

OVERCOMING BARRIERS TO THE PRODUCTIVE RESETTLEMENT OF NAMIBIANS

A. ROTHAUGE

Neudamm Agricultural College, Private Bag 13188, Windhoek, Namibia
(arothauge@unam.na, Tel.: +264-61-2064111, Fax: +264-61-2064027)

ABSTRACT

Resettlement of formerly disadvantaged Namibians on commercial farms bought or expropriated by the government is one of the mechanisms used to achieve a fairer distribution of land amongst Namibia's population. None of these farm unit resettlement schemes was found to be sustainable after five years.

To improve the success rate, the following are suggested:

- include farm workers and graduates of tertiary agricultural training institutions as priority beneficiaries,
- increase the size of land allotments,
- expand resettlement beyond traditional ranching areas,
- restore acquired land ecologically before resettlement,
- formally train beneficiaries prior to resettlement,
- follow up with informal training and targeted support,
- subsidise inputs and procure outputs preferentially,
- secure title to land allotments so that they can serve as collateral for loans, and
- allow successful resettled farmers to consolidate their land holdings.

Namibian farmland is too scarce a resource to be squandered in an unproductive manner.

INTRODUCTION

That land distribution in Namibia is skewed is due to past colonial and pre-independence political dispensations (Adams and Werner, 1990; Werner, 1997). To ensure a fairer and more representative distribution of land amongst all of Namibia's people, the government implemented a land reform programme consisting of three main components: the Farm Unit Resettlement Scheme (FURS), the Affirmative Action Loan Scheme (AALS) and Tenure Reform in Communal Areas (TRCA) (Republic of Namibia, 1998; 2001). This programme is administered by the Ministry of Lands, Resettlement and Rehabilitation (MLRR, which recently evolved into the Ministry of Lands and Resettlement, MLR). All three processes are on-going but, after more than 15 years of land reform, it appears that the FURS is much less successful (Kruger *et al.*, 2005) and more controversial (e.g. Odendaal, 2005) than the other two components of land reform. It is thus imperative to improve the FURS, in the process removing barriers to Namibia's development and ensuring peaceful reform of land and society in general. Several institutions have investigated the FURS. In a wide-

ranging survey of beneficiaries, Odendaal (2005) came to the conclusion that no beneficiaries were sustainable five years after resettlement, at the end of the period of official support by the MLR. The economic and social objectives of the resettlement programme, including enabling beneficiaries to make a fair living from full-time farming and contributing to Namibia's economic output (Republic of Namibia, 2001), were not met. Other investigations by independent analysts come to similar conclusions, e.g. Kruger *et al.* (2005), Vigne and Motinga (2005), Sherbourne (2004), De Villiers (2003), Werner (1997), Sullivan (1996) and the MLR's own Permanent Technical Team (2005).

Many of these investigators point out that serious, often irreversible degradation of the natural resource base occurred in the process of resettling unskilled, former communal farmers on previously productive commercial farmland. If these trends continue, Namibia's productive farmland will be literally eroding away, reducing the chances for the nation to achieve its goals of being a developed, industrialised and well-off country by the year 2030, our 'Vision 2030'.

SUGGESTED IMPROVEMENTS TO THE FURS

Many possible solutions are proposed by these investigators. The author has drawn on these and his own experience to put together a number of suggestions that would take the FURS further than achieving not merely its political objectives, viz. to achieve equitable land distribution, but in addition to empower the new land-holders to achieve a fair living on their land, to contribute productively to Namibia's economy and to ensure that the natural resource base is maintained for productive use by future generations of Namibian farmers.

Farmland in Namibia is too scarce and valuable a resource to squander on projects with narrow, mainly political aims that do not contribute meaningfully to the economic and social development of the nation.

Who should benefit from the FURS?

Currently, any landless and previously disadvantaged Namibian qualifies to benefit from the FURS, specifically those without income, land and livestock, San, ex-combatants, returnees, refugees, war victims, head of (communal) households and impoverished people (Permanent Technical

Team, 2005b). Although these categories do not exclude farm workers and graduates of tertiary agricultural training institutions, it is assumed that, as they are not mentioned specifically, they are not among those listed as priority beneficiaries of resettlement.

