

A Rich Country with Poor People

Inequality in Namibia

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October 2009

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Acknowledgements

This booklet on inequality in Namibia forms part of a regional study on inequalities in Southern Africa. The regional study was initiated by Deprose Muchena from the Open Society Initiative in Southern Africa (OSISA) and will be published in early 2010 under the title “*Tearing us apart: Inequalities in Southern Africa*”, edited by Herbert Jauch and Deprose Muchena. The study aims to not only document the various forms of inequality that exist in Southern Africa today, but to also point at ways on how they can be redressed.

We wish to thank Deprose Muchena for all the support given to carry out this study and for the comments on earlier drafts. We also thank OSISA for rendering financial support for this study. Furthermore, we are grateful to Alice Kanengoni for pointing out the shortcomings in the gender analysis of an earlier draft. Lucy Edwards must be credited for filling this gap comprehensively. We are grateful to Robert Johnson and Madhavi Ashok for supplying the graph on Namibia’s Gini Co-efficient and GDP per capita. Thanks to Terry Pickering for assisting us with the language edit.

We wish to also thank our partner organisations whose continuous support enables us to carry out our work. They are the Netherlands Trade Union Federation (FNV Mondiaal), the Finnish Trade Union Solidarity Centre (SASK), the Belgian Fund for Development Co-operation (FOS) and the Rosa Luxemburg Foundation (RLS) in Germany.

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ISBN: 99916-64-00-9

List of acronyms

| | |
|-------|--|
| AALS | Affirmative Action Loan Scheme |
| ACC | Anti-Corruption Commission |
| ACP | African, Caribbean and Pacific group of countries |
| AGOA | Africa Growth and Opportunity Act |
| AIDS | Acquired Immune Deficiency Syndrome |
| ALBA | Bolivarian Alternative for the Peoples of our Americas |
| ANSA | Alternatives to Neo-Liberalism in Southern Africa |
| BEE | Black Economic Empowerment |
| BIG | Basic Income Grant |
| CADRE | Centre for AIDS Development, Research and Evaluation |
| CBS | Central Bureau of Statistics |
| CDM | Consolidated Diamond Mines |
| CIIR | Catholic Institute for International Relations |
| CHH | Child-Headed Household |
| DfSD | Desk for Social Development |
| DHS | Demographic and Health Survey |
| EHH | Elderly-Headed Household |
| ELCRN | Evangelical Lutheran Church in the Republic of Namibia |
| EPZ | Export Processing Zone |
| ETSIP | Education and Training Sector Improvement Programme |
| EU | European Union |
| FTAA | Free Trade Area for the Americas |
| GDP | Gross Domestic Product |
| GRN | Government of the Republic of Namibia |
| HSL | Household Subsistence Level |
| HIV | Human Immuno-Deficiency Virus |

| | |
|---------|--|
| IDAF | International Defence and Aid Fund for Southern Africa |
| IMF | International Monetary Fund |
| LaRRI | Labour Resource and Research Institute |
| MoHSS | Ministry of Health and Social Services |
| MTI | Ministry of Trade and Industry |
| NAMTAX | Namibia Tax Commission |
| NCCI | Namibia Chamber of Commerce and Industry |
| NEPRU | Namibia Economic Policy Research Unit |
| NGO | Non-Governmental Organisation |
| NHIES | Namibia Household Income and Expenditure Survey |
| NPC | National Planning Commission |
| N\$ | Namibia Dollar |
| PLAN | People's Liberation Army of Namibia |
| PLWA | People Living with HIV and AIDS |
| SADC | Southern African Development Community |
| SafAIDS | Southern Africa HIV/AIDS Information Dissemination Service |
| SAPs | Structural Adjustment Programme |
| SME | Small and Medium-Size Enterprise |
| STI | Sexually Transmitted Infection |
| SWAPO | South West Africa People's Organisation |
| TB | Tuberculosis |
| TCL | Tsumeb Corporation Limited |
| TNC | Transnational Corporation |
| UN | United Nations |
| UNAIDS | Joint United Nations Programme on HIV and AIDS |
| UNFPA | United Nations Population Fund |
| UNGASS | UN General Assembly Special Session on HIV/AIDS |

| | |
|--------|--------------------------------------|
| UNICEF | United Nation's Children's Fund |
| UNDP | United Nations Development Programme |
| UNIN | United Nations Institute for Namibia |
| USA | United States of America |
| US\$ | American Dollar |
| WFP | World Food Programme |
| WHO | World Health Organisation |
| WTO | World Trade Organisation |
| XDR | Extensive drug resistant |

1. Introduction

Namibia holds the infamous record of being the country with the highest levels of inequality in the world (UNDP 2009). Almost 20 years after independence the country is still highly fragmented and this booklet provides an analysis how various forms of inequality were created and how they manifest themselves today. This booklet also outlines some of the initiatives taken after independence but concludes that systematic structural changes will be required to redress the enormous levels of socio-economic inequality that characterise the country today. The final chapter draws on various proposals from within Namibia and Southern Africa to sketch possible areas of intervention. It also draws on some encouraging international experiences in Venezuela.

The purpose of this booklet is to examine inequality in Namibia, including its causes, structural and otherwise, and the historical foundations thereof. Central to this booklet is the notion that inequality is a function of an economic system that creates economic injustice and is based on the needs of predatory capital. This system has become truly global over the years, producing high levels of poverty and inequality in various parts of the world, including Asia, Africa and Latin America.

Inequality in Namibia has deep roots and today's levels of inequality can be traced back from the period of colonial dispossession to the market-driven economic policies pursued after independence.

1.1 Namibian history – a brief overview

Namibia's early history, before the advent of colonialism is under-researched. It was predominantly an agrarian economy, based on communal ownership of resources. In the pre-colonial familial subsistence economies, particularly in crop growing societies, women provided the primary source of labour, and their fertility ensured future labour supply (Haviland, 1993). Key forms of productive assets were not privately owned, land was communally owned and even cattle often belonged to a corporate group. It was not possible for the individual custodian of communal or corporately owned property to dispose of this property in the way that he pleased, yet men could command the labour of women, control social surpluses produced by primarily female labour, control women's sexuality and control their fertility. Despite the communal ownership of land, men controlled land-use through gendered land-tenure and inheritance systems. The adult male received land from the chief (who acted as the custodian of communally owned land) and then in turn granted usufruct to his wife /wives, who provided most of the labour in the familial subsistence economy (Hango-Rummukainen 2000). Male control over key productive assets was the basis for male control over surpluses (Guy 1990 & Koopman 1995). This formed the basis of a trajectory of gender inequalities that persist up until today.

In some pre-colonial communities women could be exchanged for other forms of wealth, like cattle, water and grazing rights. Polygamy provided men with further opportunities

for wealth accumulation through their control over multiple female bodies. The payment of bridewealthⁱ (lobolo), in the form of cattle was an exchange relationship between a woman's male kin and her husband for control over her labour and fertility (Guy 1990 & Koopman 1995).

Control over the female body therefore meant control over the primary source of wealth creation. Through polygamous marriage men could control multiple female bodies and increase their wealth and status in the community. Various cultural practices re-enforced this inequality that continues to exist up to this present day.

Sacks (1995) uses the Namibian !Kung (Ju/hoansi) as an example of hunter-gatherer societies that had no private property, no social surpluses and hence no inequalities in sexual relations. Sacks based her conclusions on her reading of anthropologist Richard Lee's work (2003) which found that on balance gender relations among the Ju/hoansi were fairly equal. Although early marriage, bride capture rituals and age differentials in first marriages could have disadvantaged women, Shostak (1990) argues that with time the relationship became more equal. She, however, concludes that despite this relative equality, men still had the edge. The relatively egalitarian society amongst the Ju/hoansi is ascribed to the fact that through their gathering activities, women contributed most to food production (Felton, 2001).

Agricultural production in pre-colonial Namibia was subsistence-based, and there was a gender-based division of labour, with the hunting of cattle being the preserve of men, and child rearing, preparation of food and crop tending being predominantly the domain of women. Among the principal ethnic groups, the Namas, Damaras and Hereros were pastoralist, the Ovambos and Kavangos were ago-pastoralists, and the San were hunters and gatherers (UNIN 1986).

In the subsistence economy, the private-public dichotomy and the distinction between productive and reproductive labour was blurred because the family was both the unit of production and reproduction. The division of labour depended on the dominant mode of subsistence and the cultural traditions of different ethnic groups. For example, in hunter-gatherer foraging societies, like the different San groups, women collected wild fruits roots, nuts and berries while men hunted (Felton 2001). Ovambo groups relied on mixed farming, mainly agriculture, and cattle herding, supplemented by hunting, gathering and fishing. Women were responsible for actual cultivation while men assisted with land clearing and hoeing. In addition, women gathered firewood, fetched water, pounded grain, cooked, cleaned, raised children and performed crafts like basket weaving and pottery. Men and boys raised cattle and were responsible for house building. They marketed the pots produced by women and were themselves involved in the production of wooden tools (Becker 1995).

Historically, the Hereros were pastoralists with no cultivation. Cattle herding was done by boys and men, often from the Damara group who were used as servants by Hereros. Women were responsible for milking cows and producing the staple food - sour milk (omaere). They gathered wild foods, fetched water and fuelwood, erected animal enclosures and performed childcare. Men built houses and did woodcarving. Men also

sewed clothing, fur blankets and coats. The mainstay of the Nama economy was stock-raising, done mainly by men while women gathered wild foods. Men also hunted. Women produced household utensils like clay pots while men produced weapons. Men and women made their own clothing (Becker 1995).

The arrival of colonial influences in the form of missionaries, traders, concessionaires and the like, significantly eroded inter-tribal trade, as Europeans came to monopolise trade in the country. The terms of trade were highly unequal as Africans lost productive resources (cattle) in exchange for non-productive items such as liquor, coffee and sugar. Thus, unlike trade between African communities in the pre-colonial period, the new trade arrangements with European traders did not contribute to the development of African productive forces (Bley 1971; Mbuende 1986).

1.1.1 German colonialism

This period, lasting from 1884 - 1915, marked the sudden and permanent change in the social, cultural and traditional forms of social organisation. Germany had as its goal the establishment of a settlement outpost, drawing on and extracting its natural resources, while keeping its investment, human and financial, to the bare minimum. Many Germans who came to settle in Namibia such as ex-soldiers, artisans and technicians, called for the appropriation of African grazing land to obtain sufficient land for their own farms (Gann and Duignan 1977). Drought, famine, wars and the rinderpest epidemic of 1896-97 led to the impoverishment of the Nama and Herero communities. This forced some chiefs to sell land to the Germans who seized upon every opportunity to expropriate land from the Africans, signing fraudulent agreements with local chiefs or confiscating land by violent means (Gann and Duignan 1977; Bley 1971).

In 1903, the German imperial commissioner declared that 75% of the land owned by Africans had to be sold to Europeans, and that the remaining 25% had to be proclaimed native reserves (Mbuende 1986). This loss of land and cattle by Africans led to the war of Anti-colonial resistance from 1904 – 1907. During this war, about 80% of all Hereros and 50% of all Namas fell victim to the German genocide (Katjavivi 1988; Helbig 1983). By 1907, Africans were almost completely dispossessed of their land, livestock and property while the Germans had established control over two-thirds of the country. Only the northern regions were spared, primarily because direct land seizure by force could have resulted in protracted wars and huge loss of lives (Gurirab 1988; Jauch 1998).

Instead, the northern areas were preserved to secure the long-term supply of migrant labourers for the farming, mining and fishing sectors. The German strategy was to coerce the Ovambo kings into supporting labour migration, and by 1914 there were over 9 000 Ovambo migrant workers deployed in the “police zone” as the areas under direct German control in the central, southern and eastern parts of Namibia were known (Moorsom 1980).

At the end of German colonialism, Africans in the “police zone” had lost most of their land and livestock. They were forced to work on settler farms, for the railways or for the emerging mining companies. The labour shortage in these sectors was increasingly

filled by migrant labourers from the northern regions. Africans thus lost their economic independence and were systematically integrated into the colonial economic structures under highly exploitative conditions (Jauch 1998).

During the first years, the German colonial rulers did not interfere in indigenous social organisation and hence African patriarchal rule. The protection treaties (1880-1890) signed between the Germans, Herero and Nama chiefs guaranteed non interference in how chiefs governed their subjects including their rule over women. During and after the Herero genocide (1904 -1907) and wars against the Nama's, the Germans introduced native regulations (1905-1907) that subjected indigenous communities to direct colonial rule. This was accompanied by land dispossession and violent subjugation. This period also saw the introduction of enforced labour and pass laws (Dienstbuch) that applied to men, women and children alike. A year after South Africa took control of Namibia (1917), the law was changed and enforced employment of indigenous Namibians with whites in the police zone henceforth only applied to men. Pass laws, however, applied to all black people. Women were thus exempted from compulsory labour (Becker 1995).

German settler women were subject to another system of patriarchal rule. They were excluded from political participation. Unmarried women could not acquire land in their own right. Those who were married to German farmers operated within the framework of the public-private dichotomy and therefore were responsible for social and biological reproduction. This included the supervision of the household and indigenous domestic workers and producing the farmer's offspring within the context of a racist ideology of ensuring the racial "purity" of legitimate German offspring (Becker 1995). At the beginning of German settlement women were shipped from Germany since new marriages between Germans and indigenous (black) Namibians were forbidden from 1905 (Decker, 2004). A novel based on historical fact suggests that many women were sexually assaulted by German soldiers on their journey to Namibia and in Namibia before they eventually married farmers (Brink 2002).

One under-researched area is the use of sexual violence as a weapon of war during colonial conquest. There are, however, accounts of Herero women who were captured and removed from the families to become sex slaves to German soldiers. Some were moved from their family homes and settled in other areas, for example, amongst the Namas in the South. The descendents of these women are still alive and relate some of this undocumented history.

1.1.2 South African colonialism

The first phase of South African colonial rule followed closely on the German blueprint, whereby white South African settlers were provided with significant inducements to settle in Namibia, and measures were enacted to force Africans into becoming a cheap source of labour for the settler community. Measures such as differential tax rates, using 'hut and dog' taxes to impoverish Africans were used to drive them into wage labour. The reservations were starved of development and the racial policies of the Government further entrenched. Expenditure on development in the reserves was

limited to what residents could raise themselves. Between 1922 and 1946, 90% of Namibia's (indigenous) population was only allocated 3,6 – 10,6% of the colonial state's budget (UNIN 1986).

The colonial South African government formally entrenched segregation and then applied its apartheid model to Namibia. The Odendaal Commission of 1963 instituted a homeland system (closely modelled on South Africa's own version) in terms of which 40 percent of the country's land area (mainly in the North) was for the indigenous population, 43 percent for white farmland, and the remainder, including diamond areas and game reserves, was considered to be unallocated Government land. The economically unviable homelands would force the inhabitants to seek employment as migrant labour in the settler economy, notably the nascent mining industry, but also fishing, agriculture and the railways (Mbuende 1986; Jauch 1998).

Becker (1995) argues that South African colonial rulers intensified German policies as the need for cheap labour increased. A number of laws restricted the mobility of black people, especially black women and children, from taking up co-residence with husbands and fathers in towns. The Native Labour Proclamation (1919); the Vagrancy Proclamation (1920); the Administration Proclamation (1922), the Native Passes Proclamation (1930); the Northern Natives Proclamation (1935); the Native Urban Areas Proclamation (1951) and the 1963 Aliens Control Act all controlled the movement of black people and prevented their full proletarianisation (Hishongwa 1991). For many black people the neo-local, conjugal family was legally not possible, hence the spatial and geographic separation of black Namibian families. Influx control regulations made black people foreigners in urban centres and black women and children had difficulty sharing common residences with black male husbands/fathers. The articulation of the capitalist and subsistence familial modes of production forced women and children to shoulder most of the productive responsibilities in the subsistence economies. Some may argue that female labour in the subsistence economy subsidised cheap male labour in the capitalist economy and enabled the super exploitation of male labour that provided the basis for surplus accumulation during the early stages of the colonial capitalist economy (Wolpe 1978).

There is a common assumption that the female-headed household is purely an outcome of the migrant labour system. There are, however, other factors that contribute towards matrifocality (female-centred households). These include matrilineal systems of descent and inheritance, high out-of-wedlock birthrates, low marital rates, poverty and labour migration. Historically, in Ovambo groups, conjugal bonds are important for economic co-operation, but not to determine kinship, since descent is traced matrilineally, and historically a woman and her children were not considered to be the relatives of the husband (Williams 1991; Becker 1995). An adult male's family allegiance primarily resides with his natal kin on the maternal side. Systems of descent determine inheritance practices and often remittance flows. In this context, Hango-Rumukainen (2000) argues that migrant workers' wages belonged to men and items bought from these remittances remained the property of men.

Despite the fact that migrant labour in northern Namibia weakened the conjugal relationship further, the migrant workers were considered part of their rural families and were still responsible for certain forms of household decision-making (Hishongwa 1991). Often migrant workers entered into second and third and concurrent relationships (formal and informal sexual unions) in urban centres as part of polygamous marriage. They, however, remained heads of households with control over land and other productive assets at their rural homesteads (Hango-Rummukainen 2000).

