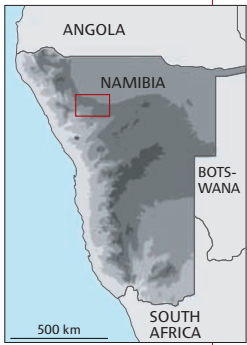


Economic trends and coping strategies in the history of European farming in northern central Namibia



This study explores the history of European farming in the Outjo district, which is situated in northern central Namibia and borders the Etosha National Park in the north. European settlement in the area began slowly to develop around the turn of the 19th century (cf. DIECKMANN, this volume). The economic strategies employed by the farmers changed considerably over the last century. This was due to the infrastructural development, changing politics, markets and natural conditions and to the specific risks as well as the arising options to cope with these risks. By and large, an economic trend is evident, in which a diversification took place during the first half of the colonial period while an increasing specialisation was prevalent in the second half. Changes brought about since Namibian Independence in 1990 necessitated and facilitated new strategies of diversification¹.

Changing economies

In the beginning of the agricultural development of the land in the district² the potential settlers – entering either from Germany or from South Africa – were confronted with an alien environment, unpredictable and highly seasonal rainfall, wild animals, a low population density and little visible human impact on the land. In short, many of them thought of themselves as pioneers in a ‘wilderness’.

The major challenge for the incoming farmers was the erection and development of the farm in this unfamiliar landscape. When they arrived, the ‘farm’ often only consisted of a surveyed area with cornerstones or other signs indicating the borders, without housing, sometimes even without any water. Thus, the construction of houses and wells, the drilling of boreholes, the instalment of wind pumps, the building of dams and fenced encampments for the animals, etc. were the first steps to be taken³. Incoming settlers frequently lived the first years in quonset huts, the structures for livestock having priority.

In German colonial times, the agricultural practices in the district were mainly confined to the farming of livestock, both large and small. By 1902, about 3,000 cattle were

reported to be in the district (KRUGER n.d.: 16) – the number most likely referring to cattle belonging to European farmers. From the beginning, district officers and farmers undertook experiments with stock-breeding to improve the adaptability of imported foreign races. Already during the German time, a number of karakul sheep were imported into the territory and they adapted well to the local conditions. As elsewhere, experiments with the production of cash crops were started, e.g. tobacco, cotton and fruits, did not really prove successful. Small-scale horticulture provided the vegetables for household consumption.

During the South African period, stock farming continued to be the predominant mode of agriculture in the district. Still, it was for a long time accompanied by dairying, horticulture with vegetables, as well as a smaller number of hectares under staple crops, mainly for household consumption. Thus, a certain degree of diversification was evident. Indeed, the annual report of the land branch for 1938 recommended that farmers should combine karakul pelt farming with the rearing of slaughter stock and the production of cream⁴. The farming of karakul sheep became increasingly significant from the 1930s on due to international markets and the adaptability of the karakul sheep (SCHMOKEL 1985: 100). Especially the dryer western part of the district was suitable for sheep and the majority of farmers also kept karakul sheep (Fig. 1).

With the expansion of the livestock industry, it became important to develop an orderly marketing system for livestock and pastoral products. Several ordinances were already passed in the 1920s and control boards for meat and dairy were established in the early 1930s. Beside the beef and pelt industry the marketing of milk and milk products played a vital role in the economy of the territory as a whole and the district in particular. In the 1930s, butter was not only exported to South Africa, but also to England, Rhodesia, the Belgian Congo and French Equatorial Africa (see LAU & REIMER 1993: 15ff). Apparently, almost every farmer in the district supplied milk for the market. Both cheddar and sweet-milk cheese were manufactured by the S.W.A. Cold Storage and Stock Farmers LTD in a factory at Outjo.

From the 1950s onwards, however, this combination of various lines of production declined and beef and karakul pelt farming became the dominant strategies. LAU and REIMER speak of “karakul or meat monocultures – heavily capitalised industrial ranches” mainly due to South Africa’s market interests in the territory (1993: 57f). Several ordinances were passed and subsidies introduced, which mainly focussed on cattle farming. The role of the dairy industry



Fig. 1 Herd of karakuls (‘Bildarchiv der deutschen Kolonialgesellschaft, Universitätsbibliothek Frankfurt am Main’).

decreased drastically in the 1960s, because of rising beef prices, and lower dairy production costs in South Africa (LAU & REINER 1993: 20). According to interviewed farmers, however, dairy production also proved to be an unsustainable form of agriculture in the district and caused serious overgrazing and bush encroachment. A raising awareness for environmental issues on the governmental side at least coincided with this development (BESTER 1995: 93, see also BOTHA 2005). In any case, the cheese factory in Outjo was closed and farmers concentrated solely on cattle and karakul farming.