Often, when a farm is acquired by Government for resettlement, the workers who have worked for the commercial farmer on the farm are excluded from the resettlement process (Permanent Technical Team, 2005a) and are left destitute. These farm workers should be included as priority beneficiaries as they have, through their experience of working for a commercial farmer, the skills to farm commercially. They contribute N\$18 461 per head annually to the national economy, compared to only N\$ 5 231 contributed by communal farmers (Angula and Sherbourne, 2003). Many of them were born on the farm and therefore know it, its biological and social environment and neighbouring people intimately. By contrast, the resettled individuals, families and communities often come from other parts of Namibia and do not know the farm, its environment and people at all. Being social and ecological strangers, they start off at a disadvantage as they have to familiarise themselves with the environment before they can become settled and productive.

Graduates of tertiary agricultural training institutions, such as the Colleges of Agriculture at Neudamm (Windhoek district) and Ogongo (Oshakati district), have received practical training aimed at transforming them into farmers and self-employed entrepreneurs. The majority come from communal areas and can thus be considered 'landless', as they have not yet been allocated communal land. Currently, they do not benefit from the resettlement process at all, even though they have the potential to become viable commercial farmers within the FURS. They are also excluded *de facto* from other means of land reform, such as the Affirmative Action Loan Scheme, as they are without financial means when they complete their studies. If they were to be included as priority beneficiaries of the FURS, they could act as centres of knowledge and contacts within a wider resettlement community, centres upon which less well-informed beneficiaries could draw to improve their chances of success.

In practice, a commercial farm acquired by Government for resettlement is sub-divided into five to eight smaller farmlets, each of which may be allocated to an individual, family or community for resettlement. If each such resettlement cluster included one graduate and one farm worker, it would contain within itself the seeds of experience and knowledge that would add significantly to its ability to establish, grow and prosper. Currently, the resettled cluster consists predominantly of strangers to the area or farm, without experience and knowledge of commercial farming and thus with critically less chance of success.

Increasing the size of land allotments

From 1999 to 2004, the MLR acquired 832 444 ha of commercial farmland, mainly by purchase but also by

expropriation, to the benefit of 1 526 families (Permanent Technical Team, 2005b). Individual portions of land allotted for resettlement varied in size from 159 to 1 768 ha and averaged 546 ha. The National Resettlement Policy does not proclaim itself on the minimum size of an allotment of farmland. It states no more than that the allotment should be large enough to allow subsistence and commercial farming within the specific agro-ecological zone (Republic of Namibia, 2001). It is vital that the aim of resettling communal farmers on commercial farms should not be subsistence agriculture, as Namibia will then gradually 'communalise'. Attendant upon it will be associated decrease in agricultural productivity, increase in land and resource degradation and consequently in rural poverty, thus preventing us from attaining the knowledge-based, well-developed economy envisioned by Vision 2030.

How big, though, is an economically and ecologically viable farming unit? This is a contentious matter that should include objective environmental criteria as well as the aspirations, needs and expectations of the farming and resettled communities or individuals. Namibia is a land of environmental extremes, engendered by the harsh climate, in particular its low, highly variable and unreliable rainfall (Mendelsohn *et al.*, 2003).

It is widely assumed that 10 000 ha of farmland in southern Namibia and 6 000 ha of farmland in north-central Namibia are large enough to provide for the material needs of the traditional white ranching family and prevent unsustainable resource utilisation. While it is uncertain how big an 'economic farming unit' is, it is clear that 546 ha is an insufficient amount of land, too little to tide a family over an average Namibian farming year, let alone a poor year or a drought. Six to ten thousand hectares may be too much, but the present small allotment condemns its occupants to perpetual poverty and forces them to exploit the natural resource base in an unsustainable manner, as witnessed on many resettlement farms (Odendaal, 2005).

