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AGRICULTURAL DEVELOPMENT PRIORITIES FOR NAMIBIA: THE LESSONS FROM LESOTHO

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INTRODUCTION

Three reasons lend urgency to this examination of a potential new future for agriculture in southern Africa. First is the independence of Namibia. Namibia stepped into the future on April 1, 1990. Our principal purpose in this paper is to look to that future, interpret the lessons of the past and suggest agricultural strategies that might contribute to Namibia's overall development program.

Second, there are growing indications that South Africa might unravel apartheid enough to again be accepted in the community of African nations. Given the size and strength of the South African economy, this trend will dominate economic events in southern Africa. Our second purpose, therefore, is to provide a partial basis for Namibia's response to these events.

Third, with few exceptions, Africa's agricultural and overall development track record is dismal. For over three decades, per capita food production has declined until "in the majority of African countries, the average per capita calorie intake has now fallen below minimal nutritional standards" (Todaro, 1989:296). Africa's vast farm, range, forest and water resources have yet to contribute fully to human welfare.

This situation cannot continue much longer without continent-wide instability and suffering. New and imaginative strategies are urgently needed. Thus, our third purpose is to identify approaches to agricultural growth that might have regional applications. One golden opportunity for Namibia is the chance not to repeat the mistakes that have become so apparent elsewhere on the continent.

Lesotho has struggled with its agricultural development since independence in 1966. In the process, several growth strategies have been tried. Some worked and some did not. While there are several agricultural parallels between Lesotho and Namibia, the principal justification for examining the Lesotho case is that the nation is caught in the sphere of influence of the South African economy, as is Namibia. This parallel has been strengthened with Namibia's admission to the Southern African Customs Union agreement (SACU). For both countries, the regional economy is more determinant than world prices. This economic immersion affects agricultural development policies and program options. It is especially difficult to adopt independent pricing and market policies. Yet there are also some unique opportunities. Lesotho has shown imagination and achieved considerable success in recent years. Because this experience offers useful examples, much of this paper rests on the Lesotho case.

THE DEVELOPMENT ENVIRONMENT FOR NAMIBIA'S FUTURE

Conditions in Namibia

Coping with population growth: Namibia's population is growing at three percent per year, three times faster than the economy of recent years (Tjingaete, 1989:52). Labor force growth will be very similar, reflecting the slightly lower population growth rate of fifteen years ago. Unemployment is currently 30 percent with the possibility of 50 percent by the end of the century being discussed (Tjingaete, 1989:53).

Several longer term development priorities are mandated by these demographics. In rural areas of the north, pressure on the land base for food production will continue to increase. And throughout the economy, job creation must rank as one of the highest development priorities. The agricultural sector must share in these goals.

Income inequality: Healthy, balanced growth for any nation requires the relatively widespread participation of all its population. Yet, income inequality is probably quite high in Namibia. President Sam Nujoma recently put the average white income at $16 000 compared with $63 annually for a black Namibian. Given the combination of a small modern corporate sector, a moderately sized urban population and a significant government payroll on the one hand with large numbers of subsistence farmers and even hunter/gatherer groups on the other, Namibia's income inequality might well be among the world's highest.

Agricultural potential: Conditions are less than ideal for agriculture in Namibia. Although it is the second largest nation in southern Africa, it is also the driest and in many ways the most remote. Like Lesotho, crop production is controlled by climate. Rainfall over most of the country averages less than 400 mm/year. Precipitation is also more variable than elsewhere in the region. Mean annual sunshine and solar radiation levels in Namibia match those recorded in the central Sahara, although temperatures are moderated by oceanic influences and the fact that 85 percent of the country is 1000 meters or more above sea level. Most of the country is desert, semi-desert or bush savanna (Schulze, 1972).

Agriculture's role in the future economy must reflect these constraints. At the broadest level, these factors point toward irrigated specialty crops and livestock husbandry. Namibia's current agricultural sector and much of its future potential rest squarely on cattle, karakul wool and other livestock enterprises. Lesotho's emerging successes with vegetables and livestock have much to suggest for Namibia.

