economic growth, urbanisation, employment, as well as demand for housing, water and essential services;
- options for improving local linkages and reinvestment of profits from capital-intensive resource extraction industries (mining, marine fisheries) for maximum benefit to the Namibian economy and Namibia's poor;
- prospects for private sector investment and employment generation in Namibia, especially in small-scale industry and expanding informal sector activity;
- farming systems research to investigate prospects for raising smallholder farm productivity and reducing agricultural risk;
- land tenure issues: implications of the Commercial and Communal Land Bills, effects of illegal fencing of communal rangelands, land distribution through the market and through government purchases.
- poverty reduction through land reform, including: an expansion of the southern and central communal areas for livestock farming; closer settlement of the Otavi highlands by smallholders from the northern communal areas; provision of water supplies to under-populated parts of the northern communal areas.

6.2.2. Decentralisation of government

A precondition for successful implementation of many of the anti-poverty policies discussed in this report is effective decentralisation of government from the central to the regional and local levels. This process was set in motion with the Regional and Local Government elections of 1992, but has so far been slow to translate into real shifts in power and decision-making away from Windhoek towards the regional capitals.
Chapter 6: Recommendations

There seems to be no logical reason for the concentration of central government in Windhoek. The process of institutional reform associated with decentralisation to the regions should have direct positive impacts on poverty reduction. Regionalised government departments will be better placed to address local needs and priorities and to respond to people's needs, especially in the communal areas, where poverty is greatest. Land reform is more of an issue in southern and central Namibia than the north, for example, while millet marketing is a concern mainly of the northern regions.

Building up the government presence in regional capitals such as Opuwo, Oshakati, Rundu, Katima Mulilo and Keetmanshoop should also generate direct economic benefits, in the form of government demand for inputs and services that can be obtained locally, and in the form of expanded employment creation. (The Caprivi economy benefited in this way from the SADF occupation in the 1970s and 1980s.) Inequality between relatively wealthy Windhoek and the less privileged regional centres would also level out as the elite and their incomes are distributed more evenly through the country.

6.2.3. Anti-poverty strategies

Chambers (1994, p.25) identifies six areas of a concerted anti-poverty strategy which are complementary to efforts to increase economic growth. These six areas are listed in Table 6.1 overleaf, together with suggestions for applications of these ideas in Namibia. Most of these policy applications arise out of the discussion in the main text of this report.
Table 6.1. Chambers' anti-poverty strategies and Namibian applications

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<thead>
<tr>
<th>Anti-Poverty Strategies</th>
<th>Policy Applications in Namibia</th>
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<tr>
<td>Sustainable management of natural resources, especially</td>
<td>Efforts to promote the sustainable management of natural resources by local communities, and the economic advantages of doing so must be recognised by the communities themselves.</td>
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<td>common property resources; equitable access for the poor.</td>
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<td>Redistribution of private and public livelihood resources to</td>
<td>Urgent consideration to the unresolved issue of land reform in Namibia, with the aim of redistributing land towards the poorest, marginalised communities.</td>
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<td>the poor.</td>
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<tr>
<td>Fair prices and efficient markets for what poor people sell</td>
<td>Improved millet marketing and supporting the private sector, rather than undermining it through free food distribution during droughts and food-for-work projects.</td>
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<td>and for what they buy.</td>
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<tr>
<td>Accessible health services for the prevention and treatment</td>
<td>Continuing decentralisation of primary health services to improve accessibility - more mobile clinics and community health workers serving remote rural areas.</td>
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<td>of diseases and injuries.</td>
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<tr>
<td>Abolition of restrictions on the livelihood activities of the</td>
<td>Research attention should focus on the alleged inhibiting role of the Veterinary Cordon Fence on livestock marketing from northern Namibia.</td>
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<td>poor.</td>
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<td>Safety nets for poor people, to mitigate seasonal stress and</td>
<td>Detailed research into the &quot;safety net&quot; function of the state pension in sustaining poor households; also further attention to other forms of support for vulnerable groups, both during drought crises and in normal times.</td>
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<td>enable them to conserve their livelihood assets in bad times.</td>
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6.2.4. Priority research topics

In addition to the policy reforms and research topics signalled above, it was noted in the process of compiling data and information for this report that a number of aspects relating to poverty in Namibia are poorly understood and require urgent research attention. The following ten topics are suggested as research priorities. They are arranged roughly in order of their discussion in the main sections of this report.

1. Macro-economic Determinants of Poverty
   Although the effects of poverty are felt most keenly at the level of individuals or households, many of the causes of poverty in Namibia have their origins in policies taken at central government level, both before and since independence. Namibia's highly skewed income distribution is clearly a product of fiscal and monetary policies over several decades, as well as discriminatory legislation designed to concentrate resources (notably land) and economic opportunities in the hands of a privileged few.
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While these issues are broadly understood, their lasting influence on contemporary poverty and inequality needs detailed investigation if these effects are to be reversed. As noted elsewhere in this report, the Namibian Economic Policy Research Unit (NEPRU) has recently embarked on a Poverty Research Programme, which has a strong macroeconomic emphasis. This research is much needed and is long overdue.

