



NANGOF

Namibia NGO Forum



Basic Income Grant Coalition



*“Towards a Basic Income Grant for all!”*

Basic Income Grant Pilot Project  
Assessment Report, September 2008



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Assessment Report, September 2008

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The research of the Basic Income Grant Pilot Project is designed and carried out jointly by the Desk for Social Development (DfSD) and the Labour Resource and Research Institute (LaRRI) on behalf of the BIG Coalition (comments to email: [web@bignam.org](mailto:web@bignam.org)). Coalition web page: [www.bignam.org](http://www.bignam.org)

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## Abbreviations

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AIDS	Acquired Immune Deficiency Syndrome
BIG	Basic Income Grant
CCN	Council of Churches in Namibia
DfSD	Desk for Social Development, Evangelical Lutheran Church in the Republic of Namibia
ELCRN	Evangelical Lutheran Church in the Republic of Namibia
HIV	Human Immunodeficiency Virus
LaRRI	Labour Resource and Research Institute
NAMTAX	The Namibian Tax Consortium
NANASO	Namibia Network of AIDS Service Organisations
NANGOF	Namibian NGO Forum
NUNW	National Union of Namibian Workers
WHO	World Health Organisation
STD	Sexually Transmitted Disease
LWF	Lutheran World Federation
UEM	United Evangelical Mission
BIEN	Basic Income Earth Network
MDG	Millennium Development Goal
NamPost	Namibian Post Office

# Acknowledgements

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This study would not have been possible without the active support of residents of Otjivero-Omitara. A special word of thanks must go to the BIG Committee, which the community elected and which rendered invaluable assistance in the process of facilitating the BIG payouts and implementing this study. The committee consists of:

- Director: Mr. S. S. Aigowab (Community leader)
- Dep. Director: Ms. R. Jeremia (Principal)
- Chairperson; Mrs. E. Gawaxab (Teacher)
- Secretary: Ms. C. B. Hambira (Constable)
- Under Secretary: C. Molelekeng (Health Officer)
- Public Relation Officer: Sgt. T. Kuutondokwa (S.C)
- Under Public Relation Officer: K. Kamperipa (leader)
- The contributing officers of the BIG committee are:
- Ms. P. Shiweda (Shebeen owner)
- Ms. M. Moliliking (Shebeen owner)
- Mr. J. !Ganeb (PPRC)
- Ms. R. Tjiho (Attending member)
- Mr. S. Murangy (Attending member)
- Ms. T Nehola (Attending member)
- Ms. B. //Hamases (Attending member)
- Mr. M. Shoombe (Attending member)
- Mr. H. Klaasen (Church leader)

We are also grateful to all households and residents of Otjivero-Omitara, who on a continuous basis have been willing to be interviewed and to share their life stories with us. Their experiences touched us deeply. A special word of thanks must go to all our “key informants” who shared their knowledge and experiences with us. They are:



- Ms. F. Mbangu (Nurse)
- Ms. R. Jeremia (School Principal)
- Mr. E. Gawachab (Teacher)
- Mr. Thomas (Station Commander)
- Mr. Köhler (Bottle store/general dealer)

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- Professor N. Nattrass, Director of the AIDS and Society Research Unit and Professor in the School of Economics, University of Cape Town (UCT), South Africa
- Professor M. Samson, Director of the Economic Policy Research Unit (EPRI), South Africa; Professor at Williams College, USA
- Professor G. Standing, Professor of Economic Security, University of Bath, UK; Professor of Labour Economics, Monash University, Australia

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Arbeitsstelle Südliches Afrika (KASA, Heidelberg) in collaboration with the Blumhardt Congregation in Heidelberg and the United Evangelical Mission (UEM, Germany). Many individuals and businesses in Namibia and around the world have contributed financially to the BIG pilot. Without this overwhelming support, the pilot project and this study would not have become a reality. The BIG Coalition hereby wishes to extend a special thank you and acknowledgement to all who contributed.

## EXECUTIVE SUMMARY

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In January 2008, a Basic Income Grant (BIG) pilot project began in the Otjivero-Omitara area 100 kilometres east of Windhoek. All residents below the age of 60 years receive a Basic Income Grant of N\$100 per person per month, without any conditions being attached. The grant is being given to every person registered as living there in July 2007, whatever their social and economic status.

This BIG pilot project is designed and implemented by the Namibian Basic Income Grant Coalition (established in 2004)<sup>1</sup> and is the first universal cash-transfer pilot project in the world. The BIG Coalition thereby aims to practically pilot the Namibian Government's NAMTAX recommendation of a BIG for Namibia. Thus the BIG Coalition regards this project as the first step towards a BIG for all. The BIG Coalition consists of four big umbrella bodies in Namibia, namely, Council of Churches (CCN), the Namibian Union of Namibian Workers (NUNW), the Namibian NGO Forum (NANGOF) and the Namibian Network of AIDS Service Organisations (NANASO). Funds to start the pilot project were raised through voluntary contributions from supporters of the idea from all sections of Namibia's society, and by support from people, churches, organisations and donors in other countries. The BIG pilot project will run for a period of 24 months up to December 2009.

The effects of the BIG pilot project are being evaluated on an ongoing basis. Four complementary methods are being used. First, a *baseline survey* was conducted in November 2007. Second, a *panel survey* is being conducted every six months, the first being in July 2008. Third, information is being gathered from *key informants* in the area. Fourth, a series of detailed *case studies* of individuals living in Otjivero-Omitara is being carried out.

This is the report comparing the results of the baseline study and panel data after the first six months of implementation.

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1 The Evangelical Lutheran Church in the Republic of Namibia (ELCRN) with its Desk for Social Development (DfSD) is the legal administrative and financial home responsible for the implementation of the BIG Pilot Project on behalf of the BIG Coalition.

## *EXECUTIVE SUMMARY*

Key findings include the following:

- The community itself responded to the introduction of the BIG by establishing their own 18-member committee to mobilize the community and advise residents on how they could improve their lives with the money. This suggests that the introduction of a BIG can effectively assist with community mobilisation and empowerment.
- Since the introduction of the BIG child malnutrition in the settlement has dropped remarkably. Using a WHO measurement technique, the data shows that children's weight-for-age has improved significantly in just six months from 42% of underweight children to only 17%.
- Since the introduction of the BIG, the majority of people have been able to increase their work both for pay, profit or family gain as well as self-employment. This finding is contrary to critics' claims that the BIG would lead to laziness and dependency.
- Income has risen in the community since the introduction of the BIG by more than the amount of the grants. There is strong evidence that more people are now able to engage in more productive activities and that the BIG fosters local economic growth and development. Several small enterprises started in Otjivero, making use of the BIG money being spent in the community.
- More than double the number of parents paid school fees and the parents prioritized the buying of school uniforms. More children are now attending school and the stronger financial situation has enabled the school improve teaching material for the pupils (eg. buying paper and toner). The school principal reported that drop-out rates at her school were 30-40% before the introduction of the BIG. By July 2008, these rates were reduced to a mere 5%.
- The BIG supports and strengthens Government's efforts to provide ARV treatment to people suffering from HIV/AIDS by accessing governments services and enabling them to afford nutrition.
- The residents have been using the settlement's health clinic much more since the introduction of the BIG. Residents now pay the N\$4 payment for each visit and the income of the clinic has increased fivefold.

## EXECUTIVE SUMMARY

- The criticism that the grants are apparently leading to more alcoholism is not supported by evidence from the community. On the contrary, the introduction of the BIG has induced the community to set up a committee that is trying to curb alcoholism and that has worked with local shebeen owners not to sell alcohol on the day of the pay-out of the grants.
- The introduction of the Basic Income Grant has helped young women recipients to take charge of their economic affairs. Several cases document that young women have been freed from having to engage in transactional sex.
- Economic and poverty-related crime (illegal hunting, theft and trespassing) has fallen by over 20%.
- The BIG has helped to achieve progress towards all eight Millenium Development Goals.

In brief, the initial results of this pilot project are very encouraging and by far exceed the expectations of the BIG Coalition. This is the first impact evaluation after six months of implementation and the reports to follow in the next 1 ½ years will further elaborate and describe these developments.

The local community has embraced the pilot project and is engaged in efforts to make it work well. Two comments from residents reflect that fact:

*“Generally, the BIG has brought life to our place. Everyone can afford food and one does not see any more people coming to beg for food as in the past. What I can say is that people have gained their human dignity and have become responsible.” (Jonas Damaseb, June 2008)*

*“We don't expect everything to change overnight because people were hungry and N\$100 is not enough for everything to change. In the beginning the parents were using the money for school fees and uniforms and to make sure they have sufficient food. The BIG has really helped the community in Otjivero, people now feel part of the nation”*

# Section 1: Putting the Basic Income Grant into context

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## 1.1 Introduction

**Namibia is a country with one of the highest levels of income inequality in the world.**

Namibia is rich in economic and social potential yet a large portion of the population is poor and faces chronic economic insecurity. Namibia is also a country with one of the highest levels of income inequality in the world. The huge socio-economic disparities are largely a reflection of colonialism and apartheid, but also of the class stratification that has taken place in post-independent Namibia

For several decades, the conventional wisdom was that economic growth would result in lower levels of poverty. It was also believed that addressing poverty by simple means such as giving people money would be a waste and ineffectual and that it was better to wait for growth to “trickle down” and eventually lift the poor out of poverty.

Both of these old views have been challenged. Firstly, reducing very high inequality actually boosts economic growth, because spending by poorer groups leads to a boost of aggregate demand. In a country like Namibia, with one of highest levels of inequality in the world, there is great scope to redistribute some income, to the benefit of the country's economic growth and the economic security of everyone. Secondly, there is compelling evidence from countries such as Ethiopia, Ghana, Mozambique and Somalia that cash transfers do work. Pilot projects in those and other countries have shown that providing cash to low-income groups and communities helps regenerate livelihoods and overcome cycles of deprivation. These have often followed major economic or climatic shocks, such as floods, as in Mozambique, or droughts, as in Ethiopia. All these projects have been conditional cash transfers, and in all

## 1.1 Introduction

cases the only problems that emerged were due to the complexities of the conditions for entitlement, targeting, and high administrative costs. That aside, what has tended to happen is that the injection of cash to households and individuals has helped communities to satisfy their basic needs by buying basic commodities such as food and seeds, rebuild their capacity to produce and pay off debts. In the light of all the evidence and also from the successful cash grant programmes introduced in countries such as Brazil and Mexico – major international agencies have come round to recognising that cash transfers can indeed help in lowering poverty, raising growth, meeting the Millennium Development Goal (MDG) targets and lowering social tensions in local communities.

In 2002, the Namibian Government's Tax Commission (NAMTAX) proposed a universal grant along the lines of a Basic Income Grant (BIG), to be financed out of a progressive expenditure tax on the affluent. This marked a turning point in public consideration.

In 2004, concerned with the pace of poverty reduction, in spite of many good efforts, and a public commitment to reduce it by the Government of Namibia, a cross-section of Namibian society, from all walks of life and all shades of political opinion, set up a Coalition to promote a BIG for all Namibians.

The Coalition brought different umbrella bodies together. This includes the Churches – represented by the Council of Churches (CCN) - the trade unions – represented by the Namibian Union of Namibian Workers (NUNW), the Namibian NGO Forum (NANGOF) and the Namibian Network of AIDS Service Organisations (NANASO). The Evangelical Lutheran Church in the Republic of Namibia (ELCRN) with its Desk for Social Development (DfSD) is the legal administrative and financial home responsible for the implementation of the BIG Pilot Project on behalf of the BIG Coalition. Besides the BIG Coalition many other groups and numerous individuals, including local businesspeople, churches, donors, and international agencies gave support and encouragement. Some Government Ministers and senior officials have also shown interest and indicated their

**In 2002, the Namibian Government's Tax Commission (NAMTAX) proposed a universal grant along the lines of a Basic Income Grant (BIG).**

willingness to develop a more universalistic system of social protection and economic empowerment.

**Every Namibian should have a citizenship right to a Basic Income Grant.**

The proposal developed by the BIG Coalition – following the NAMTAX recommendation – is that every Namibian should have a citizenship right to a Basic Income Grant until she or he becomes eligible for the government pension at 60 years. The level of the BIG should not be less than N\$100 per person per month. Given that the Namibian old-age pension is a universal grant for all men and women over the age of sixty, and that the take-up of that is nearly 100%, the BIG should be paid to all those men, women and children under the age of 60. The BIG is a cash transfer, whereby the recipient can choose how to spend the money. It is an act of empowerment, of giving people enhanced freedom and personal responsibility. It is not a gesture or an act of charity that potentially degrades. It is providing people with a right.

**The net-costs of a BIG range from 2.2% to 3.8%. Namibia's access taxable capacity exceeds 5% of national income. This means that even at current economic levels the BIG is affordable, without jeopardising fiscal policies.**

There have been some criticisms of this proposal, which this report will address later. However, one crucial point should be understood. The BIG proposal is eminently affordable in Namibia. It has been calculated that it would cost between 2.2% and 3.8% of GDP, depending on whether it were funded by expenditure taxation, such as VAT, or from income tax. Namibia's access taxable capacity exceeds 5% of national income. This means that even at current economic levels the BIG is affordable, without jeopardising fiscal policies. In actual fact the real net cost are likely to be even lower, since the calculations do not take account of any second-round positive effects. For instance, if a BIG were to lower the demand for health services because of an improvement in the health status of people receiving the BIG, that would lower the public expenditure cost of health services, improving the economy. And if a BIG boosted local economic activity that would raise economic growth and GDP. This report highlights that these effects can already be observed in the BIG pilot project, and hence that these wider economic benefits are likely if a national BIG was introduced.<sup>2</sup>

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2 For a detailed discussion on the cost calculations and financing options see the BIG Resource Book at [http://www.big-nam.org/Publications/BIG\\_Resource\\_Book.pdf](http://www.big-nam.org/Publications/BIG_Resource_Book.pdf)



## 1.1 Introduction

A further point to bear in mind is that a universal grant is much more efficient and less costly than one that tries to target through means-testing or other conditionality. Targeting has been shown everywhere to be very costly, resulting in low take-up and a tendency not to reach the poorest groups, to be socially stigmatising and to create pervasive poverty traps. Proposing targeted transfers based on means-testing thus ignores the evidence from around the world.

Given that a BIG is affordable, then if the arguments customarily raised by critics could be repudiated by real evidence, there could be no proper objection to a BIG in Namibia. The challenge then would be to overcome prejudice and to demonstrate the political courage and desire to rectify some of the worst legacies of the history of Namibia: poverty and inequality.

## 1.2 How BIG was piloted in Otjivero-Omitara

In that context, the BIG Coalition decided in 2007 to implement a pilot project to move the policy debate forward and to produce real evidence of the benefit of a BIG. The Namibian BIG pilot is the first universal cash transfer pilot project in the world.

The experience of other countries showed that national programmes have been successfully implemented when pilots have proven their acceptability and viability. For example, a pilot project in Haiti, Rwanda and South Africa demonstrated that antiretroviral treatment could be provided effectively to poor people – even those in deep rural areas. This helped change national and international policy, thereby paving the way for the dramatic global roll-out of antiretrovirals (ARVs). The BIG Coalition hoped that by operationalising a BIG pilot project, Government leaders and others could see how the BIG could be transformed into a national programme.

After careful examination of several villages in Namibia, the site chosen for the BIG pilot project was the Otjivero settlement and the former Omitara town in the Omitara District. Otjivero-Omitara was selected for its manage-

**The Namibian BIG pilot is the first universal cash transfer pilot project in the world.**

## Section 1: Putting the Basic Income Grant into context

able size, accessibility, and poverty situation. Otjivero was known for its bad reputation amongst the local farmers as a hot-bed of criminality.