Development assistance funds: With independence, Namibia faces a potential flood of foreign assistance funds. This occurs at the time when South Africa is retrenching its financial aid, currently over R300 million per year. The net effect, however, should be an increase in funds flowing to Namibia. With the increase in funds will come a restructuring of assistance. Development capital will likely increase while recurrent budget support (from South Africa) will shrink. Furthermore, instead of a single source of support, Namibia must now deal with multiple agencies, nations and procedures.

Similar, sudden increases in development monies have occurred in other southern African nations. Without belaboring the point, competition among donors, budgets with loose accounting expectations, large infusions of capital with little or no real cost, and projects without feasibility analyses are all too common in the region. Program management chaos normally ensues with predictable results. One can only hope that a forewarned Namibia will avoid this chaos and the social and economic disruptions it causes.

South Africa's re-emergence

Change appears to be underway at last in South Africa. Let us assume that President De Klerk can fulfill his promise of a new constitution with black enfranchisement in the next five years. The transitions implicit in De Klerk's commitment are enormous. If apartheid is erased and the resulting social order meets the expectations of the majority, four important political-economic consequences will likely follow.

First, a great deal of internal restructuring will preoccupy South Africa's economic policy apparatus for the next few years. Required changes will be vast, even dramatic. An internally preoccupied South Africa will have less interest in international cooperation, food aid for their neighbors, cross-border commercial ventures and the like. Countries which now depend on oscillating migration for employment will likely find most of these jobs pre-empted by South Africans.

Second, development assistance and private investment will likely be reallocated, both within the region and globally. Considerable bilateral donor money will flow toward eastern Europe, likely reducing amounts available for Africa. And within Africa, private investment will be attracted toward South Africa in the post-apartheid era. At least some of the capital that may return to South Africa will be cannibalized from funds that might have gone to other African nations.

Third, following Mancur Olsen's institutional theory of national emergence and decline (Olsen, 1982), newfound socio-economic participation by the majority could unleash a prolonged period of economic growth and innovation. Redistributed opportunities will move blacks into the economic mainstream. Pent-up consumer demand, long suppressed by poverty, could fuel an explosion of aggregate demand. South Africa could emerge once again as an economic powerhouse. Realistically, this development will likely be a second generation consequence of the end of apartheid, occurring at the earliest during the second half of the 1990s.

Fourth, an acceptable solution in the Republic should defuse tensions with neighboring nations and lead to more normal relations in the region. Economic integration will increase in the longer run, perhaps remarkably so. Economic gains from regional trade and specialization according to agro-ecological potential and relative production costs will become possible.

In short, we foresee at least five years of economic volatility, unpredictability and coping in the region. This could be followed by a longer period of sustained growth in the South African economy. During this second phase, regional economic integration will increase. Potential growth in South Africa could stimulate parallel trends throughout the region in countries that have not isolated themselves from the Republic for political reasons.

IMPLICATIONS FOR SOUTHERN AFRICAN AGRICULTURE

Price relationships and disincentives

As the region ultimately integrates in response to political rapprochement, South African farm prices will increasingly determine relative terms of trade for agriculture in surrounding nations. Rational food pricing for certain commodities in southern Africa is the South African farm gate prices plus margins for transportation, processing and handling. Economic integration will broaden this influence.

Unfortunately, South Africa's commodity prices reflect the basic structure of white owned agriculture and are often wholly inappropriate in the African small farm setting. While varying widely across the Republic, white farms average 1 134 hectares, capitalized with over one-half million Rands of equipment, buildings and permanent improvements. Wages paid to black farm laborers are significantly lower than those available in off-farm employment.

Further, the technologies on white farms are largely borrowed from the United States. Thus, farm machinery and equipment reflect economic conditions in the U.S.: abundant land, scarce and expensive labor, cheap fuel, high levels of government support for commodity prices, and often under-priced capital. As a result, farm gate prices in South Africa reflect a land-extensive, capital-intensive agriculture, which, ironically, utilizes the latest labor-saving technologies side by side with a severely underpaid farm labor force.