2. **Perceptions of Poverty**
Definitions and measurements of relative or absolute poverty are "outsider-driven", rather than emerging out of the experience of the poor themselves. Yet definitions and perceptions of poverty are highly contingent on the specific circumstances in which people live. For instance, while an urban resident might define poverty as lack of a motor car, a rural farmer might see poverty as a lack of cattle. Related issues are local perceptions of participation and empowerment, which again are highly dependent on where people live, their access to education and information, and many other poverty-related factors. A study which examines such issues as perceptions of poverty, wealth and participation therefore needs to be regionally and socioeconomically stratified. Some progress on self-perceptions of poverty was made with SSD's Household Subsistence Levels project in 1994, but this study also raised many issues which require further investigation.

3. **Vulnerability Mapping**
The incidence of poverty, near poverty and vulnerability to poverty throughout Namibia is uneven and unequally distributed. Preliminary results from the CSO's Household Income and Expenditure Survey have disaggregated poverty only in crude dichotomies (north/south, rural/urban, etc.). Further analysis is needed, first to test alternative indicators of poverty, second to determine areas with a high incidence of poverty, and third to further map these areas with regard to factors of vulnerability and the local characteristics of the poor. This exercise will allow for sharper identification of poverty indicators and of geographical concentrations of poor people, which in turn will facilitate the creation of locally specific programmes to eliminate poverty. This project would complement and extend the World Food Programme's "vulnerability mapping" exercise of 1994, which worked with only a few indicators of vulnerability.

4. **Extended Family Support Systems**
The role of extended families in alleviating poverty was discussed in Chapters 2 and 3. Extended families also figure prominently in many ethnographic descriptions of Namibian societies. Yet, despite their regular mention, little is known about the strength, duration and resilience of the support extended family networks can offer as a either a mechanism to prevent poverty or a buffer to the effects of poverty. In particular very little is known about the conditions under which the extended family and other indigenous support systems break down. A knowledge of these issues would assist policy makers in deciding where best to target anti-poverty resources.
5. Intra-Household Dynamics
Although some information is now available concerning poverty at the national and household levels, virtually nothing is known about the determinants of poverty within Namibian households. In-depth primary research needs to be undertaken on gender and generational differentials within rural households, on such topics as control over assets, inheritance rights, division of labour and domestic responsibilities, and processes of decision-making at household, family and community level which impact on individual and household poverty.

6. Non-Farm Household Incomes
Despite the fact that most rural households engage in some form of agricultural production, in the communal areas agriculture itself makes a relatively small contribution to overall rural household income. Various forms of non-farm cash income, secured for instance through state pensions, government employment, informal trading, remittances from family members working in the towns and mines, are more significant sources of income than agriculture for most households. In-depth research is needed on rural household income strategies in Namibia, giving particular attention to the contribution of non-farm income to overall rural household income, to gender and age factors in the acquisition and distribution of such income and to assessing the constraints and opportunities for increasing rural incomes from both farm and non-farm sources, based on realisable policy scenarios. Both the communal and commercial farm zones should be covered with differentiation between major agro-ecological-and cultural contexts. Using existing survey data and selective case-studies based on anthropological and survey methodologies, the research should assess the major current sources of rural household income; estimate the relative importance of non-farm income sources and levels of unemployment and underemployment; evaluate the principal constraints and opportunities for the growth of agricultural and non-farm income and employment; and outline realisable policy reforms geared to the promotion of sustainable long-term growth of farm and non-farm income and employment.

7. Seasonality
Throughout Africa, seasonality is recognised as a significant causal factor in creating and exacerbating rural poverty. The annual cycle of farming season and slack season distorts household labour patterns and restricts their economic options. A bad harvest can cause depleted granary stocks, rising food prices and a "hungry season" which increases poverty as the poor are forced into sales of assets to buy basic necessities for survival. Surprisingly, no detailed analysis of seasonality in food prices, income and expenditure patterns in Namibia has yet been undertaken. After the complete CSO dataset is made available in mid-1995, it will be possible to examine the economics and dynamics of seasonality in more depth.
8. **Consumption Patterns**

Five years after independence, Namibia still suffers from an extraordinary lack of data on consumption patterns by gender, age cohort, region, and related issues. In 1993 the Social Sciences Division collected food consumption data from 225 households in three Namibian communities, but to date this potentially very useful data remains unanalysed, due to a shortage of funds for working on the consumption component of the dataset. A proposal has been written to analyse this consumption data and to cross-tabulate food consumption with household income, sex of household head and other indicators of poverty; now funding needs to be secured to implement the proposal.

9. **Communal Lands**

The land issue has remained a prominent topic of public and policy debate since independence but has generated only limited research initiatives to date, principally the background papers for the 1991 Land Reform Conference and the 1994 People's Land Conference as well as the ongoing research programme on land-related issues at SSD. The imminent introduction of a Bill on communal land tenure lends urgency to policy-relevant research on communal land use and tenure systems in both the mixed farming and pastoral agro-economic zones. Key topics identified include:

- Historical evolution and present status of concepts and practices of communal tenure and customary law relating to land use and distribution.
- Livestock, rural livelihoods and communal rangelands usage in agro-pastoral farming systems in the north, and in pastoral farming systems on semi-arid and arid land. This research would follow up the preliminary case studies now being planned as a joint project between SSD, MLRR and SARDEP and would also cover the impact of commercialisation and enclosure of communal land.
- Communal access to freehold land for small farmers through conversion of tenure, leasehold and state-sponsored resettlement schemes.
- Socio-economic status and rights of farmworkers and their families in the land reform process. This research would also relate to the contemplated government commission on farm labour and domestic servants.

