

The Namibian Transport and Energy System: Dependency and Disengagement from South Africa

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Dependency on South Africa

Compared to most African countries before independence, Namibia has a highly developed transport infrastructure. Several factors have influenced its development and particularly its links and dependency on South Africa. First, Pretoria's colonialist ambitions for control of the territory led to the provision of transport links between South Africa and Namibia - by rail and several major roads with South Africa's northern Cape Province and by sea and air through Walvis Bay and Windhoek respectively, etc.¹ This was further reinforced by the kind of transport demand generated in Namibia by mining and to a lesser extent by modern export-orientated agriculture, eg. the ranches. This largely explains the virtual absence of transport links with independent Africa. Nor is this phenomena restricted only to this area. The orientation of the rail and major roads towards the ports to facilitate import-export trade rather than intra-and/or inter-state trade was a common phenomena in colonial transport patterns in Africa.²

Much of the transport equipment is either South African supplied or manufactured according to South African specifications. Thus, in the absence of adequate contingency planning, the entire network would be highly vulnerable to South African embargo or sabotage, particularly with regard to the supply of new equipment and/or spare parts in the

immediate post-independence era. The institutional and administrative setting, let alone the overall policy framework, is very much intertwined with the South African System.

The institutions connected with the material infrastructure are either part of the South African administration or South African public sector organizations (railways, harbors) or subsidiaries of South African companies (Namib Air). Their transformation into independent national institutions will entail financial, manpower and other problems. Pretoria, for example, claims compensation for covering various deficits in the operation of some transport and communications services.³ In 1977, for instance, Pretoria's reported subventions included: road construction and its administration, R45 million; railways, R10 million, etc.⁴

With respect to personpower, nearly all skilled technical and managerial staff is drawn from South Africa, some on direct secondment from the South Africa Transport Services (S.A.T.S.) or other transport-related "parent" bodies. To ensure that disengagement from South Africa is the least costly and inflicts the minimum disruption on the transport system, an early survey of the type of equipment used, their (alternative) source(s), and the requisite training should be undertaken before independence.

Deepening Dependency

In recent years, Pretoria has taken a number of steps to increase institutional forms of South African control. This includes the 1977 annexation of the key Namibian port of Walvis Bay and its environs. This is a device to increase leverage over an independent Namibia. South Africa's control of Walvis Bay (harbor, airport and rail head), if continued beyond independence would in effect virtually reduce the coastline state to land-locked status. In 1978, with independence very much anticipated,⁵ a railway depot was transferred from Windhoek to Upington on the South African annexed side. This is an indication that much of the railway machinery may quickly be moved out of the country upon independence. This, like the Walvis Bay transfer, was as Green, et al, have noted, "certainly a tactical move to increase leverage over an independent Namibia, but its misreading as 'cut and run' contingency planning has done nothing for

business confidence."⁶ Indeed, the white population has invested more in the Cape Province rather than in Namibia (especially since the mid-1970s). Furthermore, in the name of "financial austerity" Pretoria announced plans in mid-1984 not only to close down but also to rip up and remove the rail tracks of three important railway branch lines to Luderitz, Gobabis and Outjo.⁷ This is an extension of Pretoria's claim of ownership of the Namibian railway system which SWAPO has refuted.⁸

We explore here the implications of Pretoria's planned "infrastructural strangulation". In the first place, if financial deficits were the issue, these branch lines could, as is the case elsewhere,⁹ be subsidized by surplus-generating lines, by system-wide cross-subsidization, or by the Namibian Treasury. A closure of these branch lines would have devastating repercussions. For example, it would render useless or make exorbitantly expensive the proposed trans-Kalahari railway joining Botswana's rich mineral findings to Gobabis and to the Namibian Atlantic Coast. This would mean a continuation of Namibia, Botswana and indeed the entire sub-region's excessive transport dependency on South Africa.