The price impact is especially acute in the case of cereals. This will be particularly true during the 1990s when a decade of above normal rainfall should raise average crop yields over most of the summer rainfall region in the Republic. When these price relationships are exported through regional economic integration, returns to small African farms are severely depressed. Farming one to four hectares at a net return to labor, land and management of, say, R50/ha does not provide an acceptable household income by itself.

Alan Low (1986:35-44) uses these price relationships to explain farm management choices in southern Africa. Low suggests that households will minimize the cost of subsistence (staple food) production by assigning only those household members to field work who are not more productive elsewhere. Faced with substantial differences between off-farm wage rates and returns to labor in African small scale agriculture, large numbers of rural households find that every able-bodied adult should work off-farm if possible.

Under these incentives, agriculture can become a neglected sector. In Ciskei, for example, 42 percent of arable fields lie idle while 94,4 percent of an average household's yearly income of R2 315 is derived from off-farm sources (Eckert, et al., 1988). In Lesotho, as South African real mine wages rose by some 300 percent in the 1970s, corresponding declines were experienced in sheep and goat numbers (39%) and total hectares planted (34%). Only cattle numbers, as a store of new wealth and not an agricultural enterprise, remained stable during the period. In 1975/76, an unusually bad crop year, crop-based incomes fell to an historic low of 6 percent of household income. In the face of much more remunerative off-farm (migration) alternatives, a national de-emphasis of cropping and small stock resulted (Eckert & Wykstra, 1982). Today, "the fact that the pricing of agricultural produce in Lesotho is heavily influenced by South African prices even though production costs are normally higher in Lesotho" is cited as a major problem facing Lesotho's crops subsector (Mhlanga & Khalikane, 1990:71).

Comparative advantage and development priorities

Combining the development environment with the price incentives described above, leads to several important implications for regional agriculture. We believe these implications are generalizable for much of the southern African region.

First, in southern Africa, small African farms will likely not have a comparative advantage in cereals. If planners can avoid fears of food dependency, social benefits can probably be enhanced by selective imports, at least, of maize.

Second, labor invested in full time crop production on small farms (<5 ha) will not provide adequate household incomes nor the basis for strong future income growth. While primary agricultural production is an important component of the whole, it is not, by itself, the solution to rural poverty. Off-farm employment must be developed either as the mainstay of rural incomes or as a supplement to farming returns.

Third, to avoid massive rural-urban migration in search of work, employment generation needs to occur in rural areas within commuting distance for the underemployed population. Among the benefits: families remain intact, incomes rise while the cost of living remains at village-based levels.

Fourth, although primary production of staples may not be the growth vehicle of the future, horticultural and specialty crops have strong arguments in their favor.

Fifth, consumer demand in South Africa is based on average incomes that are relatively high by African standards. In the case of food products, consumers are demanding increased processing, packaging and marketing services. Thus, the basis exists to export finished rather than raw goods, increasing the value added to what is produced in Namibia.

LESOTHO'S APPROACH TO AGRICULTURE

Lesotho's agricultural programs reflect several important institutional considerations often forgotten in the rush for visible and immediate production impacts. First, the approach by the Ministry of Agriculture, Cooperatives and Marketing (MOA) has been systematic and sustained, integrating several sequential steps over some 15 years. Second, one donor (the United States) has dominated foreign assistance to this sector for this same period. Thus the Ministry and USAID were able to plan and implement a longer term, integrated approach.

This approach began with staff and institutional development for the fledgling Planning Division of the MOA. An agricultural sector analysis project was undertaken within the Planning Division. Its principal output was a 20-year perspective plan (Eckert, et al., 1982). Another result of the sector analysis was an employment generation strategy recommended for all agricultural sector activities (Mochebele, et al., 1980) which was adopted as policy by MOA leadership. This research, along with his own in-depth views, was converted into policy recommendations to Lesotho's Cabinet by Permanent Secretary, Dr D. R. Phororo (1979a, 1979b). These collected analyses and recommendations provided the analytical base guiding agricultural programs and projects until the present.