10. **Regulatory Framework for Businesses**

Local entrepreneurs and foreign investment can provide individuals with employment and the means to lift themselves out of poverty. Yet Namibia has an array of national and local ordinances that govern and restrict business activity. A more supportive regulatory environment needs to be created for small-scale business and the informal sector. In Windhoek the Central Business District is small and dominated by large
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stores and firms, often foreign-based. Outside of Oshakati and Katima Mulilo there are very few open-air "African" markets in Namibia. In smaller towns business people need licences from municipalities which are often "old-fashioned" in their attitudes. Poor people lack the confidence to approach bureaucrats for the necessary paperwork before setting up a small enterprise. Women are particularly discriminated against.

A comprehensive review of the regulatory environment facing small-scale business and informal sector activities is urgently needed, in order to transform the present constraining environment into an enabling one. This will probably require an overhaul of municipal and local law, in order to remove the stifling hand of bureaucracy and empower small entrepreneurs. As a first step, a study should be undertaken which examines the framework of regulations at the national and municipal levels, and the attitudes of those who govern and are governed by this array of regulations.
REFERENCES


References


### ANNEX I. LIST OF KEY PERSONS INTERVIEWED

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<td>Raererera Mbetgiha</td>
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<td>Arnold Tjihuiko</td>
<td>Ministry of Trade and Industry</td>
</tr>
<tr>
<td>Adelaide Soroses</td>
<td>Directorate of Extension &amp; Engineering, Ministry of Agriculture, Water and Rural Development</td>
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<tr>
<td>Batseba Katjuonga</td>
<td>Directorate of Social Services, Ministry of Health and Social Services</td>
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<td>Nashilongo Shivute</td>
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<td>Frances Chinemana</td>
<td>UNICEF</td>
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<td>Annette Gabriel</td>
<td>UNFPA</td>
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<td>Ingrid Löfström Berg</td>
<td>SIDA</td>
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<td>Barbara Belding</td>
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<td>Carsten Norgaard</td>
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<td>Stephen Lawry</td>
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<tr>
<td>Gillian Brewins</td>
<td>Oxfam-Canada</td>
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<td>Len LeRoux</td>
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ANNEX II. OPENING ADDRESS BY MS. SAARA KUUKONGELWA, DIRECTOR GENERAL, NATIONAL PLANNING COMMISSION

To: ADDRESSING POVERTY SEMINAR, 14 NOVEMBER 1995.

The Chairperson

Distinguished Participants

Ladies and Gentlemen

First of all let me thank the organisers of the seminar, the Social Sciences Division of the University of Namibia for inviting me to open this very important seminar, which is focusing on and addressing the serious and burning issue of Poverty. On behalf of the Namibian Government, let me thank the Swedish International Development Agency and the Social Sciences Division of the University of Namibia for combined efforts that produced the "Namibia Poverty Profile" study which is the subject of discussion at this seminar. In order for Namibians to understand and fully appreciate the socio-economic problems confronting them and the magnitude of the efforts required to resolve them, they need adequate and up to-date information.

Distinguished participants, ladies and gentlemen, the issue of poverty is as old as it is widespread. There is no single country today which can claim to have eliminated poverty completely. As for Namibia the question of poverty defined as the lack of physical necessities, assets, income and access to opportunities, was recognised and acknowledged from day one of independence. The country is experiencing both relative and absolute poverty. There are many in our society who are relatively poor because of their low income and standards compared to other members. At the same time there are Namibians who are absolutely poor because their living standards are below what is recognised as the "Poverty Line" of the country.

At independence, therefore, the Government of Independent Namibia accepted as a challenge, poverty alleviation the short and medium term and poverty elimination in the long run. Accordingly Government's commitment to this formidable challenge in which the Government is charged with the following responsibilities:

- Ensuring that citizens have fair and remarkable access to public facilities and services.

- Ensuring availability of social benefits and amenities for unemployed, incapacitated and disadvantaged in accordance with availability of state resources.

- Ensuring living wages for workers to ensure maintenance of decent standards of living and enjoyment of social and cultural opportunities.

- Maintenance of acceptable echo-system and bio-diversity.
Annex II: Address by Saara Kuunongelwa

- To ensure consistent planning to raise and maintain an acceptable level of intuition and standard of living of the Namibian people and to improve public health. Towards that end the Government has embarked upon various programmes.

- The provision of assistance to the old age people in terms of finance and support to the old age homes.

Ladies and gentlemen, there are many factors underlying poverty in Namibia. Briefly, Namibia’s fragile and arid ecology places considerable strain on the predominantly rural population which depend on marginal farming. Environmental factors are prominent factors underlying poverty in Namibia today. Historically, communal areas were placed mainly in fragile arid and semi-arid areas in eco-systems which are vulnerable to over-exploitation. The loss of vegetation tends to affect livestock production, especially the smaller herds and flocks of poor households. Furthermore, the degradation of farming environment affects poor households. Depletion of other commercial exploitable natural resources like fish have equally serious effects when thousands of workers loose the jobs.