Prosperous as the karakul farming might have been during several decades, it did not last long either. With the complete collapse of the karakul pelt market in the beginning of the 1980s, and increasing bush thickening, the majority of farmers switched to beef production only, complemented by a couple of meat sheep as well as goats, mainly for household consumption.

Hazards, coping strategies and a supporting state

Of course, changing economical strategies partly constitute already long-term strategies to cope with certain hazards, both political and environmental. However, there were many other strategies, often more temporary and short-lived, that farmers employed to deal with specific hazards.

In the beginning of agricultural expansion, the protection of the herds – cattle, sheep and goats – against stock diseases, many of which had not yet been clearly defined and could not be successfully combated was one major problem for the stock farmers. Poisonous plants in the veld constituted a further risk. Veterinary services were established to support the farmers in overcoming these problems and vaccinations against various diseases were developed. According to the interviewees, vaccination against Osteomalacia (Lamsiekte in Afrikaans), one of the major threats for the animals, became available in the early 1940s.

The protection of the livestock against wild animals gave the farmer a further problem, which was partly prevented but never completely controlled by keeping guards, building kraals from thorn bushes and later fencing.

Throughout the years droughts were one of the major hazards for livestock farmers. According to the interviews up to date, the worst droughts before Independence remembered by the farmers were the drought in the early 1930s, which coincided with the depression, the drought at the end of the 1950s, beginning of the 1960s, which was accompanied by an outbreak of hoof-and-mouth disease in the second year, and the droughts in the early 1970s and the early 1980s. During drought periods, a considerable number of farmers trekked to other areas, i.e. east of Kamanjab, east of Grootfontein and the so-called Mangetti Block as well as the Etosha game reserve. At times, emergency grazing was supplied by the government on unsurveyed crown land⁵, on occasion, farmers hired grazing from private owners. Trekking was not without risk, some farmers reported having suffered from a considerable loss of animals in particular due to the occurrence of poisonous plants in the area east of Grootfontein and the Mangetti Block. The poisonous plants (e.g. *Dichapetalum Cymosum*) caused the death of the animal after drinking.

The only strategy that could be employed was to hold back the animals from drinking for about 24 hours.

Farmers' networks, i.e. the Farmers' Associations also played a crucial role in assisting the individual farmers. First of all, the regular farmers' meetings of the particular Farmers' Association predominantly served for information transfer, national and international experts were invited to inform them on specific topics, breeding races, veterinary recommendations, etc. Alternative access to new information and the latest research results – either through regular visits to town and mouth-to-mouth diffusion or via newspapers, internet, etc. – was limited. Additionally, the associations were also mutual support networks, the members were organised and prepared to help each other, primarily in the case of bush fires.

Despite the generous conditions for loans⁶ and advances (e.g. for stock, implements and machinery) provided for the Land Settlement Programme and the Landbank (see e.g. BOTHA 2000, SCHMOKEL 1985, SILVESTER 1998), it seemed difficult if not impossible for a lot of the farmers to develop and maintain their farms without additional income. My interviews with farmers in the region revealed that many of them earned an additional income, temporarily or continuously especially as long as they still had to pay off the farms or other loans, or in times of drought. They worked as drivers, road constructors, cattle inspectors, or they earned an income by building fences, drilling boreholes and helping out on other farms. Some had permanent employment in town, and came to the farms just at the weekends leaving the farms to workers during their absence. However, the precondition for loans from the Landbank was permanent occupancy of the farm. This was controlled by regular inspections on the farm. Thus, farmers with Landbank loans had either to apply for exceptions, which were sometimes given for a short period of time or they had to change to private banks with less favourable conditions.

