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NAMIBIA IN THE NINETIES
Africa's Last Ex-Colony and First Post-Apartheid State: Economic Prospects and Problems*

Abstract

Namibia was often called Africa's last colony. Now it is the first post-apartheid state. This article outlines the political, economic and social legacy of apartheid: — the expropriation of land and mineral resources, the forced removals to overcrowded Bantustans, the iniquities of the migrant labour system and the impoverishment of Africans, in terms of cash income, housing, health, nutrition and education, in one of the richest countries in Africa — a legacy compounded by a history of genocide and a bitter war of liberation.

The paper addresses two important questions:

(1) How far can Namibia offer a model for a post-apartheid South Africa, by securing a more equitable distribution of land and resources, greater equality of opportunity through education, and a non-racial, democratic system?

(2) Can this fragile economy achieve genuine independence, given its heavy dependence on international commodity markets, on foreign investment and expertise, and in particular on South Africa for imports of most basic foodstuffs and for communications with the outside world?

Two specifically Namibian problems are discussed in some detail:

(a) the South African retention of Walvis Bay — the country's only deepwater port — against all the logic of geography and economics;

(b) The residual debts due to South African banks, which were incurred by the illegal South African administration for the support of white privilege and the repression of black Namibians, especially the war against SWAPO.

The author finds some ground for optimism in the productive capacity of the land; the determined pragmatism of the new SWAPO government, especially its liberal approach to foreign investment; in the drive for national reconciliation; and above all in the international support of other African states, through SADCC, the OAU, the UN and the ECA, the Front Line States and the OAU. Only the West is lagging behind in the provision of much needed aid to enable Namibia to transform its economic structure.

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Namibia is Africa's first post-apartheid state. Considerable academic attention has been paid to South Africa after apartheid (see, for example, Southall, 1987, and Suckling & White, eds, 1988). It is my contention in this paper that equal attention should be paid to Namibia — not only in its own right, as an ex-colony in need of aid and support for all the usual reasons of economic dependence and fragility, but also because it demands study if we are to assess the prospects for survival of an independent black state in the aftermath of apartheid. As in South Africa, the system has struck deep at the heart of society; it clearly has complex political, social and economic effects. This paper is mainly concerned with its economic after-effects on Namibia, but it is necessary to indicate briefly the political and social dimensions by way of background. Moreover, neo-colonialism is generally seen as the persistence of imperial power through economic rather than political means. But Namibia's colonial past is so horrifying that it is necessary to know a little of the country's background in order to understand its fragile economic structure and prospects.

The legacy of apartheid

Apartheid, though the name and the modern obloquy belong to South Africa, was practised in Namibia by two colonisations. (See Cros, 1983, on the continuity of exploitation.) Land was the first objective of nineteenth-century colonial penetration into South-West Africa, and this is still reflected in the pattern of occupation and ownership. Moorsom (1982) describes 'The Agriculture of Theft':

'Both the German (1884 — 1915) and the South African (1915 onwards) colonial regimes wanted Namibia for minerals, and for white settler farmers. Both aims required wholesale seizure of land, thereby reducing the area available to peasant production and forcing the dispossessed to become wage labourers.' (p. 21)

And these were usually forced to become migrants in their own country. The seizures were justified by the Germans as rescuing Africans from their 'natural barbarism'; but no justification could be offered for the ruthless suppression of the consequent revolt in 1904 by systematic genocide, exterminating 75 — 80% of the Hereros, with virtually all their cattle, and half or more of the Nama people. By 1911 most of the good land in the centre and south of the country that had previously been in African hands was white-owned; and Africans were compelled to work for the Germans by a series of pass and vagrancy laws (Katjavivi, 1988, pp. 8 — 12). It is not surprising that Namibian nationalism has followed Zimbabwe's in what has been called the 'ideologisation of land' (Cheater, 1990), and that redistribution policy will crucially affect 'the future reputation and credibility of the new socio-economic and political order', as in Zimbabwe (Shamuyarira, foreword to Moyana, 1984).

The defeat of the Germans by South African forces in 1915 led to the grant of a League of Nations Mandate to South Africa, officially acting on behalf of Britain, but unofficially intending to incorporate 'South West' into the newly-formed Union. The South Africans posed as liberators; but the immediate result was the continuation of land expropriation and a redoubled influx of white settlers, followed in 1923 by the establishment of Native Reserves, which allocated 3.5% of the land area, mainly arid, to 90% of the population. By 1937 the white take-over of land in the central and southern regions was almost complete. The reserves and northern regions were never able to sustain their African populations. This was a deliberate policy, to create pools of labour for the white farms and mines (Katjavivi, 1988, pp. 13 — 16). Taxes to be paid in cash (grazing tax, hut tax, dwelling tax, and even a dog tax for some) added to the pressure to seek paid work (M.-L. Kiljunen, in Green et al, 1981). Migrants received starvation wages and were subjected to the oppressive contracts that are still characteristic of the migrant system. Large-scale cattle ranching and karakul (Persian lamb) farming built up a highly profitable export trade, while Namibia has remained dependent on the Republic for all its food — except meat and milk, but including maize, vegetables and fruit — up to the present time.

In 1946 South Africa refused to recognise the UN as successor to the League, and hence to place Namibia under international Trusteeship. In 1966 the General Assembly revoked the mandate, and the UN assumed direct responsibility, through the UN Council for Namibia, which was charged with securing Namibia's Independence from South Africa. But UN officials needed permission — rarely granted — even to enter the territory for the next 43 years, until April 1st, 1989. Namibia was governed throughout that period as a de facto province of the Republic, although the illegality of the occupation was confirmed by the International Court of Justice in 1971. Namibia was subjected to the full rigours of apartheid under the Nationalists' repressive legislation. In 1968, for example, the native reserves were transformed into Bantustans. These were quite cynically neglected and treated simply as 'homelands' for the families of migrant labourers. Where African stock-farmers gained a foothold, they were deprived of direct access to markets, excluded from the state support offered to white ranchers, and forbidden to own more than 100 cattle or 300 small stock.

In 1966, the year South Africa refused the UN order to withdraw, SWAPO took up arms against the South African Defence Force, and the war of liberation began. The military occupation was stepped up from 15,000 RSA troops in 1974 to 70 — 80,000 in 1980 and 100,000 in 1986 (Smith, 1986; estimates based on UN figures and IDAF, 1982). South Africa's eventual withdrawal from Namibia was largely prompted by the military cost to an ailing economy. The cost to Namibia's poverty-stricken economy of a 24-year war of liberation is almost incalculable, in terms of casualties, devastated land, forgone production and development, and the long imprisonment or exile of the emergent leadership. (In 1968, at a trial in Pretoria, 21 members of SWAPO were sentenced to life imprisonment on Robben Island for 'terrorism'.) The 1978 Kassinga massacre, when South African jets and paratroopers killed over 600 Namibians, mainly women and children, and wounded as many again, in a raid on a refugee camp in Angola, is only the most glaring example of the murderous destabilisation policy which has disrupted not only Namibia but also its neighbours in the Front Line States. More recently, the notorious Koevoet brigade of killers and torturers nearly succeeded in stalling the 1989 timetable for Independence. Political assassinations continue in 1991.

Duality and dependence

Namibia remains the classic example of a dual economy with a rich white enclave. Paradoxically, it is one of the richest countries in Africa, and its African population one of the poorest. The GDP per head in 1988 was R 2,823, (US$ 1,050). Estimates for 1983 indicate that the average income per household for whites was R 20,875 and R 6,100 for the limited black 'elite' (some miners, small businessmen, government and large business employees, etc); but for the bulk of the African worker/peasant population income per household was R 1,000 on average. The same source, based on the limited statistics available, suggests that in 1985, of 640,000 economically active Africans (in both formal and informal sectors, agriculture, domestic service and the unemployed), 66.5% were living below the absolute poverty line (R. H. Green, in Oxfam, 1987, Tables 6 & 9, using the Poverty Datum Line for southern Africa; see Riddell & Harris, 1975). Unemployment today is estimated at 30% (Nujoma, 1990).