In the arena of agricultural policy, Lesotho considered and rejected "food self-sufficiency", opting instead for "food security management". A new government agency was established to coordinate and manage food programs, including commercially imported supplies, concessionary food receipts, emergency supplies, storage facilities and distribution programs.

In cropping, Lesotho has moved in the same direction that Namibia must. The agricultural sector analysis set cropping priorities of: 1) increasing marketed surplus, 2) employment generation in farm production and agribusiness, 3) increasing the number of households that were internally self-sufficient in basic foods, and 4) relieving known nutritional deficiencies through dietary diversification.

To implement these recommendations, Lesotho emphasized market development, agribusiness and the private sector, confining government activities to services warranted as public goods. In the 1980s agricultural programs shifted from research and planning to production and marketing. Increasingly, households meet their maize needs from own production. Asparagus emerged as a labor-intensive export crop, involving over 1 000 producers, growing, canning and exporting 775 000 kilograms annually. Production of table vegetables has more than doubled in five years, gradually replacing imported produce in local diets.

In the case of livestock, although recognizing the important social and political roles of livestock, the government sought sweeping changes to the traditional Sesotho husbandry systems then in use. Controlled grazing, stock reductions, grazing fees, range improvements and stock culling were suggested despite frequent concerns that these were impossible in an African culture. Consistent with the emphasis on regionally differentiated strategies, livestock recommendations were divided between extensive grazing systems in the mountains and intensive, stall fed systems in the arable lowlands. After ten years of concerted effort results are beginning to bear out the promise suggested in 1980. A separate section on livestock appears below.

POLICY AND STRATEGIES FOR NAMIBIA

General development strategies

Much of Namibia's agricultural development program will be conditioned by the country's approach to overall economic development. Certain general policies are important to set an environment within which the agricultural sector can make its maximum contribution. Several of these are discussed here.

Institutions and manpower development: First on the development agenda, for little else is possible without it, is to build domestic capabilities in governance and public administration. In Lesotho, effective, culturally sensitive development programs were delayed until a significant cadre of trained Basotho were in place to assume leadership in their own affairs. The process took several years. Beginning with the MOA's Conservation Division in the early 1970s, each donor program included large-scale degree training programs. As the number of trained professionals grew, non-degree training was added for the acquisition of special skills.

The Planning Division was reorganized explicitly to increase its functional capacity (Moshoeshoe, et al., 1978). Reorganization of the Ministry itself followed. Twin objectives were sought: higher efficiency in government and a better ability to respond to the expressed needs of farmers. A Manpower Development Plan for the MOA was developed (Eckert, et al., 1982:300-330). Finally, the 1980s saw a shift in roles of donor-funded experts to secondary, facilitative and technical roles within the MOA, leaving the leadership and management to a capable staff of trained Basotho.

The employment-generation mandate: From the data presented above, it is clear that the need for jobs is severe and growing. Undeniably, this has to be one of the dominant objectives of overall development planning. Transferring this goal to agriculture specifies labor intensity in whatever enterprises and commodities are emphasized. It also suggests that agricultural planners in Namibia should probably place as much emphasis on the value added by and jobs to be had from processing and marketing of farm products as they do on primary production itself. Where commodities are produced for export trade, Namibia should seek to capture as much of the final processing as possible before the goods are exported. Lesotho's agricultural employment strategy (Mochebele, et al., 1980) could easily be adapted to Namibian conditions.

Decentralizing the economy: As with much of the Third World, Namibia faces serious issues of rural-urban imbalance in its development to date. And like most countries, despite the economies of industrial concentration and individual demands for urbanization, there is strong national logic in favor of economic decentralization in Namibia. Decentralization of non-agricultural economy can:

- Provide the needed off-farm income to rural residents.

- Allow workers to retain their village residence and the lower costs associated with village living.
- Diversify the economic base of local communities, insulating it from single source disruptions.
- Avoid the family disruptions of oscillating migration.
- Solve poverty in rural areas, where it is concentrated.
- Reduce unmanageable urban sprawl.
- Generate rural multipliers from rural incomes.