**Photo 1: Plastic and corrugated zinc were the main building materials in Otjivero (April 2007)**

Omitara is located some 100 kilometres east of Windhoek. People (mainly retrenched farm-workers) started settling in Otjivero about 5 km away from Omitara on government-owned land in 1992. A feature of the area is the proximity to a large dam that supplies water to Windhoek and surrounding areas. Unusually, the people in Otjivero have access to free water supply, but the area is impoverished, prone to diseases, such as TB and HIV/AIDS, and struggling to subsist as a viable community. In addition, the development of the settlement has been controversial from the beginning and there has been persistent conflict with the surrounding commercial farmers because of illegal hunting, trespassing and the collection of firewood. There was no reason to think that the choice of site for the BIG pilot made it more or less likely to succeed there than in other parts of the country.

The pilot was based on the following. Every resident under the age of 60 living in Otjivero-Omitara receives N\$100 each month from January 2008 for two years, ending in December 2009. In sum, 930 residents started

**Every resident under the age of 60 living in Otjivero-Omitara receives N\$100 each month from January 2008 for two years, ending in December 2009.**

## 1.2 How BIG was piloted in Otjivero-Omitara

to receive grants of N\$100, without any condition being attached. The money for children and youths up to the age of 21 was provided to a person designated as their 'primary care-giver' by default this is the mother.

In the period of two years, the plan was to monitor and evaluate the effects of BIG on individuals living in the area and on the community overall. The evidence would be made available to the Namibian Government, all Namibians and the international audience, so that objective analysis could be conducted and policy decisions taken on the basis of real empirical data. This was the commitment made by the BIG Coalition. This report is the first evaluation after six months of a BIG.

## 1.3 Implementation of the BIG



**Photo 2: The BIG as a right**



**Photo 3: N\$ 100 - making a difference**

The practical payout of the BIG followed the methodology and the experience of the old age pension payout in Namibia. In this system, the recipients receive a 'smart card' which contains the names, ID numbers and the picture of the recipients as well as a microchip containing the birth date, fingerprints and information on the amount and history of receiving the grant. The system also makes provision for a 'procurator', who is a person appointed by the recipient who can receive the grant on behalf of him or her by means of fingerprint identification, if for some reason the person cannot go to collect it personally. The company who managed the grant payouts for the first six months, 'United Africa' brought the grants by vehicle to designated pay-out points. Each vehicle was fitted with a cash dispenser and an armed security guard. The recipient placed the card in the cash dispenser and identification was done via fingerprint. The date and place of payout was then written on the microchip for record keeping and to prevent double payment.

Since July 2008, the Namibian Post Office (NamPost) is conducting the practical pay-out of the grant via its Post Office smart card saving account system. Every recipient of the BIG now has a saving account with NamPost into which the grant is paid on the 15<sup>th</sup> of each month.

### 1.3 Implementation of the BIG

This system has the advantage of getting every recipient into the formal banking system. This enables the recipients to decide when, where, and how much of the grant they withdraw. It avoids the potentially stigmatising queuing for the cash pay-out.



**Photo 4: BIG payout through NamPost savings accounts**

The BIG Coalition registered the whole community on 31 July 2007. Each and every household was visited, all members of the households were identified by means of identification documents<sup>3</sup> and everybody below the age of 60 was registered for the BIG. The registration was done in one day in order to avoid in-migration to the settlement. Anybody who moved to Otjivero-Omitara after 31 July was not eligible to receive the BIG. For children under the age of 21, the household identified a primary care-giver receiving the grant on the minor's behalf.

The project received international support from the General Secretary of the Lutheran World Federation, Dr. Ishmael Noko, Archbishop Desmond Tutu, the General Secretary of the United Evangelical Mission (UEM), Dr.

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3 This included any Namibian identification document like IDs, Birth certificate, Driver's licence, Voter's Card, etc. but also Baptismal card as many people living in Otjivero-Omitara do not have any of the national identification documents.



## *Section 1: Putting the Basic Income Grant into context*

Fidon Mwombeki, and from Senator Eduardo Suplicy, (Sao Paolo, Brasil)

The fund-raising campaign for the pilot was launched in August 2007. The first Prime Minister of Namibia, currently Minister of Trade and Industry, Dr. Hage Geingob, was the first person to pledge support for the BIG during the event and generously donated money covering two grants for one year. Other committed individuals and donors followed his example



**Photo 5: Dr. Hage Geingob, the first to donate to the BIG Pilot Project Fund**

**The BIG Coalition committed itself to carefully evaluating the pilot project in order to assess the impact of the BIG and to be able to guide national policy-makers.**

### **1.4 Methodology**

The BIG Coalition committed itself to carefully evaluating the pilot project in order to assess the impact of the BIG and to be able to guide national policy-makers. Ideally, a survey of other areas at the same time should have been conducted ('control group'). However, this is not only statistically very difficult, given the particular features of Otjivero-Omitara. but also ethically problematic. Therefore, a four-fold research methodology was adopted, drawing on four types of data.

## 1.4 Methodology

First, a *baseline survey* of the settlement area was conducted in November 2007, two months before the first pay-out of the BIG. This survey collected retrospective and current data on the social and economic situation of the residents, including health and nutritional data.

Second, a *panel survey* was conducted in July 2008, covering the same households and individuals as in the baseline survey. The panel survey is to be repeated by a re-survey in November 2008, June 2009 and November 2009.

Third, information was gathered from *key informants* living in or near the settlement area such as the local nurse, the police chief, local leaders and shop keepers.

Fourth, a set of *case studies* of particular individuals was collected in order to provide a human picture of life in Otjivero- Omitara. These are described in the next section. Aspects of how BIG changed their lives are recorded and quoted throughout the report. The individuals agreed that their real names and pictures are published. This is a great and brave commitment towards the project. The BIG Coalition appeals to all readers to treat their life stories and stories with great respect.

The whole community of Otjivero-Omitara has been registered and is voluntarily participating in the pilot project. The baseline survey of November 2007, and the panel survey of July 2008 were successfully completed. Thus, an assessment of the various effects of the BIG can be made. This will be followed by further evaluations of changes over the next 18 months.

## 1.5 Voices of Otjivero-Omitara

The inhabitants of Otjivero are diverse. The majority of the adult population were not born in Otjivero. Many lived difficult lives. The following life histories exemplify the experiences of life in Otjivero-Omitara painting a picture of daily suffering and deprivation.

## Emilia Garises

**Aged 54, mother of 7 children, widowed, head of household. Born on a farm near Gobabis. dropped out of school at age 14, married at age 19. When her husband became abusive, she left him and takes care of five children on her own. She moved to Otjivero in 1991, as one of the first settlers.**



Photo 6: Emilia Garises

*I was born in 1954 on the Honolulu farm in the Nina district of Gobabis, Omaheke region. My mother and father were also born on that farm and grew up there. They met on the farm. I was the second oldest child of my father and the first-born of my mother. I have 2 brothers and 3 sisters.*

*The owner of the farm where we stayed had an accident and died later because of his injuries. We then were left with “Oumissies” (the widow), who decided to sell the farm and that is how we moved to farm Semenau. That is where my mother and father got married. My father became an elder of the Lutheran church there.*

### **Stay in Gobabis**

*We then moved to Gobabis but we did not have a place to stay. We slept in people’s yards and I was 9 years old at the time. My mother left my father and moved out of Gobabis. My father then just left me there and started working on the roads near Epukiro. There were very few roads at the time.*

*I stayed in Gobabis, here and there, just like a streetkid. The rest of my family was on farms but the Catholic school took me in. A sister at Kunikas Erka (about 15 km from Gobabis) “adopted” me and looked after me. That’s why I could go to school.*



### **Return to the farm**

*My mother then returned to my father and they took me back when I was 14. My mother then had another daughter and I had to drop out of school because we had no money. I only finished grade 3.*

*We then moved to the Otjinene district and I just looked after the other children. My mother and father worked on the farm. After about 3 years, my father decided to move again and I was 19 years old at the time. So I had to take a guy to get married to. My husband worked on farm Eintracht, while I stayed with my parents on farm Otjivarumendu. We then moved to farm Okaseverand and had 5 children, one after the other.*

### **Marriage**

*We then moved to the compound at the airport where my husband was working. We stayed there from 1982 – 1990 and I did housework (domestic work) during those years. My husband then left me and became the husband of another woman. He was promoted to electrician but he abused me. When he came home, he beat me. Whenever I asked something he beat me and I decided that I cannot live like a donkey.*

*I then moved back to my parents at farm Okatumba Suid. I then found another guy there and moved away with him. He lost his work on the farm and the owner did not want him on the farm any longer. That's why we came to Otjivero in November 1991. My new husband was looking for work and I stayed here with the children. The place was still small and there were just over 50 houses here.*

### **Staying in Otjivero**

*My husband then moved on and I became a member of the community committee of Otjivero. I took my husband to court so that I could get 250 Rand for the children but later on when he was retrenched we had to look after ourselves. He then died.*

*In the early days, we benefited from a government scheme (feeding scheme/drought relief?) and we also*

**He lost his work on the farm and the owner did not want him on the farm any longer. That's why we came to Otjivero in November 1991.**

## Section 1: Putting the Basic Income Grant into context

used our donkey carts to visit family members on the farm and to get food from them. We also got water for which the government paid. We had to rely a lot on family members who felt sorry for us when they saw how we lived here.

The land belonged to the department of water affairs and today it belongs to Namwater. The first houses built here belonged to the workers who built the dam. I heard about Otjivero from a Herero man with the name of Gideon Kan-guatjivi. He worked for water affairs and told us about the land around the dam. He said, you can ask for a piece of land there. Engelhard Gariseb then helped us to organise everything. He went to Gobabis to Brave Tjizera, the governor, to organise that we could stay here.

### **Relationship with farmers**

**“Die Boere het ons altyd stout gemak” The farmers tried to chase us away but the government is for us all.**

“Die Boere het ons altyd stout gemak” The farmers tried to chase us away but the government is for us all. We refused to move and just stayed on. The farmers did not want young people here and believed that they stole animals. However, not all young people do such things, only some of them. Even now, when a Kudu disappears they accuse us of stealing. However, we see people coming with bukkies from elsewhere and they are sometimes the ones who take the animals. It is not only us from the settlement who steal. Mr Hartmut Held is one of those farmers who did not want us here. We sometimes had to collect firewood from the farm because there was no electricity.

In the early 1990s, a farmer (Mr Thys) near the hotel kept many cattle. He came to the camp every morning to pick up men to help him on the farm. He paid 12 Rand per day and many of us in the settlement made a living of that. Some looked after the cattle, other built fences and so on.

**I sold vetkoek but I did not have a proper place to run the business.**

Even before my husband died, I sold vetkoek but I did not have a proper place to run the business. Luckily I got N\$ 300 for my 2 children whose father died. I could at least buy pap for them. The other children who stay with me are those of my sister (2), of my daughter (2) and my 22 year old son. He is very sickly and does not work. Only my children whose father died receive the grant.

### **Daily life**

*When we get up in the morning, I bath the children and give them some pap or bread. I just baked some bread now and will give them some. Sometimes we don't have food but the children will also get tea or coffee if we have. Some days we don't have anything and we just have to go and sleep and get up again without eating. If my daughter does not send us money, I will have to ask other people for a bit of pap. This is how we live. We buy the pap in the shop and they charge us N\$ 40 for 10 kgs.*

*During weekends we can't sleep well here because of the shebeens. During the week, it is a bit better.*

**Some days we don't have anything and we just have to go and sleep and get up again without eating.**

### **Biggest problems**

*My biggest problem are the funerals. We don't have the money for transport and especially for transporting the body. I don't know how to pay for that.*

*We don't have rape here and also not much problems with theft because we don't have anything. Maybe this will change when we get a few cents. It is still quiet here but HIV/AIDS is a big problem. The disease is especially dangerous for the young people. It also affects old people because we have some old people who stay without love. They are all active and there is also alcohol abuse, especially among young people.*

*Can't the government do something so that the young people can get work and stay away from the farms? Unemployment, hunger and poverty are the biggest problems! We are really hungry.*

**Unemployment, hunger and poverty are the biggest problems! We are really hungry.**

### **Hopes**

*I have hope if I get the N\$ 800. It will not be just N\$ 100 because if I add up, I will get N\$ 800. I will buy maize meal and other food; I will pay school fees; I will perhaps buy materials and make clothes. I want to make a bit extra so that I will not be hungry. Once I will pay the school and also buy new clothes for the children. I will also buy blankets and perhaps fix my house. I will also try and make more vetkoeks to sell and make some extra money. I want to put a little money aside so that I don't have to*

## Section 1: Putting the Basic Income Grant into context

*struggle so much if we have a death in the family. Perhaps I can take out a funeral cover, they say it costs N\$ 20 per month. Life will really improve next year.*

### **Tuhafeni Veshiyele**

**Aged 38, single mother of two children. Tuhafeni is HIV positive migrant from the North. Her older child is disabled, her younger is HIV positive. She lost her job, when diagnosed with HIV. She settled in Otjivero to be near to her former place of employment, hoping she would get her old job back.**



**Photo 7: Tuhafeni Veshiyele**

*My Name is Tuhafeni Veshiyele. I am 38 years old. I was born in Okalongo in the Ohangwena Region and I came to work in Omitara in 1996 at a place called Rooi Kraal Lodge. I am a single mother of two children. My eldest child is 15 years old and is disabled, her right side of the body is paralysed and she lives in the North with my mother who is unemployed and also disabled. I am HIV positive and my 7 years son is also HIV positive and we are both on ARV treatment.*

**When I started getting sick my boss asked me to go on unpaid sick leave till I got better. (...) When I was put on ARV treatment I started getting better and I went back to my boss but he told me that he no longer wanted me to work for him...**

### **Unemployment and HIV**

*I am unemployed now because I lost my job due to the illness. When I started getting sick my boss asked me to go on unpaid sick leave till I got better. That time I did not know that I had HIV. I was diagnosed with HIV in June 2006. My son also started getting sick at the same time and we were diagnosed together. When I was put on ARV treatment I started getting better and I went back to my boss but he told me that he no longer wanted me to work for him... He told me that it was costly for his business to have sick employees. My ex-boyfriend was also*

## 1.5 Voices of Otjivero-Omitara

*diagnosed HIV positive. We both worked at the same lodge and he also lost his job. Me and my boyfriend went separate ways and he now lives in Otjivero with a different woman. I have a boyfriend who lives in Windhoek and he visits me every second month of the year.*

### **Survival**

*I decided to settle in Otjivero in the hope that I will get my old job back, and now I sell a few things at home, because I don't get any income and don't have anyone to support me financially. I have to send money (N\$ 200) every month to my mother and child in the North, and without a job it is very difficult. Therefore I started selling basic things like maize meal, sugar, salt, sweets, beers and coldrinks from my house. It's not easy to have a business in this settlement, because everyone here is unemployed and extremely poor. Many households don't get any monthly or weekly income, they mostly rely on pensioners. Most of the things are taken on credit and sometime they cannot pay back because there is no money. I know the level of poverty in this settlement that I cannot force these people to pay me back, and if I don't give stuff on credit they will die of hunger. It is a matter of helping each other here.*

*Life is difficult here, it is difficult to survive without a job. In my case it costs me N\$150.00 to travel to Gobabis every month for ARV treatment. I and my child need to eat nutritional food because of our HIV status and my son needs special lotion to use because his skin is very sensitive and fragile. It peels easily and he has developed rashes all over his body. I apply bio-oil on him, which is very costly because a bottle of 750ml costs more than N\$80.00 and it only last for two weeks. It is quite expensive and some months we skip our monthly ARV treatment because we don't have the transport money to travel to Gobabis.*

***I sell a few things at home (...) Most of the things are taken on credit and sometime they cannot pay back because there is no money. I know the level of poverty in this settlement that I cannot force this people to pay me back, and if I don't give stuff on credit they will die of hunger.***

### **Poverty**

*Poverty is on the increase in this settlement every day, we have a problem of unemployment, hunger, alcoholism,*

## Section 1: Putting the Basic Income Grant into context

*theft and assaults. We get arrested for collecting firewood in the farms.*

***I and my child need to eat nutritional food because of our HIV status (...) some months we skip our monthly ARV treatment because we don't have the transport money to travel to Gobabis.***