The fact that men were often absent due to labour migration is often mistaken for a female-headed household, but as Hishongwa (1991: 92) points out, males who migrate often remain household heads, and their maternal relatives often controlled decision-making about his property during his absence, despite the fact that his wife/wives carried/s out most of the productive labour. The maternal relatives also police married women's sexuality during his absence (Becker 1995).

Urban workers may also be part-time farmers who still make partial income from animal husbandry. They often return to rural homesteads for extended periods to see to their assets and to participate in productive activities. Their remittances may help to support aged parents. Remittance flows may, however, go both ways as some of the agricultural production that occurs in the rural areas may contribute towards household food supply of urban family members as food transfers are often made to urban households by rural kin (Frayne 2005).

Labour migration increased women's workloads as female and child labour had to substitute male labour. This often led to a decrease in food production (Hango-Rummukainen, 2000). In addition, the increased monetisation of traditional economies increased women's dependency on male remittances (Becker 1995).

“Internal Settlement”

The increasing global demand for mineral resources, and investment by transnational corporations in the Namibian mining industry led South Africa to begin the process of pursuing an internal settlement in the 1970s and 1980s. Coupled with pressures from the liberation movements and an emerging international anti-apartheid movement, these developments pushed the apartheid regime towards a new “model” of dominance that was based on more coercive means.

South Africa attempted to promote a version of its own homeland policy by creating the “Turnhalle Conference”, ostensibly a constitutional conference, which was held in 1975. This conference attempted to create a system of limited autonomy, while retaining the privileges of the white minority. It was roundly rejected by SWAPO and the international community and in 1978, the United Nations (UN) Security Council passed resolution 435 to pave the way for Namibia's independence through a UN-supervised general election for a constituent assembly. Thus South Africa's attempt to reclaim some international credibility through an “internal” political arrangement, while simultaneously retaining control over its Namibian colony, failed.

In the 1980s pressure on South Africa intensified as its own internal resistance grew

and the costs of maintaining a war in Namibia and Angola became too high. The increasing military pressure applied by the Cuban presence in Angola, culminated in the battle of Cuito Cuanavale in 1988. This represented the first significant military loss, including a diminution of South Africa's air power. At the same time, the apartheid regime was confronted with a wave of domestic political pressure exerted by trade unions, civic organisations and youth movements in South Africa and Namibia alike. Added to that, the international community grew increasingly impatient with South Africa's continued human rights violations and pressed for an end to the apartheid system. Towards the end of 1988, South Africa finally accepted UN Resolution 435, which called for the institution of a ceasefire, the return of exiled Namibians and for general elections to determine the composition of the constitutional assembly (Jauch 1998).

1.2 Racial discrimination

Namibia at independence was a country racked by inequality. This reflected itself in the distribution of wealth as well as access to services and resources. Just before independence (1988), Namibia's per capita income was US\$ 1200 per year, an artificially high figure which was hiding the extremely skewed nature of income distribution. A more accurate figure for the majority of Namibians was given as around US\$ 750 for blacks in formal sector wage employment and US\$ 85 per capita for those in the subsistence sector. By contrast the incomes of whites, accounting for 5,1 percent of the population, was US\$ 16 500 per year, which was comparable with the per capita incomes in industrialised countries (World Bank 1991).

It is estimated that at Independence some two thirds of the population were living in conditions of absolute poverty, according to 1991 World Bank figures. The entrapment of the black majority in poverty was the product of a systematic system of labour exploitation. Blacks were denied the means to progress to higher levels within the labour market and were largely confined to wage labour at the most basic levels. Excluded from the bulk of managerial, professional and administrative jobs, and with wages being below the poverty level, black Namibians found it difficult to move beyond the confines of poverty. However, there was a hierarchy of poverty: the urban poor were better off than people living in peri-urban areas, who in turn were better off than rural families (World Bank 1991; SWAPO 1981).

About half of the black working population were engaged in subsistence agriculture in the communal "homelands". Approximately 25% were lowly paid migrant workers, about 14% were employed as poorly paid domestic workers and the rest were either openly unemployed or engaged in a variety of informal sector activities. According to a study by the United Nations Institute for Namibia (UNIN), the income differentials between white and black Namibians far exceeded what could be justified by the skill differentials. Even where they did the same job, there were substantial differences in remuneration (UNIN 1986).

The white population as a whole benefited from permanent jobs, subsidised housing,

health care and superior schools, which were also racially stratified. Almost the entire white labour force had secured employment as professionals, managers, supervisors, technicians, civil servants or as business people in agriculture, industry, commerce and government. A far greater amount of money within the national budget was set aside for the white population. Expenditure on health care resources for the white population differed from that reserved for the black population at a scale of about 10:1. Similar discrepancies existed in the provision of pensions and education services. In 1986/87, the colonial administration spent some R3 213 per white student compared to R329 for black students (Chase 1987; Jauch 1998).

White students were able to complete a relatively high standard of education in better equipped schools, with qualified teachers, better student to teacher ratios, and with subjects which enabled them to move into tertiary education. The inverse applied to black students. As a result, two thirds of all students who completed their secondary education and continued with tertiary education were white students – the only ones who received free and compulsory education (CIIR 1986; IDAF 1989).

1.3 Class inequalities

Class formation in Namibia coincided largely with race and socio-economic stratification occurred along racial lines. The majority of Africans were peasants and workers, many “coloureds” were tradesmen while whites were supervisors, managers and capitalist farmers (Mbuende 1986). On the eve of independence, the capitalist class consisted of various factions which operated in the mining, commercial and agrarian sectors and had their own organisations to promote their own interests. They had almost complete control over the means of production but were numerically small and predominantly rooted in South Africa. The dependency of colonial Namibia on the South African economy had severely limited the development of an indigenous capitalist class, although some white Namibian business people had developed significant interests in some sectors of the economy such as fishing, agriculture, commerce and light industry. They were able to situate themselves in advantageous positions to constitute an embryonic capitalist fringe. Mining, however, remained predominantly foreign-owned (Mbuende 1986; Tappscott 1995).

At the time of independence, the bulk of the black working class was situated around the mining and fishing towns, employed generally at the semi-skilled and unskilled levels. The majority of the population eked out a living as peasants, mainly in the northern regions, and only a small percentage of Namibians were employed in professional positions such as teachers and nurses.

1.4 Gender inequalities

Racial and class stratification had a substantial gender element. Even in pre-colonial Namibia, women were awarded a status inferior to that of men, although the extent differed between the various communities. During the colonial era, women’s traditional subordination was retained and deepened through new forms of oppression. The

migrant labour system in particular had a detrimental effect on women as it forced them to take over tasks traditionally performed by men. They had to cope with the burdens of child-rearing, tending to subsistence crops and running extended households. Dependent on the meagre remittances from their husbands, a system of patriarchal domination, which had already been a feature of pre-colonial Namibia, was entrenched.

Where employment was available to black women, it came in the form of jobs as domestic workers, as well as menial employment as cleaners in companies. At the time of independence, a large percentage of black women were employed as domestic workers, facing long hours of work, extremely low wages and a total absence of benefits and job security. This reflected the extreme marginalisation of women before independence (Swapo Women's Council 1988; Sparks and Green 1992; Becker 1995).

Describing Namibian society around independence, UNICEF (1992:23) noted:
"The 'typical' black Namibian family lives in a rural area and is headed by a woman. Her husband is away for most of the year, employed (or looking for employment) in the city, or in a diamond, uranium, tin or copper mine of the south, leaving the woman responsible for raising the children and farming the family's plot of a few hectares."

The notion of a "typical" Namibian family is, however, highly debatable. Family forms are socio-historical constructs and can change over time and in different socio-cultural contexts. The articulation of different economic systems, cultural practices, and socio-economic factors like poverty, labour migration as well as demographic trends led to a multitude of family structures in Namibia. Thus there is no "typical" family form but rather a multitude of structures that coexist in Namibia as presented below:

Conjugal Families: This can be a monogamous conjugal bond (one husband and one wife) or a polygamous conjugal bond (one husband with more than one wife). Marriage is also often not a prerequisite for having children and founding a family. In addition, there are historical examples of how family membership is constituted beyond conjugal relationships. Amongst the Ovaherero and Ovahimba, distinctions between consanguine and affinal relations are blurred due to the practice of cross cousin marriage that consolidates wealth within the kinship group. Amongst Ovambo groups, conjugal bonds are important for economic co-operation, but not to determine kinship, since descent is traced matrilineally, and historically a woman and her children were not considered to be the relatives of the husband (Williams 1991; Becker 1995).

Consanguine families: People are considered family because of a biological connection to a common progenitor. Children born out-of-wedlock are raised in consanguine families as parenting is taken over by the extended family when mothers migrate in search of work or to continue their education.

Affinal ties: Marriage is often the institution that legitimises sexual activity and procreation. It often also involves obligations that connect kinship groups. In many African societies marriage is not only a relationship between individuals, but also an alliance between kinship groups who co-operate economically and provide mutual protection and support to members of the aligned kinship groups (Mair 1969). The

reciprocal rights and obligations between two kinship groups brought about through marriage amongst other Namibian groups, like the Ovaherero, are reflected in practices like the payment of bridewealth, levirate and sororate. Levirate takes place when a wife is inherited by her deceased husband's brother. This could be in a polygynous or monogamous, depending on the man's status when he enters the marriage. Sororate is when the deceased wife's family compensates the husband for his loss by sending another (normally younger) sister of the deceased wife to take her place. This can also be done in cases of infertility when a couple is unable to produce children; it is often assumed that it is because the wife is infertile. In some cultures men pay bride wealth/lobola for the women's fertility and infertility is regarded as grounds for divorce. Since the man already paid lobola, he is then entitled to a younger female from the wife's kinship group who can bear his children.

Fictive families: Where there are no genealogical, conjugal or affinal relations, other socio-cultural criteria are used to establish familial connections, for example, namesakes. The Ju/hoansi display examples of how families could be constructed beyond genealogical, conjugal or affinal ties. Naming relations form an interesting aspect of familial relationships. Parents never name children after themselves, nor do they have surnames. Identity is derived from the name given at birth (Lee 2003). Each person is named after an older relative, alternating between the father's and mother's kin. It could be a grandparent, grandmother, aunt or an uncle. The child then becomes the child of the namesake, and the namesake's children become her/his siblings (Barnard 1991)

The child also (at least metaphorically) becomes the child of every older person who bears the same name. If it is a boy, he calls elderly men with the same name "father" even if there is no blood relationship. In a system called *wi* all same sex persons with the same name become the children of elders with the same name; all men with the wives of the same name can refer to them as their wife, and all fathers and mothers of same name children can refer to them as son/daughter. All siblings of other persons with the same name can refer to them as sister/brother (Lee 2003). The kinship circle can evolve and grow throughout a person's life cycle.

Matrifocal/Matricentric families: Women are the primary caregivers, providers and protectors in the family. Sometimes the term female-headed household is used to describe family units where fathers/men are marginal or completely absent and where mothers/women act as the protectors, providers and caregivers. Matrifocal families can also be consanguine families when a group of women, for example, mother and daughters or sisters raise their children with no or little support from the fathers of the children. The female-headed households in urban areas often take on the form of single parent, dependent children and co-residents who are often related kin. They may also consist of a number of single parent siblings who co-operate economically and who share child-rearing functions (Jones 1996). Because of labour migration, poverty and AIDS mortality, the rural matrifocal family often takes the form of the Elderly Female Headed Household or grandmother and her grandchildren that various children left behind due to migration or mortality. Often the state-provided pension is the only source of cash income to these families (Sporton & Mosimane 2006).

Polygamous Families: Presently, around 12,5 percent of women are in formal polygamous marriages. There is, however, evidence that a formal polygamous marriage is being replaced by non-formal “second house” relations that have no protection under civil or customary law (Le Beau, Lipinge and Conteh 2004). This may be a double-edged sword. For while a polygamous marriage and gendered patterns of control over productive assets created female economic dependency, it nonetheless albeit in limited form, provided women with access to livelihoods based on land. Non-formal unions on the other hand do not, and this contributes towards the economic displacement of single women in the rural subsistence economy. It also contributes towards increased levels of female urban migration and risky survival strategies that in turn contribute towards the spread of HIV.

Extended families: Different forms of the extended family still exist in Namibian society and they are once again often linked to a number of socio-economic factors. They are normally present in labour intensive agricultural societies or amongst social classes that find it difficult to survive in industrial societies and therefore have to pool multiple income sources. The matter of what constitutes an extended family, and whether polygamous families are extended families, is up for debate. Extended families can be constituted vertically i.e. inter-generationally with grandparents and grandchildren, or horizontally, i.e. intra-generationally, with people from the same generation, for example, brothers, sisters and cousins.

Split Households: Although influx control regulations have been outlawed since Namibian Independence, labour migration still results in split households where co-residence only occurs for limited periods during the year. The result is an interesting configuration of families separated by households and geographic space, with different household heads. There is economic co-operation and consultation around major decisions that affect the children between households (Edwards 2009).

Frayne (2005) found split households within families and shows how resource pooling across geographic boundaries and residential space may occur. Remittances and transfers are important mechanisms of family survival despite residential fluidity within the family group. There is a reciprocal flow of remittances between rural and urban households, particularly between households in Windhoek and those in the Ohangwena, Omusati, Oshikoto and Oshana regions. Cash transfers constitute the main form of remittance from the urban to the rural areas, while food transfers constitute the main form of remittance from the rural to urban areas.

Child-Headed Households (CHH): Child-headed households emerge in situations where extended family structures are overstretched, relatives are unable to take in the children due to poverty, siblings do not want to be split up or where children do not want to lose access to parents’ property by vacating the parental home. Illness and death of adults often lead to changing roles and responsibility in the family and children often have to take on adult responsibilities. Girls are often disadvantaged as a result of the new responsibilities like caring for the sick, younger children and the need to seek income-generating opportunities (Ruiz-Casares 2007).

The socio-economic situation inherited at Independence was highly stratified and

Namibia presented a divided and unequal society, characterised by massive levels of inequality along the lines of race, gender and class. With Independence, the vast majority of Namibians expected this scenario to change, which proved a difficult task hindered by structural, political and economic factors as will be discussed in the next sections.

2. Post-independence economics

2.1 Mining

At Independence, Namibia's economy was primarily a resource/extraction-based economy, with agrarian features. The mainstay of the economy in terms of exports and earnings was the mining industry, dominated by international and South African mining companies. The mining industry accounted for some 60 percent of exports, and 40 percent of state revenue (Tapscott 1992). Three major mining groups dominated the industry, these being Consolidated Diamond Mines (CDM), Tsumeb Corporation Limited and Rio Tinto Zinc Corporation. The British Rio Tinto Zinc Corporation was (and still is) the majority owner of the Rossing Uranium Mine, at the time the largest open cast mine in the world. All other major mining operations were controlled by South African interests. Tsumeb Corporation Limited (TCL), for example, was a subsidiary of Goldfields South Africa. Likewise CDM, which ran the lucrative diamond mines in the south of Namibia, was majority owned by DeBeers, a wholly owned subsidiary of Anglo American (Oden 1991).

The mining industry exemplified monopoly capital at work. It also served global imperial interests and entrenched the classical dependency relationship between the centre and the periphery. It was notable for the complete absence of local value addition, or the formation of value chains, which would have benefited the Namibian economy. Without exception, the extracted mineral resources were transported straight to the production centres in the West, without any attempts at beneficiation whatsoever. Where processing occurred, it contributed little to the formation of an industrial base, as the plants in which this occurred were capital-intensive and export-oriented (Mbuende 1986). In the diamond mining industry, the raw diamonds were transported uncut and unprocessed to Europe.

In the uranium mining sector, the production and beneficiation process developed up to the highly automated and technical stage of production of industrial levels of 'yellowcake', or enriched uranium. Despite its large contribution to the country's GDP, the mining industry accounted for only 5 percent of workers in formal employment (Mbuende 1986).

2.2 Fishing

The fishing and agricultural sector was the fourth largest contributor to Namibia's GDP after mining, general government and the retail trade. Here as well, the sector was dominated by international and South African interests. Blessed with resource-rich offshore waters, Namibia's fishing industry was subject to uncontrolled exploitation during colonial rule. From the 1950s onwards, when the first figures became available, South African fishing fleets engaged in a ruthless exploitation of Namibian fishing resources with little regard for the sustainability of the industry. This trend continued in the 1960s when foreign fleets entered the fray. At the time of Independence, Namibia's stocks of hake, pilchard and mackarel were seriously depleted (Tapscott 1992; Jauch

1998).

Fishing had accounted for approximately 28 percent of Namibia's GDP in 1969 but its share had dropped to 4 percent around Independence. This was a classical case of "resource imperialism" which aims at the exploitation of natural resources with an eye on immediate profits, without consideration for the sustainable utilisation in future.