The priority of decentralization was recognized early in Lesotho. Interest in decentralization grew rapidly from 1978 to 1980, in part due to interest expressed by farmers in the National Agricultural Conference (Lesotho, 1979). In 1980, a National Workshop on Decentralization endorsed the concept and prepared a detailed series of internal recommendations to government for further action (Lesotho, 1980). This was followed by posting representative staff from key divisions of the MOA to district offices to put them in closer contact with rural clients. A new district of Thaba Tseka was formed in 1980 to better service the needs of the mountain regions.

A regionalized approach: One of the least recognized lessons from Lesotho is that generalized, nation-wide agricultural development programs are often not as effective as programs designed specifically for the unique agro-climatic and other conditions of individual regions. Specific programs for Lesotho's different agro-climatic regions have been an important improvement in Lesotho's agricultural program effectiveness. Namibia's spatial distribution of resources, urbanization, climate and ethnic groups strongly suggests that regionalized agricultural planning will be key here as well. A first step is to regionalize the data base for agricultural planning and to quantify existing regional differentials.

Tapping South Africa's consumer demand: Much energy has been spent in the last decade by the front-line states to decouple their economies from South Africa. One must question the future viability of this strategy in light of recent changes in South Africa. Tjingaete (1989:56) points out that in Namibia, "trade with South Africa is rejected on political grounds only", suggesting that politics overrules economic logic on this issue.

An important planning consideration is the limited size of the Namibian economy which is ultimately based on less than two million consumers. Expanding the aggregate demand facing Namibian producers is crucial for adequate income and employment growth. Unfortunately, trade potential with most nearby states is limited for the near term. European markets are prohibitively distant for many commodities. And, finally, Namibia is better connected logistically with South Africa than with any other nation.

Obviously, if South Africa achieves a democratic society, the reasons for avoiding that market disappear. Linking Namibia's economy to South Africa's will then not only be logical but highly desireable in order to tap into the boom in consumer demand that could follow. Tjingaete (1989:56) supports current economic links as follows:

"One day South Africa will have a majority - and hopefully democratic - government, at which time point the question of relinking the economy will re-emerge. But the cost for Namibia of decoupling its economy from South Africa now, then trying to recouple later, will probably be too high. So I would support modification and intensification of trade links, assuming South Africa will not be a racist state indefinitely, and **given the limited size of Namibia's domestic market**" (emphasis added).

Roles for the agricultural sector

Within these general parameters and given the economic straitjacket imposed on Namibia from across the border, the roles of agriculture in overall development need careful definition. First, "food self-sufficiency" from domestic production is probably not an appropriate goal for Namibia. Social welfare can be substantially increased importing cheap maize and/or other staples from South Africa and elsewhere.

Management for food security, however, is an important, even necessary goal. Food security implies a complex set of decisions, integrating domestic production, imports, storage and distribution, commodity forecasts, forward contracting, and other components. Its purpose is to ensure a stable and adequate food supply without temporal or spatial shortages.

Increasing local staple production can be a valid goal, but primarily in the context of meeting home consumption needs of those households which choose to farm. The problem for program managers is to identify households that are serious about farming and to develop interventions that fit within their resource mixes and managerial capabilities.

Vegetables and other perishables are perhaps a more important dimension of a "production for home consumption" thrust. The distances involved in distribution and retailing in a country as vast as Namibia suggest that substantial losses and wastage occur when importing perishables, thus raising their real price. Hence a niche exists that justifies local production. Another role for small-scale production is intra-village trade and cash generation. Vegetables, poultry, eggs and other selected enterprises have roles to play. Importantly, these are usually managed by women and provide vitally needed incomes to individuals not fully involved in wage employment.

Equally as important as food production, the agricultural sector must be harnessed to create jobs widely spread throughout the nation. Forward and backward linkages to input and output agribusinesses are critical. Agriculture's role as the cornerstone of an integrated agricultural industry, capturing the value added from processing, marketing, input supply and farm services within Namibia's borders may exceed its role as a primary food producer.