Whether in terms of cash income, housing, health, nutrition and access to education and natural resources, especially land and minerals, the African population is severely underprivileged. In 1975, 100,000 whites occupied 515,000 km^2 of land, or more than 500 km^2 per head; 752,000 Africans occupied 327,267 km^2, or less than half a square km per head, in a country where more than one-quarter of the whole land area is totally barren (Moorsom, 1982). Population has grown since then (natural rate of increase is estimated at 3%), but the pressure has been on African-owned land, already suffering from over-grazing and erosion. The Bantustan policy served to ossify the structural weaknesses of the economy that had been brought about by settler ranching: the concentration on production for export, with attendant vulnerability to world price swings and neglect of local food needs, the tendency to overstocking and depletion of ground water on white-owned ranches, besides their excessive reliance on capital-intensive inputs and state aid (Moorsom, 1982, pp. 50 — 4).

Figures for 1976 show 2 million cattle and 4.75 million sheep on European ranches, but only 875,000 cattle and 335,000 sheep owned by Africans, who were forced to resort to goats — well over a million, with their capacity to live on poor land and erode it further. European cash sales of agricultural produce in 1977 — 78 were estimated at R 162,500 compared to R 10,000 from African farms (Green et al, 1981); and most European production was and still is for export. In 1980, 461,000 head of cattle were exported live to South Africa, and 2.7 million karakul pelts were exported to the rich countries of the world (Moorsom, 1981).

R. H. Green (1981) lists 22 characteristics of Namibia as a dependent economy. Without repeating his list, which repays detailed study, it can be broken down into five main areas of dependence:

on the colonial power, especially for trade, money and finance, employment, production, transport and other public services;

on the world market, as an export-oriented and import-dependent economy;

on primary processing for export;

on foreign ownership of the means of production; and

on external investment, with consequent expatriation of both private and public sector surpluses, in addition to a sharp divergence between domestic (territorial) and national (retained) product, arising from the remittance of interest, profits, dividends and expatriate salaries.

Green sums up the economy as 'fragile ... in respect to ecology, resource base, technological requirements, dependence on externally-based personnel and vulnerability to external economic shocks' (Green, ibid, pp. 30 — 32).

Minerals and Multinationals

The dominance of the profitable mining industry by expatriate enterprise and, increasingly since the war, by powerful multinationals has been a major feature of the economy. Namibia is extremely rich in minerals. Copper, lead and zinc have long been mined, as have diamonds since the 1940s; very large uranium deposits have been rapidly exploited since 1977. A long list of other minerals includes tin, smaller quantities of germanium, lithium, manganese, phosphates, semi-precious stones, vanadium, wolfram, and others as by-products (silver, gold, pyrite, cadmium, antimony and arsenic). The mining sector is the largest by value, accounting for 28% of GDP and 72.5% of exports in 1988. (The comparable figures for 1985 were 50% and 85%; since then prices, rather than extraction rates, have been falling. In fact it is believed that output was deliberately accelerated in 1988 — 89, as Independence came closer.) Tax receipts have reached 50% of government revenue (UN, 1986). Yet most of this production is in the hands of four major companies, and several smaller ones, all expatriate-owned. Furthermore, the tax revenues have been at the disposal of the South African Government.

Diamonds of course are controlled by Anglo-American of South Africa, which owns Consolidated Diamond Mines, and by the Central Selling Organisation (the global cartel). American mining interests (Newmont and AMAX) in 1947 acquired the mineral rights at Tsumeb, Africa's largest lead/zinc/copper complex and one of the most profitable mines in the world (annual average rate of return was 347% from 1954 — 74); it employs Ovambo migrants on twelve-month contracts. In 1984 London Consolidated Goldfields bought out AMAX's 29.6% shareholding through its South African subsidiary (Cooper, 1988, pp. 160 & 177). Base metals are also mined by the South West Africa Co (British/South African-owned) and the South African state-owned Iron and Steel Co.

In addition to Consolidated Goldfields, two other major multinationals have entered mining in Namibia since 1966, when South Africa no longer had any legal right to the territory or its minerals. In 1969 Falconbridge of Canada began extensive mineral exploration and acquired the Oamites copper/silver mine, which came into production in 1971 in defiance of both UN and International Court rulings. The mine was rapidly exploited, recovering its initial investment costs in two years, and averaging Can$ 1 million net profit (*after* paying taxes of half that amount to the South African Government) for the ten years to 1981. The following year they sold the nearly exhausted mine to a South African company, claiming a tax loss of Can$ 2.3 million on the deal (Hurlich, in Cooper, 1988).

The second newcomer opened up the largest and most controversial mining operation in Namibia, the Rössing uranium mine, in 1977. This is controlled jointly by the British-based multinational RTZ (owning 46.5% of the equity, and another 10% through its Canadian subsidiary, Rio Algom) and South Africa's state-owned Industrial Development Corporation. RTZ has been described by the UN as 'a uranium superpower', controlling about 25% of uranium production and 24% of reserves in all market-economy countries. Profits from the Rössing mine rose from US-$ 4.6 million in 1978 to US-$ 128 million in 1981. (UN, 1985. For the complex financial structure of RTZ and of Falconbridge, and details of the British and Canadian uranium contracts, see Hurlich, loc. cit., pp. 47 — 55, and Roberts, 1980.) Two factors assisted profitability: (a) the availability of cheap labour and (b) the fact that Rössing for six years from 1977 — 83 was totally exempt from tax, until it had written off its entire capital costs.

Up to Independence the uranium industry was regulated by the South African Atomic Energy Act of 1967. However, there was virtually no regulation of the environmental and health hazards both at work and from the radioactive spoil heaps. (The overcrowded, all-male hostels for Namibian workers are downwind of these, while white workers live with their families in Swakopmund, 40 miles away on the coast, and receive regular health checks, not offered to black workers: UN, 1982; see also below.) In 1983, the top six salary grades were exclusively white, while black miners, half of the total workforce, were mainly in the lowest four grades; their average salary was less than a third of the white average, while Coloured workers averaged half the white salary. Most blacks working underground, however, were classified as labourers rather than miners, and earned even less. And Rössing Uranium Ltd. purported to have removed job discrimination in 1979; others had not even claimed to do so (Andersson and Marks, 1987).

The Rössing mine was protected by security personnel who could call on a South African 'commando' unit in any emergency. Thus an illegal military occupation has been used to bolster the depletion of Namibia's mineral resources for the benefit of foreign shareholders and South African Government revenues, at the expense of underpaid, poorly protected, indigenous workers, and in violation of UN Decree No 1 of 1974, which stated that 'No person or entity, whether a body corporate or unincorporated, may search for, prospect for, explore for, take, extract, mine, process, refine, use, sell, export, or distribute any natural resource, whether animal or mineral, situated or found to be situated within the territorial limits of Namibia without the consent and permission of the United Nations Council for Namibia or any person authorized to act on its behalf for the purpose of giving such permission or such consent.'

Existing licences were declared null and void by this Decree; natural resources removed from the territory could be seized and forfeited to the Council for the benefit of the people of Namibia; and corporations contravening the Decree might be held liable 'in damages' by the future Government of an independent Namibia — which raises some interesting policy questions after April 1990.

In fact, none of the companies concerned ever sought UN consent for its operations, from 1974 to 1990. More seriously, the UK Government not only refused to recognise the UN Council for Namibia, but also blatantly ignored a Security Council Resolution of 1981 calling upon seven countries to prohibit state-owned and other corporations from all dealings in Namibian uranium (Hurlich, loc. cit., p. 57). A Labour government in 1968 — 70 had negotiated a long-term agreement for the supply of Rössing uranium to British Nuclear Fuels Ltd. up to 1984, and all subsequent British governments have continued to permit imports from Rössing. BNFL continues to process large quantities of Namibian uranium on contract to foreign purchasers. The story of these highly secret contracts, the way in which re-exports from Britain have been used to cover up sanctions-breaking in Europe, Canada and the USA, and British government attempts to suppress protests by trade unions, CND and others, has only partly been told elsewhere (see Roberts, 1980, Cooper, 1988, and *A Marriage of Inconvenience*, a BBC TV film on the Seretse Khama connection).