2.3 Agriculture

At the time of Independence, agriculture supported about 70 percent of the population, directly and indirectly, and employed about 18,6% of the country's total formal workforce. Extensive stock farming was the dominant activity of commercial agriculture, accounting for 65% of the sector's gross value of output, with beef being the major product. Communal subsistence farming, on the other hand, sustained between 250 000 – 300 000 people (20-25% of the population) (World Bank 1991) but its contribution to GDP was not captured in official statistics.

The "dual nature" of Namibia's agricultural sector is a direct result of the land dispossession of the black majority during colonial rule. These policies ensured that at the time of Independence 73% of Namibia's farmlands were owned by some 4 450 white farmers while more than 100 000 communal farmers were restricted to 27% of the total farmland. The average size of a white-owned farm was 7 836 hectares, 23 times larger than the average black-owned cattle farm (World Bank 1991). In addition, white commercial farmers were effectively supported and subsidised by the colonial regime, while the communal areas were characterised by colonial neglect. Gottschalk (1983:76) described this as an "agrarian counter-revolution", preventing pastoralists from remaining self-sufficient, thus forcing them to take up wage employment and turning the "homelands" into places for mainly old and sick people, women and children.

The "dualistic" structure of Namibia's agricultural sector is thus a result of systematic colonial policies, which simultaneously created wealth (for a minority) and poverty (for the majority). At Independence, the land question thus was a central theme not only because land is an important socio-economic factor, but also because it symbolised the inequalities and injustices created by a century of colonialism (UNIN 1986).

2.4 Manufacturing

Namibia's manufacturing sector at Independence was underdeveloped, contributed a negligible share to the GDP (4-5%) and only employed about 9 000 people which represented about 5% of those in formal employment. About 70% of all goods produced in Namibia were food products while the rest consisted of wood products, textiles, furniture and transport equipment (Sparks and Green 1992).

Manufacturing firms were concentrated in urban centres and were mostly small-scale, employing only a few people. With the exception of small artisan and cottage industries, almost all manufacturing firms were owned by whites (ibid).

Table 1: Employment and GDP in 1988/89

| Sector | GDP contribution (%) | Employment contribution (%) |
|---|-----------------------------|-------------------------------------|
| Agriculture and fishing | 10,7 | 18,6 (agriculture) 0.9 (fishing) |
| Mining and quarrying | 31,6 | 5,4 |
| Manufacturing | 4,7 | 5,1 |
| Electricity and water | 2,5 | 0,7 |
| Construction | 2,2 | 6,9 |
| Wholesale and retail, trade, catering and accommodation | 12,7 | 15,9 |
| Transport and communication | 6,3 | 4,3 |
| Finance, insurance, real estate and business services | 6,0 | 2,3 |
| Community, social and personal services | 1,9 | 19,3 |
| General government | 18,2 | 20,6 |
| Other | 3,1 | |

Sources: World Bank 1991; Department of Economic Affairs 1988.

Labour migration and wage labour reduced the availability of male labour to the subsistence economy, which was dominated by female and child labour. Around 1988, women represented 37% of people in formal employment and were faced by gender segregation in the labour market as women found themselves in typically “female” occupations. Almost 35% (20 717 out of 60 486 women) were domestic workers. Ninety two (92) percent of all typists and stenographers were women. Women also dominated the teaching and nursing professions. While women constituted 62,1 % of all teachers, only 16,1 % of all headmasters and inspectors were women (Becker 1995).

2.5 The transition to independence

Namibia attained its independence not through a victory of the People’s Liberation Army (PLAN) over the occupying South African forces, but through a negotiated settlement that involved extensive international mediation and entailed substantial compromises. Coupled with the collapse of the Soviet Union at around the time of independence, this had a profound impact on the process of change. Historically, Namibia’s dominant liberation movement, the South West Africa People’s Organisation (SWAPO) had claimed to play the vanguard role in the liberation struggle *“of the oppressed and exploited people of Namibia. In fulfilling its vanguard role, SWAPO organises, unites, inspires, orientates and leads the broad masses of the working Namibian people in the struggle for national and social liberation”* (Swapo constitution of 1976, quoted in SWAPO 1981: 257). SWAPO’s political programme of 1976 was characterised by socialist rhetoric, inspired by the newly won independence of Mozambique and Angola and by the support rendered by the Soviet Union to Namibia’s liberation struggle. It

stated that one of SWAPO's key tasks was *"To unite all Namibian people, particularly the working class, the peasantry and progressive intellectuals, into a vanguard party capable of safeguarding national independence and of building a classless, non-exploitative society based on the ideals and principles of scientific socialism"* (SWAPO 1981: 275).

However, as the crisis in the Soviet Union deepened in the 1980s, coupled with the counter-revolutionary wars in Angola and Mozambique and the refusal by the South African apartheid regime to implement UN resolution 435 which was meant to pave the way for Namibia's independence, it became clear that SWAPO regarded national independence (and not the proletarian revolution) as the primary goal of its struggle. A contributing factor to this shift was SWAPO's attempt to seek Western support for Namibia's independence by showing allegiance to market-related economic policies (Faniel Tjingaete, quoted in *The Times of Namibia*, February 1989). This was clearly reflected in the party's policy proposals for an independent Namibia in the late 1980s as well as the election manifesto of 1989. When SWAPO's "Economic Policy Position Document" was released in November 1988, it no longer called for the nationalisation of key industries but instead promised *"fair and just compensation in those instances where state acquisition of assets from private hands is considered necessary for the rebuilding and restructuring of Namibia's national economy"* (*The Namibian*, 27 January 1989). SWAPO's secretary for economics at the time, Ben Amathila, confirmed this line of thought when he declared that it was not SWAPO's intention to nationalise mining companies. Instead, the party envisaged using *"revenue from mining to diversify production in other sectors, to decrease the economic imbalance, break dependency on South Africa and give Namibia a better chance for development...A greater part of the mining sector's profits should be reinvested here, for diversification, training and economic growth"*. Furthermore, Amathila assured white farmers that SWAPO recognised *"the titles they hold on farms, whether inherited or acquired. We do not interfere with land ownership as set out at present"*. He merely appealed to those who had more land available than they needed to *"consider the government's plea to make that land available... We foresee a mixed economy for the simple reason that the present structure of the economy is such that we may not be able to afford any drastic rearrangement. For change from the present state to be effective, it must be gradual"* (*The Namibian*, 21 November 1989). Thus the socialist rhetoric of the 1970s had been replaced by the "pragmatism" of accepting a non-racial capitalist order, enshrined later on as "mixed economy" in the constitution of independent Namibia.

2.6 Namibia post-independence: an overview

2.6.1 Extending basic service

One of the immediate steps taken by the Namibian Government was to reform the provision of basic social services such as education and health care with a view of ending apartheid discrimination and redressing some of the colonial imbalances. "Education for all" became a rallying cry of the Ministry as educational services were extended country-wide. The Namibian Constitution guarantees the right to a free and compulsory education for 10 years (until the age of 16) and government consistently

allocated over 20% of its national budget to the education sector.

A unified system of educational administration was established to replace the ethnic education bodies and hundreds of schools were built to cater for the increased school enrolment. The Ministry of Education and Culture realised the need to provide sufficient and adequately staffed and equipped classrooms to address the colonial legacy of neglect. Equitable access to schooling was recognised as a critical aspect in the process of redressing inequality (Ministry of Education and Culture 1993).

Despite having achieved significant improvements in making education accessible, the quality of education is still grossly unequal between different schools and regions. This is reflected in the results of external school examinations at the end of grades 10 and 12. The best results are usually achieved by private schools which are expensive and thus only accessible for the elite. The next best results tend to be achieved by the former white schools in towns while the worst results are found in rural schools. This pattern indicates that Namibia has not achieved the goal of equal education for all and the government now pins its hopes on the Education and Training Sector Improvement Programme (ETSIP) to address the educational challenges. This programme has received funding from the World Bank and constitutes the first case of a World Bank loan for Namibia.

2.6.2 The land question

Namibia's land tenure system is a system beset by inequality. The historical underpinnings, with regards to the colonial era, which gave rise to the entrenched inequalities in land ownership patterns have been covered earlier. Both the period of German colonial rule as well as the subsequent South African rule resulted in large-scale dispossession of the indigenous population, which the post-independence government was expected to redress.

At Independence, Namibia was confronted with a land tenure system that was dualistic in nature. In 1990, communal farms accounted for 41% of the farmland in Namibia, commercial farms for 44% while 19 % was reserved for urban areas and national parks. The commercial farming sector accounts for 74% of the viable arable land in Namibia, where only 34% of the total land is considered suitable for agriculture. In addition the ratio of farms to owners is larger, with 6,300 farms owned by 4,200 farmers, meaning that multiple ownership of farms is common. Furthermore, communal farming areas are increasingly under pressure as wealthier communal farmers erect enclosures, incorporating waterholes, thus adding to the difficulties faced by poorer farmers (Karuombe 2003).

The Namibian Constitution incorporated the 1982 Constitutional Principles, established by the United Nations Security Council. These principles entrenched the right to private property, as contained in Article 16(1) of the Namibian Constitution:

"All persons shall have the right in any part of Namibia to acquire, own and dispose of all forms of immovable or movable property individually or in association with others and to bequeath their property to their heirs and legatees: provided that Parliament may by

legislation bequeath their property to heir or legatees provided. Parliament may by legislation prohibit as it deems expedient the right to acquire property by persons who are non-Namibian citizens."

This article is counterbalanced by the expropriation provision, Article 16 (2), which stipulates that the state may "*by law expropriate property in the public interest subject to the payment of just compensation, in accordance with requirements and procedures to be determined by Act of Parliament.*" In effect, the Constitution imposed a property regime, which had not existed before the colonial era, and by virtue of the compensation provision, made changing the skewed distribution of land in Namibia an expensive and difficult process. The status quo has thus been entrenched, and land reform has been a slow, ineffective process.

Land is a crucial issue in Namibia, considering that, although the contribution to the GDP of agriculture is only about 9,4% (concentrated in the commercial sector), up to 41% of all households depend on this sector as their principal source of income (Kaaapama 2007). The framework under which expropriation of land has been approached in Namibia has been under "willing seller, willing buyer" approach in line with Article 16 of the Constitution. The Government, represented by the Ministry of Lands, Resettlement and Rehabilitation, has the right of first refusal on any farms put up for sale. The interpretation of the willing seller approach has been under the 1982 Constitutional principles, which see the free market approach as being the fundamental premise. There are provisions in Namibian legislation, which give the state leeway to deviate from these principles. Thus the Government is allowed to set minimal compensation in the case of land which has been deemed to be under- or unutilised. Government is also allowed recourse to the courts in case a farmer sets a price above that which the State is willing to pay. The Commercial Agricultural Land Act sets up Land Tribunals, which are to adjudicate in such cases (Kaaapama 2007).

Land acquisition

Since Namibia's Independence in 1990, the process of acquiring land has been at a snail's pace. From 1990 to 1998, only 48 farms had been purchased by the Government for the purposes of resettlement. After 1995, the Government increased expenditure on resettlement by over 70 % in an effort to speed up the process. It can be argued that the passing of the Agricultural (Commercial) Land Reform Act accelerated the process of acquisition, with the Government having committed at least N\$ 20 million per annum to buy farms. This was increased to N\$ 50 million by a Cabinet decision taken in 2003 (Kashupulwa 2008). However, at prices of N\$ 2-3 million per farm, this translated into just over 20 farms per year.

Since 2002, the Government has acquired 100 commercial farms of more than 745,9 ha on a "willing seller, willing buyer" basis at a cost of N\$ 144.9 million. Government also has set aside N\$ 60 million per year for resettlement purposes. A recent study described the resettlement farms, which are the primary avenue for providing access to land for the most impoverished Namibian farms, as "rural slums" (Odendaal & Harring 2007), and thus the policy seems to have had limited success.

The two major initiatives by means of which the Government hopes to redress the

imbalanced land situation in Namibia are the Resettlement Programme, and the Affirmative Action Loan Scheme (AALS).

Under the Resettlement Scheme, the categories of people who are eligible are: the San community, ex-combatants, landless and destitute people. These groups are further sub-divided into:

- people with no land, no income and no cattle;
- people with no land, no income but who possess cattle; and
- people with no land, but with income and cattle.

The National Resettlement Policy indicated that government planned to resettle some 243 000 poor and landless people on some 9 million hectares of expropriated land. The Ministry also announced plans to acquire 360 farms totaling 4.8 million hectares by 2010.

Figures from the Ministry show, however, that they are well short of meeting these goals. To date, only 1526 families have been resettled on 142 farms, at the average cost of N\$ 14,000 per family. This amount excludes the money spent on rations, housing and technical services. The costs per family resettled are around N\$ 100 000. This is five times the average annual income of a (six person) Namibian family and around 20 times the annual income of a poor family (Osterkamp 2008). Achieving the stated goals would require massive injections of funds into the resettlement programme.

The practical effects of the resettlement farms has also come under fire, with one report characterising these farms as "reproducing poverty" (Harring & Odendaal 2007). It is alleged that the relatively small size of the plots, which are based on a model of subdividing commercial farms, sets them up for failure. Namibia's arid climate, and the resultant low carrying capacity of the land, require that farms need to be substantially larger to sustain crops or cattle. The study cited above found no evidence of any resettlement farm which has been operating successfully. It also notes that the resettlement policy in effect reproduced an "old, antiquated model of the colonial era farms", whose profitability has been over-estimated (ibid).

To combat customary inheritance laws, the Namibian Government promulgated the Communal Land Reform Act (2002) which makes provision for widows to inherit land-use rights held by their husbands, but this has created legal pluralism since in many instances customary inheritance laws are still applied to the disadvantage of women and children. The Act tries to correct skewed property ownership patterns in favour of women, and therefore provides the legal basis for female leasehold and the acquisition of customary land rights. The Namibian government is also currently reviewing the Succession Bill in order to guarantee land and property rights to surviving spouses and children of deceased persons (Hubbard 2007).

However, women and children's testimonies at the National Conference on Women's Land and Property Rights (Republic of Namibia 2005) revealed that the extended family (departed husband's kin) grab property at the expense of widows and children. As reported by Lebert, customarily, it is the oldest surviving male in the kinship group who

normally inherits the property. Children often mainly inherited small, personal and non-wealth producing property (Edwards 2009).

Thus far, the Namibian Government has redistributed a total of 1 042 436,62 hectares of land and resettled 1896 families on commercial farms since 1990 through its land resettlement programme. Women make up less than a third (302) of the resettled farmers compared to males (682), who account for 69% (Eiseb 2009).

The Affirmative Action Loan Scheme (AALS)

The AALS is aimed at Namibia's emerging black middle class, unlike the resettlement scheme, which has as its target the most impoverished sections of society. To date, more than 600 farms have been acquired by black Namibians who got subsidized loans from the Affirmative Action Loan Scheme. The AALS has facilitated an elite transfer, rather than a redistributive process. This can be seen by the fact that the majority of beneficiaries of the scheme are part-time farmers - that is people who have capital already, earned in other spheres of activity, and who are investing part of their earnings in the farming sector. Sherbourne (2003) characterised farming in Namibia as a "rich man's hobby", whereby the average small farmer is crowded out of the market by those with access to capital and resources. The increasing tendency towards converting farms into lodges and hunting farms to cater for the European and American trophy hunters, has also seen a decline in the traditional agricultural model (van Donge 2005).

It is clear that the objectives of the Land Reform process in Namibia have largely not been met. The targets which have been set could not be met under the "willing seller-willing buyer" approach. The resettlement farms, which are the primary avenue for providing access to land for the most impoverished Namibians have also fallen far short of expectations. To date the expropriation strategy has also had only very limited success, with only three farms being successfully expropriated, while the planned expropriation of another 3 farms is currently being challenged in court (Osterkamp 2008; Harring and Odendaal 2008).

2.6.3 Changing labour relations

Once in office, the SWAPO government embarked upon a path of reforming Namibia's colonial labour relations system. The overall aim was to move towards a new system of "social partnership" governed by the Labour Act of 1992. Tripartite consultations and collective bargaining were seen as critical for the implementation of this new labour dispensation. The government envisaged an improvement in the living and working conditions of Namibian workers to be brought about by a combination of successful economic policies and successful trade union engagement with the private sector. The government defined its own role merely as that of a "referee," trying to create a level (and enabling) playing field for collective bargaining between business and labour (Jauch 2007).

Although the Labour Act of 1992 constituted a significant improvement compared with the previous colonial labour legislation, it was a compromise between the conflicting interests of capital and labour. It extended its coverage to all workers, including domestic workers, farm workers and the public service. The law encouraged collective

bargaining, entrenched basic workers' and trade union rights, set out the procedures for legal strikes and provided protection against unfair labour practices (Bauer 1993). However, the Act fell short of some of the expectations of trade unions, which felt that employers had unduly influenced the law through "behind the scenes" lobbying. The act did not make provision for minimum wages (as SWAPO had promised in its 1989 election manifesto) and it did not guarantee paid maternity leave. Payment during maternity leave was only introduced with the Social Security Act of 1996. Other key demands of the NUNW that were not accommodated in the 1992 Labour Act were the 40-hour working week and 21 days of annual leave for all workers (Jauch 1996).