Throughout the time of the South African Administration, state support of commercial farming played a crucial role in the farm economy⁷. With the establishment of the Mandate in 1921, the land settlement laws in force in South Africa were applied to the territory, and a land board was established to smooth the progress of settlement (EMMETT 1999: 93). Very generous conditions (e.g. low minimal capital requirements, loans for building dwelling homesteads, advances for camps, kraals, reservoirs and dipping tanks) were provided for new settlers. Besides these general measures aimed at encouraging and facilitating the settlement of white farmers in the country, the state also helped with emergency programmes in the case of severe crises or prevention programmes (above all in conservational issues). For instance, in 1952 the Farmers Interests Fund was introduced. It provided measures to combat soil degradation and an array of additional support measures, such as subsidies and loans for dams, boreholes, water installations or fences (BOTHA 2000: 266). During the major crisis of 1959-63, when the combined effects of prolonged drought and the outbreak of hoof-and-mouth epidemic affected the farming operations in a devastating way, the administration assisted in various ways to buffer these effects, e.g. with the provision of money for the repayment of obligations to private creditors and for livestock feed, and special rehabilitation loans for restocking⁸. Also

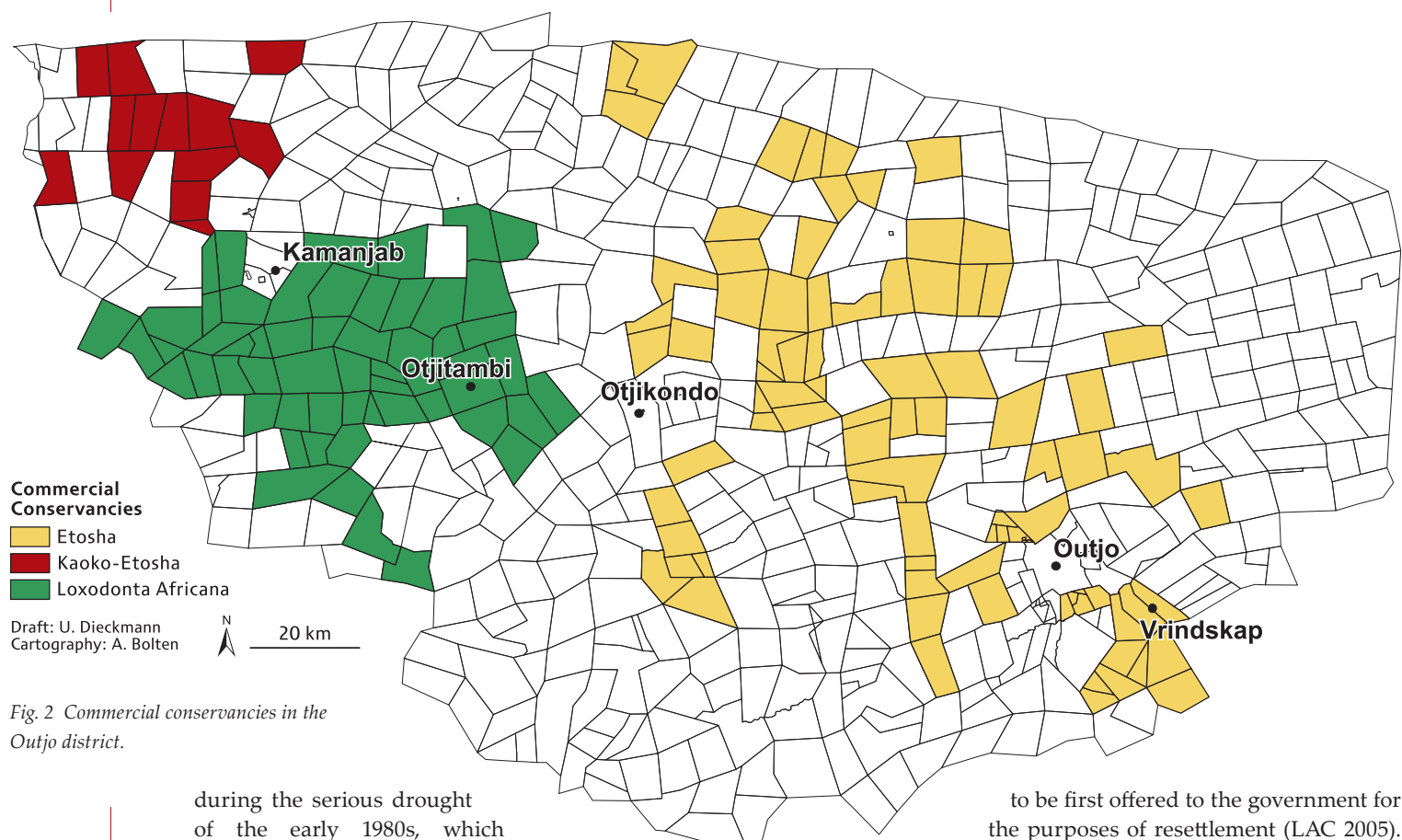


Fig. 2 Commercial conservancies in the Outjo district.