*The fine is N\$ 1000 or a year in prison. Children drop out of school while still in primary school, and parents cannot afford to send them to boarding schools where there is a high school. I know of many households where there are people who are HIV positive and they are not on ARV treatment because they cannot afford to travel to Gobabis to receive treatment. Theft is on the increase because people need food and if there is no food they are forced to steal or poach on the farms.*

### **Hopes**

*I hope the situation will change with the BIG project, I am sure that many households will have food and they will be able to send the children to school. Those who are HIV positive and have AIDS will be able to travel to Gobabis for the ARV treatment.*

### **Willemina Gawises**

**Aged 30, unemployed, single mother of 3 children. Her 2 oldest children were expelled from school because she could not pay school fees. She moved to Otjivero with her parents and children because they were chased away from the farm where they had worked for 16 years.**



**Photo 8: Willemina Gawises**

*My Name is Willemina Gawises. I am 30 years old. I was born at a farm in the Gobabis district and I attended school in Koshuis Gurichas. This is a farm school. The school only enrolls children of farm workers.*



### **Unemployment**

*I live with my parents in Otjivero now, I am unemployed and have no house of my own. I have three children, age 10, 13 and a 7 months old baby. My two boys were at “Koshuis” Gurichas School, but they were expelled from school 7 months ago, because I failed to pay for their school fees. They were staying with their father on a farm but when their father was chased away from the farm he could no longer pay for school fees. Now I don’t know where their father is and I have no job or money to send them back to school. I live with my parents who are also unemployed and I have younger brothers and sisters who are in school. Life is very difficult here, we live in poverty with no hope for the future.*

**My two boys were at “Koshuis” Gurichas School, but they were expelled from school 7 months ago, because I failed to pay for their school fees.**

### **Moving to Otjivero**

*I moved to Otjivero with my parents, because we grew up on different farms where my parents were working. We moved here three years ago, because we were chased away from a farm where my family worked for 16 years. Otjivero was the only place where we could get free land for settlement as farm workers. It is not easy living here unlike at the farm where there was everything. Here we don’t have food and firewood. There is a problem of unemployment and we don’t have money to travel to Gobabis and Windhoek to look for work. Me and my three children depend on my unemployed parents for food and accommodation. Sometimes I wish I was dead because I cannot stand this type of life any more. I am supposed to provide and protect my children and parents but I am failing to do that.*

**There is a problem of unemployment and we don’t have money to travel to Gobabis and Windhoek to look for work.**

### **Poverty**

*For the past three years, we lived here and did not see any change. Life is still the same and poverty is on the increase everyday. More people move to the settlement every year, because farmers still chase their workers away with nothing after many years of service and poor working conditions. We have a problem with HIV/ AIDS infections and it is on the increase because of poverty. Many people do not have access to ARV treatment and*

## Section 1: Putting the Basic Income Grant into context

neither nutritional food. One cannot expect poor people to travel to Gobabis for treatment every month.

**Everyday life is a struggle to provide food for the children. It hurts me to see my children out of school. They were very happy in school and it was difficult for them to adjust.**

Everyday life is a struggle to provide food for the children. It hurts me to see my children out of school. They were very happy in school and it was difficult for them to adjust. I could see their pain and feel it, they used to ask me “Mama wanneer gaan ons terug skool toe?” (Mummy when are we going back to school?). The pain a parent has to go through knowing that you cannot send them back because there is no money is unbearable and very depressing. I wish I did not have them. My eldest son told me he will never go back to school again, because his class mates will be grades ahead of him. I don’t know what to do to convince him to go back to school when we get the money.

### Hopes

With the BIG grant, there will be hope for us, at least I will be able to buy my children food and send them back to school. The money will mostly be spent on food and school fees and uniforms. Maybe I will be able to travel to Windhoek to look for domestic work, because now I cannot look for work. There is no money to travel there. Life will change in Otjivero with BIG. Many people will have food.

### Hermanus Coetzee

**Aged 26, unemployed. Born on a farm, started school, when 11 years old, dropped out of school in Grade 4. Moved to Otjivero in 1992, when his family was chased off the farm, where they had worked for many years.**



Photo 9: Hermanus Coetzee



## 1.5 Voices of Otjivero-Omitara

People call me “Moefiele”, but my real name is Hermanus Coetzee and I am 26 years old. They call me “Moefiele” because I am gay. I dropped out of school in grade 4. I started school late. I was born at a farm where my parents were working and there was no school. Children of farm workers hardly go to school because they are required to work at the farm with their parents unless their parents send them away to go to school. I only started school in Otjivero when we moved here in 1992. I was 11 years then starting grade 1 with 6 and 7 year old children.

### **Moving to Otjivero**

We moved to Otjivero in 1992 when we were chased away from the farm where my family had been working for years. We had nowhere to go and a man who was working for NamWater told us that we can come and live in Otjivero. First we were staying in Omitara and the living conditions were very bad. There was no clean water and there was a coloured man who charged us N\$ 100 a month. We used to get water from the river stream and when it's dry we would dig for water. People used to be sick often, because of the dirty water .

### **Unemployment**

I am unemployed and looking for work. I worked as a domestic worker on the farms and lost my job last year, because I was absent from work for two days. I used to work seven days a week, I was always tired, then I decided to take a break for two days and that cost me my job.

When we first moved to Otjivero, food was distributed on a monthly basis and we used to get bags of maize meal, baking flour, salt, cooking oil, tin of fish, juice and many things. Food distribution was stopped about seven years ago and life has been difficult since. I depend on my mother who is a domestic worker on a farm. She gives me money for toiletries and food every month N\$ 150. I live with my aunt and her family and we are 15 in one household and no one earns a decent income, we “zula” to get food. We have nothing to eat at all.

### **Crime**

***I am homosexual and people have accepted me. I grew up here and I was never discriminated based on my sexuality. The only thing that discriminates against us is poverty.***

*When there was food distribution there were no criminal activities but now it is on the increase. Robberies are happening and assault especially when people are drunk. There are very good people who live in this settlement. The crimes are happening because of poverty. I am homosexual and people have accepted me. I grew up here and I was never discriminated based on my sexuality. The only thing that discriminates against us is poverty. There is no money for school fees for the children to be sent to High School and money to buy firewood. Now we collect firewood illegally on the farm. Therefore we are at risk either to be shot to death or get arrested and sent to jail for a year.*

### **The clinic**

*We have a clinic here and the head nurse is really nice. She sometimes treats people on credit. We have a community health committee that teaches people about the danger of HIV/AIDS and that encourages people to be tested. I am tested and HIV negative, but we have a family member who is suffering from TB. TB is a problem in our community almost in every household there is someone with TB.*

### **Hopes**

*With BIG we expect a lot of change. I personally want to open up a hair salon. Many people will be able to buy food and children will be in school. I see a bright future to the settlement with BIG.*

## Aron Swartz



Photo 10: Aron Swartz

**Aged 68, father of 7 children, now widower. Grew up on a farm and attended school up to grade 7. After working on several farms for 11 years, was dismissed for visiting his sister who had been sick. He moved to**

**Otjivero because he had nowhere else to go.**

*I was born in 1940 at a farm called Uitspan which is well-known as Sampan. During my childhood I grew up at a farm Kalpan with my parents and grandparents. I started my school career at Gobabis and went to school until standard 5. Because of the lack of money I could not continue with my school but was forced to look for work. I started work at Kalpan and after 7 years, I had to work on many different farms. The last farm where I worked for 11 years before moving to Otjivero was Altstein owned by Mr Siegfried Welken.*

### **Dismissal**

*My employer chased me away after I went to Windhoek with his permission to visit my sister who was sick. I did not have enough money for transport to return to the farm at time for work. However, I called my employer and told him about my situation but all he told me was “you are fired, just come and get your belongings and leave my farm.” After I managed to get to the farm he paid me only N\$280.00 for the eleven years I worked there. I did not have any place to go so that’s the reason I came to Otjivero.*

**My employer chased me away after I went to Windhoek with his permission to visit my sister who was sick.**

### **Family**

*I am married and eleven children were born from my marriage but one passed away 8 years ago. Most of the children and grandchildren are living with us here while only two of my daughters work in Windhoek. All my children attended school but could not finish their school career because I could not afford to pay their school fees.*

### **Making ends meet**

**All my children attended school but could not finish their school career because I could not afford to pay their school fees.**

*I came in 2000 to Otjivero and the life here is very difficult and hard. It is hard to survive here. Often we go to bed with empty stomachs trusting only in our God who raises us the next day and on whose mercy we are depending. It is only my pension of N\$370.00 that all of us live on. It only lasts for one week. I have to feed so many people every day. Sometimes my daughters who worked in Windhoek will bring some food but that does not also keep long. The biggest problems at this place are hunger, poverty and unemployment. The young people here cannot get work at the surrounding farms because they are very hostile. If they find out that a person looking for a job is from Otjivero, they will not get any job because they are already blacklisted as thieves. We are not even allowed to fetch wood on the nearby camps. If you are seen you will either be shot, fined N\$1 000 or imprisoned for 1 year.*

### **Hopes**

*We believe that the N\$100 we will get is a very good thing and will help alleviate hunger and poverty. We also believe that the N\$100.00 will put us in that position to buy corrugated cink to replace the plastics put over our dwellings as you see for yourself. We will also be able to pay the school fees for our children.*

## Hedwig //Horaes



**Aged 25, single mother of 3 children, unemployed. Born on a farm near Witvlei, she attended school up to grade 7. She worked as a domestic worker in Omaruru and moved to Otjivero to stay with her children who attend school there.**

**Photo 11: Hedwig //Horaes**

*I was born at a farm in Omaheke near Witvlei. The name of the farm is Ongava. I attended school in Witvlei up to the age of 13 up to Grade 3. Thereafter I moved to Omaruru. There I attended school up to Grade 7 at Wald-frieden Primary School. My parents were staying at Dobra near Brakwater. They now live in Boomlaker in Omitara I am not married but have a boy friend. I have 3 children of my own*

*I have worked as a domestic worker in Omaruru doing cleaning washing and ironing. I have worked for N\$200 per month. I was first staying on a farm and then came to Otjivero because I enrolled my two children at the school here in Otjivero. There is no hostel here. I therefore decided to come and stay here to look after my children. I could not let them stay here with other people. This place is a place where we “zula” a lot (begging, struggling) to survive by asking others for food or other essentials.*

### **Life is tough**

*Life here is very tough. It is difficult with everything, with water, with toilets also with electricity. Life here is really tough. We suffer from hunger, we have to collect firewood we also have problems with food, with meat, with soap,*

**Life here is very tough. It is difficult with everything, with water, with toilets also with electricity. Life here is really tough. We suffer from hunger.**

## Section 1: Putting the Basic Income Grant into context

toiletry, with everything. We would really appreciate if we got assistance...

*My youngest child gets attacks (aanvalle). I took her to the clinic where she was examined whether she has heart problems. It is the only health problem we have. I pay N\$4 for her treatment at the clinic but I don't always have the money. Sometimes I get her treatment on account to pay later. I then pay the clinic when I get money. I do not always have food in the house sometimes I am given maize meal or so by other people.*

### **Family**

*My parents are on a farm. They do assist me now and then and send me N\$100 or so. They are pensioners. I have a brother who works in Mariental he does not send me money but I am planning to ask him for help.*

*I do not buy clothes because I get clothes from family members occasionally. I do have relatives here in Otjivero but I stay on my own at my house. This is actually not my own place it is just a place where I have asked to stay. When I get my own Erf I will build my own place.*

### **Hopes**

***I will go out and look for work and if I am successful I will look for a hostel for my children and stand on my own feet. I am still too young (25) to just sit here and suffer.***

*If we get assistance with that money (BIG) then there will be some changes. We will not suffer from hunger like now. Our health situation will also improve. Life will change through the BIG Project I will pay the school fees. At the moment my children do not have school uniform yet. They wear old used uniforms we got from our relatives.*

*I will build my own house and start to live in my own home... I will go out and look for work and if I am successful I will look for a hostel for my children and stand on my own feet. I am still too young (25) to just sit here and suffer.*

## Section 2: The Findings

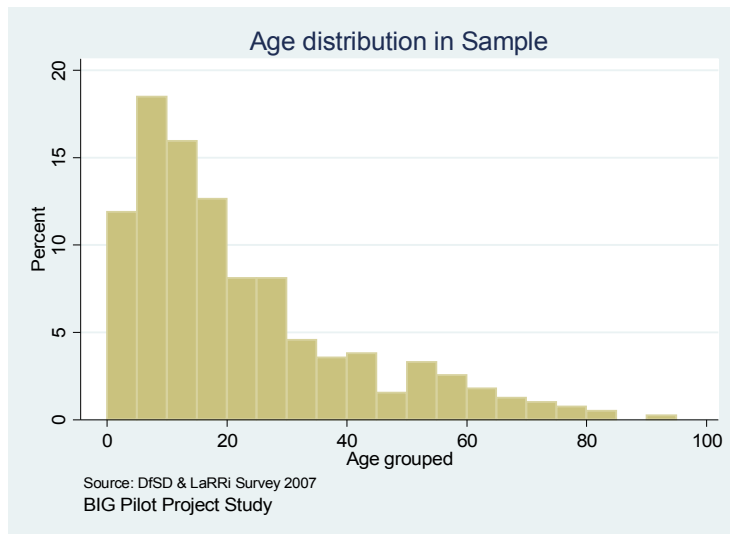
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### 2.1 The Demographic Profile of Otjivero-Omitara

Otjivero-Omitara is a low-income rural area some 100 kilometres east of Windhoek. The sample for the evaluation study was randomly drawn, covering about 50 out of 200 households. The baseline survey of November 2007 covered a sample of 398 individuals. The sample consisted of slightly more females (51%) than males (which is roughly similar to the pattern in the country (53% female)). Likewise, the age distribution in the sample was similar to that displayed for the country overall, with a preponderance of young people (Graph 2.1-1) Therefore, in these two basic respects the area and population are representative of Namibia. Reflecting the settlement, the sample showed that the largest language group in Otjivero-Omitara are those speaking Damara>Nama (73%), followed by Afrikaans (10%), Otjiherero (8%), Oshiwambo (6%), Rukwangali and Setswana (2%).

**The sample for the evaluation study was randomly drawn, covering about 50 out of 200 households.**

## Section 2: The Findings



**Graph 2.1-1**

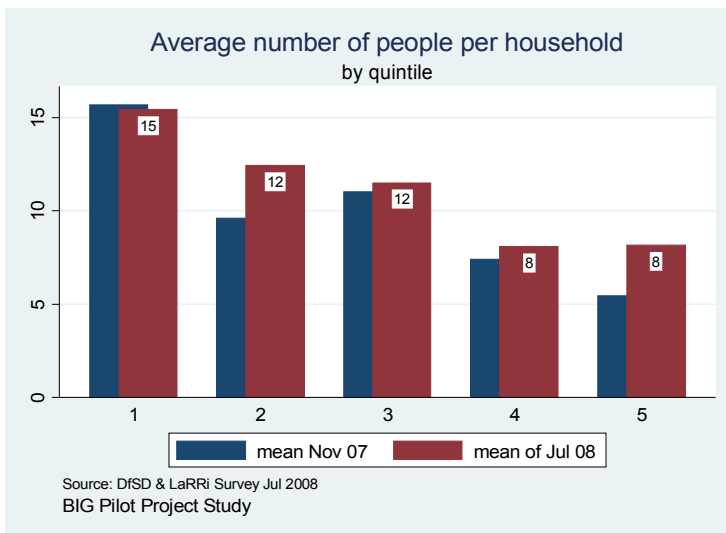
### ***Migration***

There is one demographic feature that needs to be borne in mind when reading the findings. Otjivero-Omitara has had an inflow of migrants since November 2007. At that time, over 90% of the sample under the age of 60 were registered for the BIG, whereas in July 2008 this had dropped to 80%, meaning that one-in-five residents in the sampled households were not registered for the BIG. The inward-migration can be seen when looking at the average household sizes in July 2008 compared with November 2007. In all but the first quintile (that is, the poorest 20% of households), the average number of people per household increased.

