

# New era dawns for Africa's last colony



Twee tieners diep in gesprek tydens die naweek.

## Tieners byeen

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Die doel van die oefening is om kinders in die situasie te plaas waar hulle teen gediskrimineer word op grond van iets waarvoor hulle geen beheer het nie. Die invloed wat hierdie drie-daagse program op die betrokke kinders het, is merkwaardig. Beste maatjies baklei, kinders verloor hul selfversekerdheid, bitterheid en onvergeeflikheid neem toe, klaspunte daal of styg afhangende van die oogkleur wat die dag bevoordeel word. Van die groepe wat op laerskool deel was van die oefening is nou volwasse en stem saam dat dit 'n direkte invloed op hul lewens gehad het.

Baie vrae is in hierdie sessie gelug wat die naweek beantwoord moes word.

Die groep tieners is die naweek verdeel in kleiner groepe wat kompetierend deelgeneem het aan verskeie kulturele, sport en leerprogramme. Almal het groot genot geput uit 'n program waarin die groepe mekaar Afrikaans en Xhosa moes leer. Sokker en vlugbal is gespeel en 'n marathon is gehardloop voordat die gordyn Saterdagmiddag opgegaan het vir 'n puik konsert. Die groepe het gesing, gedans, toneelgespeel en later 'n bespreking gehad oor hul rol in Suid-Afrika en wat 'n voorreg dit is om in so 'n kultuurryke 'n land te woon.

Die verhoudings wat gebou is oor die naweek en die voorveronderstellings wat afgebreek is, was duidelik toe die groepe plakkate gemaak het. Die een wat gewen het se woorde was, "We All Stand Together". Dit het aangesluit by die les wat die aanbieder van die eksperiment in die video haar leerlinge wou leer. Moenie 'n ander persoon oordeel totdat jy in hul skoene geloop het nie. Al het hierdie groep nie — en al sou hul waarskynlik nooit nie — het hulle 'n pad saam gestap op die weg na begrip en verdraagsaamheid.

**Marion Shaer**  
Regional Co-ordinator



Vuurmaaktyd in die berge.

The political framework under which Africa's last colony will attain its independence will shape the economic fortunes of the new state. The extent and nature of external dependence — variously expressed in budgetary assistance from South Africa, in transport and level of economic integration — implies that Namibia's economic fortunes are to a considerable extent a reflection of that of South Africa.

To be sure, Namibia has scope for more autonomous development and for new patterns of intra-regional trade, especially within the framework of the Southern African Co-ordination Conference (SADCC), but its current dependence on the extractive sector — mining accounts for 34 per cent of GDP and 80 per cent of export earnings — may limit domestic political sovereignty to some extent.

Immediately after independence, vulnerability in the area of public finances will be especially acute, following Pretoria's earlier decision to cut its budgetary assistance from R308 million in the 1988/89 fiscal year to a mere R80 million in the current financial year.

### Assets

In contrast to most of its neighbours, Namibia is well served by a modern, extensive physical infrastructure relative to the size of the population. It boasts nearly 43 000 km of roads (4 382 km tarred), 2 383 km of railways, a strong communication infrastructure, an electricity grid of 5 300 km integrated into that of South Africa via Aggenys in Namaqualand and an adequate broadcasting service.

In assessing the new state's development potential, various real and potential constraints and assets, need to be considered. The real development assets include:

- Natural resources (finite) — base metals, diamonds, uranium, zinc;
  - Viable agricultural sector (extensive pastoral); off-shore fishing resources;
  - Strong physical infrastructure;
  - Tourism;
  - Low national population density.
- The potential development assets include:
- Intensive crop farming (Kavango, Caprivi);
  - Energy sector (Ruacana, hydro-power, Kudu gasfield);
  - Some scope for local beneficiation;
  - Diversification of trade (SADCC, Lome arrangement that governs trade and economic relations between third world and

Whatever the precise nature of it has the features of a small state with dependence for years t

industrial countries, Preferential Trade Agreement).

Among the real development constraints are the marginal ecology in parts; shortage of skilled manpower; economies of scale difficult to attain; high transport/market costs; high export dependence of economy; high population growth rate (3 per cent per annum) and uneven spatial distribution of population; high rate of urbanisation.

In addition to these, external economic involvement is chiefly located in fishing and mining. Consequently, Namibia has a weak, underdeveloped industrial sector and limited control over local financial and mining capital. Similar economies elsewhere show that exclusive reliance on extractive industries

The leadership qualities of Swapo president Sam Nujoma will be a crucial factor in the transition period.



is not particularly helpful in overcoming socio-economic problems. Deteriorating terms of trade tends to depreciate the value of commodity exports.

### Agriculture

The agricultural sector is vitally important to Namibia. Although there are only 4 500 commercial farmers (6 000 commercial farms), this sector employs 33 000 or 16 per cent of the total labour force and sustains more than 300 000 people (almost 25 per cent of the total population). Some 872 000 Namibians are within subsistence agriculture.

The fishing industry — after mining the biggest investment South African companies have in Namibia — recently showed a mild recovery. While the 1987/88 catches have been the best since 1976, these were still well below the record 1975 catch of 760 000 tonnes. Over-exploitation of this important protein source by overseas and South African vessels remains a serious problem.