during the serious drought of the early 1980s, which coincided with the collapse of the karakul market and a drop of cattle prices on the South African market, the administration granted comprehensive assistance to the farmers (see BOTHA 2000, SCHMOKEL 1985: 106). Schmokel, who looked closely into the economy of the commercial agriculture in Namibia during colonial times concludes that “objectively seen, the farmers as a group, for all their hard work, were pensioners of the state, which placed and maintained them on the land for political reasons” (SCHMOKEL 1985: 106). The farmers themselves would not agree with this conclusion, stressing their own effort to build up functioning farm enterprises as well as the difficulties they faced saving the money to pay back their loans. Notwithstanding the favourable conditions for white farmers applying for loans and subsidies as well as the availability of a cheap labour force, farming in the Namibian environment remained a difficult and risky enterprise. And – as the frequent changes in farm ownership evident in the data from the deeds office indicate – many farmers indeed failed in their attempts to build up a sustainable farming business.

Independence and the impact on the (White) Farmers’ Community

With Namibia’s independence in 1990 and the termination of the Apartheid legislation, major changes occurred in the political economy which affected the farmers of European origin. Key shifts took place in the policies of land and commercial agriculture as well as legislation concerning labour relations.

With the implementation of the Agricultural (Commercial) Land Reform Act in 1995 (amended several times since then) the new government tried to address the inequitable access to commercial land ownership. The most essential component for the already operating commercial farmers was the provision that any commercial farm to be sold has

to be first offered to the government for the purposes of resettlement (LAC 2005).

Furthermore, the Act, as amended in 2003, prescribes that any farm, identified as suitable for the resettlement of the landless and poor may be expropriated following certain procedures (for details see LAC 2005: 18ff). Although expropriation up to now has been limited to three farms, expropriation is perceived as a new risk by many farmers. The spectre of violent farm expropriations in Zimbabwe simmers in the background of discussion. The risk of expropriation is brought forward as an argument for no longer investing in the farms. Additionally, the requirement of the Act that all commercial farmland sold must first be offered to the government has brought about several changes. Formerly, farmers frequently sold their property to their children (who usually applied for loans from the Landbank for that purpose) to obtain financial security for their old age. A lot of them bought a house in town, where infrastructure was better and medical aid closer. At the same time, they made sure that the farm was kept within the family. Although this kind of intra-family transfer is no longer assured, farmers apparently found strategies to bypass the new regulations, at least for a while. Until 2002, when the Agricultural Commercial Land Reform Amendment Act 13 of 2002 was passed, land transfers declared as donations to Close Corporations were exempted from the provisions of the Act. It is interesting to note that there was an increase of over 250 % of corporate registrations between 1994 and 1995, when the reporting of sales became mandatory (LAC 2005: 25). A majority of the transfers categorised as donations were actually done to avoid the provisions of the 1995 act.

With the passing of the Labour Act (No. 6 of 1992), implemented to improve the working conditions of employees, a set of minimum conditions relating to working hours, housing, leave and remuneration practices was prescribed. During colonial times, commercial farmers usually relied on several (often between five and ten) farm labourers,

most of them without any formal training but with lifetime experience as farm workers. They used to live with their (at times extended) families and a small number of livestock on the particular farms. Farmers provided individually varying weekly or monthly rations consisting mainly of mealie meal, tea, milk, sugar, tobacco (as well as occasionally meat) and paid a small amount of money. The new law meant a significant increase of the labour costs, made investments in workers' accommodation necessary, etc. Farmers reacted by employing less but more 'professional' workers, and to using more seasonal and casual labour when additional labour was needed. Nevertheless, many farmers fear problems with their farm labourers, who may go to the labour inspectors and complain about working conditions or make (true or false) allegations about how the farmer treats them. Thus, this new kind of labour relations contains a new or at least remarkably augmented risk for the farmers.

The readjustment of the agricultural sector to free-market constraints and meat prices not increasing parallel to the rise of living costs caused a lot of farmers to incorporate tourism into their farm business, either in the form of hunting farms or guest lodges. The closeness to the Etosha National Park and other tourist sites is backing up this development. White commercial farmers nowadays often combine some kind of tourism business with animal husbandry⁹. Thus, a new diversification is observable. Charcoal production for export is another rather recent economic strategy supplementing animal husbandry and combating bush encroachment at the same time¹⁰. However, international markets for charcoal are apparently not very stable.