Overall, post-independence labour legislation, including the new Labour Act of 2007, constituted a significant improvement for labour, but it also served to reduce worker militancy by shifting the emphasis away from workplace struggles to negotiations between union leaders and management. Bargaining issues in Namibia were (and still are) narrowly defined and usually deal with conditions of employment only (Klerck and Murray 1997). The trade unions' main function was thus narrowed to being the representative of workers in a tripartite arrangement. Improvement of living and working conditions through collective bargaining only benefited the well-organised industrial workers like those in the mining and fishing industries as well as those in the public service. The vast majority of the working class – the unemployed, informal sector workers, casual workers, domestic workers, etc. – did not benefit from collective bargaining and thus still experience high levels of poverty. Even in sectors where minimum wages were formally introduced, like those for farm workers and security guards in 2003 and 2005, workers remained exposed to highly exploitative practices (Jauch 2007).

2.6.4 Promoting manufacturing

The Namibian government tried to implement various strategies simultaneously in an attempt to broaden the country's manufacturing base and to address the burning problem of under- and unemployment, which affects about 60% of the population. On the one hand, the government subscribes to the neo-liberal line of thought and states that: "*The Namibian economy is based on free enterprise and private initiative. The Namibian Government regards the private business sector as the engine of economic growth and has put in place policies and a legislative framework designed to stimulate private sector production. Multinational companies have been operating successfully in Namibia for many years. Foreign companies are free to repatriate capital, profits and dividends.. The Government of Namibia maintains prudent fiscal and monetary policies. As a result, Namibia enjoys one of the lowest levels of debt in the world, stable prices, and a healthy balance of payments position*" (Republic of Namibia 1995:1).

The Namibian Government regarded export-led growth as the only viable strategy for sustainable economic development and thus supported trade liberalisation as an opportunity to gain access to larger markets (GRN 1997; MTI 1999). On the other hand, the government identified the SME sector and the informal sector as key sectors of job creation. These sectors face various structural problems and are characterised by low value output. The government promises to provide assistance in various forms, including building of institutional capacity, provision of market places and transfer of

technology. In addition, the Ministry of Trade and Industry was considering temporary support for industries that have difficulties in acclimatising to globalisation – provided that they would be able to achieve sustainability in the long run (GRN 1997).

The Ministry also tried to promote selected industrial sectors that have a comparative advantage in the export markets. These are identified as processed fish, horticulture, cotton, tobacco, meat products, metals, industrial minerals, hides and skins, leather, crafts and hand-woven carpets. The Ministry's intention was to support sub-sectors with economic potential. In addition, the Ministry tried to promote linkages between the SME sector and large enterprises and also wants to study the possibility of establishing a "SME – EPZ linkages programme...in order to support domestic suppliers" (MTI 1999).

There are obvious tensions and trade-offs between the various policy measures. Trade liberalisation and free market policies favour large transnational companies and may lead to the destruction of local industries as has happened in most African countries under the IMF/World Bank induced Structural Adjustment Programmes (SAPs). Small and medium-size enterprises (SMEs) tend to be one of the first casualties in the liberalisation process and there is no compelling reason to believe that Namibia will be an exception to this rule. The Namibian Government is thus likely to face difficulties in its attempt to pursue various strategies simultaneously. The rules of the World Trade Organisation (WTO), for example, tend to reflect the interests of industrialised countries and their transnational companies. As a member of the WTO, Namibia is bound by these rules and might find it increasingly difficult to reconcile them with programmes aimed at supporting and building the local SME sector and specific industrial sectors.

EPZ: high hopes

As part of its strategy to become internationally competitive and to create favourable investment conditions, the Namibian Government introduced the EPZ Act in 1995. Like most other EPZ host countries, the government hoped that EPZs would attract foreign investment to Namibia and boost the country's manufacturing capacity. It also expected the creation of 25 000 jobs in the EPZs between 1997 and 1999 (GRN 1997). The goal was to convert Namibia "into a free trade zone and fiscal haven for Southern Africa" (Republic of Namibia 1997) by offering very favourable conditions to foreign investors. Namibia's EPZs were not designed to attract manufacturing only, but also "other high-value export-oriented businesses".

In 1999, the Labour Resource and Research Institute (LaRRI) carried out a comprehensive study of Namibia's EPZ programme. LaRRI's study found that EPZs had fallen far short of the government's expectations of creating 25 000 jobs and facilitating skills and technology transfer needed to kick-start manufacturing industries in the country. At the end of 1999, the EPZs had created very few jobs although millions of dollars had been spent on promoting the policy and on developing infrastructure with public funds. Government argued that it was too early to measure the success and failures of the programme (Endresen and Jauch 2000).

The Ramatex case

By 2001, Namibia still had not managed to attract any large production facility through its EPZ programme. This changed when the Ministry of Trade and Industry announced that it had succeeded to snatch up a project worth N\$ 1 billion ahead of South Africa and Madagascar, which had also been considered as an investment location by the Malaysian clothing and textile company Ramatex. This was achieved by offering even greater concessions than those offered to other EPZ companies, such as corporate tax holidays, free repatriation of profits, exemption from sales tax etc. Drawing in the parastatals, providing water and electricity (Namwater and Nampower) as well as the Windhoek municipality, the Ministry put together an incentive package which included subsidised water and electricity, a 99-year tax exemption on land use as well as over N\$ 100 million to prepare the site including the setting up of electricity, water and sewage infrastructure. This was justified on the grounds that the company would create close to 10 000 jobs. The plant turned cotton (imported duty free from West Africa) into textiles for the US market. Ramatex' decision to locate production in Southern Africa was motivated by the objective to benefit from the Africa Growth and Opportunity Act (AGOA) which allows for duty-free exports to the US from selected African countries who meet certain conditions set by the US government (Jauch and Shindondola 2003).

The events around the controversial Ramatex investment in Namibia exemplify the failure of Namibia's EPZ policy. The company's operations were controversial from the start as it polluted the groundwater with its industrial waste and embarked on some of the most ruthless and exploitative labour practices seen in Namibia after independence. Trade union efforts to recruit workers and to negotiate for better employment conditions were met with fierce resistance by the company management. The Namibian government shielded the company against criticism and went as far as accusing critics of being a threat to the national interest. Trade unions were warned to moderate their demands and not to scare away investors.

By 2004, Ramatex employed about 7,000 workers, including about 1,500 migrant workers from China, Bangladesh and the Philippines. The vast majority of these workers were women. In 2005, following the end of the global textile quotas, about 1,500 workers were retrenched and it became apparent that the company was planning to shift its production to Asia. Further retrenchments occurred throughout 2006 and 2007. After having worked for 4 years at meagre salaries of N\$ 3 per hour, without any benefits, the Namibian Ramatex workers finally went on strike in October 2006, achieving significant improvements in their conditions of employment. The company had threatened that any strike would lead to the closure of the factory and the Namibian Government, in collaboration with some trade union leaders, tried to intervene to avoid the strike. Thus it was essentially the workers' own determination, rather than a militant union strategy that forced the company to meet several of the workers' demands (see Jauch and Shindondola 2003; Jauch 2008a).

In March 2008, Ramatex closed down the factory without giving any notice. Workers found themselves locked out and management tried to skip the country. Machinery and equipment had been shipped out during the preceding months and it took a government

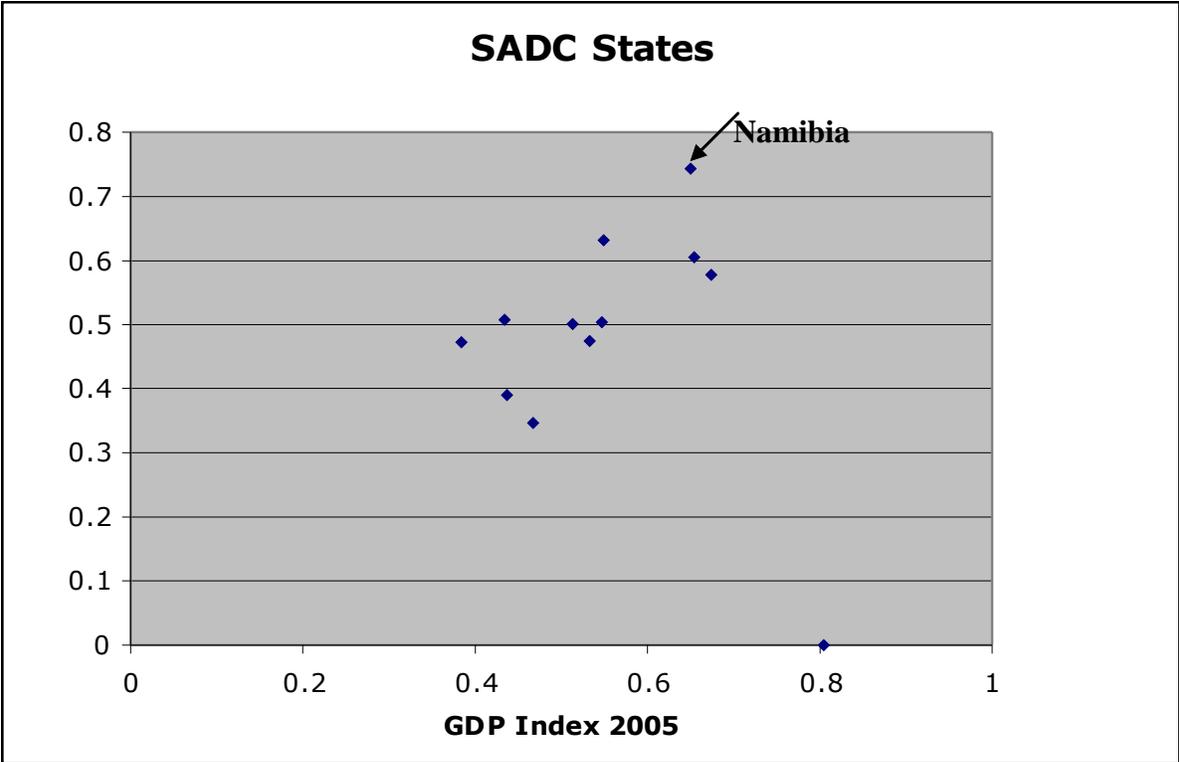
intervention to force the company to negotiate with the recognised union and to pay at least the legally prescribed retrenchment packages. Over 3,000 workers were left stranded and unemployed while the city of Windhoek had to spend millions of N\$ to deal with the environmental damage caused by the company (The Namibian, 5 December 2008).

This section highlighted some of the policy interventions that have taken place since Independence. They occurred within the context of careful reform aimed at eradicating some of the colonial legacies, without fundamentally changing socio-economic structures. Nineteen years after Independence, Namibia's exports still consist largely of raw materials while the country imports most of its consumer goods – still mostly from South Africa. The next section will investigate how this lack of structural transformation has impacted on the levels of inequality in Namibia today. It will also examine some of the steps taken to reduce inequality.

3. Inequalities today and attempts to redress them

Namibia has remained a fundamentally unequal society. In the mid-90s, Namibia was regarded as the country with the highest levels of inequality and a gini co-efficient of 0.70, followed by Brazil and South Africa (Hastings 1996). These high levels of inequality were confirmed by a government report released in 2008, but based on data obtained in 2004. It still rates Namibia as the most unequal country in the world, although with a slightly reduced gini co-efficient of 0,63. The revised Gini co-efficient will remain of limited use until it has some international credibility since the means of deriving the data need to be consistent across countries (Robert Johnson, UN Advisor and Development Consultant, personal communication, 11 September 2009). The recent government report points to gender, race, regional, ethnic, educational and class dimensions of inequality. Other studies, like the United Nations Human Development Report of 2009, calculated a Namibian gini co-efficient of 0.743, ahead of Comoros (0.643), Botswana (0.61), Haiti (0.595), Angola (0.586), Colombia (0.585), Bolivia (0.582) and South Africa (0.578) (UNDP 2009).

Graph 1: GDP and Inequality in SADC



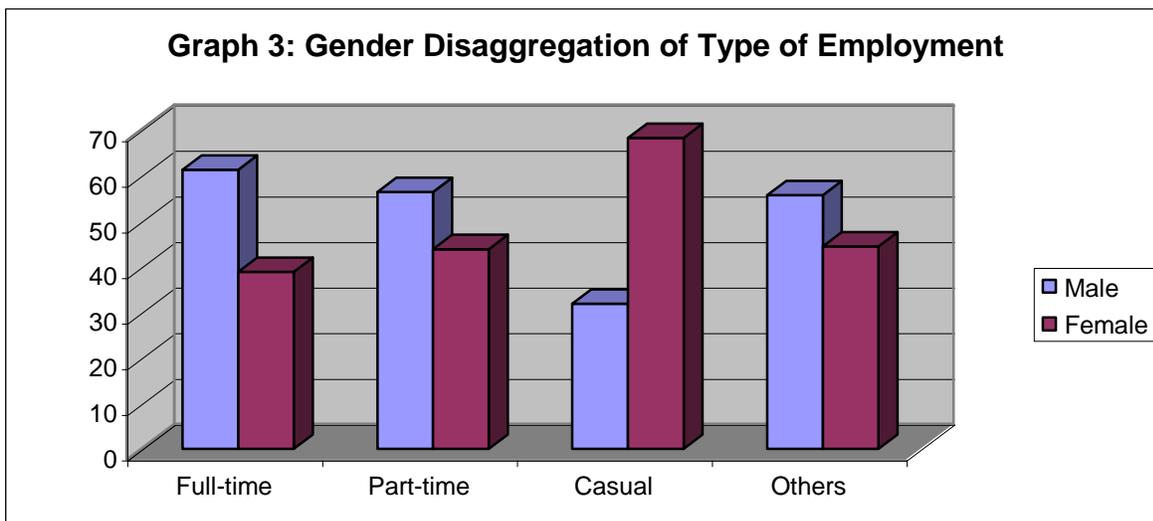
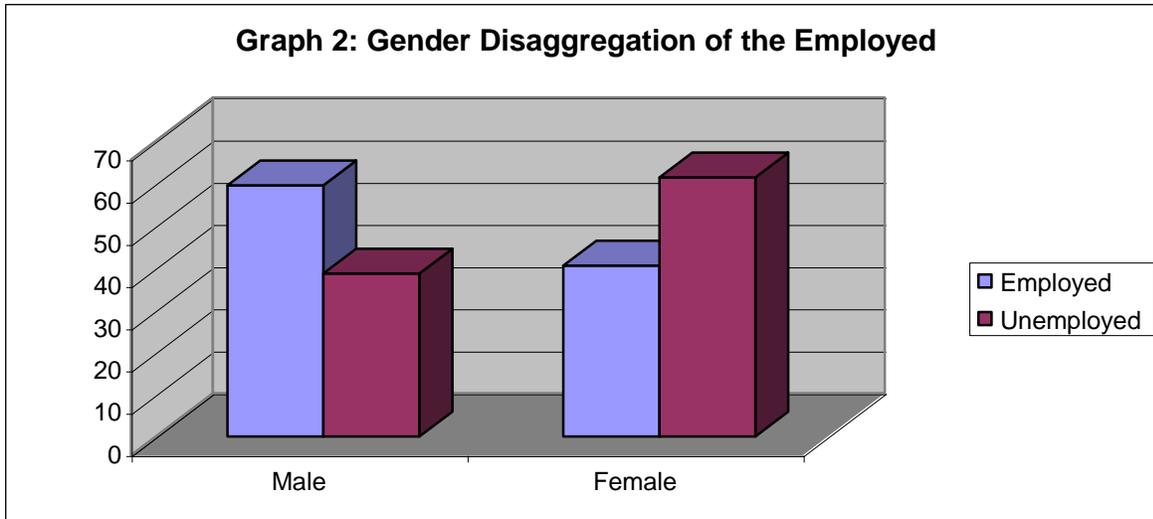
Source: Robert Johnson, from data in the UNDP Human Development Report 2007/2008.

Note: GDP index data are for 2005 while the UNDP’s source for the Gini index data is the World Bank (2007). Only SADC states for which both indices are available are included in the graph.

Graph 1 above shows a comparison between various SADC countries in terms of GDP per capita and levels of inequality. The graph indicates that Namibia is amongst the SADC countries with the highest GDP per capita while at the same time being the country with the highest levels of inequality. This is important as pointed out by UN Advisor Robert Johnson: *“Countries (like Namibia) with higher GDP levels have greater public policy flexibility to engage in redistributive justice; if its Gini is also high (like Namibia) then its most likely that its people are not deriving a reasonable share of national wealth. The GDP value shows that the national capacity exists; the Gini value shows that public policy is either failing or wilfully inequitable”* (personal communication, 11 September 2009).

