

THE DESIGN OF A MICRO-FINANCE PROGRAMME IN SAN COMMUNITIES IN
WESTERN BOTSWANA

by

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Summary

The objective of this thesis is to examine the need for people and communities to develop liquid assets through a savings programme and to work productively with these savings. It had to be taken into consideration that at least some members of the population could be considered non-monetary in their orientation. In order to achieve this objective a participatory and culturally sensitive micro-finance programme was designed through an Action Research methodology.

By combining mainly quantitative baseline information, detailed and more qualitative work with some of the participants and routine output from the programme activities, the study aimed to arrive at concrete conclusions concerning the way a micro-finance programme has worked in San communities and make recommendations regarding its future.

It was found that the programme has made at least some of the participants more conversant with the handling of cash and also contributed to increased self-respect. Developing liquid assets was most difficult for the poorest participants and the majority of these poorest are women. The San people are the poorest, even among other marginal rural minorities and should receive special assistance.

The programme was moderately successful in helping participants to save towards larger needs and to even out income flows. It could not be established whether the programme could make a contribution to the development of long-term assets. Initiatives to establish micro-enterprises with the capital met with only limited success.

The programme was not successful in establishing a savings programme as an alternative to cattle farming and should rather be seen as a complementary strategy for increasing household assets.

It was found that the emphasis on savings mobilisation, rather than the creation of debt through credit was valid. Increased incomes will lead to increased indebtedness. A higher influx of cash in a San community is likely to be unevenly spread and is also likely to increase the gap between the wealthier and poorer community members.

It was concluded that projects that meet basic and immediate needs such as food, shelter and housing, should be integrated with programmes that address larger needs such as loss of culture and land. A process of empowerment cannot be supported when rural poverty is not addressed.

Foreword

The research described in this thesis took place between 1998 and early 2002 in the Ghanzi District in western Botswana among San people and communities. During most of this study period I lived in D'Kar and combined this study with being the overall coordinator of Kuru Development Trust.

My appreciation goes to all my San colleagues at Kuru, Board members and field staff, who assisted with data collection, and gave honest feedback during the whole project period. My thanks also goes to all the San participants who patiently responded to dozens of questions and sat through hours of interviews, individually or in groups and had many helpful ideas about programme design that made me think long and hard.

Professors P.W. Wiessner, R.K. Hitchcock and M.G. Guenther gave generous and welcome comments to early drafts of most of the first four chapters. The responsibility for all the text is of course mine, but without their input it would have been a much more shallow document.

Close colleagues of Kuru and Wimsa gave feedback to chapters 2 to 4. The insights, based on many years of experience with grassroots development among San communities of Willemien and Braam le Roux as well as Magdalena and Axel Thoma, contributed greatly to this document. I deeply value the memories about the years we worked closely together in the programme among the San and sat around the fire to search for ways to deal with the myriad of dilemmas that confronted us.

My promoter, Professor F.C. De Beer, was always patient, timely, to the point, friendly and full of encouragement during the years that I worked on this project. He has been everything a doctoral student could wish for.

Without the constant encouragement of my wife and children, sometimes gentle, sometimes sharp, especially during the last and for personal reasons especially difficult period, this thesis would probably not have made it to the finish line and they know that even better than I do. For them, words are not enough.

The purpose of this thesis was to set a process of change into motion in the field of rural finance through a programme of Action Research. If this research project has or will do anything to promote better cash management or asset accumulation among some San families or communities it will have achieved all I can hope for. To the San communities that I have come to appreciate and respect deeply during my years of involvement in Kuru, this thesis is dedicated.

Rein Dekker
September 2002

TABLE OF CONTENTS

| | |
|--|-----------|
| 1. Introduction. Problem statement and the research process | 2 |
| 1.1. BACKGROUND..... | 2 |
| 1.2. PURPOSE OF THE THESIS | 3 |
| 1.3. THE RATIONALE FOR A RURAL FINANCE PROGRAMME..... | 4 |
| 1.4. THE CONTEXT OF THE RESEARCH PROBLEM: THE WORK OF KURU DEVELOPMENT TRUST | 4 |
| 1.4.1. <i>History and structure of Kuru</i> | 4 |
| 1.4.2. <i>Developments during the research period</i> | 7 |
| 1.5. PROBLEM STATEMENT AND RESEARCH OBJECTIVES | 8 |
| 1.5.1. <i>Problem statement</i> | 8 |
| 1.5.2. <i>Overall research objective</i> | 9 |
| 1.5.3. <i>Specific research objectives</i> | 9 |
| 1.6. RESEARCH METHODOLOGY | 12 |
| 1.7. SIGNIFICANCE OF THE RESEARCH..... | 15 |
| 1.8. RESEARCH LIMITATIONS AND SCOPE | 16 |
| 1.9. THE STEPS IN THE ACTION RESEARCH PROJECT | 16 |
| 1.10. THE STRUCTURE OF THE THESIS | 18 |
| 1.11. A DESCRIPTION OF THE RESEARCH PROCESS | 20 |
| 2. Methodology: Operational design and research activities | 26 |
| 2.1. OPERATIONAL DESIGN | 26 |
| 2.1.1. <i>Ethical basis</i> | 26 |
| 2.1.2. <i>Participants in the research</i> | 28 |
| 2.1.3. <i>Research guidelines</i> | 30 |
| 2.1.4. <i>Assumptions and expectations</i> | 33 |
| 2.1.5. <i>The steps in the Action Research Project</i> | 34 |
| 2.2. RESEARCH ACTIVITIES | 35 |
| 2.2.1. <i>Activity 1: Quantitative baseline survey</i> | 35 |
| 2.2.2. <i>Activity 2: Qualitative research with a non-random selection of project participants</i> | 36 |
| 2.2.3. <i>Activity 3: Monitoring data from the credit and savings activities</i> | 38 |
| 2.3. CRITICAL FEATURES OF THE SAVINGS AND LOAN PROGRAMME..... | 38 |
| 2.3.1. <i>Guidelines for the programme</i> | 39 |
| 3. Research context: The San people and rural development in western Botswana ... | 46 |
| 3.1. GEOGRAPHY AND ENVIRONMENT..... | 46 |
| 3.2. BOTSWANA BEFORE INDEPENDENCE: BUSHMEN, BANTU AND BOERS | 47 |
| 3.2.1. <i>The earlier history</i> | 47 |
| 3.2.2. <i>The Bechuanaland protectorate established</i> | 50 |
| 3.2.3. <i>Developments in western Botswana</i> | 51 |

| | | |
|-----------|--|------------|
| 3.3. | THE BUSHMEN AND RURAL DEVELOPMENT..... | 55 |
| 3.3.1. | <i>Economic Developments since independence.....</i> | 55 |
| 3.3.2. | <i>The Remote Area Development Programme</i> | 56 |
| 3.4. | A DEMOGRAPHIC ESTIMATE OF THE SAN PEOPLE | 62 |
| 3.4.1. | <i>The San in the South African sub-continent.....</i> | 62 |
| 3.4.2. | <i>The San in Botswana</i> | 63 |
| 3.4.3. | <i>The San in the Ghanzi District.....</i> | 63 |
| 3.5. | POVERTY AND ETHNICITY IN BOTSWANA | 67 |
| 3.5.1. | <i>Poverty, a national priority</i> | 67 |
| 3.5.2. | <i>The ethnic dimension of poverty.....</i> | 68 |
| 4. | Rural finance and popular participation in hunter-gatherer communities: a literature review | 77 |
| 4.1. | THE SAN PEOPLE AND THE ECONOMY | 77 |
| 4.1.1. | <i>The original affluent society.....</i> | 78 |
| 4.1.2. | <i>Generalised reciprocity.....</i> | 79 |
| 4.1.3. | <i>Immediate-return versus delayed-return societies.....</i> | 82 |
| 4.1.4. | <i>The Kalahari debate.....</i> | 83 |
| 4.1.5. | <i>Flexibility and adaptation</i> | 85 |
| 4.1.6. | <i>The present perspective about hunter-gatherer societies</i> | 86 |
| 4.1.7. | <i>The Ghanzi Bushmen in a capitalist environment</i> | 87 |
| 4.1.8. | <i>Twelve conclusions about development programmes among the San.....</i> | 96 |
| 4.2. | RURAL FINANCE | 97 |
| 4.2.1. | <i>The early subsidised programmes</i> | 97 |
| 4.2.2. | <i>A new appreciation for market-based solutions</i> | 98 |
| 4.2.3. | <i>Credit services based on social collateral.....</i> | 99 |
| 4.2.4. | <i>The current "microwave"</i> | 100 |
| 4.2.5. | <i>An increased emphasis on savings mobilisation.....</i> | 102 |
| 4.2.6. | <i>The need for a comprehensive poverty alleviation strategy</i> | 103 |
| 4.2.7. | <i>Limitations of savings and credit programmes.....</i> | 104 |
| 4.2.8. | <i>Micro-finance and indigenous people</i> | 104 |
| 4.2.9. | <i>Savings and credit in Botswana.....</i> | 107 |
| 4.3. | POPULAR PARTICIPATION IN DEVELOPMENT | 111 |
| 4.3.1. | <i>From top-down to bottom-up.....</i> | 111 |
| 4.3.2. | <i>What is participation in development?.....</i> | 111 |
| 4.3.3. | <i>Participatory research.....</i> | 113 |
| 4.3.4. | <i>The need to institutionalise participation.....</i> | 115 |
| 4.3.5. | <i>Securing participation in the context of Kuru's programmes.....</i> | 118 |
| 5. | The operations of the micro-finance programme from 1997 to 2001. | 123 |
| 5.1. | DEVELOPMENTS AT KURU DURING THE RESEARCH PERIOD..... | 123 |

| | | |
|-----------|--|------------|
| 5.2. | IMPACT ON THE RURAL FINANCE PROGRAMME..... | 129 |
| 5.2.1. | <i>Summary of the impact that the events at Kuru and the shortage of staff had on the micro-finance programme.....</i> | <i>133</i> |
| 5.3. | MEMBERSHIP SHIFTS IN THE PERIOD 1999 TO 2001..... | 134 |
| 6. | Research results | 140 |
| 6.1. | SOME OUTCOMES OF THE BASELINE SURVEY..... | 141 |
| 6.2. | PORTFOLIO PERFORMANCE..... | 143 |
| 6.3. | ETHNICITY | 147 |
| 6.4. | D'KAR VERSUS THE SETTLEMENTS | 148 |
| 6.5. | SHARING, LENDING, GIVING AND DEBT | 151 |
| 6.6. | FAMILY RESPONSIBILITIES, AGE AND EDUCATION. | 156 |
| 6.7. | POVERTY..... | 160 |
| 6.8. | GENDER | 163 |
| 6.9. | CRAFT PRODUCTION..... | 166 |
| 6.10. | LOANS AND WITHDRAWALS | 168 |
| 6.11. | BORROWING FOR INVESTMENT..... | 171 |
| 6.12. | DIGNITY AND SELF-RESPECT | 172 |
| 6.13. | TRAINING AND EDUCATION | 174 |
| 6.14. | THE ARTISTS. | 175 |
| 7. | Conclusions and recommendations..... | 181 |
| 7.1. | CONCLUSIONS | 181 |
| 7.2. | FINAL CONCLUSION..... | 193 |
| 7.3. | RECOMMENDATIONS | 194 |
| | <i>A. Membership of the producer groups</i> | <i>211</i> |
| | <i>B. Membership of "Savings-Only" accounts.....</i> | <i>213</i> |

APPENDICES

| | | |
|------|---|-----|
| I. | COPY OF RESEARCH ACTIVITY 1. INTERVIEW FORMAT FOR BASELINE SURVEY | 198 |
| II. | BASIC DESIGN FEATURES OF THE SAVINGS AND LOANS PROGRAMME..... | 211 |
| III. | A CHRONOLOGY OF MAJOR EVENTS IN THE GHANZI DISTRICT..... | 215 |
| IV. | GLOSSARY AND ABBREVIATIONS | 220 |

| | |
|------------------------------|------------|
| References cited..... | 223 |
|------------------------------|------------|

| | |
|----------------------|------------|
| Endnotes..... | 233 |
|----------------------|------------|

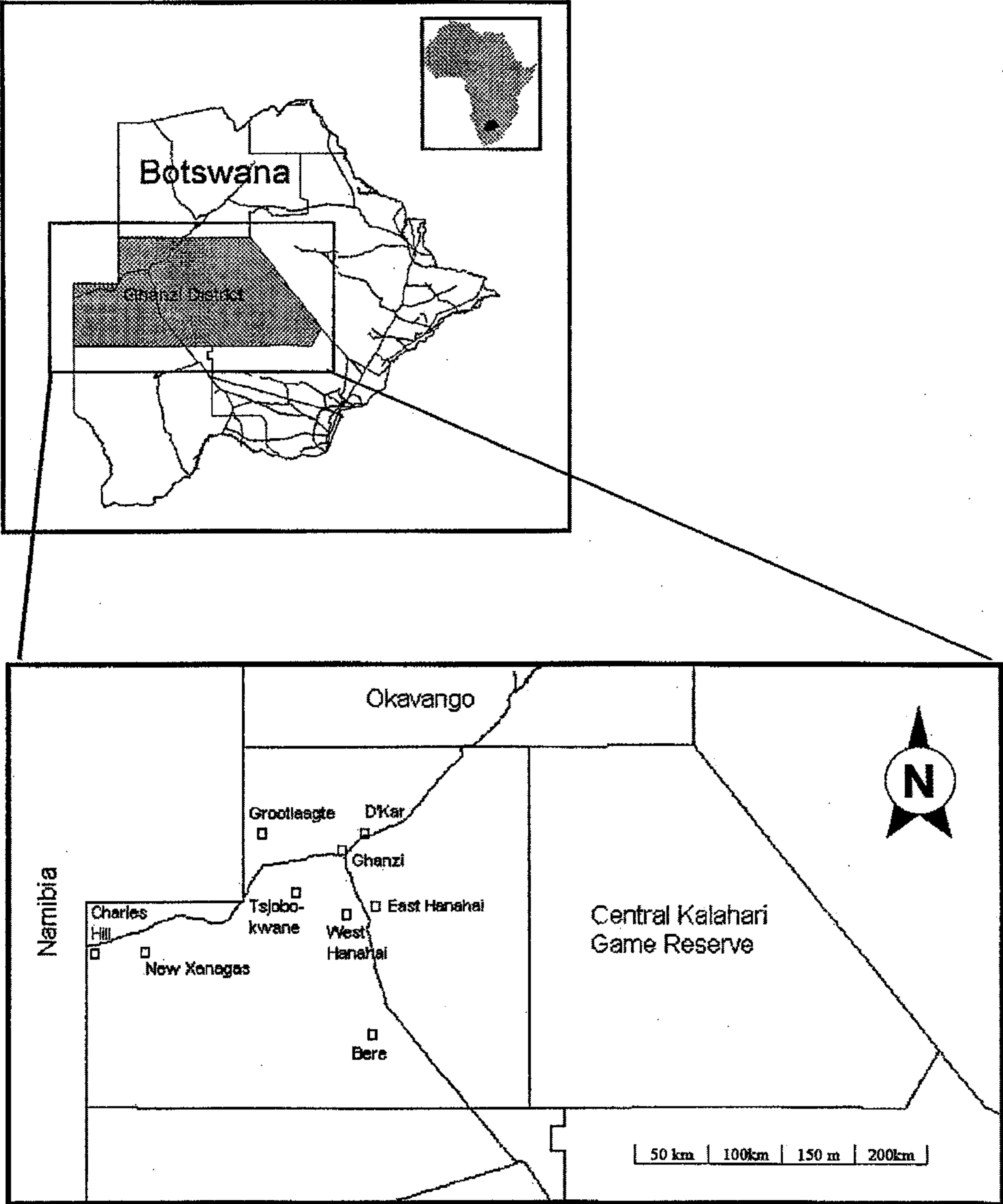
TABLES

| | |
|--|-----|
| TABLE 1: STEPS IN THE ACTION-RESEARCH PROJECT..... | 17 |
| TABLE 2: SUMMARY OF STEPS IN THE ACTION-RESEARCH PROJECT | 34 |
| TABLE 3. POPULATION SIZES OF SAN IN SOUTHERN AFRICA | 62 |
| TABLE 4. POPULATION SIZE AND DISTRIBUTION OF MAJOR SAN GROUPS IN BOTSWANA..... | 63 |
| TABLE 5 . GHANZI DISTRICT AND SAN POPULATION ESTIMATES 1998..... | 66 |
| TABLE 6. EDUCATIONAL ATTAINMENT IN THE GHANZI DISTRICT BY ETHNICITY..... | 70 |
| TABLE 7: PROJECT MEMBERSHIP JANUARY 1999 | 134 |
| TABLE 8: PROJECT MEMBERSHIP DECEMBER 2001 | 134 |
| TABLE 9 : SOURCES OF INCOME OF PARTICIPANTS | 141 |
| TABLE 10: PRACTISE AND IMPORTANCE OF CULTURAL ACTIVITIES..... | 142 |
| TABLE 11: SHARING OF FOOD, CLOTHES AND CASH | 152 |
| TABLE 12: NR OF DEPENDENTS BY ACCOUNT BALANCE DECREASE..... | 157 |
| TABLE 13: SAVINGS OF CRAFT PRODUCERS IN THREE SETTLEMENTS. | 167 |
| TABLE 14: PURPOSE AND SIZE OF LOANS/WITHDRAWALS | 169 |

FIGURES

| | |
|--|-----|
| FIGURE 1: RESEARCH AREA AND PROJECT COMMUNITIES | 1 |
| FIGURE 2: FIRST LANGUAGE IN THE GHANZI DISTRICT. | 64 |
| FIGURE 3: PROBLEMS STATED BY PARTICIPANTS. | 140 |
| FIGURE 4: ACCUMULATED BALANCE SAVINGS AND LOANS..... | 143 |
| FIGURE 5: TOTAL DEPOSITS AND WITHDRAWALS IN 1999 TO 2001. | 144 |
| FIGURE 6 : DEPOSITS IN D'KAR AND THE SETTLEMENTS. | 145 |
| FIGURE 7: BALANCE IN SAVINGS ACCOUNT DEC 2001 PER GROUP..... | 146 |
| FIGURE 8: VOLUME OF FINANCIAL ACTIVITY PER PRODUCTION GROUP..... | 146 |
| FIGURE 9 : INCOME AND ASSET POVERTY BY ETHNICITY..... | 147 |
| FIGURE 10: INCREASE AND DECLINE IN SAVINGS BALANCES IN D'KAR AND THE SETTLEMENTS | 150 |
| FIGURE 11: SAVINGS DEPOSITS D'KAR AND SETTLEMENTS 2000/1 | 150 |
| FIGURE 12 : PARTICIPANTS EDUCATION BY AGE | 157 |
| FIGURE 13: AVERAGE BALANCE SAVINGS ACCOUNT BY POVERTY INDEX | 160 |
| FIGURE 14: AVERAGE ACCOUNT BALANCE BY SEX. | 163 |
| FIGURE 15. GIFTS RECENTLY GIVEN BY SEX..... | 164 |
| FIGURE 16: INCOME AND ASSET POVERTY BY SEX..... | 165 |
| FIGURE 17: CRAFT AS INCOME SOURCE BY SEX..... | 166 |
| FIGURE 18: PURPOSE OF LOANS | 168 |
| FIGURE 19: LOAN REPAYMENT BY SEX. | 170 |
| FIGURE 20: ARTISTS' INCOMES AND ESTIMATES | 175 |
| FIGURE 21: ARTISTS' AVERAGE INCOME AND SAVINGS. | 179 |

Figure 1: Research area and project communities



1. INTRODUCTION. PROBLEM STATEMENT AND THE RESEARCH PROCESS

1.1. BACKGROUND

Botswana, a thinly populated country in Southern Africa, is home to the majority of the 100,000 or so remaining San¹, Bushmen or Ncoakhoe in the sub-continent. The San, one of the oldest indigenous² populations of the world, once roamed unhindered in most of Southern Africa in small bands until economic relations with the non-foraging world began and at least for the last 1,500 years, the San have interacted with other groups in varying degrees. The San generally held the lowest position in the tribal hierarchy and were incorporated into a complex socio-economic system at the lowest levels. Around 1850, most San had lived in contact with Bantu pastoralists for centuries and many groups began to disappear as a distinct people in the more heavily populated areas. But they had lived relatively undisturbed in the more barren and remote areas of what is now called the Ghanzi district in western and central Botswana as contact with other groups had been more limited. This began to change towards the end of the 19th century and these changes slowly eroded the land base of the Ghanzi Bushmen.

Of the estimated 51,000 San that now remain in Botswana, between 14,000 and 16,000 live in the Ghanzi district, in the western part of the country, which is the research area. This district of 118,000 km² lies in the heart of the Kalahari Desert. Almost all San in this district and in the rest of the country have lost access to their ancient hunting and gathering territories as more powerful groups took over and now live on the cattleposts of farmers, in government designated settlements or on the outskirts of towns. They are reduced to marginalised and landless rural peasants, many of them demoralised and apathetic, with a host of social problems. Without a secure economic base, without “modern” skills or education, the San are largely dependent on welfare hand-outs. Their traditional economic strategies, based on risk pooling through social obligations within an intricate kinship network, is often at odds with the capitalist economy that has engulfed them. Integration into the national economy and society as full and equal citizens is the official aim, but hard to achieve and I shall argue that poverty in Botswana has a strong ethnic dimension that is publicly ignored.

In the 1980s a self-help programme for the San was established in the village of D'Kar in western Botswana. It was registered under the name "Kuru Development Trust". This study is conducted under its auspices.

1.2. PURPOSE OF THE THESIS

The purpose of this thesis is to examine one of Kuru Development Trusts' core principles, the need for people and communities to develop liquid assets through a savings programme and to learn to work productively with these savings. The objective of the research was to design, implement and then monitor a concrete development programme that facilitated the establishment of a micro-finance programme among San communities. The strategy was structured in such a way as to be participatory and culturally sensitive. It had to take into consideration that at least some of the members of the population could be considered non-monetary in their orientation, due to cultural factors and a history of extreme marginalisation and poverty. Some of the San have a socio-economic system in which people engage in generalised and balanced reciprocity, achieve economic security through sharing, rather than storage, and do not use cash as the medium of exchange. A number of analysts have characterised the San and other foraging groups as "immediate return societies" in which goods and services are consumed immediately and little, if any, produce is set aside for future use (Woodburn 1982 *passim*).

By combining baseline information, detailed work with some participants and routine output from programme activities, the research aimed to arrive at concrete conclusions concerning the way a micro-finance scheme would work in San communities. It was hoped that the lessons learned during a pilot phase would result in useful recommendations for further programme design and development.

The research is significant in that limited socio-economic research has taken place among San settlements identifying strategies that could support them to deal with the demands of a capitalist economy. No research has taken place leading to the formulation of a rural finance programme among San communities in Southern Africa and no such programme exists.

1.3. THE RATIONALE FOR A RURAL FINANCE PROGRAMME

Supporting income-generating activities for San communities is important but inadequate. Cash presents unfamiliar choices to many San who now need to participate in the cash economy but who are unfamiliar with many concepts associated with a capitalist environment. They want to participate in it on their own terms, and desire to retain their values and remain in a system of mutual help. Development activities have to be identified that assist the San to develop personal and communal assets, so that wealth will remain in the community. Such a strategy, if successful, may ultimately reduce dependency on hand-outs, increase individual and community control over resources and provide true and long-term economic choices in the capitalist economic environment on whose fringes the marginalised San now live.

Rural banking and micro-lending schemes have proliferated greatly in the past decades. Access to credit by the poor is seen as a key strategy to release them from the clutches of money lenders and to break the vicious cycle of low income leading to low investment leading to low production leading again to low income. I shall argue that the need of the San is different. Their priority is not access to credit, as investment opportunities for activities in the Kalahari Desert that can generate cash incomes are almost non-existent and as debt is generally not the best way to assist the rural poor. The San rather, need secure ways of storing a portion of their small income away from the pressures of their relatives and immediate consumption, in order to buffer irregular needs and save towards larger needs. Because of cultural reasons and years of being dependent on hand-outs, some may also need assistance in planning to utilise their savings. The focus of the programme is therefore on savings mobilisation, rather than micro-credit, and the credit component is intended to assist participants with planning and budgeting.

1.4. THE CONTEXT OF THE RESEARCH PROBLEM: THE WORK OF KURU DEVELOPMENT TRUST

1.4.1. History and structure of Kuru

One of the settlements in the Ghanzi district is D'Kar. It was established on a freehold farm in 1964, not as a government settlement, but as the first private initiative attempting to respond to the plight of the Naro farm Bushmen. It represents the oldest and most sustained

development effort for the San in Botswana. In 1964, the Reformed Church of Namibia donated a small farm of some 3,000 ha to establish a church and provide a place of residence as well as training to landless Bushmen. A farm manager and an evangelist were sent. A mission school was established that was later handed to the government. In the early years, the various projects were affiliated to the church and functioned more or less independently, but momentum was created when the existing projects were consolidated and legal registration obtained in 1988 for "Kuru Development Trust". Begun initially as a community-based organisation (CBO), Kuru began to attract a lot of donor attention and initiated a number of income generating and dryland agriculture projects as well as educational and cultural activities. Kuru was part of the conscientisation movement that led to various national and regional Basarwa³ conferences in the early 1990s and the establishment of the advocacy organisations "First People of the Kalahari" and the "Working Group of Indigenous Minorities of Southern Africa (WIMSA)". NORAD's Chr. Michelsen study (1996:100) states that Kuru "...has for many years been a beacon of hope and a source of innovative ideas for Basarwa and Development. It...has sometimes been unpopular with government, which almost deported its co-ordinator in 1993."

This research was undertaken under the auspices of Kuru's San Board and its extension staff were the ones to implement the field activities. As such it was important to discuss aspects of Kuru's programmes as the policies and the environment of this non-governmental organisation (NGO) determined to a large extent, the scope, limitations and momentum of the field activities and thereby also of this study.

In 1996, Kuru transformed itself from a CBO (Community Based Organisation) to a national support programme for community development among indigenous minorities and other marginal rural people. The transition from a community-based organisation to a support-programme was the result of a period of reflection on 15 years of praxis in grassroots development work among the San, and is documented in "Community owned development amongst the marginalised San communities of the Kalahari, as adopted by a San community development organisation, the Kuru Development Trust" (le Roux 1998). Among other issues, the research identified the lack of access to financial resources and the resulting dependency on hand-outs as an essential constraint to the survival of rural indigenous communities. A priority for programming therefore should become the development of rural

capital through some combination of individual production and joint care of resources by means of a rural finance programme (le Roux 1998:19-25). I shall return to this in Chapter 4.

The other two programme priorities identified by the research, were an emphasis on training and on supporting a process of community mobilisation.

The results of this study were discussed with the Board and San staff of Kuru in early 1996 and subsequently adopted. Consequently the composition of the Board was changed to reflect the need for wider representation, and at the beginning of the research period in 1998 the ten or so communities where Kuru supports field activities through mother tongue speaking staff, elected its leadership.

Board meetings took place an average three to four times a year and usually included extensive discussions concerning programme activities. As the Kuru Board wanted to have more control over day-to-day management of the operations, they appointed an executive Board committee (called Action Committee) that met on a (bi)weekly basis with the administrative leadership to supervise operations. This committee dealt mostly with practical problems and referred the more principled decisions to the Board.

At the beginning of the research period in 1998, Kuru employed around 70 staff members, about 75% of them San. The daily co-ordination of most programme activities however was done by a group of Motswana (Botswana citizens) and expatriate technical staff, most of them with professional education and often years of experience in rural development. One of the constraints facing Kuru was the lack of young San who had received enough training to fill such positions. Only one San staff member had completed a university degree and only one of the Action Committee members - generally older community leaders - had completed more than primary school. All these "outside" staff members had San counterparts, who were also represented in daily management, and reported to the San Action Committee in order to maintain effective control in the hands of the San.

During the research period, Kuru had three programme departments, i.e. a department for education and culture, a commercial department and an extension department. Kuru's extension department co-ordinated the activities in the settlements with field offices in

Ghanzi district and Ngamiland, NW Botswana⁴. The department had several programme units, e.g. for small business support, agriculture, savings and loans and tourism. These units were led by a programme officer (all non-San) and employed a number of young field workers. The field workers visiting the community were young Bushmen who had attended secondary school. The majority though had not been able to pass their final exams. These young San were staff members, trainees and hopefully the core of the future leadership of the organisation. But they still lacked much of the technical skills required to handle the logistics, financial management, computerised record keeping, report writing and generally all the other mundane but demanding administrative needs that were part of a large rural development programme dependent upon a variety of international donors.

It is evident that such a working environment would create complexities and constraints, such as the need to balance being a grassroots organisation with the professional demands inherent in the management of large and varied projects, the development of appropriate operational criteria and guidelines, the measurement of progress in staff development and elusive “community mobilisation” and the effective control of the Action Committee and Board over the activities of the Trust.

1.4.2. Developments during the research period

The dilemmas sketched above painfully influenced the direction that the organisation took during the data collection period between 1999 and 2001. These are described in more detail in Chapter 5 and are summarised below.

In December 2001, the end of the data collection period, Kuru had gone through a rigorous, and often painful, internal and external evaluation process. Kuru was confronted with the fact that its attempt to be both a peoples’ movement of the San and a professional service organisation needed to be reviewed. A decision was made to “unbundle” these aspects into separate organisational structures. The attempt to combine both agenda’s within one organisation had clear historical reasons and was necessary for some time, but now began to create organisational confusion and an unclear identity. A realisation grew that both goals were essential, but each needed a distinct organisational form.

The decision to “unbundle” Kuru however was not accepted by sections of the D’Kar community where Kuru was born and by some D’Kar based Board members. A lot of Kuru’s resources had been spent on D’Kar in the form of salaries and programmes, but a strong feeling was prevalent in D’Kar that this was not adequate, that the whole of this regional organisation belonged to them, that some expatriate staff should leave and that Kuru should stop sending resources to other communities. In March 2000, a conflict erupted which led to prolonged unrest within the organisation and community. It almost destroyed the organisation, caused the withdrawal of some donors and fundamentally altered its operations. These developments have been described in more detail in Chapter 5, as they provide essential context to the research outcomes.

At the end of 2001, seven new organisations had taken the place of the “old” Kuru. D’Kar had established its own community trust and the micro-finance programme had become an independent company, working closely with the D’Kar Trust and the Ghanzi District extension programme. During the period of unrest several staff had left and had not been replaced. Some of the staff of the micro-finance programme also left. The leadership of the micro-finance programme was given into the hands of accountants rather than community development workers. As a result, work concentrated on record keeping and financial procedures. Because of this and because of capacity problems, training and education – key areas of the original design - were neglected. The conflict also led to pressures to adjust the programme design to suit members’ demands and as a result much of the programmes’ original design (see 2.3) was never fully implemented.

1.5. PROBLEM STATEMENT AND RESEARCH OBJECTIVES

1.5.1. Problem statement

Because of their marginalisation, the loss of their traditional resources, increased villagisation and lack of economic opportunities, as well as the problems caused by cultural transition, many San communities lack self-sufficiency. This can be observed in facts such as:

- (1) The dependency on hand-outs from the government and private organisations for the provision of basic needs.

- (2) The absence of household and community savings as a means for buffering seasonal needs and as long term productive and household requirements.
- (3) The lack of experience many San people have with contemporary needs for financial management due to their traditionally non-monetised society.

The research problem can be stated as follows:

Because of the lack of self-sufficiency of San people and communities in a sedentary and monetised environment, many are not sufficiently equipped to handle the demands of a cash economy and remain dependent.

1.5.2. Overall research objective

The research aimed to determine whether a culturally sensitive and participatory rural finance programme could contribute to increased individual and community assets, thereby increasing the self-sufficiency of San individuals and communities.

1.5.3. Specific research objectives

As will be elaborated in 1.6. and in Chapter 2, an Action Research methodology was followed during this study. From the description of the Action Research process it will become clear that the research objectives cannot be separated from the objectives of the pilot phase of the programme, and hence one set of research objectives is presented below.

The specific research objectives that will guide the programme are as follows:

Objective 1

To assist the participants in the transition from an economy based on hunting and gathering to a monetised or cash economy.

In order to achieve this objective, the following sub-objectives were identified:

Objective 1a

To support the members of the programme to manage their cash resources wisely through training activities.

Objective 1b

To support member participation in savings and loan activities.

Objective 1c

To promote a savings culture.

Objective 2

To provide participants with an alternative to cattle so they can store financial resources and to provide a possibility for participants to save for long term needs.

Objective 3

To help participants with short term needs and assist them to even out income flows by providing a safe place to store cash.

Objective 4

To develop communal capital and to provide participants and communities with self generated capital for investment purposes and business opportunities, as well as community projects through a loan system based on group solidarity using members savings as security.

Objective 5

To identify the most appropriate operational design of such a micro-finance programme for San communities, taking into account the available literature, the capacity of indigenous field staff with limited formal education, base-line information, further qualitative research and the lessons learned from a three-year pilot phase of this programme.

More detailed objectives in this respect are:

Objective 5a

To determine if and how an appropriate programme design can assist the San people in the socio-economic realities and the problems of cultural transition that they are facing.

Objective 5b

To identify the limitations imposed by the implementing agency – a grassroots development organisation employing San field staff with limited formal educational qualifications.

Objective 5c

To determine which lessons can be learned from a three-year pilot phase of the programme.

Objective 6

To determine whether a micro-finance programme can make a contribution to increased individual and community assets and to the ability of San participants to handle the demands of a cash economy in selected San communities in the Ghanzi District where traditional subsistence security has largely disappeared.

The following considerations will help determine whether objective 6 has been met:

(1) An increased interest and appreciation of participants concerning the possibility of having a savings account as a way of storing wealth for buffering seasonal and long term needs would point to an increased ability to function in a monetised economy and thus a reduction of dependency on hand-outs. Qualitative discussions as well as increased balances in savings accounts may demonstrate such interest.

(2) Savings accounts with minimum contributions are a requirement for project participation. Higher than minimum deposits and/or the opening of additional voluntary savings accounts with regular deposits would indicate a positive contribution of the programme to self-sufficiency.

(3) A further indication of such a contribution would also be if a number of San participants used loans, not only for immediate consumption, but also for durable consumptive and productive need, and if some of these productive activities continued to exist at the end of the pilot phase. Though such an outcome is hoped for, it must be realised that the possibilities for viable micro-enterprise activities in the settlements are severely limited. Lack of training,

remoteness and the limited presence of a market has caused almost all activities such as bakeries, tanneries and carpentry workshops to fail, and is one of the reasons that Kuru has a business support department that tries to bridge the gap between producers and markets for raw materials and end products. The most promising local business initiative is probably the shebeen or drinking place, of which each settlement has a number. Even those are generally in the hands of non-San (McDonald, Malila and Molamu 1997), making the San consumers, rather than vendors and these are also not really the kind of enterprises that Kuru wishes to support. The first criteria - buffering seasonal needs for cash - might well prove to be the more important reason for regular savings.

Objective 7

To gain additional insight into the transition to a cash economy, in which the San find themselves, by identifying some of the changes taking place in exchange relationships because of sedentism and monetisation and to identify some of the factors that may influence participants' performance, such as age, sex and ethnicity.

1.6. RESEARCH METHODOLOGY

The research process should lead to the establishment of a concrete and appropriate development programme in the field of micro finance in rural communities and the research objectives are subordinate to this overall purpose. The aim of this research was therefore to set a process of social change in motion. As such it contrasts with the concept of "neutral research", as it wanted to make itself a primary factor in changing the social realities for the indigenous rural poor among whom it took place. The purpose was to search for appropriate solutions to the dilemmas of transition and dependency by combining programme activities and reflection in an environment of community-owned development.

Participatory action research is a process in which members of a community or group actively work together in the identification of problems, collection of data and analysis of their own situation in order to improve it. Its aspects of shared ownership and community-based learning and action makes it virtually impossible to separate the inevitable project-status of the activities from extensive on-going social processes and concrete research activities.

532 community members took part in the research, involving income generating activities such as art and crafts, women's group and dryland agriculture in eight of the project communities where Kuru was active in the Ghanzi District of Botswana (see 2.1.2). The process of participatory action research and the methodology followed are described in more detail in Chapter 2, Methodology.

The involvement of the target population meant that both project participants, San Board members and field staff were involved in fact finding, programme design and implementation (see sections 2.1. and 4.3.3.).

During the course of the research a number of different research activities were undertaken. These are briefly described below and in more detail in Chapter 2.2 and appendix I.

The research required a combination of both quantitative and qualitative information. Quantitative information gave baseline data from a broad selection of project participants and could be gathered by San field staff with a modest educational background through questionnaires with mainly closed questions. Quantitative information was also gathered by collecting routine data output from the micro-finance operations during 1999 to 2001. This output could be related to the baseline data to generate research outcomes.

But quantitative information gathering alone was not adequate. Interviews with closed questions did not provide enough insight about peoples' perceptions, experiences and practices with a rural economy which would enable the participants and the wider San community to be understood on their own terms. In depth interviews with a purposeful selection of participants, both at the beginning and the end of the data collection period, together with field notes made during Board meetings and planning sessions with field staff thus served to complement the qualitative data. Finally, the research aimed to lead to concrete conclusions and operational recommendations that could be implemented in the context of the work of Kuru Development Trust.

A summary of the research activities that were undertaken is as follows (see also section 2.2.)

Activity 1: Quantitative baseline survey

A baseline survey was conducted with all project participants that were involved in one of the income-generating activities facilitated by Kuru Development Trust. Based on existing data, a stratified random sample of half the initial participants were interviewed in all project communities. The results of the base-line survey gave demographic information and some insight into the situation of all project participants.

Activity 2: Unstructured narrative data

In order to increase the programmes' understanding of the dynamics and dilemmas of the sedentised and landless San and how they deal with a rural cash economy, it was important to supplement the quantitative data from the baseline survey with further in depth information of a purposeful selection of participants. Interviews were conducted at the beginning and at the end of the data collection period. In addition, field notes were kept of Board and staff meetings.

Activity 3: Monitoring data from the credit and savings activities

Routine financial data was collected about participants performance in the micro-finance programme activities. This data was analysed in combination with the baseline and qualitative data.

In addition to these research activities, a study of the available literature in the field of economic anthropology, rural finance and popular participation in development provided critical information for programme design (see Chapter 4). The output of this literature survey, together with the research results of the baseline data, was discussed with San Board members, field staff and technical support staff in order to arrive at a basic design for a pilot phase of the rural finance programme.

Quotes from interviews with San people, Bushmen art, some photographs and a number of "vignettes" – interviews with individual San people – have been included in this thesis, not simply as illustrations but in order to provide texture and depth to the text and graphs in an attempt to tell a more holistic story. Frequently names have been changed to protect the anonymity of the participants when quoting from transcribed tapes.

1.7. SIGNIFICANCE OF THE RESEARCH

a. Limited socio-economic research has taken place among San living in settlements

The San are a very-well researched people, as they are considered archetypal of an ancient way of life. Existing research has focussed largely on relatively uncontacted San (Hitchcock 1987:220), though lately this has begun to change (e.g. Kent 1996 *passim*). Much less attention has been given to the partly acculturated San who practise little hunting and gathering for lack of resources. Only a limited number of publications describe aspects of the cultural changes that are taking place among these “post-foraging” groups and the effects of development activities. I am not aware of any other study that is concerned with the transition taking place from a hunter-gatherer to a monetising economy as a result of loss of resources and the advent of cash labour, that also has the primary aim of formulating recommendations for a development programme.

b. Strategies need to be identified that assist the San to deal with the demands of a monetised economy

The San have lost almost all access to their traditional hunting and gathering resources. It is unrealistic to expect the political environment in Botswana to change much in the near future with regards to securing increased access to land and other natural resources for the San people. It is therefore necessary to identify strategies that will assist the San communities to deal with the demands of a monetised rural economy.

c. Income-generating projects for San communities need to be combined with a development programme that will help to increase individual and community assets

Many existing development programmes amongst the San have as primary objective the generation of income through the support for micro-enterprise activities. Generating cash income alone however is not sufficient and income-generating activities should be combined with strategies that will enable the San to utilise their cash incomes in a manner that will counter dependency, develop assets and enhance long-term economic security. These strategies should be combined with discussions and training so that the understanding of the people can be raised and they can be empowered to evaluate and perhaps adjust their

traditional risk-reduction strategies. Without such concrete development programmes, income generating activities – even if successful – may not lead to secure and sustainable livelihood strategies.

1.8. RESEARCH LIMITATIONS AND SCOPE

- (1) The research was limited to San residents of a number of settlements in the Ghanzi district who participated in one or more of the projects sponsored by Kuru Development Trust. It did not include non-participating Bushmen.
- (2) This research took place from within the grassroots indigenous self-help organisation Kuru Development Trust. Field workers came from the target group and had limited education, most had not completed secondary school successfully. These field workers implemented all community level activities and thus the programme activities had to be technically undemanding. These workers also had to balance other programme responsibilities with the micro-finance project. This imposed time constraints and demanded a flexible approach. In addition limitations were imposed by developments within Kuru during the implementation of the programme.
- (3) Lessons learnt from the research may assist projects among San in other areas. No micro-finance programme has ever been established among San communities in southern africa. No research has taken place that has led to the formulation of suitable programmes supporting self-sufficiency and developing capacity in the San communities to deal with the dilemmas of transition to a cash-based economy.

1.9. THE STEPS IN THE ACTION RESEARCH PROJECT

It is useful to break the research project into concrete operational steps as indicated in the table below. This is highly schematic and in practice the steps often overlapped with backward and forward movements.

During the project, false starts, programme delays, thinking, writing and field activities, going back to the drawing board, redesigning, changing plans, solving problems and constraints imposed by events at Kuru as we went along all overlapped significantly, making the nine steps described much more schematic and artificial than the process was in reality. This was by no means a neat and streamlined research project. Programme implementation and thereby the research activities themselves were as bumpy and messy as the grassroots development realities, but this is all “in the nature of the beast” of this type of research.

Steps eight and nine were beyond the scope of the research and deal with operationalising its results. It is included to demonstrate that the research itself was embedded in an on-going programme of activities and did not take place in isolation. Part of the aims of steps one to seven was to build the capacity of Kuru Development Trust to implement a rural finance programme with San communities. Otherwise, programme activities would cease once the research has been completed and consequently the communities could even be worse off than before.

Table 1: Steps in the action-research project

| Step | Activity | Period |
|-------------|--|---|
| Step 1 | Restart of dormant savings programme. Simultaneously designed and conducted a baseline survey with project participants in all project communities. Reviewed the results with indigenous field staff and community leaders. Conducted intake interviews with new participants. <i>(research activity 1)</i> | Designed: March to June 1998. Conducted: July to November 1998. January 1999 to December 2001. |
| Step 2 | Designed an initial operational model for a micro-finance programme, based on a review of the available literature on rural finance as well as hunter-gatherer economics and on discussions with project participants, San field staff and technical field support staff. | July 1998 to October 1999. |
| Step 3 | Conducted qualitative interviews with a non-random selection of project participants to increase the insight into the dilemmas of transition to a cash-economy that the San people face. <i>(research activity 2)</i> | July 1999 to February 2002 |

| | | |
|--------|--|-------------------------------------|
| Step 4 | Implemented and monitored the savings programme. Implemented and monitored the loan activities. <i>(research activity 3)</i> | From July 1998 From October 1999 |
| Step 5 | Utilised the data from the different surveys and operational results. Analysed reasons for the programmes' areas of success and failure. Conducted follow-up and additional interviews. | Early 2002 |
| Step 6 | Shared the results with community leaders, participants, indigenous field staff and technical support staff. | February/March 2002 |
| Step 7 | Made recommendations for operational adjustments of the programme. | March 2002 |
| Step 8 | Drafting and sharing of the results with the wider audience of San self-help organisations in the South-African sub-continent. | Late 2002 |
| Step 9 | Make programme adjustment or redesign. Implement and expand | From 2002 onwards |

1.10. THE STRUCTURE OF THE THESIS

Chapter 1. Introduction

An introduction to the purpose of the research with a brief overview of the research area, San population and the work of Kuru Development Trust is given. The research methodology is briefly described. Finally a description is given of the various programme activities that took place.

Chapter 2. Methodology

A description of the research methodology is given in this chapter with research guidelines, assumptions and expectations as well as a description of the research activities. The chapter concludes with a summary of the critical programme features of the pilot phase of the micro-finance programme, as it was designed at the beginning of the implementation phase.

Chapter 3. Research context and problem statement

The history of Botswana is described with special focus on the San in the Western part of the country. Their gradual dispossession and the dramatic effect that the shift in farming practices in the 1950s had on them is documented. This is followed by the history of post-

independence interaction between the Botswana nation-state and the San, as well as the ambivalent “ethnically-neutral” development efforts that the national government embarked upon. After providing a demographic estimate of the San in the Ghanzi district, the argument is made that poverty in Botswana has a strong ethnic dimension which is publicly ignored in the name of national unity, thereby robbing many development initiatives of their effectiveness.

Chapter 4. Literature review

Literature from the fields of economic anthropology, rural finance and community development is reviewed. The first section gives an overview of hunter-gatherer studies and considers the often fierce debates that are taking place about the economics of foraging societies, their flexible kinship structures and their adaptability. The argument is made that the tradition of some foraging groups to pool risk by investing in social relationships rather than securing future uncertainties through storage, is important to understanding some of their present dilemmas. Subsequently a description is given of the history of rural financial programmes and micro-credit. The well-known Grameen bank and similar programmes use social, rather than physical collateral for loans. Their strengths and weaknesses are considered and the importance of savings mobilisation as an alternative route to helping the rural poor is stressed. Some attention is given to the current debate about popular participation in development, closing with a discussion on the special challenges of securing participation in the context of the work of Kuru.

Chapter 5. The operations of the micro-finance programme from 1997 to 2001

The context in which the programme activities took place during 1999 to 2001 is described as these events proved to have a significant impact on the programme.

Chapter 6. Research outcomes

The outcomes of the various research activities undertaken are provided. These are based on baseline data, contextual data from the interviews and group discussion as well as “hard” financial data.

Chapter 7. Conclusions and recommendations

Based on the research objectives and outcomes, conclusions are made about the pilot phase of this rural finance programme and recommendations are formulated for its future.