In the event of a continued annexation of Walvis Bay after independence, to reduce dependency on South African transport arteries, Namibia could decide to engage in a costly but worthwhile development of Luderitz into an artificial deep-water port, and could upgrade the Keetmanshoop-Luderitz branch line into a heavy-duty rail link. But, the 1984 planned closure of this branch line by Pretoria would eliminate this alternative transport route for Namibia and her land-locked neighbors or make its revival extremely expensive. Likewise, the proposed elimination of Outjo rail branch may be interpreted as attempts by Pretoria to thwart in advance the development of alternative transport routes.

The possibility of Namibia developing alternative ports to the north of Swakopmund and/or linking its rail network to the Angolan ports of Port Alexandre or Namibe cannot be ruled out. In this regard one option would be to extend the Outjo line through Kaokoveld to an Atlantic port. The planned removal of the Outjo branch line by Pretoria would likewise fore-stall such a possibility and/or make its implementation more costly. The removal of these branch lines would leave behind the main line from Upington in South Africa through

Namibia to "Walvis Bay in South Africa." Of course, the line to Tsumeb is needed by Pretoria and her western allies to transport copper and other commodities en-route to South Africa and the Metropoles.

Disengagement: Problems and Prospects

Namibia's relatively sizeable and sophisticated livestock sector based essentially on Karakul sheep and cattle ranches needs a lot of transport services, since most ranches are 10-15 kms from their nearest neighbor and 50-100 kms from the nearest town. About 80 percent of livestock products are exported to, and/or via South Africa, using rail, road and water transport. In the past seven years or so, with the morale of the northern Namibia¹⁰ cattle ranchers declining, South Africa has let through some cattle for export and plans improved abattoir facilities in Namibia itself so that beef can be shipped direct to Europe. South African Railways (SAR), with its monopoly of long distance transport, has always forced Namibian ranches to send their cattle live in rail trucks, a costly method which results in lower market prices as the exhausted cattle lose weight on the long journey. This then provided backhaulage to the SAR which would otherwise have to return the trucks empty which bring in Namibia's imports. The situation is also changing from another angle as world shipping trends are forcing the SAR to switch to containerisation. Consequently, the SAR will have fewer trucks but more refrigerated containers, thus making it more conducive to more frozen beef rather than live cattle. Thus, SWAPO was correct when it stated in this regard:

"Here is but one example of the ruthlessness with which the colonial regime is prepared to subordinate the interests of even its own settlers if the well-being of its own agencies or capitalists demand it."¹¹

Namibia is heavily dependent on South Africa for both visible and invisible imports, including tourism. About 75 percent of Namibia's tourists are from South Africa. In the absence of transport links between the two countries Namibian tourist industry would suffer. Namibia would tend to suffer more than South Africa because even most prospective overseas tourists to Namibia would find it difficult

to exclude South Africa in their itinerary (because of travel logistics) after first touching down in South Africa. Most Western holiday makers might opt not to proceed to Namibia if transport services from South Africa to Namibia were either shaky, too costly or non-existent. For some reasons, including hotel bill differences, given a choice between Namibia and South Africa, most Western tourists would opt for the latter, more or less in the same way the overseas tourists favored Kenya to Tanzania following stoppage of transport services between the two countries.¹²

About 90 percent of the visible goods produced in Namibia are exported; and 75-80 percent of the visible goods consumed in Namibia are imported. About 80 percent of the total consumer, intermediate and capital goods used in Namibia are imported either directly or indirectly from South Africa. Namibian exports are, though to a lesser extent, dependent on established markets in South Africa. Changing from this structural dependency syndrome is difficult since it takes time to develop production capacity and/or establish new trading partners. Since a major part of Namibian output, especially minerals, are exported overseas and their prices are world market prices, their situation could be less problematic, except for the period of transition from established markets. Current South African-bound agricultural exports such as beef and karakul pelts, for example, could find alternative markets elsewhere, especially if the marketing strategies are such as to overcome the tariffs and other barriers erected by the industrialized countries.¹³

Although SWAPO is committed to independent Namibia's membership in SADCC, and, therefore, to reduction of overall dependency on South Africa, it is unlikely that the South African-bound transport outlets and market can be abandoned or denied to Namibia overnight. In actual fact it is in the interest of the South African Transport Services (S.A.T.S.) to continue to "export" transport services to Namibia.