Another striking feature is the structural nature of women’s inequality, which only comes into focus when one considers the lack of possibilities women have to attain independent livelihoods. Despite the relatively low marriage rate, 43,1% of Namibia’s economically inactive population is classified as “homemakers”. In absolute numbers it amounts to a total of 186 644 people, which is in fact more than the number of unemployed persons in the country (185 258). Out of this 70% are women (National Planning Commission 2003). Given the absence of a social security net, this means that a large group of women are not employed on their own account, but depend on others for their livelihoods. Female labour market participation rates are lower than that of males and women in formal employment often occupy positions at the bottom of the labour hierarchy in low skill, low income jobs. Although female rural subsistence farmers are classified as own-account workers, their labour mainly ensures household food supply and does not provide them with cash income. The need for cash becomes more pertinent in an increasingly monetized economy. A study conducted by Edwards (2004) showed that amongst certain socio-economic groups, unemployment amongst women may be much higher than official statistics suggest. For example 61,4% of women living in the informal settlements of Windhoek were unemployed as depicted in the graphs below. In addition, women are more likely to be in casual employment. This implies less job security, fewer benefits and often lower incomes.

Graphs 2 and 3 below illustrate the differences in employment, found by Edwards (2004) during fieldwork in informal settlements around Windhoek. A random sample of 712 respondents revealed that the rate of unemployment was significantly higher among women when compared to men. Furthermore, men were concentrated in full-time and part-time jobs while women were predominantly in casual employment.



Source: Edwards 2004

Economic progress in Namibia after independence paints a somewhat contradictory picture. While the country is generally classified as a “Medium Income Developing Country” with a per capita income of around US\$ 2 000 (fourth highest in the SADC region), Namibia scores low on other indices of development. The country ranks 125 out of 177 countries on the 2006 Human Development Index (World Bank 2007).

According to the World Bank, Namibia has made significant strides in economic and social progress, especially when it comes to social spending. It notes that the country is in the top ten globally, in terms of percentage of GDP spent on education, and ranks second only to South Africa on the continent, when it comes to expenditure on health (World Bank 2006).

Namibia has been experiencing, steady, if unspectacular economic growth, hovering around the 3-4% range. This has barely outstripped population growth, and unemployment has remained at very high levels of 34 – 37% (Ministry of Labour 2000 and 2006). Inflation has remained modest at levels of 2 -11% during the past decade.

3.1 Levels of poverty and inequality

The most recent figures on poverty and inequality used by the Namibian Government are derived from the 2003/04 Namibia Household Income and Expenditure Survey (NHIES), which claimed a reduction of 55% in terms of absolute poverty since independence to 2003/04. It stated that only 28 percent of households were still affected by poverty. However, Levine (2006), claims that the methodology for deriving a poverty index was influenced by political considerations, in part by using an absolute poverty estimate, as opposed to a weighting dependent on the ratio of household income to expenditure on food. Using the old standard resulted in a much higher incidence of poverty, which does not ultimately square up with claims that economic growth has benefited the majority of the population. The method used by the Namibian Government in 2004 was a food-ratio method, whereby the definition of poverty is determined solely by the proportional expenditure on food: those who spend at least 60 percent of their total expenditure on food are regarded as poor while those who spend at least 80% are regarded as “severely poor”.

Poverty can, however, be measured and assessed very differently, for example, by establishing a “basket” of essential food and non-food items needed for household survival. A monetary value for such a basket could be calculated and then used as the standard used for measuring poverty. This was attempted by the University of Port Elizabeth through the “Household Subsistence Level” (HSL) (Potgieter 1997). Applied in 2004, this would have meant that about 82% of Namibians were living below the poverty line of N\$ 399,80 per person, per month. Applying the crude international poverty line of US\$ 1 per person, per day would have resulted in 62% of Namibians being regarded as poor (LaRRI 2006).

The latest official document dealing with poverty and inequality in Namibia was presented by the Central Bureau of Statistics in 2008. It adopted a new approach to measuring poverty by determining a food basket based on actual consumption patterns in low income households, plus the costs for non-food requirements. At 2004 price levels, adult persons with consumption levels of below N\$ 262 would be regarded as poor and those with consumption levels of below N\$ 184 as extremely poor. This resulted in 27,6% of Namibians being classified as poor, with 13,8% being extremely poor (CBS 2008).

Table 2: Poverty in Namibia according to different measures

| Source | Measure | % of Namibians living in poverty |
|--|--|----------------------------------|
| Household Subsistence Level (University of Port Elizabeth) | Basket of essential goods and services (N\$ 399,80 per person per month in 2004) | 82 % |
| Crude international poverty line | US\$ 1 per day | 62 % |
| Namibia Household Income and Expenditure Survey (2004) | At least 60% of income spent on food | 28 % |
| Review of Poverty and Inequality in Namibia (2008) | Basic needs (N\$ 262,45 per person per month in 2004) | 28 % |

Source: LaRRI 2006; Central Bureau of Statistics 2008

3.1.1 Urban-rural inequalities

Table 3 exemplifies the difficulties when “officially” defining poverty but there is no doubt that many Namibians are still struggling to meet even their basic needs. Namibia’s route to socio-economic progress and reversing past inequalities has fallen short of the expectations at Independence. The Namibian economic structure shows significant regional disparities, overlapping substantially with a rural – urban dichotomy, using virtually all accepted definitions of poverty. On average, the income for residents in urban areas is about twice that of those in rural areas, the latter accounting for 60 percent of households and 65 percent of the population, but only for 38 percent of total income (World Bank 2007). High levels of expenditure on food are far more widespread in rural areas than in urban areas (Van Rooy et al. 2006). The average household income in rural areas stands at N\$ 6 139 in sharp contrast to the urban average of N\$ 17 898 per annum. Given the fact that the average rural household accommodates 5,5 people, as opposed to the 4.2 average for urban areas, it is clear that rural households are affected by poverty to a far greater extent (NPC 2006).

3.1.2 Gender inequality

The disparities in income, employment, and access to resources with regards to gender in Namibia are equally clear. Of the economically inactive section of the Namibian population, 43.1% are classified as homemakers, with women accounting for seventy percent of this figure (Edwards 2007). Women are the bulk of caregivers, yet are considerably under-represented in the formal economy, especially the managerial classes. Female-headed households, which are some 40% of the total, have a per capita income of N\$ 7 528, in contrast to male-headed households with a per capita

income of N\$ 12 248. These figures point to a large number of single mothers and to the continued economic marginalisation of women in Namibian society (NPC 2006).

Under conditions of poverty, there is a demographic transition towards older and female household heads (Barquero and Trejos 2005). This partially explains why there are so many poor, matrifocal families in Namibia. A review of poverty and inequality in Namibia shows that family size, composition, and age structure are important markers of social class. Matrifocal families headed by females are more likely to be poor (30,4%) or severely poor (15,1%) than those headed by males. Households headed by persons older than the age of 65 are more likely to be poor. Households that are large (an average size of 6,7 persons) are also more likely to be poor. The review also shows the interrelationship and convergence between gender, age, size and poverty due to high levels of poverty amongst large households headed by elderly females. (National Planning Commission, 2008) These elderly female household heads are more likely to carry the HIV and AIDS-related care burden.

3.1.3 Racial, ethnic and class inequalities

The 2008 review of poverty and inequality found stark levels of inequity along racial and ethnic lines. Poverty is particularly widespread amongst households where Khoisan-languages and Rukwangali are spoken. Between 54 and 60% of them are affected by poverty. On the other hand, German and English-speaking households are hardly affected by poverty at all. In terms of consumption, the poorest 15% of Namibians account for only 1% of national expenditure while the richest 5,6% account for 53% of expenditure. In concrete figures, this means that the poorest rural households spend an average of about N\$ 104 per person, per month, compared to N\$ 5 744 in rich urban households.

The NHIES of 2004 showed that the wealthiest fifth of the population accounted for 78,7% of income while the poorest fifth of the population lived on a meager 1.4 percent of the total income. Such inequality would not be out of place in any medieval feudal setting, and is staggering in a 21st century economy. As observed by Melber (2007:112), this means that “the concept of the average Namibian clearly does not exist. The notion of an average income becomes rather meaningless when half the population survives on approximately 10 percent of such fictive average income”.

3.1.4 Poverty, inequality, HIV and AIDS

High HIV prevalence and AIDS death rates come at a time of economic dislocation, mass poverty and high income disparities (Global Fund Secretariat, 2002: 2). In addition to the high HIV infection rates, Namibia also has the world's second highest tuberculosis (TB) rates, with 765 cases per 100 000 people. Increasingly, the country is also experiencing multi-drug resistant (MDR) and extensive drug resistant (XDR) TB. The TB-HIV co-infection rates stand at 59 percent (Sibeene 2008).

The broader structural economic features that undermine health and provide conditions for rapid HIV spread are reflected in some of Namibia's key economic indicators, like the Gini coefficient and the Human Development Index (National Planning Commission 2008; United Nations 2004). Although Namibia is classified as a lower middle-income

country, average per capita income masks the high levels of income inequalities. Caprivi and Ohangwena are Namibia's poorest regions in the country, and they also have the lowest level of per capita consumptionⁱⁱ, the highest level of AIDS deaths and therefore high orphan populations (Ruiz-Casares, 2007; Weidlich, 2006). In fact the Ibis-Lironga Eparu-The Rainbow Project (2007) found that 64 percent of the people living with HIV and AIDS (PLWA) were unemployed, and 50%, mostly women, earned below N\$ 500 per month.

HIV and AIDS can lead to a rapid transition from relative wealth to relative poverty Barnett & Whiteside (2006). The linkages between poverty and AIDS are most acute in the subsistence farming areas from where 57, 8 percent of the Namibian population derive their main source of income (Republic of Namibia-NPC-NHIES 2003/2004). Research in southern Africa has shown that agricultural-based economies are less able to cope with the impact of HIV and AIDS. The United Nations has classified the combination of AIDS, food insecurity and lack of capacity as the Triple Threat to stability and as Namibia's impending humanitarian crisis (United Nations, 2004).

The United Nations (2004) points to the reciprocal relationship between AIDS and poverty and argues that AIDS increases income poverty of households and communities by threatening the most economically active adults and burdening households and communities with the costs of the care burden. Increased AIDS mortality has already resulted in demographic changes in Namibia's population structure. Namibia's life expectancy has dropped from 62,8 and 59,1 to 50 and 48, 8 years for women and men respectively between 1991 and 2001 (Maletsky, 2006).

In Namibia, Le Beau and Mufune (2003) found that families in the worst AIDS-affected areas of northern Namibia experienced:

- Increased expenditure on medical costs, food and nutrition to care for those who are sick;
- Funeral costs for those who died;
- Increased burden of care for the sick, orphaned and otherwise made vulnerable. (The care burden rests mainly on women whose workloads increase); and
- Many extended families have to care for multiple PLWA and their offspring.

AIDS mortality also causes a downward spiral in food production. It diverts resources, particularly labour time and money from productive activities towards the needs of the sick person. As a result of male illness and death, heavy duty labour in the familial productive unit, like land clearing and livestock production, usually carried out by men, declines. This affects overall productivity and food security. The problem is exacerbated by patriarchal land distribution patterns and traditional matrilineal inheritance patterns that force women and children to move upon the death of the male spouse and in the process lose their access to productive resources (Fuller & Van Zyl 2006).

Conditions of famine that inflict AIDS-affected families are not always very visible, for it does not affect entire communities but specifically HIV and AIDS affected households. Often only they and those in their social networks are aware of the problem (Fuller & Van Zyl 2006).

Abate et al. (2003) and Fuller & Van Zyl (2006) identify the multiple connections between food insecurity in HIV and AIDS in the labour-intensive, communal crop production areas of northern Namibia, namely:

- Loss of labour as a result of absenteeism due to illness and death. Sixty (60) percent of farmers interviewed reported loss in labour. Thus far Namibia has already lost 3 percent of its labour force and this figure is set to rise to 26 percent by 2020 (Fuller & Van Zyl 2006);
- Loss of labour time as a result of long mourning periods after deaths;
- Replacement of adult labour with child labour. This lowers productivity as children have less knowledge and experience of farming;
- Reduction in agricultural extension services as a result of illness and death amongst extension officers
- Changes in crops produced. Fuller & Van Zyl (2006) refer to this crop substitution as the “Devil’s Trade-off”. HIV and AIDS-affected households switch from more labour intensive pearl millet (omahangu) to less labour-intensive maize production. However, maize is a heavy feeder and can lead to soil depletion if it is not rotated. It also requires more rain and fertilizer and is less nutritious than millet. All this could lead to greater food insecurity in the future.
- Decrease in the amount of land under cultivation. Abate et al. (2003) found that fifty percent of HIV and AIDS-affected households reported a fifty percent decrease in land under cultivation in millet producing areas.
- Sale of productive assets to offset additional expenses related to illness or death. Abate et al. (2003) found that 10 percent of households sold livestock to cover these expenses. Fuller & Van Zyl found a mixed pattern. Often HIV and AIDS-affected households owned very few or no livestock. Some with larger herds tended to maintain or increase their herds while those with moderate herds reported livestock sales. This is an indication that poor families are more vulnerable to AIDS and less able to mitigate its impact.

Gender dimensions of AIDS

Despite high levels of knowledge about modes of HIV transmission and prevention (Demographic and Health Survey 2006-07), many women lack control over their own sexuality, since economic dependence, sexual violence and patriarchal sexual cultures diminish their ability to express their own sexual preferences and desires. This includes the right to say no to sex, to decide when they want sex and with whom they want sex, the size of the sexual networks they are part of, and the right to insist on protected sex. Namibia is experiencing a feminisation of HIV/ AIDS as women account for 3 out of every 4 new infections (Ministry of Health and Social Services, 2009). Overall, female mortality rates are up and have doubled since 2000 compared to a 65% increase in adult male mortality during the same period. Namibia’s maternal mortality rates have also increased from 271 per 100 000 live births during the period 1991-2000 to 449 per 100 000 live births during the period 1998-2007 (MHSS 2008).

McFadden and !Khaxas (2007) argue that the collective socialisation of women diminishes their individualism, exacts conformity and silences their voices. Their groundbreaking research in Namibia’s Caprivi Region lifts the veil of secrecy around the

sexual abuse that occurs under the rubric of “African culture” and highlights a number of intersections between HIV/AIDS and patriarchal sexual cultures. These practices are not restricted to the Caprivi Region and can be found in a number of southern African countries. They concluded that patriarchal cultures around matters of sexuality, brutalise women into a denial of their own personhood and violate their bodily integrity. Some of the sexual rituals and practices that interface with HIV/AIDS are:

Female Initiation: In the Caprivi Region there are two practices related to female initiation, Sikenge and Mulaleka. Sikenge is an initiation ritual that begins with the onset of menses. The girl is taught that silence and obedience is a natural part of womanhood. She is prepared for her sexual and reproductive role, and how to give pleasure to her future husband. Through verbal abuse, beatings and scarring, she is “tamed”. Various herbs are then rubbed into the wounds to make the girl sexually powerful, so that she could keep her man. Sikenge provides multiple opportunities for HIV infection to occur through beatings, whipping, and the mutilation of the labia.

Mulaleka is the actual initiation into sex. This initiation is an incestuous sexual encounter where the grandfather, uncle or sometimes brother has sex with the teenage girl with the full consent of the grandmother. This is referred to as “sexual testing”. The act is then convoluted as fantasy for the girl who is later told that she only “dreamt” it. This practice is a violation of the Namibian law and amounts to statutory rape, but is enforced by the cultural norms that are at odds with various conventions that protect children’s rights. This early sexual debut provides opportunities for unwanted pregnancy as well as STI and HIV transmission.

Widow cleansing/ Kahoma: There is a belief that a widow who has recently lost her husband should be cleansed through sexual intercourse with a man. The patriarchal narrative that underlies this practice is that an unclean woman will eventually cause men to suffer, lose weight and eventually die. Once again, this ritual provides opportunity for HIV transmission, as the widow’s husband could have died of AIDS, or the man who “cleanses” her could be HIV positive.

Dry Sex: This is tightening of the vagina through the insertion of herbs and herbal powder to rid the vagina of fluids. Vaginal fluids are often regarded as unclean. The dry vagina is then forcefully penetrated. This causes ruptures and lesions that increase the possibility of HIV transmission.

Polygamy and the sexual culture of concurrent partnerships: There are other insidious forms of control over women’s bodies that stem from women’s economic dependency and the socio-cultural regulation of their sexuality and fertility. Male control over women’s bodies is legitimised by culture and tradition. Women often do not contest this control because of economic dependence, the fear of being ostracised or being labelled “un-African”.

The introduction of capitalism and christianisation resulted in a decline in polygamous marriage, but not to a concomitant decline in the sexual culture of multiple and

concurrent sexual partnering, which still persists unabated. Male-initiated multiple and concurrent sexual partnerships fuel the AIDS epidemic. This is justified as the “ways of the forefathers” (Edwards 2004). Although women in stable unions tend to practice monogamy, they often cannot enforce it on their male partners.