One could speculate that new residents have moved to Otjivero-Omitara due to their desperate economic situation and the availability of cash to help with their subsistence.



## 2.1 The Demographic Profile of Otjivero-Omitara



**Graph 2.1-2**

What this means, in brief, is that for the people in Otjivero-Omitara, the BIG has to cater for more people than initially anticipated and hence needs to be stretched further. The impact of the BIG was therefore diluted to some extent as the same cash injection was being spread over a greater number of people.

From a policy point of view, such in-migration highlights a drawback of selective transfers in general, and lends support for a universal grant across Namibia. If cash transfers target only some people, selected by qualifying conditions such as poverty level (means-tested) or by household composition (such as households with orphaned children), the per capita value of the benefits will be eroded by in-migration. In other words, beneficiaries may be obliged to share their grants with others. This obligation would be greatly reduced, if there was a universal grant that reached everybody. This would increase the actual benefit to the intended recipients.

This situation also has had an impact on the analysis of the data, since the results were influenced by migration. A pragmatic decision was taken that for certain issues those households that had to cope with migration in the last six months should be excluded from comparisons. This procedure allowed us to assess what the national

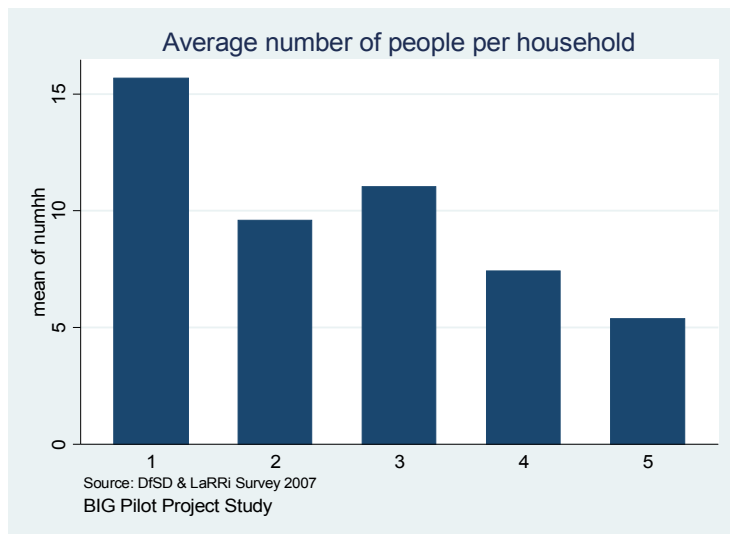
## Section 2: The Findings

impact of a Basic Income Grant would be, as opposed to a “targeted” or “conditional” programme. This report will highlight the effects of migration on the results of the BIG in Otjivero-Omitara and consider these effects in the analysis.

### Household size

**On average the poorer the household, the more people were living in it.**

An important aspect of any community is the size of household, and this tends to change with development. For statistical purposes, it is appropriate to divide households into groups according to the level of income of the household. The conventional approach is to divide them into five quintiles of 20% each, with the first consisting of the 20% poorest, and the fifth the richest 20%. Doing this showed that on average the poorer the household, the more people were living in it.



**Graph 2.1-3**

Housing in Otjivero-Omitara is poor (mainly shacks) and over-crowded: 18% of households had only 1 room, 39% had two rooms and 25% had three rooms. On average 4.1 people lived in the one-room dwellings, 6.6 people in those with 2 rooms and 7.8 in those with 3 rooms. The

## 2.1 The Demographic Profile of Otjivero-Omitara

photograph below shows a dwelling inhabited by 18 people.



**Photo 12: Aron Swartz household - 18 people are living in one dwelling (July 2007)**



**Photo 13: Aron Swartz household - after the introduction of BIG (July 2008)**

## Access to Energy

**Currently, for the majority of households, firewood was, and still is the main source of energy for cooking.**

In November 2007 only half (48%) of the sampled households in Otjivero-Omitara had access to electricity in their dwellings. By July 2008 this had risen to 72%. This figure indicates a substantial improvement in living standards. It is noteworthy that the number of households using electricity for cooking rose only marginally, from 12% to 15%. This might be due to the lack of electrical appliances and it will be interesting to see how this situation changes in the months to come, when households might be in a better position to buy these items. Currently, for the majority of households, firewood was, and still is the main source of energy for cooking.

This poses a particular problem for Otjivero-Omitara because the settlement is surrounded by commercial farms and a protected dam. Hence access to firewood is highly constrained. The collection of firewood on privately owned land is prohibited; those found collecting are fined N\$1000 or sent to prison for up to a year. The collection of wood on the surrounding commercial farms has long been a source of conflict between the community and the farmers.

As households use the BIG to purchase durable goods like electric stoves, the importance of firewood for cooking might decline – and thus the associated conflict with farmers and the police.

## Sanitation

Otjivero-Omitara suffers from very poor sanitation. In November 2007, about one in five households used “the bush” for their toilet, 8% used buckets, 22% used a pit latrine and 37% used a communal toilet. Only 14% had access to a flush toilet. According to the local clinic nurse, the communal toilets were contributing to the spread of infections:

*“We still have quite a lot of infections because of the (communal) toilets here. Only old people received toilets, about 10 in the whole settlement, and now everybody is using those few toilets. This*

## 2.1 The Demographic Profile of Otjivero-Omitara

*is where people get different infections. We can see who got infections from the toilets.”*

Between November 2007 and July 2008, there were some signs of improvement as the percentage of households using 'the bush' or communal toilets had dropped from 57% to 47%. One man explained that he had been able to build a latrine with the BIG.



**Photo 14: Joseph Ganeb building a latrine**

Regarding access to water, Otjivero is in a privileged position. Under an arrangement with the municipality of Gobabis, the settlement receives water from the Otjivero Dam free of charge. In November 2007, most respondents (76%) had access to water through a shared communal tap while 16% had a pipe leading to their compound. Only 8% had water pipes leading into their houses.

## 2.2 Community mobilisation

When the BIG pilot project was still under discussion, the Otjivero-Omitara community demonstrated a healthy suspicion towards development aid and outside 'assistance', which they saw as short-term gestures and



## Section 2: The Findings

ill-conceived projects. However, after speaking to the community on the day of selection and registration the Bishop of the Evangelical Lutheran Church in the Republic of Namibia (ELCRN), Dr. Zephania Kameeta, was able to allay some of their fears. As the chairperson of the BIG Coalition in Namibia, his presence was important in helping instil trust and enhance the credibility of the pilot project.



**Photo 15: First community meeting - initial scepticism about the BIG in Otjivero-Omitara**

With registration for the BIG pilot, the community of Otjivero-Omitara embarked on a process of mobilisation, conscientisation and self-empowerment. It is important to stress that this was an entirely organic process initiated and developed by the community itself without outside interference. The community decided to elect a 'BIG Committee' to guide the pilot project within the community and assist the community and the BIG Coalition wherever needed. In September 2007, a 18 member committee was elected at a community meeting. It comprised the local teachers, the nurse, the police as well as business people such as shebeen owners and community members. Representation of language and age groups was ensured.

The community felt that, unlike other projects, the BIG pilot project gave them ownership of the process and re-

**With registration for the BIG pilot, the community of Otjivero-Omitara embarked on a process of mobilisation, conscientisation and self-empowerment.**

## 2.2 Community mobilisation

sponsibility for the outcome. They felt that they had been entrusted with the project and wanted it to have the best possible impact on the lives of individuals and the wider community. By definition an unconditional universal cash transfer gives the recipient the choice of what to do with the money. The community realised at the outset that they had been given the opportunity to make it work. It was clear to all BIG recipients that the success or failure of the pilot project depended on them.

According to the guiding principles of the BIG committee, they were participating in a *“little project with a large aim. The aim is to UPLIFT the 'life' of Omitara, then Namibia, then Africa and at last the world”* (BIG Committee, 2007)

**“(a) little project with a large aim. The aim is to UPLIFT the 'life' of Omitara, then Namibia, then Africa and at last the world”.**



**Photo 16: Otjivero elected its own BIG committee**

In September 2007, this BIG committee set itself a high standard by developing a strict code of conduct and outlining a number of tasks for the committee and its individual members. The committee elected a number of so-called 'control officers'. The name 'control officer' may appear, at first glance, to have a rather negative connotation. However, the committee explained that the name should support the seriousness of their tasks in contrast to weaker labels like 'advisor' which, they said, are known to be ineffective. Control officers were tasked with educating, conscientising and empowering people



## Section 2: The Findings

in the community to make the best use of their BIG payments. The control officers are not there to force or control people to spend the money in certain ways, but rather to raise awareness and provide advice.

**The she-beens agreed not to open on the days the BIG was paid out.**

The committee was well aware of the widespread problem of alcohol abuse and knew that this would receive special attention during the pilot project. Accordingly, shebeen owners were represented on the committee and asked to assist with their advice and cooperation. This bore fruit when the shebeens agreed not to open on the days the BIG was paid out. The challenge of alcoholism was openly discussed from the outset and addressed through a process of community mobilisation.

It was encouraging to see the powerful community mobilisation happening in Otjivero-Omitara even before the implementation of the BIG. The successful start in January confirmed the sense of trust between the community and the BIG Coalition. Due to the excellent organisation and work of the committee, the BIG Coalition has so far not experienced any problems in the co-operation and communication with the community of Otjivero-Omitara.

It should be mentioned that the BIG Coalition and more importantly the research teams tried to make contact with the surrounding commercial farmers in order to learn about their views on the pilot project and the developments in Otjivero-Omitara. However, the farmers have so far been reluctant to engage with the process.

### 2.3 Nutrition and child development

When the households were surveyed in November 2007, it was clear that the nutritional situation was bleak: 73% of households indicated that they did not always have sufficient food. Thirty percent reported that they lacked sufficient food on a daily basis, and 40% said this happened at least once a week. Only 20% reported that they never experienced food shortages.

**In November 2007, 73% of households indicated that they did not always have sufficient food.**

### 2.3 Nutrition and child development

When asked how they coped, almost half (48%) of the respondents indicated that in times of food shortages they went to friends and relatives in Otjivero asking for food while 18% went to friends and relatives outside Otjivero. The nurse at the clinic observed:

*“People borrow from each other to survive. Everyone borrows from everybody else. That’s how it is. When people see that someone bought sugar, the others come to ask for some of it. That’s why it does not last because it has to be shared with the other houses in the neighbourhood.”*

Another resident of Otjivero described the day-to-day struggle for food:

*I live with my aunt and her family and we are 15 in one household and no one earns a decent income, we “zula” [ie 'struggle'] to get food. We have nothing to eat at all.*

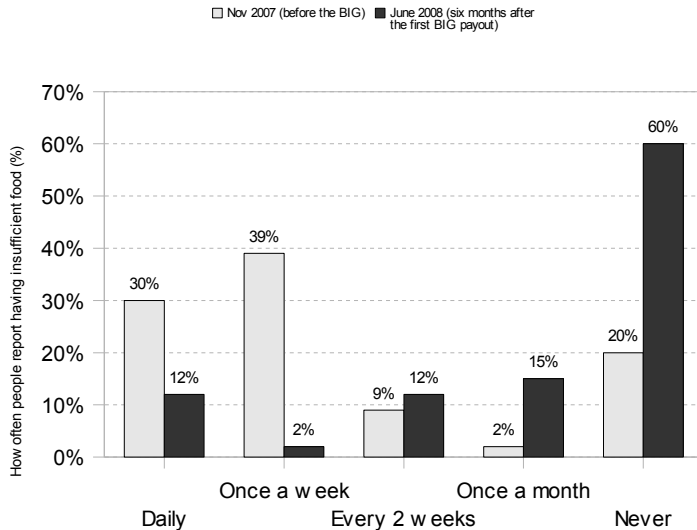
The introduction of the BIG has changed this situation substantially. As can be seen in Graph 2.3-1 below, the percentage of households reporting food shortages on a daily basis dropped from 30% to 12% between November 2007 and July 2008, and the percentage of households reporting that they never experienced food shortages rose from 20% to 60%.<sup>4</sup> People reported an improvement in their diet, as they ate red meat, bread, fish and vegetables more often than they did in November 2007.

**The introduction of the BIG has changed this situation substantially: 60% of the people reported that they always have sufficient food now!**

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4 The proportion reporting food shortages every two weeks or once a month rose as households moved from suffering daily food shortages to shortages on a more intermittent basis.

## Section 2: The Findings



**Graph 2.3-1: Percentage of Households Reporting Food Shortages (before and after the introduction of the BIG)**

Good nutrition is essential for human well-being – especially for children. When describing the situation in November 2007, the local clinic nurse, Ms Mbangu, highlighted their suffering:

*“I have one case where a baby who is HIV positive received sugar water instead of food. This baby is just one month old. The mother can’t breastfeed but she also does not have food. This morning she walked to the farm where her sister stays, just to get some maize meal. Such a baby will have a low weight and then we must send the baby to Gobabis... Low weight is especially a problem with children who are HIV positive although some others are also under-weight. Some have relatives who work elsewhere and send them some money or maize meal. Many others go to sleep without eating and the children are so hungry. That’s when you don’t know what to do and where to find food for them.”*

This dire situation was illustrated also in the shocking statistics regarding weight-for-age (see below). Fortunately, the BIG has helped improve the situation dra-

## 2.3 Nutrition and child development

matically – in the space of only six months. This is, without doubt, one of our most important findings.

### *Improvements in Weight for Age Measures for Children under Five*

The World Health Organisation (WHO) provides information on the distribution of 'weight for age' ratios we should expect to see in an adequately nourished population. Using this information as a benchmark, we can compare the distribution of children in Otjivero-Omitara with the WHO reference data to see how many would be regarded as under- or over-weight for their age.

Some children are naturally heavier or lighter than others, so the WHO regards a range of weight for age ratios as 'normal'. Only those children who fall significantly below the median (mid-point) of the WHO's range of values are classified as 'malnourished' and only those who fall significantly above the median are classified as 'overweight'. The WHO uses 'standard deviation units' or 'z-scores' (which standardize the deviation from the average normal distribution) to classify children as under- or overweight for their age. In terms of this scheme, a child with a z-score of 0 weighs exactly what we would expect given his or her age. Children with z-scores of between 1 and -1 are above and below the median weight for age, but this difference is not regarded as a problem, as it falls within the healthy distribution of weight for age values. However, children who fall below -1 are seen as heading towards serious malnutrition, and those below -2 are regarded as malnourished. Likewise, children, who score above 2, are regarded as unhealthily overweight for their age.

**In November 2007, 42% of the children were undernourished.**

In Otjivero-Omitara, 42% of the children measured<sup>5</sup> in November 2007 were undernourished (they had a z-score of below -2). This was significantly worse than the average in Namibia (where 24-30% of children under five

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5 The collection of biometric children's data was done on a voluntary basis. It is noteworthy that 100% of the sampled children came to the clinic and the trained nurse weighted and measured them.

## Section 2: The Findings

are reportedly malnourished).<sup>6</sup> It is also well above the 30% mark, which the WHO regards as a very high prevalence of malnutrition and which is the worst classification in the WHO categories. Most (82%) of these children were between the ages of 2 and 3. Equally shocking was that half the children (51%) were below height for age (and hence should be classified as 'stunted').

In short, the weight for age, and height for age measures indicated that the situation for Otjivero's-Omitara's children was dire indeed. This is a human tragedy because the damage caused to children by poor nutrition under the age of five is irreversible. It is also an economic and developmental disaster as poor childhood nutrition undermines human capital development and economic growth in the future.

**Since the introduction of the BIG, the percentage of malnourished children dropped from 42% to 17%.**

Fortunately for Otjivero-Omitara's children, the BIG has already had a significant effect on their nutritional status – after only six months of operation! Between November 2007 and July 2008, the percentage of malnourished children dropped from 42% to 17% (for the 36 children under five for which we had weight for age scores in both periods).