In the past, some 4 500, mainly white, commercial farmers owned about 43 % of all agricultural land (Werner, 1997), with an average farm size of 7 931 ha, on which they were able to live well. In the former 'homelands', more than 150 000 black households had access to only 42 % of Namibia's agricultural land (Werner, 1997), resulting in an average size of 232 ha per household, which contributed to the widespread poverty witnessed in rural Namibia (Odendaal, 2006). Considering the restrictions of the limited, albeit large amount of land available for farming in Namibia (roughly 85 % of its total land area of approx. 83 million hectares) and its arid climate, Namibia will never be able to accommodate 240 000 resettlement farmers; the declared need according to the National Resettlement Policy (Republic of Namibia, 2001). This would result in an average allotment of only 346 ha! It may be an unpleasant political truth, but it is a truth nevertheless. This situation emphasises both the need to find alternative employment, other than agriculture, for the majority of Namibia's landless people and the importance of achieving our Vision 2030.

Expand resettlement beyond traditional ranching areas

As pointed out above, the traditional ranching areas of Namibia where extensive livestock production is practised offer a satisfactory living to only a handful of people compared to the stated need. For productive resettlement, we need to look beyond these areas to the few fertile and high rainfall areas that Namibia has to offer. The Green Scheme of the Ministry of Agriculture, Water and Forestry (MAWF) (MAWF website, 2007) explores the utilisation of these high-potential (in the Namibian sense) areas, and they ought to be included in the land reform process as well.

Then there are the small stretches of land whose fertile ground and abundant groundwater makes them suitable for intensive, irrigated agriculture, specifically horti- and fruiticulture. Some of these areas, such as the artesian lands next to the Auob and Nossob rivers, have been exploited in the past. Others, e.g. riverine loess soils in the valleys of the central highlands, have not been exploited yet. They are close to Namibia's major urban centres and connected to these markets by the transport infrastructure necessary for conveying perishable products to markets quickly. Namibia imports 90 % of its fruits and vegetables, mainly from South Africa; in conjunction with the small-scale farming background of many communal farmers of the north, these areas offer a logical alternative to complement the livestock-dominated land reform and resettlement process (Odendaal, 2006).

Ecological rehabilitation of farms to be resettled

A major reason offered by the Permanent Technical Team (2005a) of the MLR for the land acquisition process having been so slow is the 'willing buyer, willing seller' principle of land procurement for resettlement. It pushed up to N\$132 the average price of a hectare of land purchased by Government for resettlement purposes. In addition, the MLR was forced to turn down many farm offers, often at reasonable prices, because the land was deemed not suitable for resettlement.

'Not suitable' included farms that were too mountainous, in desert areas or bush-encroached (Adams and Palmer, 2007) and thus with significantly reduced production potential. Two-thirds of Namibia's savanna areas, so well suited to extensive livestock ranching and comprising approximately 60 % of the country, are affected by bush encroachment. This encroachment reduces the grass-based carrying capacity of the land by up to 90 % (Rothauge and Joubert, 2002) and severely limits the viability of ranching.

Many farms are held by the MLR for years before they are eventually resettled (Permanent Technical Team, 2005b). It appears that a period of one to three years is available for efforts to rehabilitate the natural resource of a livestock ranch – its rangeland – before it is actually resettled by people. That this window of opportunity is available is due to the duration of normal administrative procedures rather than planned-for recuperation. If MLR were able to address bush encroachment and rangeland productivity of its acquired farms during this period, it would enhance

the beneficiaries' chances of making a sustainable living on their allotments. The MLR would then be able to buy degraded farms at reduced prices, thereby stretching its budget further in terms of land acquisition.

Although farm rehabilitation requires agro-ecological experts' planning for each farm individually, the actual rehabilitation, involving mainly bush thinning and building of erosion works, can be performed by unskilled, unemployed people. Of these, Namibia has many to offer, enabling the MLR to engage in job creation amongst the most vulnerable segments of the population. In addition, much thinned bush can be used to create valuable commodities such as 'bio-diesel' (Honsbein, 2007), electricity and charcoal (Von Oertzen, 2007), which could make the rehabilitation a self-financed process.