We should remember that the socio-economic structure Namibia inherited still pervades our society. The pre-independence educational system was characterised by highly unequal access to education and training resulting in the high number illiterate non white Namibians. Due to the apartheid system of uneven distribution of land the majority of Namibians were denied access to land. The case was the same with social services where the majority of the people had unequal access to social services, these are some of the many factors underlying the poverty question Namibia.

Distinguished delegates, ladies and gentlemen, I have indicated above that poverty is as old as it is widespread. This is precisely because it cannot be overcome overnight. Namibia’s commitment to fighting poverty cannot be questioned. Since independence five years ago, measures aimed at poverty alleviation received the highest priority. About 48% of government budgetary expenditures in directed at the development of Social Services - education, health etc. Objectives and strategies of the transitional national development plan, NDP1, has highlighted several medium and long term policy measures and strategies aimed at reducing poverty. Some of these measures include:

a) Strengthening of the economy’s growth performance.
This will involve making the economy more productive and competitive, creating in the process more job opportunities.

b) Promoting rural and regional development
This will involve improving agricultural productivity, promoting regional industrial development rural development programmes for both infrastructural improvement and
Annex II: Address by Saara Kuolongelwa

in institutional building, programmes of agricultural development and extension services and rural development centres;

c) Encouraging small scale industries
Informal sector activities programmes and projects for women and children; food relief for those affected by drought and early warning system;

d) Achieving equitable land distribution.
In addition, the food and nutrition council has programmes to deal with feed requirements;

e) Creation of employment opportunities

The Government plans to:
- Increase wage (formal) employment by at least 70 000,00 by 2 000,00.
- Increase subsistence agriculture employment by at least 30 000,00
- Increase informal sector self employment by at least -10 000,00

f) Adoption of labour intensive public works programmes

g) Improving access to social services e.g. education, health, social welfare services.

h) Community mobilization; etc.

i) Reducing the population growth rate in order for the country to have an affordable population, etc.

These are just some of the many measures the government is taking to fight the critical problem of poverty. Poverty reduction let alone its elimination is a long term process. It cannot be realised in five or ten years. The government and people of Namibia are set to fight poverty on all fronts. Ladies and gentlemen, it is now my honour and privilege to declare the seminar on poverty on poverty officially open.

Thank you for your attention.
ANNEX III. REMARKS BY ROBERT CHAMBERS

To: ADDRESSING POVERTY SEMINAR, 14 NOVEMBER 1995.

Selective summary of remarks made at the seminar on poverty in Windhoek on 14 November 1995 (by Dr. Robert Chambers)

Apology

Thank you for the privilege of this opportunity.

I am doing what I have been saying people like me should not do: coming to a country for a short time and having the effrontery to make suggestions about what might be done. However, if there is any field in which the English can claim international leadership, it is hypocrisy. I can only hope that you will take a generous view of my arrogance, and interpret it as an effort to maintain national standards.

I have also often been wrong in the past, and am surly wrong in some of the suggestions and judgments which follow. To those who know better, I can only urge you to follow the advise of the one-sentence manual for PRA:

"Use your own best judgment at all times".

Part 1 Poverty: Whose reality counts?

The special position of Namibia

I have been especially helped by two documents which are being presented to us here today:

*Namibia Poverty Profile: a report for SIDA, prepared by the Social Sciences Division of the University of Namibia.


Three characteristics strike me. All can be seen as opportunities.

1. Skewed Income Distribution

If the English are leaders in hypocrisy, Namibians surely are well up in the medals for skew income distribution. The Human Development Index is a combination of GDP per capita, life expectancy, and a composite indicator for adult literacy and educational
enrolments. When the nations of the world are ranked by the HDI, they can be given a plus or minus position compared with the position that could be expected for their GDP per capita. So plus means doing well, and minus doing badly. Namibia is currently one of the worst performers, at minus 32. The only countries which have done worse are Oman, Qatar, Saudi Arabia, United Arab Emirates, Libya, Gabon and Brunei. Most of these are countries which combine extremes of wealth with exceptional discrimination against women.

Table 1. Human Development index position compared with position predicted by GDP per Capita.

<table>
<thead>
<tr>
<th>Country</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oman</td>
<td>-60</td>
</tr>
<tr>
<td>Qatar</td>
<td>-53</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>-43</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>-41</td>
</tr>
<tr>
<td>Libya</td>
<td>-38</td>
</tr>
<tr>
<td>Gabon</td>
<td>-36</td>
</tr>
<tr>
<td>Brunei</td>
<td>-34</td>
</tr>
<tr>
<td>Namibia</td>
<td>-31</td>
</tr>
</tbody>
</table>

Here is a table comparing Namibia with Jamaica and Lesotho

<table>
<thead>
<tr>
<th>Country</th>
<th>GDP(WDR 1995)</th>
<th>Adult Lit.</th>
<th>IMR</th>
<th>Life Exp.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Namibia</td>
<td>1.820</td>
<td>40</td>
<td>60</td>
<td>59</td>
</tr>
<tr>
<td>Jamaica</td>
<td>1.440</td>
<td>84</td>
<td>14</td>
<td>74</td>
</tr>
<tr>
<td>Lesotho</td>
<td>650</td>
<td>69</td>
<td>79</td>
<td>60.5</td>
</tr>
</tbody>
</table>

Sources: World Development Report (WDR) 1995
           Human Development Report (HDR) 1995

One of the joys of middle distance and long distance running is starting at the back of the pack, and then overtaking other runners. In human Development and human well-being race, Namibia has started, for painfully clear historical reasons, way back in the pack.