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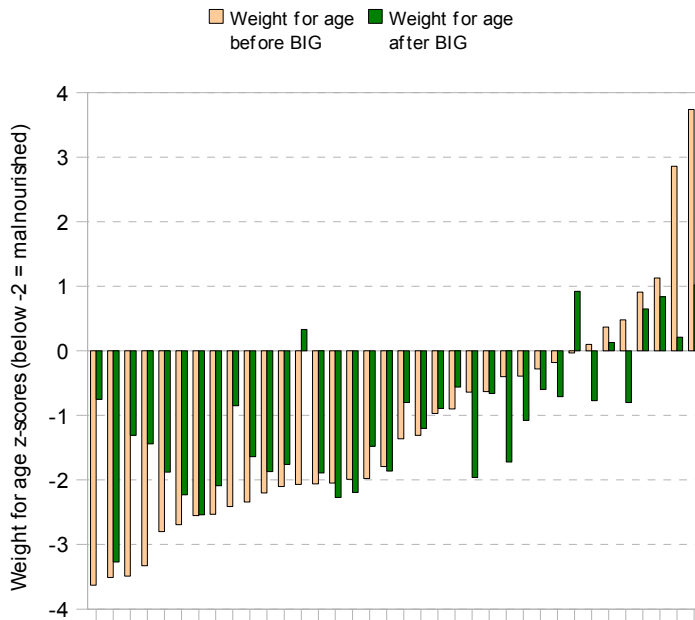
6 The 2007/8 Human Development Report states that 24% of Namibian children are malnourished. see: [http://hdrstats.undp.org/countries/data\\_sheets/cty\\_ds\\_NAM.html](http://hdrstats.undp.org/countries/data_sheets/cty_ds_NAM.html). More recent figures, not yet publicly released, suggest that the number for 2006 may be as high as 30% (quoted in *The Namibian*, 28.2.08)

### 2.3 Nutrition and child development



**Photo 17: Malnutrition declined dramatically after BIG**

The changes in individual scores are depicted in the figure below for each child.

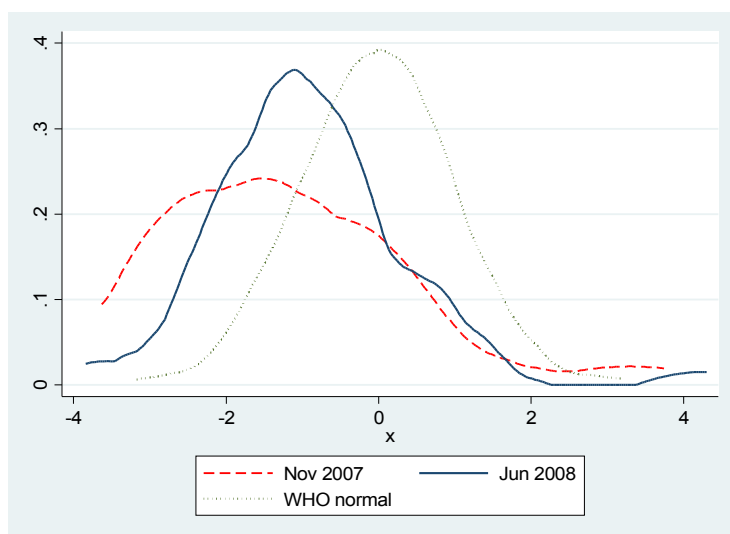


**Graph 2.3-2: Changes in Weight for Age Z-scores (November 2007 to July 2008)**

## Section 2: The Findings

The light (orange) bar shows the weight for age z score before the BIG, and the dark (green) bar alongside it shows the weight for age z score after the BIG.

Only two children were technically over-weight for age in November 2007 (and these children reverted to normal weight within six months – perhaps through better quality nutrition). Of the fifteen who were malnourished (with z-scores of below -2) in November 2007, only six were still severely below weight for age by July 2008 (and most of those showed steady improvement over time).



**Graph 2.3-3: The shift in the distribution of weight for age scores (before and after the BIG)**

Note: the distribution of z-scores for November 2007 and July 2008 comprises all observations (except for in-migrating children, which were removed from the July 2008 data set to ensure comparability).

Essentially what is happening is that the entire distribution of weight for height z-scores is shifting away from malnutrition and towards the kind of distribution one would expect amongst adequately nourished children. As can be seen in Graph 2.3-3 above, the distribution of z-scores in November (the large dashed, red, line) has

**The nurse of the Otjivero clinic confirmed the dramatic improvement in the nutritional situation facing children.**



## 2.3 Nutrition and child development

become steeper and has fewer low z-scores by July 2008 (as depicted by the solid blue line. This means that the average weight for age has increased and the proportion of malnourished children has fallen. The distribution is, in other words, slowly shifting towards the pattern of wage-for age scores we would expect to see in a population of well nourished children (i.e. the WHO normal curve depicted in a broken dotted green line). Note that this shift in the distribution is both visually obvious and statistically significant.<sup>7</sup>

Height for age also appears to be improving, but it is too early to comment on this trend.

The nurse of the Otjivero clinic confirmed the dramatic improvement in the nutritional situation facing children:

*“Since January we did not have a single case of malnutrition and that is how we see that this N\$ 100 really helps. Last year, people often came and asked the clinic for food for their children...In the past people were afraid to visit the clinic if they are sick because they did not have the N\$ 4 to pay for the consultation Now they come and only ask for medicines. Also, the children are no longer dirty. I noticed a big change”. (Mbangu, July 2008)*

**“Since January we did not have a single case of malnutrition and that is how we see that this N\$ 100 really helps.” The nurse July 2008.**

## 2.4 Health and the clinic

A community such as Otjivero-Omitara suffers from a vicious circle of malnutrition, poverty, ill-health and lack of human development. All these factors are interconnected. An intervention such as BIG is likely to break this vicious cycle.

The situation in 2007 was desperate. Poverty prevented many residents of Otjivero-Omitara from seeking treatment for illnesses. The nurse explained that many were unable to pay the clinic fees of N\$4. She explained that

**After the introduction of the BIG in 2008, the clinic reported a five-fold income increase from N\$ 250 per month to nearly N\$ 1300,- per month.**

<sup>7</sup> The two-sample Kolmogorov-Smirnov test for the equality of distribution functions indicates that we can (with a 95% level of confidence) reject the null hypothesis that the two distributions are the same ( $p=0.043$ )

## Section 2: The Findings

she would still treat people 'on credit', but many apparently felt too ashamed to go to the clinic without paying. As a result they tended to go to the clinic only when they became very sick. She thus expected the BIG to have a major impact on clinic attendance – and on the capacity of people to pay the clinic fees.



**Photo 18: Sister Mbangi of the government clinic - plays a central role in Otjivero**

She was subsequently proved right as shown by the clinic records. Whereas in a typical month in early 2007, the clinic had an income of about N\$ 250 per month, after the introduction of the BIG in 2008, the clinic reported a fivefold income increase to nearly N\$ 1,300. This is because more residents came for treatment because they could pay the \$4, and felt comfortable exercising their rights. The increase in clinic attendance was not caused by an unusual spate of illnesses or a sudden epidemic (there was no increase in incidents of ill-health in our sample between November 2007 and July 2008), but rather by people seeking medical attention for common complaints, which they had suffered without the benefits of health care in the past. Importantly, the nurse said that since the introduction of the BIG, she has observed a reduction in the cases of severe diarrhoea, while the people coming to the clinic in 2008 were mostly treated for more common sicknesses like flu

## 2.4 Health and the clinic

and coughs. In short, it can be observed that since the BIG, Otjivero-Omitara has benefited from better nutrition and better health care – and hence that the quality of life has improved. This supports the results of the previous section on the improvement of the nutritional status of adults and children which, in combination with a better access to ARVs, lead to improvements in general health of the population in Otjivero-Omitara.

The nurse has been actively involved in the government's HIV prevention and treatment program. She has educated the community about HIV prevention and the need for safe sex. She said:

*“HIV/Aids is the biggest health challenge in Otjivero. People here don’t work and the people who work on the farms come to Otjivero to drink. That’s when the people who don’t have food in their houses come to sell their bodies. However, things have improved since the clinic was opened in January 2002. There is a very big difference between the situation in 2002 and 2007. We are providing education about AIDS and how people can get HIV... At the beginning we had to explain what AIDS is because people still lived in the old days... Today people use a lot of condoms and come to the clinic to collect them We also give them health education. There are not so many STDs any longer... We have a support group for HIV patients and people are now openly talking about their HIV status.”*

**Access to ARVs was often hampered by poverty and lack of transport.**

In spite of progress, HIV/AIDS was still affecting most households in Otjivero-Omitara. For example, 78% of households that had experienced a death in the past two years indicated that it was AIDS-related.

Access to ARVs was often hampered by poverty and lack of transport. Interviewed in November 2007, the nurse explained:

*“HIV positive people have dates at which they must collect their ARVs. They must go every month but they don’t have work, they don’t have income; they don’t have people who can help them. The only thing I can do is to ask the ambulance to take them*

## Section 2: The Findings

*to Gobabis. Not all people who are HIV positive are on ARVs because they can't get transport to Gobabis. It costs them about N\$100 to take taxis from Otjivero to Gobabis and back. Then they are hungry but have nothing to eat...*

Unsurprisingly, the nurse expected that the main impact of the BIG on the lives of HIV-positive people would be to give them the means to travel to Gobabis to collect their ARVs. As it turned out, however, this proved unnecessary because the doctor in Gobabis was persuaded by the nurse in March 2008 to come to Otjivero to deliver the ARVs to the growing group of ARV patients there:

**The BIG greatly assists people living with AIDS.**

*"The situation of people in Otjivero on ARVs has improved. The doctor is now coming to Otjivero and people don't have to spend N\$70 for a trip to Gobabis. How must they come back? ARVs are free of charge but transport is expensive and so we talked to the doctor [in Gobabis]. He is coming here every month to bring ARVs and to take measurements". (Mbangi, July 2008)*

The number of people receiving ARVs increased from three in late 2007 to 36 in July 2008 – a twelfold increase. This, of course, took place in the context of the Namibian Ministry of Health's proactive national ARV rollout. However, some people in Otjivero-Omitara have expressed the view that the ARV rollout only came to Otjivero because of the public attention focused on the area as a result of the BIG pilot project. Whatever the relationship between the BIG and the ARV roll-out, it is nevertheless fair to say that the BIG greatly assists people living with AIDS. People on ARVs need to be well nourished to benefit fully from their treatment. The BIG provides them with the opportunity to improve their diet. The BIG can benefit HIV positive people in other ways too, as was the case for Johannes Goagoseb

## Johannes Goagoseb



**Photo 19: Johannes Goagoseb in prison, November 2007**

**Johannes lives in Otjivero and has been living with HIV for about 3 years now. Last year he lost first his daughter and then his girlfriend who both died as a result of AIDS. He is unemployed and struggled to get his ARVs from Gobabis. As a result, he went hunting the day before he had to travel to Gobabis to get his ARVs from the Gobabis hospital. The next day, on which he was supposed to travel to Gobabis, he was arrested for illegal hunting.**

This is his story as told in November 2007:

*I came to Otjivero long before my parents came to Otjivero. I am 43 years old and worked at the Omitara hotel. Before I came to Otjivero, I worked at a farm called Hummels in the vicinity of Omitara. I lost my work after I fought with my colleague at work after which my employer chased me away. So I came to Otjivero and after some time I got employed at the Omitara hotel. Ever since my employers sold the hotel two years ago, I am jobless. In 2004 my parents came to Otjivero and since then I live with them.*

*During the illness of my girlfriend I also went for a HIV test on the advice of the clinic nurse. Although it was hard for me to believe it, I found out that I am also positive. I was very much disappointed but could not do anything else but had to accept the reality. From the beginning of this year, I became very sick, and since then I received Anti-Retroviral (ARV) treatment. The Omitara clinic does not provide ARVs but only pre-treatment. When the drugs finish, I have to struggle to get money to travel to the Gobabis hospital to get my medication. It is always a struggle to get money for transport to*

## Section 2: The Findings

*Gobabis. One cannot take these drugs on an empty stomach, but the main problem here is hunger.*



**Photo 20: Parents of Johannes Goagoseb (Nov 2007)**

*It is because of hunger and especially to get transport money to travel to Gobabis for my ARVs that I am imprisoned today. On the previous day, I went into Mr. Held's farm and hunted one warthog in order to sell the meat and get some income. But on the next day, on which I had to travel to Gobabis to get my ARVs, I was arrested after the police followed my footprints to our house. I tried to explain my situation to the police, but they arrested me. Since the week I was arrested and put in the Witvlei prison until now that I am in Gobabis main prison, I have not received the ARVs. Due to this break ... I am now receiving TB treatment in prison.*

In July 2008, we visited Johannes again, this time at his house in Otjivero. Both Johannes and Adolfine, his sister, who is also HIV positive, were looking far healthier than they were before the introduction of the BIG. Johannes was released from jail on 11<sup>th</sup> March 2008 after paying his fine with the money he received from the BIG and he explains how his life has changed due to the introduction of the BIG:





**Photo 21: Johannes Goagoseb - reunited with his family (July 2008)**

*Our expectations are definitely met with the introduction of the BIG and we feel good and really happy that Otjivero was chosen for the BIG. The hundred N\$ we receive seems small but it is a blessed money. Many things have changed in our lives. We have bought blankets, clothes, school clothes, paid school fees and a strong plastic to put on the roof of our house. We do not any more suffer from the severe hunger we were in before we started getting the BIG. We don't any more buy only maize meal but also different kinds of food. Sometimes we also buy vegetables. We have still lots of things to buy but the money is not always enough so we plan carefully. One good thing is that we don't spend any more money for transport to Gobabis to get our pills (Antiretrovirals), but the doctor himself comes to Otjivero every month. So we get our treatment on time that's why we look so good and well. The people of Otjivero have changed a lot. We don't any more hear of people complaining of hunger or asking food around. The theft cases have also reduced tremendously. Many people bought corrugated zincs and repaired their houses. We buy most of the time wood, thus we don't have any more many cases of people stealing wood. Fight-*

**His story bears testimony to how the health status as well as the living conditions of people living with HIV improved during the first six months of 2008.**



## Section 2: The Findings

*ings and strong alcohol use have really been reduced. We don't any more hear of people fighting. (Johannes and Adolfine Goagoses, July 2008)*

His story bears testimony to how the health status as well as the living conditions of people living with HIV improved during the first six months of 2008. It shows how the BIG can complement and strengthen the Government's efforts to provide ARVs to all who need them.

### 2.5 Schooling and child performance

Otjivero-Omitara has had a primary school since 1996, which is located in the centre of the settlement. It has the potential to improve the prospects of Otjivero's children, but at the time of the baseline survey in November 2007, financial problems were keeping many children out of school. In addition, the school reported that the lack of adequate nutrition of many children had a negative impact on the performance. Due to the lack of payments of school fees, the school had very limited financial resources and leverage to improve the quality of education.

## 2.5 Schooling and child performance



**Photo 22: The Primary School in Otjivero**

Some 77% of the respondents reported that they could read and write in at least one language, while 23% said they were illiterate.

Almost half (49%) of the households with children of school-going age indicated that their children did not attend school regularly. Nearly half of them said this was due to financial reasons, while 21% cited ill health or the lack of an adequate school feeding scheme as the main reasons.