A priority for vegetables

Vegetable production offers several potential contributions to agricultural development in Namibia. First, vegetables are labor-intensive. Second, they counteract regional and seasonal nutrient deficiencies in diets. Third, household gardens offer cash incomes to village women who have few other alternatives. Fourth, locally produced vegetables substitute imports. Fifth, vegetables support secondary enterprises.

Lesotho has tested several vegetable production and marketing strategies. In designing vegetable programs, two distinct farm groups were targeted. These were private vegetable producers in male-headed households and collective vegetable producers associations among resource-poor households headed by women. This dual focus has successfully met the specific needs of each group. Production more than doubled in recent years.

The vital private sector

A major lesson from Lesotho is that government is seldom an effective substitute for the private sector for the many functions of input supply and product processing and marketing. Lesotho attempted for several years to meet these needs through government agencies and parastatals under government control. An abattoir, dairy processing, a flour mill, tractor plowing services, fertilizer distribution, veterinary services and other functions were involved. The government found itself burdened by high costs, system inflexibility and operational inefficiency, to say nothing of farmer distrust of the government when it could not deliver the goods. In the process, much of the earlier private sector disappeared.

Lesotho now seeks to reverse this policy and is paying the costs to undo what it has wrought. A formal three stage program is underway to privatize Co-op Lesotho, formerly the government's main agricultural marketing arm. Similar programs are being designed for other agencies.

The recommendation from Lesotho is clear. Commercialization and privatization should be encouraged right from the start. In most cases, competition is healthy and should be encouraged. Monopolies may be considered on a case by case basis, especially in the early stages of growth when local demand is limited and duplication raises costs prohibitively. Several important elements are needed throughout southern Africa to stimulate the private sector. These are: 1) wide-spread business management skills, 2) capital made available for small enterprises, 3) an adequate transportation and communication infrastructure, and 4) a supportive legal and policy framework. Each of these can be addressed within development program priorities.

LIVESTOCK: AFRICA'S NEGLECTED SECTOR

Livestock husbandry continues to capture the interest and attention of the peoples of southern Africa. The ecology, and natural resource constraints of southern Africa limit much of the region to range and pasture-based agriculture. Yet, despite the obvious arguments for environmental and comparative advantages supporting animal agriculture, donors spurn livestock and range projects throughout Africa. Their rationale includes: 1) too many past failures, 2) the futility to date of the search for an appropriate program design, and 3) the presumed impossibility of improving the management of a communally utilized range under African cultural traditions.

Despite these real or imagined difficulties, neglecting livestock and range potential promises an "opportunity loss" for development in southern Africa. The culture of the people is closely intertwined with livestock. Rural society is integrated and vitalized by relationships embodied in traditional livestock husbandry practices. Livestock often form the only realistic means of long-term wealth accumulation. Milk, meat, hides and skins, wool, mohair and other products are major GDP components in several African countries. These and other considerations strongly suggest emphasizing, not neglecting, livestock resources.

The importance of livestock programs is particularly strong in Namibia where "Livestock farming contributes about 98 percent to the gross value of commercial agriculture. Among the livestock products, cattle and karakul made up about 80 percent in the 1970s." (Thomas, 1983:55).

Even with the potential advantages from livestock development, there are problems. First is the problem of animal numbers. Too many livestock crowd the ranges of southern Africa. Denuded ranges and massive soil erosion are the common result. As ranges deteriorate, animal nutrition suffers. Milk production declines, slaughter weights drop and poor quality hides and fleeces fetch low prices. As the animal population suffers, so do the people who own them.

Lesotho's experience in rangeland management provides hope that, despite these problems, livestock improvement programs are feasible in southern Africa. Fully 80 percent of Lesotho's land area is range land, only marginally suitable for cropping, while Namibian conditions exceed this percentage. The Ministry of Agriculture created a new Range Division in the early 1980s. Ministry staff have worked out an experimental approach for a) controlling livestock numbers, b) culling to increase genetic quality and c) increasing marketed offtake. In one district, the Range Division worked with the Chieftainship to create a Range Management Association in 1983 controlling 33 000 hectares of mountain pasture. The association has three purposes: 1) to increase the productivity and incomes of livestock producers, 2) to facilitate commercialization of the extensive livestock industry while at the same time satisfying the subsistence needs of rural households, 3) to allow the management of natural resources in a manner which is sustainable and socially acceptable to rural Basotho (Lesotho, 1989).