Other risky sexual practices: The payment of lobola/bridewealth is central to patriarchal control over women’s sexuality. Le Beau, lipinge and Conteh (2004) and McFadden & !Khaxas(2007) argue that lobola represents an exchange relationship that enslaves and entraps women, because in some cultures women have to double the amount of lobola (either in cattle or in cash) initially paid for them by the groom’s family in order to get a divorce. The fact that the husband’s family paid lobola also leads to other practices like sororate relationships, i.e. when the woman’s family sends another woman (normally a younger sister or cousin) to replace her if she dies or if she is infertile. Leveratic marriage ensures that the deceased husband’s family gains control over his assets after his death. A younger male (brother/ cousin) normally marries the widow and takes control over the assets (Le Beau et al 2004). Women who refuse leveratic marriage can lose all the assets accrued in a marriage as she and her children then have to return to her natal relatives after the death of her spouse (McFadden & !Khaxas, 2007).

Wife Lending: Talavera (2002) also reports that in certain cultures (Ovaherero and Ovahimba) the practice of okujepisa or oupanga makes it socially acceptable for a husband to lend his wife to a male friend or person of high social status to strengthen the male friendship. The reverse is also acceptable when a wife invites her husband to sleep with her female guest.

Violence and HIV Transmission: In Namibia, violence against women and children constitutes 80-90% of all cases of gender-based violence reported to police (Shejavali 2008). Widespread sexual violence like rape diminishes women’s control over their sexuality and places them at extreme risk of HIV infection. Attitudes towards wife-beating are often used to measure women’s social status. The 2006/07 Demographic and Health Survey (DHS) found that 35% of women and 41 percent of men agreed that under certain circumstances, a man has the right to beat his wife. The figures vary according to age, rural-urban location, levels of education and wealth.

Women take over the bulk of the care burden for those who are sick with AIDS and orphans who lost parents due to AIDS. In many of the matrilineal communities children are taken in by the maternal kin. It is argued that in these communities, the patrilineage gets the property and the matrilineage the children (Le Beau, lipinge and Conteh 2004: 35) While this may be so, the inheritance of property may also occur matrilineally, i.e. the male relatives on the father’s or mother’s side, such as the mother’s brother, father’s brothers (on the mother’s side) and father’s sister’s sons.

UNICEF (2005) reports that 25 percent of Namibian households care for at least one orphan. The 2001 Population Census sets the figure at 24% and the 2003/4 Namibia Household and Income Survey (2006) sets it at 23%. More households in rural areas (19%) have orphans than those in urban areas (8%) (National Planning Commission

2003). In Namibia more female-headed households (32 %) take care of orphans than male headed households (17%), while average per capita income in female-headed households is much lower (N\$ 6 320 per annum) compared to male-headed households (N\$ 10 570 per annum). The data also show that households that have taken in orphans are likely to be poorer than households without orphans since the former spend a relatively high percentage of income (32%) on food, compared to the 18 percent of non-orphan households (Ibid). Edwards (2009) found that women outnumber men in AIDS-affected families. Fathers are conspicuously absent from the role of primary caregivers. Fifty three (53) percent of orphans are primarily cared for by grandparents followed by aunts (26%), biological mothers (13%) stepmother (4%) and uncles (4%). In 86% of cases where children are in the care of grandparents, it was a single grandmother. Women and younger members of the family are forced to compensate for the loss in productive labour (Fuller and Van Zyl 2006).

In line with the customary inheritance patterns, relatives of the deceased husband may take over land, water rights and cattle. They also take pension payouts, insurance payments, houses, house fixtures, cars, diverse household and personal items like beds, linen, cooking utensils and roof sheeting. In some cases, they claim the children in order to gain control over the pension and death benefits of the deceased parents. (Republic of Namibia, 2005c) This is confirmed by Edwards (2009) who reports property grabbing by relatives of the deceased at the expense of widows and children. This includes pension and death payouts by the Government Institutions Pension Fund (GIPF) or other insurance companies, houses, cars, furniture, other household items and clothing. Besides outright dispossession, there is also a problem of the fraudulent appropriation of death benefits by relatives who foster children for the sole purpose of claiming the death benefits or property. This “disinheritance” impoverishes women and children further and may perpetuate a cycle of poverty, risky sexual behaviour and HIV infection.

3.2 Sources of household income

Almost half of Namibian households (47%) rely on wages and salaries as their main source of income. In urban areas, this figure was as high as 74%, compared to 27% in rural areas, where 38% of households depend on subsistence farming as the main source of income. These figures indicate the critical importance that wages and salaries have for the survival of Namibian households. This is further emphasised by the fact that 68% of Namibian households lack a secondary source of income (Ministry of Labour and Social Welfare 2006).

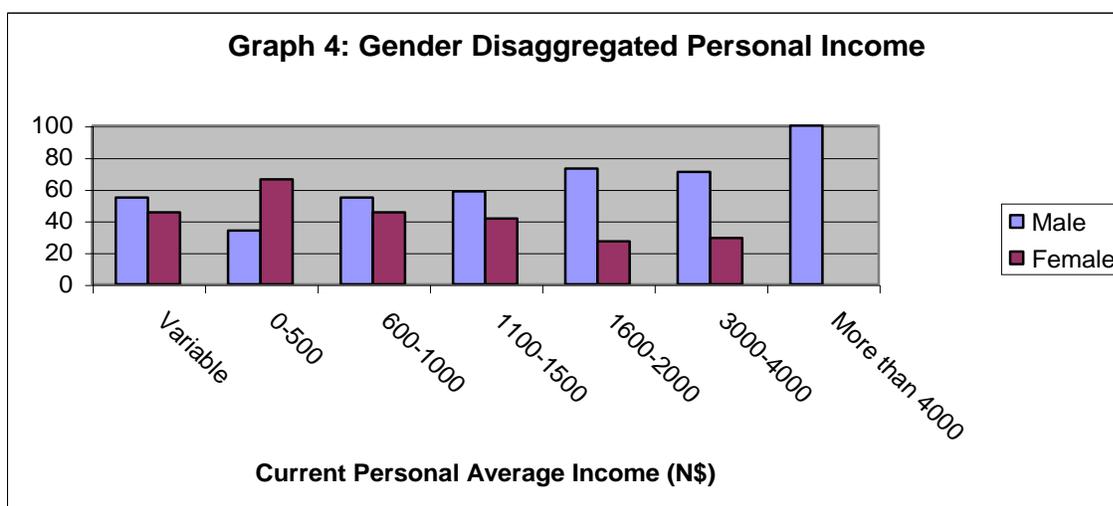
Table 3: Employment by sector (2004)

| Sector | Percentage of employed people |
|---|--------------------------------------|
| <i>Agriculture</i> | 26.6 |
| <i>Wholesale and retail trade, repair of motor vehicles</i> | 17.4 |
| <i>Manufacturing</i> | 6.2 |
| <i>Community, social and personal services, including domestic work</i> | 9.5 |
| <i>Government service</i> | 19.6 |
| <i>Finance, real estate and business activities</i> | 4.4 |
| <i>Electricity, gas & water supply</i> | 1.6 |
| <i>Transport, storage and communication</i> | 4.1 |
| <i>Fishing</i> | 3.3 |
| <i>Construction</i> | 5.1 |
| <i>Mining and Quarrying</i> | 2.0 |
| <i>Other</i> | 0.1 |

Source: Ministry of Labour and Social Welfare 2006.

In 2004, there were 99 166 employees in the public sector (civil service and state-owned enterprises) and 169 437 in the private sector. The crucial sectors, in terms of employment, were agriculture, public service and the wholesale and retail trade. Manufacturing activities remained marginal and accounted for only 6% of Namibia's jobs. An estimated 133 000 people were engaged in the informal economy.

On the other hand, in rural regions such as Ohangwena and Omusati, 45-60% of households depended on subsistence farming as their main source of income.



Source: Edwards 2004

Edwards' (2004) study showed a gender gap in male and female incomes in informal settlements in Windhoek as depicted in the graph below. There were also gender differentials in the sources of income. Most women were involved in petty trading and those who earned salaries did so as domestic workers in people's homes. Over 30 percent (31,6%) of all female respondents cited remittances from males (husbands or boyfriends) as a source of income.

Namibia's high levels of inequality are perpetuated by an extremely skewed labour market that creates an ever-increasing wage gap between various categories of employees within the formal labour market and between formal sector workers and those in the informal economy. The vast majority of Namibian workers fall into the category of unskilled and semi-skilled workers. With the exception of a few sectors where strong trade unions managed to negotiate reasonable working conditions (e.g. mining, fishing, and the civil service), these workers usually earn below N\$ 1000 per month (about US\$ 130) and enjoy very few benefits (see table 4). The only benefits that are compulsory by law are social security payments.

On the other hand, well-qualified and experienced professionals and managers earn huge salary packages that compare favourably with the best in the world when the costs of living are taken into account. Managers in the civil service earn packages of about N\$ 300 000 - 500,000 per year (US\$ 37 500 – 62 500), while some managers in parastatals and private companies earn several times that amount and also enjoy huge bonuses (Jauch 2004; Amupadhi 2008). An income survey tabled in Parliament in 2006, confirmed the gross disparities in salaried income, with 14,9% of employees earning less than N\$ 600 (US\$ 75) per month, and only 0.1% earning more than N\$ 33,000 (US\$ 4 125) per month. The majority of monthly salaries ranged between N\$ 1 000 and N\$ 5 000 (US\$ 125 – 625) (Dentlinger, cited in Melber 2007).

These enormous differences in payment have created a three-tier labour market: a small elite enjoying a standard of living comparable to first-world countries; a significant group of formal-sector workers with permanent jobs and low to middle incomes; and a growing group of casual, "informal" and unemployed workers who are the victims of a labour market that virtually forces them to accept any job under any conditions.

Table 4: Basic wages of lowly paid workers (2008, in N\$)

| | National Minimum Wage/Collective Agreements |
|-------------------------------------|---|
| Retail Workers | No national minimum wage Current practice: N\$ 400 – 1800 per month |
| Construction Workers | National minimum wage: 8,44 per hour (entry level); N\$ 1633 per month |
| Farm Workers | Nat. Min. Wage: N\$ 2,20 per hour, N\$ 429 per month plus food and accommodation (entry level) |
| Security Guards | Nat. Min. Wage: 3 per hour; 770 per month (US\$ 77) |
| Petrol Station Workers | No national minimum wage Current practice: N\$ 300 – 1800 per month |
| Informal Economy Workers | No national minimum wage Current practice: N\$ 100 – 300 per month |

Sources: Mwilima 2006; Karamata 2006; LaRRI 2007; Jauch and Sakaria 2009

Unemployment

The Namibian Government's unemployment definition is based on three criteria, namely:

- (i) being without work,
- (ii) being available for work, and
- (iii) seeking work.

The "strict" definition of unemployment excludes from the ranks of the unemployed those individuals (15-65 years old) who are without jobs and available for work, but who are not actively seeking work. The "broad definition" of unemployment, on the other hand, regards every person who is 15 - 65 years of age and without work but available for work as being unemployed - whether he/she is looking for work or not. The Labour Force Survey presented unemployment figures for both definitions as set out in table 5.

Table 5: Unemployment - broad definition (2004)

| | <i>Overall percentage</i> | <i>Percentage among Women</i> | <i>Percentage among men</i> |
|--------------------|--------------------------------------|--|--|
| <i>Nationally</i> | <i>36.7</i> | <i>43.4</i> | <i>30.3</i> |
| <i>Urban Areas</i> | <i>29</i> | <i>33.8</i> | <i>24.4</i> |
| <i>Rural Areas</i> | <i>44.7</i> | <i>53.0</i> | <i>36.5</i> |

Source: Labour Force Survey 2004.

Unemployment has a gender dimension, as the rate is significantly higher among women (43.4%) than among men (30,3%). Female unemployment remains higher than male irrespective of the definition of unemployment used. Unemployment in Namibia affected the youth the most, as about 60% of those between 15-24 years of age were

unemployed. Unemployment in Namibia is of a long-term nature as 56% of the unemployed have been without a job for more than 24 months.

3.3 Efforts to combat poverty and inequality

The Namibian Government embarked on a domestic spending programme to improve social services, which has had some success in ameliorating some of the disparities inherited at Independence. Increased budgetary allocations on education and health spending achieved some positive results. For example, primary health care expenditure, coupled with country-wide immunisation programmes have seen a reduction in infant mortality rates from 60 to 43 per 1000 in live births. Access to safe water and sanitation has also improved. The Namibian government also instituted an Affirmative Action Policy, as well as a Social Security Act, aimed at providing maternity leave, sick leave and medical benefits for everyone in formal employment. It has also developed legislation to deal with protection of the country's natural resources, and has increased spending on education as discussed before.

The Government has also established a Ministry of War Veterans to look after the interests of former combatants and to integrate them into society, as well as to provide some degree of material support. Likewise, several new grants were introduced such as the Child Support Grant, while a universal Basic Income Grant (BIG) is currently being discussed. A national old age pension scheme was expanded and now provides a pension of N\$ 450 for Namibians above the age of 60.

3.3.1 Affirmative action and Black Economic Empowerment

The issues of affirmative action and Black Economic Empowerment (BEE) featured prominently after independence with a particular focus on redressing racial inequalities. In the absence of a radical programme of redistribution, Namibia was looking at other means of ensuring a more equitable distribution of jobs, wealth and ownership over productive resources. Affirmative action and BEE programmes were among the measures taken to redress some of the apartheid legacies.

Affirmative action was portrayed as the instrument to redress the imbalances of the past. Article 23(2) of the Namibian Constitution empowered parliament to enact legislation aimed at redressing "social, economic or educational imbalances in the Namibian society arising out of past discriminatory laws or practices". Provision was also made for a balanced restructuring of the civil service. In general, affirmative action was expected to contribute to the following:

1. To make institutions representative of the country's population;
2. To effect a change in institutional cultures which were shaped by racist practices during colonial rule;
3. To bring about socio-economic redistribution.

During the first few years of independence, affirmative action in Namibia was successful in bringing about a more representative civil service and by 1996, about 70% of the management cadre in the civil service was made up of black Namibians and women. Quotas for women in the local government elections of 1992 have contributed to a far

better representation of women than is the case in the National Assembly and the National Council. After the introduction of the Affirmative Action (Employment) Act of 1998, the policy was systematically extended to the private sector. It achieved some success (although uneven) in the quest to make workplaces more representative of the country's population, with the main beneficiaries being black men. The other "designated groups", namely women and people with disabilities, did not benefit to the same extent (LaRRI 2005).

Experiences in Namibia and internationally have shown that affirmative action does not necessarily eradicate socio-economic inequalities. Instead, inequalities may merely be shifted from the basis of race, ethnicity or gender to the basis of class. Affirmative action may promote the redistribution of opportunities in favour of previously disadvantaged groups, but it is not the principal mechanism to redistribute wealth or to overcome poverty. Supplementary measures have to be taken to tackle the broader socio-economic inequalities that still characterise Namibia.

Similarly, black economic empowerment within the framework of a market-driven economy is likely to benefit a few rather than leading to large-scale redistribution. There is no doubt that black businesspeople and their organisations have a vested interest in BEE policies that target the creation and expansion of a black middle class and business elite. The former president of the Namibia Chamber of Commerce and Industry (NCCI) put that bluntly when he stated in 2003 that the task was to create more black millionaires. From a perspective of reducing inequality, however, the challenge is how to ensure that Black Economic Empowerment does not just benefit a new black elite or consolidate a black middle class. Instead BEE must de-racialise the economy and lead to redress and redistribution on a large scale. Similarly, women may raise the question of gender inequalities that seem to be replicated and further entrenched when BEE deals are struck. Indeed commentators have claimed that a major source of wealth for the previously disadvantaged group is by outsourcing of public projects, which have been restricted to a select group of politically connected individuals, and have done little to affect the general conditions of the previously disadvantaged (Melber 2006).

Available statistics indicate that both affirmative action and BEE have had a limited reach and benefited essentially an aspiring black middle class. Black men also reaped significantly more benefits than black women (see for example Jauch 1998; LaRRI 2005; EEC 2007 & 2008). Designing affirmative action and BEE policies to benefit workers and the poor in general within the current capitalist economic structure is a daunting task. However, there are some steps that could be taken to broaden the debate on BEE to include issues beyond shareholding such as job creation, rural development, access to basic social services, empowerment of black women etc. Trade unions, as working-class organisations, should be at the forefront of advocating for such policies but currently don't seem to be playing that role.

Attempts to create an industrial base

One of the methods identified to create jobs in Namibia is value-addition in the diamond industry. Over several years, attempts have been made to establish a diamond cutting industry in Namibia. In October 2007, the Namibian Government established the Namibian Diamond Trading Company, owned 50% by the DeBeers Group, and 50% by the Namibian Government with the aim of providing diamonds to the local market for beneficiation. 11 licences were issued and are estimated to employ approximately 1 100 people. The goal is to sell 10% of the total production to local companies to be polished and sold on the open market.

The economic decline in 2008, continuing into 2009, and the recession in the largest consumer market, the USA, has led to an estimated 20 percent slump in demand for diamonds, and is set to have significant effects on this industry. Decades long exploitation have also, according to the Ministry of Mines and Energy, significantly depleted the on-shore deposits, affecting not only exports, but also the volume and quality of diamonds in the local market.

The announced round of lay-offs by Namdeb of several hundred workers in 2009, will be a significant blow to the socio-economic situation in Namibia, and can be expected to create even greater social tensions, against the already fragile economic backdrop in the country.

Source: Sibeene, P. "Namibia: Diamond industry faces diminished reserves", *New Era*, 7 August 2008.

3.3.2 Attempt to achieve gender equality

Discrimination on the basis of sex is outlawed by the Namibian constitution (article 10) and after Independence the Namibian Government ratified a number of international protocols, promulgated laws and introduced policies to obtain legal equality between men and women. Prior to Independence, women were legally regarded as minors under patriarchal control (Hubbard 2007) and thus various laws were passed to effect gender equality in legal terms.

The Namibian Government promulgated the Married Persons Equality Act 1 of 1996 that grants equality to partners in marriage. The Combating of Rape Act 8 of 2000 provides a gender-neutral definition of rape, attempts to protect women and children and outlaws marital rape. The Combating of Domestic Violence Act 4 of 2003 criminalises what is often considered as the legitimate use of force by men on intimate partners. This includes sexual violence, intimidation, harassment, economic violence and physical violence. The Maintenance Act 9 of 2003 legally forces fathers to contribute to the upkeep of their dependent children irrespective of whether those children were conceived inside or outside of marriage.

In the economic sphere, the Co-operatives Act 23 of 1996 requires a substantial number of women on the boards of cooperatives and the creation of women's only co-operatives. As mentioned before, the Affirmative Action (Employment) Act 29 of 1998 is aimed at increasing the representation of certain disadvantaged groups, including women in formal work places. The Labour Act 11 of 2007 prohibits sexual discrimination and sexual harassment in employment and makes provision for paid maternity leave. While customary land rights have largely remained patriarchal, the Government passed the Communal Land Reform Act of 2002 as an attempt to secure tenure for women after the death of a male spouse (Hubbard 2007). In the area of housing, Government has introduced the Build Together Programme. Poor single mothers are often the main beneficiaries of this programme (Ipinge & Le Beau, 2005). What is still missing from the economic programming is gender responsive budgeting that can account for the differential effects government's fiscal policies have on men and women. Overall economic policies also fail to mainstream gender. Macro-economic frameworks do not specifically address women's lack of independent livelihoods. This area is often treated as a matter of social welfare policy rather than being central to economic policy.

Law reform, in the area of reproductive rights, has been slow. Fertility is linked to social class and educational levels. Poor women have higher fertility rates. Women in the lowest wealth quintile have, on average, five children (5,1) compared to women in the highest wealth quintile (2,4). There are still a number of unplanned pregnancies and two out of three births are unwanted (Demographic and Health Survey 2006-07). Namibia still uses the old South African Abortion and Sterilisation Act of 1975 that outlaws abortion on demand, despite the Ministry of Gender and Child Welfare advocating for abortion to be legalised to avoid high levels of baby dumping, as well as unsafe backstreet abortions that endanger women's lives (Hubbard 2007).

Law reform to promote of women's representation in politics include the Local Authorities Act 23 of 1992, and the Traditional Authorities Act 25 of 2000 (Hubbard 2007). The Namibian Women's Manifesto has been campaigning for legislation to achieve 50% representation of women in all political structures. Namibia has reached 30% representation in line with the 2005 SADC Protocol, but the new 2008 SADC Protocol on Gender and Development has called for 50% female representation in politics. Despite the progress on women's representation in politics, political parties are still under patriarchal control in terms of male leadership and dominant patriarchal ideologies that shape political culture. This was reflected in parliamentary discussions around law reform towards gender equality (Hubbard 2007). Some political parties do not have gender policies, pay little attention to representativeness and still only have male representation in top party structures and in parliament.

In addition to law reform, the Government also set up the gender machinery required for the implementation and monitoring of gender mainstreaming. The extent to which these policies and gender machinery have been implemented or are still functional is up for debate. In 1997, Cabinet passed the National Gender Policy, which addresses the priority needs of women. This was followed by a National Gender Programme of Action in 1998, which was a five year plan with goals and envisaged outcomes towards gender equality. Currently the National Gender Policy is being revised to include issues like HIV and AIDS. Gender is also taken into account in various National Development Plans and Namibia's long-term framework for national development Vision 2030 (Ipinge & Le Beau 2005).

Aspects of the gender machinery that were introduced are the Parliamentary Women's Caucus, Gender Focal Points in different government departments. The Government introduced Women and Child Protection Units that mainly deal with gender-based violence. Namibia also has a Ministry of Gender Affairs and Child Welfare responsible government gender and child policy formulation and programming.

In addition, Namibia is a signatory to a number of international protocols and conventions that commits the country to the attainment of gender equality. These include: The Convention on the Elimination of All forms of Discrimination Against Women (CEDAW), the Beijing Platform for Action (1995), the CEDAW optional protocol (2000), and the SADC Declaration on Gender and Development (2005).

There is still a big gap between formal equality and substantive equality (Hubbard, 2007). While the former is a precondition for the attainment of the latter, it is not sufficient to ensure it. Despite the improved legal status of women, high levels of gender inequality reflected in women's economic dependency, high levels of violence against women and children, the feminisation of HIV and AIDS and high levels of poverty experienced by matrifocal families indicate deep structural changes are needed to bring about substantive equality. A recent report on women's land rights shows that the Communal Land Reform Act has improved land rights of widows, but argues that because rural women are largely uninformed about their rights, the provisions of the Act are not enforced. Consequently, women are still evicted from land they have cultivated

(Weidlich 2008). This suggests a lack of enforcement of laws and policies. Women are also subject to legal pluralism and at local level customary often outranks civil law when it comes to women's rights.

De Vos (as cited in Hubbard 2007) argues that formal equality is blind to structurally entrenched inequality. It also ignores the actual socio-economic disparities between groups and constructs standards that appear to be neutral, but embodies the experiences of privileged groups. This can explain the persistent and deepening inequalities between different social classes and certain groups of men and women in Namibia despite legal reforms and the many government policies and programmes aimed at improving the position of women.

The next section will examine some of the options available to reduce the levels of inequality and poverty, drawing on some of the lessons learned during Namibia's 19 years of independence. The experiences with Ramatex and the EPZ regime, in general, have led increasingly to doubts about the suitability of a neo-liberal framework for developing countries like Namibia. The next section will examine alternatives to the market-oriented policies that were pursued since Independence but have contributed little towards the achievement of social justice.

4. Alternative policy options

In 2004, the Namibian Government presented its long-term vision for the country as “Vision 2030” which stated the achievement of the same standards of living as industrialised countries as one of the central aims. The ambitious goals set out in the document require the achievement of an annual economic growth rate of around 12 percent. This seems highly optimistic when compared to other SADC countries, for example Botswana, which is regarded as one of the fastest growing countries in Africa, having achieved 7.7 percent growth over the course of the past thirty years (Hastings, 1999). Other objectives mentioned in Vision 2030 are:

- A decline in unemployment from 35 to 5 percent;
- A fall in the GINI co-efficient from 0.7 to 0.3;
- An increase of the contribution of manufacturing and the service sectors to the country’s GDP, reaching more than 80 % in 2030.

Since Independence the focus of the Namibian Government, along with most of its neighbours in the SADC region, has been on creating favourable investment conditions for private capital accumulation. Thus Namibia followed the neo-liberal model of development to a significant extent, emphasising the free flow of capital, but not labour, the opening of borders to goods and services, and the elimination of tariffs and barriers to free trade. A central premise of the neo-liberal model is the idea that competition breeds efficiency, and removing the impediments to unfettered competition will of necessity provide for the development of effective industries, thereby leading to economic growth.

An underlying assumption behind the competition model is that developing countries will be forced to invest substantially in measures which will make their labour force competitive. Thus investments in education were seen as a strategy to make the workforce more productive and enable the country to move towards a “knowledge-based economy”. Investments in infrastructure as well as maintaining political and macro-economic stability were other elements of this model. It should be noted that the maintenance of economic and political stability does not necessarily correlate with democracy or the maintenance of equitable labour and social relations.

The neo-liberal model relies on the elimination of trade barriers, the relaxation of labour laws, and the reduction of corporate taxation as key elements to attract investments. Factors such as the ability to repatriate profits, the ability to source inputs from the most economical sources and the removal of government involvement in the economy are promoted. Protectionism of any kind is frowned upon, especially by international lending institutions such as the IMF and the World Bank. Infant and nascent industries are expected to be left to sink or swim in the turmoil of globalisation (Hastings 1999).

The developmental policy of the Namibian Government, backed up by sections of civil society and most of the donors, is weighted towards the neo-liberal model. The Namibia Economic Policy Research Unit (NEPRU), for example, stated that Namibia’s labour standards are not flexible enough to accommodate the needs of international capital:

“Employment is increased through a functioning and flexible labour market. This flexibility is not high enough in Namibia. This is primarily because of social concerns. One example is the difficulty in ending employment contracts. According to employers, complicated rules to shed labour reduce the number of people employers are willing to hire” (Hansohm 2004:6).

Supporters of economic liberalisation regard the failure of Namibia to attract investment, and create sufficient jobs as the result of administrative failures, bureaucratic hurdles, but not as shortcomings of the neo-liberal model. In contrast, this paper argues that the neo-liberal model of development has neither served Namibia nor the SADC region well. Where there has been economic growth, as in Namibia, it has been insufficient to create the number of jobs required. The process of addressing inequalities in Namibia cannot be facilitated by an economic model, which is exclusively profit-driven. Thus the idea of a “people centred” (as opposed to corporate-driven) development process emerged as an alternative paradigm to address inequality and poverty in Namibia and the SADC region. Furthermore, a broad-based coalition of civil society organisations has called for the implementation of a universal Basic Income Grant (BIG) in Namibia. Further afield, however, developments in Venezuela during the past few years, have pointed to new creative ways of using national resources and participatory democracy towards achieving grassroots democracy and social justice. These initiatives are relevant for Namibia when discussing the challenge of inequality.

4.1 Introducing a Basic Income Grant (BIG)

In 2002, the Namibian Government appointed the Namibia Tax Consortium (NAMTAX) to review Namibia’s tax system and to explore ways to foster economic growth and development. In its report, the consortium found that high levels of inequality and poverty were economically unsustainable and that “by far the best method of addressing poverty and inequality would be a universal income grant” (Haarmann 2005: 1). The commission further suggested that the BIG should be set at a level of N\$ 100 per person, per month. This would cover all Namibians from the date of birth until they reach the age of 60 at which time the universal national old-age pension scheme (currently N\$ 450 per month) would kick in. The consortium pointed out that the net costs of the Basic Income Grant would amount to about 3% of Namibia’s GDP and could be recovered through changes in the tax system, thus making a BIG an affordable option for Namibia.

The Namibian Government was divided over the question of a BIG for the country. Some regarded it as an unaffordable welfare measure and the International Monetary Fund (IMF) did its utmost to discourage Namibia’s policy makers from implementing the BIG. Thus in 2005, a coalition of churches, trade unions, NGOs and AIDS service organisations formed the Basic Income Grant Coalition with a view to advocating for the introduction of a BIG in Namibia. After 2 years of debating and lobbying, no breakthrough was achieved. Government ministers and parliamentarians were still divided over the merits of a BIG and the Coalition thus decided to implement a basic income grant in one particular village. This was meant to demonstrate the impact of a BIG in practice.

The chosen location for the pilot project was the settlement of Otjivero in the Omitara district, in Eastern Namibia. About 1200 people reside there, most of them retrenched former farm workers and their families who have nowhere else to go. Poverty and desperation were widespread there and the Coalition believed that if the BIG could make a difference in the lives of the residence of Ojtivero, it would certainly be able to make a difference for Namibians in the rest of the country. The pilot project started in January 2008 with all residents below the age of 60 years receiving a Basic Income Grant of N\$ 100 per person, per month, without any conditions attached. The pilot project was accompanied by a research team of local and international researchers that closely monitored the impact over a 2-year period until December 2009. The research team also documented the situation prior to the BIG implementation through a baseline study in November 2007.

In July 2008, the first impact assessment study was carried out by the research team, jointly co-ordinated by the Desk for Social Development within the Evangelical Lutheran Church and the Labour Resource and Research Institute (LaRRI). The sample consisted of 54 households, covering almost a third of all inhabitants. In addition, interviews with key informants in and around Otjivero were conducted. The second impact assessment was carried out in December 2008. The effects of the BIG included a dramatic reduction in malnutrition amongst children; an increase in income-earning activities amongst residents and a large increase in self-employment; a significant increase in the rate of school attendance as well as payments of school fess; higher levels of nutrition amongst recipients of anti-retroviral drugs (ARVs); improved use of and payment for services rendered by the local clinic; and increasing control by residents over their own lives, for example, young women being freed from having to engage in transactional sex (Basic Income Grant Coalition 2008, 2009).

These initial results were encouraging and exceeded the expectations of the BIG Coalition. The coalition now uses these findings to intensify the campaign for the BIG across Namibia and also to further engage policy makers. There is no doubt that the BIG is a limited measure and cannot be a panacea for all socio-economic challenges. The initiative has to be accompanied by other measures of redistribution, job creation and structural changes as discussed below. However, the BIG represents a promising starting point that can make an immediate dent in the debilitating and violent poverty that undermines the life chances of so many people.

4.2 Addressing Gender Inequalities

As Sarah Longwe (2002) pointed out, women's empowerment is a phrase that could mean anything and everything to everybody. There is a need for a clearer definition of the concept. To Longwe, women's empowerment is the means for overcoming the obstacles to gender equality in patriarchal societies. This means addressing the gender gap, i.e. the different socio-economic status of women in relation to men. The gender gap, however, cannot be addressed effectively if we do not tackle the question of systemic gender discrimination, which is society's different treatment of women in relation to men. Both the gender gap and gender discrimination cannot be addressed if

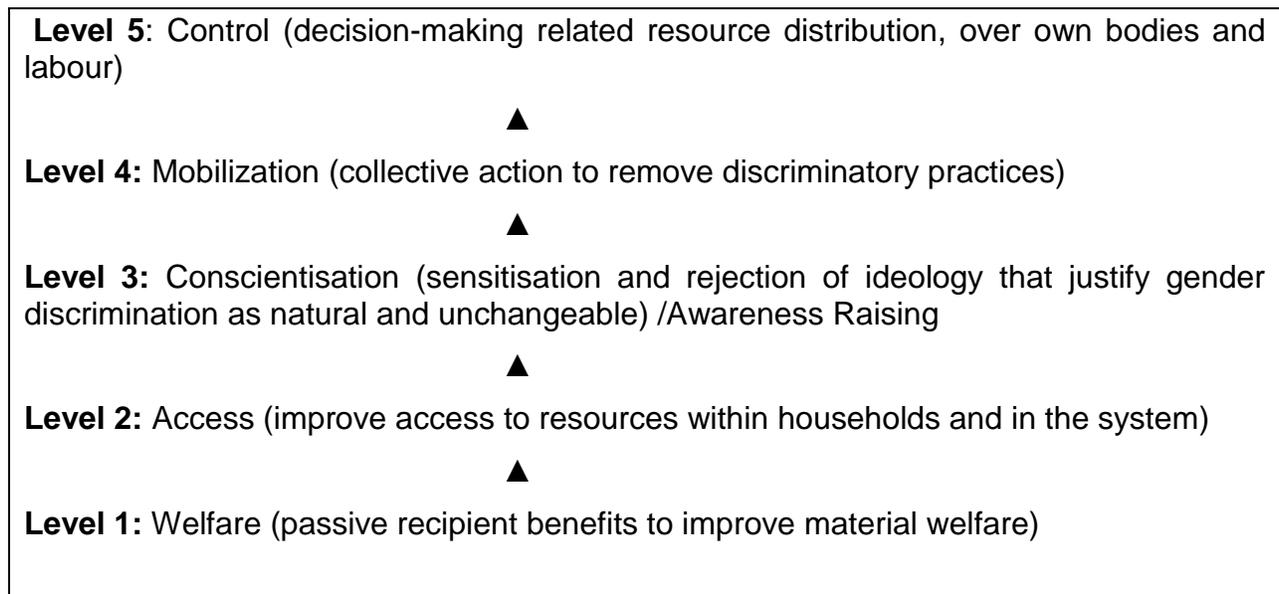
we do not challenge gender oppression that arises out of patriarchal power and control within the home and in society.

How we bridge the gap between the rhetoric of women's empowerment and the actual policies and programmes that will lead to that empowerment is of course a highly contested terrain that is neither politically or ideologically neutral. In light of the systemic inequalities, there is a need for redistributive policy frameworks that can transform unequal power relationships, unequal access to resources, and unequal control over assets.

We should also make a distinction between short-term, medium-term and long-term policy objectives towards women's empowerment which some refer to as strategic and practical objectives. Short-term objectives can be implemented immediately, whereas the long-term objectives may require structural change.