Schooling opportunities are limited for the children of Otjivero-Omitara. As of November 2007, the primary school catered for about 250 children in grades 1-7. The teachers reported that only about 20-30% of the children did well, while the others were struggling. Pass rates stood at about 40% and drop out rates were high. Only few children managed to complete grade 7 and to further their schooling in Gobabis, Windhoek or Gumnichas. This state of affairs was directly linked to the widespread poverty, as the teachers explained:

*“Most learners are more interested in pots than in schooling... Many children stay away from school if they don’t receive food. Our school is part of the school feeding scheme but sometimes there is no*

**Almost half (49%) of the households with children of school-going age indicated that their children did not attend school regularly.**

## Section 2: The Findings

*pap. Sometimes they get some meat, about once a week, but there are no vegetables or fruit.”*

Another problem was the parents’ inability to pay the school fees of N\$50 per year, due to their poverty. Teachers also pointed out the difficulty of enforcing children to wear school uniforms:

*“Some children don’t have school uniforms at all, others have uniforms of other schools. We tried to solve this problem in 2005 but we could not.”*

**“Some children don’t have school uniforms at all, others have uniforms of other schools. We tried to solve this problem in 2005, but we could not”.**

Teachers were aware of the many problems that their students had to confront, including the difficulty of finding a place to study and read after school. Therefore they introduced study time at school in the afternoons which had helped some of the students. However, the root cause of the problem was clear:

*“Unemployment and poverty are the causes of most problems. For the young people, grade 7 at our school has become like their matric. Some go for further schooling but some return after just one term. They lack the discipline, or the money, or don’t find a place in the hostel. Some also struggle to adjust to life in bigger places. Because of unemployment, the parents can’t afford to send their children for further schooling.”*

The situation at the time of the baseline survey in November 2007 was dire. However, even before the BIG was actually introduced, the local teachers expected the BIG to have a positive impact on school attendance and the payment of school fees:

*“Children who no longer go to school on hungry stomachs would be able to concentrate in class and thus improve their school performance...The BIG will make it possible for families to pay school fees and to buy school uniforms for the children. Children will also have food and perhaps we can even build a hostel...”*

## 2.5 Schooling and child performance

*I also think people will no longer go into the farms to hunt and there will be less poaching. However, at the beginning, some people will certainly abuse the BIG money. Over time this will improve and the committee will hold meetings with the people so that they understand how to utilise the money they get. They must learn how to use it well.*

The actual evidence is indeed encouraging and meeting these expectations of the teachers. Certainly, according to the information from the July 2008 survey, comparing information on the same children as in November 2007, many more of the children were attending school, and anecdotal evidence attributes that to (a) an increased ability to pay fees, (b) improved health and nutrition status of the children, and (c) improved facilities due to the ability of the school to pay for equipment.

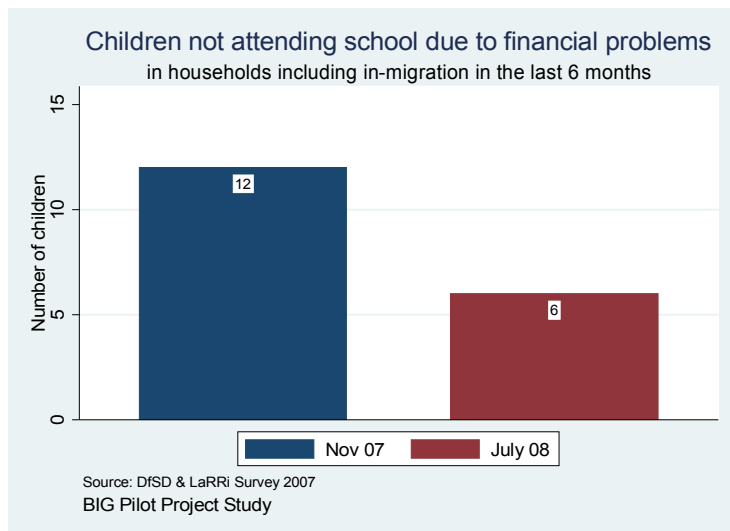


Since the introduction of the BIG, the number of children not attending school due to financial reasons dropped by 50%.

**Photo 23: Proud to be at school**

Graph 2.5-1 shows the non-attendance due to financial reasons. In spite of the impact of substantial in-migration of children to Otjivero (the number of children grew by 15% in our sampled households between November 2007 and July 2008), the number of children **not** attending school dropped by 50% from 12 to 6. Five of the six not attending school came from households that had drawn migrants who were not receiving the BIG.

## Section 2: The Findings



**Graph 2.5-1**

It was not only in the primary school where changes had taken place. School staff and parents alike noted the improved use of pre-primary school facilities. A resident of Otjivero and owner of the general store there in the settlement observed that:

***“Learners used to come to school with empty stomachs but now this is no longer the case. Before (BIG) the learners did not concentrate in class due to hunger but now they are more energetic and concentrate more, thus there are better results.”***



**Photo 24: Enrolment at the crèche increased from 13 to 52 after BIG**

## 2.5 Schooling and child performance

The kindergarten teacher, Mathilde Ganas, added:

*“There is a tremendous change [since the introduction of the BIG]. The children come to school clean, on time and well fed. When it is break time we send the children back home to eat and they now come back on time. In the past, when we sent them home, most of them never returned...because the parents did not have food to give them and therefore they could not return back. Before the Basic Income Grant things were really bad and it was difficult to teach the children. Now they concentrate more and pay more attention in class. They are generally happy because they have enough to eat at home.” (Mathilde Ganas, July 2008)*

Likewise, the teachers at the primary school pointed out that:

*“Learners used to come to school with empty stomachs but now this is no longer the case. Before [BIG] the learners did not concentrate in class due to hunger but now they are more energetic and concentrate more, thus there are better results now.” (Gawachab and Kaffer, July 2008)*





**Photo 25: School performance and attendance improved after the BIG**

The primary school's principal noted that payment of school fees had improved significantly since the introduction of the BIG:

*"I can say that the parents of most children in grades one and two have paid. About 70% have paid and also in the higher classes about 50% have paid. Well, it is not all of them that have paid but the change is there". (School Principal Ms Jeremia, July 2008)*



## 2.5 Schooling and child performance



**Photo 26: Payment of school fees more than doubled after BIG**

The principal further reported that drop-out rates at her school were 30-40% before the introduction of the BIG. By July 2008, these rates were reduced to a mere 5%.

Thus, in conclusion, it can be stated with confidence that the BIG has been associated with an improved environment as far as schooling and child development are concerned. This happened without any outside pressure or attachment of conditionality to the cash transfer. People themselves decided what was good for their children, and did not need to be coerced to do what they believed was right. All they needed was the income to do so.

**People themselves decided what was good for their children, and did not need to be coerced to do what they believed was right. All they needed was the income to do so.**

## 2.6 Livelihoods and economic activity

Because of the young population in Otjivero-Omitara, about a third of the sample are in school. As of November 2007, 19% of those aged 15 and above were working, 40% were unemployed, and 35% were too old or too sick to work.

## Section 2: The Findings

The study comprises data on economic activity and earnings in both November 2006 and July 2008 for 190 people aged 15 and above. Sixty percent of this group earned no income in either period. Of the remaining 76, nineteen were living on pensions (16 old age pensions and 3 disability pensions) in both periods. One person increased her real income through obtaining a foster grant. The remaining 56 earned income through economic activities (wage and self-employment).

The results show that average real<sup>8</sup> income from work rose for this group from \$267 to \$308 over the period. In other words, the introduction of the BIG did not result in people stopping working (as some critics stated) – but rather facilitated an increase in employment and income.

**The introduction of the BIG did not result in people stopping working (as some critics stated) – but rather facilitated an increase in employment and income.**

This does not mean, of course, that everyone's income rose. As shown in the table below, some people's income also fell. The key point, however, is that more people experienced an increase in income than a decline, and more people were working after the introduction of the BIG than before.

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8 Real income takes inflation into account by reducing the value of nominal income in July 2008 to take into account the eroding impact of price increases on the purchasing power of money.

## 2.6 Livelihoods and economic activity

<b>People whose real income from economic activity rose (36)</b>	
New wage employment	6
New self-employment	14
Wage increase	5
Self-employed income increase	3
Wage earners add self-employment activities	3
Pensioners add self-employment activities	2
People with wage and self employment increase income	3
<b>People whose real income from economic activity fell (20)</b>	
Wage employment lost (includes a pensioner who retired)	6
Self-employment lost	3
Falling wage income	2
Falling self employment income	2
Falling income from farming activities	3
Moved from wage employment to lower earning self employment	4

As can be seen in the table, 20 experienced declining incomes. Of these, 9 stopped working altogether (four because they were retrenched, and one because of retirement). Most people experiencing falling incomes did so not because they withdrew from economic activities, but because of falling earnings from self employment (including agriculture – which is seasonal) or because they lost wage employment and could only find self employment which paid them less. There is, in other words, no evidence that the BIG resulted in people deciding to 'do nothing'. To the contrary, the overwhelming picture is one of people wanting to work, and using the BIG to enhance their earnings.

This is illustrated most clearly by looking at those who increased their incomes over the period through engaging in more economic activity. Fourteen people became newly self-employed and two pensioners also decided to re-enter the labour force and earn income through self-employment. This is discussed in more detail below.

In short, it is clear that the BIG was *not* associated with a decline in earnings from economic activity. Although

**The overwhelming picture is one of people wanting to work, and using the BIG to enhance their earnings.**

## *Section 2: The Findings*

some people experienced a decline in income, this is consistent with normal labour-market dynamics. On average, economic earnings increased. This lends weight to the argument that a BIG adds to economic earning potential rather than diminishing it through the supposed substitution of leisure for effort. Indeed, the BIG appears to have given the recipients new hope and the means to pursue additional economic activities – particularly self-employment.

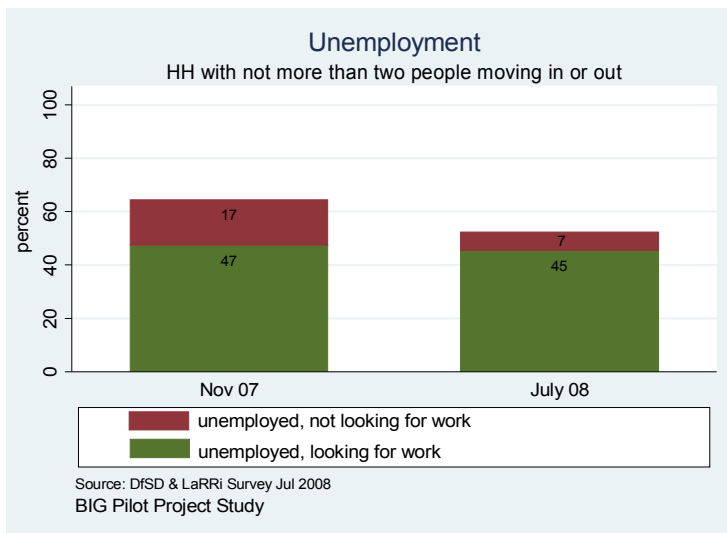
Another way of looking at the situation is that there has been a switch of activity towards economic work. Whereas 26% of those aged 18-59 were working for pay, profit or family gain in November 2007, 31.5% were doing so in July 2008.<sup>9</sup> Meanwhile, more people had started looking for work (39.3% compared with 33.8% in November 2007), while the number of unemployed who were not looking for income-earning work had declined from 12.3% to 4.5%. This is an indication that people were encouraged to actively look for work after the BIG payments started.

The share of those doing housework as their main activity had stayed the same (9.0% compared with 9.1%), while the share of those being inactive due to illness or age had slightly increased, from 10.4% to 11.2%.

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9 Another way of looking at the change is to see what happened to those classified in the conventional notion of the 'labour force'. The study found that the share in income-earning work rose from 37% to 41% if the effect of migration to Otvivero is not taken into account. The change is far greater if the impact of migration is taken into account by excluding households that had been affected by in-migration; then the income-earning work rate rose from 36% to 48%.

## 2.6 Livelihoods and economic activity



**Thus the BIG was not spent only on immediate consumption needs but also provided a basis for income-generating activity.**

**Graph 2.6-1**

### ***New Economic Activities***

As noted above, we found several examples of new economic activities linked to the BIG. Most notable were several new small business activities that emerged, including retailing, brick-making and the manufacture of clothing. Thus the BIG was not spent only on immediate consumption needs but also provided a basis for income-generating activity. This is supported by the following remarks from residents of Otjivero:

*“Since we get the BIG I bought materials and I am making three dresses that I sell for N\$ 150” (Emilia Garises).*

*“I started my business of making ice lollies right after the BIG started.... The demand for ice lollies is big because I make the biggest ice lollies in the settlement. I sell one ice lolly for 50 cents and I make 50 a day... With the BIG, people have money to spend, that is why I make the ice lollies” (Belinda Beukes).*



**Photo 27: Joseph Ganeb started a brick making business**

*“I started the brick-making business in 2006 but had to stop it due to a lack of finances. After the BIG was introduced... I started again with it. From one cement bag I make 250 bricks. The bricks are standard and I sell them for one dollar. I get the sand for the bricks from the river. It is still a family business which I plan to expand in the future if I get more finances. Bricks are in demand so I will need more manpower in order to serve the interests of the people here at Otjivero. I am very optimistic that this project will expand with the BIG and employ more people” (Joseph Ganeb)*

## 2.6 Livelihoods and economic activity



**Photo 28: Dress making became one of the new businesses in Otjivero**

*“We started the project last year but we had to stop due to a lack of funds and materials. We resumed full force in January 2008 after we received the BIG money. We are six women who are involved in the project... We make dresses, especially Nama cultural dresses because most of our clients are looking for them. We have clients from as far as Gobabis, Witvlei, Windhoek and from the surrounding farms. When there are occasions like weddings and funerals, we make good sales... One dress is about N\$150 and we make about N\$1,500 – 2,000 per month. We have opened a bank account in Windhoek where we do our savings” (Rudolfine Aigowas).*





**Photo 29: Baking bread: N\$1 per roll - daughter of Frida Nembwaya - their house is shown on the outside cover of this book**

*“After the introduction of the BIG I started my business. I bake traditional bread every day. I bake 100 rolls per day and sell each for one dollar... I make a profit of about N\$400 per month. My business is good and I believe that it will grow. The only problem that I have is the lack of fire wood. It is often hard to get wood. But I made an application for additional help to the government in order to expand my business” (Frieda Nembwaya – her house is shown on the outside cover of this book).*

## 2.6 Livelihoods and economic activity



**Photo 30: BIG created small business opportunities**

*“The introduction of the BIG made it possible for me to start my tuck shop. It is a very small business but people support it a lot... I mostly sell sugar, tea, maize meal, sweets and popcorn. We make about N\$ 800 – 1000 per month. I also sell self-made materials for donkey carts. I buy my stock in Gobabis, travelling on the train” (Alfred !Nuseb)*

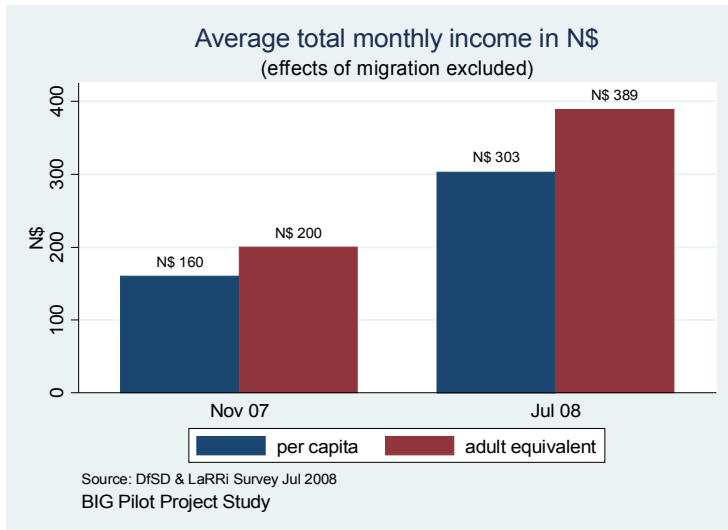
The evidence suggests that the BIG has helped people to become economically active and to raise their participation in economic activities. This is a very important point: Far from discouraging work, the BIG has actually facilitated economic activities.