1.11. A DESCRIPTION OF THE RESEARCH PROCESS

The research activities described in the previous section and in Table 1 took place in different and overlapping periods and the writing of the various chapters of this study went on during all of this. A certain research activity was required because of the specific need of the rural finance programme at that time, and at other moments mundane administrative considerations caused events to happen. The historical narrative below describes how the different pieces of the puzzle fit together at the beginning of the research period in 1997 and 1998, prior to the tumultuous events that shook Kuru in 1999 to 2001. These last events, which also influenced the micro-finance programme deeply, are described in Chapter 5.

a. A false start

The idea of a rural finance programme for the San was not conceived in a vacuum, but was based on 15 years of attempts by Kuru to assist the marginalised San and to understand their realities. Rural financial services was one of the potentially important strategies that Kuru had identified to counter rural poverty and dependency (see section 1.4).

After intense consultation with the Board of Kuru and with all the participating groups in the communities, a joint decision was made in 1996 that a savings programme should become a standard feature of all income-generating activities that Kuru supported and a requirement for anyone participating in any project. The savings programme was started during that year and project participants began making some savings deposits that were banked in community accounts opened at a bank in Ghanzi. There was a lot of early excitement and interest among participants to such an extent that Kuru staff was even wondering what was behind this. Was it just the “newness” of the programme? Did it meet more than just a need for safe storage of cash? Perhaps we had struck some kind of cultural gold, we thought, and had offered a possibility to people to somehow “share” their resources in one village account, while retaining private ownership. However, a decent management system of the programme was

still lacking and Kuru did not dare start a lending component for fear of an administrative nightmare. Subsequent lack of capacity, administrative problems and bank regulations basically caused the rural finance programme to grind to a halt and for over a year no activities took place. Account holders who did not see “their money working for them” began to grumble increasingly and demanded the return of their savings.

It is at that moment that I, as Kuru’s overall project co-ordinator, realised the need to get more personally involved in this project as it was an area of Kuru’s activities that was vital and promising and yet demanded more involvement and reflection than it had been given until then. In consultation with Board members and staff I decided to concentrate on this programme and revive it thoroughly and with some urgency, beginning with an overall reconciliation of its administration. After much - very much! - discussion, permission was granted, first reluctantly and then wholeheartedly, by the full board of Kuru to make this also the subject for a doctoral project⁵. This process took place during the early part of 1998 and it was only after approval from the Kuru Board that I dared submit a first sketch of the proposed research to UNISA. This was the situation at the beginning of the project.

b. Re-starting the project on a firmer footing

The realities of the situation made it necessary to conduct an overall review of the savings programme as soon as possible. It was not even clear how many account holders there were and what their names, ages, ethnicity, sex, and so on were. Interest had never been credited and for all we knew, the projects’ financial administration might have been in a mess. Therefore, a thorough reconciliation had to take place as a matter of urgency.

The need for a rethinking of the programme suggested that it would be wise to do some kind of baseline survey to collect demographic data, simultaneously with the reconciliation activities and before a reorganisation of the administration with new staff could take place. This would enable us to reflect more thoroughly on design aspects in order to be in a better position to learn lessons and draw conclusions during the actual programme. The baseline results should give us a demographic “profile” of the project participants registered at that time. An idea of Kuru was to help participants see their savings as an asset that should grow. This goes beyond saving for larger needs or to even out income flows only. When

participants would see their growing capital as an "asset" to be borrowed against, this might be achievable. Many things were not yet clear to me, e.g. how to link savings and loan activities or how exactly to design a group solidarity component. It was very useful to solicit opinions and ideas about the cash economy, lending practices and safekeeping of money as part of this survey. This should be followed up with a round of community consultations and information sharing. Because of the weak earlier start of the programme, fresh interest and a new affirmation of participants was needed. Those who wished to stop should be able to opt out and collect their savings. For the others, savings activities should be restarted. The loan component could then be added as soon as all the administrative requirements were in place, extra staff added, licenses acquired and supplementary training conducted.

A review of most of the relevant literature, discussions with field staff, Board members and technical support staff, different drafts of a baseline survey, going through these with San field staff, developing categories and field testing these, coding responses, re-discussing and design took place between March and June 1998. From July to November 1998, several hundred interviews were conducted by field staff and at the same time the savings programme was re-organised and restarted through administrative rearrangements, community consultations, workshops with producer groups, etc. During this survey, existing data was verified and a new beginning made by creating membership records and issuing accounts and savings booklets. The survey is described in Chapter 2 par. 2.2.1. See also Appendix I.

c. It always takes longer than expected

As more or less regular savings collection began again from the middle of 1998, feedback started filtering in from field workers, and through board meetings. This led to frequent adjustments in the thinking about design details of the savings and the loan component, the solidarity rules and the consequences for interest rates. Because of the kind of responses received from other community members as well as San staff with whom the results were discussed, it was decided to add a programme element. In addition to micro-finance activities for project members, savings facilities would also be provided to the other residents in the settlements and an opportunity for so-called "savings-only" accounts was created.

There were real delays in starting a lending component. The group solidarity requirements that emerged from the discussions demanded a cumbersome administrative set-up. Lengthy negotiations with the Bank of Botswana finally resulted in special permission to operate the programme by waiving requirements of the Banking Act in March 1999. Information sharing sessions with groups were needed and field staff needed training. These staff training sessions, board meetings and a reflection on the early results of the baseline survey resulted in responses that gave further ideas about programme design. Meanwhile literature review continued amidst dialogue and correspondence with colleagues in Kuru and several anthropologists. The need to finally begin lending activities towards the end of 1999 demanding that the rules covering all procedures for a pilot phase be finalised.

d. Help communities to reflect on their projects

It was considered important that the participants in the programme had a regular and structured way to reflect and give comments to field staff. It would give them opportunities to indicate problems and acknowledge achievements. It also would give us valuable qualitative data that could lead to growing insights and thereby to redesign. A self-evaluation instrument for holistic self-reflection of producer groups was designed for this purpose and administered only once in 1999. During the problematic years in 1999 to 2000, its subsequent administration was suspended because of capacity constraints (see Chapter 5). As a consequence, its use does not form part of this study.

e. Trying to do more in-depth reflection

The purpose of the rural finance programme was the development of household and community capital as a possible contribution to helping people save for larger needs, buffer uneven income flows, plan for long-term needs and break the cycle of dependency. The purpose of the research project goes somewhat beyond this. I wanted to get behind the "hard" data of concrete programme activities and gain a greater understanding of the dilemmas of transition that the people were facing in the inevitable change to the brave new world of capitalism and commodisation. Linking savings and lending behaviour with demographic data such as ethnicity, sex, education and age would, hopefully, provide valuable insights. I wanted to contextualise this by spending time with participants and reflect on household economics in informal discussions in their homes. This was to begin with very loosely

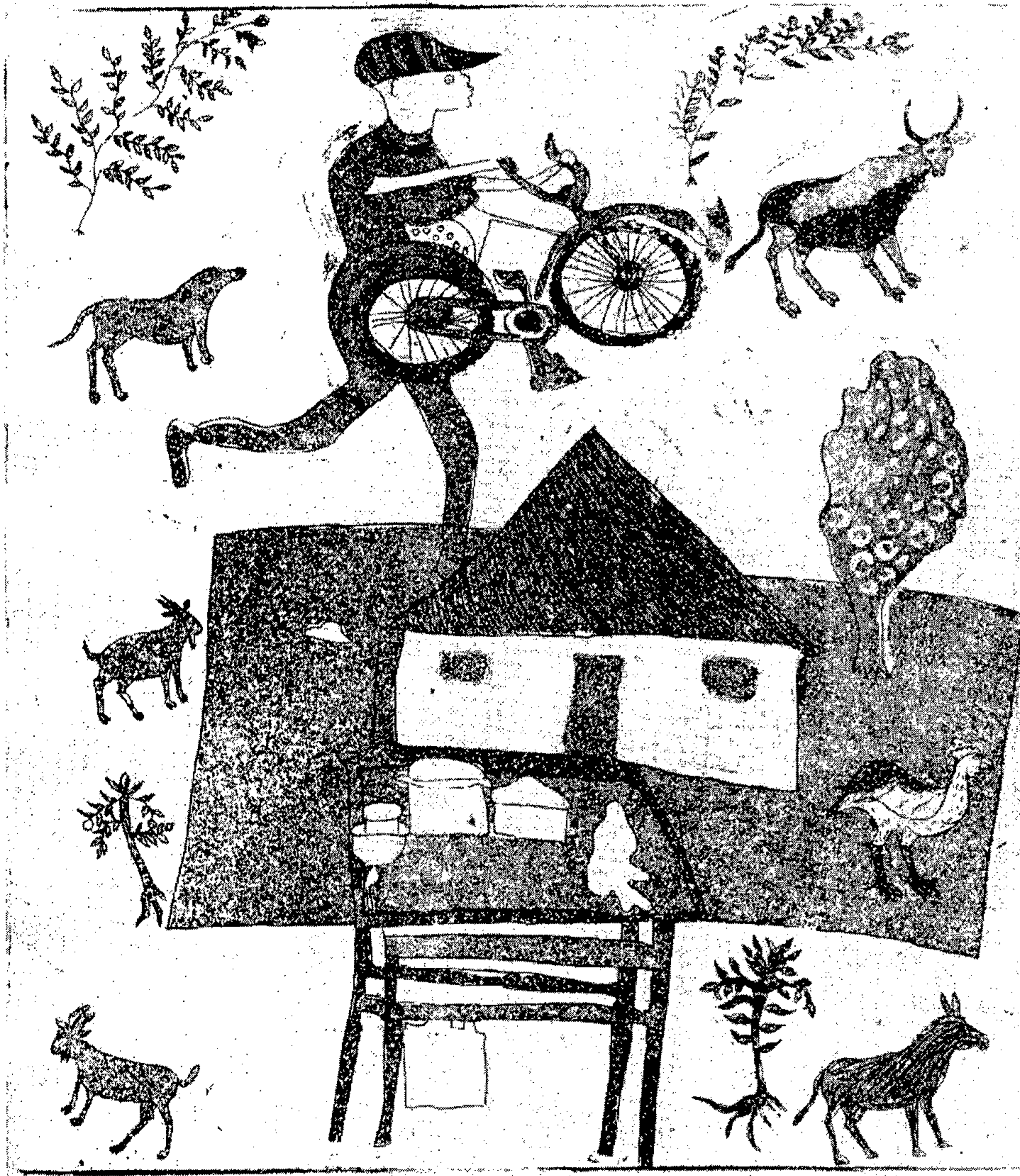
structured interviews relatively early in the restarted programme and perhaps brief supplementary visits a bit later, when some hard data on savings and loans would be available (see Chapter 2 par. 2.2.2.)

This qualitative research component started in the middle of 1999. As these were organised without much involvement of the field staff of the Savings and Loans office, it could run parallel to other activities. I worked with several assistants during weekends, taped interviews and made field notes. I supplemented this growing body of unstructured narrative by adding field notes made during board meetings and other meetings, as well as some secondary analysis of other field notes collected by Kuru staff, relevant quotations from reports and other literature, comments from colleagues, friends and anthropologists who read my various drafts.

Meanwhile, the administrative setup finally became adequate by October 1999 so that small-scale lending could begin and by the end of 1999, the first handful of loans had been given out. Also at this time, our initial ideas for the programme design of the saving and loan component had firmed up sufficiently to develop a procedures manual. This initial design is described in Chapter 2, par. 2.3.

f. Gather financial data from the rural finance programme

Data on saving activities was available from the middle of 1998 and on loan activities from the end of 1999 onwards. For the purpose of analysis, financial data for the period 1999 to 2001, when all components were operational, was used. Comparison between the quantitative baseline data and the narrative data was to lead to the formulation of lessons learned, to the redesign of the programme and some dissemination of early results. They were also to provide this researcher with enough data to complete this thesis, hopefully without completely overwhelming him.



Thamae Kaashe. Boy with bicycle, 1997. Etching. © Kuru Development Trust and T. Kaashe.

Thamae Kaashe has etched an image of a “developed” modern life and of San aspirations in it. The image is of a table with abundant food, a permanent house, a tree that provides shade and plenty of domestic animals. These all surround a young boy, leisurely playing with his bicycle, a much coveted element in the world of capitalism and commodities. It almost seems as if the boy is not only playing with his bicycle, but also proudly shows it to the viewer. Roots and leaves are also present everywhere and remind us that the food of the veld and all the traditions that come with it provide a link to the past and remain important even for this fully sedentary San family.

2. METHODOLOGY: OPERATIONAL DESIGN AND RESEARCH ACTIVITIES

“The question for both fieldworkers and indigenous groups facing change is how to exploit the useful features of modern society without alienation and suffering. There are no ready made formulae to solve this problem; it confronts every indigenous people today, it arises in every programme set up by them or on their behalf, and it must be resolved according to the individual situation” (Beauclerk *et al* 1988:10).

“The word...research, is probably one of the dirtiest words in the indigenous world’s vocabulary” (Smith 1999:1).

This study is concerned with the effects of the cash economy on the sedentised Bushmen groups in the Ghanzi district and the identification of a methodology to assist them to deal with its demands as a means for empowerment through the development of financial assets. The programmes methodology was based on the premise that these groups have retained much of their basic social structure, including a sharing ethos and opportunistic foraging strategies, private ownership, the lack of a storage tradition and of investments in communal production, strong levelling, and the tendency to exhaust available resources immediately, both for cultural reasons and under the pressure of poverty (for a detailed discussion of these issues, see Chapter 4). In addition a dependency on hand-outs has been created and the settlements lack economic opportunities. These realities as outlined in Chapter 4, par. 4.1.8 were intrinsic to programme design.

2.1. OPERATIONAL DESIGN

2.1.1. Ethical basis

The research objectives made it clear that there are several important ethical postulates:

- The research itself was subordinate to the identification of appropriate solutions to the lack of social and economic self-sufficiency and the problems of transition that the San communities face.

- The research process was to lead to the establishment of a concrete and appropriate development programme in the field of rural finance in these communities that would continue to exist after the research activities have been concluded.

The study aimed at setting a process of social change in motion. As such it contrasted with the concept of “neutral research” in which a detached observer describes processes that take place, whilst taking great pains not to influence these. As has been made clear, the proposed research aimed to achieve exactly the opposite, by making itself a primary factor in changing the social realities for the indigenous rural poor among whom it took place and whose leadership and youth directed and implemented it.

As the research problem and objectives show, the purpose of the research was not to test pre-formulated hypotheses, but rather to search for appropriate solutions to the dilemmas of transition and dependency by combining programme activities and reflection in an environment of community-owned development. This process of *Participatory Action Research* integrated research with a search for practical solutions, involved the target population actively in problem analysis and programme design and should be followed or combined with development action that produces tangible benefits for the target population (Verhagen 1984:34).

Whyte (1991:191, 203, 206) also argues that participatory action research in rural African communities poses an enormous challenge. Its attendant aspects of shared ownership and community-based learning and action makes it virtually impossible to separate the inevitable project-status of the activities from extensive on-going social processes and concrete research activities. It is therefore important to get “behind” the hard data output of the programme and quantitative interviewing through some in-depth discussions. Moreover, there is neither need nor possibility to separate research and action.

The research was thus an integral part of the search for and implementation of appropriate solutions to the lack of social and economic self-sufficiency in San communities. Popular participation was secured through the involvement of the Kuru Board and Action Committee, San field staff, as well as community discussions during both design and implementation.

One last question needs to be asked here: Could there be a compulsory savings elements in the pilot phase of this programme? Would this not make it imposed and top-down, rather than participatory?

An extensive consultation process was carried out with the Kuru Board and producer groups in the settlements in 1996, that resulted in a decision to make a savings programme an essential component of all income-generating projects and a requirement for project participation. All groups in all settlements debated and accepted this “proposal” from the Kuru Board. It then became a group decision, reached by consensus and binding to individual members. The need for a savings programme, the decision to begin it and to make savings a requirement for participation was not revisited at the beginning of this study. Rather the issues of programme design and development have been addressed. In practice, events at Kuru during 2000/1 caused the planned compulsory nature of savings deposits to be amended. Savings became voluntary (see Chapter 5).

2.1.2. Participants in the research

The participants in the research were all community members taking part in income generating activities in most of the project communities where Kuru is active in the Ghanzi District of Botswana. These are the communities D’Kar, Bere, East Hanahai, West Hanahai, Grootlaagte, Tsjobokwane, New Xanagas and Charles Hill. The communities vary in size between 300 and 1,000. At the beginning of the project, the various income-generating projects were identified as follows:

a. Cochineal production

The cochineal insect (*Dactylopius coccus*) grows on the leaves of the spineless prickly pear cactus (*Opuntia ficus indica*) and forms the basis of carmine acid when harvested. This is used as a natural colorant in the food and cosmetics industry. At the beginning of the research, the project was still in its pre-production stage. Participants received cash to work on the start up activities. Possible failure of the project to reach the stage of commercial production would hamper the rural finance project.

b. Game Farm

The Dqae Qare Game Farm is an eco-tourism project, taking place on a 7,200 ha freehold farm between D'Kar and Ghanzi. Project participants served as guides and trackers, performed traditional dances, cleaned, assisted in lodge management activities, and received modest monthly allowances, based on participation in activities.

c. Artists

Participants in the Kuru contemporary Bushmen Art co-operative produced oil paintings, litographs and etches, depicting hunting scenes and traditional life in bold abstracts and vibrant colours. Exhibits have taken place all over the world and some artists have a significant, albeit irregular, income.

d. Craft producers

This activity targets some the poorest. Participants produced traditional bushmen crafts, such as ostrich beadwork, dancing- and hunting sets and woodcarvings for the tourist market. Kuru stocks some of the raw materials they need, provides training, purchases and markets their products. It is one of the only production groups of which some members live on the cattle posts and not in the settlements and targets specifically the poorest women. Group organisation among craft producers is low.

e. Leather workers and tanners

The members of these small groups are all men. They tan mainly cow and goatskins and produce an array of products for the Botswana market, such as belts, saddles, hats and chairs.

f. Women's groups

These small women's groups produce mainly clothing for the local market as well as T-shirts with screen-printed artwork and hand painted fabrics for the tourism market.

The various groups are located in the project communities as follows:

| Activity | D'Kar | Groot-laagte | Bere | East Hanahai | West Hanahai | Tsjobokwane | New Xanagas |
|-----------------------|-------|--------------|------|--------------|--------------|-------------|-------------|
| Crafts | x | x | x | x | x | x | x |
| Art | x | | | | | | |
| Cochineal | x | x | x | x | x | x | x |
| Tanning Leather works | x | | | | | | |
| Women's groups | x | | | | | | |
| Game Farm | x | | | | | | |

The number of registered project participants at the beginning of the research period for financial data collection was 421. This included a significant group of craft producers, that had not yet been registered or participated in savings activities during the baseline survey in the middle of 1998, but that registered before the end of 1998. Another 111 participants, mainly craft producers, were registered during the period 1999 to 2001.

2.1.3. Research guidelines

The research took place from within the programme activities of Kuru Development Trust, a grassroots self-help organisation of the San people in Western Botswana. All field activities were implemented by mother tongue speaking field staff with limited formal education. The limitations that this imposed, together with the research objectives, the ethical postulates and a choice of the action research process led to a number of methodological guidelines. In the formulation of these, I am indebted to Verhagen (1984) as he described the methodology of his analysis of an experiment in participatory research and planning with small farmers in Sri Lanka and Thailand.

Guideline 1: All actors needed to be integrated in the planning process

The Kuru Board and Action Committee, representing the project communities as well as the Kuru San staff, were important contributors to the design of the proposed rural finance programme as well as the various research activities that were undertaken. Feedback from field staff and Board members during several stages of the programme was needed to ensure constant responses from communities and fieldworkers and allow for programme adjustment.

Guideline 2: A combination of qualitative and quantitative research activities was best suited for the research

Through quantitative research, baseline data from a broad selection of project participants was gathered. As San field staff with a modest educational background conducted these interviews, closed questions that could be easily scored provided for the least chance of errors and for broad insights into the background of the participants. Quantitative information was also used to show behaviour during the actual micro-finance activities.

In order to gain insight and identify, not measure, the problems and dilemmas that the San people face in regards to the transition to a cash economy, some additional qualitative work with a selected group of project participants was conducted.

Guideline 3: The research did not require all the elements of a field experiment

The research had an experimental nature as it researched, designed, implemented and studied the effects of a concrete development activity in indigenous communities. It lacked however all the requisites of a normal field experiment. A control group was not identified and experiments in controlled conditions did not take place.

Almost all project participants resided in settlements and as such were not necessarily typical of the other San in the district, many of whom were labourers or squatters on the cattle posts. Statistics presented are descriptive and not inferential. No general conclusions could be made about all the San through the use of a control group for the following reasons:

- A good sampling frame of other residents in the settlements was almost impossible to come by. The people in the settlements live in ethnic and family groups in different quarters of the community and no matter how the sampling would be done, there would have been significant bias as the project participants already largely self-selected by becoming part of one of the projects in the first place.
- It was not considered so important to compare participants to non-participants. The priority in this whole study was rather to find out if and how savings and micro-credit

could make a contribution to the dilemmas and confusion that surround the transition to a cash-based economy in which almost all San find themselves. A dilemma which they share with many indigenous groups around the world.

Guideline 4: The methodology should allow for flexibility and frequent adjustments

The research was only the beginning of a process of learning, project design and project implementation. Flexibility of design and methodology was therefore important. If research or project activities proved to be ineffective or unmanageable, new ways had to be identified. Micro-savings and credit activities with groups without a storage culture was new and the less advanced the available knowledge was in a project, the more flexible and innovative the research needed to be. In classical surveys, the emphasis is often on the technical skills required for drafting surveys, interviewing and analysing. When attempting an innovative development programme from within an informal peoples' organisation, intuition, imagination, flexibility and communication are requirements that are more important.

Guideline 5: Conclusions and recommendations had to be "implementable"

Broad recommendations often leave many dilemmas unanswered and leave much of the nitty-gritty of the project activities to the competence and capacity of the implementing organisation. Such recommendations without adequate operational and design details were not suitable for this study. The research was concerned with finding practical solutions and wanted to formulate these in a context of a grassroots rural development organisation where capacity and technical skills were limited.

Guideline 6: Research and programme activities had to be simple and manageable by San field staff

Both the concrete field research and the project activities taking place with the larger group of participants such as interviewing, data collection, recording, scoring, administering savings and loan activities, etc. had to be decidedly undemanding in respect of the technical skills required on the part of the field workers. If this could not be achieved, the sustainability of the programme itself was in question.

An exception to this was the qualitative research component. This one-off activity took place with a much smaller group. It had as its aim to gain further insight and understanding and was not part of the standard activities planned for the rural finance programme.

2.1.4. Assumptions and expectations

As discussed earlier, the research did not test pre-formulated hypotheses. Still, the research objectives and methodological guidelines had a common ground, found in the assumptions and early expectations concerning the study. These are based on 15 years of grassroots work among San communities in Western Botswana. Formulating them explicitly helps put the research activities in perspective.

1. Unless San communities learn to apply increased cash incomes towards long term economic security needs, dependency on hand-outs and the practice of short term planning is not likely to change. Consequently, the San communities will remain ill equipped to deal with the surrounding society and its capitalist economy.
2. It will be possible to design and implement a micro-finance programme that is sufficiently informed by traditional economic and social practices to be successful.
3. Increased household assets in the form of capital savings have the potential of making an important contribution to household economic security and communal wealth and can provide a liquid alternative to livestock assets. It thereby increases the self-reliance and self-determination of marginal and rural San communities.
4. A micro-finance programme can help project participants to acquire skills to manage cash incomes in what is now a monetised rural economy.
5. It will be possible through the careful collection of baseline and monitoring data to identify what the determining factors are in the success or failure of such a programme and to make the required design adjustments to address these issues.

2.1.5. The steps in the Action Research Project

The research- planning- and operational activities of the proposed research followed from the research problem, the guidelines, assumptions and ethical considerations as well as from the logistical and practical constraints that the programme environment and Kuru's human resource capacity imposed. It is useful to break the research project down in concrete activities. Nine concrete operational steps can be distinguished as indicated in the scheme below (see Table 1 for a more elaborate description and timetable). This is highly schematic and in practice the step often overlapped with backward and forward movements.

Steps eight and nine were beyond the scope of the research project and deal with operationalising the results of the research. It is included to demonstrate that the research itself is embedded in an on-going programme of activities and programmes and did not take place in isolation. Part of the aims of steps one to nine was to build the capacity of Kuru Development Trust to implement a successful rural finance programme with San communities. Otherwise, programme activities might have ceased once the research has been completed and consequently the communities might have been even be worse off than before.

Table 2: Summary of steps in the action-research project

| Step | Activity |
|--------|--|
| Step 1 | Restarted the savings programme and conducted a base-line survey. (research activity 1). |
| Step 2 | Designed an initial operational model for a micro-finance programme. |
| Step 3 | Conducted qualitative interviews with a selection of project participants. (research activity 2) |
| Step 4 | Implemented and monitored the savings programme and lending activities. (research activity 3) |
| Step 5 | Analysed reasons for the programmes' areas of success and failure. |
| Step 6 | Shared the results with community leaders, participants, indigenous field staff and technical support staff. |
| Step 7 | Made recommendations for operational adjustments of the programme. |
| Step 8 | Draft and share the results with the wider audience of San self-help organisations. |
| Step 9 | Make programme adjustment or redesign. Implement and expand. |

2.2. RESEARCH ACTIVITIES

Three distinct research activities were identified.

2.2.1. Activity 1: Quantitative baseline survey

A baseline survey was conducted with project participants⁶ that took part in one of the income-generating activities facilitated by Kuru Development Trust in 1998. Based on the existing data of project participation, a stratified random sample of half the initial participants (n=131) was conducted in all project communities by two interview teams, each team consisting of a mother tongue speaking San extension staff plus a Motswana social science university graduate. The baseline survey consisted of over 50 questions and all but one of these were closed questions. Information was collected in the following areas:

- Basic demographic information (age, sex, education, ethnicity, living arrangements)
- Culture and cultural activities: their practice and importance
- Projects: priorities and reasons for participating
- Problems experienced by participants and their relative importance
- Assets and poverty
- Cash income sources
- Gift-giving, borrowing and sharing practices of food, non-food items and cash
- Storing cash: practice and priorities

Each community was visited and received at least two follow-up visits in order to contact as many absent members as possible.

A questionnaire was administered to the remaining half of the project participants, collecting

- basic demographic information
- information on assets and poverty.

The same basic information was also collected in the form of intake interviews during the research period from new project members as well as from those who were missed during the interview visits. This provided for analysis possibilities of basic demographic and asset/wealth data of the overall number of project participants. See Appendix I for a copy of the interview format.

131 members participated in a full baseline interview, 304 participated in a short baseline interview or almost identical subsequent intake interview done upon registration for the programme. For 97 participants, an intake interview was apparently not conducted and only financial data was available. The total number of people who participated in the micro-finance programme between December 1998 and December 2001 is 532.

2.2.2. Activity 2: Qualitative research with a non-random selection of project participants

The results of the base-line survey gave broad insight into the situation of all project participants. As with quantitative surveys in general, the validity of some of the outcomes may be questionable⁷. It is also doubtful whether the interviews provide enough insight concerning peoples' perceptions, experiences and practises about the monetised rural economy in which they now live, such as the requirements of cash management, expenditure patterns, saving and lending practises, budgeting, etc.

In order to increase the programmes' understanding of the dynamics and dilemmas of the sedentised and landless San and how they deal with a rural cash economy, it was therefore necessary to supplement the data from the baseline survey with further qualitative information. The focus was to understand the participants and the wider San community on their own terms. The realities of the research would dictate the number of informants required. The sample needed only be large enough to be illuminating (Taylor and Bogdan 1998:91), and could be anywhere between four and fifteen individuals.

The participants were members of several of the projects, such as the craft producers, art project members, cochineal farmers and women's groups. Criteria for selection were such issues as variety in age, sex, education and income. Careful monitoring of the income for the participants of only the art project through Kuru's finance department was possible. Only the most general questions concerning cash expenditure were asked, as this was considered too intrusive.

Many of the respondents were from D'Kar, since it had the largest number of projects. It is not suggested that D'Kar is typical for all rural communities, but so many projects were taking place in D'Kar and more cash circulated within this settlement compared to the other

project communities. It was bigger than the other settlements and also closer to the district capital Ghanzi, offering increased interaction with a small town. Therefore, income disparities and social stratification in D'Kar was higher than in the other project communities. San made up just over only half the population, compared to 80-95% of the other communities and the process of acculturation had therefore gone further. What was happening in D'Kar is probably what could be expected to take place in the other communities during the coming years or decades, given a larger influx of cash in these communities. The dynamics and realities that were noted are therefore likely to be more extreme than in the other communities and should provide useful insights concerning the dilemmas of transition. Still, some group discussions and short interviews with participants from other settlements were also needed to supplement this data and it was helpful to compare the findings in D'Kar with those in other settlements.

The interviews were informal and open. A number of themes were addressed in each interview such as cash income and expenditure patterns, the sharing of cash, food and goods, changes in economic relations over time, sedentism, lending and borrowing practices, budgeting and planning, investing and cattle buying, etc. The interviews were taped and transcribed.

Some of the people who participated in the first round of interviews were contacted after the savings and lending activities had been in operation for some time and information was available concerning the way they had or had not used the services, whether they had paid back or defaulted, and this information was explored with them.

In addition to this, field notes were kept of other forums and meetings, such as those with extension staff, group discussions, Board and Action Committee meetings, secondary analysis of other publication and field notes of Kuru.

The nature of this qualitative research was exploratory, just as the baseline. There were no hypotheses to be tested, but there was a search for patterns and insights concerning the way the San people handled their current economic dilemmas. Such patterns, together with the other research outcomes, were to lead to conclusions concerning the most appropriate

programme design of such development activities. It was thus an element in the search for operational answers.

2.2.3. Activity 3: Monitoring data from the credit and savings activities

Data was routinely collected concerning participants' performance in the savings and credit activities, in areas such as:

- Amounts and frequency of deposits and withdrawals
- Loan activities – size and repayment performance

This information was stored on a computer with the assistance of a financial software package. Historical data retrieved from this programme was summarised into 12 quarters (January 1999 to December 2001) and was added to the demographic and socio-economic data from the quantitative survey. This provided opportunities to analyse the historical data in relationship to the baseline data and the factors that influenced project members' behaviour could be considered.

2.3. CRITICAL FEATURES OF THE SAVINGS AND LOAN PROGRAMME

The operational model for the pilot phase was developed during step 2 of the research process, after concluding a largely quantitative baseline survey, and the model was finalised in September 1999, after the savings activities had already been restarted for a while. A description of the main administrative features of the initial programme set-up has been provided in Appendix II. This design was based on the critical information below that follows from the literature review in Chapter 4. Elements of this design however were abandoned or only partly implemented due to the events at Kuru in 2000/1 (see Chapter 5 for a discussion of these and the consequences on the rural finance programme).

2.3.1. Guidelines for the programme

a. Self-selected groups had to be formed at the lowest level of production

The traditional flexible band-structure suggests that income-generating groups should be small and are best self-selected, usually based on kinship. As bands are traditionally structured around commonly used natural resources, the common interest of a shared subsistence activity was also best suited to structure savings and loan activities in solidarity groups.

However, this guideline was not implemented as a result of the events at Kuru in 2000/1. In practise, accounts were operated purely as individual accounts.

b. Private enterprise and ownership had to be combined with extensive group consultation to balance solidarity with individual responsibility

The tradition of individual ownership within the context of jointly utilised resources required some form of group involvement in managing the new, non-traditional, monetary resources, while maintaining individual ownership and responsibility. This suggested a form of social collateral for each-others financial liabilities that would combine joint financial accountability with respect for individual autonomy and ownership. Concretely, the best way to translate this into project design was to make group members not financially liable, but socially liable for loan defaults, i.e. by blocking services to members when a member was in arrears. This would also reduce the social stress that can be caused by joint financial liability.

Due to the developments at Kuru (see Chapter 5) the planned social collateral mechanism was not implemented by the programme and members were only individually accountable for loans taken.

c. There was a need for self-imposed mandatory savings activities

In the absence of a secure natural resource base, other forms of non-traditional and liquid resources will have to be developed in order to provide for investment possibilities and to even out resource flows. Traditionally, San invested heavily in social relationships through

sharing and gift exchange. The cash economy brought commodisation of relationships and unprecedented choice and desire. This plus the lack of economic opportunities and decades of hand-outs, could cause a lack of the kind of anticipatory skills that were observed in Kuru's projects and that are required in a cash-based economy. The old ethos of sharing co-exists with the new world of capitalism, sharing and profit maximisation. The San have to develop ways to deal with these requirements and this suggested some self-imposed mandatory component in savings activities⁸. In practice this could mean offering time-deposit accounts with different maturity options. The San participants needed assistance to develop a practise of saving small amounts of money to develop their own as well as the communities liquid assets so that access to financial resources could be increased. In addition, mandatory savings would allow individuals to save without seeming selfish to their neighbours and kin. The wider Tswana society did also not give a good example of thrift as on average people dissave.

This design aspect was implemented initially for all project participants, but quietly dropped during the events at Kuru in 2000 (see Chapter 5). At the beginning of 2002, only the group of artists still practised compulsory savings of 5% of earnings.

d. There was a need for voluntary savings activities

Mandatory and voluntary savings are fundamentally different. Mandatory programmes suggest that people need to learn to save. Programmes that promote voluntary savings presumes the need to develop financial services that meet the peoples' desire to save (Johnson and Rogaly 1997:45). In this project, both contributed. The inhabitants of settlements needed to develop a practise of saving money. At the same time, they needed a safe place from continuous demands for sharing to secure resources for their own future consumptive or investment needs and for the real needs of close kin and community members.

This design component was implemented throughout the research period.

e. The purpose of credit was mainly to help people see the value of savings and much less than capital for investment

“The other nations say: you the Basarwa have a hard head, you will not stop your drinking. But this plan here of the bank will help us to bring our money together and keep it, so that our drinking will grow weak and our savings will grow strong. So this thing here will begin to lift the Ncoakhoe people up” (Board member Magu Magu in Kuru Board meeting, March 1999).

The repayment requirements of short-term loans had a potential to help the people see the value of saving and that was the a main purpose in this project. The poverty of the San is not caused by the “vicious cycle” of low income leading to low demand leading to low investment leading to capital deficiency and low productivity (Nwankwo 1994:6), but is caused by the landlessness and marginalisation of the San, which cannot be solved by capital injections in the form of credit. Investment opportunities in the settlements for developing private enterprises are virtually non-existent in the absence of a source for raw materials and a local market for goods and services. Drinking places are probably the only exception to this! One of the main potential usages of liquid assets for investments were be the possibilities it created to access FAP⁹ and other forms of project funding for longer term and group-based projects.

This suggested that members’ savings would form the main source of loan collateral. Providing loans on a one to one basis (meaning the maximum size of the loan is equal to accrued savings minus loan interest over the repayment period) makes no economic sense from the perspective of, say, the rural poor in Asia who have to escape from the clutches of informal money lenders. How can they be expected to save all the money they need for investment first, and subsequently have to indebt themselves for smaller amounts than the savings they hold but cannot touch?

In this project context however it did make sense. Project members already had cash incomes and limited savings could attract other forms of funding. A growing understanding of the monetary economy, the reduction of dependency and the development of community equity were the projects’ real objectives, rather than the increase of available funds for rural investment purposes.

This approach – using savings to issue loans- significantly reduced the risk of bad debts to Kuru as well as its dependence on donor funds for credit financing. Kuru needed no external financing to set up a revolving loan fund. Having a cash flow reserve to manage the programmes' liquidity needs was adequate.

The complexities of this credit component made it one of the most risky element of the programme design. A gracious exit strategy needed to be designed if it proved to be unworkable or caused significant social stress. This would be possible by, for example, replacing it with an expanded set of savings possibilities with different maturities.

In practise, the loan component was started and kept on functioning in a limited way till the end of the research period. Because of the absence of a social collateral mechanism, loan repayment could not be enforced and defaults were high. When withdrawals became unrestricted, only a few members still kept an interest in borrowing against their savings.

f. It was better to subsidise savings than credit.

“This little money, if you are not going to put in money in the bank every month, the bank will again take those little moneys out for themselves. The big problem with the bank is that it only looks at the rich people and gives them a lot of interest on their money, but they only give very little interest to the poor people.” (Kuru Board member Magu Magu, March 1999)

Thrift rather than credit needed to be encouraged among the San. Credit activities through lending and paying back were mainly to serve the purpose of helping people to work with the demands of a capitalist economy. Subsidising credit was generally not advisable for reasons elaborated in the literature review. In the context of the San economy, where informal moneylenders were almost non-existent, the difference between money lent and money shared was at best diffuse and more often non-existent. Subsidising credit made even less sense. It was advisable to apply subsidies to thrift, rather than credit. Real credit was not provided. Rather people borrowed with their savings as collateral¹⁰. A modest interest, comparable to commercial banks, was paid on savings accounts, but ledger fees were not applied, even for small deposits. That provided for a real incentive and subsidy, as one of the biggest complaints of small depositors was the fee structure which the banks apply and that depleted their savings.

“Real” lending, meaning loans that were greater than accumulated savings, could only be issued against market-based interest rates at a later stage, to those members who had a good repayment history of smaller loans with full collateral. But this possibility was to be evaluated after some experience with lending against full collateral was gained.

This guideline was partly implemented. During 2000, 12% interest pa was given on savings and charged against loans. In 2001, both were reduced to 6%. Based on participant feedback it seemed that high interest on savings did not significantly attract depositors, but the absence of ledger fees did.

g. There was a need for clear, simple and firm rules

“If people are going to borrow P 600, they will want to pay back only P 600 and will not want to understand if they have to pay back P12 interest, since they know nothing about interest” (Kuru Board member Ben Moses, 1998).

“I thought that the programme will bring money to me easily. Is this what they call easy?” (Tcoma Kgao from Dobe after being explained the savings and loan programme, 1998).

Kuru was seen by many members as a resource that is targeted through opportunistic scheming and strategies based on an attitude of dependency. Giving in to this would only lead to further hand-outs. To avoid pressures for “credit without conditions” and the subsequent collapse of the programme, clear and firm rules were required. At the same time, administrative simplicity was needed to enable San field staff to manage the programme.

This guideline was implemented. Participants understood the programme. Regulations during the pilot phase with regards to withdrawals were amended due to the developments at Kuru (see Chapter 5). Most notably, the time-deposit nature of the account was changed and all accounts became current accounts during 2000.

h. Loans were able to be used for both productive and consumptive purpose

Distinguishing between lending for productive or consumptive purposes is not useful, as income-flows can be so easily redirected to other needs. Lending for consumptive purposes with mandatory savings as collateral can also overcome the criticism that mandatory saving

cannot meet contingency needs and are therefore inferior to the liquidity that voluntary savings offer (Christen *et al* 1994:6). Usage possibilities of loans were therefore to be somewhat flexible, but the management of arrears and defaults would be firm. In order to encourage people to use loans for irregular and not their daily needs, it was advisable to restrict purposes to needs such as medical emergencies, school fees, etc.

This guideline was partly implemented. Lending was done for both productive and consumptive purposes, for both immediate needs and durable goods. Management of loans and arrears however was not consistent and firm.

i. The Savings and Loans programme did not have to be financially sustainable

It was recognised that in this particular project context, working with small, scattered, remote and marginalised communities, financial sustainability of the programme was out of reach for the near future. This did not mean that easy credit was to again become an option for the San, as this would have only further entrenched dependency. Reasonable rates were to be charged for credit services to help people understand the functioning of a cash economy, combined with incentives for savings deposits in order to encourage thrift. This was to make such a programme financially viable, meaning that the cost could be covered by the price. But the programme could not be institutionally viable as the cost of extension, training, administration and management could not be covered by the kind of revenue generated through savings mobilisation that was possible among the rural poor. Financial viability alone was therefore the target for the short and medium term.



MOUNTED HUNTER,
HARTEBEEST, DHAO
BIRD AND
HELICOPTER. © Kuru
Development Trust and
Qwaa Mangana. Lithograph
1991)

(This is one of) Qwaa's distinctive pictures, that blend modern with traditional motifs, and by that combination, the Bushman artist engage the new world that the largely post-foraging farm Bushmen now find themselves in. (W)e see a hunting scene. The hunter, here, is a Bushmen, using the horseback method that in Ghanzi is now the most widely practised form of hunting.

Hovering in the centre, and above this busy and productive veld scene is a dziibi-dziibi-dziibi, a helicopter. It carries not hunters, however, but a game warden who is patrolling the veld against poachers and policing Bushman hunters. This picture recapitulates the theme of outsiders, whites and now also blacks--taking "our animals" from the veld and ... controlling the Bushmen's hunting activities, confiscating the animals they have shot and arresting them, for an activity they have always done and on which their lives depend. This is one of Qwaa's rare political, "protest" paintings; it is an indictment of the settlers who have taken the land and its animals from the people, as well as an expression of the powerlessness of the Bushmen... his commentary on the picture ... dwells on the element of surveillance and control of Bushmen by outsiders over something that is and has always been their own, the animals of the veld.

(T)he picture might be seen as a symbolic act of co-opting a source of Western power. We see the helicopter in amongst the animal tracks and animals, almost as another prey species--one strange and alien--for the hunter to go after, to add to his supply of meat... (T)he association of the helicopter with the veld animals and its symbolic transformation into the hunter's prey animal, metaphorically confers power over this European machine not only to the hunter, but to the Bushmen as a whole... Yet, for all this implicit counter-hegemonic sub-text, the hunter, as revealed by Qwaa's explicit commentary, ends up being caught by the ranger in the helicopter ... is arrested and wrested out of his veld-animal world. The explicit theme is that of oppression and power exercised over the "First People" by ... whites and now blacks, who control the land. (From an essay by M. G. Guenther: Farm Labourer, Trance Dancer, Artist: The Life and Works of Qwaa Mangana, 1997)

3. RESEARCH CONTEXT: THE SAN PEOPLE AND RURAL DEVELOPMENT IN WESTERN BOTSWANA

3.1. GEOGRAPHY AND ENVIRONMENT

Botswana is a landlocked country of 582,000 km² and borders Zimbabwe, South Africa and Namibia. Most of the country is flat with occasional rocky hills. In the north-west, the Okavango River, fed by tropical rainforests in Angola, drains into the Okavango Delta, creating a unique eco-system and the only inland delta in the world. In the central north-east is a large area of calcrete plains. The climate in the eastern part of Botswana is not as harsh as the rest of the country and this is where most of the population lives.

Most of Botswana forms part of the vast plain of the Kalahari Desert, which is some 800,000km² in extent and 1,000m above sea level. This desert is situated in the heart of the south-African sub-continent. The arid plateau of the Kalahari is bordered by the Okavango Delta and Boteti River in the north and east, coastal area in the west and dried-out rivers in the South (Guenther 1986:98). It is an arid and semi-arid area with an inhospitable climate and a sand cover that is up to 120m deep. Rainfall is erratic and falls mainly in the October-April summer period. Summers are hot with an average temperature in the day of 33°C and extremes of 45°C. Winters are cold and dry with night temperatures dropping to, or below zero. In the summer, rains provide for an average rainfall of 250 mm in the south to 650 mm in the north-east of the country. In the area of this study, the Ghanzi district, average annual rainfall varies from 350 to 450 mm. There can be significant annual as well as local unevenness in distributions, fluctuations of 171 as well as 771 mm have been recorded in the district (Guenther 1986:108). More recently an incredible 1000mm was recorded during the 1999/2000 rainy season.

Rainfall figures are also misleading as their volume is a poor indicator of its value. There is rapid drainage and run-off during the short and intense storms that account for the bulk of the rain (MFDP 1997b:6). The meagre and variable rain, combined with high evaporation rates makes Botswana a country where water shortage and drought are ever present dangers. It is telling that the Setswana word "Pula" means both rain and money, while also being a

greeting. Drought is an ever-recurring problem. This, coupled with poor soil, makes for a food production that is woefully inadequate for the needs of the country. From 10% of the country's requirements in an average year, it can fall to as low as 4% in drought periods.

Diamond, copper-nickel, coal, soda-ash, salt and other minerals all exist in significant quantities. Further prospecting and exploration of many of the deposits is hindered by the thick sand, the remoteness and the absence of infrastructure. However, Botswana will probably continue to depend heavily on the income from irrecoverable mineral resources in spite of effort to diversify into services, industry and tourism. When deposits are rich enough, exploration will undoubtedly be considered, even when competing with ecological concerns.

The Ghanzi area is found in western Botswana and is typical of the heart of the Kalahari with low shrub and tree savannah. The ecology of the area is delicate. Grass of low productivity can support only a limited density of livestock and wildlife. It is vulnerable to bushfires and overgrazing can cause prolonged deterioration of the veld. One of the important features of the Ghanzi area is its underground limestone ridge, which provides for a relatively accessible source of water. For this reason, it became prized cattle ranching area when borehole technology became available.

3.2. BOTSWANA BEFORE INDEPENDENCE: BUSHMEN, BANTU AND BOERS

3.2.1. The earlier history

The San or Bushmen are commonly considered to be the earliest inhabitants of the South-African sub-continent and one of Africa's oldest indigenous peoples (Barnard 1992:28, 249, Tlou and Campbell 1984:21). In Botswana, they are commonly called Basarwa. The earliest paintings and rock-engravings of San origin are in Namibia and are nearly 25,000 years old (Tlou and Campbell 1984:23). The hunting and gathering San lived in small groups or bands numbering between 15 and 80. Until perhaps 1,500 to 2,000 years ago, they were the only human inhabitants of the sub-continent (Barnard 1992:140, Hitchcock 1987:323).

It is a popular and persistent misconception that the San "owned no land" (Hitchcock 1987: 319) or were nomadic, wandering from place to place. Different degrees of ownership over

game, land and veldfoods existed among different San groups. Amongst for example the !Kung San of northern Botswana and Namibia, their clearly identified areas of land-rights, so-called n!oresi (plural), had enough veldfoods, water and game to support the family group or band during an average year (Lee 1979:334-339, Wiessner 1992:62). A n!ore was an area with a central waterhole that had clear ownership, though the boundaries might be somewhat vague, and bands moved and utilised resources within these area. Permission had to be sought for use of water resources in a n!ore, but was never refused and the stealing of natural resources could be severely punished (Thoma and Pieck 1997:56). Resource rights differed among different San groups, with some having closer inter-band relationships than others (e.g. Heinz 1972, 1979 *passim*). Different kinds of property implied different kinds of individual and collective ownership (Barnard 1992:242). The economy of the traditional San societies will be explored in more detail in Chapter 4.