The relevance of Farmers Associations with regard to information transfer decreased with the general improvement of communication infrastructure. However, the Associations still play a vital role, because they form part of the Namibian Agricultural Union (NAU), which is the official instrument of the commercial farmers to lobby for their interests and negotiate with the government. The development of new networks is also observable, namely the establishment of conservancies on commercial land. A conservancy is "a legally protected area of a group of bona fide land-occupiers practicing co-operative management based on: (1) a sustainable utilisation strategy, (2) promoting conservation of natural resources and wildlife, (3) striving to re-instate the original bio-diversity with the basic goal of sharing resources amongst all members" (Conservancies Association of Namibia, CANAM http://www.canam.iway.na/Who_is_CANAM/body_who_is_canam.html, access date: 3/8/2007). Hunting farms, guest farms as well as livestock farms can all become part of one single conservancy. Currently there are three conservancies in the Outjo district, the Etosha conservancy alone has currently 53 members (see Figure 2 with all the three conservancies).

Conclusion

It has to be stressed that this article reflects work in progress and many changes and coping strategies could not be touched upon at all. Evidently, political, economical and natural factors are closely intertwined in constituting risks as well as opening up options for the farmers¹¹. Natural hazards, such as droughts, were for example buffered by political measures for some time. On the other hand,

political interests (e.g. South Africa's interest in Namibia's meat production) partly caused environmental changes (e.g. overgrazing and bush encroachment) which were met again with political measures. In any case, it should have become clear that the vulnerability of the farmers in the Outjo district – and to some extent this holds true for the whole country – changed enormously during the period under examination. Some risks – natural, economical and political – are permanent (e.g. droughts, dependency on certain markets) or materialise regularly. Coping strategies vary to a certain extent, but often there is only a limited set of options on how to react (e.g. diversification, leasing of additional grazing). Other hazards are unique for a specific period of time. For example, the insufficiency of veterinary knowledge caused disastrous damage in the early years for many farmers. However, later on, animal diseases played a minor role. It seems that the changes brought about with Independence are seen as a major menace by many farmers. Land reform and legislation which is attempting to balance former inequalities caused by Apartheid gave the single farmer a high degree of insecurity, at least compared to the past. Several small-scale strategies were applied to adjust to particular aspects (like the establishment of Close Corporations). In a larger perspective however, a lot of farmers find it difficult to adapt to the new circumstances. Without doubt, on the one hand, this sometimes is due to an observable defiance on the side of certain farmers, a specific political opinion and a glorification of the past. On the other hand, the land reform is still in progress and lacks transparency.

Thus, it is difficult to discover to which specific circumstances one has to adapt. Nevertheless, although the changed political conditions have put the most discernible risks on the white farmers at the moment, natural and economic risks continue to play an important role and have to be coped with as well.

¹ This article focusses on farmers of European origin only. The peculiar risks and strategies of the emerging commercial farmers, formerly disadvantaged because of their skin colour, who have been entering the area since the 1980s and in particular since the 1990s will be the subject of another paper.

² With regard to natural conditions for farming, the district can be seen as fairly representative for the commercial farm area north of Windhoek. The southern areas are far drier and thus differ considerably in plant production, vegetation structure and other relevant factors (see MENDELSON et al. 2002).

³ A good overview about the requirements of becoming a successful farmer in Namibia during German times is given by SCHLETTWEIN (1907). He was an established farmer in the Outjo district by that time.

⁴ LAN 1/1/89 31, 53 Vol. III: Annual Reports Land Settlement.

⁵ e.g. LAN 53/1 Budget Speech.

⁶ Interest rates were at 4 %, compared to 11-12 % interest rates of private banks, and the loan had to be paid off over 30 years.

⁷ In general, the financial assistance supplied by the German government to settlers was more limited than that supplied by the South African Administration after 1920 (see BOTHA 2000: 235f).

⁸ e.g. LAN 53/1 Budget Speech 1961, 1962, see also SCHMOKEL 1985: 105.

⁹ Yet, a considerable amount of start capital is needed for this kind of enterprise.

¹⁰ The farmers sign up contractors to produce the charcoal on their land.

¹¹ Due to the limited space, the individual and geographical factors involved could not be analysed here either. E.g. nationality and political affiliation played a crucial role with regard to risks for the individual farmer. The special locality of the single farm within the area has to be considered too, the west of the district gets e.g. considerably less rain, and the soil in the northwest is much more suited to stock farming than the whole east of the area.