**Far from discouraging work, the BIG has actually facilitated economic activities.**

## 2.7 Income levels and multiplier effects

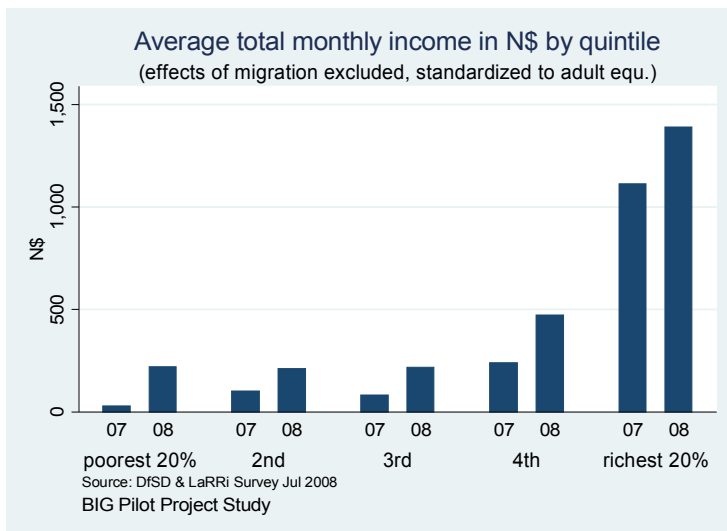
### *Income levels in Otjivero-Omitara in November 2007 vs. July 2008 including the BIG*

The introduction of the BIG resulted in a dramatic increase in the incomes of Otjivero-Omitara residents. Graph 2.7-1 below depicts, that the average income (standardized per adult) increased from N\$ 200 in November 2007 to N\$ 389 in July 2008.



**Graph 2.7-1**

## 2.7 Income levels and multiplier effects



**Graph 2.7-2**

The BIG of a N\$100 per month was expected to have a dramatic impact on poor people's income and this was confirmed by the findings as shown in Graph 2.7-2. However, the increase in income cannot merely be explained by the extra N\$ 100 that the residents received. Two issues are of crucial importance to understand the effective increase in income between November 2007 and July 2008:

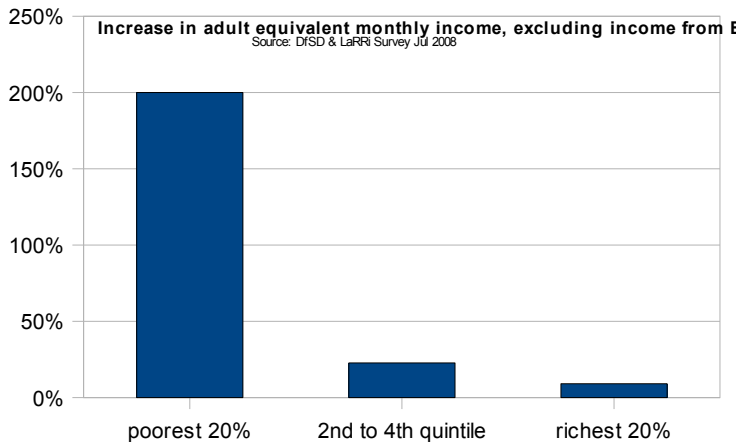
Firstly, the effect of the BIG is especially felt in those cases where many people live together. This is reflected in the adult equivalent figures. Since especially the poor live together with more people in a household, the initial small amount of the BIG N\$100 is effectively boosted through economies of scale.

Secondly, looking at the increases in per capita incomes (taking economies of scale out of the equation), the study found that on average the people in Otjivero-Omitara were able to realise an increase in their incomes beyond the value of the BIG. This is consistent with the evidence presented earlier that the BIG has actually stimulated increased economic activity. The following paragraphs examine this important finding in more detail.

**The study found that on average the people in Otjivero-Omitara were able to realise an increase in their incomes beyond the value of the BIG.**

## Income without BIG

Even when direct income from the BIG is eliminated from the income data, the study found that households were able to increase their incomes. The following Graph 2.7-3 shows that this finding applied across the income spectrum:



from the poorest to those who are better off

**Graph 2.7-3**

**The figures demonstrate the ability of the BIG to free up people's economic potential and boost income.**

While on average people in all income groups were able to achieve an effective increase, the most dramatic effect was found among the poorest 20% of households, which realized an increase of almost 200% of their income between November 2007 and July 2008. These figures exclude the BIG income. They demonstrate the ability of the BIG to free up people's economic potential and boost income. The findings also point to the fact that a considerable amount of the BIG money stays in the local community, boosting local economic activity there.

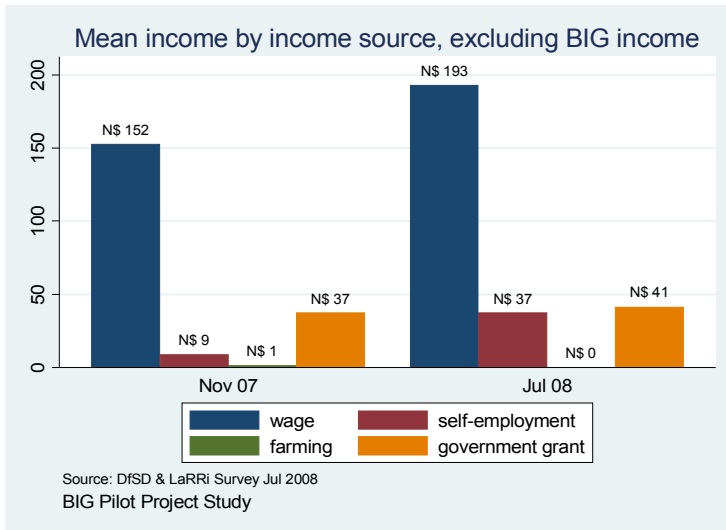
## 2.8 Sources of income

Looking at the income disaggregated by source, and excluding the BIG, the study found the following:

## 2.8 Sources of income

Comparing the average real income from different sources before and after the implementation of the BIG, we found significant increases in almost all cases. The only exception is the income derived from farming. This should be attributed to seasonal differences between the time of the two surveys. The baseline survey was done during harvest time in November, while the impact assessment was done during winter, when no products from gardening etc. were available.

Income from wage employment increased by 27%, while income from self-employment increased by over 300%.



**Graph 2.8-1**

## 2.9 Expenditure shifts

The payment of the BIG had a major impact on household income – which rose on average by more than 50% as a result.<sup>10</sup> This income is expected to have a significant

10 Average total household income in November 2007 was \$1,099. Adding the BIG (which amounted to \$645) per household represents an increase of 58%. If you include remittances to the household, then the mean monthly household income was \$1,196 in November 2007 and the addition of the BIG increased mean monthly income by 54%.

## Section 2: The Findings

ant immediate effect on expenditure and a (longer-term) impact on assets and debt. As expected, average household expenditure increased sharply (by \$381) from \$898 in November 2007 to \$1299 in July 2008.<sup>11</sup> The table below shows that expenditure rose in all categories – especially clothing, housing and toiletries.

	2007		2008	
	\$	%	\$	%
Food	\$262	29.2%	\$354	27.1%
Repaying Debt	\$186	20.7%	\$200	15.4%
Clothing	\$56	6.2%	\$195	15.0%
Remittances to others	\$80	8.9%	\$117	9.0%
Transport	\$116	12.9%	\$119	9.2%
Housing	\$36	4.0%	\$91	7.0%
Toiletry	\$47	5.2%	\$89	6.8%
Health	\$12	1.3%	\$32	2.5%
Stationary (school books etc)	\$17	1.9%	\$25	1.9%
Other	\$47	5.2%	\$52	4.0%
Total	\$898	100%	\$1299	100%

As of July 2008, average monthly household income (including the BIG) was \$2,089. Given that mean monthly expenditure was only \$1,299, this implies that about a third of household income was either saved or not captured. According to the respondents, 21% reported saving some of their BIG money (amounting to an average of 7.2% of BIG money) – see table below.

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11 A t-test of the mean differences reveals that this was significant at the 5% level



## 2.9 Expenditure shifts

Interestingly, we obtained independent confirmation that the BIG was linked to a large increase in savings activity in Otjivero-Omitara. According to Laurensia ! Nowases from the NamPost Post Office in Omitara:

*I work here for some years and before the introduction of the BIG only very few people opened the smartcard saving account. But after the BIG was introduced, 100 people opened their smartcard saving accounts and they are still coming. There are also parents who opened smartcard accounts for their children. I can also say that the pensioners who used to spend their pension money on food and children are now able to make savings for themselves at the post office. The post office also makes good business and it stays busy nearly the whole day. About 38 people also took out funeral policies of Old Mutual and pay N\$9.99 per month. I realise that the BIG is a great help and real solution to poverty. (Laurensia Nowases – NamPost Omitara, July 2008)*

**Interestingly, we obtained independent confirmation that the BIG was linked to a large increase in savings activity in Otjivero-Omitara.**

**“I can also say that the pensioners who used to spend their pension money on food and children are now able to make savings for themselves at the post office.” (Laurensia Nowases – NamPost Omitara, July 2008)**

This increase in savings activities is in line with the stated intentions of the respondents. When asked in November 2007, what they intended to spend the BIG money on, 40% said that they intended to save some of the money. Thirty-two percent said they intended to use part of the money to fix their houses, 9% said they intended to invest in livestock and 11% said they would pay back debt. These types of expenditure are geared towards improving quality of life and long-term security.

It is interesting to note that 41% of the respondents reported using the BIG in the previous month to help pay back debt, although only 9.4% of total BIG payments were allocated for that purpose. This suggests that a large number of people pay back debt, but that the amounts are small. This is consistent with the picture provided by total household expenditure which saw an increase in the average monthly debt repayment from \$186 to \$200 between November 2007 and July 2008. Some households paid off their debts altogether – whereas others increased their debts. The data shows that 80% of the reported changes in debt were for amounts smaller than N\$500. Most of these debts were

## *Section 2: The Findings*

owed to the local shop. Apart from a few of the richer households, which have accumulated debts to furniture stores, the level of indebtedness does not appear to be a problem in Otjivero at this point in time.

The research will continue over time to track the impact of the BIG on indebtedness. This is an important issue, which can have beneficial and harmful effects on households. Used wisely, debt can help households escape poverty by enabling them to borrow money to help start businesses, or to purchase capital assets (like tools, or cars and houses). Low levels of indebtedness to local shops can also help ensure that the household has access to food, even when monthly incomes have run out. This 'consumption smoothing' can help households escape the hunger and malnutrition that may otherwise be caused by shortages of cash. However, if households accumulate more debt than they can cope with, then the debt burden itself may become a cause of poverty – especially when high interest rates result in the debt burden growing faster than the income of the household that owes it.

The BIG could help households reduce their existing debts to shops, but we did not expect 'consumption smoothing activities' to end altogether. This is because households may choose to allocate the BIG to large once off payments (such as school uniforms, school fees, home renovations, small business start-up costs etc) and hence may still find it useful to be able to buy on credit from the local shop.

Analysis of the data shows that levels of debt fluctuated over the period. Before the BIG was introduced, 23 households were in debt (about a third of which were to the local shops and a third to other shops (clothing, furniture and retailers outside the area). Most reduced these debts while only eight increased their debts, and by typically small amounts. Interestingly, 16 households who were not indebted in November 2007 had accumulated debts by July 2008. Again, these were mostly small amounts to the local shop. Only two households experienced a large increase in debt – and these were for fixed assets (furniture and a motor vehicle).

## 2.9 Expenditure shifts

As regards the accumulation of household assets, there are some indications that people have purchased useful consumer durables. For example, the number of households reporting working stove rose from 31 to 39% over the period. However, for the most part, the stock of assets has not changed dramatically. The picture is different, however, with regard to livestock.

When the respondents were interviewed in November 2007, 9% explicitly mentioned their intention to purchase livestock with their BIG. At the time, only 29% of households had any large livestock. By July 2008 this had risen to 41%. Similarly, the percentage of households reporting ownership of small livestock rose from 19% to 30% and ownership of poultry rose from 42% to 53% over the same period. This is a dramatic increase in asset accumulation as people use livestock as a form of savings (and as a form of food security). Those reporting a vegetable garden or any farmed produce fell (from 40% to 30%) and this can be attributed to seasonal fluctuations in agricultural activity.

In November 2007, a third of the respondents indicated that they would be using part of the BIG money to renovate their homes. There are indications from the data and the observed changes in the community that this has happened. For example, the average number of rooms in households has risen from 2.6 to 3.2. Over a fifth of households indicated that they had improved the roof of their homes (mostly with corrugated iron, but also with plastic and canvas) and many indicated that they intended to renovate and expand their homes later.

**In November 2007, a third of the respondents indicated that they would be using part of the BIG money to renovate their homes.**

## 2.10 Crime

A useful indicator of a viable community is the level of crime taking place inside it. Crime is often related to economic desperation, which Johannes Goagoseb's story so explicitly demonstrates. One would hope that the introduction of income security through a BIG would reduce that desperation and enable people to make the choices other than resorting to crime.

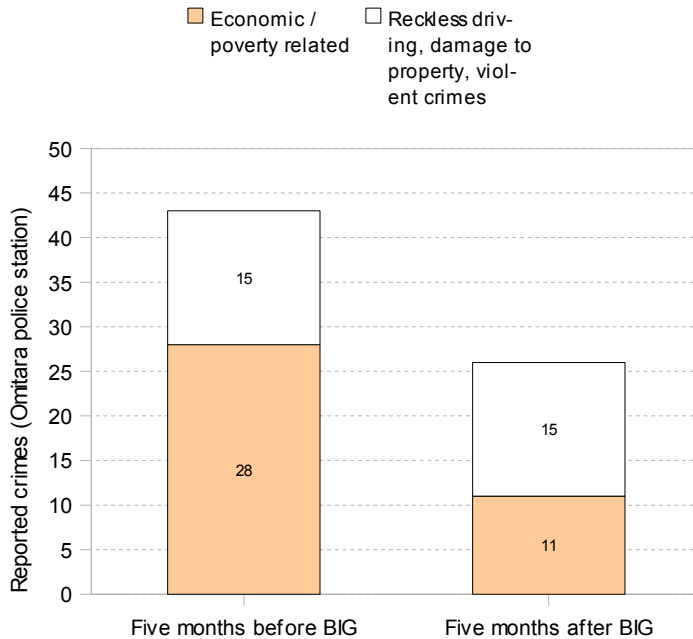
Since the introduction of the BIG, the level of reported crime has fallen. In terms of all crimes reported to the

## Section 2: The Findings

local police station, during the five months before the introduction of the BIG, there were 43 reported crimes, of which 28 (i.e. 65%) were poverty related in character, such as illegal hunting, theft and trespassing in search of fire wood.

**The incidence of poverty-related crimes has fallen by over 20% since the BIG was introduced.**

During the first five months of the BIG pilot project, there were only 26 crimes reported, of which only 11 were economic or poverty related, making it 42% of the total. Clearly, as shown in Graph 2.10-1, the incidence of poverty-related crimes has fallen by over 20% since the BIG was introduced.



**Graph 2.10-1**

The perception of a reduction in crime was borne out by a number of statements made by key informants. There is a history of crime in the area. For instance, at the outset of the basic income project, the police station commander pointed out that:

*“The criminal activities are mostly poaching, assault and housebreakings. Poaching is the most*

## 2.10 Crime

*common one. Poverty and unemployment are the reasons for these criminal activities. Otjivero is a tiny place and there is no source of income there. Most people hunt or poach just for survival... Poverty and unemployment lead to all the other conditions like crimes, alcohol abuse, mushrooming of shebeens. As you can see, there are no proper houses in the camp. People live in shacks made up of drums or pieces of tents.*

*There are no jobs and people start some small business to make a living. Running a shebeen is normally the only way to make some money. However, there is also the Namwater dam and some community members catch some fish there that they sell. Some people look for jobs in the farms but the local farmers don't want people from the Otjivero camp because they always accuse them of poaching on their farms."*

This problem was confirmed by the clinic's nurse:

*"There are no jobs, no food or any activities for the youth. They have to go hunting or stealing at nearby farms to sustain themselves. When looking for jobs at nearby farms, they don't get jobs because they are blackmailed as thieves. It seems that all the farms surrounding Otjivero belonging to the same relatives. They are hostile to the Otjivero community and have decided not to give anybody from Otjivero employment."*

Four out of every five residents in Otjivero-Omitara had personally suffered from a crime, although many said that the situation had improved since the police station was established in 2004. The BIG has had a strong effect on reducing crime as noted by two residents:

*"We don't hear any more people complaining of hunger or asking for food. The theft cases have also declined a lot. Many people bought corrugated sinks and repaired their houses. We buy wood most of the time and don't have many cases of people stealing wood any more. Fighting and drink-*

*ing have also reduced and we don't hear of people fighting any more" (Johannes !Goagoseb and Adolfine !Goagoses, July 2008)*

This is an encouraging aspect of the BIG pilot project. Probably it was helped by the establishment of the community committee, but that too had sprung up as a social response to the BIG. One can observe that social solidarity developed within a community once it had some economic security to have hope.