There is another popular misconception about Bushmen culture. Many people see them as nomadic people that lived in a pristine environment, unspoilt by Western influence and living their peaceful and non-violent life of hunting and gathering until very recently. In a sense, the San appeal to many as being archetypal. They are seen as one of the last "original people" who speak to us about our own origins (Suzman [Sa.]:8-12). The attention of the vast majority of the more than 100 researchers who studied the San listed by Hitchcock (1987:296-324) concentrated on the traditional culture of hunting and gathering and on a limited number of groups. Hitchcock (1987:220) elsewhere says:

"While it can be said that the Basarwa represent one of the best studied groups of indigenous peoples in the world today, much of the work that has been done has concentrated on foraging adaptations. Relatively little in the way of detailed analysis has been done on socio-economic change among these people¹¹."

More recently, anthropologists have begun to shift their attention to adaptation patterns of groups that settle down (Hitchcock 1982:235). In the literature, the focus is shifting to the great diversity in 20th century hunter-gatherer lifeways (see for example Kent 1992, 1996 *passim*).

In reality, the San lived a semi-nomadic lifestyle within clearly demarcated areas of land-right and use. In reality also, the Kalahari has been occupied by agropastoralists for centuries and for at least the last 1,500 years the San have interacted with others in varying degrees

(Wilmsen 1989a, Hitchcock 1987:323). Bantu agropastoralists arrived in northern Botswana before 500AD from the north and the first Bantu-speaking farmers probably settled in south-eastern Botswana around 600-700AD (Tlou and Campbell 1984:40). Contact between the San and these early Bantu groups was most likely limited to trading.

Around 1000AD the Toutswe communities living in north-western Botswana, probably ate more domestic than wild animals. On the fringes of this society lived the San, looking after stock, acting as servants and hunting for skins (Tlou and Campbell 1984 :41) and traces of the San are found in the smaller outlying villages. The San who were in contact with these Bantu groups generally became attached to families for whom they hunted, did domestic work and herded cattle.

The communities that later would grow into the Bakgalagadi, Batswana and Basotho tribes began to form in the western Transvaal (the present Northwest province of South Africa) around 1200AD and grew out of the intermarriage between the first Bantu-speaking farmers, the San and the Khoe. The San generally had the lowest position in the tribal hierarchy and lived in serf-like conditions.

“The ... San have and often continue to suffer serious human rights abuses at the hands of other people. Genocidal activities resulted in the near-extirpation of the San in what is now South Africa. In Botswana, many San were incorporated into a complex socio-economic system at the lowest levels...if they complained about their treatment, they were beaten“ (Hitchcock 1991:3).

By the middle of the last century, the San had lived in contact with the pastoralists for centuries and many groups began to disappear as a distinct people in the more heavily populated areas. The San were never considered part of the Tswana tribal group called *Morafe* but were connected to the family that they served through the *Mafisa* system. According to Guenther (1986:178-179 and personal correspondence 1999) Mafisa pertains mainly to the practice of loaning cattle to serfs in return for labour and sometimes calves. It can be benign, but is often oppressive and

“... despite the paternalistic affection a (Bantu) patron may feel for his Bushman client, the Kgalagadi and Tswana as a whole look down on the Bushmen, whom they deem inferior and servile people” (Guenther 1986:179).

Serfs were called Malata and most San living in Eastern Botswana had Malata status (Hitchcock 1998a:4). Campbell (1981:14) also describes the Malata relationship in stark

terms whilst at the same time stating that this tradition still strongly influences popular sentiments concerning the Bushmen:

“The serfs' masters had exclusive rights over them and their descendants and, while not being able to sell them, they could use them for any form of service, which included domestic work, hunting and cattle herding...Malata were unable to represent themselves, were not considered Bangwato and neither attended the Kgotla¹² nor were initiated in any regiment. This historical status is extremely important in any modern consideration of their rights to resources... Facets of the traditional system still prevail. They have a strong bearing on the general attitude of the cattle owners towards people of the malata class.”

In the Southern part of the Kalahari, the San formed loose trading alliances with the Bakgalagadi, a “lower” tribe in the Tswana hierarchy. However, during the last century the Bakgalagadi began to treat the San as badly as they themselves had been treated by the Batswana.

The white settlers in South Africa meanwhile did not hold the San in much higher esteem. Indeed, such were the attitudes of some, that Guenther (1980) recounts a ghastly incident when Dutch settlers on a hunting expedition shot and ate a Bushman, assuming that they were eating the meat of non-human game. When Bushmen in Namibia and South Africa were denied access to their traditional water holes and were not able to hunt and gather anymore, bitter fighting often occurred between Bushman groups and settlers (Gordon 1992 *passim*).

It was only in the remote areas such as the Central Kalahari where the San lived their traditional lifestyle without much change until the middle of the last century. Year-around surface water was not available to sustain cattle farming, thereby rendering it less attractive for pastoralist groups. The San therefore lived relatively undisturbed in the more barren areas of what is now the Ghanzi district in western and central Botswana¹³.

This began to change towards the end of the 19th century when the larger political developments in the South African sub-continent coincided with increased population pressure from other groups.

3.2.2. The Bechuanaland protectorate established

Like most countries in the continent of Africa, the nation-state Botswana is a direct result of the infamous “scramble for Africa” in the late 19th and early 20th Century. Britain hastily

declared Bechuanaland a protectorate in 1884 (Tlou and Campbell 1984:148). Bismarck had unexpectedly become interested in using the German colony in South-West Africa as a bridgehead for further expansion and there were fears that he wanted to use Bechuanaland as a route to provide support to the dangerous republicans led by Kruger in the Transvaal (Pakenham 1991:217, Guenther 1986:41). General Warren and a party of about 4,000 soldiers reached Bechuanaland in 1885 and found influential Bangwato ruler Khama interested in British protection from Boer pressure from the Transvaal and not a shot was fired. Initially missionary John Mackenzie was appointed Deputy Commissioner, but he was soon replaced by the High Commissioner of Cape Town, Cecil Rhodes, because of Mackenzie's perceived support for the Africans (Tlou and Campbell 1984:148).

Cecil John Rhodes, an ambitious and wealthy businessman and coloniser, dreamt of connecting the Cape to Cairo for commercial exploitation by his British South Africa Company (BSAC). Through the years however, the Tswana chiefs together with missionary support successfully resisted attempts to annex Bechuanaland. Later attempts to incorporate Bechuanaland into the Union of South Africa were also successfully opposed and the country eventually became independent as the new Republic of Botswana in 1966.

3.2.3. Developments in western Botswana¹⁴

According to Guenther (1996a:231) "... (the) appraisal of the Ghanzi Bushmen [by Baines in 1864] as "lords of the desert" ... was probably quite apt and would remain so for another couple of decades". Until the latter part of the 19th century, the Bushmen lived without much interference in what is now the Ghanzi district in western Botswana and the Gobabis area of eastern Namibia. The largest of this group are the Naro San¹⁵. Other Bushmen groups living in this area are the !Xo, G/wi, /Au//ei and !Kung (see also Table 4). There may have been ideological continuity in their culture and way of life for as much as 26,000 years (Wiessner, quoting Lewis-Williams 1994). Several developments changed this situation.

a. Increased interaction with Bantu tribes

The Tswana of Ngamiland declared the eastern parts of the district as their hunting grounds, mainly for elephant hunting. Their contact with the Bushmen was often hostile, as they raided

their bands for slaves and otherwise exercised brutal oppression over their vassals (Guenther 1986:37). The Bakgalagadi also arrived in the southern part of the district in around 1890.

b. Early contacts with white settlers

After several struggling parties of trekboers had passed through the Ghanzi area earlier in the century, Hendrik van Zyl, later joined by hunters, traders and their families, lived around Ghanzi for a period of time in the 1870s. According to legend he built a lavish two-story house, took concubines by the score and shot lions and elephants by the hundreds, establishing the dubious record of killing 103 elephants in a single day (Gordon 1992:38). After angering Tswana chief Moremi by hunting illegally in his territory, some of Moremi's men tried to expel him from Ghanzi. In the ensuing fight, 16 Gobabis Hottentots who happened to be in the way were killed. Van Zyl subsequently had to flee the wrath of Oorlams Hottentots from Gobabis and was killed two years later by one of his own servants.

A group of Dorsland trekkers also passed through Ghanzi, stayed for a while and settled at Rietfontein to the west two years later (Guenther 1996a:230, Gordon 1985:26, Silberbauer 1964:115).

c. The importance of the Ghanzi area and the permanent arrival of white settlers

In the early 1890s Cecil Rhodes had set his eyes on the Ghanzi district as being of strategic importance as a buffer zone to counter expansionist threats from German colonists in South-West Africa and to promote his own commercial interests (Russell and Russell 1979:12-13). Rhodes wanted to settle pro-English Boers in the region. Negotiations were entered into with Tswana chief Moremi from which the Bushmen were entirely excluded. The Tswana considered the area to be their hunting grounds, the British considered it as Terra Nullus¹⁶ and San compliance with European plans was taken for granted (Guenther 1986:41, 42). The negotiations were successful and the British Colonial office declared the area Crown Land in 1894.

Subsequently 41 impoverished and mainly Afrikaner farmers from the Cape were allocated a farm of an average 3000 morgen¹⁷ or almost 2,600 ha by the Colonial government. The Tswana rulers of Ngamiland were powerful enough to withhold Rhodes land they had

promised him on the shores of Lake Ngami. But the Bushmen were too scattered and decentralised. They appeared to have had some form of political organisation and had several bellicose leaders who led small war-like quasi-chiefdoms and were able to resist settler pressure for some time. But they lacked the organisation and resources to oppose the process of encroachment in the face of guns, disease and declining number (Guenther 1995:121, Russell 1975:187, Silberbauer 1964:116).

It would be a simplification to consider the trekboers as invaders and colonisers and the San as the oppressed. The Boers were impoverished and often illiterate farmers, lured by the promise of free land. The San initially appreciated the protection from Tswana slave raiders and the skills that the Boers brought. Little conflict arose with white farmers as long as Bushmen were allowed unlimited access to their water holes, allowed to hunt and gather veldfood (Gordon 1985:26-27). This was true in the Ghanzi area and relations between the early settlers and the San appear to have been relatively harmonious, unlike relationships between Bushmen, Khoikoi and settlers in other parts of Southern Africa, which were characterised by extreme hostility (Silberbauer 1982:8). In northern Namibia for example "...Bushmen were hunted like vermin and men and women were summary executed" (Gordon 1985:26-27).

Little farming was done in the Ghanzi Block until 1933 and large stretches of open veld lay between the few unfenced Afrikaner farms on which game continued to graze and San continued to hunt. The early farmers had a subsistence life-style that was well suited to San culture and were more foragers than pastoralists. Guenther (1986:43) describes that in

"...the first few decades the interaction between the trekboers and Bushmen was relatively low in conflict (though never free of racial superiority). The Bushmen appreciated the provision of water and protection against Tswana depredation. The trekboers, poor farmers in general, came to rely on the Bushmen for their own survival. The trekker economy was an amalgam of hunting, gathering, erratic subsistence agriculture and exchange trading..."

During the first half of the previous century, the farmers employed techniques that favoured Bushmen labour and depended on them for their success. This situation began to change gradually in the 1920s and 30s. The 40s and 50s were decades of rapid development in the Ghanzi district and attracted outsiders to the burgeoning cattle economy of the region.

d. The effect of changes in farming practises

Since 1950 cattle ranching has become a modern industry that both the local farmers and large South African syndicates engage in and this changed the demand for labour on the ranches. By the late 1950s, the government began to regularise land tenure by redrawing land boundaries and reallocating farms. 130 new farms were offered for sale in 1959 on strict conditions, one of which was extensive fencing. In 1959, the tenure system in the Ghanzi farms was changed from leasehold to freehold. As freehold title is absolute and does not recognise any superior title, any existing indigenous rights were dispensed with (CMI 1996:L41). The further legal dispossession that took place, the socio-economic effects of the changing employment patterns as well as the tenure regularisation on the Bushmen farm labourer population was dramatic.

These effects can be summarised as follows: (1) The fencing reduced herding needs thus reducing employment opportunities. (2) Better quality livestock was brought in, which required skilled herdsmen and further reduced employment opportunities for the San. (3) The introduction of boreholes with engines also required skilled labour¹⁸. (4) Cash wages were introduced, which attracted Bantu-speaking labourers. (5) The "new trekkers" preferred the "more reliable" black labour¹⁹. (6) Freehold farming led to increased livestock density thereby reducing the plant food that was available for foraging as cattle competed for gathering resources. (7) Cessation of creaming in the 1960s and 70s reduced the overall labour demand. (8) High-velocity rifles became common and led to the virtual disappearance of large game from the farm block. (9) The expansion of fences cut off game migration routes and has caused widespread deaths, further declining game populations. In 1980 for example, tens of thousands of wildebeest died along the Kuke fence and near Lake Ngami. Finally, (10) the significant water requirements to sustain the cattle population caused a decline in the water table, resulting in the disappearance of sip-wells and permanent water points (Barnard 1980:5, 1992:138, Silberbauer 1964:117-9, Guenther 1986:47-49, Hitchcock 1985:56, 1987:306, CMI 1996:16, Russell and Russell 1979:87). The consequences of all this was the further erosion of the subsistence base and mobility of the San whilst at the same time they were pushed out of many jobs as farm labourers.

This then was the situation when Botswana, an agropastoralist society in a fragile ecological environment, became independent in 1966. The erstwhile "Lords of the Desert" who roamed

freely over large areas of land only a few decades before had lost access to most of their hunting and gathering resources except for the Central Kalahari Game Reserve and some other remote places, but even that access was not secure as later events would demonstrate.

San only made up a small portion of the national population at independence. The vast majority of these lived in feudal relationships with their Tswana masters, as labourers and squatters on the freehold and communal farms that used to be their traditional territory or as squatters on the outskirts of towns like Ghanzi. Access to hunting and gathering resources were at best very limited, herding jobs became scarce and other opportunities for a sustained livelihood were simply not accessible or available. Nationally, only 5% of the San were thought to be pursuing a hunting and gathering lifestyle around independence²⁰ (Hitchcock 1991:4). The San had become a generally demoralised economic and ethnic underclass²¹ and the Naro San were the “most proletarianized of the Botswana San” (Lee 1979:36).

3.3. THE BUSHMEN AND RURAL DEVELOPMENT

3.3.1. Economic Developments since independence

At the time of its independence in 1966, Botswana was an impoverished nation. The per capita income at independence was the third lowest in the world (Saugestad 1998:68). Botswana's pastoralist economy subsequently suffered heavily during a five year drought period when 400,000 cattle died and 100,000 people had to be fed (Tlou and Campbell 1984: 229). In the late 60s and early 70s however, the discovery of rich diamond as well as copper and nickel deposits brought dramatic economic changes, including a reduction in agricultural activities and an increase in dependence on the mining sector. The 1996/7 financial year showed a GDP total of BWP 5.5 billion²² and a budget surplus of BWP 441 million. Total foreign exchange reserves in November 1996 had increased to P 18 Billion, enough to cover 30 months of estimated 1996 imports of goods and non-factor services (MFDP 1997b:59). GDP between 1966 and 1994/5 had multiplied more than 12 fold in 1994 prices.

Now, Botswana is considered by many to be a model of successful and peaceful development in Africa. It is respected for its stable and democratic government, a generally free press and

a prudent economic policy. There has been a consistent annual budget surplus. Post-independence GDP growth averaged 6% per annum, largely caused by the mining sector (MFDP 1997b:17). During those years, great attention has been given to the development of infrastructure and the provision of basic services and in 1993 Botswana ranked 71 out of 179 countries on the Human Development Index, surpassed in Africa only by Mauritius, Seychelles, Libya and Algeria (MFDP 1997c:27).

The following section will describe the events and policies since independence that are relevant to the situation of the San people, especially those in the settlements in the Ghanzi district.

3.3.2. The Remote Area Development Programme

From 1974 to 1978, Elizabeth Wily, a teacher from New Zealand, was appointed Bushmen Development Officer of the newly established Bushmen Development Programme. She had been a successful teacher in the settlement of Bere²³. In the minds of most politicians and civil servants, the purpose of this new programme was mainly welfare-oriented, but Wily and her colleagues privately recognised that secure access to land was a vital key to the survival and to the future of the Bushmen. Hunting and gathering was not identified as a legitimate land-use at independence and accordingly rights over hunting and gathering territories were never allocated. The hidden agenda of the expatriate leadership of the projects was "...to attempt to secure San title over as much of their traditional land as possible" (Wily 1981:3). The Bushmen Development Programme was renamed the Basarwa Development Programme in 1975, the Extra-Rural Development Programme in 1976 and the Remote Area Development Programme in 1978. These name changes reflected a growing reluctance on the side of the Botswana government to single out a sector of preference for rural development on ethnic grounds (Wily 1994:7).

It needs to be emphasised how painstaking and almost compulsive (Guenther 1986:300) the concern of the Government has been in order not to be seen to favour or disfavour one ethnic group over another. This has been the practice since the early 70s. Basarwa simply do not exist as a category in official documents and discourse (Saugestad 1998 *passim*) and questions about ethnicity have not been asked since the census of 1964. Botswana does not recognise the Basarwa as any more "indigenous" than any of the other ethnic groups in the

society (McDonald and Molamu 1997:3). As the Minister of Local Government, Land and Housing stated not so long ago in the local press, "...all Batswana are indigenous to the country" (Daily News 05.03.93).

Two of the most important developments during the period 1974 to 1978 having consequences on the land rights and tenure of the San are the Tribal Grazing Land Policy (TGLP) in the Western Sandveld and the settlement policy in the Ghanzi district.

a. The Tribal Grazing Land Policy (TGLP)

In 1975, in the area called the Western Sandveld, located east of the Central Kalahari Game Reserve (CKGR), the government published a planning document for the TGLP. Tribal land would be de-gazetted, their control removed from the tribal authorities and handed over to the land boards. Its purpose was to

"...set out guidelines for the implementation of a land tenure reform designed to halt the degradation of land by overgrazing, which had become particularly severe in the populated parts of eastern Botswana. The policy proposed to do this principally by enclosure. Individuals with many cattle...would be assigned exclusive rights over defined areas of grazing land, which they would be encouraged to enclose" (Wily 1981:1).

By the time this policy was announced, the San were already severely disadvantaged. Comprising only an estimated 6% of the area's population, they lived in a serf-like relationship with their Tswana patrons. The official rationale given for the TGLP policy was for veld-conservation measures, to promote income equality in rural areas and allow sustained commercialisation of the livestock industry (Hitchcock 1996:30). In reality though the desire of wealthy Tswana cattle owners to acquire fenced ranches, among them politicians and civil servants, long pre-dated ecological concerns (Wily 1981:34, 46). The influential cattle lobby prevailed, despite Wily's efforts and land use plans developed by experts as well as detailed studies of a host of sympathetic anthropologists and other researchers that demonstrated the presence and promoted the interests of the significant numbers of San (so-called non-stockholders) in the intended TGLP areas²⁴. The TGLP proceeded in spite of the demonstrated unlawfulness of giving populated areas to cattle farmers and syndicates (CMI 1996:39, Hitchcock 1987:325-9). Thoma (personal communication 1999) argues that the settlement policy actually became a tool for dispossession. Registration of the traditional

waterholes and sip-wells of the San was systematically refused, while others were able to have hand-dug wells registered by the land Board and were subsequently allocated grazing rights over an area of 40,000 ha. Hitchcock (1991:4) concludes that

“...many of the areas where ranches are being established are the same ones that have supported foraging and part-time food producing populations for generation. The TGLP, initiated with World Bank support in Botswana in 1975, led to the dispossession and impoverishment of substantial numbers of people, a significant portion of whom were San.”

Perhaps an apt illustration of the ‘realpolitik’ that was practised is found in the words of the then District Commissioner of the Western Sandveld, recorded by Wily (1981:71) as he was protesting against concerns for the needs of non-stockholders that were raised by her office.

“...all this discussion and planning is getting in the way of development. Bushmen if they are in the way, should simply be gotten out of the way, so we can put up our fences...”

The government has later acknowledged the adverse effect of the TGLP as contributing to the displacement of San for their hunting and gathering activities (Ministry of Local Government and Lands 1987:14). This has however not been followed by policy reversals or the reallocation of land.

b. The Ghanzi settlement policy

The white farmers had been able to oppose the settlement of coloured and black farmers in the Ghanzi area until independence. Since 1966 however, Tswana have also been able to settle and buy farms in this prized free-hold farming area. Concern had already been expressed in the early 60s about the plight of the Ghanzi Farm Bushmen. They had been made landless by the steady expansion of a block of fenced, freehold farms and had lost employment opportunities as farmers began to work more commercially and preferred the “more reliable Bantu labour”. These concerns however did not prevent a great expansion in this period and another 150 farms were given out²⁵. This virtually eliminated all hunting and gathering opportunities in the Farm block.

Wily subsequently pursued an active settlement policy in the Ghanzi district. Her purpose was to secure as much land as possible in the traditional hunting and gathering territories and provide a secure source of water, before the remaining land would also be given out to cattle

farmers (Wily 1981:16). The establishment of water rights through the drilling of boreholes would provide the community with land rights (Wily 1994:7). At the time that this policy was advocated, the San lived scattered over 208 cattle posts in the Ghanzi farm block (Childers 1976:86). The only settlements that had already been established were Bere (where Wily herself has served as a teacher) and D'Kar, a mission project.

The idea of settlements was not new. Failed settlement schemes had already been undertaken in 1910 and 1937 with the objective of resettling Naro in order to reduce squatting, prevent bush fires and reduce stock theft (Hitchcock and Holm 1991:8, Hitchcock 1987:307). Wily writes:

“...(i)n Ghanzi District...the whereabouts of San were largely known. Scattered, independent San groups would be assisted to "settle" in their present location and these were marked in the District Land Use maps. The 5,000 squatters on the Ghanzi Freehold Farms would be provided with land and water in areas adjacent to the farms...Plans were made for the 500 or so squatters on the Xanagas freehold block to "have their own place" off the farms under the auspices of an agricultural project” (Wily 1981:48).

When reflecting back years later on this turbulent period, Wily admits that the original RADP strategy was opportunistic. The launching of an explicit land rights programme was unthinkable and RADP could only survive as long as it did not directly challenge land distribution. The system was to be “manipulated” to the maximum extent possible and be addressed to the “very poor” citizens, not the San per se (Wily 1994:16). Thus, the settlement policy was built on San citizenship, not their ethnicity (Saugestad 1994:3).

On the district level there may have been an initial awareness among government officials that the settlements were to provide for “Basarwa who desire to live in a place away from the Ghanzi farms” and prospective residents were to be judged by their ethnic status (Childers *et al* 1982:15), but such an ethnic preference was never officially adopted and also in practise quickly abolished.

Later, the settlement policy of the RAD programme was severely criticised. In an evaluation, Hitchcock (1988:2) argues:

“There are a number of problems with the villagisation approach supported by the Government of Botswana: (1) many RADs do not want to live in villages. (2) There is not enough money...to establish the number of settlements that would be necessary. (3) The amounts of land being granted to RAD settlements are insufficient to maintain a mixed subsistence base involving foraging, food production, and wage labour. (4) It is still an open question as to whether or not RADs will be given full title to the land on which they are living or will be moved to. (5) There are many environmental, social, and economic problems relating to the settlements, including higher levels of morbidity, mortality, fertility, social conflict, resource depletion and expanded poverty.”

The problem was clearly the dual nature of the programme objectives. Where Wily and others saw the settlement strategy as a way to secure rights of land tenure and water, the official policy became one of integration and assimilation into the Tswana society through a villagisation policy²⁶. The main objective of the RAD programme was to

“... facilitate the integration of the marginalised sections of the population into the mainstream of society and to develop rural settlements to a level that is comparable with that of other rural villages in the country...” (draft policy MLGLH 1993 as quoted by Saugestad 1994:6).

In retrospect, the official and the hidden objectives of the initial settlement policy were probably mutually exclusive. The Botswana government did not consider hunting and gathering as a civilised or proper use of the land (Guenther 1986:313) expecting Bushmen residents to use land and water development for agricultural and herding schemes, and not making enough land²⁷ available to support foraging activities. As the settlements were officially intended for all “RADs” and not exclusively for the San, security of tenure was not achieved. Other ethnic groups encroached on boreholes supplied to the Basarwa RADs (Young 1995:3, Hitchcock 1996:37). There is a structural conflict of interest between the need for defensible land rights for the rural poor and the interest of cattle owners to make use of the public services that are available, that cannot be solved by a public policy of free settlement for all citizens (Saugestad 1998:178).

The long-term viability of the settlements is still highly questionable. Production and income-generating activities have yet to be dealt with effectively (Hitchcock 1985:61) and more recently, the Government itself has questioned the intrinsic economic viability of the settlements in terms of their remoteness from markets, since hunting and gathering are no longer viable options for subsistence (MLGLH 1994:3-3). In most official documents,

improved access of RADs to land is a stated goal. However the alliance of cattle wealth with political and government authority is increasingly at the cost of the small stockholder and the growing portion of the population who have no stock at all (Wily 1994:19).

It is difficult to overestimate the poverty and dependency that still prevails in the settlements. It has been estimated that the percentage of San dependent on government food and cash for work projects have run as high as 80-90% (Hitchcock and Holm 1991:5). Settlements have scathingly been called refugee camps, cattle posts for ethnic outsiders and relief food distribution centres (CMI 1996:13, 29, Hitchcock and Holm, 1991:10). But even 20 years later, it is equally difficult to point to an alternative strategy that would have given a better chance of success, given the Government position and the interests of powerful groups at stake. Without the settlement strategy, the farm Bushmen of the Ghanzi District would today probably be in a similar situation as the San in the TGLP areas, with no alternative but the cattlepost. Wily acknowledges in retrospect that "to tread softly" has been unproductive, but argues there was no other way San could be given at least some access to land. Wily believes (1994:16-19) that today a firm focus on land rights, amendments of legal instruments, political will and a public acknowledgement of "the Basarwa" issue are more within reach than they were 20 years ago. Her first conclusion may be correct and the latter is probably too optimistic.

After these developments in the 1970s, not much has really changed. The settlement policy is still supported, though only one additional settlement was established in the Ghanzi district in the early 1990s, the settlement Qabo (see Table 5 for present details on the settlements and population in the Ghanzi district).

The RAD programme has attracted considerable donor attention during the past 20 years, specifically from NORAD and SIDA and only 7% of RADP funds came from the Botswana government (Hitchcock and Holm 1991:15). These donors have made every effort to use their influence to provide direction to the programme that would support economic development and increase access to land by the San. A 1996 evaluation done for NORAD by the Christian Michelsen Institute (CMI) concluded that funds had often been well-spent in providing basic infrastructure as well as health and education services. However, the efforts to provide a sustainable livelihood and increase secure access to land for the San had largely failed. By the

time of this evaluation, SIDA had already withdrawn and NORAD subsequently phased out its bilateral assistance programme to Botswana and closed its office in 1997/1998. The Botswana Government has been reviewing its RAD policy for some time²⁸, but it is doubtful whether significant resources will continue to be made available to the remote small communities in the absence of donor funds. Several San advocacy and development organisations have emerged, most notably Kuru Development Trust, First people of the Kalahari and the Working Group of Indigenous Minorities of Southern Africa (WIMSA). The lack of human resources that these organisations face, the lack of government recognition of their legitimacy, the general lack of political will, plus the fact that San communities are small and scattered makes it clear that it will probably take a number of years before enough internal pressure will lead to meaningful negotiations on a national level that has any chance of challenging the status quo. The recent history of further dispossession of the San, most notably from the CKGR, has underlined this further²⁹.

3.4. A DEMOGRAPHIC ESTIMATE OF THE SAN PEOPLE

The best possible estimates of the numbers and locations of the various San groups will increase the understanding of their current situation.

3.4.1. The San in the South African sub-continent

Table 3. Population Sizes of San in Southern Africa

| Country | Population (Hitchcock: 1998c) | Population (Suzman :2000) |
|--------------|-------------------------------|---------------------------|
| Angola | 9,750 | 1,200 |
| Botswana | 50,950 | 47,675 |
| Namibia | 38,275 | 32,000 |
| South Africa | 4,700 | 4,350 |
| Zambia | 1,600 | 300 |
| Zimbabwe | 1,275 | 2,500 |
| TOTAL | 105,850 | 88,025 |

Estimates of how many San reside in the six countries of Southern Africa vary from a low 62,000 (Burger, 1987:166) to 106,000 (Hitchcock 1998c). A recently concluded regional assessment of the situation of the San (Suzman 2000) estimates the number to be lower than Hitchcocks' estimates, especially that of Angola as many San migrated to Namibia due to the civil war in Angola.

3.4.2. The San in Botswana

Table 4. Population size and distribution of major San groups in Botswana

| Group Name(s) | Location | Population Size |
|--|--------------------------------|-----------------|
| Ju/'hoansi (!Kung) | NW Kalahari | 3,600 |
| /Au//ei (Auen) | W & NW Kalahari | 2,350 |
| Nharo and other Ghanzi groups | W Kalahari | 9,500 |
| G/wi, G//ana | Central Kalahari | 4,150 |
| !Xo (!Ko) | SW Kalahari | 3,900 |
| S. Kua, Tshasi, E. /Hua | SE Kalahari (Kweneng) | 3,300 |
| N. Kua | E Kalahari | 4,050 |
| Tyua (/Taise, Ganade, Danisan) | NE Kalahari | 7,500 |
| Hiechware, Tati, Tuli Block, and Motloutse groups | E Botswana | 4,100 |
| River Basarwa (Bugakwe, /Tannekwe, Deti, etc.) | Okavango Delta, Botletle River | 3,200 |
| Kwengo | N Botswana | 1,150 |
| Balala ³⁰ (Ngwaketse and Kgalagadi) | S Kalahari | 2,700 |
| Urban groups (e.g. Gaborone, Mochudi, Molepolole, Serowe, Francistown, Maun) | SE Botswana | 1,450 |
| TOTAL | | 50,950 |

Figures presented as of July 1998. The data in this table was obtained from the Remote Area Development Program, Ministry of Local Government, Lands, and Housing (MLGLH), the various district councils, population census information, and from Social and Community Development (S&CD), Ministry of Labour and Home Affairs (MLHA). Source: Hitchcock 1998c (by email).

The situation within Botswana with regards to the ethnic composition of the country is not fully clear. Data on principal language spoken was last collected during the 1956 census and on race during the 1964 census (CSO 1991a:72). Table 4 gives the best figures that are presently available.

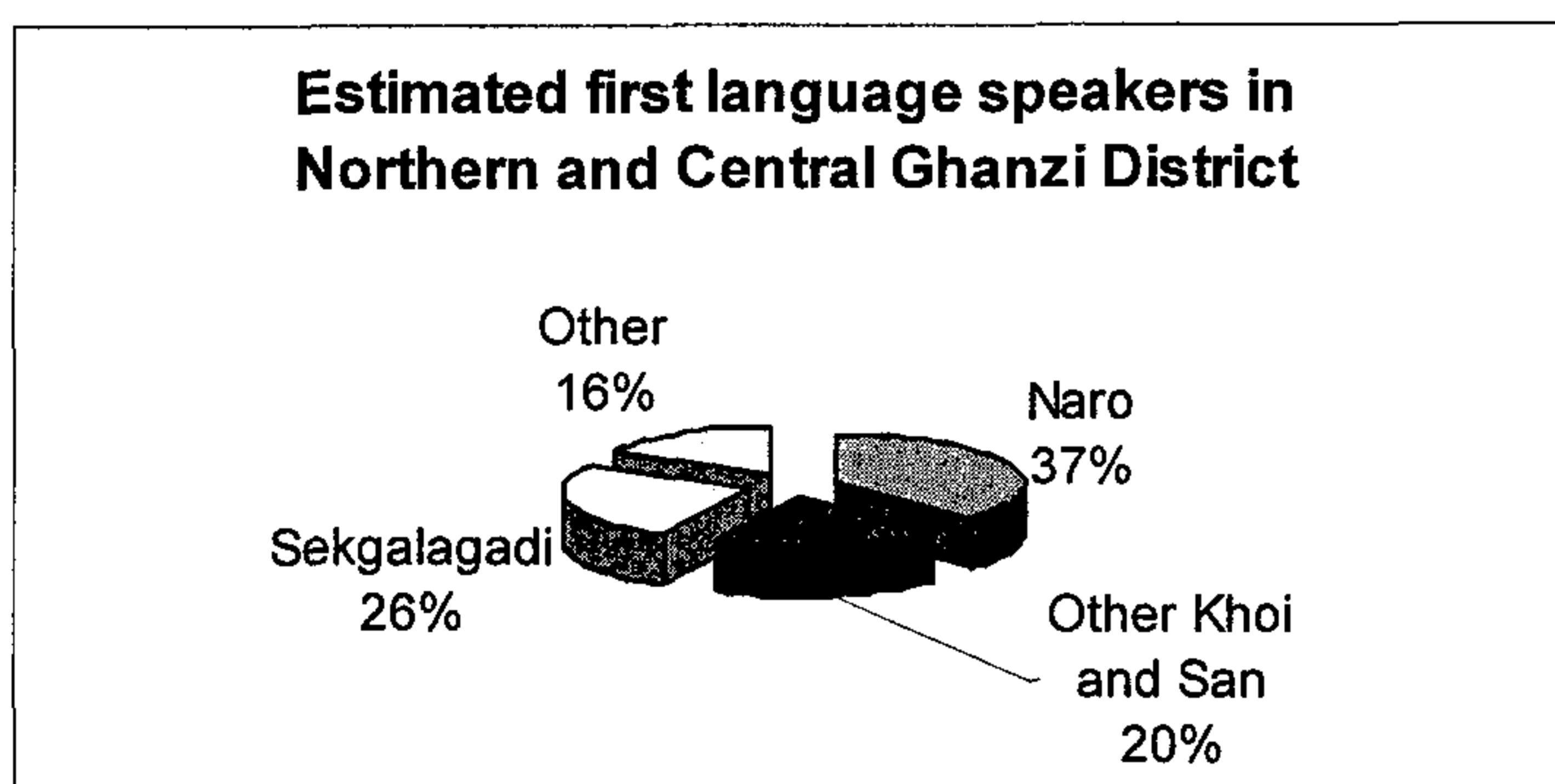
3.4.3. The San in the Ghanzi District

In order to estimate the ethnic composition of the Ghanzi population - the area of the study - it is necessary to rely on a combination of non-ethnic census data and anthropological and linguistic information. Guenther (1986) estimated the 1969 population of the San in the Ghanzi district at 10,500, of which 4,900 were located in the Ghanzi farm block³¹. The increasingly sedentary lifestyle of the San has resulted in increased family sizes (Hitchcock 1988). The San experience strong ties to their ancestral lands and not many would voluntarily migrate out of their traditional areas. In addition, economic opportunities in other districts for San people are scarce. It therefore seems likely that the San population of the Ghanzi has increased since 1969 and is presently higher than Guenther's 1969 estimate³².

To establish the number of San within the general population, it is valid to consider the first language of an individual as a proxy for his or her ethnicity. The San languages are commonly spoken among the San in the Ghanzi district and children of San parents will invariably speak a San language as first language. These days many children are of mixed offspring. Often San women have children with Bakgalagadi or Herero partners while the opposite, San men fathering children with women from other ethnic groups, is not so common (Motzafi-Haller 1994b:547, Sylvain 1997:343). Children of mixed offspring are generally raised by their mother and usually identify themselves with her ethnic background. Self-identification is considered one of the principal factors in determining the “indigenoussness” of an individual (e.g. ILO convention 169, article 2. See Tomei and Swepston 1996) and the San in Botswana meet all the other common criteria of first-come, non-dominance and cultural distinctness (see endnote 2).

The most sophisticated median population projections for 1998 (CSO 1997:131) estimates the total Ghanzi district population to be around 27,500. These figures were based on the last national census which was conducted in 1991 (CSO 1991a,b). After this census, population figures were collected in at least two settlements in the district³³ that showed the census estimates to be on the conservative side.

Figure 2: First language in the Ghanzi District.



Source: Hasselbring (1996)

Based on detailed discussions in most settlements in the Northern and Central parts of the Ghanzi district (representing 85% of the total district population), language researcher Hasselbring (1996 *passim*) estimated that 57% of the district population speak one of the San

languages as a first language (see Figure 2). Using the CSO 1997 estimates, as well as an individuals first language as a proxy for ethnicity, this would indicate a San population in the District of almost 16,000.

Even when allowing for a more limited percentage of San in the Southern part of the district, the San population is half or more of the total district population, with the vast majority located in the settlements and on the farms. This makes the Ghanzi district the only district in Botswana where the San are a majority in stead of a tiny minority.

Table 5 gives a breakdown of the estimated number of San residents of the district. This is based on Hasselbring's work, census data and Kuru's own estimates, based on regular field visits. The population figures as well as the percentage of San may err on the conservative side. It is concluded that between 14,000 and 16,000 San were residing in the Ghanzi district in 1998³⁴. These probably made up between 50 and 60% of the total district population. Table 5 also provides detailed estimates of their location. It can be seen that the vast majority resided in the smaller settlements as well as on the farms and cattle posts.

Table 5 . Ghanzi District and San population estimates 1998

| Community name | Date of establishment | Total Population | Estimates % San Population | Estimated San Population | Source |
|--|-----------------------|------------------|----------------------------|--------------------------|----------|
| Ghanzi | | 7,123 | | 1,000 | 1) 6) |
| Villages >500 | | | | | |
| Ncojane | | 1,640 | 25% | 410 | 1) 5) |
| D'Kar *) | 1964 | 910 | 52% | 473 | 1) 3) 6) |
| East Hanahai *) | 1979 | 541 | 90% | 487 | 1) 5) 6) |
| Charles Hill *) | | 1,273 | 15% | 191 | 1) 5) |
| Tsootsha (Kalkfontein) | 1982 | 1307 | 15% | 196 | 1) 5) |
| (New) Xade | 1997 | 766 | 85% | 651 | 1) 5) 6) |
| Grootlaagte *) | 1982 | 516 | 93% | 480 | 1) 4) 6) |
| Kule | | 745 | 25% | 186 | 1) 5) |
| Karakubis | | 637 | 15% | 96 | 1) 5) |
| New Xanagas *) | | 618 | 80% | 494 | 1) 5) 6) |
| Villages 100-500 | | | | | |
| West Hanahai *) | 1982 | 455 | 85% | 387 | 2) 5) 6) |
| Tsjobokwane *) | 1978 | 319 | 85% | 271 | 2) 5) 6) |
| Bere *) | 1971 | 409 | 90% | 368 | 2) 6) |
| Qabo/Kuke | | 497 | 75% | 373 | 2) 5) |
| Ukwi | | 404 | 25% | 101 | 1) 6) |
| Makunda | | 226 | 25% | 57 | 1) 5) |
| Xanagas | | 169 | 65% | 110 | 1) 5) |
| Lone Tree | | 121 | 75% | 91 | 2) 6) |
| Lokalane | | 135 | 25% | 34 | 2) 5) |
| Springbok | | 113 | 25% | 28 | 2) 5) |
| Dryhoek | | 190 | 25% | 48 | 2) 5) |
| Ka/gae | 1973 | 305 | 90% | 275 | 2) 6) |
| Takatshwane | | 140 | 25% | 35 | 2) 5) |
| Villages/localities < 100 | | | | | |
| CKGR settlements | | 250 | 95% | 238 | 2) 6) |
| Others (n=70) | | 1500 | 50% | 750 | 2) 5) |
| Population in farms and cattle posts (n=130) | | 6500 | 95% | 6,175 | 2) 5) |
| Total district population | | 27,809 | 50% | 14,003 | |

*) Project Community

Sources:

1. Central Statistics Office . Population projections 1991-2021 (1997). Appendix A1 and table A1.17.
2. Central Statistics Office (1991a). Census data 1991
3. Guenther, M. Kuru Household Survey (1998)
4. Remote area Development Monitoring studies. (MLGLH 1994)
5. Hasselbring, S. The use of languages in the Gantsi District. (1996)
6. Field reports. Kuru Development Trust

3.5. POVERTY AND ETHNICITY IN BOTSWANA

3.5.1. Poverty, a national priority

The most significant problem, now recognised by the Botswana government as a national priority, is the alleviation of poverty (MFDP 1997c:xxi, 96). The poor are largely located in the rural areas, especially in the Ghanzi and Kgalagadi districts. Poverty reduction and income diversification measures are now stated to be a "critical element" of the National Development Plan (MFDP 1997c:85). For many years it was assumed that poverty in the rural areas was mainly the result of the periodic droughts that could be countered with drought relief food and labour intensive work programmes. There is now a realisation in government circles that "Poverty (is) found to have structural reasons rather than being the result of drought, and therefore required labour based programmes to be operated on a permanent basis" (MFDPc 1997).

Income differences in Botswana are extreme. It is estimated that the ratio between the income share of the bottom 20% of the population and that of the top 20% is 1 to 47. In Brazil, a country that is well known to have great internal variation, this is 1 to 32 (Saugestad 1998:80). Poverty rates were found to be especially severe in the western districts of Ghanzi and Kgalagadi, where an estimated 79% of the population was below the poverty line, with 59% in the very poor category. This situation has grown significantly worse since the 1985/6 poverty headcount, when 46% of the area was considered to be poor, 31% of which were in the very poor category³⁵ (MFDP 1997c:22, 23).

Cattle is a main source of rural assets. The cattle population declined from 2.7m in 1990 to 1.8m in 1993, mostly attributed to drought and poor management (usually from absentee farmers). Overgrazing and soil erosion continues to erode the productivity of the sector (MFDP 1997b:241). The Botswana Agricultural Census, carried out in 1993, indicated that an increased number of farming households are without cattle. Supply by small stockholders to the centralised Botswana Meat Commission (BMC) has declined by 52% since 1990. It is stated in National Development Plan 8 (MFDP 1997b:234) that "...the drop in cattle population may in fact indicate the intensification of rural poverty if cattle ownership is used

as a proxy for rural income". This declining ownership of cattle shows an established, structured and growing gap between rich and poor (Saugestad 1998:81).

3.5.2. The ethnic dimension of poverty

The official description of poverty in Botswana is mainly related to cash income or, because it is easier to measure, consumption. This is a form of reductionism used by administrators who need to simplify complex realities for measuring and planning purposes. It is well known that poverty is much more than lack of cash income and can include dimensions of social and/or ethnic inferiority, physical weakness, vulnerability, social isolation, powerlessness and humiliation (Chambers 1997:45-48). At the same time this definition excludes possible income generated in-kind through subsistence hunting, food gathering, bartering, cattle farming, etc. Even without significant cash incomes, Bushmen could probably not be called poor if they still had secure access to natural resources and could practice a foraging mode of subsistence. It is the inferiority ascribed to them because of their ethnic identity, the inability to defend those resources against more assertive or better armed groups and the incorporation into a foreign socio-economic system that has made them poor by the definition of that system (e.g. Good 1999 *passim*). Ethnicity is a key factor to understanding power relationships between communities and outside agencies or within communities (e.g. Taylor 1999 *passim*). A lack of recognition of such realities will seriously hamper poverty alleviation efforts.

Yet, there is no official recognition of the fact that poverty in Botswana may have an ethnic dimension. Neither ethnic or linguistic data are collected during routine data collection, monitoring exercises or the periodic national census. There is a strong conviction in government circles that ethnicity is linked to tribalism and would be counterproductive to reaching national development goals (Hitchcock 1996:15). This sensibility was especially strong in reaction to apartheid in neighbouring South Africa. The Botswana government does not have an easy task in building a democratic society in a multi-ethnic country and in its efforts to do so has often underplayed ethnic differences. But as Russell and Russell (1979:135) have argued..." ...the pretence that there are no ethnic difference, has only very recently had its ethnocentric weaknesses exposed; in practice non-racialism is frequently fraudulent, since those belonging to or willing to acculturate to the dominant group outpace

all others". (for similar comments about the dangers of downplaying ethnic differences in for the sake of development see also Bay 1988:264, Beauclerk, Narby and Townsend 1988:17, Bodley 1988:4-7, European Commission 1998:5-6, IUCN 1997:111 and 233, Jordan 1988:190, Talalla 1988:365 and 372, Weiss 1988:128, Young 1995:4-5, 261).

In official Botswana terminology, the San are thus a non-category and the problem of poverty is described only in socio-economic terms³⁶. The official and ethnically neutral qualification of these rural poor is 'Remote Area Dweller' and the proportion of San amongst them has not been enumerated. The majority of researchers agree that most RADs are San and most San are RADs, with estimates of at least 70-80% (Saugestad 1998:164, Gulbrandsen, Karlsen and Lexow 1986:118). The San, who are but four or five percent of the total population, are the poorest ethnic group in economic terms (Hitchcock and Holm 1991:150, Saugestad 1998:65). It has already been noticed that income discrepancies in Botswana are significant and the poorest people are concentrated in the rural areas of western and south-western Botswana. There, the Basarwa are amongst the poorest of the rural poor.

NORAD has been the main donor to the RAD programme since its inception. In a 1996 evaluation, they concluded that the

"...RAD definition sees the problem in terms of degrees in poverty, while the Basarwa definition points to the problems arising out of the depressed status...of one or more ethnic groups...there is little doubt that all descriptions of the situation strongly suggest that the main problem is the depressed status of the Basarwa (CMI 1996:x1, 40)."

The RAD policy, in its effort to become colour-neutral, has become colour-blind (Saugestad 1998:220). Though often well intended, its negative effects have been significant among the San, since the policy has not recognised the distinct ethnicity of the larger portion of remote area dwellers and the specific problems associated with this. Some aspects of this ethnic dimension of poverty are described below. These examples demonstrate that the problem of the San people is fundamentally not a poverty problem. It is because of the treatment that they received as a minority group that they find themselves at the bottom of the ladder (CMI 1996 annex 5:7, Motzafi-Haller 1994a). By not recognising the ethnic dimension of poverty and lack of development, important opportunities for programme design and appropriate development programmes are missed.

a. Lack of access to formal education

In Table 6 below, the educational attainment tables presented in the 1991 national census have been disaggregated from the national to the district level. Subsequently a further disaggregation has been done, separating those communities and cattle posts that have a majority of San residents, according to Table 5, from the others district residents. Finally, 1998 baseline data of Kuru's San participants in settlements in Ghanzi district are provided.