Sara Longwe's Women's Empowerment Framework makes a very important contribution towards policy discourse. It provides us with markers of the extent to which we are prepared to challenge the existing status quo. Her framework recognises the agency of women in their own empowerment. This suggests that empowerment is something African women should do for themselves. Empowerment is, however, a process towards systemic transformation. Governments, NGOs and development assistance groups can advance this process of transformation through advocacy, mobilization and by implementing transformative policy frameworks towards such empowerment.

Figure 5: Longwe's Empowerment Model



At a very practical level, we can use the tools of fiscal policy for redistributive measures that increase women’s autonomy in a relatively short space of time. For example, in Mexico the “Oportunidades” Poverty Reduction Project provides cash transfers to poor and vulnerable women with very positive outcomes for women’s status and autonomy.ⁱⁱⁱ Along the same lines social justice groups in Namibia have been campaigning for the introduction of the Basic Income Grant as mentioned above. This, together with a number other measures, could help to create the space for women to assert their sexual and reproductive autonomy and provide the platforms from which women can begin to assert rights and choices.

Table 6: Empowerment Policy Matrix

| Level of Empowerment | Biological | Household level | Structural |
|---|--|---|--|
| 1. Welfare | Maternal Nutrition | Protection from violence and personal safety e.g. safe houses | Basic Income Grant Child support School feeding schemes |
| 2. Access | Referral Services Contraceptives: including male/ female condoms Research into Microbicides, Safe Motherhood services: Pre-natal, obstetric and postnatal care Treatment of complications from abortions Drugs: PMTCT, PEP, ARV | Information and education about sexual & reproductive rights and laws that protect such rights Legal Services to protect & enforce rights Counselling Services Assertiveness & Negotiation skills training | Livelihoods Land Technology Capital Credit Education Skills Training Jobs Decision-making structures |
| 3. Conscientisation/ Awareness Raising | Human Sexuality STD and HIV/AIDS prevention Human reproduction HIV and STD Treatment Options | Inequalities at household level Differential treatments of boy/girl child Household division of labour Resource | Social inequalities Patriarchy Oppression Discrimination Violence Sexual and Reproductive rights |

| | | | |
|-----------------|--|---|--|
| | | allocations | Policies and Laws that protect rights and promote equality |
| 4. Mobilisation | Availability and use of contraceptives including access to safe abortion on demand Drugs: PMTCT, PEP, ARV | Joint decision-making Shared responsibilities at household level | Lobbying and Advocacy for implementation of policy frameworks and international protocols Legislative and Policy harmonization regarding customary law and civil law Implementation of international protocols on gender equality, sexual and reproductive rights Implementation of National Gender Machinery #Land redistribution in favour of the rural poor and women National instruments and structures for gender mainstreaming |
| 5. Control | Use of contraceptives and reproductive technologies Use of Condoms & HIV/AIDS prevention technologies | Sexuality, Fertility, Labour | Legislative processes Development of Policies and Programmes Control over productive e.g., land, water rights, labour saving technologies |

Caution must be taken against constructing women as over-determined individuals who are helpless and totally imprisoned to broader societal-level processes and external circumstances. When we construct women as passive objects who cannot actively engage with and change their circumstances, we are setting them up as victims. However when power-relationships are so unequal and when the structuring force of socio-economic inequalities are so great that women have lost control over their own bodies, we must acknowledge the role structural factors play in their continued oppression. Our failure to recognize and act on these factors will prolong women's disempowerment and continued oppression. The recognition of these factors will have to translate in redistributive and transformative policy frameworks. Longwe challenges us to make systemic and societal level changes because anything short of that is not empowerment.

4.3 The need for redistribution and a developmental state

The history of Namibia's first 19 years of independence has clearly demonstrated that the various forms of inequality will be perpetuated unless decisive steps are taken to redress them. This cannot be left to "market forces" but requires a deliberate, strategic intervention by a developmental state. The state is a creation of history and a product of struggles. Its role and orientation depends on the balance of forces in society and thus the task is for people at grassroots level to transform existing states into independent, truly developmental, accountable and ethical states. This can only happen through daily struggles, as working people (including workers, peasants and the unemployed) are the defenders of their own rights. Only they are the agents who can bring about fundamental change. States rule in the interest of those who control it and thus working people have to regain control over the state, not only at national level but also within the SADC region and Africa as a whole (ANSA 2007).

The most fundamental step is to build a movement from below that can shape the state. This means political "conscientisation" and mobilisation among working people at grassroots level. Such mobilisation must be based on a clear understanding of the current crisis and the possibilities for an alternative development strategy. Grassroots mobilisation has to include a constant engagement with the state to transform it into an ethical, responsible and developmental state that acts in the interest of working people instead of those that the initiative on "Alternatives to Neo-liberalism in Southern Africa (ANSA) calls "the Empire". It will be almost impossible for individual states like Namibia to resist the pressure by the Empire on their own, and thus they need to build an effective regional block in Southern Africa that can achieve higher levels of self-reliance and self determination.

ANSA considers three basic pillars on which an alternative development strategy has to be based. These are:

- a) The "social factor", meaning how people's basic human rights are safeguarded and how vulnerable people are protected against poverty and exploitation.
- b) The "democratic factor", meaning how the political system functions, how decisions are made and implemented, how resources and opportunities are distributed and how justice and fairness is achieved.
- c) The "global factor", meaning how the system works at global level, how decisions are taken and implemented, how global resources are controlled and distributed and how this global system affects Africa.

An alternative strategy has to deal with all three factors at the same time. It cannot succeed without human rights for all or without free political participation or without a fair distribution of resources. An alternative strategy cannot succeed without limiting the influence of the Empire at the global level. Therefore, ANSA calls for the promotion of social and democratic factors by fulfilling working people's material and social needs and by creating a system of governance that is democratic and accountable. At the same time, there is a need to eliminate (or at least minimise) imperial interventions by

the global actors such as the International Monetary Fund (IMF), the World Bank and the G8.

A human rights approach to development

Development is not just about economics but also includes human rights, community rights and the right to national or regional self-determination. It also deals with issues of equity and fairness in the distribution of resources at local, national, regional and global levels. The provision of social services such as water, energy, health and education cannot be guaranteed for all if they are left to market forces. Social services are not matters to be privatised as they are part of basic human rights and states have the responsibility to secure them for all their people. The state must, therefore, be developmental as well as ethical, responsible and accountable to the people.

Development must lead to a better life for working people and eradicate poverty. This can only be achieved if development is based on the promotion and protection of human rights, which include:

- Political or civil rights (also known as “blue rights”)
- Economic rights (also known as “red rights”)
- Social and cultural rights (also known as “green rights”)

ANSA argues that all these rights must be ensured and defended at all times and there can be no compromise, for example, granting only political rights while economic rights are violated. Taking all human rights seriously means addressing the distribution of wealth and income in our societies. ANSA proposes a “livelihood approach” to human rights because they are not just individual rights but also include community and national rights. Important aspects are the right to national self-determination (as enshrined in the United Nations Charter) and the right of local communities to develop their own lifestyles and livelihoods.

In Namibia, like in so many other African countries, mass structures were demobilised after independence, leaving once strong and powerful trade unions, youth organisations and NGOs as mere shadows of what they had once been. There is thus an urgent need to revive constituency-based working class organisations and to give new meaning to the famous slogan of the Mozambican revolutionaries “A luta continua”, which captures the crucial point that struggle is a daily business, a continuous process. The struggle for basic services is part of the everyday battles. When governments privatise services under pressure from the IMF, World Bank or donors, they affect people immediately – not at some future date. In Ghana and South Africa, for example, community-based organisations are taking up the battle against water privatisation. Similarly, several organisations in Namibia have taken up the battle against the proposed Economic Partnership Agreements (EPAs) between the EU and ACP countries. These are battles that have to be fought today and they are crucial in order to effect the fundamental changes needed to overcome poverty and inequality.

4.4 Inspirations from Venezuela

One of the most interesting attempts to effect redistribution and to move towards participatory democracy is provided by Venezuela. This section does not provide an in-depth analysis of the changes that occurred there since President Hugo Chavez's "Bolivarian" party (recently reconstituted as the United Socialist Party of Venezuela) won the country's national elections at the end of 1998. There are certainly contradictory processes at work and questions are being raised about powers vested in the Presidency. However, Venezuela's experiences point to the possibilities that exist even under conditions of a hostile global environment. Chavez' party promised to change the political, economic and social landscape through a programme of redistribution and social justice. Until that time, Venezuela had followed the typical free-market policies as promoted by the US administration, the International Monetary Fund and the World Bank. As a result, Venezuela was characterised by severe apartheid-style social divisions between the affluent elite on the one hand and the working class on the other. One of the first steps taken by the Chavez government was to embark on a series of radical reforms regarding social service provision, for example, access to housing, education and health care (Jauch 2008b).

The resources needed for these social programmes were derived from the country's sought-after national resource, oil. The national oil company, several large manufacturing companies and much of Venezuela's farmland already belonged to the state by the time the Chavez government was elected. What changed was how these resources were utilised to benefit the poor. The royalty fees payable by private oil companies were increased from 1% to 16% and an extraction tax was introduced, earning the country around US\$ 10 billion between 2004 and 2007 (Chavez 2008). These resources were used for extensive, health, housing and education programmes, locally known as "missions". Quality health care and education are now free across the country, supported by Cuban medical staff.

Venezuela's achievements are reflected in impressive statistics showing, for example, how access to university education was broadened for students from poor families, how health services were made accessible, how government tries to redress regional imbalances within the country etc. Since 1999, access to potable water increased from 70% to 95% of the population; minimum wages were raised to the highest level in Latin America (about US\$ 286 per month) and poverty levels dropped significantly. Venezuela's GDP grew on average by 11,8% during the last 4 years and unemployment was reduced to its lowest level in decades – 6,3%. According to the UNDP, Venezuela's Human Development Index increased from 0,69 in 1998 to 0,88 in 2007 while the rate of poverty fell from 50,4% to 33% during that period. Even more dramatic were the achievements between 2003 and 2008: the percentage of households in poverty declined from 54% to 26% and the number of households affected by extreme poverty fell from 25% to 7%. The Gini index dropped from 46,96 to 40,99 during that period (see Weisbrot, Ray and Sandoval 2009; Chavez 2008). These are just some of the figures that show how Venezuela managed to significantly improve standards of living within the last 10 years.

New economic policies

The initially moderate economic programme of the Chavez government started changing in 2005 due to pressure “from below”. Former workers at a paper mill that had been declared bankrupt and closed by its owners decided to occupy the mill and re-opened it with the support of the local community. Venezuela’s parliamentarians then passed a law allowing for the expropriation of the mill and to let it operate under democratic workers management. Since then, workers started seizing other companies that had closed down. A worker and community-led movement for the “recovery” of companies was born and today over 800 companies are run by workers themselves, producing for local needs. In addition, some private companies in strategic economic sectors like oil and cement production were nationalised (Jauch and Shindondola 2008).

Participatory democracy

Chavez and his government seem to take lessons from history seriously by trying to avoid a bloated bureaucracy that will run the country “on behalf of the people”. Instead, far more direct and participatory structures of democracy are being set up to enable poor Venezuelans to take control over their own lives. This includes a conscious building of community structures: Community councils and community banks not only receive funding from the state but have autonomy over how this money is spent in their neighbourhood. Food kitchens, run in the community centres, ensure that each person receives at least a healthy meal each day. These grassroots initiatives are perhaps the most important and revolutionary aspect of the changes that occurred during the past 10 years (Jauch 2008b).

A new regional block

Venezuela has recognised the importance of international linkages as reflected in Venezuela’s contributions towards preventing the US-sponsored Free Trade Area for the Americas (FTAA). Instead Venezuela and its allies in Latin America are now establishing the Bank of the South as well as the “Bolivarian Alternative for the Peoples of our America” (ALBA). ALBA is an example of “fair trade” (as opposed to “free trade”) where each country provides what it is best placed to produce and receives what it needs most - independent of global market prices. Thus Bolivia provides gas at discounted prices to its neighbours; Venezuela offers subsidised oil to poorer countries and shares its expertise in developing oil reserves; Cuba sends health-care professionals and trains students from other countries at its medical schools (Klein 2007).

Lessons?

The applicable lessons for Namibia seem obvious when the social progress made by Venezuela during the past decade is compared to Namibia’s achievements since independence. Using natural resources to provide social services for all instead of leaving such resources under the control of transnational corporations, seems to be one immediate area of intervention for Namibia. Likewise, the establishment of participatory democratic structures to deepen democracy and to effect greater direct participation of working people, seems to be another desirable intervention. Likewise, the bitter experiences with Ramatex and other investors point to the need for workers to play a more active and direct role in the economy, not just as employees but also as owners of

worker-run factories. Finally, ALBA provides an interesting example of building a regional block not on the basis of the rules of the free market and capitalist competition but rather on the basis of mutual benefits and co-operation. This is certainly lacking in the current African groupings such as SADC and the AU.

5. Conclusion

Namibia's historic legacy of apartheid-colonialism resulted in enormous levels of socio-economic inequality, primarily along racial lines, but also according to gender and class. The country's negotiated transition to independence ensured that economic structures remained largely intact during the first 19 years of independence. Despite various attempts by the Namibian Government to provide basic services for all (such as education and health) and despite several policy interventions aimed at redressing the apartheid legacies (such as affirmative action and BEE), Namibia still ranks amongst the most unequal societies in the world.

Namibia followed a path of market-oriented economic policies, coupled with moderate social reforms such as new labour laws and the extension of social security provisions. However, no systematic programme of redistribution was implemented and thus the country's achievements, in terms of overcoming poverty and inequality, were limited. Instead, a new middle class consisting predominantly of black professionals and politicians emerged as the group that benefited most directly from the post-independence changes. On the other hand, the rural population, vulnerable workers and informal economy workers experienced only few material improvements since Independence.

Likewise, the achievement of substantive gender equality is still a long way off. Despite the substantial achievements in terms of legal equality, and despite the progress made in terms of women's representation in politics, patriarchal cultures and attitudes are still widespread. Likewise, women tend to find themselves in the lowest levels of employment and form the majority of operators in the survivalist informal economy. Gender equality can only be achieved if it addresses the structural impediments that limit the economic independence of self-sufficiency of working women.

The land question has remained unresolved and the expectation of a redistributive land policy illusive. Historically, land has been associated with an enormous cultural, social and economic significance, but its value in redressing some of this country's economic ills is debatable. Poverty alleviation strategies need to move beyond the model of agricultural empowerment through resettlement and affirmative action loans. While the land issue has significant utility as a political tool, its symbolic significance is no substitute for genuine attempts to lessen the wide, and growing imbalances in Namibian society.

Namibia's economic policies followed largely the neo-liberal dogma and were shaped by the desire to accommodate foreign investment, which was regarded as the engine of economic growth and job creation. However, despite an array of incentives as set out in the foreign investment and EPZ Acts, the aim of creating thousands of manufacturing jobs within a few years has not been achieved. Unemployment remained rampant at around 40%, with young people and women being most severely affected.

Experiences in Namibia and elsewhere in Africa point to the urgent need to depart from

the neo-liberal, free market approach to social and economic policy. Instead, a systematic and state-supported process of redistribution has to be adopted if the current levels of inequality are to be addressed. A first step in this regard could be the introduction of a universal basic income grant as suggested by Namibia's BIG Coalition.

In addition, Namibia's economy would require several structural changes to pave the way for more sustainable and redistributive outcomes. The current global capitalist crisis has cast into focus the clear failure of the free trade model, and its underlying assumptions. In recent years, countries like Venezuela have already implemented several elements of an alternative to the global capitalist system. This is perhaps what is so threatening to conservative critics, including Western governments, multinational corporations and global media houses. The questions of social justice, redistribution and self-determination are at the heart of Venezuela's "Socialism of the 21st century" and provide valuable lessons for Namibia.

In Southern Africa, the most recent, comprehensive proposals for an alternative development strategy are contained in the book on "Alternatives to Neo-Liberalism in Southern Africa". The proposals made include a political, social and economic transformation of the current state of affairs. This is of direct relevance to Namibia where a liberal parliamentary democracy, with regular elections and largely private ownership of productive resources, has entrenched inequality. Local processing hardly occurs and unemployment has remained consistently high. After 19 years of "market friendly" economic policies, the time seems ripe for Namibia to look at other models of development to overcome inequality and poverty.

Changing the entrenched neo-liberal development paradigm will certainly be an ongoing struggle as different class interests (and imperial interests) will inevitably clash. An alternative development agenda will have to be built from below and place redistribution and social justice above the interests of global corporations and their allies among governments. The market-based development paradigm of the past decades simply offers no hope for the poor.

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Endnotes

ⁱ Bridewealth payment (lobolo or bohali) still continues until this present day and is often taking the form of monetary payment.

ⁱⁱⁱ UNICEF (2005) *Childhood Under Threat: The State of the World's Children Report*