Positively, this is a wonderful opportunity to do better now, to overtake others, in the reduction of poverty and the enhancement of the well-being of poor people.

2. Ability to say boo to the donor goose.
   (There must be a more appropriate animal, rather than a goose, so please forgive my culture-bound imagery).
Unlike most African countries, Namibia is not in debt (yet) to the IMF and World Bank, and so remains an independent country. This means that the Government of Namibia is in a relatively strong position to make its own policies, rather than having them dictated.

3. **Opportunity to learn from the successes and failures of others.**

Coming into the race late, means that the errors of others can be avoided. Let me list some of those, as they seem to me. To be brief I will make them sharp assertions without evidence. In practice most of them need qualification.

**DO NOT:**
- go for communal cultivation (herding is different)
- treat cooperatives as a universal solution
- proliferate ministries and parastatals
- permit crude structural adjustment which hurts the poor
- go for top-down centrally directed development
- over-coordinate, trying to integrate everything
- try to decentralise without decentralising financial discretion
- take loans when you can get grants (so obvious, but it can be a danger)

The biggest problem is "US" and our reality

The greatest, growing insight of the past decade has been the increasing recognition that the major problem of development is "us", development professionals, our motivations, misperceptions and mistakes. In brief, we are the problem, and they (local people, the poor) are the solution.

Five aspects distort our realities

1. **Normal dominance**
   A saying which sums up much of this is "All power deceives". because they know that is what the visitors believe, and they are prudently polite; but we now know that they protect and extend the forest, and more people means more forest. Their reality is very different from what they say to those with power to affect their lives. Those who dominate are very vulnerable to such deceptions.

2. **Normal Professionalism**
   Professionals tend to simplify with their reductionism, to standardise, and to work in controlled environments. Poor people often have complex livelihood strategies, complicate and diversify their farming systems to reduce risk, and are vulnerable to conditions they cannot control.

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3. Normal bureaucracy
   On which there are many experts. Normal bureaucracy has three tendencies - to centralise, to standardise and to control. For the realities and interests of poor people to count more, reversals of these are needs: to decentralise, to allow and encourage diversity, and the hand over discretion and control, trusting those who are "below".

4. Normal ("successful") careers
   Normal domestic cycles tie us down with families, and women more than men. In parallel, normal careers which are considered successful move inwards, to larger and larger urban centres, and upwards, in hierarchies, so that we tend to have a world run by old men who are out of touch and out of date.

5. Normal learning
   We are taught in school, and rewarded for reproducing what we are taught, and the being obedient. This magnetises us so that we for well into hierarchies later, which though necessary, become part of the problem when they are, as most are, too top-down to permit and encourage participation.

   The realities of professional which result tend to simplify and misperceive the realities experienced by the poor. Standardised poverty lines measure only one dimension of deprivation. Questionnaires typically capture only part of the complex and diverse realities of poor people.

   We also tend to blame the victims. Poor people are said to have short time horizons and to "five hand to mouth". In practice, they often seek desperately to be able to take the long view, to have the security to be able to invest (to plant and protect trees, and so on). The people with short time horizons are often (though not always) politicians (thinking as for as the next election), businessmen and contractors (in for a quick buck), donors (wanting to negotiate agreements, and to disburse funds), and bureaucrats (wanting to spend money by the end of the financial year). (Please see the appendix Verse).

   We also simplify the complexities of deprivation for the sake of ease of measurement. Deprivation, illbeing and the bad life are much more than poverty, as defined by economists in poverty lines. One way of analysing this complexity is in terms of five dimensions, each of which reinforces the others.

   **Isolation**  Physical isolation, lack of education, lack of communications, being out of touch

   **Physical Weakness**  Sickness, disablement, the cycle of pregnancy, childbirth and child care, lack of physical strength
Annex III: Address by Robert Chambers

Poverty Lack of income, physical necessities etc.

Vulnerability Exposure to shocks and stress, and inability to cope without damaging loss

Powerlessness Lack of control over what happens, being at the mercy of events and of others

The web of ill being

Whose reality counts?
Whose knowledge counts?
Whose criteria count?
Whose analysis counts?
Whose planning counts?
Whose actions counts?  
\[\text{Ours?} \quad \text{Theirs?}\]

Each of these can be tackled in different ways. They present an agenda which is much broader than the poverty that is normally measured.

Our tendency to standardise and simplify also leads us into the trap of treating communities as homogeneous. The National Development Plan mentions "promotion of the participation of communities". In practice, communities are differentiated especially by four axes: gender, age, wealth and ethnicity. Women and men, young and old, poor and rich, and people of different ethnic groups, have different priorities.