Table 6. Educational attainment in the Ghanzi district by ethnicity

| Population older than 18 | % Never attended school | % Ever attended school |
|---|-------------------------|------------------------|
| National | 27% | 73% |
| Ghanzi district total | 35% | 65% |
| Larger, mainly non-San settlements in Ghanzi district | 27% | 73% |
| Other Ghanzi settlements and cattle posts | 41% | 59% |
| Kuru's San Project Participants in Ghanzi settlements (n=456) | 70% | 30% |

Source: 1991 Population and Housing Census, Vol. 5 and data from Kuru Development Trust's baseline survey (CSO 1991a)

It can be seen that the proportion of people in the Ghanzi district that did not attend school is somewhat higher than the national average. By further disaggregating the national statistics, another picture emerges. Larger settlements that have a significant majority of non-San residents have the same educational attainment as the national average³⁷. But for the residents of the other settlements and cattleposts of which it is known that the San proportion of residents is higher, educational attainment is significantly lower. Finally, data from Kuru's 1998 baseline survey of its San project participants, all residents of one of the Ghanzi settlements, shows that a great majority of these never attended school. These project members may not be typical for all San, but it is still clear that the San as a group are singularly disadvantaged in terms of educational attainment. This is also evident when compared to other 'RADs'³⁸.

Table 6 refers only to people older than 18 years. The MFDP poverty study (1997c:viii) finds that at least one third of the children in the Ghanzi district do not attend school, a statistic much higher than the national average. It is probable that disaggregating this figure by ethnic group will demonstrate similar patterns as for older people.

This study does not allow for further discussion why San are so disadvantaged in terms of educational attainment as compared to other ethnic groups. The point is only made that to not acknowledge this reality because of socio-political considerations would have a negative impact on any educational programme in rural areas. Contributing factors that have been mentioned are lack of mother-tongue education in schools, discrimination, lack of suitable and "culture friendly" accommodation in rural hostels, corporal punishment, lack of food, lack of uniforms and shoes as well as other issues related to poverty, child labour, the humiliation caused by dependency stigmatisation, lack of parental care, lack of community support systems, transport problems and sexual abuse (le Roux 2000 *passim*, Campbell *et al* 1981).

b. Lack of secure access to land and natural resources

"I wish I was in my own country. I can not see, because I am not free." (Elderly San man from the Okavango sub-district in Botswana (Quoted by le Roux 2000).

"I am surprised to be chased away from where I was born" (San man from the CKGR, quoted in English *et al* 1980:21).

"It is because of the land that our survival systems have changed. Today I am nowhere. I can only listen to those people who have grabbed the land from me and live in their systems...for example there is no place to hunt. So even making crafts for ourselves and wearing them is of no use to us. If we have no land, we are no Bushmen anymore and it is no use wearing crafts and maintaining our culture". (X'aiga, a San from the Ghanzi district in Botswana. Field notes 1999).

It is generally accepted that maintaining the territorial integrity of an indigenous people is a condition for successful integration with the life of the nation. Otherwise, integration will quickly shade into assimilation. (e.g. Eade and Williams 1995:242). However, in Botswana, almost all the San have lost secure access to the resources required to maintain their traditional culture of hunting and gathering. Resource space has been reduced and malnutrition and illnesses have increased. Access to land is restricted, game licences difficult to get, game populations have declined and veldfood resources are often depleted as cattle - the dominant industry - competes with this (Barnard 1980:5). The stated main objective of rural development has been to regulate land use and to secure access to and control for all citizens over land, but the implication for Basarwa has usually been dispossession (Saugestad 1998:20). In theory, all citizens have equal access. In practice, these rights are often denied to

the San because of illiteracy, grassroots discrimination and the generally non-assertive culture of the Bushmen. The rights of the Basarwa to their traditional foraging areas is not specified in the Tribal Land Act or subsequent legislation (Hitchcock and Holm 1991:9). The San have become squatters on the very lands that they had occupied for centuries before the arrivals of the Bantu and the whites (Biesele *et al* 1989:129). The rural development policy now in place emphasises Community Based Natural Resource Management (CBNRM) but this is a purely economic model that focuses on the capitalising potential of natural resources. Many San communities would like to work constructively with the government to halt alienation from land and wildlife, but the "CBNRM Blueprint" does not allow for such local priorities and does not recognise the ethnicity of power relations between land, people and resources (Taylor 1999 *passim*).

Ethnic identity and land rights are linked in Botswana. As a tribe that is not officially recognised, the San do not control any tribal lands. The Land Boards usually consult a local headman or Kgosi before allocating land. As there are hardly any San Kgosi, the San cannot represent themselves to or lobby the body that decides on land allocations. This effectively excludes them from negotiating about their traditional territories through the official channels. In theory all Botswana citizens have equal rights to land, but in practice such rights have routinely been denied, for example when San groups applied for and were denied water rights while the applications of other ethnic groups were approved (Hitchcock, personal communication August 1999).

Because of the lack of secure tenure of the land in the settlements, most cattle grazing there is owned by RADs from ethnic groups with a long tradition of cattle-owners (CMI 1996:13). In most cases, the resident San community has no way to regulate access to their land.

"Many outsiders, particularly those with sizeable herds of cattle, have taken advantage of this situation with sometimes devastating consequences for the San. The invaders have run wells dry; overgrazed rangelands; decimated veld foods; destroyed field crops; and even ruined homes. In almost every case, the central government has shown no willingness to intervene to uphold land rights of the local San, in spite of overwhelming evidence of severe health and economic consequences" (Hitchcock and Holm 1991:10).

Even some government publications point to the fact that (1) the San want access to the fruits of development and that (2) they want to enjoy these fruits within and while maintaining

secure access their traditional territories (e.g. English *et al* 1980:48-53). Sadly, the Botswana government has routinely ignored these eminently sensible and practical recommendations and has most recently forcibly resettled most of the remaining residents of the CKGR outside the game reserve. This would, according to the Ministry of Local Governments own study, inevitably lead to domination by other groups, destitution and dependency (ibid:48-49).

c. Ethnicity and labour relations

Formally, all ethnic groups have equal access to the employment opportunities offered by the labour market in Botswana. The protection offered by the labour laws in areas such as minimum wage legislation is not extended to the category "farm labourers"³⁹. In practice, the great majority of farm labourers in Botswana are Bushmen. Therefore, these workers live in almost feudal relationships on the farms of white and black owners (CMI 1996:123, Hitchcock and Holm 1991:6). In the past, force was sometimes used to ensure service by the Bushmen, when they were able to drop out of employment and engage in alternative livelihoods (Gordon 1985:33). Many politicians and civil servants are also cattle owners and therefore have a vested interest in maintaining this status quo. There is thus a striking discrepancy between the way ethnicity structures labour relationships and the official policy which pretends that this is not happening (Saugestad 1998:233. See also Painter 1997).

Apart from the fact that land is no longer available for Bushmen to maintain a hunting and gathering life-style, promoting villagisation can also be a method to create a reserve pool of cheap and/or surplus labour. According to Beauclerk *et al* (1988:10), sedentarisation has been presented as being in the interest of the indigenous people in many other situations, but it is generally valid to consider it as a thinly disguised attempt to draw them into the national economy as cheap labour⁴⁰. Enforced villagisation was probably not intended for this purpose in the Botswana context, but might well have this consequence.

Though indigenous men are likely to be exploited by cash labour, the situation for women is usually even worse as they become more dependent on men, are profoundly disabled in dealing with the national culture and are thereby open to extreme forms of exploitation (Eade and Williams 1995:243, Gelburd 1978:32, Smith 1999:151). Such changing gender roles are

also likely to lead to increased marginalisation of women within the San groups and increased domestic violence.

The predominant Tswana assumption is that the San will have to culturally transform themselves into Batswana. There is much research to indicate that this will not lead to a change of ethnic identity or a reduction of prejudice, and such pressures rather indicate a state-sponsored institutionalisation of dependency relations, also because of the economic interests that are at stake (Hitchcock 1987:244, Hitchcock and Holm 1991:7).

d. The consequences of living in villages

The transition required from a foraging and semi-nomadic to a sedentary and pastoral lifestyle is significant. There are conflicts between the organisation and ideologies of farming and that of foraging (Biesele *et al* 1989:114) which have to be taken into account when designing development programmes, and the following chapter will elaborate this theme further. A cattlepost economy is not compatible with a foraging and hunting way of life. Enforced villagisation has not led to sustainable livelihoods, but to increased dependency on hand-outs, as these provide services, not incomes (Saugestad 1998:177). Between 1982 and 1990, 90% of all RADs were dependent on food-relief (Hitchcock and Holm 1991:5). The governments' emphasis on welfare and hand-outs has led to further apathy and despair (Saugestad 1998:213).

It has been well-documented what the effects of forced villagisation have been on indigenous people in general and the San people in particular, such as a change to sedentary, market oriented subsistence practices that is typical of rural peasants, requiring greater work efforts for small wages that need to be spent on expensive processed food; localised resource depletion; increasing conflicts as people are unable to deal with disagreements inherent to living in larger groups; higher morbidity and mortality levels; larger numbers of children; reduced reciprocity; increased lack of autonomy and submission to Bantu neighbours for settling of disputes and further marginalisation of women (Hitchcock 1987:314, Beauclerk *et al* 1988:42, Loermans 1992:22).

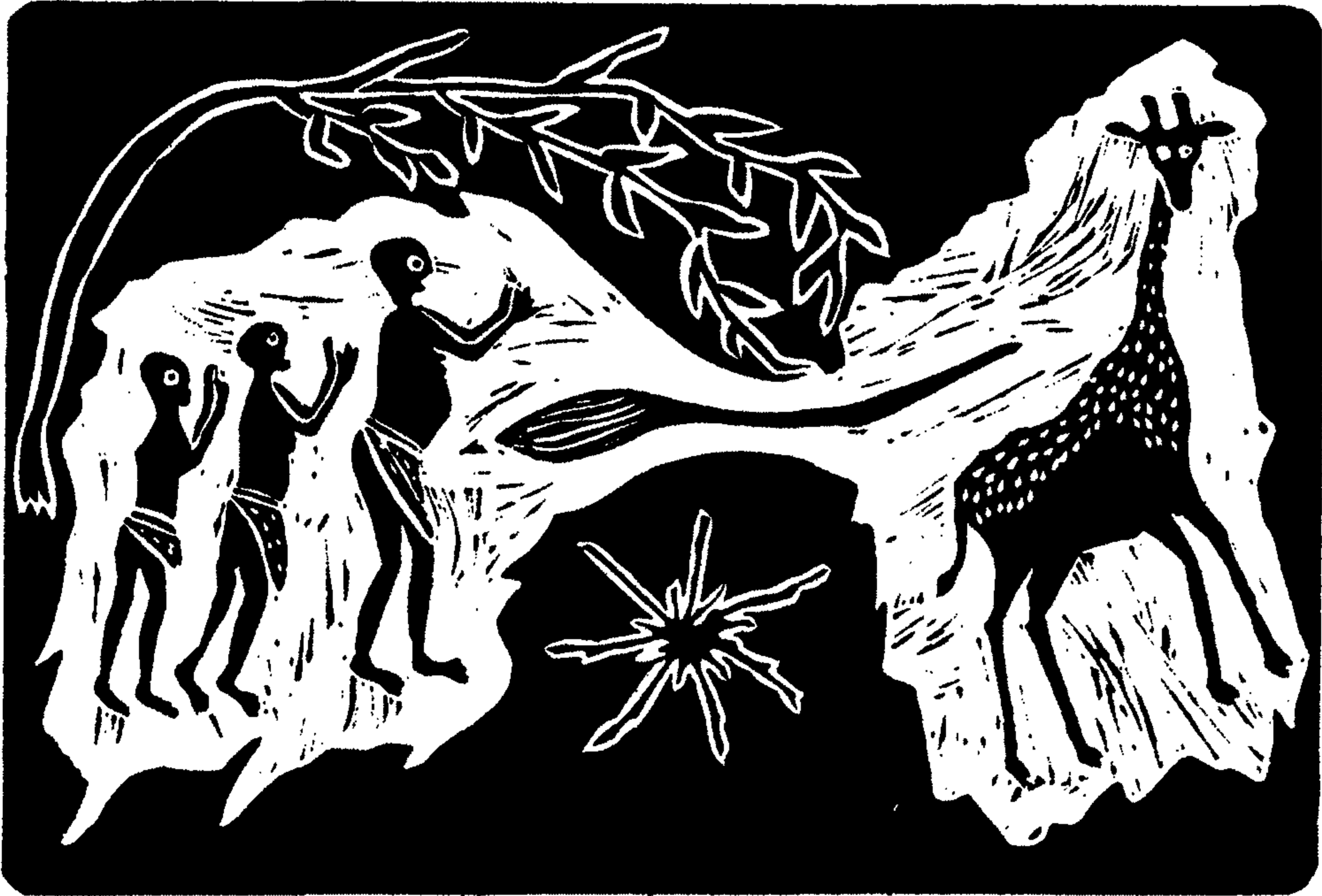
e. Transition to a market economy

It has been argued that tribal economies, built around kinship systems, are fundamentally incompatible with a market economy (Bodley 1988:6). To not recognise the problems of cultural transition in an effort to support development activities that are ethnically neutral, misses the opportunity to counter demoralisation and apathy through programmes that foster identity and self-respect, by understanding and valuing the traditional culture as a precondition for relevant development strategies. Important opportunities for community mobilisation are thereby missed. Indigenous people want to participate in development activities, but they want to do this on their own terms and such rights have been internationally recognised (e.g. EC SRC 1998/773, Henriksen 1999 *passim*).

Apart from enforced villagisation, the San have also had to make an economic transition. The increased exposure to the dominant culture and the market economy has ushered the San people into a monetised economy, whereas only limited monetisation had taken place until early this century. Most San now depend largely on cash income from wage-labour and drought relief to supplement the very limited gathering and hunting that is still possible, and cash earning is mainly restricted to males (Guenther 1986:290).

Many of the concepts associated with a cash economy, such as investing, saving, use of other banking services or budgeting are foreign to the San and some may conflict with traditional economic relationships. The income generating projects that were started among the RAD population usually have not considered these realities. Because of this, the efforts of the RAD programme to promote sustainable income generation has largely failed (CMI 1996:10, Hitchcock 1985:61).

The loss of secure access to their traditional resource base - the land and its foraging and hunting resources - has robbed the San of their main assets⁴¹. As part of a relevant development initiative, a need exists to develop alternative assets that are under the control of the people. This is a condition for breaking dependency and making income generation sustainable. It is this last aspect of these ethnic dimensions of poverty – the transition to a capitalist economy and the need to develop community and individual assets – that is the focus of this study.



GIRAFFE DANCE

Today, everything is money. We used to gather food in the veld and hunt to live. But today, there is no way to live like that, everything is money. (*San Man, Ghanzi district. Field notes, October 1999*)

4. RURAL FINANCE AND POPULAR PARTICIPATION IN HUNTER-GATHERER COMMUNITIES: A LITERATURE REVIEW

“The issue is whether ancient cultures will be free to change on their own terms, adopting beneficial aspects of the modern world, while rejecting intrusions that can only harm their spirit and heritage. In the end, the cultures that will survive will be those that are willing and able to embrace the new on their own terms, while rejecting anything that implies the total violation of their way of life” (Davis 1999:89).

Development administrators, in their desire to come up with the “how” of development and pre-occupied with manageable and “implementable” projects and programmes, have frequently designed simple and standardised solutions and overlooked complex socio-cultural realities. Development studies and applied anthropology have made significant contributions in the past to the understanding of rural development by drawing attention to areas such as class, gender and ethnicity, pointing out the deficiencies in the “trickle down approach”, the misery of the poorest, the plight of women and the tendency of the elite to capture benefits. Social scientists of course, can also be out of touch with rural realities, preoccupied with theory and system building, disciplined only by teaching schedules and deadlines of academic publications, and talking mainly to themselves, unintelligible to outsiders (Chambers 1983:30-33, Gardner and Lewis 1996:112). And in the case of the San, they have been accused of silence, or worse, denial, and thereby contributed to genocide (Gordon 1992:196).

Literature available in the fields of anthropology, rural finance and rural development, as well information found in publications of the government of Botswana and Kuru Development Trust was reviewed. This was done in a somewhat eclectic manner with a focus on the research objectives in order to provide critical information for programme design.

4.1. THE SAN PEOPLE AND THE ECONOMY⁴²

“Why should we plant, when there are so many mongongos in the world?” (/Xashe, a !Kung San man from Mahopa, quoted by Lee 1979:204).

My purpose as a non-anthropologist is not to review or analyse all the available literature about hunter-gatherer economics, but to gain as much insight as possible into the economic strategies of the San. In addition, to consider if the essential characteristics of these strategies are relevant to the current economic dilemmas that the twentieth century sedentised San face. A programme aimed at providing rural financial services to Bushmen communities has not been tried before and, even when designed with as much forethought and participation as possible, is bound to create all kinds of unforeseen processes and problems (Gardner and Lewis 1996:116). A serious attempt by a development worker, such as myself, to make the programme culturally sympathetic may help to prevent ill-informed stumbling and be more than welcome. In the following section I will review how the thinking about foraging economies has evolved and changed during the past 30-40 years and attempt to formulate some conclusions that need to inform the design of development programmes.

4.1.1. The original affluent society

“If Bushmen did not exist, we would surely have invented them” (Gordon 1992:217).

Foraging societies have been the subject of much interest to anthropologist. The study of the quickly disappearing hunter-gatherer groups was thought to shed light on the origins of mankind. Among the Southern-African hunter-gatherers, the relatively uncontacted Ju/'hoansi (also called !Kung) in northern Namibia and Botswana have been especially scrutinised by a stream of researchers since the 1960s⁴³. Much useful work was done and insights gained. While it was earlier thought that hunter-gatherer ways of life, in their struggle to survive with scanty economic resources, were “nasty, brutish, and short” (Gowdy 1998:xviii quoting Thomas Hobbes), the research among the Dobe !Kung San and other groups did much to change this perspective. Many researchers working among these groups became convinced that hunters and gatherers generally lived well, needed relatively little time to meet nutritional requirements and invested much time in maintaining an intricate kinship and social network (Barnard and Woodburn 1988:12, Lee and Devore 1968:6, 30)⁴⁴. In Sahlins' classic “The original affluent society” (1972a) he describes the hunter-gatherer as an “uneconomic man”, who does not conform to the western stereotype economic model of scarcity, where unlimited wants have to be satisfied with limited means. Rather, the hunter-gatherer life-style is one of scarce wants with relatively abundant means. Hunter-gatherers

were free rather than poor, trusted nature's abundant resources and had a studied unconcern for the needs of the future. Wealth was literally a burden, as the mobility required to maintain a foraging way of life required travelling light (ibid. 1972a:13, 15, 27). Sahlins' "...affluence model became the new stereotype ⁴⁵" (Burch and Ellana 1994:147).

The lifestyle of "limited wants with adequate means" was a suitable adaptation to the delicate ecology of the environment. Traditionally, the San lived in small bands in relatively large territories. The environment created possibilities and constraints and in response to this, forms of social and subsistence organisation were chosen that enabled the San to live relatively well in a harsh environment. These bands had fluid membership, structured by kinship. Groups were small - generally between 10 and 30 - and scattered. Food was normally shared with band members and visitors. The foraging mode of production was not risk-free, as it could not protect against seasonal fluctuations and hardships. Wiessner (1977 *passim*) detailed how, amongst the !Kung San, extensive gift-giving or hxaro networks exist as their primary risk-reduction strategy. The reduction of risk is achieved through the storage of social obligations rather than through accumulation. The absence of a storage tradition combined with a strong egalitarian ethos among the San contributes to their current dilemmas in which economic security seems out of reach and I shall return to this later.

Hxaro networks among the !Kung are as prevalent among close as among distant kin in order to accommodate both personal and spatial uncertainties (Wiessner 1977:348, 1992:65). Almost all material goods were part of the hxaro network. By their very nature such goods were not shared, but remained the personal property of the person who was enjoying its use, until the time that it would go back into the network to cycle through to distant partners.

4.1.2. Generalised reciprocity

Hxaro is part of a system of generalised reciprocity that includes a deeply felt sharing ethos as one of the hallmarks of a hunting and gathering life-style. Called by Sahlins "the solidarity extreme", he goes on to describe generalised reciprocity⁴⁶ as follows:

“Generalised reciprocity refers to transactions which are putatively altruistic...Indicative ethnographic formulas are "sharing," "hospitality", "free gift", "help" and "generosity"...This is not to say that handing over things...generates no counter-obligation. But the counter is not stipulated by time, quantity or quality: The expectation of reciprocity is indefinite. It usually works out that time and worth of reciprocation are not alone conditional on what was given by the donor, but also on what he will need and when and likewise what the recipient can afford and when. Receiving goods lays on a diffuse obligation to reciprocate when necessary to the donor and/or possible for the recipient. The requital thus may be very soon, but then again it may be never. There are people who even in the fullness of time are incapable of helping themselves or others” (Sahlins 1972b:194).

Not all San groups seem to have sharing networks that are completely compatible with hxaro⁴⁷, but for all of them, indeed basically for all hunter-gatherer societies around the world, generalised reciprocity and equal access to resources within the area of land rights seem to be a basic ingredient of the mode of production (Lee 1982:54). This includes (1) collective ownership of the means of production, i.e. land and its resources, (2) rights to reciprocal access to the resources of others through marriage or other social ties, (3) little emphasis on accumulation and, in fact, opposition to hoarding, (4) total sharing throughout the camp, (5) equal access to the tools necessary to acquire food, (6) individual ownership of these tools (Kelly 1995:31, Kent 1993:480). These hunting and gathering societies are called small-scale egalitarian societies and the sharing ethos that is common in systems of generalised reciprocity has the following characteristics:

a. Sharing is a fundamental value of life

Sharing is seen as simply the right thing to do, it is the expectation of the moral order (Burch 1988:95). The fundamental ethos is that people are not allowed to accumulate property beyond what they immediately need. They are morally obliged to share it (Barnard and Woodburn 1988:16, Gowdy 1998:xvii), even when it is decidedly “uneconomic” to slaughter ones last cow in times of hunger to feed your family or share your meagre wages and rations with all your relatives and squatting visitors (Guenther 1977).

b. Relationships are of more importance in sharing than the debt it creates

The goods are not an end in themselves. They lead to exchange relationships, not to an economic contract and are meant to build ties of friendship (Guenther 1986:162). The -

Australian aboriginal - Gunwinggu term for "give me" is as much an offer of friendship than a demand or request (Altman 1987:154). Sharing therefore does not imply the immediate creation of specified debts, though there is also a clear secondary element of planning, of creating debts within others towards yourself, thereby building up social capital.

c. There is not necessarily an immediate balance in sharing

There is no balance of value between goods given and received. That sharing takes place is more important than its size. This extends to cash also. Wiessner observed (1977:332) that \$2 was hxaeroed and months later \$5 was returned between hxaro partners to the satisfaction of both.

d. Sharing continues until wealth differences have been levelled

People keep demanding a share, irrespective of what they have already received. As long as the other person has, there is a right to keep asking until the relationship is levelled. This has been termed fierce, aggressive or demand-sharing and an "extreme kind of levelling" (Gullbrandsen 1991:83, Gowdy 1998:xxiv, Cashdan 1980a:120, Kent 1993:480). The generosity associated with the ethos of generalised reciprocity should not be confused with our Western notion of altruism. It is often joyfully and freely offered. But it may also be demanded, and the best way to prevent being abused in a relationship of reciprocity and to be "killed for things" is to limit food gathering and general labour output and becoming a "have" more than your share of the time (Wiessner 1992:79, 80). Equality in hunter-gatherer societies is not automatic, is frequently challenged, and is maintained at great effort (Woodburn 1998:87, Lee 1982:55). Demand-sharing sometimes implies involuntary generosity and pressure. It is "tolerated theft" and is sometimes avoided by hiding, secretive behaviour or lying (Peterson 1993:861, 864). It is open to exploitation and abuse by people who are simply lazy (Endicott 1988:118, Wiessner 1994).

Perhaps the relentless pressure to level - based on demand as well as on voluntary giving and directed at whatever resources are available - might help to explain why hunter-gatherers, in whose traditional society property was of almost "inconsequential significance" (Altman and Peterson 1988:75), now display an almost "insatiable demand for shotguns, rifles, motor vehicles, cassette recorders, CD players, televisions and VCRs" (Altman 1992:36, discussing

the Australian aboriginal society). In the modern environment of a consumer society, Sahlins' notion of "limited wants" is clearly shown for what it is – not a life-style choice of modesty, but belonging to a time and place when choice and opportunities were not available, thereby limiting desire.

e. The economy of sharing conflicts with an economy based on storage

The economics of foraging and farming are different, as one uses a strategy of sharing and the other one of accumulation or storage as a principal way to risk reduction (Wiessner 1977:368-9, Cashdan 1980b:26)⁴⁸. This makes the transition from foraging to food producing difficult for sedentised San. Indeed, barter may provide a more attractive option to them⁴⁹ (Cashdan 1980b:165). There is however quite a difference of opinion among anthropologists about the extent to which such a transition poses fundamental problems. Some consider the foraging and agricultural economies structurally incompatible⁵⁰, while others see it as a shifting of values. That takes time, but is not insurmountable. Proponents of the latter view point to the many foragers that practice part-time agriculture⁵¹ and to the historical evidence of societies that went through a successful transition from foraging to farming. Such transitions are well possible in view of the great flexibility of kin relations among foragers, given enough time and adequate resources to support a different life-style. It is true that in agricultural societies, many more goods fall in the realm of private property than among foragers, but it is the lack of resources and resulting marginalisation that pose the greatest problems to the sedentised San, not the transition per se (Wiessner, personal correspondence 1999). A transition to pastoralism may be easier for San than a transition to agriculture. Pastoralism has a "...low-key style, while agriculture needs a quick response to the availability of rain, pre-planning and care, all factors which have proved to be difficult for the San" (W. le Roux, personal correspondence, August 1999).

4.1.3. Immediate-return versus delayed-return societies

A valuable insight that developed in the 1980s is the distinction between hunter-gatherer societies with and without a storage culture. The latter was termed an "immediate-return society". The most important characteristic of such societies is that they do not require an investment in labour with a return expected at a later date. People obtain a direct and immediate return from their labour. Food obtained is eaten within 48 hours (Lee 1979:118)

and is neither elaborately processed nor stored. Members of such societies use relatively simple, portable, utilitarian, easily acquired, replaceable tools and weapons made with great skill but not involving a great deal of labour and place minimal emphasis on property rights (Barnard and Woodburn 1988:11, Woodburn 1982:432). They lack what economists would call "fixed assets" (Gowdy 1998:xx) and do not invest in production. Groups such as the majority of Bushmen and Australian aboriginals, Malaysian Batek and Tanzanian Hazda are considered examples of such societies (Barnard 1992:248, Barnard and Woodburn 1988:11). A lack of forward planning and a "studied unconcern for tomorrow" (Sahlins 1972a:30) as well as low production targets have been related by anthropologists to the lack of a storage tradition in immediate-return societies⁵². Not wants in such societies are set low, but production targets are. The demands are there, not for production, but to share (Barnard and Woodburn 1988:12). Why would one be considered a "sucker" and produce food through hard labour in the hot sun, only to feed those who are enjoying the shade (Wiessner 1977:131)⁵³?

Whereas it is now acknowledged that there has been much greater variation among hunter-gatherer societies than is realised by many, or admitted by most, many anthropologists that challenge hunter-gatherer stereotypes still "...find the distinction between immediate-return and delayed-return societies useful for differentiating the least complex hunter-gatherer societies (immediate-return)...from the rest" (Burch and Ellana 1994:3-5). According to Burch (1994:453)

"...the most definitive division of small-scale societies identified so far is not between foraging and agrarian, but between immediate-return and delayed-return societies...or non-storing and storing societies...Immediate-return or "generalized" hunter-gatherer societies are so unlike all others that...it is difficult even for anthropologists who have not personally experienced one to conceive how they can exist; it is almost impossible for non-anthropologists to do so".

4.1.4. The Kalahari debate

"The old notion of these people as passive victims of European invasion and Bantu expansion is challenged...Instead of toppling helplessly from foraging to begging, they emerge as hotshot traders in the mercantile world for ivory and skins. They were ...hired guns in the game business...one of many willing agents in this commercial depletion. In stead of being ignorant of metals...they were fierce defenders of rich copper mines...(I)gnorance ... helped create the Bushman image that we, as anthropologists, wanted to have..." (Gordon 1992:11).

Not all anthropologists have shared this egalitarian, levelling, consuming, sharing and non-anticipatory perspective about foraging societies. A revisionist "Kalahari debate" has raged among students of hunter gatherer societies for the last fifteen years. It was partly in reaction to anthropologists who studied relatively uncontacted San living in a pristine vacuum. Revisionists claim that San culture has too often been studied in isolation, but is in reality the result of a long history of interaction with other peoples. According to their perspective, Bushmen are no more than an underclass, a rural proletariat and a construct of outsiders. Exchange relationships with other groups, including trade, have existed for thousands of years, they argued, and the Bushmen were pushed by these groups into ever more marginal environments. Modes of production among Bushmen groups are therefore a result of exploitation and impoverishment, not a fundamental organising principle of these societies. Wilmsen (1989a,b *passim*) is an articulate proponent of this view and sees their lack of a storage tradition, their levelling and sharing mechanisms, their "otherness" (1989b:3) not as structural to their way of life but as a reaction to the pressures of political and economic marginalisation. The dichotomy between those who produce their means of existence and those who do not is false, he claims, and their so-called isolation is a construction of our view of them, not of history as they have lived it (Wilmsen 1989a:4. See also Motzafi 1986 on the dynamics of perpetual social economic and political marginality of the Bushman category vis-à-vis the larger Tswana community).

Wilmsen drew important and necessary attention to the larger socio-political structures that have encapsulated Bushmen groups for centuries and thereby provided correction to a too one-sided academic interest. Some anthropologists are of the opinion that he has overstated his case, replaced one stereotype with another and has failed to acknowledge that (a) interaction with other cultures took place in varying degrees and with various results and that (b) interaction did not necessarily result in loss of autonomy of the San societies (Bird-David 1996:298, Solway and Lee 1990, Lee 1998:165-200, Kent 1992:55). Many that applauded the corrections of the revisionists, regret that Wilmsen and his colleagues did not adequately consider all the available data and build on the work others had done, rather than only demolish it⁵⁴.

4.1.5. Flexibility and adaptation

Varied forms of interactions with farmers and traders have obviously existed, often with devastating consequences for Bushmen societies, but hunter-gatherer societies are extremely flexible and have ecologically and socially found ways to adapt to pressure, whilst retaining a “foraging way of life”, and maintaining much of their basic ideology, ethos and flexible band structure (Guenther 1996b:78). It is this extra-ordinary flexibility and variety of egalitarian hunter-gatherer lifeways and kinship structures that has become the focus of attention in the last 15 – 20 years and appreciation for this has steadily grown. Guenther (1979:187) believes that the hallmark of the foraging ethos of Bushmen band society is adaptability⁵⁵. According to him, band structures are still intact in sedentised San communities in the Ghanzi district and are similar to those of the free-roaming Bushmen. Extraordinary in its flexibility, the band is the most fluid of all societal types (Barnard 1992:240, Guenther 1986:292). This flexibility is institutional, structural and personal, leading to great personal autonomy, some might even say anarchy. This makes (semi)nomadism and foraging more than a subsistence strategy. It is rather a way of life, making Bushmen perpetual and opportunistic wanderers⁵⁶, forever foraging for ideas, for exchange relations and for resources to exploit, be they natural resources or controlled by individuals, by organisations like Kuru or by the government (see Guenther 1996b:82, Hitchcock 1982:237, Kent 1996:13).

Socio-political pressures and/or economic hardships and opportunities influenced and changed San societies, often leading to extraordinary marginalisation, but according to many observers these influences were to a large extent assimilated without fundamentally altering these societies (Tanaka 1991:132). This has also been observed for other foraging cultures (e.g. Peterson, N. 1991:84). As Guenther has said:

“...a specific Bushman society displaying...non-foraging traits - say stock-ownership or prolonged aggregation, trade with or labor for whites or blacks...may at the same time be capable of retaining its basic stamp as an egalitarian band society in terms of its overall structure or ethos... the heavily acculturated farm Bushmen of Ghanzi of the late 1960s (had) for some three generations...been involved in farm labor, sedentism, an engulfing cash economy, reduced gender equity...as well as a number of other changes...these developments neither singly nor in combination have brought about anything like a transformation of Bushmen society or culture...The Band remains the basic social structure and the sharing ethos, despite being challenged by the new values of negative reciprocity, is still basically intact” (Guenther 1996b:82).

To others that argue that the bands had higher levels of leadership and organisation in the past and have been flattened and reduced by dependency (e.g. Wiessner, personal communication 1999), Guenther (1985, 1993, 1995, 1996b, 1999) would respond that these higher levels of band organisation were always in response to settler pressure and thereby provide additional illustration of the extraordinary adaptability of Bushmen social organisation.

This is not to say that changes in subsistence practice that result from landlessness, or the advent of a monetised economy, do not present painful and conflicting dilemmas to the San people. The seemingly incompatible ideology of both the traditional and capitalistic economic systems can co-exist for an extended time within one community and even within one individual, leading to jealousy and conflicts in the community and it "...occasions pangs of conscience for many a sensitive Nharo ... (when) the two economic values are at odds" (Guenther 1986:162). It is sometimes hard to discern whether specific behaviour is the result of cultural confusion, of dependency or of opportunistic choices about which strategy seems to provide the quickest return.

4.1.6. The present perspective about hunter-gatherer societies

Recently a number of other perspectives have further challenged much of the cherished wisdom about hunter-gatherer societies. Gulbrandsen (1991), for example, argued that the fidelity of the San to egalitarianism (which prevents the shift to a storing economy) is not imperative but context-bound and depends on band social relationships. Kelly (1995:53-57) and others explain hunter-gatherer behaviour from the evolutionist perspective of "optimum foraging" which essentially describes it as a risk-gauging and rational cost-benefit analysis of maximum return for minimum labour investment, though this can only explain part of human behaviour. I have no wish to choose one fashionable anthropological theory over another and acknowledge that no single theory alone can explain the hunter-gatherer ethos and that each has an additional valuable perspective to contribute and gives further insight into the difficulties that contemporary foraging groups face.

It is clear that the field of hunter-gatherer studies has evolved greatly over the past 40 years and is currently highly volatile and polemic. Whilst in the past much has been made of such distinguishing features as strong levelling mechanisms and lack of anticipatory skills, some

authors now even go so far as to say that "...there is no distinctive social feature of substance or consequence with which to distinguish hunter-gatherer societies" (Feit 1994:421). According to Burch (1994:454)

"... hunter-gatherer research is approaching a time of crisis. This crisis involves three main elements: (1) the likelihood that much of the subject matter of the field is likely to disappear; (2) a profound disagreement about the logic used in extrapolating from field studies to general theory; and (3) the likelihood that the field is based on an unfruitful concept in the first place. Any one of these factors could be enough to destroy a field; the three together may prove to be overwhelming".

In the light of these widely different perspectives, it seems almost impossible to come to a commonly held understanding about the place of the sedentised San in a contemporary capitalist environment and, based on the preceding overview, the question comes up if any "applied" conclusions can be made at all. But in the following section, I will attempt to come to a perspective about the realities that any appropriate economic development programme for the San in the Ghanzi district should take into account. These, plus the information from the remaining part of the literature survey (i.e. the fields of rural finance and popular participation in development), will lead to the concrete recommendations that have informed programme design.

4.1.7. The Ghanzi Bushmen in a capitalist environment

"People are now experiencing jealousy because of difference in income....People can no longer share everything like they used to, and now cannot handle the feeling of jealousy" (Kamana Phetso, secretary Kuru Board, 1996).

From the historical introduction and the literature review so far, the following themes emerge as being especially relevant to the economic realities the San face today.

a. Sedentism

Villagisation does not necessarily have to be a problem since it does not by itself result in a changed nature of economic security or in loss of identity and self-respect. Indeed, many San prefer to live in larger settlements, because the hunting and gathering life-style was harsh and uncertain, as long as there is a place where they can withdraw seasonally for foraging and

cultural activities. Sedentism does pose a number of problems in that it requires new ways of managing conflict and leadership issues, but such a transition is not impossible. San prefer to stay in relationships of mutual help and want to maintain equality, time for social relationships and supportive kinship systems. But because of dispossession, mutual support systems broke down, the relationship between economy and kinship became problematic and demand-sharing brutal. It is thus marginalisation, dispossession, dependency, and lack of economic alternatives that is the problem, not sedentism per se.

The loss of foraging resources and the advent of the capitalist economy have brought many changes to the San. These changes and their consequences – marginalisation, poverty and apathy - were described in the previous chapter. It was argued that indigenous people should be able to govern their subsistence strategies and determine their degree of participation in the cash economy (IUCN 1997:30). This however presumes control over natural resources, something sadly absent in Western and really all of Botswana. The San have had no option but to participate in the cash economy and were incorporated at the lowest levels. They have become landless peasants who, in the Ghanzi cattle post economy, have had to survive on cash wages of as low as 6 Pula per month in the 60s and 70s (with 13 Pula paid in rations). In the early 90s, this had not increased to beyond P20-P40⁵⁷ (Hitchcock and Holm 1991:6). But at the same time, the ideology of these marginalised indigenes cannot be compared to the landless rural poor in other parts of the world. As Barnard (1992:238) notes: "...the term Bushmen is both an underclass...as well as a cultural category". The combination of loss of resources, sedentism and population pressure on the landless San in the Ghanzi district has caused a dramatic shift in sharing patterns and gender relations.

b. Reduced sharing

"Money can be used to buy many things. So I cannot share it" (San woman. Field notes June 1999).

Mobility as well as game and veldfood resources of the Ghanzi Bushmen has been reduced. The natural environment in other parts of the traditional areas of the Naro and other Ghanzi groups generally does not provide more resources than what is locally available. This is because of lack of access to land, fencing and overgrazing. Migration is still prevalent, partly

due to the Bushman lifestyle that emphasises freedom and flexibility, and also in order to access existing resources such as the drought relief programmes of the government, piece jobs or the income of relatives. According to Cashdan (1985 *passim*), storage is slowly replacing generalised reciprocity as the primary means for risk reduction as a result of sedentism, especially since the source of risk has now become regional or general, rather than local (see also Sugawara 1991:101). A move away from the egalitarian ethos of hunters and gatherers to the pursuit of wealth through cattle, money and goods can be observed (Guenther 1979:186). Balanced reciprocity - gift-giving with immediate equal-value returns, such as barter or trade - is increasing but continues to exist side by side with generalised and delayed reciprocity within communities, bands and individuals, with the opportunities of the moment suggesting what will be dominant. Meanwhile the government, Europeans and development organisations are the object of much negative reciprocity.

Reduced sharing networks and sharing of food have been noted in the settlements (Hitchcock 1982:255) and that is in line with the findings of this research. Wiessner observed (1998:517) that gift-giving among the !Kung is more and more based on friendship, rather than kinship. As sharing strains relationships even in the best of times (Kelly 1995:165) and requires heavy investments in maintaining social relations, it is evident that the reduction of such networks in larger settlements, and with a incompatible ideology not aimed at risk minimisation but at profit maximisation, may often cause conflict.

c. Increased gender inequality

Because of sedentism, the traditionally important food providing role of women has diminished. Food gathering once provided up to 70% of caloric intake and was predominantly done by women. Sedentism without economic alternatives has led to a decrease in women's autonomy and influence and increased gender inequality. Men have more access to wage-labour than women and are generally in charge of herding. On cattle posts most women are dependent for both work and residency on the primary employment of their male kin. Other features that have been related to this inequality are the increasing rigidity of sex-typing of adult work, including domestic chores and aspects of child socialisation; fragile marriages; vulnerability to extreme poverty; lower mobility for women than men; more access of men to and control over resources such as domestic animals, to

Bantu language and culture and (extra)village politics. These features, combined with the influence of the surrounding culture have led to increased domestic violence and prostitution (Barnard 1980, Guenther 1986:290, Loermans 1992:1, Kent 1995:533, Geases 1998 *passim*, Draper 1975:78, Smith 1990:63, Sylvain 1997 *passim*).

d. Difficulties to manage cash

...they have a limited practical understanding of money, but no general understanding. They have no idea where money comes from, no involvement in budgeting, no knowledge of investment, interest rates, inflation or a concept of affording, the closest people came to this concept being that they were "not ready to buy something, but wanted to buy it" (Kesteven 1984, quoted by Peterson 1991:75).

The above observation was made about Australian aboriginals and could well have been made about many San people.

The biggest problem for the San has, of course, not been the penetration of the capitalist economy, but the arrival of the state (Gordon 1992:200) as this encouraged settlers, provided protection to them and intervened in the control of labour. Yet dispossession, lack of income and lack of choices coupled with increased commodisation has led to a profound unfamiliarity concerning cash management on the side of many San as a slow transition to other modes of production was not possible.

The basic economic ideology of a foraging culture has been associated with a lack of anticipatory skills and a "happy-go-lucky" mentality (Barnard 1992:249, Hiatt quoted in Lee and Devore 1968:90, 91). Even while acknowledging that the lack of anticipatory skills in immediate-return societies may have been overstated, it is generally accepted that there is more immediate consumption of produce in such groups. Most San would not be aware of the assumptions underlying their economic behaviour and thus the need to develop a different set of skills. San people may therefore find it difficult to develop such skills as planning, budgeting and investing⁵⁸ that are so essential for life in a monetised environment.

Ghanzi District Commissioner Silberbauer wrote the following words almost 40 years ago when making his Bushmen survey report for the then Bechuanaland government.

“...The “wild” Bushmen are only used to an economy of immediate consumption of foodstuff. The small proportion of their economy made up by capital goods (i.e. the means of production which in their case is limited to weapons and implements) is not sufficient to give them any understanding of a capital economy based on the husbanding of resources to increase income, which is totally foreign to them. The majority of the farm labourers are still in much the same state in that they have not yet grasped the principle of saving something today in order that it might produce more tomorrow. Although they have the example of the farmer who refrains from eating up all his stock in one glorious feast, but disposes of only a limited number each year and retains sufficient cattle from which to breed...most Bushmen have not realised that there is any useful purpose in saving anything...the majority squander whatever they get and expect tomorrow to look after itself” (Silberbauer 1964:120).

Even earlier, one of the first ethnographers of the Naro people, Bleek (1928:38) wrote that “... Bushmen ... have little idea of value. They have no money, nor any equivalent of it. ... They often ask a ridiculous price, either far too high or far too low. They give a bead ornament that must represent weeks of work for a cheap knife, and then demand the same for a pipe stick, that has taken them an hour to burn...”

Of course much has changed since those words were written, 38 and 74 years ago respectively, as a result of the advent of the cash economy and wage labour, increased interaction with other groups, education, etc., and many would argue that some of the arguments and wording of those days are not only outdated but even suspect and have racial connotations. Based on the years of practice, Kuru’s experience, especially in working with older San, finds that handling cash in an environment where income-generating opportunities are scarce and hand-out programmes are the norm, seems to be complex and often bewildering.

e. Difficulties to save cash

Apart from being a means and unit of exchange and mode of value, one of the recognised values of cash is its ability to store wealth. Money is a primary means of wealth accumulation, it is delayed consumption, “frozen desire” (Bohannan 1967:123, Buchan 1997). Cash, as a primary storage for wealth, represents choice and desire, the opportunity to purchase whatever is available. At the same time, especially for the San, cash is not easy to acquire. It is a non-traditional resource and rules governing its use and sharing may differ

from those traditionally regulating use and sharing of food or other goods and also differ from group to group. There seems to be little consistency in rules governing the distribution of cash. It might be expected in societies that lack a tradition of storage and delayed consumption that most cash will be immediately utilised or shared, and that little or no savings or investments will occur and such observations have been made for groups as Aborigines, Quicha and Cree Indian and Aka (Altman 1987:231, Peterson N. 1991:84, Peterson J. 1984:54-7, Schaller 1998:7, Scott 1988:50)⁵⁹.

In Australia, redistribution of cash is said to be more common among aborigines than redistribution of goods (Altman 1987:15). Perhaps this is connected to the regular and frequent welfare transfers that take place in this Australian society. In my experience, many San see this differently, probably because cash incomes are not secure and thereby represent a highly coveted resource. As one San woman told me: "Money can be used to buy many things, so I cannot share it. You have to work hard to get money." This woman, and also San members of Kuru's extension staff, agree that cash incomes are shared less than the goods and food that are subsequently bought by it. Tanaka (1987:47) reports a remark of one man that having goods bought for cash sometimes helped to retain ownership of property. As he said: "This sugar has been bought with money, I don't want to share". At the same time, the use of a radio or donkey cart can be shared while retaining ownership. That is not to say that a relentless pressure to share monetary resources does not take place in San communities and as Wiessner observed (1998a:82), people can really be torn between the desire to accumulate wealth and the desire to remain in a system of mutual help. They may often attempt to achieve both at the same time.

Accumulation of cash in an Australian aboriginal society has been observed via pooling, gambling and saving through mainly white brokers (Altman and Peterson 1988:82). The San have a habit to buy on credit (Ikeya 1996), a tendency they of course share with the wider Tswana society, which is also demonstrating a negative household savings rate (Presidential task group 1997:61). Negative household savings rates are a distinguishing and unusual characteristic of the financial sector in Botswana in general and "overdraft financing dominates the portfolios of all banks in Botswana" (Hermans, Correspondence 1999).

Wiessner (1998a:31) observed that Ju/'hoansi Bushmen of Nyae Nyae find it difficult to forego short term needs for long term benefits, though many in principle agree to the need to do so. Buffering seasonal income variables and providing for long term needs is of course exactly what monetary reserves are for. Most San now have a desire to develop capital assets to cope with future uncertainties, as risk pooling through social obligations is hardly an option anymore. Many San would like to save, but cannot because of poverty and social pressure.