Pretoria has been trying to use its transport infrastructure as a trump card in the sub-region. Analyzing the role that transport can play in this regard in a paper significantly titled "Transport Diplomacy with Special Reference to Southern Africa", the General Manager of South African Railways wrote: "A country's transport infrastructure can be regarded as one of its most important

assets, giving it a bargaining power".¹⁴ In any case, the extent to which Pretoria can use the withdrawal of transport services as a political weapon or bargaining chip is limited since Namibia is not a land-locked country. However, as stated earlier Pretoria's attempted annexation of Walvis Bay is an attempt, at least in the immediate post-independence era before the renovation/construction of alternative harbor(s), to in effect reduce the territory to the status of an artificially land-locked country. Indeed, the futile attempts of Ian Smith's Rhodesia to squeeze land-locked Zambia by denying her transit facilities has lessons to offer in this regard.¹⁵

However, if the white civil servants, ranchers and industrialists flee the country at independence it might cause some dislocations not only with respect to the transportation of agricultural and industrial commodities, as well as minerals, but also vis-a-vis the plants and farms themselves. If the whites flee to South Africa with some vehicles or spares or if, as happened in Angola and Mozambique, they destroy some of the transport equipment and manuals for spares, etc., then transportation services in the production areas and between production zones and transport centers might be handicapped. In such a case, economic activities would be adversely affected. This would be the case with livestock marketing, for example, even if live animals were sent to the slaughter house or departure stations on foot. Hence the importance of prior planning to minimize any adverse effects.

The attempts to reduce the dependency on South Africa through SADCC and new orientations entailing the development of alternative trade and transport links with independent Africa, e.g. the proposed Botswana-Namibia Trans-Kalahari Railway, are a good omen for the future. It is worth noting that one cannot substitute transport routes with the same ease as one can substitute sources of manufactured goods or consumables. At independence and in the immediate post-independence era the only alternative to a Namibian outlet both for Namibia and for her immediate land-locked neighbors, is South African routes, dependence on which they are committed to reducing. We could note regrettably that a boycott of South Africa because of global mandatory sanctions or other reasons would, unless adequate preparations were made preferably in the pre-independence

period, cause immediate problems to independent Namibia. As R.H. Green has speculated, at independence,

"Transport will be in a state of near chaos. The main point will have been 'lost', for the time being, access to the basic railroad maintenance facilities is likely to be lost, much of the rail and road haulage fleet will probably have 'expatriated itself'. Articulating and pre-negotiating interim measures for alternative port facilities, railway and maintenance capacity and road/rail equipment replacement are a top priority".¹⁶

Energy and Transport Activities

The energy system in Namibia is essentially geared to the provision of power for mining, an energy-intensive industry, and for transportation, especially of minerals and (of late) of military equipment and personnel. The energy infrastructure is therefore inextricably linked to large-scale earth-moving, rock-crushing, water transport, etc.

The transport sector accounts for over 20 percent of total Namibian energy demand per annum. Transport by road, rail, water and air is 100 percent dependent on petroleum products. The transport sector is therefore the most susceptible to energy constraints, e.g. supply bottlenecks; since virtually all mobility depends on oil. Some 62 percent of petroleum is consumed in transportation, leaving 24 percent for industry and only 12 percent for agriculture, fishing and marine, and domestic service. All the estimated 940 tons of coal consumed in Namibia in 1982 were imported by rail from South Africa via the single rail link between the two territories. Before the Ruacana hydroelectric power plant became operational in 1982, some 70 percent of Namibia's electricity was generated by coal, purchased from South Africa. About 98 percent of all commercial energy consumed in Namibia in 1980 was imported from South Africa by sea through Walvis Bay, by rail and to a much lesser extent by road.