Minerals have been dealt with at some length, in view of their importance to the Namibian economy, both before and after Independence. But the influence of the multinationals has been extremely strong in other sectors, notably banking, petroleum, insurance, construction, transport and engineering. A UN list of transnational corporations and other foreign economic interests operating in Namibia in 1983 names 73 from the USA, 68 from UK, 25 from West Germany, 19 from South Africa, 12 from France, 10 from Canada, 5 each from Japan, the Netherlands and Switzerland, and 12 from other countries — 234 in all (UN, 1983). Susanna Smith (1986) names 45 major multinationals based in the UK alone, including Barclays, BAT, BICC, BP, British Steel, Commercial Union, Distillers, General Electric, Lonrho, Norwich Union, RTZ and Shell. Banks, however, are mainly tied to head offices in South Africa. Namibia is bound into the Rand monetary area and the South African Customs Union (SACU).

The human cost of apartheid

They are other, equally pressing problems derived directly from apartheid which involve not only the denial of basic human rights but will also be extremely expensive for the new government to reform. The social and human legacy of apartheid in Namibia is much as it will be in a liberated South Africa; although on a smaller scale, the system is just as deep-rooted.

To take health, at first sight the statistics look good, by African standards. 'The ratio of one medical doctor for 4,450 inhabitants and 166 people per hospital bed are amongst the best in Africa.' (FNDC, 1989) But a disproportionate share of resources goes to services for whites. 'Although about three-quarters of the population lives in the rural areas less than 20% of health resources are spent there.' (Andersson and Marks, 1987) A survey for the UN Institute for Namibia reported that 20% of schools visited were more than 10km from a health centre, clinic or hospital, while 5% of them were over 100km away. Staff shortages are acute, partly as a result of the war, yet in 1981 more than 95% of doctors and the majority of senior nurses were white (ibid).

Occupational health is a neglected area. There is no provision for workers' dependants, and very little for the workers themselves, except in the mines; even there, compensation for illness or injury is poor, and much higher for white workers than black. The health hazards at Rössing are serious, as noted above, and not less so because most cancers appear only after workers have left the mine. The accident rate is also high, and although the management ist nowadays encouraging safety consciousness, on a visit this year the big notice board at the gate recorded the 'last disabling accident' only five weeks earlier. It did not record whether the worker was white enough to receive compensation (most black workers are excluded on the grounds that the accident was caused by their 'misconduct'). As Andersson and Marks have commented, 'the difference in compensation and insurance based on skin colour in part reflects the cost of replacing labour, and in part serves to reinforce the notion that white lives are of greater value than those of blacks' (ibid)

For many years the movements of Africans in their own country were strictly controlled. But considerable urbanisation took place, including squatting, which was illegal and therefore difficult to quantify. Urban apartheid was rigidly enforced, complete with forced removals. In 1959 the 'native location' outside Windhoek was designated a 'black spot' in a 'white' area; dwellings were bulldozed and everyone forced to move to the new township of Katutura, a 'safe' 10km from the city, further segregated into ethnic areas, with dirt roads and rented matchbox dwellings, none of which had more than outside standpipes. The tarred roads on the perimeter and across the centre were for the benefit of the police, not the inhabitants. A similar, separate township, Khomasdal, was built for Coloureds. African resistance to the move in 1959 preceded Sharpevill by a few months, and was just as violently suppressed. In 1978 there were riots in Katutura, partly ethnic and partly provoked by the authorities and their puppet party, the DTA. In 1979 several thousand Kututura people were rounded up and detained in an unsheltered compound; and police harassment continued (K. & M.-L. Kiljunen, in Green et al., 1981, pp.167 & 93). In the same year, a cosmetic Act abolished residential segregation by race; but the system was already set in concrete. The parallel with present-day South Africa is uncomfortably close.

Windhoek today is a remarkably modern city, built to last by the South Africans, who never expected their fantasy of white domination to end. The white-run, air-conditioned offices, businesses, banks, hotels and services, with a few Indian shops, present a vivid contrast to township and rural conditions. Few Africans, even now, could afford to live there. The backlog of unsatisfied demand for low-cost houses in 1989 was estimated at 37,000, considerably in excess of the existing stock of 33,000. Allowing for returning refugees, rural-urban migration and the growth of population, a conservative estimate of the required low-cost housing suggested a construction rate rising from 4,700 in 1990 to 15,670 in 1999, at a total cost of R 310.3 m(National Building and Investment Corporation, in FNDC, 1990, pp. 53 — 4).

Another major instrument of apartheid was the enforced introduction in 1953 of Bantu education — even more inferior and more repressive than in the RSA itself, according to a UNESCO study:

'South Africa not only maintained ... racial separation but added to it tribal separation, a tribal division or amalgamation decided by the whites ... The educational structure corresponds to the economic structure, with a deliberate attempt being made to keep Africans as a pool of cheap, unskilled, non-union labour, and with special privileges being accorded to Europeans.' (O'Callaghan, 1977)

Education was compulsory for whites, but not for blacks. More than five times as much was spent per white child as for each black (Ellis, 1984). Afrikaans, deeply hated and correctly perceived as isolating educated Africans from the outside world, was the medium of instruction up to Independence. Now Namibia is to switch to English as the national language and as the teaching medium in schools, thus setting a precedent for a free South Africa, but also adding considerably to the cost of educational reform, in terms of retraining teachers, producing new textbooks, revising syllabuses and so on. At the same time they need to extend the school intake to the 16% of children not yet being educated, raise the level of the teachers, many of whom have reached only Standard 7 or less, and provide the technical, professional and higher education that does not yet exist. (The so-called University of Namibia provided mainly Matriculation classes and correspondence courses for a fortunate few, but no degrees of internationally accepted standard.) In 1977 it is believed that there were 10 African university graduates in the country. The position is improving now, largely because those forced into exile took the opportunity to secure further education and training. But the majority of returning refugees had no such opportunities. Adult literacy and basic training will be sorely needed, for them and for the estimated 60% of illiterates. Education is now regarded as a very high priority (SWAPO, 1989). There was little mention of it in the document, Development and Investment, because 'At present sufficient information for planning is not available.' (FNDC, 1989, p. 49.) But in July 1990 the government announced a R 25 million plan for educational reform (Southscan, 6. 7. 90) and this includes the establishment of a university of international standard.

The political legacy

Two pressing problems for independent Namibia have not yet been mentioned, because although they both exert an economic stranglehold on the country, they derive from the political intransigence of South Africa, and require a political solution. These issues are (a) their parting gift at Independence of R 892 million of 'external' debt, and (b) the Republic's defiant retention of Walvis Bay, the country's only deep-water port and lifeline to the outside world.

The so-called external debt is mostly owed to South African banks, and was incurred by the illegal administration for its own expenditure on military repression, cross-border incursions into Angola and the defence of white privilege. The absolute magnitude may appear small, and Namibia is certainly not in the big league of third-world debtors. But the debt represents 42% of 1988 exports and about 25% of GDP (it touched 40% of GDP in 1985: Meiner, 1990). The interest will be a heavy burden at current South African rates, far higher than in UK or USA; bank prime rate stood at 21% in Johannesburg in March 1990. Even at 20%, the interest would come to R 178.4 m, or over 8% of exports. As Lever and Huhne put it (1985), 'To our knowledge, no economist has yet advocated a large flow of resources from the poorer countries as a way of stimulating their economic progress.'