Capital has been defined as "...the factor of production that links economic decisions over time. People form capital when they withhold resources from present consumption and use it instead to augment future production possibilities" (Bates 1989:5). Apart from cattle, property, crops and children have been mentioned as alternatives to capital in pre-capitalist societies (Bates 1989 *passim*). Apart from cultural factors hindering accumulation, the desperate poverty that many San families face makes it impossible for them to withdraw available resources from immediate consumption.

f. Dependency

"Hand-outs have been a way in which many people tried to help us, but that has made our people reluctant to take control and now they are without power" (Kamana Phetso, secretary Kuru Board, 1996).

Even in the old days the odd person would live off his family without ever sharing in return and this was accepted as an inevitable fact of life by the rest of his close kin (Wiessner 1977:220-1). Such a person could perhaps be considered to practice demand sharing at its most successful and an occasional situation like this could be accommodated, though never without frustration. Now a whole society has been forced into dependency. The San have often been blamed for being dependent on hand-outs. Yet enforced dependency has often been a conscious strategy employed by governments and farmers to create a rural underclass that provided access to cheap labour and secured land for grazing for the dominant groups.

There is no option left to these communities but to demand their share from whatever resources are available, leading to a spiral of expectations without returns. It is generally

recognised that the perpetuation of dependency is a major obstacle for the future and it can only stop if people will become successful and able to exercise some control over their environment (Hitchcock 1987:236, Wiessner 1998a:3, le Roux 1998:13).

Among the San leadership there is growing recognition of this, as demonstrated by a resolution adopted by the first regional conference called by the San development organisations from Southern Africa in Shakawe, Botswana in September 1998⁶⁰.

“Resolution 1: There should be no perpetuation of dependency. Many development programmes for indigenous peoples lead to further dependency on the dominant society. Development projects should have no hand-outs and there should be a clear relationship between income and work” (van Trijp and Oussoren 1999:110).

g. Developing community assets

“Resolution 2: There should be balance between the development of private and social capital as well as an increase in assets. Income generating projects should improve both private household incomes and social or common capital. Such incomes should also be used to develop assets through savings programmes and investments in community projects” (van Trijp and Oussoren 1999:110).

“The crucial point of our development plan is the following: to stop dependency. We will start a savings fund in every village we work with, so that people can build up their own money power to enable them to negotiate about development”(Kamana Phetso. Secretary Kuru Board, 1996).

The cash economy has led to greater social stratification and increased gender inequality, and creates significant ideological discontinuity and internal conflict for the San. Ultimately most of the dilemmas it creates will probably be assimilated into the culture, through a shift to generalised reciprocity and storage and more aspects of a delayed-return system⁶¹ (Lee 1979:414, Barnard and Woodburn 1988:99).

The question can be asked whether income generating activities for San people should be supported at all as they will inevitably contribute to further stratification and perhaps even to the development of a class society with significant wealth differences. I agree that, even when sensitively planned, projects may well create these problems, but argue that there is no alternative. There is no land available in Ghanzi anymore that will enable a foraging life style and there is no wish among most San to go back to a fully traditional way of life. Abandoning

income-generating projects will only make dependency and demoralisation complete and forego opportunities to mobilise communities and develop a more representative type of leadership that is foreign to the Busmen's egalitarian tradition of a peoples' democracy, but that is required to negotiate with the wider society and to survive as a people (Biesele *et al* 1989:147).

The San people want to retain their values, yet also want to participate in a monetised economy on their own terms. As Kamana Phetso (1996) said: "The important thing is that development work is based on our own knowledge and experience". Marginalised communities need access to capital resources to compete, yet without "cheap money" creating further dependency. San communities need the reality-check of having to learn to work with their own hard-earned money in an unfamiliar capitalist environment, but in a way that will honour their traditions, in order to survive. Traditions such as community consultation, mutual help, joint access to resources and private ownership. At the same time communities need help to reflect critically on aspects of their culture that hinder success in the Botswana society, such as the lack of a leadership tradition, planning for longer term goals or organising themselves around larger issues.

This suggests the necessity for some form of rural financial services that will promote the development of both private and community capital assets and includes a savings and credit system that has extensive consultation and training components as an important starting point of a development initiative in a San community (le Roux 1998:16,19,25, Roux quoting Thoma 1997). Ways will have to be identified in which capital resources coming into the community are not immediately consumed and shared but where new and non-traditional forms of individual and community equity will begin developing. San people need to develop a long-term economic perspective. This requires a means by which to save money, i.e. a banking system (Wiessner 1998a:39). In addition to this, they need a "storage space" for cash, safe from the pressure of family and the desire to consume, in order to buffer irregular needs. This too requires new ways of storing liquid wealth that are currently not available⁶². Le Roux (personal correspondence August 1999) emphasises how the very fact that this programme presents a novel and non-traditional way for San to accumulate cash reserves might prove to be a success factor as it cannot be written off by the people before it has even started.

4.1.8. Twelve conclusions about development programmes among the San

“The San kinship systems, sharing and visiting practices, and household arrangements, have adapted to wage labour to provide the crucial devices by which the contemporary farm San navigate their distinct class status. Filtered through the lens of ethnic stereotypes, these same practices may appear now as signs of cultural inertia - as failures to manage successfully the transition to the capitalist world of labour. But...the modified and adapted vestiges of “traditional” practices may still be a last line of defence against adverse material conditions” (Sylvain 1997:343).

The inevitable transition for San communities to a capitalist environment poses a formidable challenge because of complex socio-economic and cultural factors and the following are some of the realities that need to be taken into account when considering development programmes⁶³:

1. Sedentism without secure access to natural resources and other economic opportunities will make development efforts among the San problematic.
2. Though traditionally egalitarian, gender stratification has increased dramatically in San communities and development programmes need to give special attention to this.
3. The San have a tradition of immediate consumption that makes it difficult for them to plan rationally for longer-term goals. The pressures of poverty also cause immediate consumption.
4. Lack of education, extreme poverty, lack of productive resources and cultural factors causes many San to be unfamiliar with a capitalist environment and the demands of cash management.
5. Marginalisation, poverty and dependency has given many San a low self-esteem and created forms of “internalised oppression”⁶⁴. This has led to a pessimistic outlook on life, increased violence and alcoholism.
6. Well-meant but often ill-advised programmes of hand-outs by the government and some development organisations perpetuate dependency.⁶⁵
7. Many San play opportunistic roles in response to domination by outsiders. Dependency has broken the relationship between labour, income and consumption. Lack of accountability and the attitude of irresponsibility that can be observed among many San is both a consequence of their oppression and a strategy to exploit the resources of others.

8. Passivity is a real problem in many San communities. Apathy is partly a response to marginalisation. But traditionally San also optimise by doing just enough to survive and then sit back, even when resources are available. That may have been a suitable strategy in handling situations of scarcity in the past, but makes them ill equipped to act like a profit maximising capitalist entrepreneur today.
9. San are consumers of whatever presents itself and share what they consume. Though storage is replacing generalised reciprocity, accumulation is not the ultimate goal, balanced social relationships are.
10. Sedentism without economic alternatives has greatly reduced the effectiveness of social storage for risk sharing as it de-linked kinship and economy. But a strong levelling ethos continues to be present in San society, which makes many San uneasy with the capitalist principle of competition. This is changing rapidly, due to increasing stratification and interaction with other groups⁶⁶.
11. San are individualistically oriented in their strategies and did not manage their resources jointly in the past. Their past organisation probably did not need the more complex social institutions common to almost all other societies, which required a socialisation process of learning to co-operate around a wider cause or giving up something for the common good. However, San kin relationships are extremely flexible and, given the time and resources, can adjust to new realities.
12. Depending on the remaining access to foraging resources and the level of interaction and submission to other peoples, San groups in different parts of the country responded differently to these pressures, resulting in great local variation. The San in the Ghanzi area are probably among the most disempowered and have the most limited resource base. It cannot be assumed that communities are cohesive or that co-operation in programmes across wide sections of the settlements can be achieved easily.

4.2. RURAL FINANCE

4.2.1. The early subsidised programmes

The beginning of credit services for poor people can be found in the 1950s, when governments and international aid donors began to subsidise credit for agricultural inputs to

small farmers in rural areas. It was assumed that poor people generally found it difficult to get access to credit on reasonable terms, especially from informal money lenders. By providing cheap credit to poor farmers, these farmers could avoid going into unmanageable debt, thus enabling them to produce for subsistence farming as well as for the market and become self-sufficient. Most of these programmes were managed by agricultural banks and experience has since shown that very few of them have been successful. Expected returns on investment were often overstated and were based on agricultural yields for good years, debt recovery has generally been problematic and waiving of debts frequently became a tool for political patronage. For many people, credit was not greatly different from a gift. Farmers became used to lax loan collection and demanded more “unconditional loans”, meaning that they saw them as grants and had no intention to pay them back. Another disadvantage that has been mentioned is that non-poor farmers largely captured funds available for loans, with subsidies thus channelled to the non-poor. Savings mobilisation in rural areas has largely been ignored. Failure became the norm of these forms of subsidised credit (Johnson and Rogaly 1997:5, Adams, Graham and Von Pischke 1984:1, 230, Adams 1984:19, Adams and Von Pischke 1992:1466, Buckley 1997:1088, Vogel 1984:248, Adams and Vogel 1986).

4.2.2. A new appreciation for market-based solutions

The widespread failure of these programmes led to a rethinking in the 1970s and a move towards more market-based solutions. Credit is of course the same as debt and without a realistic assessment of borrower capacity, credit might well be oversupplied, leading to either further impoverishment of the poor or to widespread default and unsustainable programmes. A new appreciation also grew for the role of informal financial markets⁶⁷. The informal money lender was earlier regarded as an extortionist and little better than a “plague on poor people”. Now the understanding has grown that such people often provide vital financial services to the poor with easily accessible and flexible credit, with no demands for collateral and no restrictions to usage. In the process these lenders run high risks and absorb high transaction cost for screening, supervision, and collection, making it necessary for them to charge appropriate interest rates to make their business viable. Rather than trying to regulate informal financial services out of existence, governments should recognise that they provide a complementary role to financial institutions (Adams and Fitchet 1992:4).

A number of economists began to argue that the provision of credit is best left to the private sector. Only vital and formal financial intermediaries can provide the numerous small and large loans, the necessary security and liquidity and the capacity to mobilise the large volumes of deposits which all are needed to make low-income countries self-sufficient in their capital formation efforts. Subsidised credit creates savings disincentives, skews financial markets, directs financial resources to unproductive investments and generally benefits large borrowers, not the rural poor.

In reaction to these arguments it was pointed out that poor rural producers require small loans and are therefore not attractive clients for commercial financial institutions as these increase transaction cost. Even when available, such loans will attract high cost for rural poor for travelling and processing, they are usually inflexible and often take long to process. Marginalisation and corruption may otherwise make these services inaccessible. Furthermore, the shift in attention to the private sector ignores social ties, power relations and the coercion exercised by many informal money lenders, which often lock poor borrowers into structural dependency relationships with powerful local people, such as landlords, employers and traders (Buckley 1997:1086, Adams and Fitchet 1992:2-4, Johnson and Rogaly 1997:6, Adams 1984:19, SIAPAC 1991:xiv, Vogel 1984:249-253).

4.2.3. Credit services based on social collateral

Against this background, the pioneering work of the Grameen Bank in Bangladesh has attracted widespread attention. There was little knowledge or consideration of possible alternatives to requirements of physical collateral for loans among formal financial intermediaries. And in the absence of such alternatives, it was impossible for most poor people to borrow. The Grameen Bank began using social collateral in the form of peer group monitoring to reduce risk. The rules of such schemes specify that self selected groups of poor people – meaning they owned assets worth less than half an acre of land – begin making very small savings deposits and undergo an intensive training programme. Loans are subsequently made to two members at the time and have to be repaid over a period of 50 weeks. Attendance at weekly meetings is compulsory and group members are ultimately responsible for each others' loans. These rules have effectively excluded the wealthy, who had until then monopolised most of the subsidised credit available because of their political connections. The programme is targeted at women and was able to reach over two million borrowers in

Bangladesh, 94% of whom were women, with default rates that were under 3% in 1987. Through this structure, Grameen was able to provide for individual and social accountability and impose discipline on its poor borrowers. Furthermore, by reaching economies of scale, Grameen was able to reduce subsidies from 21% in 1991 to 4% in 1994. Factors behind its success were the purposeful targeting of the extreme needy, a strong management system, an emphasis on loans that generate regular incomes, collection of repayment in small amounts and staff motivation (Khandker, Khalily and Khan 1995, Hossain 1988:10, 50). Other factors that have been mentioned as having a positive effect on Grameen and similar programmes are a high population density, high liquidity of savings, no restriction to the use of credit, flexibility and prompt responsiveness of financial services.

4.2.4. The current “microwave”

The example of Grameen in providing micro-finance⁶⁸ services to poor people using social rather than physical collateral has been widely emulated around the world and has understandably generated considerable excitement among donors and NGOs. Micro-credit is presently seen as one of the most important ways to combat rural poverty and enable poor people to get out of what has been called the poverty trap - the vicious cycle of low investment leading to low income leading to low investment. The prestigious "Micro-credit Summit Campaign", launched in the 1990s, has as its stated goal "working to ensure that 100 million of the worlds poorest families, especially the women of those families, are receiving credit for self-employment and other financial and business services by the year 2005". It is working with at least 900 practicioning institutions that emphasise reaching the poorest, especially women, through sustainable financial institutions that demonstrate a positive and measurable impact (Countdown 2005:1,16).

By now, quite a number of impact studies have been conducted on Grameen and other programmes that use social rather than physical collateral. While recognising the many positive contributions of intensely managed micro-finance programmes, a number of more critical observations have also been made.

One negative impact of programmes has sometimes been the increased indebtedness of borrowers who do not have the potential for productive investment. Grameen has also been

less successful in reaching landless agricultural labourers because of their timidity and lower entrepreneurial skills. Lending for group enterprises has been disappointing.

Social collateral components also need to be carefully designed. Self-selected groups for peer monitoring do not always include the poorest people. Solidarity mechanisms that use joint loan liability and thus peer pressure to enforce repayment discipline have sometimes been criticised as causing social stress. If such programmes are not combined with measures to protect individuals, they may erode trust and mutual support.

Most programmes distinguish between loans taken for productive and consumptive purposes and discourage the latter. An analysis of loans taken in Cameroon for example, showed that only 11% of such loans were really used for investment purposes, suggesting that a more flexible usage of loans should be considered and pointing to the often artificial differences between production and consumption.

Micro-credit programmes are considered successful if repayment rate and outreach is high, but this does not say anything about improved micro enterprise performance, only about borrowers' ability and willingness to repay. The measurement of the impacts of loans on borrowers has proven to be difficult, ambiguous and often misleading. There seems to be little evidence of significant and sustained positive change in the lives of participants and the overall effect of credit in reducing the vulnerability of the poorest may be limited, especially in increasing savings, expanding demands for goods and services produced by vulnerable households, or encouraging the adoption of ways to reduce risk (Montgomery 1996:290, Bouman 1983:266, Adams and Von Pischke 1992:1447, Buckley 1996:21, 1997:1091, Christen, Rhyne, Vogel and McKean 1994:6, Hossain 1988:40, Johnson and Rogaly 1997:12, Nwankwo 1994:20, Sebstad and Chen 1996:18, 66).

In spite of the dramatic growth of micro-credit programmes over the last decades, Adams and Von Pischke (1992:1468,9) are sceptical about credit programmes for poor people in general and are of the opinion that "...debt is not an effective tool for helping most poor people enhance their economic condition."

4.2.5. An increased emphasis on savings mobilisation

These last comments raise a fundamental criticism that has been directed at many micro-credit programmes. Efforts to increase credit availability are not always combined with equal efforts to increase savings mobilisation and the insight is growing that savings mobilisation has advantages over credit as a means of combating rural poverty. The arguments are as follows: the idea that rural people cannot or do not save is a myth often cherished by development planners and policy makers. Rural people need to save in order to level uneven income flows and will do so, even in the absence of financial instruments (Bouman 1984:233)⁶⁹. The availability of savings opportunities will discourage unproductive household consumption, while increasing their capital and resource base and consequently, their bargaining power. Lenders who mobilise a significant portion of their lendable funds through savings deposits generally develop more self-discipline, tend to have fewer problems with loan recovery and are less prone to political intrusion. Savings mobilisation is vital to the financial health of rural financial institutions. By their nature, financial intermediaries serve more savers than borrowers, as more people require savings deposits than loans and have individual deposits that are on the average smaller than loans. Policies that focus on improving services for savers, not for borrowers, are thus the route for helping the rural poor. The most important service that financial institutions can provide for rural savers is the opportunity to hold liquid deposits, paying interest rates that are positive in real terms. It was suggested by some that institutions therefore should subsidise savings rather than loans as a rural development strategy, combining this with low ceilings on the size of such deposits in order to discourage abuse by the rich.

In addition, attention has been drawn to the role of many informal associations that provide savings and credit services to members and from which micro-finance programmes can learn. The informal rural financial programmes that work in Gambia, and elsewhere in Africa, link loans and deposits, and they combine elements of individualism and collective responsibility. Group-based savings and credit systems tend to work more smoothly than individual-based ones among the rural poor, and particularly among women. One reason is probably that they allow individuals to save without seeming selfish to their neighbours and kin (Nwankwo 1994:11, Shipton 1992:26, Vogel 1984:250).

4.2.6. The need for a comprehensive poverty alleviation strategy

However, savings mobilisation has not always proven to be possible. A study of seven projects that incorporated it as part of the design, showed that only two reported some degree of success, pointing again to the fact that there is not a single good solution to the financial needs of the rural poor (Buckley 1996:21, Christen *et al* 1994:47, Sacay and Randhawa 1995:15). An emphasis on the provision of savings and credit services alone is not adequate and a total poverty alleviation strategy is needed beyond the provision of financial instruments.

I side with proponents of such a holistic approach that hold that many poor households do not have the resources and skills available to operate a viable business and argue for an empowerment model that takes a more broad, structural and comprehensive approach to increasing income and employment opportunities. For example, resource management strategies that give the poor ownership of and control over productive assets as a precondition for income generation and savings (Sebstad, Neill, Barnes and Chen 1995:66). Such strategies should also address issues such as local power structures, community mobilisation and training needs and market access. This illustrates again some of the earlier arguments that income poverty is only one piece of the puzzle. By concentrating on this alone, whilst ignoring other interlocking dimensions of poverty such as ethnicity, marginalisation, decision making processes within communities, apathy and other factors, forms of reductionism are practised that ignore the highly complex nature of social change (Gardner and Lewis 1996:97).

A micro-finance programme for the San people in the Ghanzi district needs to take complex realities into account such as the history of the San people in the area, the absence of local markets and the limited opportunities for self-employment in the settlements, lack of education, marginalisation, extreme poverty and sense of powerlessness. A significant constraint is also the lack of experience with the demands of a monetised economy of which many characteristics provide dilemmas in the light of the sharing ethos and ideology of generalised reciprocity common in San society.

4.2.7. Limitations of savings and credit programmes

All the literature about successful financial institutions stresses that the conditions for establishing a viable rural financial institution are a relatively high population density, a monetised environment, access to communications as well as investment opportunities. These conditions may not apply to particularly marginal or vulnerable groups, especially in remote and unproductive environments such as the desert (Johnson and Rogaly 1997:1, 47, Christen *et al* 1994:30, Donald 1976:53, Hossain 1988:81). Micro-credit programmes simply need volume and economy of scale in order to become financially sustainable⁷⁰ and the cost of working with very remote rural poor will always exceed revenues, both for credit as well as for savings activities. Indeed, even a successful model such as Grameen may not work in sparsely developed areas with an underdeveloped transport system (Khandker *et al* 1995:82, Hossain 1988:11). In addition, special constraints exist in Botswana that will make the operation of any form of small-lending scheme highly problematic. These are discussed in paragraph 4.2.9.

Another more decentralised approach for the provision of rural financial services is the Village Banking model, which works with completely local financial self-help services. It has the development of a permanent community institution controlling its own finance as a central feature and is therefore more suitable for remote areas. All financial activities are managed by a simple, transparent and self-sustained village level financial institution. But this approach requires enough local capacity for the complete management of this institution, including the development of a constitution and by-laws, loan provision and debt recovery and account management (Nelson, McNelly, Stack, and Yanovitch 1996:4-8). It also presupposes local investment possibilities.

4.2.8. Micro-finance and indigenous people

a. Financial sustainability

The realities of remoteness and small scattered communities are all too present in the project area in Western Botswana. The cost of having small amounts of cash in long transit distances, fidelity insurance, cost of handling and general overheads are high. The fact that micro-finance programmes need an economy of scale makes it improbable that the development of

sustainable financial services to remote and small San settlements, and indeed many other indigenous communities, will be in reach for the foreseeable future. But there are still good reasons why long-term subsidies for such services can be considered. The Australian Aboriginal Development Commission supported projects that "...need not to be necessarily economically viable if they can contribute to the social or economic benefit of the community involved..." (Young 1995:105). The same is true for San communities. Apart from creating opportunities for savings and self-employment, micro-finance has a strong potential for empowerment, teaching San communities to work with their own resources, setting their own development agenda and creating a new, non-traditional common property. It has already been argued that viewing poverty only in terms of income and assets misses important dimensions such as isolation, powerlessness and vulnerability and these are dimensions a micro-finance programme could possibly address. For these reasons such a programme can be successful in other terms and may be well worth a subsidy (le Roux 1998:28, Johnson and Rogaly 1997:54). The issue of long-term sustainability and possible withdrawal over time of donor funding will naturally be a concern, but should not prevent a pilot phase. Apart from the problems at Kuru that are described in Chapter 5 and that resulted in the loss of some donor funding, this particular target group has enjoyed long and benign interest from the world at large and continued donor funding, though perhaps on a more limited scale, is likely. This of course can change and steps should be taken so that possible liabilities of Kuru will not extend to depositors. At the same time, even during the pilot phase, steps should be taken to increase the involvement of the formal financial sector, for example by the incorporation of Bank of Botswana savings certificates into the programme. Linking the San to the formal financial sector will assist them to use the rights of all other citizens which is the appropriate strategy in the long run, rather than continuing to single them out for special treatment.

b. The constraints of the sharing economy

"Black people will borrow you a cow. Maybe for two years. After that they will calculate how many calves the cow could have, and you will have to bring some calves. With the Ncoakhoe it is different. If someone borrows a cow from you and you will have to wait well over a year, you will never get more than your cow back and he will feel OK about it. You will be lucky even to get your cow back (laughter)" (James Morris 1998).

According to Beauclerk *et al* (1988:79), many revolving loan funds with indigenous communities have been successful. They provide no details of specific cases and these are indeed hard to come by. According to the examples of which I am personally aware, this picture is less positive. The first and oldest micro-credit programme operating in reservations in the US is the Oglala Lakota Fund in "Pine Ridge Indian Reservation", which is modelled after the Grameen Bank. It is considered quite successful, but is barely able to keep its revolving loan fund in tact, in spite of having many grants and soft loans in its revolving fund and without taking any of the operational and opportunity cost into consideration (Dani Not Help Me, personal communication, October 1997. Lakota Fund 1994). Calmeadow, a large experienced Canadian NGO specialising in micro-credit, stopped its programme in native Canadian communities after five years of operations because of disappointing portfolio performance, with 17 out of 20 participating communities failing to impose appropriate credit management discipline. Calmeadow acknowledged it had underestimated the requirements for intense involvement (Connel 1998:3). A micro-credit fund providing subsidised agricultural loans to native communities in the Philippines faced serious repayment problems, with only 10% of the 300 borrowers paying back their loan on time, although the project was considered successful in other terms (NORLU CEDEC 1998 *passim*).

Some problems in micro-credit programmes for indigenous communities might be related to aspects of programme management or design. I suggest that contributing factors would probably also be kinship obligations and an emphasis on sharing, as well as the limited anticipatory and budgeting skills, and other factors common to many indigenous communities, especially those with immediate-return traditions. I have not yet come across any micro-finance programme that was specifically designed for groups that have a tradition of generalised reciprocity. A lack of experience in a monetised society and a culture of immediate consumption may cause high default rates and such a programme will have to pay serious attention to debt-collection arrangements and group solidarity rules.

Bird-David (1990) provides an interesting metaphor on the economy of the San and other immediate-return societies by comparing their relationship with nature to the functioning of a western bank. She argues that the economic behaviour of hunter-gatherers, apparently lacking any concern for tomorrow, makes sense if we see it in the light of trust on nature's abundant resources, similar to the social institution of a bank. If in western society all people would

withdraw their savings from the banks at the same time, the system would collapse. But as we trust the system, only a few people at the time claim their deposits. Both nature for foragers, and the bank for western people are systems that are concerned with the circulation and storage of resources. The bank is a system that only works if people do not withdraw proceeds from it to hoard, or circulate it within small, private circles. Just as the San allow the ecology to rest and grow by moving to other areas, resources left in the bank can also grow, by "resting" there and generating interest. Sharing becomes a way for hunter-gatherers not only to reduce risk, but also to accumulate wealth by leaving resources to circulate and grow in nature's system and trust it to supply when "deposits" in game and veldfoods are claimed⁷¹.

Bird-David explores a metaphor to increase the understanding of the economics of hunter-gatherer societies, and finds it useful to see "nature as a bank". The perspective I bring is different, and I would like to apply the metaphor in reverse. The San people have all but lost their access to nature's abundant resources and need new ways to deal with the demands of their environment. It is not us that need to understand them, but the San themselves need to increase their understanding of the current economic realities by exploring the metaphor - through concrete programme participation - of seeing a "bank as nature", as a new non-traditional asset that has to become part of their economy, as a safe and productive alternative for insurance, since "nature" and "social relations" are no longer adequate for this purpose. This "bank" may provide some of the same functions they expected from the natural environment, such as confidence, circulation, storage, and the increase of wealth through letting resources rest (by interest). In a micro-finance programme, such metaphors may provide useful ways for design and learning as well as hope for potential success.

4.2.9. Savings and credit in Botswana

A word of caution should be given about rural finance in the African context. The track record of the performance of development banks, savings schemes, co-operatives, community and village banking operations in Africa is generally poorer than in other parts of the world and the situation in Botswana is probably even worse. The only credit scheme for small and easily accessible loans ever tried by a commercial bank in Botswana was the "No-Matatha" scheme operated by Standard Chartered in the late 80s and early 90s. It was a dramatic failure and almost destroyed the bank. Domestic savings in Botswana are negative, the public

response to the availability of long-term savings instruments is disappointing, the volatility of banking transactions is exceptionally high, and almost all credit is utilised for consumptive, rather than productive purposes and does not generate income for loan repayment. It is no wonder that one knowledgeable source (ex-governor of the Bank of Botswana Hermans, personal correspondence 1999), after ticking off how in the past decade dozens of commercial and development banks failed across the continent, describes the problems that beset financial institutions in Africa as “environmental and systemic” and forcefully advised Kuru not to venture into micro-finance.

In the light of these arguments and the remoteness of rural communities in Botswana, it is not surprising that rural financial services do not exist in Botswana⁷². Especially in the sparsely populated areas, rural communities may find themselves at distances of up to several hundred kilometres from the nearest bank or post office. The government has expressed concern about negative household savings and “several aggressive policy initiatives” are planned that aim at savings mobilisation (MFDP 1997b:42,130), such as a savings certificate programme that operates through the post offices. There is a recognition that imperfections in the financial system, such as the lack of interest by commercial banks to provide small or long-term loans to small borrowers, restrict the ability of the poor to borrow and it was concluded that “...Government should investigate the potential for community-based micro-savings and lending schemes, perhaps with NGO support⁷³, with a view to enabling the poor to accumulate sufficient capital to open up access to FAP funds. Such schemes might eventually become the focal point for channelling other support to ease the financial constraints of poor entrepreneurs” (SIAPAC 1991:xiv, MFDP 1997b:189). The FAP (Financial Assistance Policy) of the government of Botswana has been one of the main instruments of providing grants to small entrepreneurs and requires a financial contribution from the applying individual. The size of subsidies is linked to districts and in some areas, small savings can provide access to grants equalling 900% of these savings. In spite of this very attractive arrangement, FAP is often still inaccessible for the poorest, as they do not have adequate funds for this contribution and because of other bureaucratic requirements.

The Botswana Government has not yet addressed some of the financial sustainability issues of rural financial services in its planning documents. In the light of FAP and the other highly subsidised development activities, my assumption is that the government may be willing to

provide long term subsidies in the form of training and extension services to micro-credit programmes.

The realisation exists that official policies in the past have led to widespread dependency in the rural areas on government assistance, leading to, amongst others, a general lack of understanding for the need to pay interest on loans (MFDP 1997a:1, SIAPAC 1991:xix). It is recognised that a more "bottom up" and community based development strategy is required that emphasises support for the initiatives of rural communities to address their own problems, rather than continuing a programme of hand-outs. It is therefore hoped that the government will not fall in the trap of heavily subsidising credit for rural entrepreneurs (which will invariably lead to large losses) and will aim at achieving financial viability for any possible micro-credit activity while concentrating on savings mobilisation.

In the light of these warnings and realities, one may wonder if a rural finance programme in Botswana should be started at all. Based on the arguments in this and the previous chapter however, Kuru feels that there is no choice but to embark cautiously on activities that will teach rural San communities to work with money, plan, save and begin to deal with financial markets, with an emphasis on savings and education. The most important value of loans would be to assist people to increase their planning and budgeting skills, rather than providing credit for rural investment. Such loans should have savings deposits as collateral. The methodology chapter has developed these arguments in more detail.

It is in this last aspect that the major difference lies between the approach of this initiative and the approach of Grameen bank and other rural financial programmes.

1. The purpose of Grameen bank and similar micro-credit programmes is to make credit available on reasonable terms to rural entrepreneurs in order to deliver them out of the poverty trap of low income leading to low investment and productivity, leading again to low income. They use social, rather than physical collateral to secure high repayment rates. Most capital for lending purposes is acquired through grants or soft loans with a much more limited amount through savings mobilisation.
2. The rural finance programme that is the subject of this research had savings mobilisation, rather than micro-credit as main aim. The reason was partly the poor performance of such

programmes in Africa and Botswana (Hermans, Personal correspondence 1999) and the risks associated with it. The main reason though, was the absence of opportunities for productive investments in the remote areas of Botswana, combined with the need for people to begin saving to buffer irregular needs and to save for larger needs or wants. Such savings activities are made difficult because of the absence of rural financial services in Botswana, cultural aspects of an immediate-return society and of the dependency caused by marginalisation. By its original design, which was unfortunately poorly implemented during the pilot phase, the micro-credit activities of this programme had two purposes:

- Training, planning and budgeting. Through monthly meetings with extension staff, these groups would manage and monitor their loan activities. There was a good potential for training and education in this programme.
- Help to develop long-term assets. When people would borrow with their own savings – kept in a fixed deposit account - as collateral, they were to some extent "Borrowing tomorrow's money whilst keeping yesterdays intact". Administratively participants would. In practise, they use their own money and the credit component is an artificial construct. Interestwise the net result is zero. But if participants would succeed in "paying back", they would have actually doubled their savings. If this process could be maintained, even with only limited success, liquid assets under control of the community might grow. By only having a cycle of depositing-withdrawing, income flows could be evened out and some forms of capital assets developed (e.g. cattle, housing, donkey cart, television). These assets are obviously not liquid. Borrowing against savings that remain banked and intact (except in case of a default) holds the potential of increasing liquidity under individual and community control. And the development of some kind of access to financial markets and capital asset development is seen as essential for the survival of rural communities. If this component proves to be less successful, the emphasis should shift to savings mobilisation only, through a variety of savings instruments.

4.3. POPULAR PARTICIPATION IN DEVELOPMENT

4.3.1. From top-down to bottom-up

Community development initiatives have their origins in agricultural extension work in the US and India in the late 19th and early 20th century which aimed to stimulate local initiatives for community self-development efforts. Efforts peaked in the post-colonial and cold-war period of the 1950s and 60s. Community development stressed the mobilisation of local resources. A subsequent emphasis on “Integrated Rural Development” in the 1960s and 70s followed and was mostly concerned with the delivery of services and programme inputs in rural areas. It represented fine-tuning of programming efforts and not a fundamentally new approach. Both this and the earlier community development efforts have been criticised as being incapable of developing local leadership, unable to encourage community initiative, avoid an elite bias, and generate incomes and employment for the rural poor in a sustained manner. Both approaches depended heavily on outsiders for development planning and stimulating community participation in development (Chambers 1983:18-19, Swanepoel and de Beer 1995:12-17).

The Basic-Needs Approach (BNA) of the 1970s, developed by the World Bank and the International Labour Organisation, represented a renewed focus on eradicating poverty through meeting basic human needs, by providing access to goods and services by the poor. BNA failed to develop a methodology on how to meet these needs and lost its appeal as a separate approach. The poverty-focus was picked up later when the attention shifted to the philosophy and related methodologies of “participatory development” (Swanepoel and de Beer 1995:18-19).

4.3.2. What is participation in development?

Participation can be understood in varying ways. Sometimes free local labour, or “sweat equity”, given in exchange for project benefits has been called participation. There is little difference between this type of “participation” and the payment-in-kind or food-for-work schemes of labour based public works programmes in Botswana (earlier called drought relief projects). Such schemes can be important means of supporting refugees or destitutes while

not degenerating into dependency-creating hand-outs, but they have little to do with popular participation in development.

Participation can refer to information sharing, to consultation, to decision making and to initiating action (Eyben and Ladbury 1995:198). The last type, initiating action, presumes giving local people power over both programme design and implementation and indicates a more involved form of participation and one may argue that the other types mentioned are not participation at all. Participation then means the process whereby communities and individuals take part in defining their own needs and come up with solutions to meet those needs (Hitchcock 1998b). The issue of popular participation in rural development has become increasingly important over the past decades and there is now a general recognition that development efforts are doomed to fail if the whole process of analysis, design, implementation and monitoring of development efforts is not done in a "bottom-up" way, so that rural people are masters of both the process and the product and are no longer clients of development efforts of outsiders.

A more radical definition of participation argues that it is not enough if communities are allowed to indicate their priorities or are allowed to provide input in the development planning process. Participation does not only stand in the service of good outcome of projects, but has a different objective that goes beyond this. It should lead to communities controlling and directing their own affairs, thereby initiating a shift in the balance of power in favour of oppressed and marginalised groups in society (Swanepoel and de Beer 1995:54).

This notion of participatory development is more concerned with empowerment and autonomy than with resource mobilisation and has come to dominate the debate on community development during the last decade. When understood in these terms, the basic ideology of participatory development is "...that a self-conscious people, those who are currently poor and oppressed, will progressively transform their environment by their own praxis. In this process others may play a catalytic and supportive role but will not dominate" (Fals-Borda and Rahman 1991:13).

4.3.3. Participatory research

This way of thinking has also greatly affected the methods for analysing and assessing rural realities and the monitoring and evaluation of development efforts. Until this shift in perspective, research efforts were mostly conducted by detached outsiders and concentrated on the collection of quantitative data and their subsequent analysis in offices and universities far removed from rural realities. Data collection was expensive and time-consuming, limited the input from rural people to answering pre-coded questions, reduced complex and dynamic rural realities to simple and quantifiable variables and subsequently led to many misguided top-down development programmes (Chambers 1997:95). Based on a new understanding of the requirements of participation, a whole family of analysis and appraisal techniques evolved that departed from so-called "scientific methods" to methods that stressed popular knowledge and involvement, acknowledged local complexities and provided rich and almost immediate insights. Proponents argue that it is better to be approximately right than precisely wrong and better to make a shrewd guess about what is essential than to measure exactly what is irrelevant (Taylor and Bogdan 1998:10, Chambers quoting Keynes 1997:41). Participatory and Rapid Rural Appraisal Techniques (PRA and RRA) focus on understanding people on their own terms and involve local communities in analysing problems, planning for change and implementing and monitoring projects through techniques such as transect walks, mapping and modelling, direct observation, semi-structured interviews, local analysis of secondary sources, seasonal and daily time use calendars, case studies, well-being grouping, local analysis of wealth differences, etc. PRA techniques are being used in a wide variety of projects and programmes such as natural resource management, agriculture, poverty studies, health and nutrition and the analysis of urban problems (Chambers 1997:130-148). PRA has become a common and often required methodology for projects by many donors and the terms "participation" and "community-based" have become standard jargon in development thinking. From personal experience, Kuru knows that it is wise to richly sprinkle reports and proposals with this politically correct terminology. But the fact that "PRA-type" activities are conducted in the early phases of a project is of course no guarantee for true participation. As van Diessen (1998:8) observed:

"All too often, PRA is no more than window-dressing for an essentially top-down approach to development. In better situations, the community gets some extent of say in a development project, but its main aims and objectives and the mode of implementation are mostly set by outsiders. It is very rare to find a development project in which the problem analysis, goal setting, implementation and evaluation are entirely community-led."

There is a danger that PRA will degenerate into no more than a fashionable technique. A simple PRA process of a few days or weeks at the beginning of a project cycle is no substitute for true participation and may actually do more harm than good by raising expectations without transferring real ownership to communities. True participation requires a shift in power and control over both process and outcome, to the communities concerned and demands processes of research, reflection and action that consistently involve the communities. A definition of what this type of research and action involves was given by Selener (1997:12)

"Participatory research is a process in which members of an oppressed community or group actively collaborate in the identification of problems, collection of data and analysis of their own situation in order to improve it. Thus, it is a process which integrates research, education, and action...A major goal is to solve practical problems at the community level. Another goal is the creation of shifts in the balance of power in favour of poor and marginalised groups in society. These goals are viewed as conditions for promoting self-reliance and equitable development at both community and national levels...(R)esearch is not value free, but linked to transformative actions, with the active participation of the oppressed throughout...The researchers role is that of catalyst for social change, as well as co-learner with the people. He or she does not pretend to be detached, as does the traditional researcher, in the name of objectivity and neutrality."

The terms participatory research and action research are used interchangeably and I have not been able to identify distinguishing differences between the two. Characteristic of effective participatory or action research is the integration of education, practical problem solving actions as well as reflection and a focus on long-term community-based change efforts (Selener 1997:17, 220, Verhagen 1984:33, Gardner and Lewis 1996:116). As Selener (1997:35) has said:

"Change comes only when actions are guided and informed by reflection. These actions must then be analyzed again, creating additional knowledge in a constant process of reflection and action. This...dialectical relationship involving theory and practice, or praxis" (Selener 1997:35).

Participation has become fashionable, but recently warnings have been given that the notion of community participation is itself problematic if no great care has been taken to consider complex local diversities. Significant and cross-cutting local diversity in issues like gender, age, class, ethnicity and wealth can be masked in vague notions of "community" (Gardner and Lewis 1996:12, Beauclerk *et al* 1988:9). This is also an important reality in the RAD settlements of the Ghanzi district, with their lack of secure tenure for the San groups, the influx of ethnic outsiders, increasing gender inequality and social stratification and, last but not least, the kinship structure of the San society that divides the settlements. In this light there is something to be said for understanding the concept of community as the "lowest level of aggregation at which people organize for common effort" (UN definition, quoted by Swanepoel en de Beer 1995:41). For the income-generating projects in the settlements that are supported by Kuru, where labour requires some form of common effort, this normally means that most individual members of self-selected groups of individuals will be in band- and kinship relationship with one another (87% of all Kuru's project participants are San). Within such groups, significant differences (e.g. related to gender) may still exist, yet these small units will form relatively homogeneous groups with common interests.

4.3.4. The need to institutionalise participation

Verhagen (1984:18) has defined participatory development simply as "... the development of institutionalised channels for popular participation", yet this definition draws attention to an important aspect of participation that is increasingly receiving attention, i.e. its need to be institutionalised in order to have long term effectiveness. He notes that "...even with the best of programmes and administrative arrangements, little can be done to secure rural participation without building up adequate structures of institutions and organisations of the rural poor" (Verhagen 1984:190). Communities have knowledge which needs to be harnessed, but this knowledge for survival has often not been translated into power for collective decision and action. It has to be identified, analysed and applied in collective action that can benefit a whole community and this requires a certain level of organisational capacity (Selener 1997:25). The more radical notion of participation-as-empowerment means "...taking greater control over a situation by increasing the options for autonomy, reflection and action, especially *through the formation, development and strengthening of institutions*" (Selener 1997:204, italics mine). If such institutionalisation of empowerment does not take place, there is a danger that participatory programmes, while emancipating the rural poor in

their relationship with some institution of power, establish new forms of dependency, and this time on the development intermediate (Gianotten and de Wit 1991:80). Such institutionalisation could take place with family groupings in communities with significant local stratification or ethnic differences, or with communities as a whole.

This draws attention to a fundamental problem of the use of PRA by development agencies. As van Diessen (1998:46-47) argues

“The most fundamental and little discussed problem concerning the use of PRA by development agencies is again related to power, in this case the power of the development agencies *vis-à-vis* the communities where it works. Development agencies have agendas, which are partly self-imposed and partly imposed by the donors...They have goals and objectives, ideas, mission statements, policies and procedures...the agenda puts serious constraints on the extent of community participation in development... (Development agencies) have to deliver, spend donor money according to agreed programmes so that new donor funds can be applied for. They have their mandate to which their constituency holds them accountable. In this set-up it is hard to avoid agency-led development projects.

Marsden, Oakley and Pratt (1994:11) note that strong CBOs⁷⁴ are needed to institutionalise participation and increase chances for the sustainability of projects, decrease dependency and reduce the dangers of exploitation. Van Diessen (1998:49) goes a step further by arguing that intermediary level institutions are required, free from the pressures development agencies face, to create linkages between CBOs and development agencies and provide the services needed by communities. He suggests that NGOs or regional authorities are best placed for this. This suggestion does not solve the question of the power relations that will develop between such institutions and the community groups or CBOs. Selener (1997:220, quoting Maguire) also supports the view that intermediary organisations are required as “effective participatory research projects should be an integral part of a long-term, community or organisationally-based change effort”, whereas the more short-term projects can be effective when conducted through an already established peoples’ organisation.

The last notion, that of a peoples’ organisation, may provide one answer to the dilemma of how to promote community-owned development, without creating new dependencies and power relationships with intermediate development agencies. When peoples’ organisations are under the effective control of a collective of CBOs, opportunities exist for the

development of a popular movement, accountable to its member CBOs, that can also address regional and national issues and can negotiate with government authorities and donors. Naturally dangers also exist in the operation of such a peoples' organisation such as the domination by some member CBOs, by powerful individuals or (expatriate) advisors, as well as a tendency by the CBO membership to focus only on the immediate and local problems without extending the agenda to the wider regional and national issues. These dangers may be even greater for particularly marginal, vulnerable or fragmented groups, such as indigenous and landless minorities in transition and are pertinent for the work of Kuru. An even stronger emphasis on education and long-term capacity building will be required to counter these.

To sustain organised self-help initiatives seems to depend on a number of interrelated factors. A group of well-informed and articulate rural animators is required on a community level to help catalyse and maintain the momentum of the development process. This points to the need for continuous dialogue and education. Secondly, micro-groups should be able to form larger groups on a village and regional level and lead to structures in which popular participation can be institutionalised on a larger scale. Thirdly, it suggests some form of peoples' organisations that are continuously involved in a process of learning, consultation and self-review. Finally there is the need to expand beyond the different CBO and village agendas and move towards a total and comprehensive development effort (see also Tilakaratna 1991:142).

There is now significant recognition at the government level in Botswana that community-based strategies are needed for effective development in the rural areas and the new policy document "Community based strategy for rural development" (MFDP 1997a) has to set the stage for a paradigm shift among the various government services. Though progressive in its thinking, there is little recognition in this policy document of local complexities and diversity in rural areas, especially in ethnic terms, certainly in part because of the public non-racial policy⁷⁵. It remains to be seen whether there will be adequate room for participation-as-empowerment in the dialogue between the government and community institutions. Village Development Committees (VDCs) are seen to be playing an essential role in this new approach and these VDCs are often considered by district officials as little more than the local representatives of the government extension departments.

4.3.5. Securing participation in the context of Kuru's programmes

Securing popular participation in the context of the work of Kuru Development Trust is a significant challenge. The settlements that Kuru works with in the Ghanzi district can hardly be called "communities" in the sense of having a spirit and history of co-operation. The level of apathy and demoralisation in these marginalised and vulnerable groups is high and blocks the personal initiative and self-awareness of many⁷⁶. Recounting suffering and complaining about the sharing of available resources was a manifestation of the foraging economy even in the best of times (Lee 1982:54, Marshall-Thomas 1989:66) and now incessant complaints have become a way to protest through non-participation and non-involvement.

The settlements are fragmented by ethnicity and band loyalties. There is a weak tradition of representative leadership and of conflict resolution, the traditional resource base has been destroyed and alternative economic strategies have not yet developed, because they lack economic opportunities. The ideologies of the foraging and the "modern" capitalist subsistence strategies frequently conflict with each other. Opportunistic foraging strategies, so effective in another environment, often introduce conflict in settlements when all the available resources (including project resources) are exploited in new forms of "naked capitalism" in which the demands of families and individuals for whatever resources available are seemingly insatiable. Finally, a culture of sharing and limited forward planning will make it difficult for people to forego immediate gains for important, but more distant goals.

In this context, a real empowerment process cannot be limited to technically sound PRA-type exercises. They should, through a variety of activities and methods, also engage communities in processes of self-reflection, encourage the co-operation of groups on the lowest level of aggregation and promote leadership development and institution building. The San will have to go through this in order to survive as a people in the present environment. Kuru itself, with its Board being a CBO coalition, is an attempt to promote this process of community mobilisation.

How should Kuru as the development programme of a CBO coalition be managed in order to be both a means for empowerment and a professional service organisation for development? Ten years ago, not many San people had completed as much as a primary school education.

