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## Towards Economic Efficiency While Sustaining Rural Livelihoods: Socio-Political Dynamics and Resource Use Strategies in Rural Namibia

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## Abstract

Pressures from globalisation compel many developing countries towards modifying their economic policies in an attempt to enhance their international competitiveness through efficiency in key areas. In the process, the required complementary social, environmental and institutional reforms which generate sustainable and equitable improvements in human conditions are often neglected, thereby boosting the prevailing poverty-environmental degradation relationship. Although a post-apartheid Namibia has come a long way with attempts at correcting past injustices towards the rural poor, very little is known about the real impact of these policy changes on the target groups.

Comparative quantitative studies concentrating on policy effects on sustainable resource use and livelihoods were therefore carried out in selected resource-dependent communities in the north-eastern and southern regions of Namibia, within the framework of the BIOTA Southern-Africa research project. This paper analyses the possible impacts of market-based policy instruments, such as water fees and land registration, on rural livelihood- and food security strategies.

Results show that shifting from a "no fee" to a "minimal fee" situation has immediate effects on the household income and consequent expenditure decisions. A balance between paying for water consumption or school fees needs to be drawn by many households. While the current lack of sanctioning structures for non-compliance to policy stipulations makes the choice seemingly obvious, still some households have indicated that sacrifices on education for their children have been made. The paper secondly analyses how institutional incapacity in land registration processes negatively affects the implementation of policy structures on regional and local levels, thereby impeding the intended efficiency in resource conservation and livelihood assurance. Lengthy bureaucratic processes and high transaction costs for the resource user serve as disincentives for policy adherence, while local organisational structures, on the other hand, have unclear procedures and responsibilities along with distrust, hindering their effecting of the rules.

In conclusion, policy making in Namibia currently mirrors the growing dilemma of balancing the environment, livelihoods and economic efficiency experienced by the majority of developing countries.

**Keywords:** Globalisation, institutional change, livelihoods, Namibia, policy instruments