In 1982, about 14,000 barrels of oil per day were imported through Walvis Bay.¹⁷ About four-fifths of this

imported petroleum was gas/diesel used in road transport (49%), electricity generating (13%), fishing-marine (10%), mining (10%), construction (8%), with the rest distributed between commercial farming, rail transport and manufacturing. The remaining one-fifth of petroleum product imports was gasoline used almost exclusively for road transport. A record of tanker arrivals and movements in 1981 suggests that 95 percent of Namibian petroleum product imports (no crude oil is imported) originated in South Africa or were in transit through South African ports. The South African military presence in Namibia, it is estimated,¹⁸ consumes twice the petroleum and electricity consumed by white Namibians. About 90 percent of the total energy consumed by South African troops in Namibia is petroleum products. The remaining 10 percent is from electricity.

Petroleum products are transported to the various distribution outlets within Namibia by rail, and to a lesser extent, by road. There are no major fuel storage facilities in the North.

At independence, interruptions in oil supplies or electricity (about 60 percent of industrial energy is electricity) would therefore affect transportation and industry (in particular). Indeed, interruption affecting economic activities, e.g. mining, industry, etc., not to mention the mobility of the population, would tend to limit transport demand. It is therefore necessary at independence to ensure at least some leverage over energy to prevent sudden interruptions or cuts in supplies which would adversely affect transport and communications activities.

Namibia is virtually dependent on South Africa for her energy supplies at present. Oil currently provides about one-third of Namibian energy requirements. However, Namibia - either independently or collectively through SADCC - has great scope for disengagement, albeit gradually, from excessive dependency on South Africa. Her northern neighbor, Angola, the coordinator of SADCC energy programs, produces and refines oil. This could be made available to Namibia, in which case, freight cost (especially by sea) would be low (given her proximity to Angolan oil supplies). Namibia could possibly pay for such petroleum product imports by "exporting" hydroelectric power from the Ruacana¹⁹ to Angola. Independent Namibia, with her attractive mineral

ores, will be better able to make barter trade arrangements in this regard.

A more plausible long-term possibility is for Namibia to exploit her own oil and gas;²⁰ and to develop her coal resources. Coal, imported from South Africa provides about 12 percent of Namibian energy needs. However, if the proposed Trans-Kalahari Railway or some such transport link is built, coal from Botswana, and possibly Zimbabwe might also be available to Namibia.

In short, Namibia is an energy-rich economy, and is in a favorable position to cooperate in both the energy and transport sectors with other SADCC countries. However, a South African military and economic destabilization offensive may retard such cooperation. Indeed, direct or indirect South African attacks and sabotage of transport infrastructure and energy supply lines in the sub-region may give a clue to independent Namibia of what to expect from Pretoria.²¹

¹ Much infrastructural planning dates back to the pre-1973 "Fifth province" relationship with South Africa.

² For example, there was no rail or tarmac road link between the East African Community headquarters in Arusha and Nairobi, the industrial and commercial center of East Africa (despite joint operation of rail, water and air transport by the East African Community transport and communications corporations). Transport routes run east-west to and from the ports. (See Hazelwood, Arthur *Economic Integration: The East African Experience*, Heinemann, London, 1975.)

³ The United Nations Council for Namibia is claiming reparation payments from South Africa for the exploitation of the country.

⁴ Namibia's share of vehicle tax, petrol tax, etc. is unknown. (See, German Development Institute "Multi-Sectoral Study on Namibia", Berlin, December 1978, Mimeographed).

⁵ UN Security Council Resolution 435 on the modalities of Namibia's march to independence was unanimously passed.

⁶ Green, R.H., Marja - Kiljunen and Kimma Kiljunen (eds.) *Namibia: The Last Colony*, Longman, London, 1981.