The historical arguments over Walvis Bay are too complex to be rehearsed here; the port has changed hands more than once by unilateral annexation, first by the British in 1878 — on behalf of Cape Colony, the tenuous justification for the South African re-annexation in 1977. However, the United Nations has declared Walvis Bay to be an integral part of Namibia geographically, historically, legally, culturally, economically and ethnically, and condemned South Africa's occupation as 'illegal, null and void and ... an act of aggression against the Namibian people ... a deliberate attempt to undermine the territorial integrity, economic indepence and national security of Namibia' (General Assembly declaration, May 1978, UN IPO, 1978; see also Moorsom, 1984a). In 1978 the Security Council voted unanimously (Resolution No 423) for 'the early reintegration of Walvis Bay into Namibia' (Moorsom, 1984a); and although it was agreed that the matter should be left for negotiation after Independence, South Africa at first declared that Walvis Bay is 'non-negotiable', which made the problem even more intractable. But UN pressure, *if* it can be maintained, should not be underestimated; it was, after all, largely responsible for the peaceful transition to Independence.

The South Africans' primary interest in Walvis Bay is its military significance, as an important base for warships, for troop training, and for a sophisticated communications system conveying counter-insurgency information from the Angolan border direct to a base near Cape Town (UN OPI, 1978). The naval and ground forces there could still be used for destabilisation. They do not seem to have developed its full economic potential. They did not need it — although Namibia does — because most external trade goes to the RSA by land. In 1987 Walvis Bay, under SA Transport Services, handled only 855 ships and about 740,000 tons of cargo (FNDC, 1989). Maintenance of the artificial 'frontier' (manned in March this year by two soldiers with a tent and a bored Alsation dog) may protect the delightful seaside resort for whites, but causes only inconvenience and harassment for the Namibians of the township. Several young students were imprisoned for some months before Independence this year, for protesting against Bantu education and the denial of their citizenship; they were released only after an international outcry (Rosalia Shipiki, personal communication, 1990). Namibians now need passports to enter Walvis Bay.

The waters outside Walvis Bay present another political/economic problem, the vexed question of fishing rights. Fish provide one of Namibia's richest natural resources. Virtually the entire catch is exported to South Africa, much of it canned or turned into fish meal in Walvis Bay; the irony is that most Namibians could not afford to buy the fish even if it were diverted to the home market. Fish accounted for 25% of Namibia's exports in the 1960s. But by 1983 this had declined to 9% — which was still greater than cattle, meat and wool combined — and in 1989 to about 4%. This has been due almost entirely to overfishing 'by long-distance fishing fleets belonging to countries such as Russia, Poland and Spain, with Namibia having received neither concession fees nor any other revenue. The reason is that the country's fishing waters extend for only 12 miles off the coast, and not 200 as recognised elsewhere. All attempts to have the fishing limit extended have, up to now, been resisted, particularly by Russia ... Many other countries still plunder the Namibian waters outside the 12-mile limit. In 1986 they took 375,117 metric tons of Cape hake which, in terms of revenue, would have been twice the entire annual budget of Namibia' (B & T Directories, 1989 — 90).

By contrast, Namibia caught 26,000 tons of kingklip and hake in 1987, worth only R 26 m. Namibia began to enforce a 200-mile limit in April 1990. Spanish boats which ignored this, after warnings, have been arrested and their captains convicted and heavily fined; unfortunately this has led to a dispute with the EC. The European

Fisheries Commissioner, who happens to be Spanish, has suspended negotiations with Namibia on fishing rights, on the grounds that hake quotas are 'too low' and that Namibia is in 'apparent conflict' with a member state. This unilateral action has provoked fury in Namibia, where the need to conserve and rebuild fish stocks is paramount.

Infrastructure

Walvis Bay is a symbol of Namibia's total dependence on South Africa, not only for communications beyond its borders, but also for internal transport and basic infrastructure, including all public utilities. The only railways reach into the country as far as the major mines, and out again to the RSA (see map). Air transport to the rest of Africa and to other continents was entirely dependent on South African Airways; Namib Air was only for 'international' flights, which included Johannesburg, before Independence. The airline is now under local control; it has begun to fly to Angola and Zambia, and is seeking agreements with Botswana and Zambian Airways. Long-distance lorries and coaches, as well as railway rolling stock, all come from the RSA, where repairs and maintenance still have to be carried out. The scope for developing local services is obvious.

Namibia is fortunate to have excellent internal roads: better surfaced than in most, and a longer mileage per head than in all other African countries. But again this was for the convenience of the occupying power, and all roads lead to South Africa or to Walvis Bay. The most important improvement needed is to extend the road system, not only to facilitate the development of internal markets, especially for food and other agricultural products, but also to link Namibia to other neighbouring states. The largest pre-Independence project, for which grants are still being sought, was for the construction and upgrading of internal trunk roads. There was even a 1989 FNDC proposal for a $ 14.5 million tarred road to Luderitz, 'the only harbour' (sic) of Namibia. But the water there is only 6 metres deep, and by FNDC's own admission Luderitz is 'poorly situated for developing the hinterland'. One might imagine the $ 14.5 million — if raised — better spent on a political campaign to secure the restitution of Walvis Bay. To return to the real world, maintenance of the (high) standards of existing roads will also have to be financed by the public sector. But regional co-operation is now possible for the first time, especially through Namibia's membership of the Southern African Development Co-ordination Conference. A very promising development in September 1990 was a bilateral co-operation agreement with Botswana, covering the proposed Trans-Kalahari Highway, and another form Rundu to Katime Mulilo, as well as the inauguration of direct flights, Windhoek-Gaborone, and joint development of water resources and tourism. Financial aid will be needed, however, both from SADCC and from foreign donors.

The electricity grid is linked to the South African network; this means that about 35% of peak capacity can be drawn from outside the country, but could also, at least in principle, be cut off from outside. There are plans for developing solar power, as an adjunct, not an alternative, for rural areas not reached by the grid, and several projects for new hydro power stations with potential to supply Angola and Botswana as well as Namibia. In fact Namibia is well served by the existing network, which extends at least one power line to each district — except Hereroland and Bushmanland — and is among the world's cheapest, at less than half the average price in UK, USA, or West Germany. There would seem to be no advantage in severing the link with RSA. (It should be noted that nearly half the country's electricity is consumed by the mines, which own most of the generating capacity, outside the grid.) All the coal for power stations comes from South Africa, as does nearly all the fuel oil. Angola could, however, expand the throughput of its refinery to supply most or all of Namibia's needs. Hydro-electricity is probably the most reliable source at present; 60% of the grid supply comes from a hydro plant near the Angolan border (UNIN, 1986).

Decolonisation or a transition to neo-colonialism?

A major priority for Namibia's new government must be to reduce the colonial dependence on South Africa. SWAPO (1989) has declared its intention to change 'the status quo whereby the structure of the economy is tailored to the needs and demands of foreign and local private capital'. The means of achieving this have not yet been spelt out; clearly the party is wary of provoking a flight of capital. Although it proposes 'state ownership of a significant part of the country's economic resources' it has categorically stated: 'No wholesale nationalisation of the mines, land and other productive sectors is, however, envisaged in the foreseeable future.' (SWAPO, 1989).