Today dozens attend secondary school and a handful are attending or have completed a university degree. This means that it will take time before San staff can effectively run large and complex projects. Bringing decision making power to the communities is important, but should be done within a slow and responsible process of human resource development. The new power of CBO leaders will only have a disempowering effect, when San communities and leaders are not informed enough and have not developed the experience to oversee the consequences of their decisions (see also Wiessner 1998a:45). One can argue with justification that giving senior managerial responsibilities to people who do not have the experience and skills to handle these competently means setting them up for failure, creates social conflicts and is as bad as top-down forms of development, even when done with the best intentions. Outside advisors are unfortunately required in this process. Forms of continuous dialogues and other checks and balances will have to prevent these outsiders from "taking over" during the long complex process of true empowerment. A head-count of San in managerial positions in Kuru in 1999 may lead the casual observer to conclude that Kuru is "not indigenous", but I see no reason that the Kuru San Board should not hire the best technical support they can get to make their programmes a success in stead of trying to satisfy some half-baked concept of "do-it-yourself" (see also White 1990:278)⁷⁷. San leadership will have to oversee policy, but a handover of project management responsibilities to San staff can only be achieved gradually.

During the course of this project, an organisational development process was taking place at Kuru that attempted to unbundle the movement and mobilisation aspects of its work from the services and projects, in an attempt to solve the problems inherent in being both a grassroots and a service organisation. A national San Council was established with a growing membership and an executive secretariat, staffed only by San, that had the task to mobilise communities and do grassroots work. Kuru was unbundled into seven smaller organisations, some with professional on the Board. This process took place during 2000 and 2001 through a period of great turmoil and is described in some detail in Chapter 5.

It is fair to ask what was being done meanwhile to secure and maintain the ownership of the Kuru projects and self-help organisation in the hands of the San. How could one be assured that Kuru was a true San organisation, rather than an elaborate show run by outside development workers with a handful of Bushmen sidekicks? There was unfortunately no

guarantee that the balancing act inherent in Kuru's way of operating would not shift to the latter, and some San argued that Kuru had become owned by the whites (including some expatriate Africans). Only an honest attempt could be made, within the continuous process of discussion and reflection, to look for structures and processes that would make this possible, without disempowering the leadership with too demanding management responsibilities. Over the years, this search did lead to the development of an avant-garde group of articulate leaders (Saugestad 1998:270) who would fight hard when they saw or sensed a take-over attempt of Kuru by outsiders.

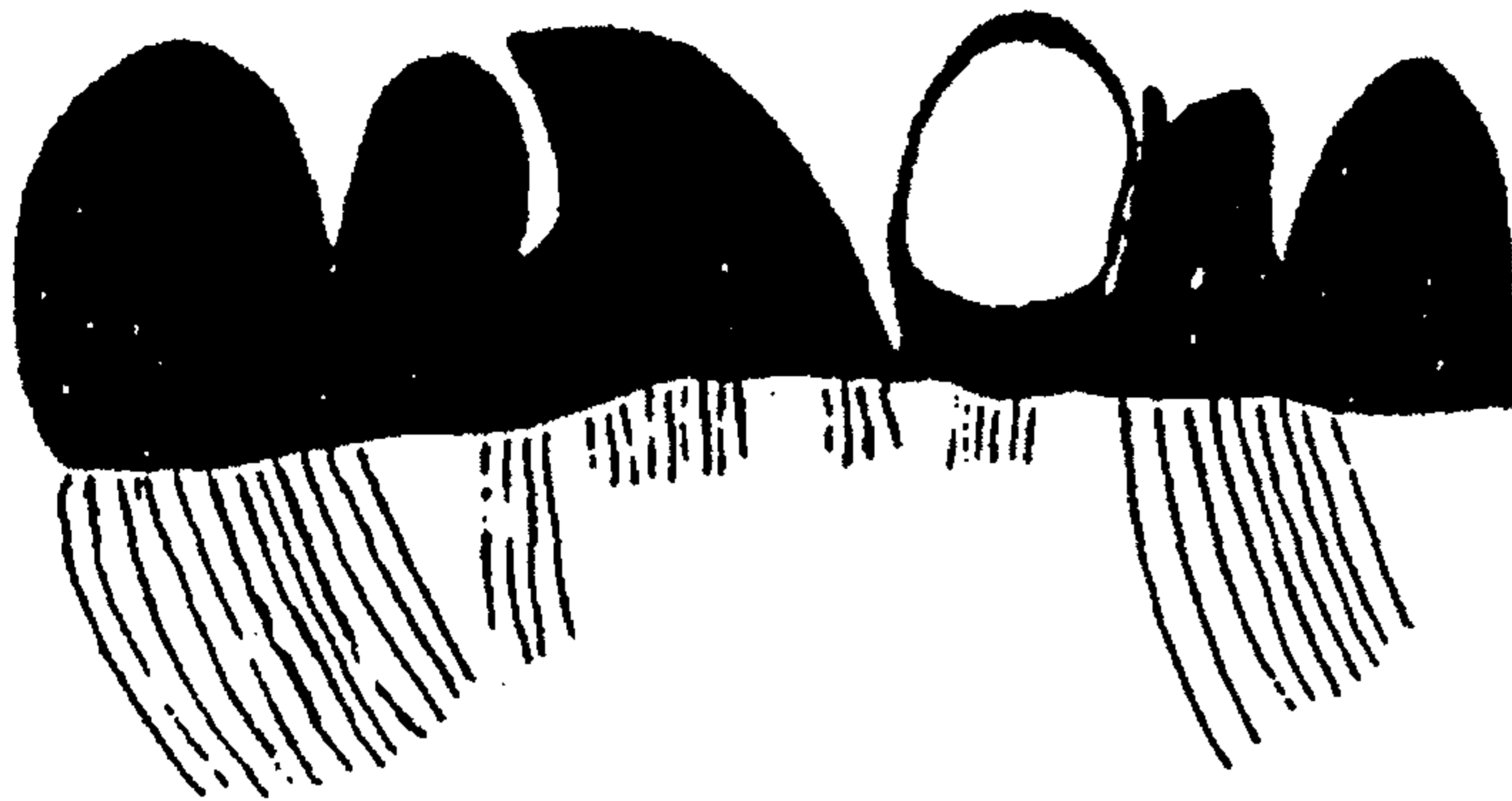
Concretely a true process of action-research could be realised in the rural finance project as it took place in the context of Kuru as a San organisation that involves the larger San community in design, reflection and implementation. This involvement created a strong reference group for programme design and effectiveness. Apart from the "outside" technical support staff, there were four groups of people who could give continued input and feedback. These were:

1. The community groups themselves with whom San field staff worked, i.e. Kuru's direct target population who together numbered several hundred project participants, scattered over communities in the Ghanzi district. Most of these groups participated in weekly or monthly sessions, attended training meetings and gave feedback during annual structured self-evaluation exercises. Village activists, called rural animators by Kuru, underwent special training and formed a sounding board for programmes. All members of the community groups had agreed to participation in savings activities before joining the groups.
2. San field staff, all of them secondary school leavers, spent time with these groups during field visits and themselves came from these communities.
3. Action Committee members were the Boards executive committee and formed a reference group of elders. They were closely involved in all programme activities.
4. Finally, Board members attended several meetings a year, bringing reactions and questions from their respective communities and made the more principled programme decisions.

As overall project co-ordinator of Kuru, I attended many of these meetings until 2000 and argue that the combination of these inputs would secure the maximum participation possible under the circumstances, enabling a process of action and reflection and providing for a number of checks and balances that each individual input could not provide. Communities (even Board members from these communities) might agree to the need to save in principle, yet demanded immediate and short-term benefits⁷⁸. But the Action Committee and the Board set policy with technical advice and assistance from "outsiders", while young San staff implemented in the settlements. This made it possible to secure effective (though always re-negotiated and time-consuming) programme implementation and maintain mutually agreed-upon principles and regulation. Popular participation could be secured in this way without giving in to opportunistic manoeuvring by individuals or groups foraging for immediate returns or scheming opportunistically for hand-outs⁷⁹.

Through (1) the training and support of rural animators (2) the formation of micro-groups on a village level and (3) the development of larger CBO coalition through the Kuru Board, an attempt was made to help create an effective peoples' organisation. The challenge was to manage the dilemmas inherent in the staffing, leadership and management structures and to facilitate the step of addressing issues beyond the local agendas. As has been made clear, the rural finance programme served this larger mandate of Kuru, that of participation as political empowerment. But this wider goal is the context of this research, not its subject.

The goal of the programme was to seek ways of developing new non-traditional capital assets under individual and community control. As the viability of rural communities is inextricably linked to their ability to control and access financial resources (le Roux 1998:25), the development of such assets is of paramount importance to their survival.



"rain" rock painting, Erongo, Namibia

This image of an ancient rock painting in Namibia was chosen by the Kuru Board of Trustees as the logo for the Savings and Loans programme. The word "Pula" means both rain and money in Setswana. The combined images of the sun and the rain, indicate the abundance of the veld.

5. THE OPERATIONS OF THE MICRO-FINANCE PROGRAMME FROM 1997 TO 2001.

A time lapse of over two years occurred between the first phase of the research project in which the design took place, baseline information was collected and the rural finance programme took off, and the last phase when the performance of the programme was reviewed and the last quantitative and qualitative data was collected.

During this period between early 2000 and early 2002 significant developments took place at Kuru that deeply influenced the direction and performance of the micro-finance programme. A development project does not function in isolation, but is influenced by the complex and sometimes messy realities in the rural area where it operates. It is important to describe this context and the events that led to it in order to deepen the understanding of the programmes' functioning.

5.1. DEVELOPMENTS AT KURU DURING THE RESEARCH PERIOD

Section 4.3.5 discusses the possibilities and limitations imposed on the programme by the context of the work of Kuru Development Trust at the *beginning* of the implementation phase in 1998. The realities imposed by the developments within the work of Kuru Development Trust *during* the implementation of the rural finance programme from 1999 to 2002 could also produce significant challenges and constraints. As it was, Kuru went through a period of reorganisation and turmoil that almost destroyed the organisation and fundamentally altered its structure and operations. These developments had a significant impact on the Kuru Savings and Loans programme. Before discussing the findings of the programme, it is important therefore to review the events that took place in this organisation and the effect they had on the micro-finance programme.

An early start had been made with a savings programme in 1997. The idea to motivate communities to save part of their project income towards their own future needs as well as for investment in new communal projects had been on the mind of the leadership of the extension department for some time. The existence of a cash for work component in the pre-

production stage of the cochineal projects - which was spread out over all the settlement with about 180 participants - seemed to provide an ideal opportunity for the beginning of a savings programme. In a series of field trips and meetings, participants were motivated to save some of their cash income and deposit this in community bank accounts which were opened for this purpose. Participants were issued booklets in which these deposits were recorded. The idea was to develop individually owned but jointly managed funds with which communities could manage their own development programme.

This however soon proved to be a false start. The administration of the programme was weak and no adequate central financial records were kept. Dedicated capacity to administer this programme was not created. The design of a programme that combined individual accounts with a centralised communal bank account had also not been properly thought through and in practice the savings accounts soon became inactive and the attention of the Kuru extension department shifted to other matters. Extension workers stopped collecting savings deposits and the programme became dormant.

In 1998 I began to take a personal interest in the programme as a result of the dilemmas that I met in the work as Kuru's coordinator. I also decided to make the micro-finance programme the subject of this thesis. A baseline survey of all the participants in the projects took place, dedicated staff were appointed to manage the implementation of the rural finance programme, and a consultation process took place with participants and staff in order to redesign the programme. This led to the identification of the critical programme features and the initial design of the rural banking project (see 2.3. and Appendix II). A summary of the basic principles is as follows:

1. Members were not to withdraw their savings during the first two years of membership to encourage a savings culture.
2. Members could take out a loan with their savings as collateral. The hope was that many would be able to repay their loan and in that way savings could grow.
3. Social collateral was to be created by the formation of groups to monitor loan repayment. Penalty for default would be reduced access to loans for other members.
4. Savings were obligatory and had to be a minimum of 5% of project income.

Kuru received a special license from the Bank of Botswana to operate a micro-finance programme and a company was established for this purpose, owned by Kuru Development Trust, but with Board members who had the technical skills to supervise such a programme. This in contrast to the Board members of Kuru who were community and project representatives, many of whom had limited formal schooling. Many workshops were conducted with producer groups and the cochineal projects' cash for work component was revived. At the same time all existing and dormant savings accounts were reviewed and centralised.

One of the rules established for the programme was that producers were not allowed to make withdrawals from their savings accounts during the first two years of membership, but could take loans with their savings as collateral. However, an exception was made for the cochineal producers who had saving locked up during the "false start". It was decided that from the beginning of 1999 this group would be able to make withdrawals. A start was also made on the loan component later in 1999. By the middle of 1999 the administration was reconciled and in order, field workers were appointed, extensive community consultation had taken place and the programme seemed to be on track. At that point however, developments that took place in Kuru as a whole began to have an effect on its programmes. They also proved to have an impact on the rural finance programme.

As Kuru's overall coordinator, I had become increasingly aware of a number of dilemmas and constraints, together with some of the senior staff. An attempt to address these through an organisational development process led to a period of great turmoil. The first constraint was that communities, especially the D'Kar community, were not used to a development strategy that countered dependency and that put the responsibility in the hands of the community. The viability of some of the producer groups was in question. These projects had been maintained with years of subsidy, and some of the leaders of these groups were also influential Board members. Another question was how Kuru could deal with the growing gap between the increasing requirements of a professional organisation - leading to ever more Botswana and expatriate staff - and the limited capacities of San employees, which caused feelings of alienation, apathy and distrust and seemed to increase the distance between a really San-owned organisation and Kuru in its present form. San leaders had to oversee a complex organisation for which they lacked the technical skills. Young San staff saw the goal that they

would take over the organisation become ever more elusive as the technical demands of the organisation became increasingly complex and the number of outside staff kept growing.

Being in control of this San organisation became disempowering, rather than empowering for the San leaders, as they were asked to set policies, make decisions and handle budgets that they could not fully understand. This demanded their attention and took their energy away from that for they were most skilled, leading the San communities to new levels of understanding, awareness and co-operation. And many in the D'Kar community felt that "their" organisation had been taken away from them and given to other settlements and outsiders.

An organisational development process was initiated in 1999, using an external evaluation as a starting point and involving the whole Board, staff members and other stake holders. The outcome of this process was that Kuru as an organisation needed to "unbundle" into a number of smaller organisations, some of which some had to have professional Board members. The distinct programmes could each then receive the attention they deserved. The Kuru Board accepted the proposals and the first steps were taken to implement this (Dekker 2001 *passim*).

In March 2000, in the middle of this process, a challenge erupted from among some sections of the staff, two Board members and groups within the D'Kar community. Though not against the idea of a national support programme for the San, many residents of D'Kar expressed the strong desire that the 1996 constitutional changes, that had made Kuru an NGO rather than a D'Kar CBO, be revisited and that Kuru as an organisation be returned to D'Kar and stop sending its services and benefits to other communities. An understandable resentment against all the participating non-San staff was leading to calls for expatriates to leave and emotions often ran high. A series of articles appeared in the national press and on the radio with accusations that Kuru was "stealing" the organisation away from D'Kar. Dissidents from within the community, the Board and the staff formed a "D'Kar Residents Committee" that challenged the Boards decisions and the organisational development process of the previous years, issued a stream or press releases and sometimes literally began to harass staff that were still trying to do their work. This led to government involvement when the local member of parliament, and now also Minister for Agriculture, the Hon. Minister J, Swarz listened to the complaints in a Kgotla meeting (Tswana custom to practice communal

democracy) and had documents from Kuru reviewed by the Attorney General. Negotiation meetings between the D'Kar Residents Committee and the Board were now also attended by representatives of the press, the police and the Ghanzi District Commissioner. The issue at stake was the ownership of Kuru and its resources. Did it belong only to D'Kar or to the wider San community that the Board now represented? The inputs in the forms of salaries and programme resources had perhaps made D'Kar one of the highest subsidised communities in the world, but many in D'Kar felt that it was not nearly enough. One of the demands was that the office of Kuru in North West Botswana be closed and all resources and vehicles were returned to D'Kar. In the publicity that followed however it was often represented as an issue of local staff and community versus expatriates, as the management of the organisation was dominated by the latter. During the lengthy negotiation process that lasted till the end of 2000, unrest erupted again and again and at times work became almost impossible. Some donor funding was lost during the process, as they became uncertain of the outcome. The negotiation process became a very expensive exercise and much momentum was lost from the hands-on development work needed in the communities. Several programmes virtually came to a standstill.

During the negotiation process, the Board of Kuru decided it would enter into a process of direct consultation with all communities. This process was completed at the end of 2000 to the best of the Boards abilities and included meetings with 26 communities, several round table meetings with donors in Botswana and abroad as well as several meetings with the D'Kar Residents Committee and consultations with staff, auditors, lawyers and government representatives. During this period various models for structural change of Kuru were developed and investigated. The role players and stake holders tried to achieve an agreement with the Board that would not only be the best way to reach the community development goals, but would also be fair to everybody involved. Of all the people consulted, the unhappy part of the D'Kar community proved to be the only party against the changes. However to delay the implementation of the new ideas would make it impossible to maintain any reasonable level of trust with the donors. (van der Post, 2001 *passim*)

The overall vision that grew was that the unbundling process should continue. A loose network of organisations should be formed and work towards improving the quality of life amongst the San and other marginalised groups. Since the end of 2000, the practical

formation of this support network has slowly progressed and seven new organisations have been established.

1. The Tocadi Trust is based in Shakawe and works in the Okavango sub-district of Ngamiland.
2. Komku Trust works in the settlements in the Ghanzi district.
3. Kuru D'Kar Trust is the new CBO that will work only in the community of D'Kar.
4. The Bokamoso pre-school programme is also based in D'Kar and will work throughout Botswana in the support of Early Childhood education.
5. Kalahari Craft is based in Maun and has formed alliances with other commercial groups and NGOs to promote product development and marketing.
6. Letloa Trust was to be the central organisation, based in Maun that would endeavour to raise funds, conduct research and provide training and other support to the member organisations.
7. Finally, Kuru Savings and Loans was, after some hesitation, also based in D'Kar to promote micro-finance activities in the Ghanzi district. This was done because of all the available infrastructure in D'Kar from the "old" Kuru and the presence of staff in D'Kar and Ghanzi.

After the years of turmoil, the following was the situation in D'Kar at the beginning of 2002. It was the home of four independent but related organisations, namely Komku, Bokamoso, the D'Kar Trust and Kuru Savings and Loans. These organisations had at the time limited funding available because part of the donor funding that Kuru enjoyed had fallen away. Both Komku and the D'Kar Trust still needed to develop a new vision for the future and a direction in which to take programmes. Things had become quiet in the community of D'Kar, but that did not mean that all was well. During my visit in February 2002 I sensed a 'wait and see' attitude with regards to the developments, and some renewed grumbling about resources being shifted away from D'Kar was already taking place. Senior technical staff and some of the local staff had been transferred out of D'Kar to Ghanzi and Maun and the influx of capital from secondary distribution of salaries into D'Kar had subsequently been affected. The lack of resources had also influenced the capacity of both the D'Kar Trust and Komku to launch new projects.

Apart from the turmoil in 2000 and 2001, an additional complication that affected the work in all the settlements was the sudden termination of the cochineal project in early 2001. The donor involved was not convinced that Kuru had the capacity to take this project to its productive stage and doubted its viability. With the termination of the project, the cash for work component of the cochineal project came to an end. Producers were no longer able to save money out of this and the only income sources left in the settlements where Kuru worked outside of D'Kar, was craft production.

5.2. IMPACT ON THE RURAL FINANCE PROGRAMME.

What has been the impact that the developments at Kuru have had on the rural finance programme?

1998

The rural finance programme was redesigned. Special permission was obtained from the Bank of Botswana to operate this programme. The existing records of the "false start" of the programme in 1997 were reconciled and consolidated. A baseline survey in all the communities was conducted.

1999

"Kuru Savings and Loans" was registered as a separate company with its own professional Board of Trustees. A Savings and Loans department began to function as part of the Kuru extension team in the Ghanzi District. It was led by a social science graduate who focused on community mobilisation and training. The financial and administrative capacity of the programme was somewhat lacking during this year. A community monitoring mechanism was designed and procedures for better financial record keeping were introduced. Community consultations took place and the Savings and Loans Programme was reintroduced. Cochineal producers in the settlement began to once again save part of their cash for work component and compulsory savings was introduced to and accepted by all producer groups. Draft procedures and guidelines to operate the savings and loans programmes were introduced (see 2.3 and Annex II), debated by staff and communities and adopted. In some cases withdrawals were made possible, but good procedures for this were not yet in place. For members, the

possibility was provided to take out loans with a maturity of 6 months and an interest rate the same as their savings account, and many began to make use of this in the last quarter of 1999.

Kuru began a dialogue about its future in August, but initially this did not affect the programmes and the functioning of the Savings and Loans department.

2000

A community monitoring and evaluation exercise took place for the first time at the end of 1999 and the beginning of 2000. It was intended to become an annual self-evaluation exercise for marginalised and mainly illiterate communities to monitor their progress in the various projects and programmes in which Kuru is involved, with the first one serving as a kind of baseline. A number of workshops for producers on financial management were conducted.

The management of the micro-finance programme was taken over by Kuru's chief accountant and record keeping improved. Withdrawals were made possible from January for cochineal producers who had "old" savings from the period during 1997 in which the savings programme had made a false start. Many made use of this. Initially records were kept of the purpose for loans and withdrawals. This was done inconsistently however and was dropped completely in 2001.

Community dialogue and training continued during the first quarter. In March the organisational development process at Kuru caused conflict and a prolonged period of turmoil and unrest that demanded most of the energy and attention of the senior management staff. The Kuru Savings and Loans Officer who co-ordinated the field work and the training programmes for communities on financial management resigned during the controversies at Kuru. He was not replaced by a new community development officer and the Savings and Loans programme became dominated by a focus on keeping proper administrative and financial records. This remained the case till the end of 2001. I myself left as Kuru's coordinator in August and had no further opportunity to provide overall supervision to the programme.

Both the cochineal project and the Savings and Loans Programme began to suffer from irregular and often impromptu visits to the settlements. Only in D'Kar, where the offices of

Kuru were, was regular work possible. The programme officer in charge of the cochineal project also resigned during the period of unrest at Kuru, leaving the programme in the hands of junior field workers.

No-one in the micro finance project guided nor monitored the work with the communities. Capacity building around income generation and group solidarity with regards to loan activities were no more implemented after March 2000. As a result there were no group sanctions when members default on loan repayment and in practice the Savings and Loans programme did not follow up on outstanding loans through any formal mechanisms. Members were only asked whenever they were met and encouraged to repay. Default rates were high.

The Savings and Loans programme was caught up in the turmoil of Kuru when dissidents in the community accused the programme to use the members' savings for its own running cost and demanded that savings be paid out immediately to any member that asked for it. This was contrary to the time-deposit arrangements of two years that were agreed upon as part of the initial project design. By the middle of 2000 the management of the Savings and Loans programme decided to give in to these demands to avoid unnecessary conflict and opened up the possibility of making withdrawals to everyone. For all practical purposes, the savings accounts that the members held became current accounts.

The rule of compulsory savings for producer groups was also dropped to avoid conflict. All savings became voluntarily. (For all participants except the members of the art group for whom 5% was deducted from their income on Fridays as a standard procedure. In practice though they could withdraw these compulsory savings the following Monday).

Because of the turmoil at Kuru, extension activities in all settlements except D'Kar virtually came to a stand still. Irregular visits of a Savings and Loans Field staff still took place, but the cash for work component and the monitoring of the cochineal project, Kuru's largest programme, was almost non-existent.

The self-evaluation exercise for communities which was supposed to become an annual event was not repeated in 2000 or 2001 because of the capacity problems that Kuru faced.

Kuru's chief accountant became overall co-ordinator of Kuru and the management of the Savings and Loans programme was handed to a junior accountant. She concentrated fully on financial record keeping and field work in the settlements was further neglected.

No monitoring of cash expenditure patterns of participants took place. The rural finance programme was too involved in the details of its programme administration and financial record keeping to look at the larger questions that surround the programme,

2001

The cochineal project was terminated as the principal funder withdrew. Cash for work activities had already ceased in 2000. The only involvement of Kuru in income generating projects in the settlements was in craft production (this does not take into account several micro-enterprise and CBO formation activities that were not producing income at this stage).

By the middle of the year, the junior accountant in charge of the savings and loans programme resigned and management reverted back to the Kuru co-ordinator. Because of his involvement in managing the overall direction of Kuru, management involvement in the programme was further limited.

During the second quarter of 2001 the majority of loans were in arrears or default and were written off against members savings. With free withdrawals being possible, loans were henceforth only given to the few members who themselves wished to keep the psychological stimulus of wanting to pay back their loan whilst keeping their savings intact.

2002

The Kuru co-ordinator left the organisation and the management of the Savings and Loans programme was handed to a new co-ordinator in February. She knew little of the history of the organisation.

As part of my final field work for this thesis I spent a month at Kuru in February 2002, and was able to give some orientation to this new co-ordinator and to run an evaluation workshop for all programme staff involved in the programme as well as the community to set a new

direction for the future. This in order to feed back some of the outcome of my research to staff and community and provide a stimulus for the programmes' development.

Komku, the D'Kar Trust and the Savings and Loans programme all faced funding constraints for the next period. The recruitment of a new community mobilisation officer for the micro-finance programme was therefore not possible, but the programme had to explore, together with Komku and the D'Kar Trust, what work could possibly be undertaken to inform and mobilise communities and producers groups.

5.2.1. Summary of the impact that the events at Kuru and the shortage of staff had on the micro-finance programme.

1. Field work and training activities were neglected after March 2000.
2. Visits to the settlements except D'Kar were irregular.
3. The compulsory aspect of savings for producers was gradually dropped.
4. Record keeping for the purposes of monitoring loans and withdrawals was irregular and is stopped completely in 2001. Only cash slips were made out.
5. Group formation and the creation of social collateral for loan repayment purposes did not take place and members were treated as individual producers. Regulations for loan repayments were not enforced. As a result, repayment of loans was poor.
6. Training of communities and San extension workers was not conducted regularly. The training of village activists was stopped because of capacity problems.
7. No structural feedback from participants on programme design was obtained in 2000/1, only individual comments of participants concerning their savings were taken note of.
8. Savings accounts with a time deposit of two years were converted to current accounts during 2000.
9. Possible integration of the programme with the Bank of Botswana Savings Certificate programme was not considered and no community training in this area took place.
10. A community evaluation exercise took place only once in 1999-2000 and was not repeated in the subsequent years.

It can be concluded that as a result of the events at Kuru during 1999 to 2000 and also due to the human resource limitations, essential elements were dropped or changed from the design

of the pilot phase of the savings and loans programme and consequently analysis had to be based on much more limited data than originally envisaged.

5.3. MEMBERSHIP SHIFTS IN THE PERIOD 1999 TO 2001.

The table below gives the composition of the producer groups that also formed the savings groups at the beginning of the period under study, namely January 1999. (See Table 7, below) A total of 421 savings booklets were made out to members based on the producer group they were part of. There were a limited number of members who did not form part of a producer group, but who wanted to save money voluntarily. The total of these was 23, as can be seen in the table.

Table 7: Project membership January 1999

| Participation January 99 | Artists | Cochineal | Crafts | Game Farm | Leather workers | Savings | Women's group | Dormant | Total |
|--------------------------|---------|-----------|--------|-----------|-----------------|---------|---------------|---------|-------|
| Bere | | 16 | 23 | | | | | | 39 |
| Charles Hill | | 3 | | | | | | | 3 |
| D'Kar | 13 | 34 | 99 | 21 | 10 | 9 | 18 | | 204 |
| East Hanahai | | 20 | 17 | | | 3 | | | 40 |
| Eaton's Farm | | | 9 | | | | | | 9 |
| Grootlaagte | | 24 | | | | | | | 24 |
| New Xanagas | | 33 | | | | | | | 33 |
| Tsjobokwane | | 14 | | | | 11 | | | 25 |
| West Hanahai | | 37 | 7 | | | | | | 44 |
| Total | 13 | 181 | 155 | 21 | 10 | 23 | 18 | 0 | 421 |

Table 8: Project membership December 2001

| Participation December 2001 | Artists | Cochineal | Crafts | Game Farm | Leather workers | Savings | Women's group | Dormant | Total |
|-----------------------------|---------|-----------|--------|-----------|-----------------|---------|---------------|---------|-------|
| Bere | | | 47 | | | | | 5 | 52 |
| Charles Hill | | | 3 | | | | | | 3 |
| D'Kar | 16 | | 79 | | 15 | 76 | 21 | 53 | 260 |
| East Hanahai | | | 26 | | | 1 | | 10 | 37 |
| Eaton's Farm | | | 8 | | | | | 1 | 9 |
| Grootlaagte | | | 33 | | | | | 3 | 36 |
| New Xanagas | | | 25 | | | 4 | | 9 | 38 |
| Qabo | | | 6 | | | | | 1 | 7 |
| Tsjobokwane | | | 28 | | | 2 | | 13 | 43 |
| West Hanahai | | | 35 | | | | | 12 | 47 |
| Grand Total | 16 | 0 | 290 | 0 | 15 | 83 | 21 | 107 | 532 |

During the period 1999 to 2000, the following issues affected the membership:

- The Game Farm participants changed from project participants to salaried workers. The remaining workers who wanted to save money became part of the group who saved money voluntarily in D'Kar.
- For the purpose of this research, participants were considered as dormant members when they did not make a single voluntary savings deposit after December 1999, which is when compulsory deposits were stopped. It can be seen that 107 members had a balance in their accounts per the end of 2001, but fall in this category.
- The cochineal project was terminated. Members of this project either became dormant members, joined the craft producers group and continued saving in this way or became a member of the voluntary savings group. The last was almost exclusively in D'Kar.

It is clear from Table 8 that by the end of 2001 the membership of the Savings and Loans programme was exclusively concentrated on the projects in the community of D'Kar, with the notable exception of a large number of craft producers in the other settlements. This reflects the history of the programme as outlined above, the lack of field work in 2000 and 2001 and the termination of the cochineal project.

One of the lessons that the events at Kuru taught, was the extraordinary difficulties that attempts to support income-generating projects face in San settlements in the Ghanzi district. The loss of land and natural resources, the lack of access to markets as well as cultural factors has led to dependency on government drought relief, pension and destitute feeding. This has made virtually all activities that support micro enterprise in the past, both from government and NGOs unsuccessful. The settlements are full of broken down shops, empty tanneries, carpentry workshops and the like.

The presence of Kuru in D'Kar, the largest settlement in the Ghanzi District, has made a large difference there. A large number of project advisors and co-ordinators have managed to keep several projects going through ups and downs, such as the art project, the tannery and leather workshop and the women's groups involved in fabric painting, silk screen printing and sewing. This was done however with an intense form of management involvement that was unsustainable and cannot be replicated in other settlements. Indeed, it was partly the realisation of this that led to the tumultuous organisational development process at Kuru

(This does not mean that these projects have not born fruit in other areas over the years such as increased awareness and the development of a cadre of San leadership).

For the purpose of this research however, it is important to note that D'Kar is different from the other settlements, mainly because of the presence of Kuru. It has a relatively high cash income through the influx of project income to participants and salaries to Kuru staff members. It is also located on freehold land, is relatively close to the district capital Ghanzi and has attracted a large number of non-San inhabitants who at present form about half of its population. Due to the presence of the office of the Savings and Loans programme in D'Kar, the level of services from this programme were also high compared to the services in the settlement. There, the programme suffered from infrequent visits. Comparing the development and difference of performance of the micro-finance programmes in D'Kar to these in the settlements is therefore of value and will be done in a following section.

It is also of importance to note that the research problem that this thesis addresses is the lack of *self-sufficiency of San individuals and communities in a sedentary and monetised environment*. The research outcomes are therefore not restricted to issues that deal only with the rural finance programme, but refer to the larger socio-economic context within which it operates. The micro-finance programme is a means to reflect on the advent of the cash economy in San communities. In order to provide texture and depth, more quantitative information has been combined with quotes and interviews that mean to illustrate opinions, dilemmas and experiences of San people in dealing with the cash economy and the rural finance programme.

Below is the first of several vignettes. It is a life story of one San person that illuminates issues that the people experience with regards to the dilemmas of transition from a traditional to a sedentary lifestyle, about the conflicts cash, lending and sharing bring, their perceptions concerning the micro-finance programme, about spending money and managing debts, about the value of cattle and about the profound unfamiliarity many have with the cash economy. Quantitative information alone cannot do justice to these dilemmas and part of the purpose of this thesis is to illuminate these. The vignettes are provided to give added texture and depth to the text of these last two chapters.

Vignette: A meeting with Xhaate. (This information was collected during two long personal interviews in 1999 and 2002, two group discussions and a number of chance encounters. The name of the individual has been changed and sentences and paragraphs sometimes reordered and shortened. Otherwise, these are Xhaate's words).

I live here with the eight children I and my wife have together. Two other adults also stay here. We all contribute to the household when we can. I had about six horses. But some of them died and now I am left only with one. It is staying on the farms. The horses died of certain illnesses. As for cattle, some time ago I had one cow. Through a government scheme cattle were distributed and people had to pass calves on to others. I participated in that, but lost the cow. A leopard killed it while it was in East Hanahai.

I like hunting, but as I now live in the middle of the farms there is no place for me to hunt. And even the wildlife people, they do not allow people to hunt. That means my way of living is no longer there, because there is no other place where I can hunt. It was in 1995 that I hunted for the last time. The government has taken all the land from us and there is no place anymore where we can still live and practice hunting and gathering. Where we live now is not suitable for this. The government is also not proving us with a license to hunt. I cannot live the life that I would like to live by myself. It is because of the land. Now I am nowhere. I can only listen to those people who have grabbed the land from me and live in their system. In the past sharing was the way of survival but since life has changed now, I do not know what I can do.

I do not keep old jewellery and bead work. I do not have those things any more. I also do not make crafts as I used to. Other people do, but they only do it because of the craft selling to Kuru. If Kuru would not buy crafts, the people would also not be making them. In the past we used to make crafts to wear them as jewellery. But life has changed now. The only thing that we can use craft for today is to sell it. But even now, we are still longing to wear the crafts like we used to. Wearing crafts does not make me proud to be a Ncoakhwe. Even this land was used by the Basarwa. But there is no more place for us to hunt for example. So it does not help to make crafts and wear it for ourselves.

I used to give people things from my kitchen or clothes that in the past, but now it is difficult. In these modern times this has stopped. Visitors come maybe once in two months and you never know when to expect them. I also do not have a lot of things with which to help them. It may look like I get more things as I had in the past, but it is not true. In the past, when I lived in the farms, I used to get things from the farmer, such as a cow at the end of the year and I used to get a house on the farm also. Even my donkey cart is from the time I was still staying on the farm.

In the past I was richer than I am now, because most of the livestock I had in the past got lost and died. I don't think that I am rich now from the money of the art project. The problem is making accounts at the shop and then paying the account that you got. That makes me just stand without anything.

The system of lending things to people has become a problem. I don't want to give out anything to others anymore. There is a certain Herero person and he has never paid back P3000 that I lend him, though I am appealing that he will pay back. I gave that money in 1997. I gave it to the person, because that person promised to pay it back very soon and was in a stranded position. It was somebody I knew very well. But now friendship between us has stopped. I have even taken that person to the customary court, but it hasn't been solved.

In previous years I also used to borrow money from others, but these days I am not able to do so. Life is a little tough these days, and I am afraid I will not be able to pay back the amount. That is why I have stopped borrowing and lending out. Because even if I borrow something from somebody, it is going to be difficult to paying it back on time as I have not enough to support myself. Yes, I agree that the money I get now is more than what I used to get, but the problem is that it is only by chance that I get this money, not regular.

I do not believe that the amount of money I receive as an artist is the exact amount that I am supposed to receive. That is because the project forces me to save some of my money. It will take time before the money saved will be enough to do something. I should be given that amount so that I can add it to what I have already got. In the past I never saved anything and now this programme has started. I want those savings to be given to me.

In the past I was working for a very low salary. Now the money I am getting is more than the money from the past, so I do not know what the problem is. Why can I not use this amount to get the things that I want? Yes, I still cannot buy what I want, though I am getting more money and I do not understand why this is so. I want to be taught how to use the money that I receive. Programmes should be made that will teach me what the best way is of spending my money. I believe that it is best for me if I spend his money on things that I can see physically, like these bricks.

Generally people share food more than they share money, that is true. As for money, you cannot get some and then pass it on to somebody else at that moment. For the money part, you are struggling in order to get it and it is very difficult to just let it go. You can also do many things with money. That is the reason that I am struggling in order to get money and that is the reason that I cannot just give it out. The other reason is that if I lend money I should also know the security. I should know that this person will really pay it back.

When I have money now, I keep it in the house. But it is not safe. Even me myself, if the money is there and I am hungry, I have to take some out every time, so I should put it somewhere else. My accounts at the shop is a big problem that worries me a lot. I have some other accounts with relatives too. Some quarrels have been between me and my relatives that have to be solved by an agreement. I also owe money to other people. To some of them I have told to wait for some time until I can pay them, since there is nothing that I have got to solve this.

From field notes: After the interview in 1999 I accompany Xhaate to his hut. I ask him why he does not wear traditional Bushmen jewellery, something I had been probing for. Xhaate pulls me into the hut. A plastic bag hangs on the wall and Xhaate begins digging into the bag. Some new sparkplugs appear and also a new electrical car part. When he digs deeper a pair of traditional dance rattles come out. "You see" he says, "I have these in the hut, but do not wear them. These are the things we need now (pointing to the car parts). I want to buy a car and go to Masire (the previous president of Botswana) and tell him he should give us our land back. When we have received it, we can also wear our dance rattles again". He holds the car parts in his right and the rattles in his left hand as if to demonstrate a contrast between them. I am struck by the difference between these two types of goods that are held in the hands of this middle aged Bushman and I ask him: "Xhaate, why cannot you have both? Why cannot you earn cash and get a car AND wear your traditional attire at the same time?" He shakes his head. "If we do not have land, we are no Bushmen and we also cannot wear this".

I think what he is trying to tell me is that wearing jewellery and "doing" things generally in a traditional manner only makes sense if you are a true Bushmen and that you are a true Bushmen only if you have access to land. So is money seen as a new and mysterious way for reclaiming identity? Of course Xhaate does wear jewellery and participates in traditional activities quite often, but at this moment what he emphasises to me is that he believes this to be superficial, perhaps nostalgic in the absence of what makes them a true Bushmen and confirms their identity, their land. What he may also be trying to tell me is that Kuru should help them use money and vehicles in ways that will assist them to reclaim their identity. Now I also reflect again about our earlier discussion concerning craft production. He apparently only sees it as useful for selling, not for wearing. Wearing it is not an option, because the modern time asks it to be sold, rather than worn. By selling he can acquire money and through money he might get land and that is the only way that he can become himself again and live in his own "system".

3 Years later, 2002. I think back to the time I lived with the white farmer. I had been given cattle under a cattle scheme. They bred and I was able to pay back the cattle. Such a kind of scheme is missing from the savings programme. I expect my savings to increase, like cattle, but it does not. When I was still on the farm, I had a horse, a cow and a goat. I was hardly earning money, but still gave half my income to the farmer and was able to buy all these animals. But here in the art project, I am getting a lot of money, but I need help on that, so that I can get more than the time that I was working for the farmer. I need help to make good use of my money.



Gathering veldfood is still an important subsistence activity



Field trip of the micro-finance team



A cochineal producer makes a withdrawal from his savings



Craft producers prepare to sell crafts and make savings deposits



Member of the extension staff discusses savings with women in a settlement



Banking activity in East Hanahai

I do not understand something. If you rear cattle, and you take care of it, you expect it to bring forth young cattle. So the savings should also increase. And now I am wondering, where this money in my savings is? And when is it going to bring forth more money?" The money in Kuru always stays at the same amount. Otherwise I would have been able to build a house.

I never saved a lot of money with Kuru, only limited amounts. The savings is not helping me in any way. I deposit P10 and I will take it out again. On the savings side, it is not true that taking out your savings is the same as slaughtering your cattle. Rather it is these savings that have now slaughtered me, because I have now saved for three years and have nothing to show for it. It is just there and not doing anything for me.

The San people have got problems. The savings and loans have been introduced to them and they are not like other tribes that they can depend on a number of things. Now that they have the savings account, they will have to depend on it, There is no way that they can leave that money and keep adding to it so that the savings can grow. I will never open an account that I will lock for two or five years, because you will be looking at that account with hunger, but not be allowed to touch it.

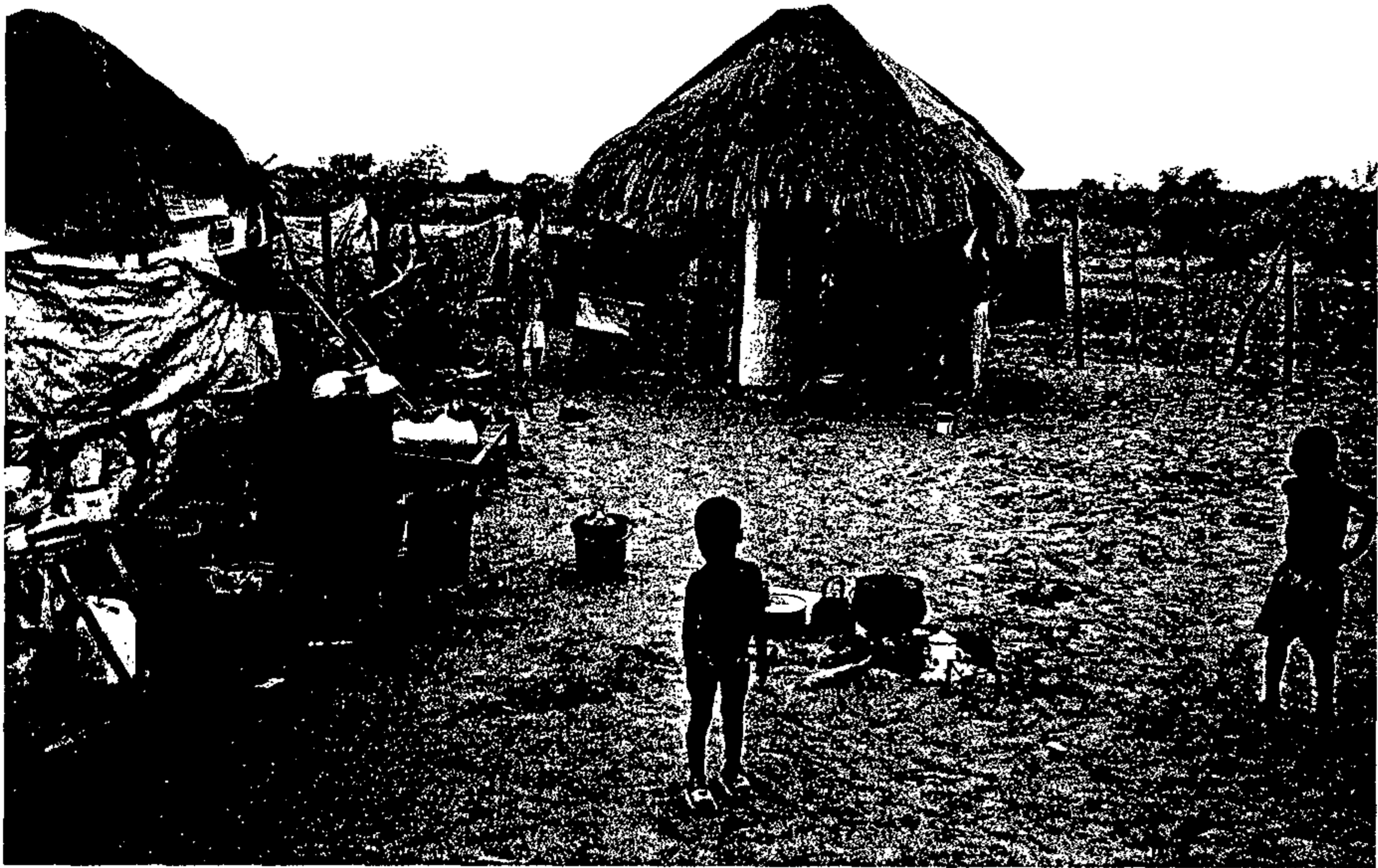
I have changed my opinion about not wanting to borrow money from others. The time I said this was a good time for me. But now it has changed as I do not receive money regularly and now I have started borrowing money. I have changed this practice as my income has gone down.

The problem I had with the Herero man concerning the money he owes me is not settled. Also the goats I borrowed three years ago for a funeral have not been paid yet. I face a lot of problems like that. How can I save money at all if I owe so much money everywhere? But the fact that I have an account with some people does not stop me from saving money at Kuru.

Saving the 5% at Kuru is not enough to settle my accounts. Sometimes I save P200 or P400 on top of my 5%, I don't know I cannot read and write, so maybe that is why my things are always going down. I only know that I always put some money, so I cannot understand why my savings account always seems to be empty and not helping me.

I started with that savings programme, but the savings is not increasing, so I am ending up with nothing, as I am also withdrawing. So to rear cattle is better than saving. We the red people, we go into the bush gathering the wild berries and the morama beans. We always put something aside for the coming season. So that is like the savings programme too.

I do not believe in banking and saving money. I believe in rearing livestock and poultry. If I am old and have not been able to prepare for myself I will be like my father who is dependent on others. I thought that you would be coming with a better idea on how to rear cattle, how to increase the number and live from the cattle, but you are still coming with that old system of saving money.



Home of a San family



Members of the art co-operative



Focus group discussion in a settlement



Interview with a member of the women's group

6. RESEARCH RESULTS

It should be remembered that the findings of the programme refer to the participants only and cannot be immediately generalised to the larger San population in the Ghanzi district, as these participants are not necessarily representative of the population. D'Kar for example is overrepresented among the participants and being a member of an income generating group also involves some form of self selection.

Most participants were part of a survey interview, but not all questions were asked during every interview. At the beginning of the programme in 1998 a survey was designed in an expanded and a summarised form. The expanded survey was administered to what was then a representative half of around 260 participants and the shortened version was administered to the other half. A revised version of the shortened interview was thereafter administered to new members and "rediscovered" old members. Many of these were craft producers. Somewhere in 2000/2001 the administration of the interview for new members became irregular and 60 people participated in the programme by the end of 2001 of which no baseline data (except their name) was available. The statistics are therefore descriptive and not inferential. Yet I believe that they will be illustrative for the larger San population. Where relevant the size (n) will be indicated.