To date, significant progress has been made in several key areas. The "grassroots" Association has emerged as a viable administrative entity. Locally elected leadership manages the affairs of the area, dividing the range into winter and summer rotational grazing areas, providing improved breeding stock, cattle culling and increased marketing. The association's most notable impact has been the substantially improved range condition over the entire area (Mhlanga & Khalikane, 1990). The Lesotho Government has now expanded the Range Management Association concept into three additional areas of the country, covering a total of 130 000 hectares.

In addition to the Range Management Area initiative, the Government of Lesotho entered into a policy reform program in 1988. This program is designed to develop a national grazing fee system. It will be implemented through the Range Management Associations to maintain its base of popular support. It is expected to have significant additional impacts on cattle culling and increased livestock marketing.

Future livestock improvement programs in Lesotho will include the intensive production of poultry, dairy, pigs, feed lots and stall feeding for beef cattle, sheep and goat finishing and intensive fat lamb production. Many of these activities will be directed at households headed by women.

FINAL CONSIDERATIONS

Coping with regional uncertainty

The next few years may see uncertainty within the region as South Africa adjusts to its new future. The immediate future may be a period of intense inward focus in South Africa. Viewed from the front-line states, this period might appear as isolationism. Economic overtures to neighboring states could wane. Internally, South Africa's agricultural production could fluctuate significantly, as could food prices.

We firmly believe that in the long run, expanded economic ties with South Africa will benefit Namibia immensely. However, we also feel Namibia must insulate itself from the uncertainties of South Africa's internal transition. The principal strategy must be to **supplement** South African economic contacts with additional economic ties. Trade with Europe could be expanded. Expanded trade and commercial links with several southern African neighbors are desireable. Now would be a good time to begin developing these, perhaps with Botswana, Malawi and Zimbabwe receiving top priority.

Finally, donor funding and food aid can provide a buffer against regional uncertainty. While we seldom recommend this elsewhere, for the near future some reliance on donor support may be warranted for stability. However, this dependency must be only temporary.

Donors, also, can be fickle.

Agricultural policies and rural participation

Two additional considerations are important for the future health of Namibia's agricultural sector. These lessons should be obvious but have been ignored all too often in Africa.

First, agriculture can be either stimulated or stultified by the nature of agricultural policy. Farming is a business, and if it is to thrive, it must be supported by a nurturing web of well-designed agricultural policies. Yet, policies that ignore world prices, favor urban consumers at the expense of farm producers, distort price relationships for whatever reasons, tax farm producers excessively, ignore distributional consequences (or worse, serve a selected few) are common on the African continent. The three-decade decline in per capita food production can be traced directly to faulty policies and dysfunctional or prejudicial rural institutions.

The same can be said about both donor and local government development programs. Africa is littered with the remains of programs which failed, or succeeded with undesirable objectives. Decades of development efforts, of lives and money, have been squandered where program designs were faulty.

The second thought, and a possible cure for the first, is that development programs must be firmly rooted in the will of the people. In Lesotho, this was accomplished through several innovative processes. Among them were the National Farmers' Conference initiative (Lesotho, 1979) and the decentralization program described above. Farmer involvement and control of development programs was achieved through Village Development Councils, District Agricultural Marketing Committees and other village or district level institutions such as the Range Management Associations and the several commodity-based farmers associations for wool and mohair, vegetable or fruit production and marketing. When rural people join to identify development priorities, design and implement programs and distribute benefits, rapid, humanitarian growth is possible.

Namibia, with its democratic beginnings, has the precious opportunity of creating a participatory agricultural development process which can not only increase its peoples' welfare but also integrate and vitalize the nation. We extend our congratulations on this new nation's birth and our best wishes and support for the exciting challenges ahead.

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