This can be illustrated from an example from Kenya. A number of communities conducted participatory wealth ranking into rich, middle and poor. Each group in each community then
conducted and analysis of their problems and scored them. The contrasting results are shown in the table below.

Table 2: Priorities of the poor (example: Isiolo district - Kenya)

Problems and Solutions as seen by different wealth groups % of Total possible score.

<table>
<thead>
<tr>
<th></th>
<th>Rich</th>
<th>Middle</th>
<th>Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Livestock Management</td>
<td>87</td>
<td>51</td>
<td>7</td>
</tr>
<tr>
<td>Lack of Livestock</td>
<td>-</td>
<td>21</td>
<td>49</td>
</tr>
<tr>
<td>Agriculture</td>
<td>4</td>
<td>9</td>
<td>13</td>
</tr>
<tr>
<td>Alternative Employment</td>
<td>2</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>Direct Assistance</td>
<td>-</td>
<td>-</td>
<td>12</td>
</tr>
<tr>
<td>Other</td>
<td>7</td>
<td>10</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>


**Method:** Wealth ranking in numeracy (?13) communities followed by focus group participatory analysis (rich, middle, poor) in separate groups.

**Findings:** Those whom we tend to meet - the rich - had livestock management as their top priority. The poor had more diverse problems, with lack of livestock top of the list.

**Reversals**

Putting poor people's priorities first entails reversing many of these tendencies. Enabling them to conduct their own analysis, for example through the approach and methods of PRA (Participatory Rural Appraisal) Offers one way forward, with which there is experience in Namibia.

The findings in other countries is that the priorities revealed through such approaches and methods often differ in emphasis and in substance from those supposed for the poor by those who are centrally placed and powerful. The Participatory poverty Assessments (PPA) Conducted in some African countries (with an evolving methodology) have shown the following to be some of the major concerns of the poor:

* livelihood security
* isolation, including physical isolation form services
* curative health, and access to treatment for accidents and acute sickness
Annex III: Address by Robert Chambers

*seasonal stresses, especially needs to find money (e.g. for school expenses) at difficult times of the year
*sources of food at bad times (mangoes being important in Zambia)
*the great value of a reliable income base, such as a pension
*petty restrictions as a deterrent for trading and processing in the informal sector
*the value of drudgery-diminishing technology for women (e.g. maize grinders)

The PPAs have yielded surprises, and also measures which cloud be undertaken with high benefits to the poor at relatively low labour cost.

**Finally**

There are three themes which are a foundation for solutions. They can be called The Three D's.

- **Decentralisation** of power and resources
- **Democracy** to give the poor a voice
- **Diversity** to encourage and allow poor people to diversify and complicate their livelihood strategies

Pursued together, they can empower the poor, so that it can be much more their that counts.

**Part 2: Suggestions for Consideration for policy**

With some reticence, given my ignorance of Namibia, I make the following suggestions for consideration. They are not recommendations. It would be totally inappropriate for me to make recommendations. But on the basis of the two reports, of the analysis above, of experience in other countries in Sub Saharan Africa and elsewhere, and of recent learning about participatory approaches to development, let me at least list an agenda of points which seem to me worth making as a basis for reflection and discussion. There are four headings:

- Government orientation and action
- Sustainable livelihoods
- Land and natural resources
- Participation and Poverty

For brevity, each is expressed as an imperative.
1. Government orientation and action

1.1 Resist donor pressures to borrow and to spend
Namibia seems to be in the happy position of not needing to borrow much. There is much to be said for shopping around among the donors. There is no point in accepting loans when grants are available. The sad fate of other countries which have become heavily indebted, with the high costs of enforced structural adjustment on poor people, is a vivid warning.

Pressures to meet deadlines for spending of the drive out and destroy participation. Beware of donors with drives to disburse. The world Bank and IFAD do not have unblemished records. Please see the appendix verse.

1.2 Decentralise the budget
Decentralisation is on the agenda. Many, many countries have agreed at a policy level to decentralise, but nothing much has happened.

The major reason, in my analysis, is a failure to decentralise discretion for expenditure. Ministries of Finance have prevented decentralisation by maintaining unnecessary control. Of course, proper accountancy, honesty, audit and reporting are vital. But the power to decide on budget allocations has to be decentralised if the system is to work. Local level authorities must have discretion.

(In the seminal discussion a lack of qualified accountants was stated as a major constraint. If so, then there could be a case for giving the training of accountants, and their outpost, a high priority.)

1.3 Put first the priorities of the poor
There is an emerging consensus among development professionals, reflected even in the publications and policy statements of the World Bank (practice is another thing), that priority should be given to the priorities of poor people, as freely identified by directed, to bottom-up, demand-drawn policies and actions. This requires a change of mindset at all levels, if Namibia is like other countries, especially at the top and in the centre, and changes of practice in the peripheries. Please see section 4 below.

2. Sustainable livelihoods
2.1 Save livelihoods, not only lives
"Proper contingency planning to prevent deaths during drought", as stated in one of the policy documents, is acting to late. It is now more widely understood how important it is to intervene with safety nets early in bad times, before hardship has already made poor people poorer (through sale of assets, taking debts etc.). It is much easier and cheaper to provide early safety nets to enable people to avoid becoming poorer than, once they are impoverished, enabling them to fight their way back to their previous level. (Restocking, for example, is very administration-intensive)
Annex III: Address by Robert Chambers

This means livelihood support rather than emergency relief, a change of mindset and orientation.