## 2.11 The criticisms

### *Dependency*

**The earlier evidence showing that since the BIG was introduced there has been a strong increase in economic activities. This is refuting claims that the BIG would lead to laziness.**

There have been several criticisms of what negative social consequences a BIG apparently would lead to. This section will consider the main claims and the evidence on each of them.

The first is that a BIG will lead to dependency and idleness; the suggestion being that with a little guaranteed income people will not work. On this, the earlier evidence showing that since the BIG was introduced there has been a strong *increase* in economic activities. This is refuting claims that the BIG would lead to laziness.

Evidence from other countries also shows that people, who are provided with modest income security become more active, enter the labour force to a greater extent and buy basic means of production to enable them to work on own-account economic activities. In fact, the claim on dependency is an insult to people, as in general people want to improve their lives, and want to use resources to build their livelihoods.

One specific claim was made by the bottle store/general dealer in Omitara. He claimed that his domestic worker had left her job because she had received the BIG and then chose not to work any longer. The domestic worker's story was rather different. She claimed that she was abused and was able to reject an unacceptable situ-



## 2.11 The criticisms

ation, with its low salary and bad treatment. As she said:

*“I complained many times about my low salary but there was no increment. I was not even getting something to eat during lunch hours. The way they talked to me was also not proper. I therefore decided to stop working. When I left them, they accused me that I left work because of the BIG, but this is not the case. I left them because of the low salary and bad treatment”. (Lena Huisen, July 2008)*

Without going further into this case, one can see that a BIG can give people an improved capacity to say “No!” to situations that they find unacceptable. If a person's bargaining position is improved, proper procedures can be developed so that decent wages and working conditions apply.

### Alcohol

A second general criticism is that a BIG would apparently induce people to waste money on socially bad expenditure and, in particular, alcohol. Alcoholism is an issue in Namibia. This claim was made by the bottle store/general dealer in Omitara:

*“My experience with BIG is that people buy some food and then there is money left over and they buy liquor...On BIG pay day people buy bread from the shop and then they go over the liquor store and buy Club Zorba – that is the killing petrol around here. If I don't sell it to them, they will go to the shebeen and buy it for 20% more... Before the BIG there were 8 shebeens of which one had a license. Now there are 16 shebeens in the camp. After the BIG pay day, some people buy boxes of liquor there. They later sell that liquor back door.” (Köhler, July 2008)*

**There was no evidence of an increase in alcoholism as a result of the BIG.**

When we investigated these claims, there was no evidence of an increase in alcoholism as a result of the BIG. There is an alcohol problem in Otjivero-Omitara - like

## Section 2: The Findings

elsewhere in Namibia. But the impression given by that bottle store/general dealer of increased purchasing of alcohol reflects the fact that he was the only bottle store to stay open on the day of the pay-out of the BIG. All the others, partly persuaded by the community committee had opted to close on the pay-out days.

**Likewise, there is no evidence of an increase in the number of shebeens.**

Likewise, there is no evidence of an increase in the number of shebeens. One shebeen owner explained:

*“The number of shebeens did not increase, in fact there were 8 shebeens before and now there are 7. We know there are many reports that the people are spending the money on alcohol instead of buying food but that is not true at all. We had a few cases when things went out of control but that only happened during the first pay-out. I would say, some people got excited about the money. After that, the [BIG] committee sat and had a meeting with the community and after that nothing serious happened again”. (Adam Tjatinda, July 2008)*

This was confirmed by the local police station, which indicated that problems experienced after the first pay-out did not recur.<sup>12</sup> However, the police expressed a concern about the possibility of alcohol abuse in Otjivero. This was supported by one of the residents:

*“There are still people who are drinking and they don't want to stop drinking like I did but a lot has changed [since BIG]. Everybody can at least afford to have food. When it is payout here we all travel to Gobabis to go buy food in bulk and the train is always full with people from Otjivero”. (Hermanus Coetzee, July 2008)*

Other residents of Otjivero were uniform in their appreciation of the BIG and its social impact. This is reflected in the following quotations from a cross-section of community members:

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12 There was a report about fighting on the day of the first pay-out, which turned out to be a conflict between people who did not reside in Otjivero. The police indicated that there has been no repeat.

## 2.11 The criticisms

*“My life has changed [after BIG]. I stopped drinking and I have a job now. I work at the clinic as a cleaner and I also wash and iron for the nurses at the clinic and clean their house as well. My bedroom has changed. I bought a lot of new stuff and people in my household are also buying new clothes from the Chinese shops. We have enough food in the house now, unlike before when we had to worry where we will get our next meal.” (Hermanus Coetzee, July 2008).*

Almost half the respondents (43%) reported that no alcohol was consumed in their household, while the rest indicated that at least one person in their household was consuming alcohol. Half of those who consumed alcohol did so several times a week, while the others said they consumed it only once a month; 16% indicated that they drank alcohol only on special occasions.

### **Sexual behaviour**

Another criticism is that a BIG could lead to an increase of prostitution and sexual activity. However, this is pure conjecture for which there is no evidence. More likely, however, is that the BIG can help women resist selling sexual services to men due to poverty.

Referring to the arrival of labourers from the local commercial farms on their pay day, one young woman said that since the introduction of the BIG her situation has changed:

*“When the young strong men come with lots of money, I no longer have to sleep with them to have enough money to buy food for my family. I can send them away now.”*

***“When the young strong men come with lots of money, I no longer have to sleep with them to have enough money to buy food for my family. I can send them away now.”***

Just as in the case of the domestic worker who could escape from an unacceptable job situation, women are empowered through a BIG. Those concerned with gender equality and women's rights have a powerful reason for supporting a basic income.

## Debt

A fourth criticism is a strange one, that a BIG increases indebtedness. On the contrary, evidence from cash transfer programmes in other parts of Africa has shown that such transfers enable people to reduce their debt, and thus enable them to invest to build their livelihoods.

This particular criticism has been made by the owner of the Omitara bottle store/general dealer, who says that since the start of the BIG pilot, debt at his shop has increased. According to him, he was prepared to provide goods on credit because of the BIG. He thus contributed to the growth of consumer debt himself. Note however, that the evidence from our survey does not indicate an increase in household debt to shops before and after the BIG. If debt has indeed risen in his shop, this appears not to be part of a wider trend.

This leads to a final point, a clash of interests. There have been tensions between the commercial farmers, including the bottle store/general dealer in Omitara, and the residents of the settlement. As he admitted in an interview:

*“Another problem is that the relationship between the inhabitants of the camp and the farmers is not good. They are at war, the farmers want the camp to be bulldozed, to be taken away. The farmers don’t want to talk to people from BIG because they want the settlement to go. However, the government has given the land to these people and the farmers should find a way to live with these people. The whole issue is political and its been happening for generations. If farmers with property in the surrounding area of the camp can start supplying the people in the camp with subsidised firewood things will become better. The farmers won’t have people trespassing on their private properties and poaching will also decrease.” (Köhler, July 2008)*

The remarks are self-explanatory. The views of this bottle-store / general dealer should be seen in that context as he also made the following statement:

## 2.11 The criticisms



**Photo 31: Bottle store / general dealer in Omitara is sceptical about the BIG.**

*“The BIG resulted in what I was expecting and even worse. When I took over this shop [in 2007] I expected that much of the BIG money would be spent in my shop since it is the only grocery shop between Windhoek and Gobabis and people [in Otjivero] don't have cars. The day after BIG, I have a turnover of about N\$7,000 which is not even 10% of what is paid out... I expected people to buy more food since food is the basic need of poor people. It is shocking that so little is spent in my shop... The shebeens in the camp sell mostly alcohol and alcohol seems to be the big issue”.*<sup>13</sup>

This view found no support among the other residents of Otjivero-Omitara. The fact is that there are other shops selling food and household items. One tuck shop owner said that the Omitara bottle store/general dealer was selfish:

*“He used to come and pick up people on BIG pay day with his truck and take them to his shops. He*

13 Note that there is a contradiction between the first sentence and the remainder of the quotation. First, he said that everything he expected came true, and then says his expectations were not borne out.

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*even sells alcohol to them and they return drunk to Otjivero. He even tried to sell his alcohol at our she-beens but the [BIG] committee stopped him. He is the one who does not like the BIG and makes bad publicity in the newspapers”. (S.S. Aigowab, July 2008)*

These statements point to the conflict between the Omitara bottle store/general dealer and the small traders in Otjivero. The BIG has brought more spending power to the area and has naturally increased business activity and variety of goods and products on offer. It has led to more competition, especially for the former quasi monopoly status of the Omitara store. The owner seems to regard this as an economic threat.

As far as paying off debt is concerned, his statement should be weighed against one made by a woman who sells food items in the settlement:



**Photo 32: Several tuck shops were established after the introduction of the BIG**

*“I have observed a lot of good things happening [after the BIG]. Many families did not have any food to feed themselves, but now with the BIG money they can afford to buy food. In the past, I would give them things on credit from my shop, but most*



## 2.11 The criticisms

*of them could not pay back. But now they are paying back which is also good for my business.”*  
(Tuhafeni Veshiyele)

In sum, leaving aside the very personal statements of one businessman, there is no reason to believe that the standard criticisms of the BIG are supported by the experience and statistics gathered since the beginning of the BIG pilot project in Otjivero-Omitara.

## 2.12 Concluding reflections

These are the findings after six months of implementation of the BIG in Otjivero-Omitara. The evidence summarised in this report is immensely encouraging. It is to be hoped that readers and policy-makers, and international institutions concerned with economic and social development, will take an active interest. The pilot will continue to evolve. It is surely impressive that the community itself took a leadership role in this project. Even after only a few months, the evidence from the BIG pilot shows that the people of Otjivero-Omitara have by and large spent the money on the improvement of their own living conditions. This is contrary to the claim that the BIG would lead to dependency, laziness and spending on wasteful consumption.

**The findings suggest that the introduction of a BIG could have a powerful positive effect on similar communities all over Namibia.**

The findings suggest that the introduction of a BIG could have a powerful positive effect on similar communities all over Namibia. It could help the Government meet its aspirations for the people, and cut social and economic deprivation. In particular, the BIG would have an immediate and positive effect on people's health and nutrition, and contribute to the effectiveness of the ARV treatment.

The BIG has also reduced the dependency of young women on men for survival. This has been a factor in the spread of the virus. Thus the BIG has given women a measure of control over their own sexuality, freeing them to some extent from pressure to engage in transactional sex.

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There are many other conclusions we could draw. However, we found it more appropriate to once again let the residents of Otjivero-Omitara be heard in their own words:

*“We don't expect everything to change overnight because people were hungry and N\$100 is not enough for everything to change. In the beginning the parents were using the money for school fees and uniforms and to make sure they have sufficient food. The BIG has really helped the community in Otjivero, people now feel part of the nation” (Adam Tjatjnda)*

*“I have observed a lot of good things happening... Many families did not have any food to feed themselves, but now with the BIG money they can afford to buy food. In the past, I would give them things on credit from my shop, but most of them could not pay back. But now they are paying back which is also good for my business. We get our ARV treatment at the clinic in Otjivero and I am very well now... We have enough food to eat and I bought myself a bed and my mother has started a dress-making business. She makes three dresses a month and sells them for N\$150 each. Even the children at home are happier” (Tuhafeni Veshiyele).*

*“We don't hear any more people complaining of hunger or asking for food. The theft cases have also reduced a lot. Many people bought corrugated sinks and repaired their houses. We buy wood most of the time and don't have many cases of people stealing wood any more. Fighting and drinking have also reduced and we don't hear of people fighting any more” (Johannes !Goagoseb and Adolfine !Goagoses)*

*“We no longer eat lots of maize meal. We eat bread, macaroni and rice. The children now taste food they had never tasted before. They also eat meat... In the past, they ate maize meal only but now they eat different types of food and they are now physically strong... I am a young person and my life has*

## 2.12 Concluding reflections

*improved. I do my own hair now and I am not dependent on my boyfriend any more. When I get my plot and build my own house I will even invite you inside to see how it looks like. I will even invite you for a cup of tea.” (Hedwig !Horases).*

*“Generally, the BIG has brought life to our place. Everyone can afford food and one does not see any more people coming to beg for food as in the past. What I can say is that people have gained their human dignity and have become responsible” (Jonas Damaseb)*

The BIG cannot solve all social and economic problems faced by the inhabitant of Otjivero-Omitara. Expecting the BIG to become a panacea for all problems would be unrealistic. Issues like unemployment and abuse of alcohol cannot be solved by the BIG alone but it was impressive to note how the local community tried to tackle these challenges through its own BIG committee.

In the first six months, the BIG has had a positive impact on all eight goals and shows how its introduction on a national level could help the country meet its commitments:

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Goal	Impact of BIG
Eradicate extreme poverty and hunger	From November 2007 to July 2008, the share of malnourished children dropped from 42% to 17%.
Achieve universal primary education	The number of children not attending school dropped by 50%.
Promote gender equality and empower women	<p>By default the money of children is paid to female primary care-giver.</p> <p>Women are empowered by having a BIG: They are not forced into transactional sexual relationship, have gained bargaining power in unacceptable and exploitative working conditions and more freedom in personal relationships.</p>
Reduce child mortality	Increase in clinic visits, reduction in malnutrition, better nutrition of pregnant women.
Improve maternal health	Increase in clinic visits, better nutrition for pregnant women.
Combat HIV/AIDS, malaria and other diseases	<p>Since the introduction of BIG, the nurse has observed a reduction in cases of severe diarrhoea, while most people coming to the clinic now are treated for more common sicknesses like flu and coughs.</p> <p>By improving nutrition, access to the clinic, and im-</p>

## 2.12 Concluding reflections

	<p>proving people's health, BIG has complemented and strengthened Government efforts to provide ARVs.</p>
<p>Ensure environmental sustainability</p>	<p>Better access to electricity and potentially less reliance on firewood.</p>
<p>Develop a global partnership for development</p>	<p>The BIG Pilot received support from international bodies like the Lutheran World Federation, the United Evangelical Mission, the Friedrich Ebert Foundation, and individuals like Archbishop Desmond Tutu, South Africa, and Senator Eduardo Suplicy, Brazil</p>



**Photo 33: Towards a Basic Income Grant for all!**

The results presented in this report have shown that the introduction of a country-wide BIG could be a crucial

**The results presented in this report have shown that the introduction of a country-wide BIG could be a crucial step towards tackling poverty head on.**

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step towards tackling poverty head on. The results demonstrate that a universal cash transfer will have a positive impact on socio-economic development in line with all eight Millennium Development Goals<sup>14</sup> Most importantly, the results show that a guaranteed basic income for all gives people back their dignity and is an important step towards guaranteeing the right to a decent life for all.

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14 On 8 September 2000, the United Nations General Assembly adopted eight Millennium Development Goals (MDG), for countries to reach by 2015. Namibia is committed to moving progressively to achieve them. Each goal is matched by sets of measurable indicators.



The Basic Income Grant Pilot Project receives financial support from:

