



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<http://ageconsearch.umn.edu>
aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

AGRICULTURAL RESTRUCTURING
IN
SOUTHERN AFRICA

**Papers presented at an
International Symposium
held at Swakopmund, Namibia**

24-27 July, 1990

Edited by

**Csaba Csáki
Theodor Dams
Diethelm Metzger
Johan van Zyl**

**International Association of Agricultural Economists
in association with
Association of Agricultural Economists in Namibia
(AGRECONA)**

First published in 1992 by the Association of Agricultural Economists of Namibia

P.O. Box 21554, Windhoek, Namibia.

© International Association of Agricultural Economists.

This book is copyright. Apart from any fair dealing for the purposes of private study, research, criticism or review, as permitted under the Copyright Act, no part may be reproduced by any process without written permission. Enquiries should be made to the publisher.

Printed in Namibia by Windhoek Printers & Publishers (Pty) Ltd,
P.O. Box 1707, Windhoek, Namibia.

Distributed by the Association of Agricultural Economists of Namibia,
P.O. Box 21554, Windhoek, Namibia.

ISBN 99916/30/10/4

WELCOMING ADDRESS

It is indeed a privilege for me to deliver the welcoming address at the IAAE/AGRECONA Interconference Symposium to be held in Namibia. It is also a privilege to welcome all the participants at this symposium - participants that came from across our borders as well as local participants. In this regard I must pay tribute to the organizers for their initiative to invite the IAAE to hold the symposium in Swakopmund, and for organizing this event.

I have looked at the programme and the names of the participants. We have so many important participants present here, that I dare not single out anyone in particular. All of you are most welcome in our country. Your participation in this symposium is appreciated by our government and especially by my Ministry which is closely involved with agriculture and rural development.

After many years of struggle and colonial rule in Namibia, we attained our independence on 21 March 1990, a day which will be remembered in the history of the world as one of the successes attained by the people of Namibia, the International Community and the United Nations. Independence, however, is usually only associated with political independence, but I wish to assure you that the government of Namibia realizes that political independence without economic independence is but a hollow independence that holds very little for the future. For us at the Department of Agriculture, a new era has started. Now the opportunity exists to try and lead our nation to economic independence. One of the main vehicles to attain this objective is through agriculture and agricultural development. For that reason I am rightly proud of the agricultural economists of Namibia who took advantage of this opportunity and managed to persuade the International Association of Agricultural Economists to hold this interconference symposium in Namibia this year, the first year of our independence.

The main theme of the symposium is 'Agricultural Restructuring in Southern Africa'. It is, once again, clear that agriculture holds the key to economic independence, not only for Namibia, but for all countries in Africa.

The policy and aims of the Department of Agriculture in my Ministry are the optimal conservation, utilization and recovery of our natural resources by way of scientific and functional assistance, enhancing the welfare and quality of life of our farming community in particular and all Namibians in general, and ensuring a meaningful existence for all citizens of Namibia.

Agriculture is very important to our new Namibian Republic. In 1988 the contribution of agriculture to the gross national product was only 10% and agricultural exports amounted to approximately only 12% of the total exports of our country. These figures may create the impression that agriculture is a very small sector of the country's economy, but since we are aware that the gross national product does not take account of the value of agricultural production in subsistence agriculture (since these statistics are not officially recorded) and, since we are aware that a substantial percentage of our population depends on subsistence agriculture, we fully realize the importance of agriculture to our country. In 1987, 59,1% of the economically active population of the country was engaged in and made a living from agriculture. It is, therefore, an accepted fact that the importance

of agriculture to Namibia cannot be over-emphasized.

Agriculture in Namibia consists of two main sectors, namely the communal sector where farmers farm mainly on a subsistence basis, and the so-called commercial sector which is mainly in the hands of the white farmers of our country. The communal farmers live in the northern parts of the country in Ovambo, Caprivi and the Kavango, herd cattle and goats on communal grazing, and plant grain crops on allocated fields. The so-called commercial sector of our farming community, with its sophisticated infrastructure and farmers owning relatively large farms, mainly farm with livestock. There is also a certain amount of agronomy and horticulture, with limited irrigation farming.

During 1988/89 the total gross farming income of Namibia was R478 million. The main products were:

Beef	60,1%
Mutton	16,8%
Pelts	7,2%
Game farming	4,6%
Crop production	3,7%
Fresh milk	2,6%

Of these we exported:

Beef	81,7%
Mutton	78,7%
Karakul pelts	100,0%

Namibia is, as everybody knows, not self-sufficient as far as food supply is concerned and during 1988/89 we imported agricultural products as follows:

89,5% of our wheat consumption
76,0% of white maize
91,9% of sunflower seed
59,2% of vegetables
48,0% of pork
16,3% of eggs

Regarding fresh milk, Namibia is self-sufficient. It would appear that Namibia produces approximately 50% of its staple food requirements.

As mentioned before, a grave imbalance exists in the farming communities of Namibia. The so-called commercial farmers have a fairly sophisticated infrastructure as well as fairly sophisticated farming methods, whilst the communal farmers and farming sector have very little infrastructure, if any. It is the policy of this government to do everything in its power to uplift the smaller farmers of our country and assist them with all the means at our disposal. We are planning development centres aimed at effective and functional services for farmers, extension services, demonstrations, training and education - which are extremely important - appropriate financial schemes, marketing schemes, as well as the opening up of new farming areas, including irrigation farming.

Namibia has a paucity of experienced and qualified manpower to achieve these objectives, and we will have to make use of outside assistance on the technical and financial side to help us eliminate the imbalance that exists in our country. I am pleased to mention that certain non-government organizations are already active in this regard, or will be contacted in the near future. We greatly appreciate the assistance of the UNDP, FAO, UNICEF, ILO, certain foundations, institutions, the International Co-operative Alliance,

Hanekom

SADCC, etc. with programmes to uplift the smaller farmers of our country.

Within the agricultural development programme, there is ample scope for private sector participation. In this respect certain negotiations have already been entered into between the government and investors in the private sector. Possible projects would include the development of agro-industries in Namibia, an aspect which has been neglected in the past.

The government intends doing its utmost to develop agriculture in our country. To this end agriculture's share in the 1990/91 budget has been increased to a total allocation of approximately 3,1% and the Ministry has been reorganized in two distinct departments, namely the Department of Agriculture and the Department of Rural Development - a newly created department that will be responsible for the rural development of our country. This department will also work in close conjunction with the Ministry of Lands, Resettlement and Rehabilitation. It is the undisputed policy of this government to work towards food security and food self-sufficiency for our people, the creation of job opportunities for everybody, including the unemployed, within the framework of agriculture, the creation of processing industries in various sectors of our agriculture, as well as the creation of future markets for our beef and mutton. In this respect I am pleased to tell you that we will be granted a substituted quota for export beef to the EEC-countries, to be marketed in terms of the Lomé Convention. I can assure you that the benefit that will result from this market allocation to Namibia will be used to the best advantage of the industry and for rural development in our country.

Namibia's agriculture has enormous potential, not only in its natural resources, but also in its farmers, the people of Namibia. There is room for many farmers to actively contribute towards the well-being of all Namibians. Of course some things will be different from the way they were before. For example, we will have to rethink the norms of what constitutes an economic unit, and, looking at the various themes to be discussed at this symposium, I am sure many new ideas and definitions applicable to Namibia and Southern Africa will emerge.

We are eagerly awaiting the proceedings of this symposium and especially the results of the concluding session on lessons for Namibia. I wish to thank each and everyone of you for your contribution towards this symposium and, in that way, your contribution towards the well-being and future of agriculture in Namibia.

*G J Hanekom
Minister of Agriculture, Fisheries, Water
and Rural Development, Namibia*