Good early warning systems (EWS), and early action on them, are the key. Much experience has been gained which suggests that the early action is harder to achieve than the good EWS. I know Namibia has its own experiences to draw on. Those of other countries might also be of value.

2.2 Release employees at agricultural labour peaks

Labour shortages are often constraining at peak periods in smallscale agriculture. It seems that this may also be the case in Namibia. The diamond industry is said already to operate somewhat seasonally, releasing employees who return home for cultivation, weeding etc. during the rains.

Could this become a more widespread practice? For example in tourism, if the rains are a seasonal slack. And in other employment? Could Namibia show the way in enabling a substantial proportion of employees to diversify their sources of income, and to help establish more productive and sustainable agriculture in their original home areas?

2.3 Deliver pensions to poor people in remote areas

Namibia is exceptionally fortunate in having to hand a means of helping many of the very poor in remote areas. The Namibia poverty Profile (page 64) quotes the National Planning Commission statement that many who are entitled to pensions do not yet receive them. While other governments struggle to find means of helping such people, Namibia has the means to hand, in an established right and entitlement which those people have. I am sure there are difficulties. But what a brilliant opportunity!

One approach might be a widespread campaign of publicity over the radio, and in other ways, to inform people of their rights, combined with regular mobile paying out offices, taking the pensions to the people. Or other arrangements might be devised. It should not be beyond human ingenuity to find a solution.

2.4 Encourage and Support Self-help Savings Groups

Much mention is made of cooperatives, which have their strengths, but which have proved not to be the solution for many problems. Elsewhere, small scale savings by groups of poor women and men, with a high degree of discretion to them as to the use of the funds, but with good and transparent accounting (the one thing that needs to be ensured), have proved an effective way of avoiding dependence and enabling people to help themselves and one another, especially in dealing with crises and contingencies.
2.5 **Improve Rural-Urban Terms of Trade**

Anything which improves rural urban terms of trade, in favour of rural, tends to diminish poverty, and helps to retain people in rural areas. I do not know what could be done. But higher prices and better marketing for what poor people produce, and lower prices for what they buy, may be worth examining to see what the options are.

2.6 **Remove Trading Restrictions**

Health and town planning restrictions always look good to officials, and to those already established in business, and good reasons for them can always be produced. In practice, they often inhibit new entrants, and especially petty trading and processing in the informal sector (the woman who sells things in the market etc.). Are there such restrictions in Namibia which could be abolished? The costs would probably be low, the benefits to some of the poor, and their livelihood, might be high.

2.7 **Give Voice to the Disabled**

The disabled are scattered, and find it hard to organise. Are there ways in which their realities, their needs, their voice, could be given prominence?

3. **Land and Natural Resources**

3.1 **Clarify Rights to Land and other natural Resources**

*The Poverty Profile (page 74) says:*

"An enabling environment has been created for industry - the Labour Act, the Investor's Code - but not for agriculture. The land issue has not been addressed, nor has the question of community access to other natural resources - water; forests, wildlife"

Clear rights and access are basic to sustainable management of natural resources. Conversely, ambiguous rights and uncertain tenure often lead to over exploitation. Clarifying rights is easier said than done. But in the absence of clarity, land grabs tend to occur, as happened in Botswana, to the detriment of the poor on what communal land remains.

Experience elsewhere suggests that once rights to trees are clear, forests tend to be protected and trees planted.

Clarifying rights of these sorts is often difficult, but delay often further degrades the environment and impoverishes the poor. Early, equitable calcification, with much public information about rights, can therefore be a very pro-poor policy, providing it is not done in a way which benefits the richer and less poor more than the poor.
3.2 Provide for productive and sustainable grazing systems

The new understandings, based on experience and ecology, about range management in difficult environments suggests that traditional systems have been more productive and sustainable than had been supposed, and that they are often better than more confined, less flexible, more conventional commercial ranching. (See Ian Scoones ed. Living with Uncertainty, Intermediate Technology Publications, London, 1995). There have also been new explorations of communal systems of grazing. All I am competent to do is to refer to these insights and this literature, and point out the implication that there is a newly strengthened technical case, in addition to the equity case, for extending and further evolving traditional communal equity systems rather than allowing them to be subdivided through fencing. In other words, fencing in communal lands in not only inequitable, allowing the appropriation of land by the powerful at flexible, productive and sustainable resource management.

3.3 Relocate large owners from communal lands to commercial ranches

Botswana suffered after independence form a land grad through borehole allocations in the Kalahari. Namibia has the great advantage, which Botswana did not, of being able to provide an alternative through the purchase and reallocation of commercial ranches so that large herds can be moved out of the communal areas, and those who seek to appropriate land there can be diverted.

This would seem a golden opportunity, combined with 3.1 and 3.2, to benefit the poorer herders and farmers in the longer term by reversing the appropriation of communal land through fencing.

