

LAND REFORM CONFERENCE

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WINDHOEK

25 JUNE - 1 JULY 1991

PAPER DELIVERED ON BEHALF OF  
THE CHAMBER OF COMMERCE AND INDUSTRIES

Right Honourable Prime Minister (Mr Chairman), Honourable Minister and Deputy Minister, Mr Speaker, Your Excellencies, fellow-delegates and invited guests, and representatives of the media:-

The Chamber sent out a questionnaire to all members to gauge their attitudes and approach to and on land reform. All of the answers were considered in the drafting of this paper. By and large, however, the thoughts I share with you on behalf of the Chamber, do not necessarily reflect the viewpoints of all individual members.

1. The Future: A Viable Scenario

This conference is about reform. Reform implies change, change requires future thinking. The issues at stake are charged with emotion, because change is always traumatic. The odd few still fear change. Others demand change. Regardless of political differences, the people of Namibia fought, struggled or campaigned for change.

The C.C.I. suggests that this conference is not only about exchange or re-allocation or re-distribution of land.

The C.C.I. recognises that this conference is also about reform in its widest context:

- o reform (change) of attitudes
- o reform (change) of relationships
- o reform (change) of policies
- o reform (change) of labour practices

Reform - change - merely for the sake of change, however, could be counter-productive.

Reform needs to have past experiences and present conditions as data base, but never at the peril of ignoring the need to ensure a better future.

What is a "better" future?

Better education for all.... equal opportunity for all... better living standards .... maximum employment ..... peace and harmony..... these and many other expectations will be forthcoming.

As businessmen we continuously strive to help Government achieve these goals. And we take pride in our President, His Excellency Dr Sam Nujoma, having identified the private sector, ever since Independence, as "partners of Government".

It is as your partners then, Mr Chairman, that we wish to plead that reform action - in this instance with regard to land - should not lose sight of the need for realistic planning in order to ensure economic stability.

The cake must not only be equitably shared on an enduring basis. The cake must also be made bigger all the time to ensure that future generations will not have to be satisfied merely with the crumbs.

As it is the cake before us now is not big enough to satisfy every Namibian's present needs. So any planning, any reform or re-alignment of resources, must be aimed at rapidly ensuring bigger and more widely-spread wealth.

The issues before this conference and the decisions which will flow from this conference could be decisive to the economic future of Namibia - because the degree to which land is used profitably and productively, will largely determine the economic future of the vast majority of our people.

2. ACTION REQUIRED

2.1 The development of the northern communal areas should receive the highest priority attention

This is not defensive talk aimed at "protecting" the more developed Central and Southern regions. And the C.C.I. leaves it to those more directly involved to argue the issues regarding commercial land.

The need to bring the infrastructure up north on par with the central and southern regions should be argued and substantiated almost exclusively on economic grounds.

Decentralisation which provides profitable development and use of land, be it for farming, or for industrial purposes, creates local wealth. The promotion of local initiative in turn leads to increased jobs opportunities, better educational and recreational facilities, and eventually to the attainment of the "better way of life goals".

- o The northern communal lands are, contrary to general perception, - water-rich..... only a fraction of the Kavango-Ovambo regions water potential has been "tapped";- the water potential in the rest of the country is too low and unreliable for consistent and full utilisation of land.

- o Land reform in the northern areas, supported by adequate infrastructure should encourage not only rural and farming development, but also be aimed at drawing local and foreign investors and entrepreneurs.

2.2 We must create a finance and loan system adapted to suit the acquisition of land by all capable, hard-working and responsible persons. Affirmative actions are also required to gradually even out imbalances created by past legislation. Categories of interest rates on loans for farm land, which favour the less affluent, can be introduced for this purpose.

( Such subsidies must however be reasonable flexible and reviewed regularly in terms of recipients improving circumstances, not forgetting that any subsidy/incentive given to the land reform process creates negative impact in other areas of economic endeavour. )

2.3 Productivity in the commercial farming sector must be improved. Incentive measures such as lower interest rates to promote production and job opportunities, must be introduced to ensure that development takes place.

3. PROPOSALS FROM REPLIES TO QUESTIONNAIRE

3.1 Land ownership (Denied)

With very few exceptions C.C.I. members agree that fellow Namibians, who were deprived of land and home ownership before independence, should be given and assisted in the opportunity to become productive on the land as soon as possible. Definition of a viable economic unit is essential. The C.C.I. leaves this definition to agro-economic experts.

3.2 Land ownership (Business)

On the question (if your business owns land, will you be prepared to offer land for reform or resettlement purposes) 58% of the answers were "yes".

3.3 On the question of whether private business and industries should be allowed to own land, the affirmative answer was over 80%. Whilst there could be arguments in favour, based on economic benefits, the Chamber realises that in order to meet expectations and redress past imbalances Government is unlikely to agree to unrestricted land ownership by businesses and industries. Here again "partnership-with-workers" on some sort of profit-sharing incentive basis may satisfy both the need to redistribute land, yet maintain economic viability. (Profit and job creation are also obvious objectives).

The point was made that companies have funds to develop infrastructure on farms, can afford to maintain infrastructure and housing and pay "a decent wage". (World-wide experience has shown that the larger the company involved in farming development, the greater the potential for increasing job opportunities and for providing adequate infrastructure, housing etc.)

We admit that this is not so throughout Namibia and that "a decent wage" must strike a balance between maximising the affordability of labour and being adequate to meet the individual's requirements of "a better way of life".

(It has been suggested that Government could consider encouraging companies through various incentives to develop "partnership ventures" run along business lines. Workers would be taken in as "partners", with ownership of their own land, and a share in the profits.)

3.4 On the question whether land-distribution will narrow the income gap, 64% said "no". The majority appear to judge by Western standards - the Chamber Executive feels that the "denied" farmers should be given a chance to prove themselves provided they are assisted, not only materially, but also vocationally.

3.5 How should communal land be developed?

The recommendation to introduce private land ownership was supported by 83%; 35% supported co-operative systems.

3.6 How should land be regained for reform purposes?

The recommendation by C.C.I. members was 86% in favour of the "willing buyer and willing seller" principle.

#### CONCLUSION

In conclusion, then, Mr Chairman:-

- o The Chamber of Commerce and Industries holds the core values, such as ancestral rights and regional authority vested in headmen and chiefs in high regard. In this respect the Chamber needs to point out that private ownership is the key element of innovation and economic development as well as a more favourable guardian of the environment.

- o We cannot and may not hide the fear which some forty percent of Chamber members expressed, (through the questionnaire), that land reform could be practiced in such a manner that it will endanger an economically stable future, to the detriment of all Namibians.
  
- o The Chamber feels strongly - and is unanimous on this point - that land reform should not in any manner encroach on the conservation of Namibia's irreplaceable natural heritage, ie our environment and ecological treasures.
  
- o Government since independence and more particularly recent events such as the Budget and trade and industry policies as outlined by the Honourable Minister have increased our confidence in Namibia's economic future.

A final word of sincere thanks and appreciation to my colleague and co-member of the advisory committee, Mr Manfred Redecker who did most of the spadework for this paper — and to Mr Don Russell, CCI Chairman and his Executive for their valuable and constructive input.

Honourable Chairman —

May land reform serve to further secure and progressively enhance the social and economic future of our country.