Not all the new government's advisers are convinced of the wisdom of severing links with South Africa. A fairly recent American book suggests that 'the first and most obvious priority' for Namibia would be 'to avoid, or at best minimize, an exodus of frightened or disenchanted whites' (Jowell, in Rotberg, ed, 1986). Apart from the fact that most disenchanted whites have already left (they still have a line of retreat, one important difference from post-apartheid South Africa), this does not represent the view of most Namibians. There are neo-colonial attitudes closer to home. An interesting paper was presented by the executive president of the parastatal First National Development Corporation to the University of Stellenbosch Business School, in which he said:

'The RSA and Namibia are natural regional economic allies. Their trading and financial links are structurally intertwined. Unwinding of those links in the medium term will be to the detriment of both. The current level of exports to Namibia (some R 1,500 million) is significant to the RSA and is worth preserving.' (Meiring, 1989b)

He also stressed to his audience the competitive advantage of the RSA over Europe and North America, in its proximity and hence lower cost for providing the technical, financial and managerial skills which are in such short supply in Namibia. In fairness one should add that the speaker was not looking at this solely from the South African point of view; he suggested that a suitable quid pro quo might be to make Walvis Bay a 'free port' for Namibian traffic. But he did not suggest the ceding of sovereignty, which surely must be the only basis for negotiation. (If that could be secured, a steady flow of South African expatriate advisers might be a cheap price to pay.) But the paper is also interesting for his suggestion that Namibia should promote import substitution 'only if undeniably cheaper to produce locally'. This runs contrary not only to SWAPO's declared policy but also to his own organisation's splendid array of projects for investment (FNDC, 1989), many of which offer low or unquantified estimates of profitability.

While it is true that Namibia will indeed have to purchase expatriate skills from South Africa, she can now look further afield, and will be in a much stronger position to determine contracts and terms. But there are dangers in such continued dependence. Both Botswana and Lesotho now have more expatriates — in mining, industry and commerce as well as technical advisers and aid workers — than 20 years ago at Independence (Cobbe), and this seems even more likely in Namibia. Replacement by local professionals is still a long way off. Meanwhile, priority areas for economic decolonisation will be the diversification of agriculture for local food production, land resettlement policy, the development of internal linkages through local processing (which will also mean more value added locally), the tax and profits regime for mining companies and foreign investment generally, the diversification of the economy and the direction and composition of international trade. Social decolonisation will also involve the reform of education, health and housing, which have been discussed above. All have important implications, beyond their daunting financial costs. And in each of these fields the status quo is a recipe for neo-colonialism.

Agricultural transformation

Numerous proposals exist for agricultural reform in Namibia. As early as 1976 SWAPO published its 'Political Program', which included the following:

'A country which is dependent on another for food ... cannot but be a dependent hostage of the country which feeds its population ...'

'The northern/central areas of Namibia are quite capable of producing more than sufficient food to feed the entire Namibia population ...'

'In a SWAPO-governed Namibia, the state shall take keen interest in providing adequate, modern tools and instruments for large-scale agricultural production with a view to making the country agriculturally self-reliant ...'

'The government will ... strive for ... the creation of ... a proper balance between agricultural and industrial developments along the following lines:

(a) the establishment of processing industry;

(b) a comprehensive agrarian transformation aimed at giving land to the tiller;

(c) the establishment of peasants' co-operatives or collectives;

(d) the establishment of state-owned ranching and crop farms, aimed at making Namibia an agriculturally self-sufficient nation' (SWAPO, 1976).

Formulated even before Zimbabwe's independence, this statement no doubt stood high in the white settlers' demonology. SWAPO's 1989 Election Manifesto, however, placed less emphasis on redistribution and state farms, specifically stating, 'there will be no full-scale nationalisation of the land', but rather a 'strategy of mixed ownership or use of land', with a combination of 'state farms, co-operatives, peasant family farming units, and private commercial farms'. Redistribution would be confined to the 48% of farms owned by absentee landlords and 'some of the land of farmers with many farms', for the benefit of the landless. Defined areas of north-eastern, northern and north-central Namibia were to be designated 'high priority zones for crop production and intensive irrigation projects', with access to the necessary support services such as 'credit, marketing, extension services for peasant farmers, infrastructure and adequate producer prices' in so far as possible. To this end, 'it will be necessary to transfer a considerable part of the state revenue from the mining sector to the development of agriculture', a long overdue step. Nevertheless, the transformation of agriculture will be one of the costliest aspects of decolonisation.

The most detailed discussion of Namibia's agricultural problems and prospects is to be found in Moorsom (1982) and in a major analysis of perspectives for reconstruction and development by the UN Institute for Namibia (1986). The situation is closely comparable to that in South Africa — the dual economy, with rich white farms — often owned by absentees — employing underpaid, contract labour drawn from overcrowded, barren, eroded Bantustans, where women struggle to produce a bare subsistence. (Cf. David Cooper, in Suckling & White, eds, 1988.) Although writing before Independence, Moorsom discussed both the short-term and long-term options in depth, stressing the need for radical change not only from the injustices of the apartheid settler system, but also in a situation of crisis created by the devastation of war and drought. He was particularly concerned by the ecological threat posed to a fragile environment by 'the present combination of over-intensive, profit-motivated commercial ranching and overcrowded, impoverished peasant farming' (p. 66). These problems impose severe constraints on any policy decisions of the new government.

Moorsom's work is also notable for its focus on the role of women in Namibian agriculture and in society generally. He correctly describes them as 'the most oppressed group in present-day Namibia' (p. 57). As in South Africa, Namibian women suffer under the triple oppression of class, race and gender, intensified by the application of South African marriage laws, the creation of a paid hierarchy of male chiefs and headmen, and the exclusion of women from work with livestock on farms, forcing them back to bare subsistence farming or out to underpaid domestic work; women were caught as harshly as men in the trap of the migrant labour system. (Cf. Judy Kimble and Unterhalter, 1982.) It has been estimated that 66% of all subsistence agricultural households in Namibia have a male member in distant employment (Andersson and Marks, 1987). The massive withdrawal of male labour from the peasant economy has led to a double exploitation of women in female-headed households — they are responsible for child care and elderly relatives, but also for the labour-intensive production of food. SWAPO (1989) has promised to 'bring women into the mainstream of national life', and in particular to abolish 'all the remnants of the oppressive contract labour system'; the former contract labourers will be integrated into the areas where they work, with freedom to live with their families or dependants. Namibia may be able to change the structure of the labour market and the restrictions on the homelands, given time; and their progress will be of considerable interest in South Africa itself. Education and training, with the formation of co-operatives, will help to raise women's food-producing and income-generating capacity. (See UNIN, 1986, ch. 24, 'Women in Development'.) But Namibian male attitudes and women's own expectations, at work and at home, will take much longer to change, as they will in South Africa.

The recent establishment, one month after Independence Day, of the Namibian Domestic and Allied Workers Union (poorly paid housework, at R 45 — R 20 a month, was the main economic opening for women) was seriously hampered, not only by the absence of legal rights and protection, exploitation by employers and lack of finance, but also by women's inferior social and economic status (The Namibian Worker, 19.9. — 3.10.90). This was in spite of the fact that Namibian women played a major role in the struggle for independence (Cleaver & Wallace, 1990). But at least President Nujoma, unlike John Major, appointed one woman (now two) to his first Cabinet, with two women deputy ministers. SWAPO Women's Council has been strong, before and after Independence, and is now taking the lead in forming a non-partisan Women's Federation, to incorporate all women's groups, in keeping with the strong national driver for reconciliation.

The UNIN (1986) also has a number of important recommendations for national food security, expecially the production of cereals, fruit and vegetables — which is perfectly feasible in the fertile regions of the north and along the great rivers — along with provision for irrigation, internal marketing, storage and processing; and their report looks at the development of wildlife and tourism, to raise foreign exchange earnings. The main problem for Namibia, here as elsewhere, will be how to finance agricultural transformation and land settlement. This will be enormously intensified by the return of thousands of landless and often homeless refugees (another area where Namibias experience foreshadows South Africa's).

It is often suggested that the agricultural experience of Kenya and Zimbabwe, as countries which came to independence in a white-settler-dominated economy, will have some relevance to Namibia. One important aspect will be the extent to which white farming interests will be able to influence government policy. Stoneman (1981) points out how in Zimbabwe the Farmers' Union, as well as the chambers of Mines and Commerce, exercised a strong and articulate pressure group; they also served on parastatal marketing boards, so that the state apparatus was in a sense geared to white interests, while the Ministry of Agriculture tended to serve large-scale commercial farming interests, even after Independence. Namibian Ministers may be more aware of these dangers.