3.4 Assess whether agricultural areas are labour-scarce

A surprising finding of experience in some other parts of Africa has been that erosion and degradation can be (though not always) associated with too few people, not too many! (For a Kenya example, see Mary Tiffen et al More People, Less Erosion, Wiley, London 1993). The reason is that sustainable agriculture including livestock husbandry in some of these semi-arid areas in labour-intensive. This may on may not be the case in the various agricultural zones of Namibia, but assessing this would seem to be a priority, for it has profound implications for policy.

4. Participation and Poverty

4.1 Train for and Conduct Participatory Agricultural Research

It is striking that only 3 per cent of GDP is calculated to be derived from subsistence agriculture. It is difficult to believe that this is anything like near its potential. World-wide the potential of small scale farming in difficult environments has been underestimated, not least because historically, agricultural top down. The solution is participatory identification of priorities and needs be farmers themselves. If Namibia can adopt and follow a truly
participatory approach, the benefits to poor farmers should be substantial. If Namibia follows traditional research modes, rather little could be expected.

Training of scientists and extensionists in participatory behaviour and attitudes would seem then to be vital.

4.2 Explore the potential of the Reflect approach to adult literacy

This approach, recently developed, uses PRA (participatory rural appraisal) methods, and has been endorsed by Paulo Freire himself. For information contact David Archer, Action Aid, Hamlyn House, Macdonald road, Archway, London N19 5PG (Telephone +44 171 281 4101). It has evidently started well in Uganda. It may be worth finding out about and considering for Namibia. This approach empowers learners through their making maps and diagrams, expressing their realities, and then learning how to spell things they have portrayed.

4.3 Introduce and intensify training on behaviour and attitudes in organisations, including for senior people and donors

At the 50th Anniversary celebrations of FAO in October, one of the 15 solutions was: "Develop and implement methods and approaches to help professionals, at all levels in organisations and in interaction with farmers and the food-insecure, to adopt behaviour and attitudes which are truly participatory, non-dominating and empowering."

This recognised that to facilitate participatory approaches requires changes from normal dominating and top-down behaviour, both in field contacts, and within organisations themselves. Such training has already begun with agricultural extension workers in Namibia. The experience elsewhere is that the effects of such training are difficult to sustain unless the changed behaviour is reflected also in higher levels, and in the cultures and procedures of organisations.

Approaches and methods are being developed and shared rapidly now about training in behaviour and attitudes for all levels. Hilde Olivier of ACORD, and the contact person for PRA in Namibia, will be in touch developments in other countries. These include WIN-WIN experiences in which senior people spend time in the field hosted by and living with local people and instructed and taught by them. I can recommend this both for senior officials and for those about their realities from the poor themselves. Those (mainly in UNDP) who have so far had this experience have so far had this experience have found it quite profoundly significant.

Perhaps the Namibian Government could make a week of such and experience a condition for all donor agency staff wishing to work in the country.

4.4 Consider conducting a Namibian Participatory Poverty Assessment (PPA)

We know now that the realities of poor people are quite different from those we assume. The need, then, is to enable them to express and analyse their realities and priorities,
and to share those insights with us. The approach and methods of PRA are among the means that can be used for this. Unlike most other African countries which have undertaken PPAs, Namibia is fortunate in already having a trained capability in PRA, and good trainers. There are also good trainers in nearby countries - Zambia, Zimbabwe and South Africa in particular.

The Zambian PPA is a useful source of insight. Although the Zambian PPA was conducted by a small team, and only in two urban and six representative rural, communities, the findings had major implications for policy.

A Namibian PPA could draw on the experience of other countries, such as Zambia and South Africa (which is in the middle of a PPA at the time of writing), and go beyond these in further innovating this frontier methodology. I believe it has the capability to do so, and to be a pioneer in approaches to poverty reduction form which other countries could learn.

If there was a decision to undertake a PPA, this could mean that the perceptions and priorities of the poor themselves could influence policy; that it could be much more their realities that counted; that policies and practices to reduce poverty could be focused and effective; and that the rest of the world, especially countries with sharp income disparities, could learn from the achievements of Namibia.

Windhoek, 18 November 1995

Robert Chambers
THE BUREAUCRAT'S PLEA TO THE POOR

Beneficiaries here I come
Donor with a tidy sum
Father Christmas is my name
Grants and results are the game
All will gain, that is the notion
You get cash, I get promotion

Help me be a good provider
Open up your mouths much wider
What I bring is sure to please
Sacks with lots of free goodies
All you have to do is take 'em
Evaluations? We can fake 'em

Make disbursements, that's the must
Where they go we will adjust
Take a lot and quickly spend
Financial Year is near its end
For accounting, we can fudge it
All that matters - spend the budget!

Retained consultants will report
Contractors acted as they ought
None of the structures was defective
Monies spent were cost-effective
All the data that're obtainable
Show the project is sustainable

Shan the mean facilitator
What he brings is less and later
PRA is but a con
Make your map, and they move on
Their approach will make you sick
All they hand you is a stick

Participation too's a mess
You do more and they do less
What good calling you clients and actors?
Better cash from benefactors
You, the poor, should never spurn
Gifts you do not have to earn

THE POOR'S REPLY

Donor, we reject your song
Your advice, top-down, is wrong
Free flowing funds as in your verse
Corrupt and spoil and make things worse.
Keep your money. We will show
True development's from below

(23 July 95)