The interval between the identification of beneficiaries and their physical resettlement can also be used to repair and improve the dilapidated infrastructure of allotments (Adams and Palmer, 2007) to enhance the feasibility of the resettlement project. Currently, beneficiaries have to share water points and other farm infrastructure, a situation that is not conducive to individual and profitable entrepreneurial development.

Formal training of beneficiaries prior to resettlement

Those beneficiaries that are not already farm workers or products of tertiary agricultural training institutions should receive formal agricultural training before they are physically resettled. On average, it takes the MLR ten months to resettle a community or family (Permanent Technical Team, 2005b). This period can be filled by formal training of identified beneficiaries in agriculture. The training can be given by existing institutions that are currently under-utilised, e.g. Ogongo Agricultural College, with more than 100 empty hostel beds, and the former Tsumis Park Agricultural College, with nearly 50 empty hostel beds. Such training would undoubtedly increase the beneficiaries' prospects of success. The point of such training should not be aimed at awarding a qualification or passing or failing an identified beneficiary, but instead to empower him/her to farm the allotted land sustainably.

Support resettled beneficiaries with informal training

The MLR officially supports the resettled beneficiary for a period of five years after resettlement, but in practice little support is given, mainly because of lack of manpower (Permanent Technical Team, 2005b). Here the same tertiary agricultural training institutions previously identified for the formal training of beneficiaries prior to resettlement can play a role by offering short courses on various topics of importance to resettled farmers. Foreign donors and development aid organisations are already willing to support such informal training initiatives (e.g. Kruger *et al.*, 2005).

Post-resettlement support other than training, e.g. agricultural extension and specialist advisory services, is also needed urgently, but is not provided by the MLR

(Permanent Technical Team, 2005b). One of the reasons is that a different ministry, the MAWF, not the MLR itself, is tasked with the provision of extension services to farmers, and that the core constituency of the MAWF extension officers does not appear to include resettled farmers.

Again, there is a niche here for graduates of tertiary agricultural training institutions to be appointed as Agricultural Extension Officers dedicated to serving particular resettled communities (as compared to the existing Agricultural Extension Officers that serve all farmers in a rural district). These graduates, who speak the same language as a resettled community and share its customs and traditions, will be able to serve as a link between the farmers and the technical experts, companies and agents that provide farming inputs (e.g. stock medicines and feeds) and those that buy the output. They will also be able to provide the feedback on resettlement that the MLR is so urgently in need of (Permanent Technical Team, 2005b). As dedicated field officers, they can support resettled communities for much longer than the scheduled five years. In this way they can facilitate the communities' sustainability, just as commercial farmers were facilitated by the services of highly competent Extension Officers, free of charge, in a previous dispensation (Odendaal, 2006).

Subsidise inputs and procure outputs preferentially

In the boom period after the Second World War, Namibia's white commercial farmers enjoyed copious government subsidies for anything from fencing material and erosion works to drought subsidies, which enabled these farmers to establish their farms as the independent, financially-viable businesses that they are today (Rawlinson, 1994) – the envy of communal farmers.

In the initial phases of establishing a ranch in Namibia, these kinds of subsidies are needed. They enable the rancher to overcome an unreliable climate, low carrying capacity, a small but growing output and a slow turnover of produce, often linked to unfavourable prices that are the outcome of unsatisfactory product quality or an underdeveloped market and marketing strategy. It is highly likely that the traditional commercial farmer of Namibia would not have succeeded without these subsidies (Odendaal, 2006).

It is unduly optimistic, at this time when the growing disparity between input costs and output prices is putting a squeeze on even established commercial farmers, to expect viable results from a resettled farmer who lacks the requisite knowledge and skills for running a farming business, on land that is not only too small but does not even belong to him/her, and without support of Extension Officers.

Not only should inputs be subsidised for at least the five years currently foreseen for official support by the MLR, but Government should also procure produce preferentially from resettled farmers, on the same principle as contracts are awarded preferentially under the Black Economic Empowerment policy (Labour Resource and Research Institute, 2003).