Both Kenya and Zimbabwe had far larger arable areas for resettlement and/or redistribution. Hazlewood (1985) compares the settlement schemes of the two countries, and suggests that the average size of plot in Kenya (15 hectares), although smaller than in Zimbabwe (50 — 55), is too large, and that 2 hectares might be more appropriate, expecially for the poorer land in Zimbabwe. One should beware of applying this reasoning to peasant plots in Namibia, if only because 2 hectares is not a viable limit for livestock farmers there, even on a small scale, on their low-quality grassland. Secondly, Hazlewood concludes that 'the orderly purchase and transfer of European farms in Kenya was a better policy than expropriation', because it encouraged the continuation of European farming during the transition — although he admits that this raised the financial cost. Here again, the situation is different in Namibia, where absentee white farmers have always had somewhere else to live across the border, as indeed some had in Zimbabwe. The intense land hunger in Namibia's overcrowded 'reserves' cannot be ignored, and limited expropriation of absentees seems a necessary part of a multi-pronged policy.

At present the Government has made it very clear that only absentee landlords and those with multiple farms will be expropriated, and compensation seems likely.

In Zimbabwe, however, a decade of 'softly, softly' is now being succeeded by a stricter policy of redistribution, to assuage the land hunger of a rapidly growing population.

Cliffe (1988a) considers Zimbabwe's track record in agriculture, and the extent to which it can be taken as a model for the 'labour-reserve economies' of Southern Africa. He also (1988b) discusses the administrative and organisational constraints on agrarian reform, which will be even more evident in Namibia, with its shortage of professional and administrative skills. On the other hand, he challenges the common argument offered by the World Bank and others against redistribution of large farms — that it will lead to an overall decline in production and employment, and decisively refutes it. He shows that Zimbabwe has indeed succeeded in producing food surpluses in most years and greatly increasing African smallholders' contribution to marketed crop production, by offering them new inputs, including credit, and centralised (rather the World Bank's preferred 'free') marketing structures; but he argues that these services have benefited mainly the better-off households. In particular, Zimbabwe's extension services, as in Namibia, had long been geared to technological packages appropriate to large commercial farms. The credit offered by the Agricultural Finance Corporation on the security of crop sales also benefits only about 8% of Zimbabwe's Communal Area smallholders. This bears out my own findings in Botswana, where a co-operative credit scheme, linked to crops as security and financed by the British ODA, failed to reach the small farmers for whom it had been designed, and produced its best results in an integrated development and resettlement project, lavishly provided with technical advisers. But Namibia could learn from Botswana's pioneering work in small-scale technology — for example, cheap machines adaptable for a variety of uses on small arable farms (H. Kimble, 1978). Cliffe (1988a) emphasises that Zimbabwe has not solved the problems of poverty and landlessness faced by the majority, and urges continued redistribution of the large-scale white settler holdings.

In a further analysis, Cliffe (1988b) suggests that Zimbabwe, and by implication the rest of Southern Africa, faces three main agricultural choices, which he presents in 'oversimplified' form as: the 'capitalist', going slow on redistribution and individual African holdings; the 'statist', with more resettlement but greater emphasis on state farms and 'top-down' plans in the Communal Areas; or the 'populist', with resettlement on a more intensive pattern, redrawing the frontiers of the large-scale farming areas. He discusses the political determinants of choice against the background of the colonial settler past, the war of liberation and pressures from the World Bank, but clearly favours an interventionist solution.

This paper does not presume to recommend choices for the Namibian Government; but Cliffe's formulation, set against Zimbabwean experience since independence, offers a useful framework for discussion in Namibia. The land question in post-apartheid South Africa will of course be immensely more complicated. To the extent that Namibia is able to achieve consensus while maintaining productivity and increasing local food supplies, within the framework of a fairer distribution of land, it could indeed provide a paradigm for South Africa after liberation.

Foreign investment, minerals and taxes

Perhaps the most difficult task facing the new government is the renegotiation of contracts to cover rates of extraction of minerals, remittance of profits, tax take and local participation. Although in theory Namibia could repudiate all contracts signed after 1966, this is extremely unlikely, and the government realises that both international law and socialist principles must take a back seat to the country's need for export earnings. It certainly has not the power to take on De Beers or RTZ as adversaries, and it seems likely to emulate the experience of Botswana in attracting foreign capital and expertise in the mining industry. Many other precedents exist. The 1990 Budget allocated 70% of capital expenditure (an increased total of R 261 million) to the private sector, which was welcomed by the Chamber of Commerce. But it did not raise taxes, although the Finance Minister said that mining taxation was in the process of being reviewed. It appears probable that the new regime will look to raising, and retaining, a higher proportion of profits in taxation, and that this will be used for more constructive purposes than in the past. The Windhoek Advertiser long ago exposed the way in which mining-generated revenue was siphoned off into apartheid programmes (16. 2. 73, cited in Murray et al., 1974).

Clearly a great deal of detailed planning and feasibility studies, as well as fund-raising, lies ahead for the government and its agencies. There is no dispute — Namibia cannot afford it — over the continuing need for private investment, in the mixed economy to which the government is committed. On Independence Day the President announced that a new investment code was being formulated, and that joint ventures would be sought in fishing and largescale farming (Nujoma, 1990). This has now been published, and a Foreign Investment Act was passed unopposed in December 1990 (Action on Namibia, Sept. 1990; Southscan, 7.12.90). A special category of large-scale 'approved investments' (over $ 200,000) will be guaranteed against nationalisation without compensation, and given assurances concerning retention of foreign exchange earnings, in return for employment and training of local labour.

Structural linkages

An equally important structural reform is the building of internal linkages, to reduce the excessive dependence on production for export, at the expense of production for domestic needs. R. H. Green (in Oxfam, 1987) memorably describes Namibia as 'almost a parody of an economy that produces what it does not use and uses what it does not produce.'

A first priority is to develop the local processing of primary produce from the farms and the mines. Meat processing under the colonial system has been sacrificed to the need to utilise South Africa's spare slaughtering capacity, except when drought forced heavy sales or foot and mouth disease reduced live exports. Cattle are exported on the hoof, losing weight on the journey, and prices are determined in South African markets. By contrast, Botswana has for years operated its own large abattoir at Lobatse, where standards are high enough for direct export to the EC. Since the

FNDC was set up in 1977, there has been some investment in Namibian meat factories, with a cold store at Walvis Bay, as well as maize mills and an oilseed crushing plant; but these facilities belong to the overseas investors, predominantly South African, including a co-operative which has a monopoly over cooking oil. Raw karakul pelts are still exported to South Africa, although 40% of their weight could be removed by scouring; almost all tanning, dyeing and making coats from the skins is done abroad. The FNDC's 1989 Development and Investment includes proposals for upgrading the Oshakati meat factory in order to secure EC approval, at a cost of $lm, with no estimate of profitability; also for karakul skin processing and wool production — if the necessary investments of $ 3.75 million and $ 1.12 million respectively are forthcoming, at estimated rates of return from 2 — 5%. There are also wide-ranging projects for new agricultural products, such as sugar, malt barley, tobacco, rice and chillies, with facilities for local processing, not to mention crocodile farming.

But these projects have not as yet taken fully on board the SWAPO emphasis on establishing agro-industries of all kinds, including fertiliser plants, timber mills and the production of simple agricultural implements, in addition to existing projects (SWAPO, 1989). Understandably, manufacturing industry is fairly low down the scale of priorities, and received no specific mention in the election manifesto. However, there are a few interesting projects already identified by FNDC, including some using local raw materials, such as glass manufacture, salt-based chemicals, shoes, bricks and cayenne pepper, and others dependent on imported materials, for example tins and plastic containers. All are small-scale, presumably using appropriate technology, but it is not quite clear what kind of private investors will be likely to take them up. Nevertheless, the FNDC remains optimistic, and one of their economists told me in March 1990, 'If only 5% of the enquiries we have had come to fruition, we shall be well set up for investment.'