⁷ This kind of pre-independence maneuver is not limited to Namibia. After the disastrous failure of the colonial groundnut schemes in Tanzania in the 1950s, the colonialists closed the Mtwara to Nachingwea/Masasi railway branch line. The rail tracks were uprooted and transferred to Uganda where a rail line to a new copper mine in Western Uganda was being constructed. The Southern Tanzania areas which were deprived of these rail services are presently, despite the TAZARA, in great need of

transport services because of their great agricultural potential. See O'Connor, A. *Railways and Development in Uganda*, Nairobi, EALB, 1965.

⁸ See for example the commentary, "Pretoria is Creating Conditions to Have Namibia on Strings", *SWAPO Information Bulletin*, Luanda, July 1984, pp. 10-15.

⁹ Mwase, Ngila "Transport and Communications", in United Nations Institute for Namibia. *Namibia: Perspectives for National Reconstruction and Development*, Hutchison, London, 1986, (Chapter 11).

¹⁰ The war concentrated in the North.

¹¹ SWAPO. *To be Born a Nation*, Zed Press, London, 1981, p. 53.

¹² For example, the northern Tanzanian tourist circuit, which is at least as attractive as the Kenyan tourists areas, suffered when the Kenya-Tanzania border closed over 1977-83. Overseas tourists coming to East Africa could not reconcile themselves to the idea of limiting their stay to Tanzania. Covering both countries by changing planes in third countries (e.g. via Addis Ababa or Lusaka) was too costly.

¹³ It is likely that Namibia will join the 66 African, Caribbean and Pacific (ACP) countries in the Lome Convention which regulates ACP-EEC trade, including preferential treatment to the ACP in the nine-nation EEC market. Under the Lome Convention's Stabex scheme Namibia could be compensated for falling prices of some of its exports. One snag is that one of Namibia's key agricultural exports, beef, is subjected to EEC protectionism.

¹⁴ Loubser, J. "Transport Diplomacy with Special Reference to Southern Africa", Sandton, Southern African Editorial Services, September 1979, p. 5.

¹⁵ Rhodesia closed the border with Zambia in 1973. Zambia was able to withstand this blackmail. She boycotted the Rhodesia routes until 1978, even though the racist regime reopened the border almost immediately after Zambia had refused to succumb to this arm twisting.

¹⁶ Green, R.H. "Namibia: Notes on the Political Economy of Transition", in *The Guardian*, London 14 September 1984.

¹⁷ Estimated on the basis of the dead-weight tonnage (DWT) of tankers arriving at Walvis Bay for the year 1982. Walvis Bay is equipped with one tanker berth which in 1982 accommodated tankers up to 32,000 DWT.

¹⁸ Terisa Turner. 'Energy and Namibian Independence', paper given at the International Conference in Support of the Namibian People, UNESCO, Paris, 25-29 April 1983.

¹⁹ Presently, Ruacana hydroelectric power is transmitted to South Africa in much the same way that Cabora Bassa hydroelectric power is used by South Africa. SWAWEK (an electricity generating and distributing concern) was in 1983 expected to export electricity worth R2.5 million to South Africa. Continued use of this power by Pretoria after independence has not been ruled out by SWAPO. However, although relations between Pretoria and Windhoek are not expected to be cordial, the exact nature of such relations, if any, is only a matter of speculation.

²⁰ Recent reports have shown that South Africa has secretly been considering the

exploitation of Namibia gas, without even the knowledge of the puppet Namibian leaders.

²¹ Hostile acts by South Africa (and/or their proxies) have included sabotage of oil refineries (Angola), attacks on ports, rails, bridges, oil pipelines, etc. (Mozambique), destruction of fuel storage tanks (Lesotho), delaying the movement of petroleum products to most SADCC states, etc. We could also note that for many years, the (Western) oil companies refused, under instructions from Pretoria, to fill Botswana's oil storage tanks which had in fact been built with West German aid.