Secure tenure to land allotments

The MLR provides land to resettlement beneficiaries on a 99-year leasehold basis, for which a minimal annual rent is payable, but so far it has not been collected (Permanent Technical Team, 2005b). It appears that this kind of tenure is not acceptable to Namibian financial institutions (Permanent Technical Team, 2005b), not even to the Agribank that is supposedly financing affirmative action farmers (Odendaal, 2005). Consequently, resettlement beneficiaries cannot use their land as collateral to obtain loans and bonds from traditional banks (Odendaal, 2005). Such insecure tenure undermines beneficiaries' ability to farm successfully, and severely curtails development of resettled farmland into viable farming units. This has to be addressed expediently if beneficiaries are not to sink to the level of being squatters on their allotment.

Furthermore, beneficiaries are not allowed to mortgage, sub-lease or develop their land without prior consent of the MLR (Permanent Technical Team, 2005). Even though there are good reasons for these limitations on tenure, the bureaucratic delay in vetting applications turns into a stumbling block for innovative and progressive resettled farmers. Whatever tenure to the land allotted is eventually established has to be secure (Van den Brink, 2002) and acceptable to the banks to enable resettled farmers to access conventional sources of finance. This does not necessarily entail title deed ownership but rather a process starting with secure tenure that will – in time and with progressive development – evolve into more individualised and formalised property rights (Van den Brink, 2002).

Allow successful resettled farmers to consolidate their land holdings

At the end of the official support period of five years, when beneficiaries are expected to be self-sufficient and sustainable (Permanent Technical Team, 2005b), or after any other appropriate period, successful beneficiaries should be allowed to acquire the land allotment of unsuccessful beneficiaries, so that they can expand and consolidate their land holdings. Unsuccessful beneficiaries could be taken up in other equity and employment creation schemes established by Government, e.g. in secondary industries that serve agriculture in general and resettled communities in particular. To keep proven failures on the land is to encourage a culture of dependency and to increase rural poverty.

SUMMARY

It is widely acknowledged that the Farm Unit Resettlement Scheme misses most of its stated aims of achieving not only a more equitable ownership of farmland but also creating viable, independent and productive black farmers in the commercial farming sector of Namibia. This is acknowledged even by the team of technical experts appointed by the line ministry, the MLR, to advise it on the land reform programme.

Yet there are many ways to improve the success rate of resettlement beneficiaries. These require little more than strategic planning, sensible scheduling of the various activities that eventually result in the resettling of formerly disadvantaged Namibians on commercial farmland, and the creative use of existing institutions and services to further the aims of the National Resettlement Programme. Certainly, the suggestions put forward in this article are not the only nor even necessarily the best ones, but their implementation will contribute to the establishment of productive and viable black commercial farmers in Namibia, facilitating the attainment of Vision 2030.