Alfred





THE ARGUMENT

## Transition to independence, Namibia will have to exercise sovereignty. **ANDRÉ DU PISANI** reports.

While mining will continue to be of central importance for the economy after independence, two caveats are important: firstly, this sector's capacity to employ will in all probability fall even further, and secondly, because Namibia's mineral products are almost exclusively exported overseas, apart from tin and zinc produced by the South African Iron and Steel Corporation (Isacor) and used for refinery operations in South Africa, the country is highly vulnerable to fluctuations in the international market — and these are beyond the control of the local political authorities.

Namibia has potential in the field of energy. The Atlantic Ocean Kudu gasfield, west of Luderitzbucht, although still undeveloped, offers potential for export.

### Social fabric

Namibian society is bound to undergo significant demographic changes in the following two to three years. The sources of such changes relate not only to the return of some 41 000 refugees, but above all to rapid rates of urban migration, especially to larger urban centres such as Windhoek, Swakopmund, Tsumeb, Rehoboth and Keetmanshoop. The population of Windhoek, the capital city, is bound to increase from the present figure of 150 000 to 280 000 — 300 000 over the next two years.

Education is another area where Namibia will need additional investment. Namibia has an overall illiteracy rate of 60 per cent and a huge shortage of qualified teachers. Finally, like most newly independent states, Namibia faces manpower shortages in virtually every skilled and semi-skilled profession. This includes the central bureaucracy.

### Political realm

Policy is the area where economics and politics merge. Swapo, the party most likely to constitute the majority in an independence government, recently announced substantive changes in both economic and political policy.

Informed by the principles of social justice, national self-reliance and the ethics of redistribution, Swapo's economic policy provides for a mixed economy. Provision is

made for private, co-operative and joint ventures. The private sector, however, would be expected to "cooperate with the state to ensure the realisation of social and economic goals for the benefit of the entire population".

There is no provision for large-scale nationalisation, although almost half of the country's local capital stock would — as at present — be state-owned assets. Land reform and some redistribution of the ownership of farmland — notably land owned by absentee landlord's — are posited as important policy priorities.

Provision is made for a mineral development strategy — aimed at integrating this sector with the rest of the economy — and for intensive crop farming in Kavango and Caprivi.

External economic relations would undergo change, with Namibia as the 10th member of SADCC, and participation within Lome, the PTA and the Commonwealth. Reducing economic dependence on South Africa is a clearly stated objective. Namibia is likely to remain within the Southern African Customs Union (Sacu) for some time to come.

Political policy is essentially eclectic and pragmatic. National reconciliation and nation building are posited as two explicit goals. The extent to which these and other policies would be successful or otherwise, will depend upon some of the following variables:

- Swapo's capacity to consolidate power without alienating significant ethnic groups such as the Herero, Damara and the whites.
- The level of political institutionalisation in the body politic (especially low after decades of apartheid and ethnic fragmentation).
- Swapo's capacity to gain control of the country's economy, without alienating local and foreign investors.
- The resource endowment of Namibia and how it could be put to good use for the benefit of the majority.
- The crippling legacies of the war.

### Alternative futures

Against this admittedly cursory exposition, three alternative socio-economic and political futures for Namibia are considered. In considering these three alternative futures, it needs to be remembered, that Namibia's future will also be shaped by regional developments and by the way South Africa decides to project its power.

In the first outcome, Namibia would essentially remain a captive of South African and other external interests. The new state would in effect enjoy the dubious status of an "enclave economy", like Swaziland or Lesotho in their dependence on South Africa. Clearly, this is a "worst case" scenario, and is unlikely for both economic and political reasons, even if South Africa continues to hang on to Walvis Bay — which seems likely for the foreseeable future.

A second path, would be for a Swapo-dominated government to emulate Zimbabwe. Under this second scenario, one could realistically expect, inter alia, an increasing role assigned to the state; some land reform and redistribution; greater emphasis upon rural development; state assistance to peasant agriculture; an appreciation of the economic importance of the small white agricultural sector; attempts to redistribute income; some reduction of economic interaction with South Africa and greater diversification of foreign trade and economic links (Wolfgang Thomas, Occasional Paper No. 5, Department of Geography, US, 1985).

The amount of foreign assistance would vary, depending upon the absorptive capacity of the economy and the tax, and other economic incentives provided for in government policy. Here again, the related failure of Zimbabwe since independence, to attract foreign fixed investment by over-emphasis on ideological purity, may prove to be instructive.

The possibility has to be considered, however, that Namibia may be more constrained and less successful than Zimbabwe, in view of the following factors:

- Zimbabwe has a better resource endowment than Namibia and inherited a stronger, more diversified economy than Namibia.
- The ethnic composition and spatial distribution of the two countries differ.
- Namibia is far more dependent on South Africa than Zimbabwe ever was. Clearly, Pretoria has considerable potential to destabilise Namibia if it wanted to.
- The leadership qualities of Swapo president, Sam Nujoma, might prove suspect.

### Dependence

Finally, a third possibility would be for Namibia to develop along the pattern of neighbouring Botswana. This would mean a most pragmatic Swapo government, a multi-party democracy with a large measure of personal freedom, and non-Swapo parties playing a significant role in the shaping of government policies.

In this model, the private sector would remain the motor of the economy, although some state participation in some key areas such as mining would be sought. Economic interaction with South Africa would remain on much the same level as before, and may even increase. There would be less emphasis on income redistribution than in the previous case. Namibia would become a member of SADCC, but choose to remain within the Sacu and the Rand Monetary Area (RMA).

Whatever the precise nature of its transition to independence, Namibia has the features of a small state and will have to exercise sovereignty with dependence for years to come.

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