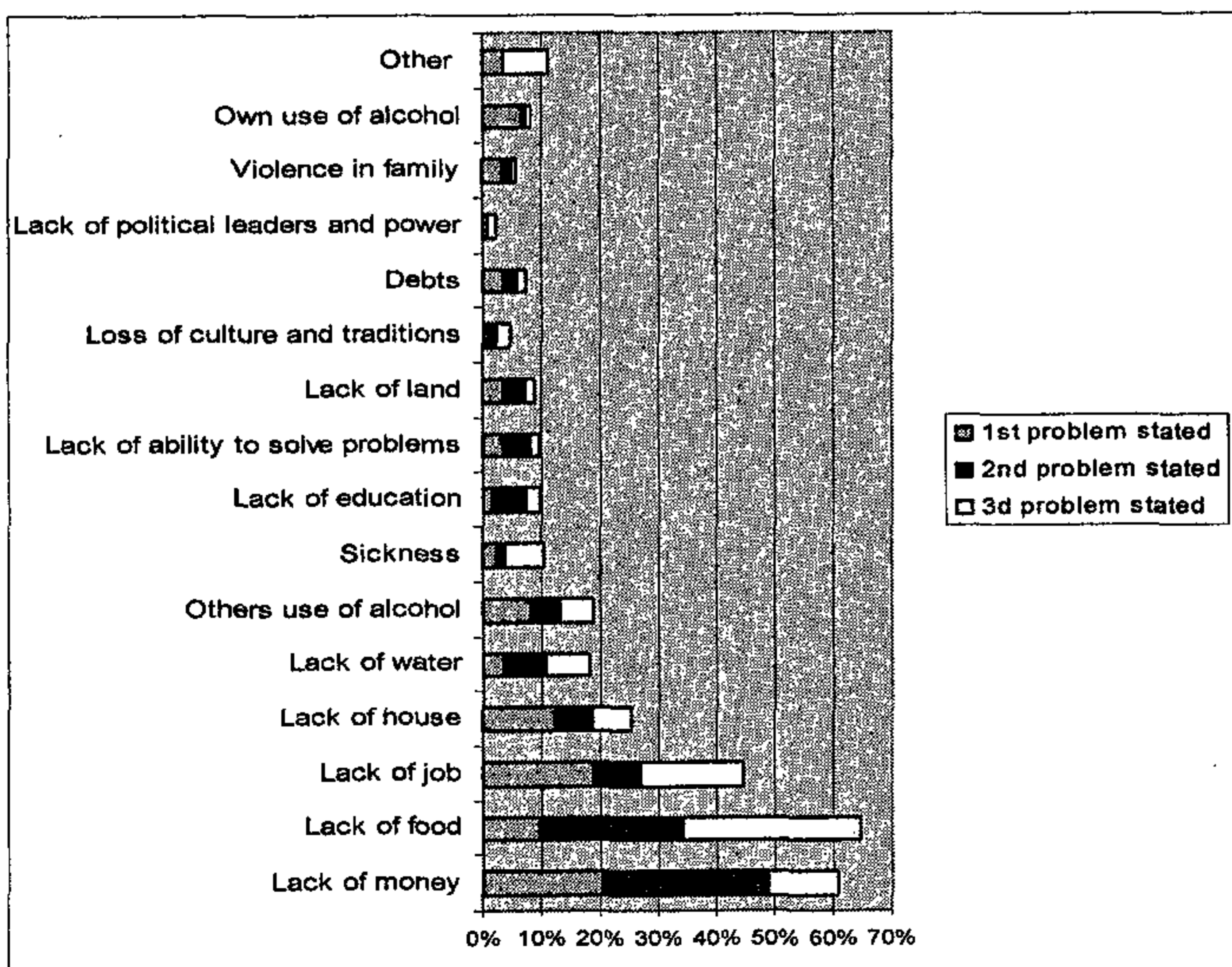


Figure 3: Problems stated by participants.

In the following chapter the broad perspective of the research results will be related to the more specific research objectives and will lead to specific conclusions and recommendations.

6.1. SOME OUTCOMES OF THE BASELINE SURVEY

The baseline survey showed that the interest of participants, both in training and in project priorities, were predominantly related to activities that would address issues of poverty. Lack of food, housing and income dominate the agenda of participants. This does not mean that the larger questions of education, cultural preservation and land rights are not important to them, but that it is foremost the problem of poverty that an organisation like Kuru must address as a precondition for being involved in the larger problems of culture, land and power.

The production of traditional crafts for tourists was the most significant source of income for many participants. Only a quarter, mainly men, of all project members were not involved in craft production. Special attention will be given to craft production in section 6.9. Older people stated more often than younger people that lack of food was one of the main problems they were facing. Young people on the other hand more often said that lack of political leaders and power was a significant problem to them. Because of the relatively high number of Kuru staff that opened accounts during the project, a regular job was listed as the second most important source of income for San participants, but this is not representative for the wider San community.

Table 9 : Sources of income of participants

| Main cash income source (n=336) | Stated first | Stated second | Stated third | Not an income source | Rank |
|------------------------------------|--------------|---------------|--------------|-------------------------|------|
| Crafts | 39,3% | 19,0% | 7,4% | 26,2% | 1 |
| Regular job | 17,9% | 1,5% | 1,2% | 78,0% | 2 |
| Piece jobs | 8,6% | 7,4% | 4,8% | 72,0% | 3 |
| Help/gifts | 5,1% | 9,5% | 10,4% | 67,0% | 4 |
| Self employment | 8,3% | 3,3% | 1,5% | 87,2% | 5 |
| Pension | 8,9% | 1,5% | 0,3% | 87,2% | 6 |
| Destitute rations | 3,3% | 4,8% | 0,9% | 87,8% | 7 |
| Cattle | 3,0% | 5,1% | 1,8% | 83,9% | 8 |
| Growing and selling food | 2,7% | 5,1% | 3,0% | 80,9% | 9 |
| Cochineal | 1,5% | 6,0% | 3,0% | 85,7% | 10 |
| Barter | 2,4% | 4,2% | 8,0% | 75,0% | 11 |
| Other | 4,8% | 0,6% | 0,0% | 94,6% | 12 |
| Veldfood gathering and selling | 0,0% | 4,8% | 7,1% | 75,3% | 13 |
| Brewing | 0,9% | 1,8% | 0,9% | 90,8% | 14 |
| Hunting | 0,0% | 2,7% | 2,1% | 89,3% | 15 |

56% of the participants in the project were under 45 years of age. Of the older group, almost half were over 65 years. This makes the project population rather old. The majority of

participants lived in a mud or paper/plastic dwelling with a thatched roof. A minority had access to housing with a roof with metal sheeting on top. Two thirds of the participants had never attended school, especially the older ones.

Though the project was aimed at San people, the settlements are ethnically mixed and no-one was excluded from participation. Because the non-San population of D'Kar is proportionately higher than the other settlements, the majority of non-San that participated in the micro-finance programme lived in D'Kar with only isolated non-San participating in the other settlements.

The San people considered it very important to practise cultural activities. To teach culture to the children was considered most important of all, followed by veldfood gathering and craft production. Wearing traditional clothes during cultural activities was considered less important than other things, such as hunting, tracking and participating in trance dances. Still, between 65% and 87% of all San participants, considered all cultural activities to be very important.

Table 10: Practise and importance of cultural activities.

| Traditional activity. San only (n=127) | Feel it is very important | Ever practise |
|--|---------------------------|---------------|
| Veldfood gathering | 87% | 89% |
| Learning about plants, trees and animals | 84% | 76% |
| Teaching culture, traditional values and skills to children | 88% | 69% |
| Learning about history and discussing it with elders | 82% | 68% |
| Craft production | 85% | 61% |
| Telling traditional stories and playing traditional games | 77% | 52% |
| Meeting with others to discuss common ethnic problems, such as land rights, politics and the importance of preserving your culture | 80% | 54% |
| Spoor tracking, hunting and skinning | 82% | 45% |
| Traditional dancing and singing | 81% | 42% |
| Participation in trance dances | 80% | 42% |
| Wearing traditional clothes during cultural activities | 65% | 25% |
| Playing traditional instruments | 65% | 24% |
| Reading in your own language | 76% | 15% |

But when asked what kind of cultural activities people practised, it seemed that people often did not practise what they said they felt strongly about. It may be that there were sometimes

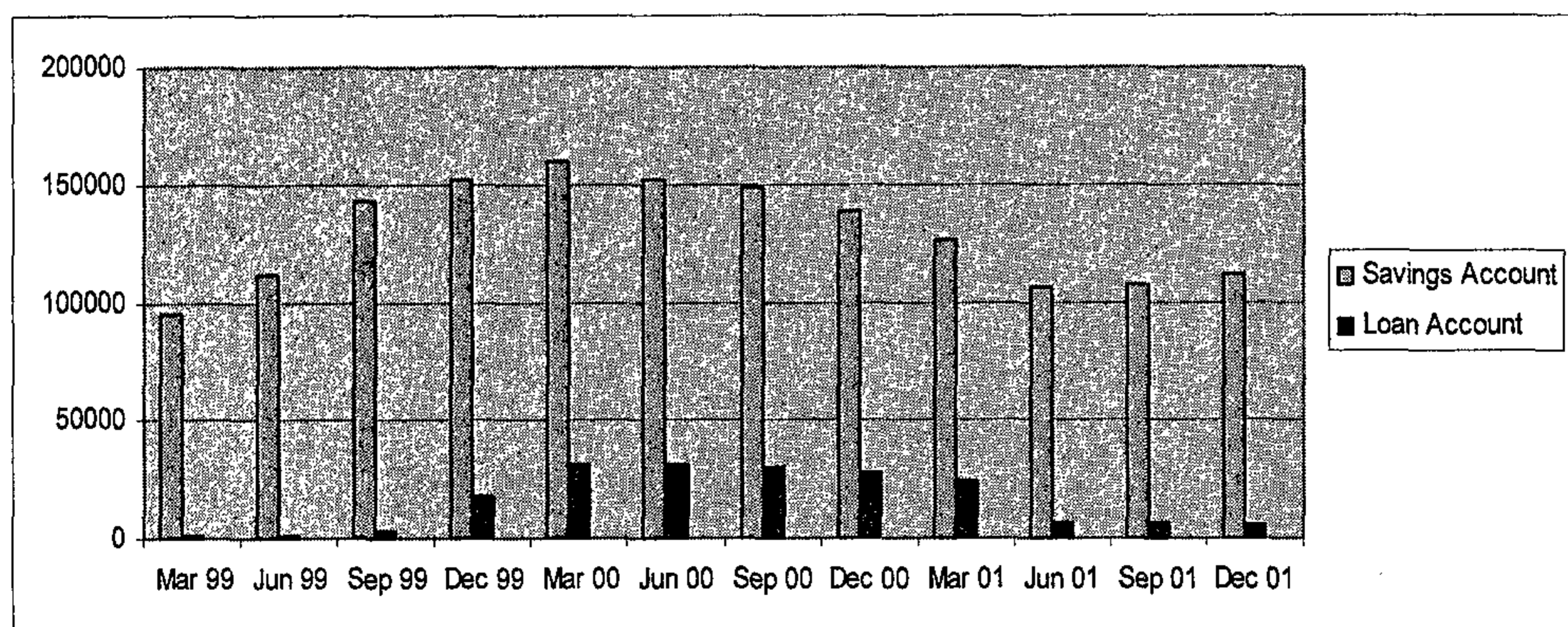
little opportunities, e.g. for veldfood gathering or hunting and of course illiterate people would not be able to read in their own language. But many other activities, such as dancing and singing, were possible and yet were practised by only a minority of people who said they felt strongly about them. What people said about their culture and how they practised it was obviously not the same. I suggest that this may be related to issues of powerlessness and marginalisation. It can be noted that participants who were poorer than others in terms of their housing and livestock often found it more important that cultural activities be practised than other participants and also practised them more. Here too, it is possible that marginalisation and poverty made participants more acutely aware of the loss of their culture and gave them a desire to maintain it.

Older people felt somewhat more strongly that getting access to land be a main reason to participate in a Kuru project and that is was something Kuru should concentrate on. Otherwise there were not many differences between participants of different age groups in regards to cultural practise and importance. Younger people expressed the same strong feeling about the need to maintain cultural identity.

At the beginning of the project only 11 people out of the 127 that were asked (9%) had a bank or post office account. All these lived in D'Kar. Buying cattle or goats or building a house was what most people said they would do if they have cash.

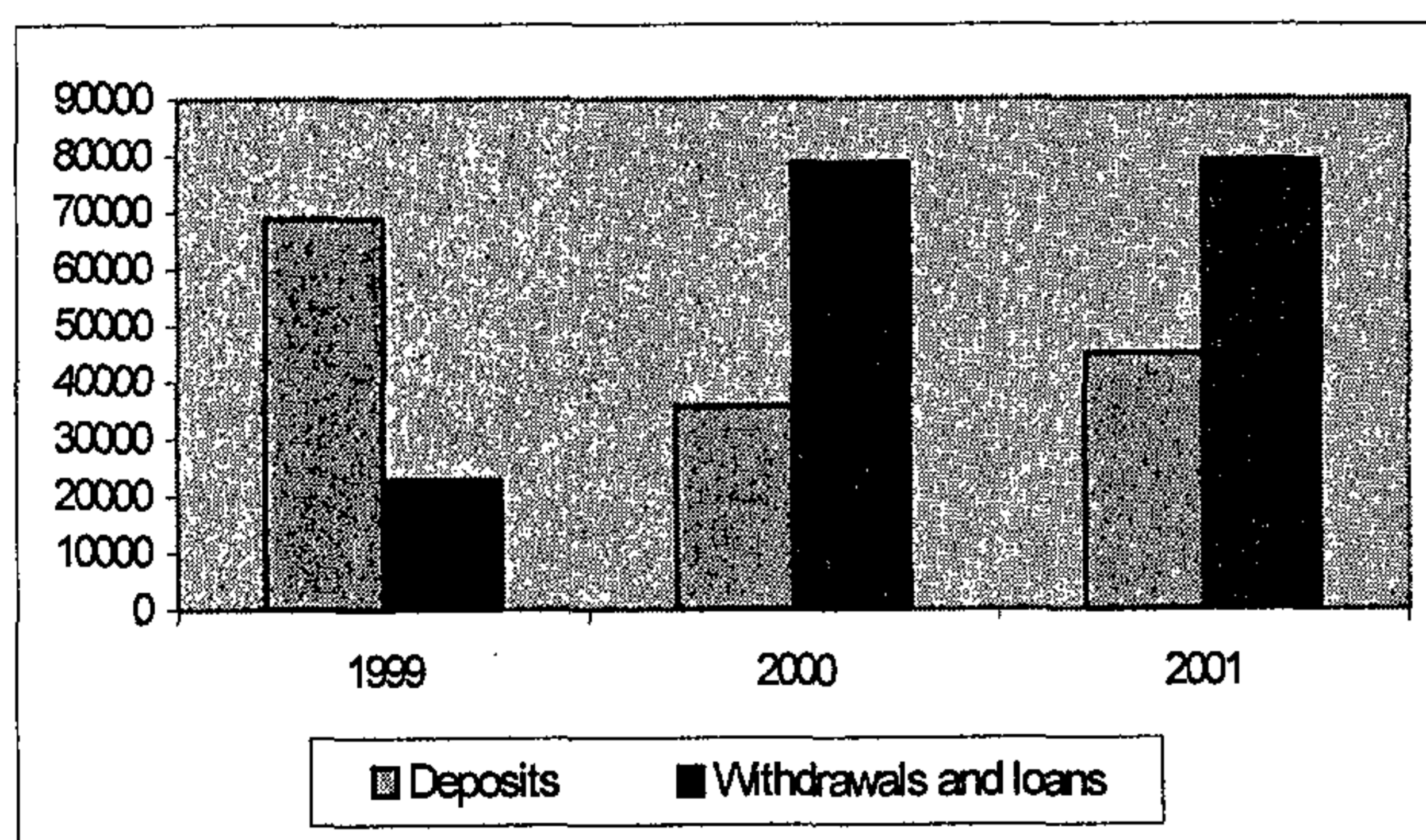
6.2. PORTFOLIO PERFORMANCE

Figure 4: Accumulated balance savings and loans



Accumulated balances in the savings account increased until March 2000, mainly under the influx of savings from the cochineal projects' cash for work programme and the fact that withdrawals were not possible until then. When the possibility for borrowing with savings as collateral was created, many participants began to make use of this and borrowing peaked in June 2000. As repayment discipline was generally poor, the loans in arrears and default were offset against members savings in April 2000, and the volume of the loan portfolio was reduced from P25,000 to P 6,600.

Figure 5: Total deposits and withdrawals in 1999 to 2001.



The accumulated savings declined between March 2000 and the middle of 2001 as withdrawals kept exceeding deposits. This was mainly due to cochineal farmers withdrawing their savings. Their savings balances decreased by 34% between December 1999 and

December 2001. Only later in 2001 there seemed to be a slight increase in the total overall balance in the savings accounts.

“I do like the savings programme, but the problem is that I will save and then I will take it out again and I do not see any improvement in my savings” (C’goise, February 2002).

The attempt to encourage thrift through high interest rates has not been successful. Savings accounts were used as current accounts and significant accumulation of savings did not take place after programme regulations were changed and withdrawals were allowed.

“I am afraid of the Bank. Because if I do not go to the bank every month they will make deductions from my savings” (Thamae, July 1999).

“I do understand how a bank works. I have heard from others that Barclays Bank takes the peoples’ money out of their accounts if they do not save quickly and I am afraid of that” (Bau Fretz, February 2002).

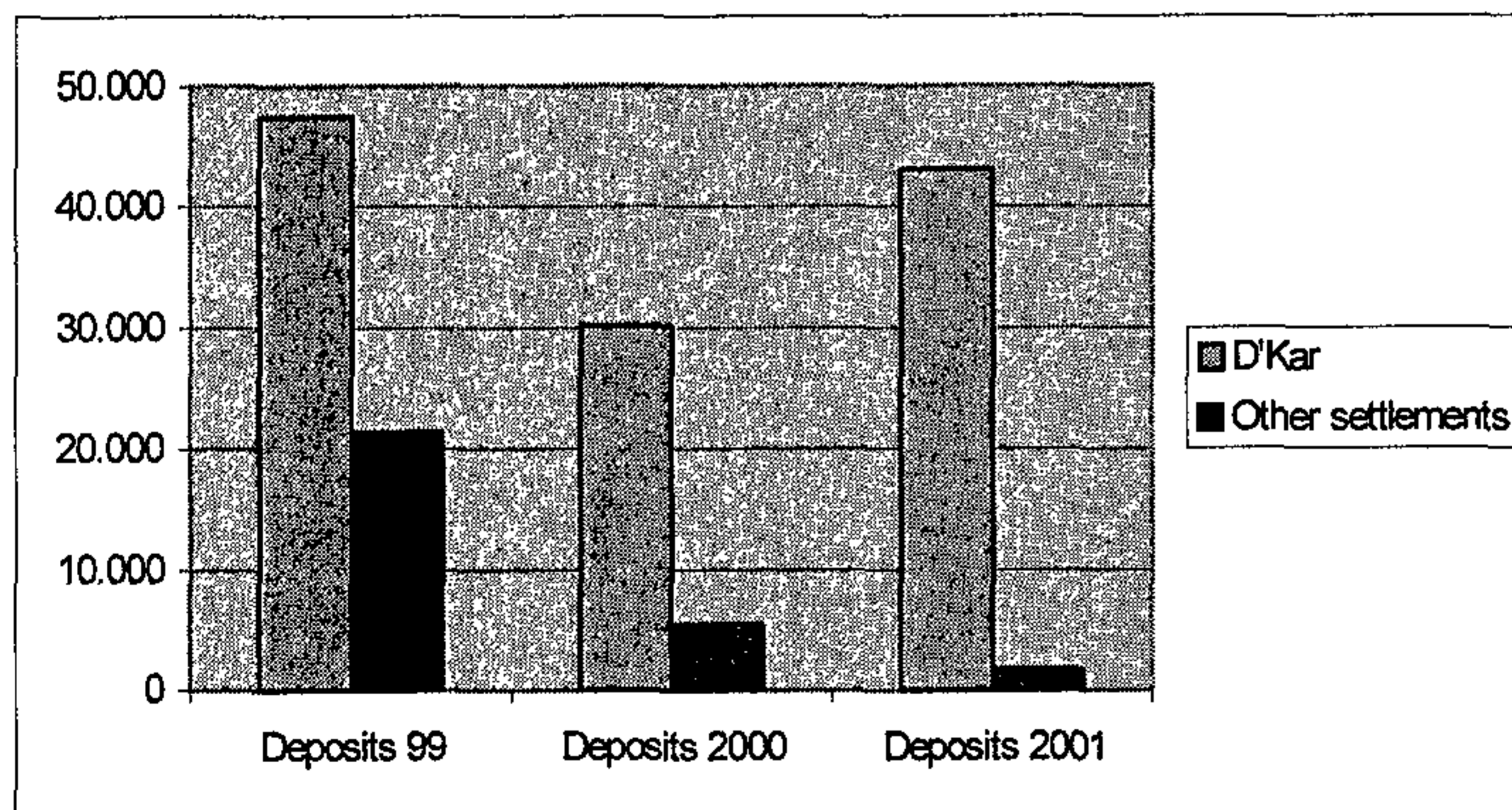
“Kuru is a bank of people who are different. All the people in the settlements will put their money together. Barclays knows that this is the money of poor people and will close their path to progress since the money is too little to open an account and the bank fees will eat up their money.” (Magu, March 1999)

“We like the savings programme very much. It is also very helpful around Christmas time. It should continue and not change. To save money here is better than bringing it to Barclays Bank. Because if you don't bring money there in four months, they will take it out. and at the end there will be nothing left and it will be closed. So saving here is better. It is important to continue it.” (Nqose, February 2002)

Another factor was more important to the people than the level of the interest rates and that was the fact that, in contrast to the commercial banks, no levy's or fees were charged by the micro-finance programme when deposits were limited or infrequent. The participants appreciated this very much in the programme.

Deposits on average were often very small. Almost two thirds of the participants deposited a total of less than P25 in 2000 and 2001. Deposits in the settlements were small compared to D'Kar. The deposits in the settlements in 2000 were only 15,2% of what they were in D'Kar.

Figure 6 : Deposits in D'Kar and the settlements.



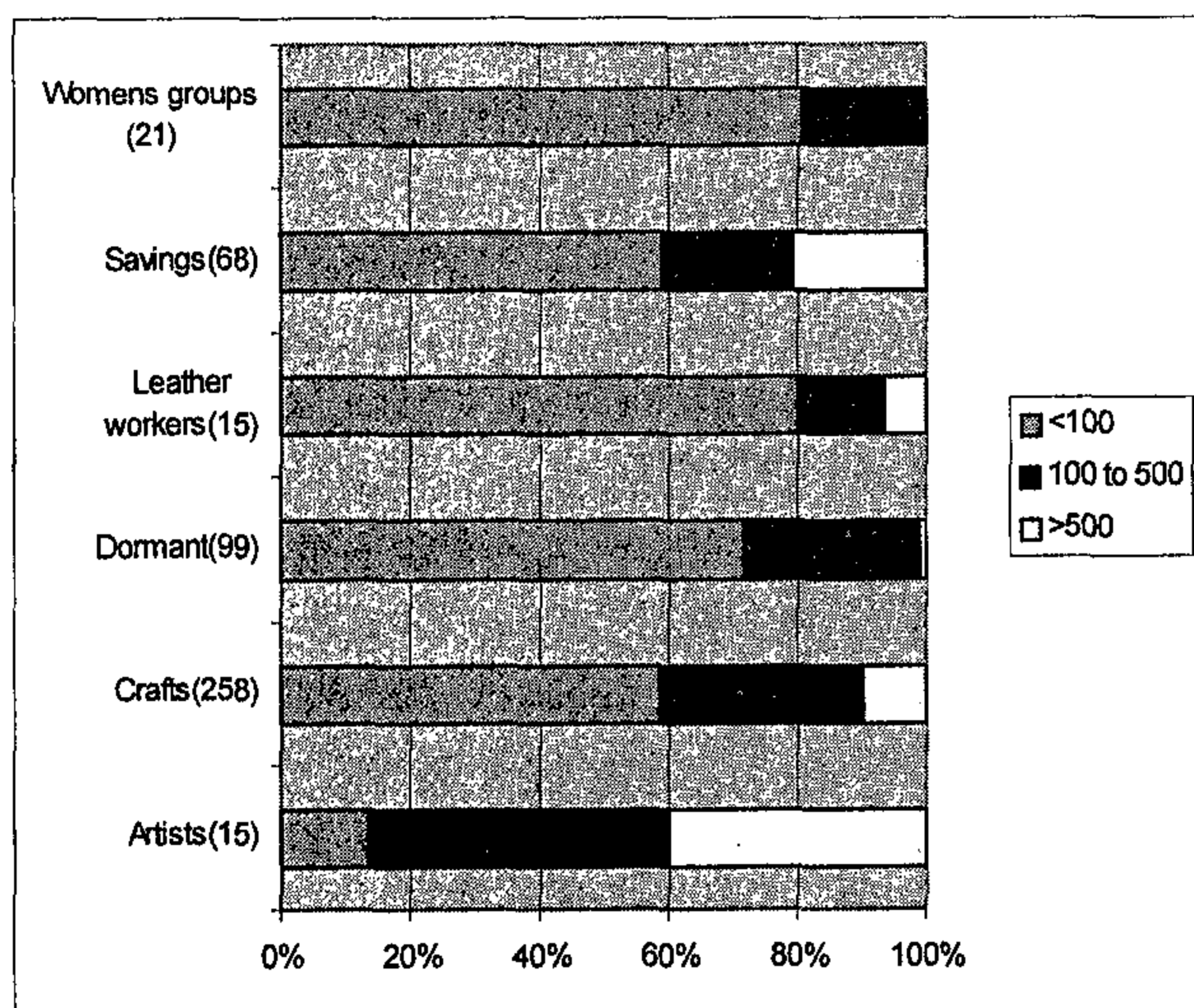
In 2001 this was further reduced to 4,2%. This is partly due to the consistent presence of programme staff in D'Kar. Another important factor is the limited circulation of capital in the

settlements. The total deposits and withdrawals were smallest for the craft producers and largest for the artists.

The balances held in the savings accounts in December 2001 at the end of the project period were smallest for the craft producers, dormant accounts, leather workers and women's

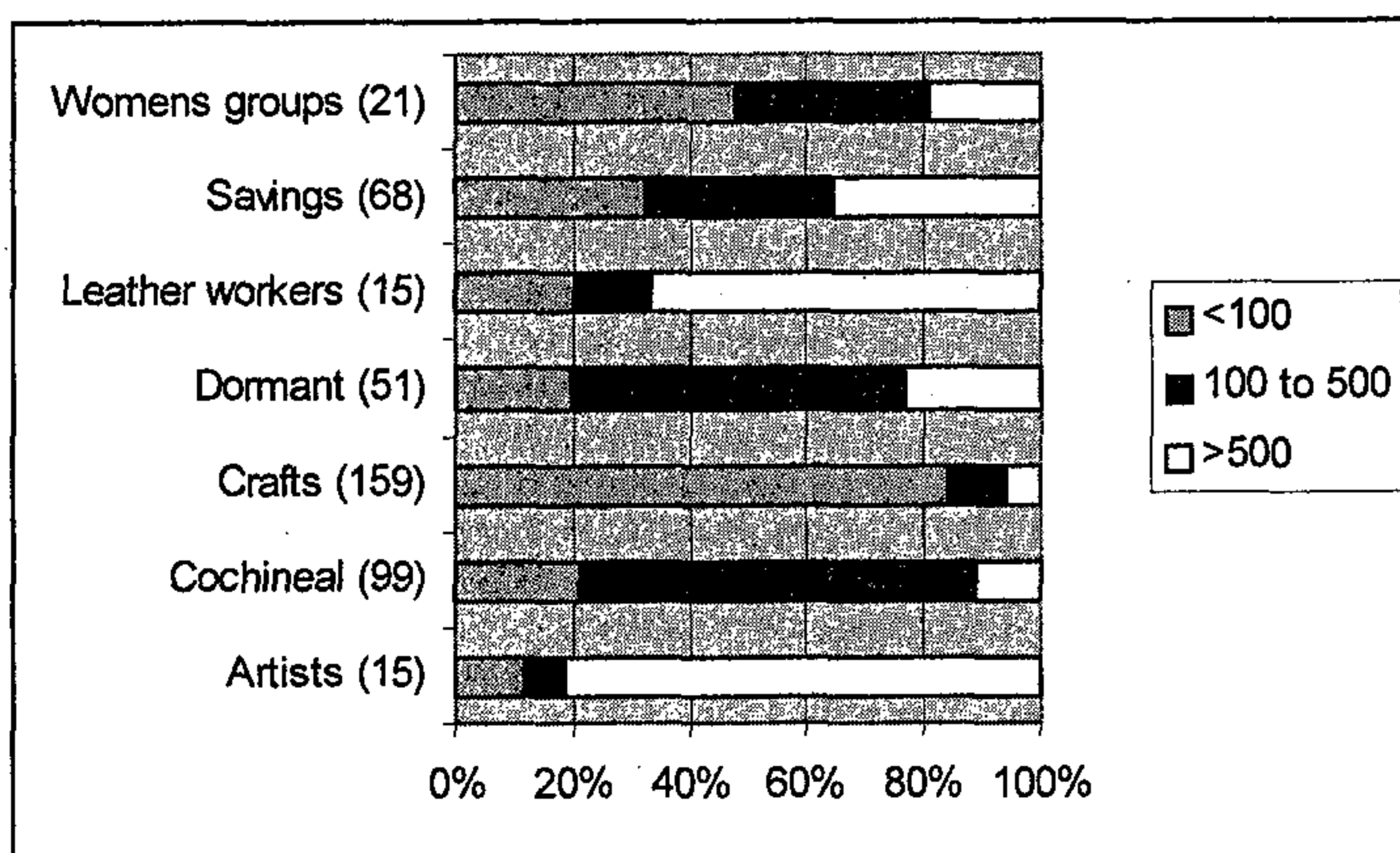
groups. The artists had the largest balances. Those who had a savings only account presented a mixed picture as it was a diverse group. The group “savings only” (meaning voluntary savings accounts plus mainly together with ex-cochineal account holders) and also the artists saw the largest decreases in the balance of their savings account during the project period.

Figure 7: Balance in savings account Dec 2001 per group



When describing participants' behaviour, only the period 2000 and 2001 will be considered. The enforced savings contributions from the cochineal farmers as well as the restriction on withdrawals and the absence of borrowing opportunities in 1999 would otherwise present skewed results.

Figure 8: Volume of financial activity per production group



It can be seen from figure 8 that the artists had the highest volume of financial activities during 2000 and 2001 of all the groups. Those of the craft producers was lowest, followed by the women's groups.

Finally, a study of the available financial data showed that the programme was heavily subsidised throughout the project period. The combined savings held by the programme was

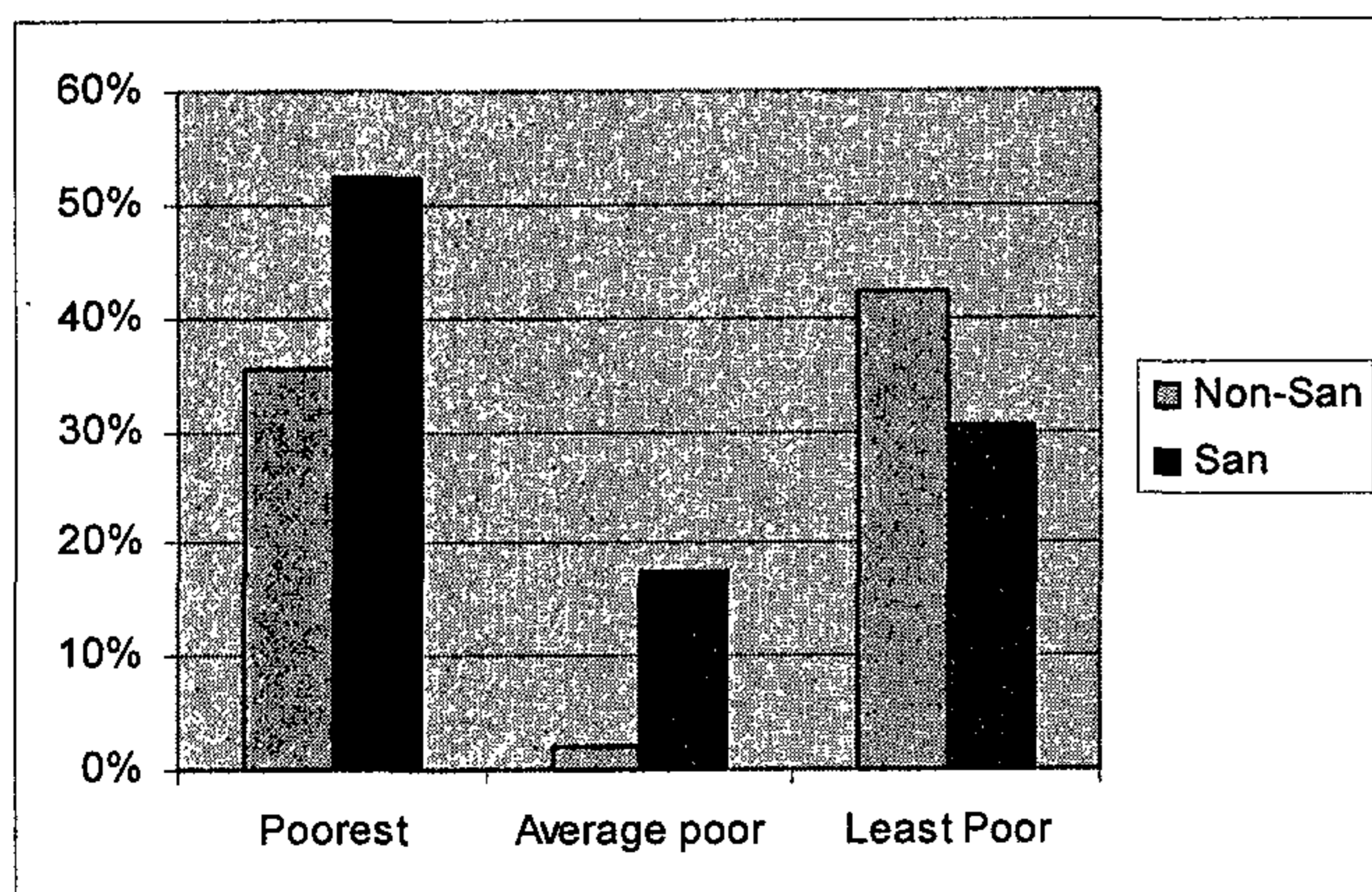
around P100,000 during 2001. Through reinvestment, after deducting interest payments, a few thousand Pula in income was realised. The cost of running the programme was over P100,000 in the same year. Subsidising micro-finance activities may be valid, even in the long term, but then the achievement of important social development goals need to be demonstrated.

6.3. ETHNICITY

This study is mainly concerned with the description and analysis of a micro-finance programme that was designed to support the San people. However, the population in the settlements and especially D'Kar is of mixed ethnicity and no-one was excluded from participating. It is of interest to note how the group of San participants compare with the non-San.

Generally the non-San participants were less poor in assets than the San (see 6.7. for a brief discussion on the definition of poverty for this study). They often lived in better housing than San participants. 74% of the non-San participants lived in a house with metal roofing sheets, whereas only 37% of the San did. Overall 57% of the San were in the poorest category against 42% non-San. When this was corrected for income, this remained almost the same (52% versus 36%). This was in spite of the many San employees of Kuru who participated and who were employed under Kuru's affirmative action policy.

Figure 9 : Income and asset poverty by ethnicity



Many of the non-San participants had also received more education than the San. 70% of the San participants had not gone to school, whereas only 49% of the non-San had not. The picture for attending secondary school

is similar to this.

The San said 50% more often than non-San that they share food or cash. The non-San more frequently owed money to others. It could be that the non-San had more access to the cash economy and therefore also had increased debts. It could also be that the definition of what owing means differs between the San and the non-San.

Clear differences can be noted in the financial performance between these groups. The non-San often repaid their loans better. In the settlements outside D'Kar, 4 out of 9 borrowers (44%) repaid half or more of their loan. For the San this was 12 out of 73 (16%).

In the savings activities however, the differences between these groups were marginal. Of both groups slightly less than half the members saw a balance increase in 2000/1 and slightly more than half a balance decrease. The volume of transactions for both groups was also about the same.

The San outnumbered the non-San only in the balances held in the so-called "savings-only" accounts. The average balance in 2000/1 was P348 for the San versus P91 for non-San in this category. This was mainly caused by the increasing number of San staff employed by Kuru that had opened a savings account.

6.4. D'KAR VERSUS THE SETTLEMENTS

There were a number of differences between D'Kar and the other settlements where the project took place. D'Kar was the largest settlement with around 1000 inhabitants, whereas the other settlements numbered between 200 and 400. D'Kar was the closest to the district capital Ghanzi. It had the highest number of non-San inhabitants and about half of the D'Kar population was non-San (though only 20% of the project participants in D'Kar were). In the settlements this was estimated to be around 10%. The settlements also had a larger area of land available than D'Kar (40,000 ha versus 3,000 ha). This reduced opportunities for hunting and gathering in D'Kar.

Because of the presence of Kuru, a variety of projects took place in D'Kar, whilst in the settlements the only income generating activity that was supported during the project period, after the collapse of the cochineal project, was craft production. A larger number of salaried people lived in D'Kar. As a result of all this, the cash influx into D'Kar was significantly higher than in the settlements, the influence of the cash economy was bigger and it is of interest to observe the differences that occurred.

People in D'Kar more often claimed to lend out money to others than people in the settlements. They also claimed to share clothes with friends or family more frequently. People in D'Kar were more indebted to their friends. The people in the settlements claimed not to owe any money to anybody in 65% of the cases, whereas in D'Kar this was only 22%. People in D'Kar also claim to always repay debts in only 26% of the cases, whereas this was 75% in the settlements. 42% of D'Kar members had not borrowed money the previous month and 69% of the people in the settlements had not. All this indicates a higher circulation of cash in D'Kar. It also confirms that peoples' indebtedness increases with increased access to cash.

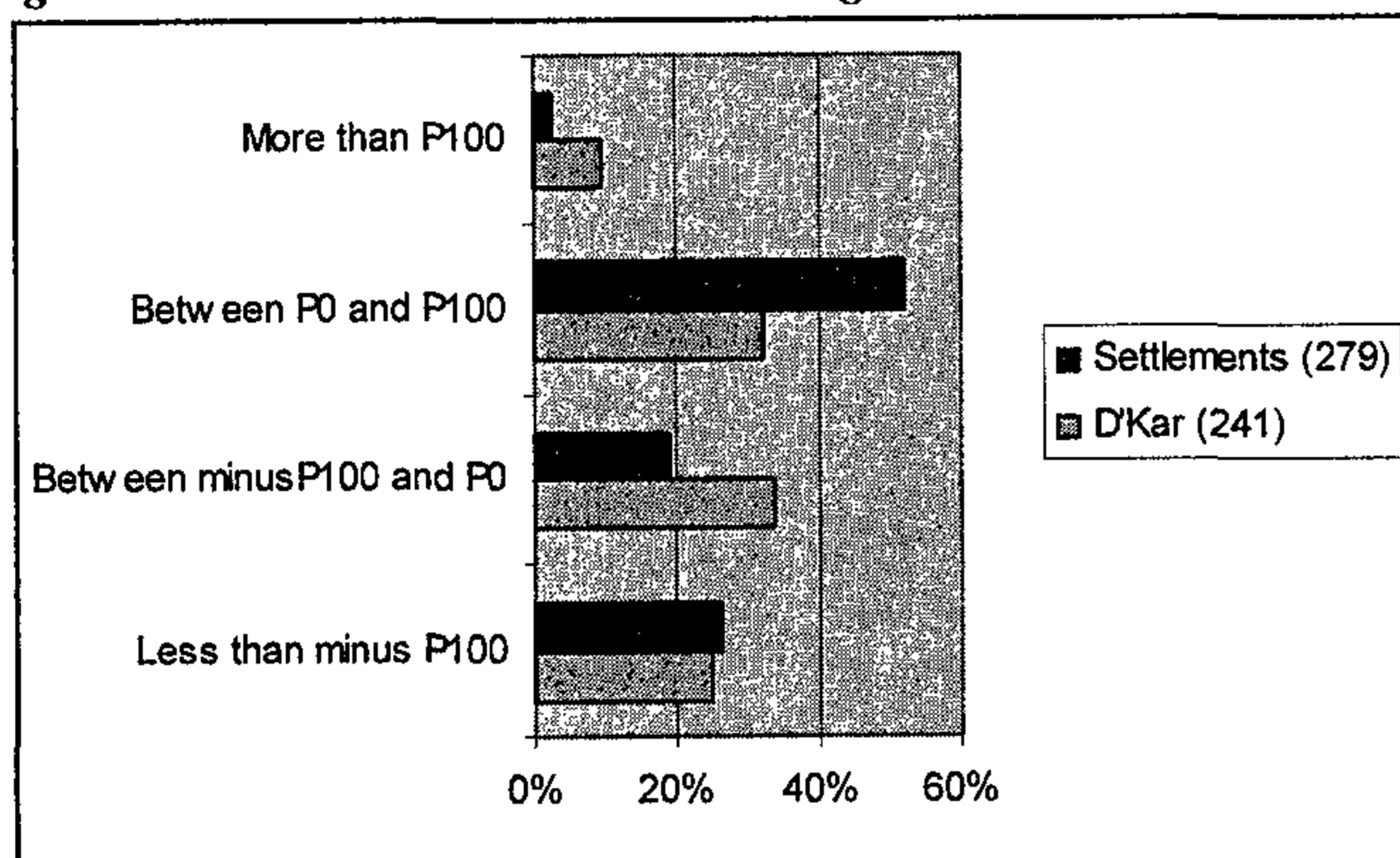
Of those who listed craft as a source of income, the people in D'Kar listed crafts more frequently as a first or second source of cash income (82% vs. 66%). People in the settlements claim to depend more on pensions, destitute feeding rations and piece jobs.

The repayment rate of loans was lower in the settlements than D'Kar. 43% in D'Kar repaid more than half their loan and only 17% in the settlements did. This was probably due to the fact that more participants in D'Kar were members of a production group that provided them with a regular income through which repayment was possible (e.g. artists, leather workers). For many others, such as craft producers, there was simply no sustained income-generating activity available through which they could repay.

When people in the settlements withdrew money from their account, the first stated purpose was building materials (32,4%). In D'Kar the first purpose was food (51,3%). It seems that the availability of shops and, perhaps, the lack of gathering opportunities due to the small farm on which D'Kar is located, increased pressure on the participants to spend their money on food, rather than long term durable needs, such as housing.

Participants in D'Kar generally had better quality housing. In D'Kar 56% of participants lived in housing with metal roofing sheets, whereas this was only 29% in the settlements. But the extremes in D'Kar were also bigger. 14% of the participants lived in dwellings made of paper, plastic and thatch. This was 9% in the settlements.

Figure 10: Increase and decline in savings balances in D'Kar and the settlements

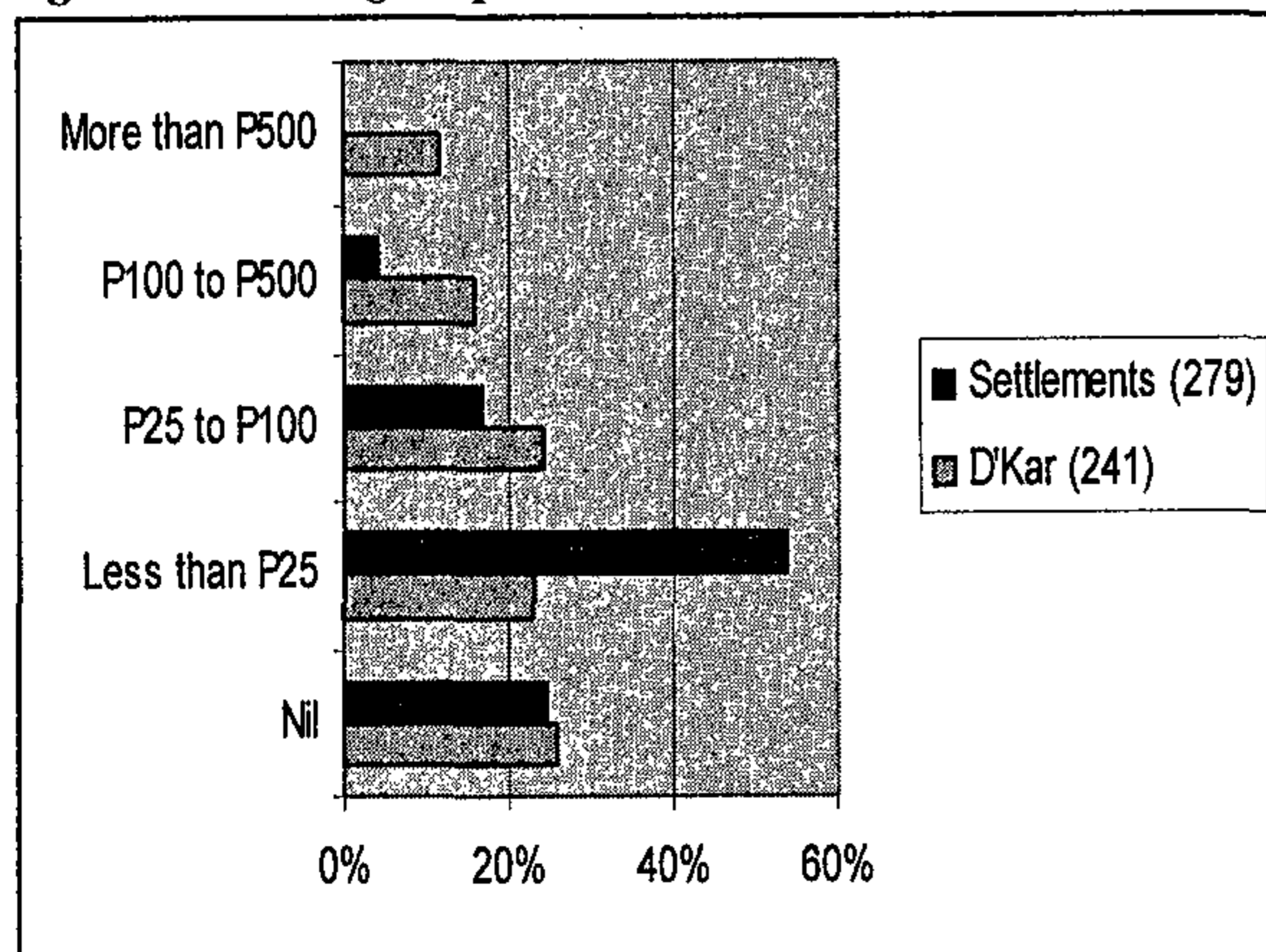


A difference can be observed in the types of transactions conducted in D'Kar and the settlements. The settlements predominantly saw balance increases in the P0 to P100 range, mainly due to the

small savings of craft producers. D'Kar saw an overall decline in savings account balances. The producers in the settlements generally withdrew funds from their cochineal account that had been established in 1998 and 1999.