REFERENCES

- ADAMS, F. & WERNER, W., 1990. *The Land Issue in Namibia: An Inquiry Report*. Namibia Institute for Social and Economic Research. University of Namibia, Windhoek, Namibia.
- ADAMS, M. & PALMER, R., 2007. Independent Review of Land Issues: Eastern and Southern Africa, 2006–2007. pp 25–28 (Namibia). *Independent Review of Land Issues*. Vol III. Overseas Development Institute, London, United Kingdom.
- ANGULA, M. & SHERBOURNE, R., 2003. Agricultural Employment in Namibia: Not the Engine of Wage Employment Growth. *Briefing paper*. Institute for Public Policy Research, Windhoek, Namibia.
- DE VILLIERS, B., 2003. Land Reform: Issues and Challenges – A Comparative Overview of Experiences in Zimbabwe, Namibia, South Africa and Australia. *Occasional paper*. Konrad Adenauer Foundation, Johannesburg, South Africa.
- HONSBEIN, D., 2007. Opportunities and Challenges for Second Generation Biofuels in Namibia. *Proceedings, 12th Congress of the Agricultural Scientific Society of Namibia (Agrisson), 3–4 July 2007*. Neudamm Agricultural College, Namibia.
- KRUGER, A.S., WERNER, W., & NGUAJAKE, T., 2005. Emerging Commercial Farmers' Support Programme: Needs Assessment Study that focuses on Government's Farm Unit Beneficiaries. *Report of the Agricultural Presidency Committee*. Namibia Agricultural Union, Windhoek, Namibia.
- LABOUR RESOURCE & RESEARCH INSTITUTE, 2003. Black Economic Empowerment – Developing a Workers' Perspective. *Paper*. Labour Resource and Research Institute, Windhoek, Namibia.
- MAWF WEBSITE, 2007. *Green Scheme*. Ministry of Agriculture, Water and Forestry, Directorate of Extension and Engineering, Windhoek, Namibia at: www.mawf.gov.na/Directorates/ExtensionEngineering/greenscheme.html
- MENDELSON, J., ROBERTS, C., & ROBERTSON, T., 2003. *Atlas of Namibia: A Portrait of the Land and its People*. Ministry of Environment and Tourism, Windhoek, Namibia.
- ODENDAAL, W., 2005. Our Land We Farm: An Analysis of the Namibian Commercial Agricultural Land Reform Process. *Report of the Land, Environment and Development (LEAD) Project*. Legal Assistance Centre, Windhoek, Namibia.
- ODENDAAL, W., 2006. The SADC Land and Agrarian Reform Initiative: The Case of Namibia. *NEPRU working paper no. 111*. Namibian Economic Policy Research Unit, Windhoek, Namibia.
- PERMANENT TECHNICAL TEAM, 2005a. Strategic Options and Action Plan for Land Reform in Namibia. *Report of the Permanent Technical Team (PTT) on Land Reform*. Ministry of Lands and Resettlement, Windhoek, Namibia.
- PERMANENT TECHNICAL TEAM, 2005b. Background Research Work and Findings of the PTT Studies. *Report of the Permanent Technical Team (PTT) on Land Reform*. Ministry of Lands and Resettlement, Windhoek, Namibia.
- RAWLINSON, J., 1994. *The Meat Industry of Namibia: 1935–1994*. Gamsberg MacMillan Publishers, Windhoek, Namibia.
- REPUBLIC OF NAMIBIA, 1998. National Land Policy. *Policy document*. Ministry of Lands, Resettlement and Rehabilitation, Windhoek, Namibia.
- REPUBLIC OF NAMIBIA, 2001. National Resettlement Policy. *Policy document*. Ministry of Lands, Resettlement and Rehabilitation, Windhoek, Namibia.
- ROTHAUGE, A. & JOUBERT, D.F., 2002. A model of vegetation dynamics of the Namibian Highland savanna. *Proc. 1st Joint GSSA/SASAS Congress, 13-17 May 2002*. p 76. Christiana, South Africa.
- SHERBOURNE, R., 2004. Rethinking Land Reform in Namibia: Any Room for Economics? *Opinion 13*. Institute for Public Policy Research, Windhoek, Namibia.
- SULLIVAN, S., 1996. The 'Communalization' of Former Commercial Farmland: Perspectives from Damaraland and Implications for Land Reform. *SSD research report 25*. Multi-Disciplinary Research Centre, University of Namibia, Windhoek, Namibia.
- VAN DEN BRINK, R., 2002. Land Policy and Land Reform in Sub-Saharan Africa: Consensus, Confusion and Controversy. *Presentation to the Symposium on Land Redistribution in Southern Africa, 6–7 November 2002*. Pretoria, South Africa.
- VIGNE, P. & MOTINGA, D., 2005. Assessing Training Needs amongst AALS Farmers: Cash and Skills Needed to Farm Successfully in Namibia. *Research report 7*. Institute for Public Policy Research, Windhoek, Namibia.
- VON OERTZEN, D., 2007. Turning Namibian Invader Bush into Electricity: The CBEND Project. *Proceedings, 12th Congress of the Agricultural Scientific Society of Namibia (Agrisson), 3–4 July 2007*. Neudamm Agricultural College, Namibia.
- WERNER, W., 1997. Land Reform in Namibia: The first Seven Years. *Report*. Namibia Economic Policy Research Unit, Windhoek, Namibia.