The temptation for cost-conscious economists is to look first to South Africa for the investment required, especially as the rich countries' eyes are elsewhere just now, on Eastern Europe and the Gulf. But the South African government has already shown that it is more concerned to safeguard its interest and repayment from colonial loans than to offer financial aid to Namibia. There is thus a danger that private investment from the RSA will build up a classic neo-colonial situation, reinforcing the economic influence of the multinationals, discussed above. Yet Namibia desperately needs investment, for the radical restructuring of its economy, and it is unlikely that many of the most important projects will hold out prospects of quick profit. This underlines the need for effective multilateral and bilateral aid, without crippling strings attached.

The international context:

(1) Aid, apathy and altruism

Namibia needs aid, and especially concessional aid. This is incontrovertible. But what are the chances? The problems include (a) the fact that Namibia's relatively high GDP per capita makes it difficult to claim least-developed-country status, for soft loans and grants. Here account has to be taken of the skewed distribution of income in favour of the white minority. Then (b) there is the problem of so-called 'donor fatigue' among the rich countries who have seen funds frittered away by waste, inefficiency and corruption; but it must be said that too many donors have tunnel vision when it comes to their own perceptions of national interest. More recently, (c) the claims of Eastern Europe and the slight of refugees in the Gulf have blinded many leaders to the needs of Africa. Namibia stands at the end of a very long queue, and the door of bilateral aid seems to be closing, in spite of the strongest rhetoric of the non-aligned and the Front Line States, voiced notably by Julius Nyerere.

Most of these points were raised by Namibian spokesmen at a donors' conference in June 1990, arranged by the UNDP, the World Bank, and the ECA, at which a total of $ 198.5 million was pledged for 1990 — 91 (not the $ 270 million hoped for), of which only 70% was in open grants. The biggest donors were West Germany and the Nordic countries, followed by the USA and Canada (South Africa a long way behind). But many of the individual figures were dismal. West Germany was criticised for offering loans rather than grants (Action on Namibia, September 1990). At Independence, Jesse Jackson had ridiculed the US offer to Namibia of half a million dollars (sic) a year for three years. But Britain's effort is not much better. The initial offer was training assistance for the military and police forces, with advisers paid locally at British rates of pay. Development aid was first set at half a million pounds (sic), now raised to £ 10 million for technical co-operation over three years; this is grant aid, not loans, and directed to practical ends, including education, public administration, and natural resources, including fisheries. But most of it is tied to British exports of goods and services. Britain was responsible in international law for South Africa's administration under the mandate, 1920 — 66. Is it unrealistic to suggest that our historical obligations to Namibia, both political and moral, call for more than this?

The record of multilateral aid is not encouraging. (See Seidman, nd, pp. 118 — 19, on the IMF's role in fostering the region's dependence on South Africa.) Heaven preserve Namibia from Structural Adjustment, in the IMF/World Bank sense. (See, for example, Smith, 1990, pp. 198 — 203, on the effects of Structural Adjustment on the poor; The Challenge to the South, 1990; Cornia et al., 1987; Stoneman, 1990; and a growing body of literature.) Genuine structural adjustment, or rather transformation, is exactly what is needed, and has been spelt out in detail by the UN Council, and Institute, for Namibia as well as the other authors cited here. But Namibia requires enough aid, on concessional terms, and untied, to be able to move towards economic independence, and to untie the strings of dependence on South Africa.

(2) UNGA, ECA, FAO, ILO, the OAU, the FLS, APC, SACU, SADCC and other animals

Fortunately Namibia has a number of fairly powerful allies in the modern world. She has already been accepted as a member of the UN and its various specialised agencies, including the E C A (having been an associate member of the WHO since 1974: UN, 1974). She has also joined the Front Line States, the OAU, the Non-Aligned

Group (which recently announced a grant of over R 2 million for education of returning refugees (Southscan, 14. 9. 90), the Commonwealth, and the ACP (Lomé) group. By the end of May 1990 a senior Namibian Government delegation was in Europe lobbying hard on the terms of its accession to the Lomé Convention, especially on beef quotas. Namibia signed the Convention in December 1990, but by then had been forced to accept an annual beef export quota to the EC of only 10,500 tonnes for the first two years (rising to 13,000 for the next three), far less than the 19,000 tonnes requested. The shortfall was partly due to effective lobbying on behalf of Eastern Europe. (Southscan, 1. 6. & 6. 7. 90; AoN, September 1990.) The EC has also offered over R 5 million towards Namibia's drought relief programme (Southscan, 7. 9. 90).

Especially important to Namibia will be the Southern African Development Co-ordination Conference, which has been concerned since 1979 with ways to reduce the economic dominance of South Africa in the region (Holland, 1987). Recently SADCC has approved a new oil terminal project at Swakopmund, which could import direct from Angola, instead of South Africa. Other projects include surveying and developing coal deposits, transport and telecommunications. (Southscan, 7. 9. 90. See also Kibble & Bush on SADCC's prospects for successful disengagement from South Africa; and feature on 'SADCC in the Nineties', in Southern African Economist, Feb/March 1990.) Some hard thinking is going on over the costs and benefits of continued membership of the South African Customs Union; at present it produces over 20% of government revenue, but in the long term duty-free imports from South Africa will stifle the development of local infant industries (cf ODI, 1989). In August 1990 the central Bank of Namibia was opened, with assets worth R 40 million, and took over the local branches of the South African Reserve Bank (Southern African Economist, Aug/Sept 1990); but Namibia does not control its own monetary policy, and is unlikely to issue its own currency for at least two years (Prime Minister Geingob, quoted in Southscan, 6. 7. 90), although the Finance Minister has already criticised the Rand Monetary Area as hampering Namibia's prospects of a boom (Southscan, 13. 7. 90).

Conclusion

Namibia enters Independence with a number of unusual advantages. GDP per capita is higher than most other African countries except the RSA. It has enormous mineral wealth, good infrastructure (more tarred roads per head than any other country in Africa, an extensive rail network, plentiful, cheap electricity and nearly six hospital beds per 1,000 people). But as we have seen, each of these advantages may operate as a constraint in certain respects, especially if we look at who receives the benefits.

Perhaps the most difficult exercise of all, for both whites and blacks in Namibia, will be to shake off the mental attitudes of colonialism. It is not so long ago that an official Commission report wrote of the African majority in Namibia:

'Their needs are modest ... they have not sufficient skill and enterprise, either, to triumph over local conditions and the limitations imposed by nature in their own areas'

(The Odendaal Report, 1964, which set out the blueprint for the Bantustans, cited by Mbuende, 1986).

It is even more recently that SWAPO was fighting a costly war of liberation. The remarkable absence of bitterness demonstrated at Independence, the pragmatic willingness to work with whites, SWAPO's invitation to other parties to join the government, and the obvious determination to build a racially integrated society, all augur well for this post-apartheid state. But now that the initial euphoria has faded, the new government faces a near-impossible task of satisfying the enormous expectations generated by Independence. The constraints are all too familiar: finance, manpower, technical skills, drought and desert and beyond these the international context in which South Africa still calls the shots while former friends seem to have lost the will to help. Can the post-apartheid state survive? Can they begin to solve some — only some — of the problems that lie in wait for South Africa after apartheid? The questions remain open. But students of Namibia, in Europe as well as Southern Africa, have a responsibility to see that Namibia's pressing needs are understood in our own countries.

Map 1: Namibia and its neighbours

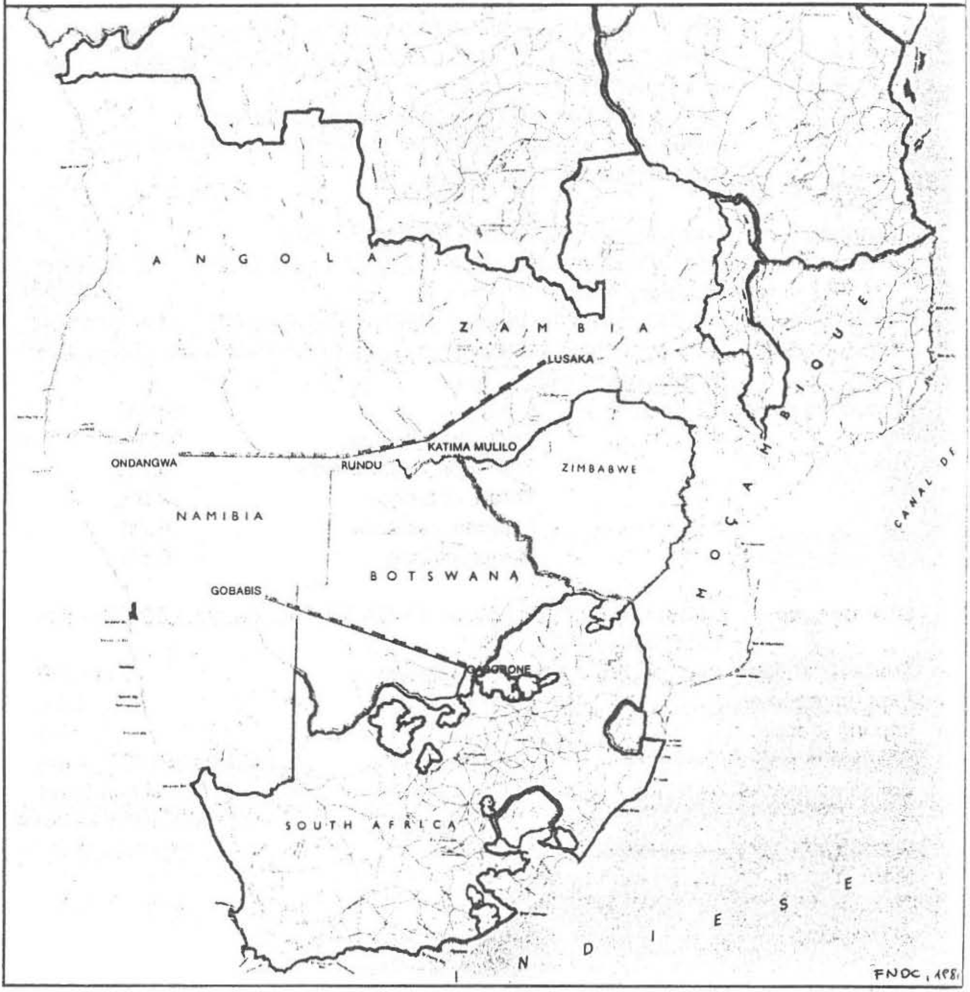
Map 2: Namibia

- frontiers
- restricted areas
- 'homelands'
- tar roads
- other roads
- railways
- rivers
- capital city
- main towns
- mines: 1 TSUMEB *copper lead*; 2 RÖSSING *uranium*; 3 ORANJEMUND *diamonds*

Scale: 100 200 miles

Adapted from *The Namibians*, the Minority Rights Group report no. [illegible], London, [illegible]

VITAL FUTURE ROAD LINKS



Appendix: Namibia — Some Basic Facts

Land Area: $823{,}145\ km^2$ (excluding Walvis Bay, $1{,}124\ km^2$)

Population: Estimated at 1.326,000
Groups (in size order): Owanbo, Kavango, Damara, Herero, White, Nama, Caprivian, Coloured, Bushmen, Rehoboth Baster & Tswana (Whites 83,000, or 6%)
Density: 0.6 per km^2 (African average 18 per km^2)
Distribution: approx. 800,000 in far north; 115,000 in Windhoek
Growth rate: 3% per annum

Official language: English (previously Afrikaans and English)

Currency: South African Rand (R 1 = £ 0.17 p = $ 0.30¢) Part of Rand Monetary Area.

Gross Domestic Product, 1988: R *3,743 million* (factor cost, 1988 prices). Real GDP (after Inflation) grew by 2.3% in 1988, but only back to the 1980 level; it had fallen for four years, 1980 — 84.

Productive sectors % of GDP		
	Mining	28.1%
	Agriculture, fishing	12.5%
	Transport, communic's	6.7%
	Trade, catering	12.0%
	Finance, services	6.7%
	Manufacturing	0.5%

GDP per cap (1988) R 2,823 ($ 1,050 — cf RSA $ 1,890, Kenya $ 330, Zambia $ 250, Moz $ 170)

Trade Balance (current prices) 1988	R million	% of GDP
Exports (goods)	2,126	58%
Imports (goods)	2,390	53%
Balance of trade	+ 180	(deficits in 1981 — 84)
Bal. of payments	— 274	(small surpluses in 1980, 1985 — 86)

Main Trading partners (1986 figures):

Exports:	
Switzerland	31%
RSA	25%
USA	5%
UK	5%

Imports:	
RSA	75%
West-Germany	10%
USA	5%
Switzerland	5%

Major Exports (1986):	Million Rand	
Minerals:	1,543	
Diamonds	654	(899, 776 cts)
Other minerals	899	(uranium, 5,000 tons per year since 1979)
Agricultural products:	257	
Cattle	148	
Karakul pelts	35	
Fish (unprocessed)	93	
Manufactures	120	
Major Imports:		
Clothing & footwear	425	
Chemicals	391	
Metals & minerals	372	
Manufactures	265	
Food & Drink	255	(dependent on RSA for maize & all but meat & milk)
Machinery & equipment	109	
Inflation rate (Windhoek):	1975	12.8%
	1980	12.5%
	1985	11.9%
	1989	15.1%

Banking: Namibia has no central bank, and has to rely on the Windhoek branch of the South African Reserve Bank. There are seven registered commercial banks, most of which, including Standard Bank Namibia Ltd, are South African subsidiaries.

Government Budget, 1988 — 89: Revenue R 1.855,320 Expenditure R 2.234,607

Infrastructure:

Roads: 4,500 km tarred (more per head than in any other African country; 25,197 km gravel surfaced; 8,831 km non-surfaced)

Rail: 2,382 km (main lines run to South Africa)

Air: Windhoek International Airport served by Namib Air & S. African Airways

Electricity: 99% locally generated, and linked to RSA network. Cost is low, @ 2.88 cents per kW-hr (RSA 2.88, USA 6.25, UK 6.81, W.Germany 8.43.)

Water: 'Water is a scarce commodity, particularly in the interior of the country' (FNDC, 1989). Or, to put it another way, there is plenty of water from the two great rivers on the borders, the Kavango and the Orange Rivers; but more than 33% of the country is arid desert. 'Economically active' areas, i.e. mines and ranches, are supplied, with standpipes in the townships. Domestic consumers are sub-

	sidised, but commercial firms and mines pay the full cost. The Rössing uranium mine has a large pipeline running 65 km from the coast at Swakopmund. There are six major dams.
Labour Force:	184,793 (less than one-third are women) Potential labour force estimated at 430,000 8% are employed in mining, 10% in industry, 16% in agriculture, 25% in Government, but the majority of the population are engaged in subsistence farming (70% of the total population depend on agriculture for a living) or the informal sector
Unemployment:	estimated at 30% of labour force
Education:	84% of school-age children are at school (98% only to Standard 10) 38% of population (World Bank est.) are literate
Health (1988):	61 hospitals (6 beds per thousand people) & 156 clinics 250 doctors (1 to every 4,450 people), plus 30 specialists 46 dentists, 100 pharmacists, 4,477 nurses
Sources:	See Bibliography, but mainly from Namibian Government publications, especially Dept of Econ Affairs, 1990; FNDC (1989); UN sources listed; Oxfam (1987); Green et al. (1981); Katjavivi (1988); Moorsom (1982, 84a & 84b); and Smith (1986).

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