The volume of financial transactions was much lower in the settlements during 2000 and 2001 than in D'Kar. There, 92% of the participants conducted transactions in excess of P500 while only 45% of the participants in the settlements did.

Figure 11: Savings deposits D'Kar and settlements 2000/1



Balance of savings accounts decreased by an average of 20% between Dec 1999 and Dec 2001 in both D'Kar and the other settlements. In the other settlements this was due to a gradual decrease in the savings accounts connected to the cochineal project. The volume of deposits and

withdrawals in D'Kar was at least ten times than that of the other settlements. This was caused by both the availability of cash in D'Kar and the accessibility of the programme. However, withdrawals exceeded deposits in D'Kar by 60% (working back from quarterly balances). In the settlements, withdrawals exceeded deposits by 340%, due to the decrease in cochineal accounts. In more remote settlements the balance dropped slower, due to more infrequent visits of the field workers and hence fewer opportunities existed for withdrawal.

The capital in the settlements mainly consisted of accumulated savings from the cochineal project. Over the project period, these savings were slowly eroding as only tiny deposits from the craft project took place. The savings programme succeeded in shielding a part of this cochineal income from immediate consumption and allowed participants to spread its use over a longer period and utilise it for uneven needs. It also provided some of the participants in the settlements with some cash to meet non-consumptive needs such as buying goats or building supplies. The fact that so many members with hardly any income kept so much of their cochineal savings in tact for several years points to the desire many had to keep resources available for tomorrow's needs.

6.5. SHARING, LENDING, GIVING AND DEBT

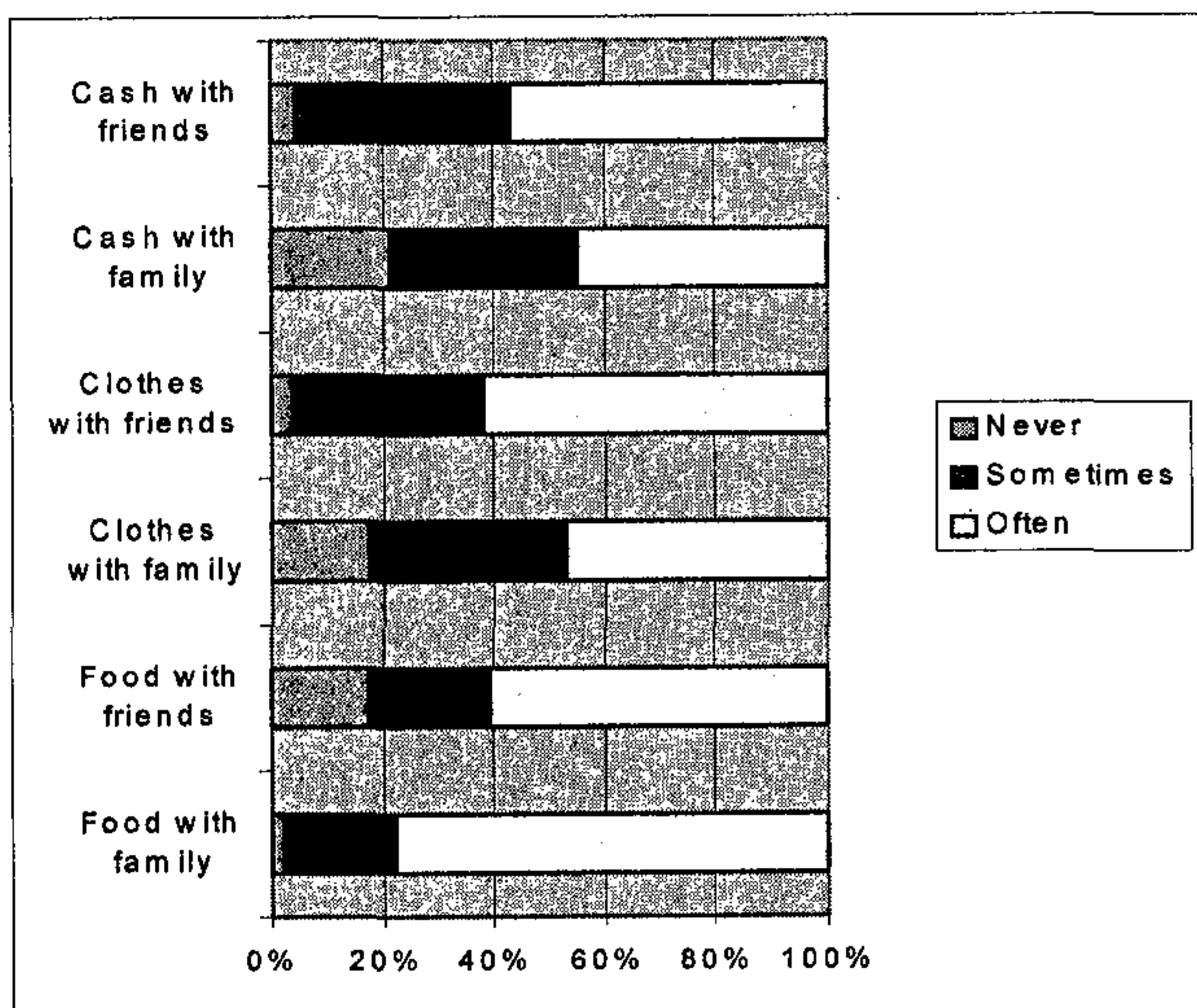
a. Lending and sharing

"Nowadays if you don't have food, your relatives will not help you. In the past people would always share with their relatives and they would say: let's go and gather together and share what we find. That has now changed. It has gone down. In the past if you would go to a place and people would have cooked food, they will share this with you. But nowadays even if people have cooked food and you visit, they may not share it with you. Sharing has grown less, as most people do not work. So I share with fewer relatives. As it is a one-way sharing I do, my sharing has also reduced" (Bau Fretz, June 1999).

"Yes, we share with fewer people, mainly relatives, but not only relatives. If my neighbours don't have anything or even if I meet with somebody that I don't know and he asks for money, if I have Pula, I have to give it. I don't know why this is happening. I feel reluctant to share, but I also feel I have to. If I see the person without anything you will not feel happy. You will just have to give anything you have. You will also want to keep what you have, so you need to divide it. Give some, and keep some for yourself" (Miriam, August 1999).

For many people gifts were a source of cash income. Gifts were ranked as the fourth out of fifteen possible income sources by 336 San participants, the first being crafts. Significant redistribution of wealth does take place through gift giving. But the feelings of the participants concerning this was ambivalent and differed.

Table 11: Sharing of food, clothes and cash



70% Of San participants (n=130) claimed to have given at least one cash gift in the previous month, but only 21% said that they had also received a cash gift in that period. Over 60% of the San participants claimed never to lend money to family or to friends. The majority of participants also said that they “never” borrowed money, not from family (73%)

and not from friends (77%). Very few people admitted to borrowing money often.

Some of the ambivalence concerning lending and borrowing is reflected in the contradicting figures. Whereas almost two thirds of the people said that they never lend money, almost half stated at the same time that they have lent money to others at least once during the previous month. And when asked what they would do with surplus cash, over 70% said they would give it as a loan.

Cash means choice and cash is a prized commodity. People wanted to hold on to it, but at the same time wanted to share and wanted to remain in a system of mutual help. Several participants said that they were used to sharing their money, but now wanted to stop it for a while and see how that was. Others admitted to hiding the money in their home, away from the eyes of family.

Sharing and lending is not the same to the people. Only 22% said that they never share cash with family and even fewer, 5%, stated that they never share cash with friends. Sharing cash was more frequent than lending cash, though again this is not consistent with what people would do in theory if they would have surplus cash available. More would lend money than give cash gifts. Food was shared more than money. Some stated that it did not make a difference, as these days food too was no longer available from the veld or from farmers rations, but had to be bought.

“Sharing food and sharing money is different. You can't share your money with people who may be misbehaving. Someone may come to you and beg for money and promise to bring it back and then go away with it and buy drink” (Lizzie Morris, February 2002).

“It is different, sharing money or sharing food. Food can be shared with others every day, but money is only shared sometimes. Sometimes you give money and sometimes you don't. Because it is very difficult to get money, you cannot share it every day” (Qhaqhoo, August 1999).

“I grew up on the cattlepost of the farms. Live was free at that time. I used to share food and other things I had with friends and family. Now that has changed. I do not share things anymore. Gift giving has stopped since money came. Now whatever you would like to have, you need to buy it with money, there is no other way to get it. The money has brought many quarrels and conflicts, more than in the old days. People keep asking you for things all the time. I have learned to say no most of the time.” To a person who keeps begging I find it easier to say no than to others, but it is never easy. You will always feel bad to refuse to give something, even when you need it yourself” (C'goise, August 1999).

The last quotation is full of nostalgia for days gone by and that sentiment was expressed often, even for the life with the boers, when rations were given and there was still some access to the veld.

Food seemed to be more easily shared with family than with friends whereas with cash and also with clothes this was the other way around. People found it easier to share the things that could be bought with cash than the cash itself. Partly because they did not trust that the recipients will not spend it on alcohol and partly because cash was so hard to come by. Some members said they had a cash sharing or a cash pooling relationship with only one or two trusted people, such as a partner, father or close friend, but generally resources were not

pooled. There was individual ownership of assets such as cattle, even within a marriage relationship. "We both have our own money", one participant remarked.

When participants were in a provider role for their family, they expressed to be less likely inclined to share money with friends. Half the providers claimed never to share with friends, while only a quarter of the non-providers did. Participants living in compounds with more people also expressed that they would share cash with friends more frequently than those who lived in smaller compounds.

The higher the educational level of the participants, the more likely they were to share cash with friends. 86% of the San participants with all or some secondary education shared cash sometimes or often, whereas only 38% of those with no education did so. This may be because participants with education had more access to jobs and a regular cash income than participants with less education, and could also be because they were more used to working with cash.

Two thirds of the participants in D'Kar (n=72) stated that they had lent out money during the previous month. In the settlements this was one third (n=48). This illustrates the advent of the cash economy and the availability of cash in the D'Kar community.

Three quarters of the women said that they would never lend to a friend, whereas for men this was just over half. Also, women shared cash with friends much less frequently than men claimed they did. This may point to the fact that women have less access to cash than many men and that therefore their sharing circles are smaller. I will come back to this later in the section on gender.

The difference between lending and sharing is a grey area for people. Many lend, but do not admit to borrowing. Sharing does include an expectation of return, but is not stipulated by quantity or time, whereas lending and borrowing requires an exact repayment within an agreed or reasonable period. The responses of people show that the latter relationship, one of lending and borrowing is one that they generally do not prefer to enter into. Frequently such relationships become problematic when debts cannot be repaid.

With the reduction of sharing networks, many people begin to look only to their children as a source of security for times of hardships and during old age. As one said "People now depend on their children. Your children are your only family".

"I only stay with my children and they will take care of me. If I become sick, they will take me to the hospital. They will help now. I can only depend on my own children. That is why I now have big family. They are the only family I now have and they will take care of me if we become old" (Bau Fretz, July 1999).

"I only share my money with my children, I cannot share it with other people. To get money is a very difficult thing and therefore it is also difficult to share" (Xota, February 2002).

There was a widespread desire amongst the people to have their own money for future needs so that they did not need to share and thus the savings programme was appreciated by the people as contributing to that. This points to a general shortage of resources. People don't want to depend on others anymore, because they cannot.

b. Debts

To owe money to a shop was admitted by one quarter of the participants. Owing money to family, friends, shebeens or others was admitted by only one out of ten people. But when the question was generalised and people were asked whether they owed any money to anybody, just over half the San participants acknowledged this. Only two out of 52 members said that they had ever paid any interest on money they owed. To most, the concept of interest was foreign. Most participants claimed that they always paid back the money that they borrowed to others but that they themselves were paid back always in only 20% of the cases.

The participants with higher education more often admitted to owing money than participants with less education. All the participants with some secondary education said they owed money whereas three quarters of those with only some primary schooling did and only one quarter of those with no education. Indebtedness is also directly related to the age of participants. Young participants were generally more indebted than older ones. The more access to the cash economy, the easier and quicker members put themselves in debt, but also seemed to share their cash with others. The better the housing quality of participants was, the higher the likelihood that they would have debts. Financial figures in a later section will also show that people who already owed money were more likely to pay their loan back than those

who did not owe. Also, both those with larger average savings as well as the small account holders (above P500 and below P100 respectively) experienced a larger indebtedness than those with accounts between P100 and P500. It seems as if there was a certain threshold. People who were able to access small cash resources and use them wisely were less likely to go into debt. But those with larger resources and access to further resources frequently indebted themselves beyond their means with grocery shops, furniture shops, etc.

“Last week I used most of my money to settle my accounts at the shops. I also have accounts in some other places, since some few years ago. They are relatives. I will pay this relative through a period of time, but that just depends how the negotiations go. I have to add some interest at the shops if I have an account there, but not to my relatives. What I know that among the Ncoakhoe people, there is no interest on the amount that you have got. That is a system that has been brought by the Tswana people, the interest” (San artist, August 1999).

Men claimed to always pay back borrowed money 70% of the time. For women this was only 33%. The understanding of the participants that borrowed money required a stipulated repayment within an agreed period was limited. At best they were aware that they had to repay the amount at some time. This also affected the loan component of the programme.

6.6. FAMILY RESPONSIBILITIES, AGE AND EDUCATION.

More than half the participants lived in a compound with more than 8 people. Participants between 45 and 65 years lived in the largest groups. The older participants more often considered themselves to be the main provider of the with over 80% of the participants over 45 claiming to be the main provider (including those over 65). It is worth noting that only 11% of those over 65 said that they have no dependents. People experience the responsibility of provider till their old age.

More men than women considered themselves to be the main provider in the household (89% versus 62%). That does not mean that those who said they were not providers had no responsibilities for dependents. 77% of those who said they were not the main provider in the family, still claimed to have one or more dependents.

Those who considered themselves to be providers were somewhat less poor than non-providers (48% versus 64% in the poorest category). This may lead one to speculate that those who have property were more successful and therefore also attracted more responsibilities of care than those who do not have property. This is supported by the observation that the group of artists, which was the group with the highest income of all producers, also had the highest number of dependents. Providers claimed to share money less frequently with their friends than non-providers (77% versus 51%). Perhaps the responsibility for family needs leads them to reduced sharing.

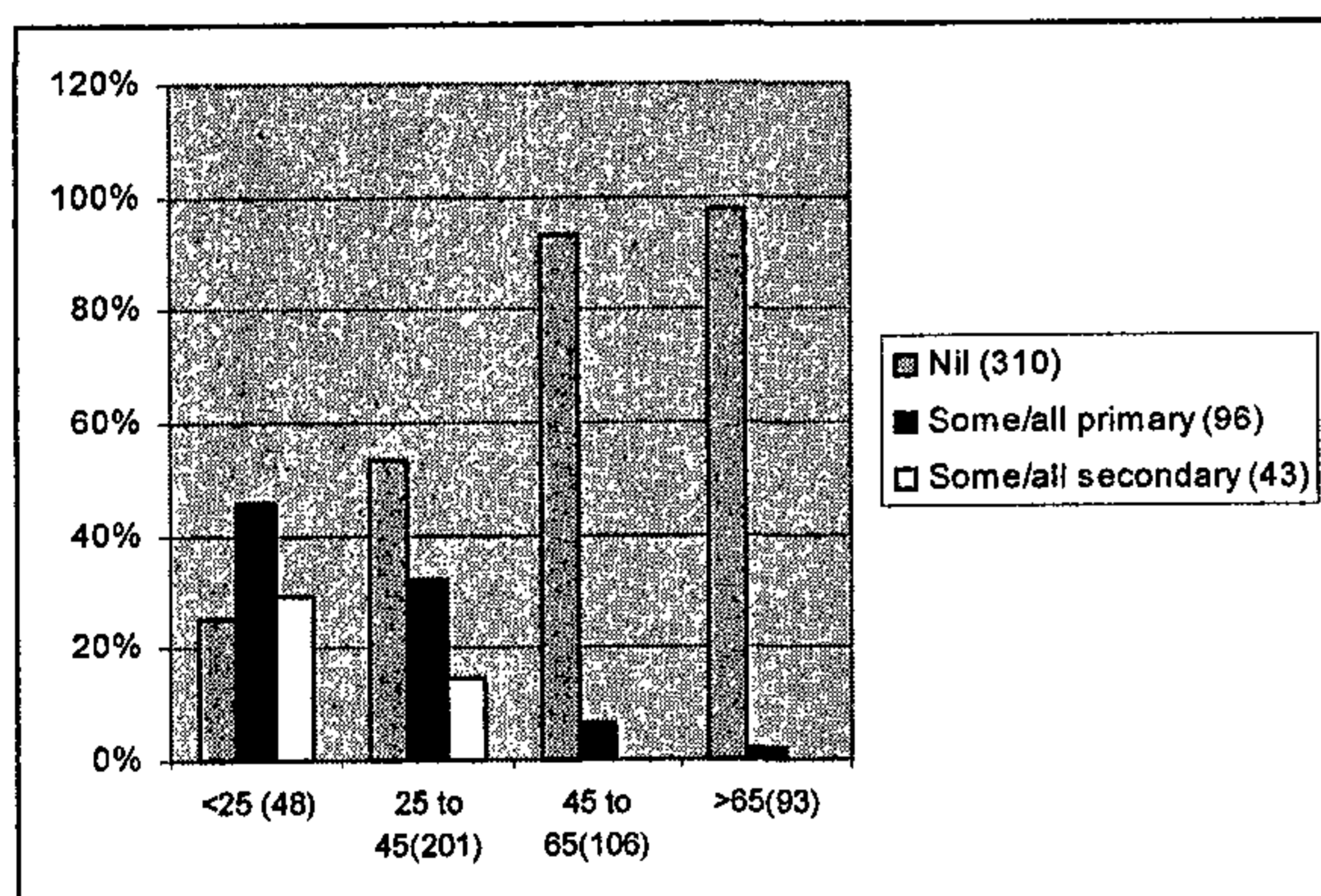
Table 12: Nr of dependents by account balance decrease

| Nr of dependents | Account decreased |
|------------------|-------------------|
| None | 43,7 % |
| 1 to 4 | 47,3 % |
| 5 to 8 | 62,7 % |
| more than 8 | 63,8 % |

There is some relationship between the number of dependents people said they had and portfolio performance. The higher the number of dependents was, the greater the decrease of the savings account

balance over time (see Table 12). It is obvious that the pressure of family leads to withdrawals and the use of these for consumptive purposes.

Figure 12 : Participants education by age



There is a not surprising but still striking relationship between participants age and their education. 98% of those over 65 years have had no schooling at all and only 7% of those between 45 and 65 attended some primary school. Only half the San participants older than 65 spoke the national language, Setswana. All

the young participants did. This significantly reduced access to the programme for the older people.

Of those who attended secondary school, 85% had no children or only one child. This was of course a group of younger participants, but also suggests that family sizes may be decreasing among younger and better educated San. A larger proportion of those with some secondary

education owned more in terms of income and assets than those without. The difference between those with or without some primary education is less clear.

The higher the educational level of participants, the more likely that they would share money with their friends, but also the more likely they would be indebted. 61% of those without schooling claimed they did not owe, compared to only 20% of those with at least some schooling. Access to schooling seems to increase ones understanding of and access to the cash economy and thereby increases the opportunities for incurring debt.

The older participants claimed to owe less money than the younger ones. 78% of those over 65 years owed nothing, whereas this was true for only 20% of those under 25 years. The largest debts were experienced by people between 25 and 65. Elderly people seemed to have less access to cash and the cash economy than younger ones and were therefore less indebted.

No participant older than 65 had average savings over P1000. But because of the cochineal's cash for work component, which involved quite a few older participants, they form the largest group with average savings between P100 and P500.

The participants over 45 years, including those over 65, generally owned more livestock assets than those under 45 years. Older participants generally lived in poorer quality housing than younger ones.

The following remarks can be made about portfolio performance and age, education, and responsibilities of participants:

- There was some relationship between the average savings account balance in 1999/2001 together with the volume of lending and the educational level of participants. Participants with (some) secondary education made less use of the programme and in 70% of the cases had an average savings account balance of less than P100, compared to 54% of the participants with no education. This gave participants with (some) secondary education also less access to larger loans under the rules of the programme. They may have seen the amount available for borrowing as inadequate and consequently took fewer loans in the micro-finance programme as those with less education. The general tendency among the San with education to indebt themselves (see 6.5.b) did not translate into a higher volume

of borrowing by this group in the micro-finance programme. This because the rules specified that lending had to be preceded by evidence of thrift, and this was not demonstrated by participants with (some) secondary education.

- Those with more dependents more often saw a decrease in their account balance than those with few dependents. More transactions were also recorded for those with more dependents.
- There is no clear relationship between a participants ability to repay loans and their ages, education or family responsibilities.

Overall there was a surprisingly limited relationship between the age of participants, their educational levels and their performance in the micro-finance programme.

Vignette: interview with Dinah, February 2002

I am a craft producer. Most producers have made both deposits and withdrawals, but I have made a total of seven deposits and have not touched the money. But now, I want to leave the programme, as it is not important. It can take three months before anything happens in the women's project and how can you make your money increase? I see no future in the savings.

But I do not want to take my money out. No, I want to save. Then I will know that the coming years I will get something to work with my money. I don't want to take it out, but leave it, but I am unhappy because the projects are not there.

I have no plan for the savings at present, it is just for the future. I tried to look for a job anywhere – I have done Form 2- but there is no work. I wrote many applications, but received no replies. I did not continue to get Form 5, but got pregnant. I want to go for schooling again and learn more. I stay and eat with my parents. I cannot live by myself without working. My parents are also not working.

I really want to save. But the problem is with the savings. If one day you will get P60 from the project, you will have made accounts at the semausu for two months and you have to pay it first. How can you save? We are suffering.

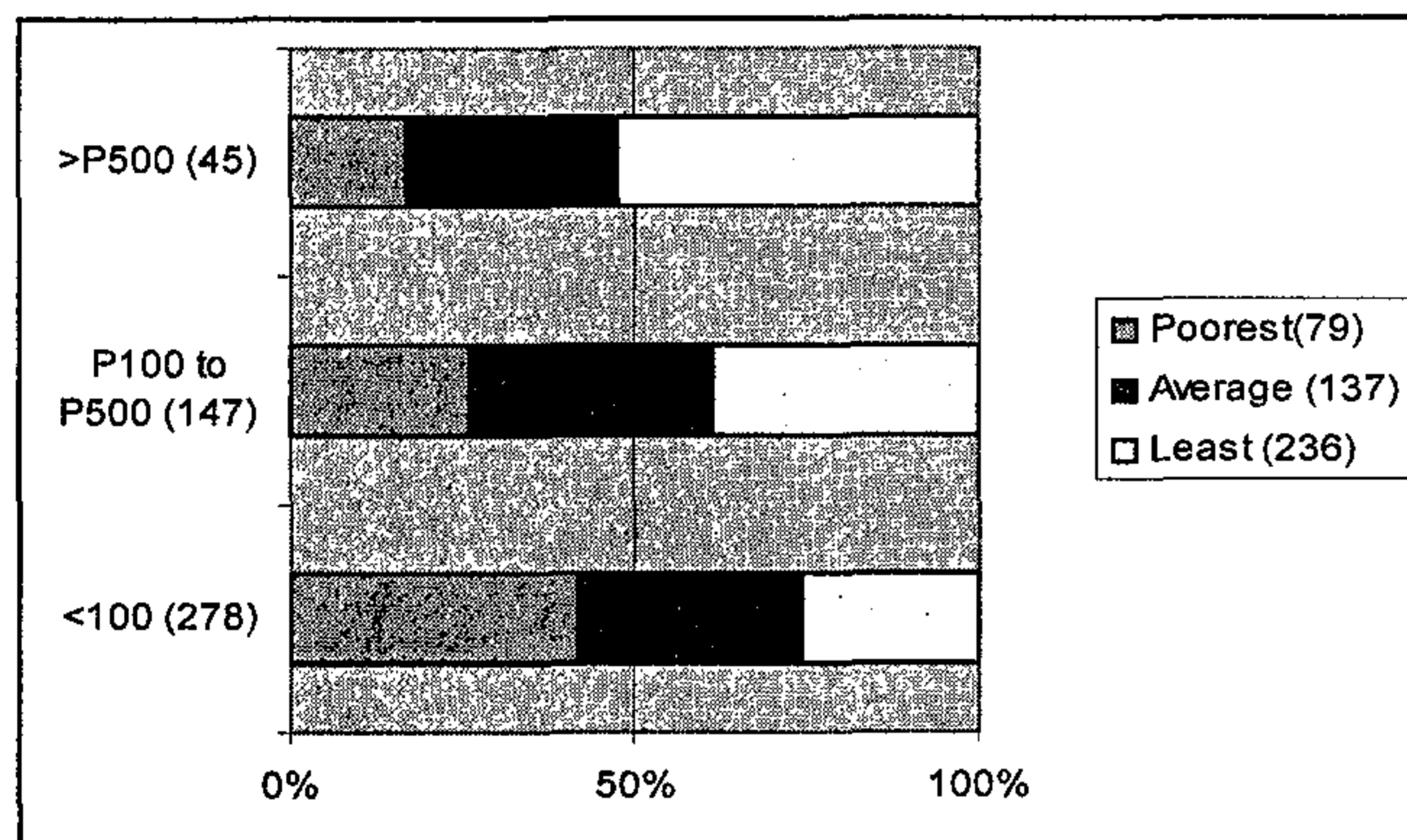
The savings are for anything that may happen. I have kept the money in the savings account for a long time and it has not done anything. I do not know about any interest that is given on the account. So it means you can leave it for six months and it will grow?

I have no opinion whether Kuru should continue with the savings programme or stop it. It is important for people to save. It will help you in the future. If you have some funeral you can go and take your money and help your family members. Also I don't have a house.

It will not be a bad idea to make a contract to save until you have reached a certain amount before you can withdraw. But if you are not doing anything you have no money to save also and if you finally get your P60... I have my account of December, January to pay at the semausu⁸⁰ and it is already February now.

6.7. POVERTY

Figure 13: Average balance savings account by poverty index



An index was made indicating the relative poverty of participants. Cattle ownership together with the value of housing was considered as a proxy for rural poverty. When participants owned less than the value of one cow they

were considered poorest and when they owned assets more than the value of three cows they were considered least poor. Those who indicated that they had income from a regular paid job were also considered least poor. It was found that those participants who were poorest in terms of assets, also had the smallest balances in their savings accounts. Only one third of the poorest members had an average balance in their savings account of over P100, whereas this was 60% for the least poor. The poorest members made fewer deposits. 35% of the poorest members made no savings deposits during 2000 to 2001, whereas 21% of the least poor did not. The least poor generally also deposited larger amounts when they made use of the services of the savings and loans programme.

This seems to indicate that it is valid to use asset poverty as a proxy for rural poverty. It also suggests that developing liquid assets in the form of savings is harder to achieve for those who are already poor, irrespective of the fact that they have equal access to income generating opportunities. But the picture is more complex than this. When we look at the volume of savings that people were holding, we can observe that the least poor saw their savings decrease more often than the poorest did. The least poor had access to more funds, but also used them at a greater rate. 37% of the least poor saw their savings decrease, compared to only 25% of the poorest San participants. This indicates perhaps that the poorest wanted to use their tiny savings more in a desire to save towards long term needs, more than

the least poor did. Quite a number of the least poor, especially in D'Kar, used their account primarily to even out income flows and for short term needs.

"I haven't had a big problem yet, so I am just saving, so the money will grow nicely. Also if I get money from the crafts, I will be saving" (Female craft producer, 2002)

"I love the savings programme very much. Yes I have a plan with the savings. I will want to build a house with it. I will not take it out to buy food. If I visit my family I sometimes take money to buy food for them" (Female craft producer, 2002).

During the baseline interview a question was asked about how poor participants feel. Many that were least poor in terms of housing and assets still felt very poor. The participants who felt poorest often stated a smaller number of income sources than others and seemed to have less diversified household strategies. They also found it more difficult to answer questions on spending money. There seemed to be little relationship between peoples' perceived poverty and their age or their education.

The category of members whose activities were not connected to a specific income-generating activity, but who saved purely voluntarily (the so-called Savings-only members) presented a mixed picture. More of them (68%) fell in the category of members that are poorest, than the 56% of the total membership. This group seemed to consist of two groups of people. There are those who had a regular income and wanted to make use of the services for on-going needs, much as one would use a current account at a bank. The other group consisted of very poor people who had a desire to save some of their tiny income towards long-term and irregular needs.

The older people, i.e. those over 45 years of age often had more property in cattle than the younger people had. Those under twenty-five owned the fewest heads of cattle. With housing the picture is different. Older participants often lived in poorer quality housing. Over half of those under twenty-five years lived in a house with iron roofing sheets. This was a quarter for those over sixty-five.

Those who were poorer in terms of the quality of housing in which they lived had usually also made smaller withdrawals and smaller deposits, as they apparently had smaller amounts

of cash at their disposal. The bulk of withdrawals larger than P500 were made by those who lived in the best, i.e. cement houses.

“I would like to keep my savings, because it is little and not withdraw. I like the idea of saving some money, so if there is some problem, I can help myself. If Kuru would help with the business of craft buying, I could save more money” (Male craft producer 2002).

Poor people withdrew their money less often. This indicates a preference to save for future needs, but also the comment was frequently heard that it was too little what they had saved and that is why they did not want to touch it. They would want to hold on to it for something larger. A house or cattle were frequently mentioned.

“I have not made any withdrawal yet, because I did not know how to replace my savings. Now I am forced to withdraw because of the difficulties I am facing. I would like to make more deposits and make a plan for something really big, like a strong house” (Ncece Cgaku, East Hanahai, 2002).

Those who are poorest were also more likely to have fewer dependents. This was at least partly due to the fact that most people under 25 were poor in assets compared to older ones, and had fewer children at the same time. It may also indicate that poorer people had a smaller circle of people that can depend on them. Poor participants also indicated that they were less likely to share cash with friends than least poor participants were. Almost three quarters of the poorest indicated that they never share cash with friends, whereas almost half of the less poor claimed never to share. This suggests perhaps that poor people had less to share and wanted to hold on more to the little that they had.

Those participants who indicated that they had a large number of dependents, more often saw their savings balances decrease than those who had fewer dependents. A lot of the resources people consumed from the savings programme were consumed for food, under the pressures of poverty and in order to care for dependents.

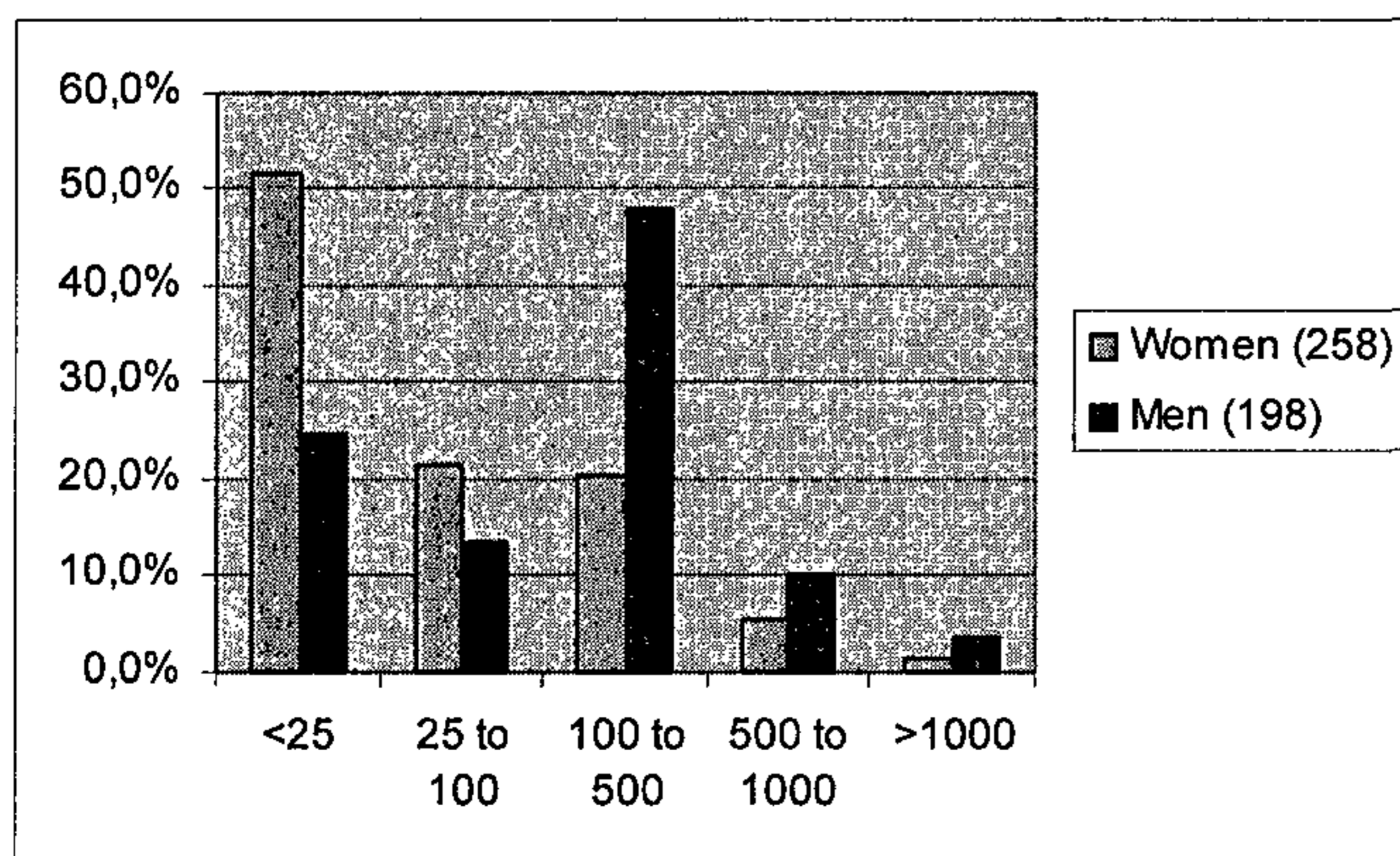
6.8. GENDER

“... among the Ncoakhoe people, the man is supposed to get the job and the woman is expected to stay in the house, making the food and washing. That is the way they feel they should do it. But if your man is working and you are not working, you are going to suffer. Because that man may tell you that you are just sitting, doing nothing and looking for him to give you money and it is too bad to hear such words” (Miriam, 1999).

The female participants of the programme outnumbered the male by four to three and women were even better represented among the younger participants. Women practised craft making and traditional dancing often twice as much as men did (see also section 6.9. on craft production).

Women who wanted to take out a loan said during the interview that they had a preference for a small loan, generally under P1000. Just over half of the women wanted such a small loan. Of the men, only 30% indicated a preference for a small loan, most wanted to borrow larger amounts. It was remarked by San staff of Kuru that women had less access to loans than men do and were also afraid of conflicts and brawls over money and therefore had to borrow through men (Field notes 1999). 58% of the female participants did not make a withdrawal from their savings account during 2000 and 2001. For men this was 39%. For small withdrawals, the proportion of men versus women was almost the same, but more men than women made larger withdrawals. A slightly larger proportion of men also made larger deposits.

Figure 14: Average account balance by sex.



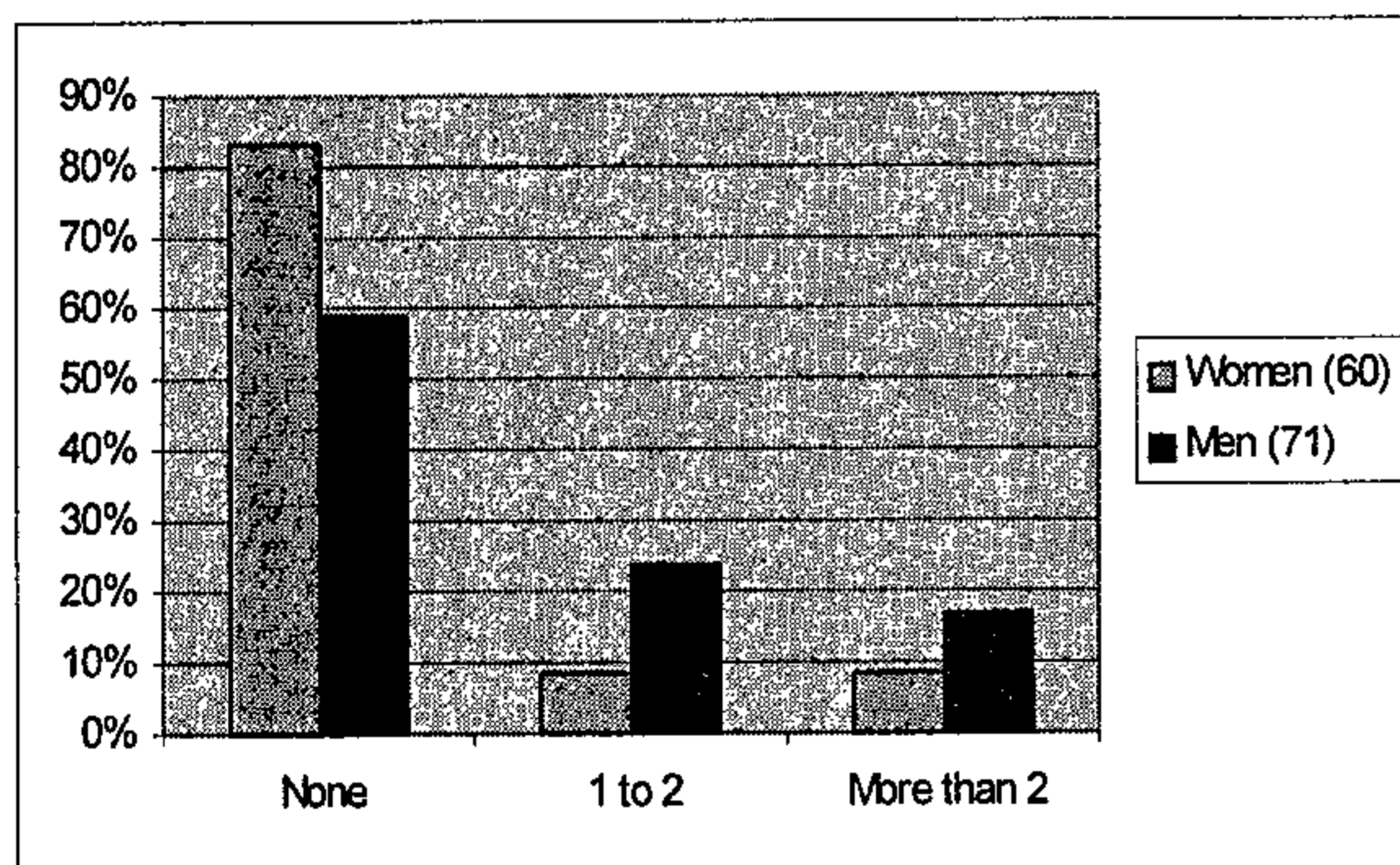
Women generally had a smaller average balance in their savings account than men had. 72% of the women held less than P100 and for the men this was 38%.

Men more often took a loan in 2000/1 than women did. 44% of the men took one or more loans, whereas 19% of the women did. Men that had taken a loan were also twice as likely to repay their loan than women were (23% vs. 10%). The majority of women claimed to have an income of less than P100 and this was true for only a minority of men.

Half the women saw their savings account decrease and half saw an increase between January 2000 and December 2001. For 90% this was plus or minus P100. Two thirds of the men saw their balance decrease, whereas it increased for one third of the men. The decreases that were recorded were often for larger amounts. There was thus more thrift among women than among men. For 40% of the men, the decrease was between P100 and P1000 and in 4% of the cases larger than P1000.

Women also had a lower volume of transactions than men and the larger transactions were mostly done by men. This was mainly because the women were dominant in the production groups with smaller transactions, such as the women's group and craft producers, but it was also generally true that men had more access to cash than women.

Figure 15. Gifts recently given by sex



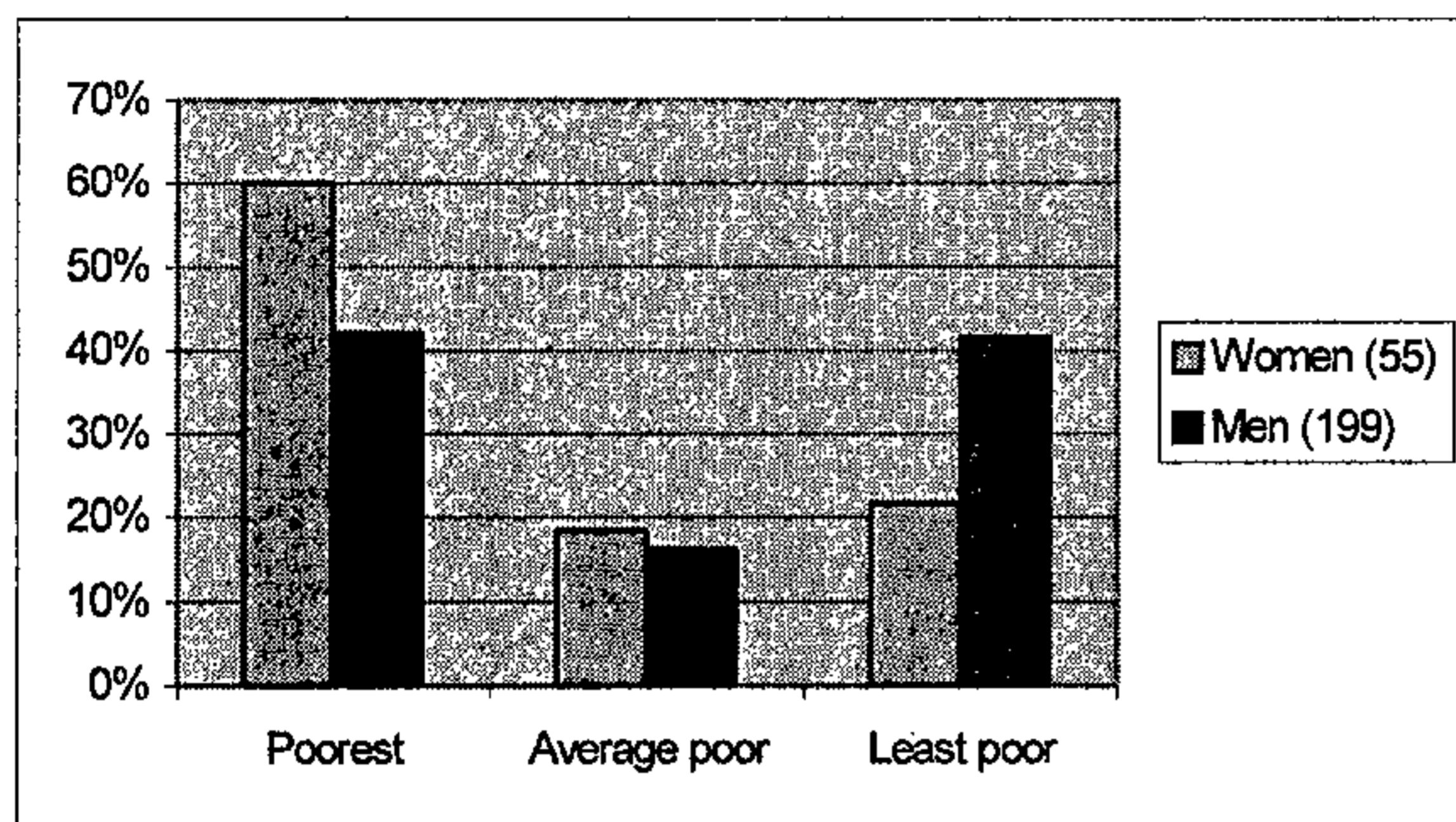
A large majority of women stated that they had not recently received or given a cash gift, while this was true for just over half the men. Women also did not borrow or lend to people who were not immediate family, whereas a larger group of men did. Male participants were

50% more likely to share cash sometimes or often with friends.

“I do not see any difference in sharing money or other things. If I share, I share with other women and only rarely with men. That is how things should be” (C’goise, 1999).

The access of men to the cash economy is higher than that of women. Men generally held larger account balances, made larger deposits and withdrawals and maintained a wider network for giving cash gifts (See also Sugawara 1991:101). They also requested larger loans. Women were more likely to be poorer in income or assets than men were.

Figure 16: Income and asset poverty by sex



When a discussion was held with the group of artists, men generally indicated they wanted to spend money on a donkey cart or other items, whereas women would spend it on the household. This gave rise to an angry exchange. The women say that they would like

...to work together with only women and no men. The men should only help them when they need them to mix paint. etc. Xhomoo: "We women help each other a lot when we have various problems, such as in our homes." The women of the group have apparently all chosen pictures of a family to spend their money on. What is that telling us? That the women of the group are the ones who are thinking of their families? The men have chosen a bicycle, donkey car, a drinking scene. The men seem to be thinking of one person, themselves. The men talk excited and some disagree. They buy the cow or the donkey cart also for the family, or so they say. Xhomoo denies this and accuses Quatane. She says that the beer, will he share this beer with his wife and children? Is the beer your food? Will you give that to your visitors when they come to your house? There is an excited discussion. Quatane feels clearly accused and tells that he also buys food for his family. Others accuse him of lying (Field notes, 1999).

It was also repeatedly mentioned that the use of alcohol was a significant factor in the marginalisation of women. Cash earnings were frequently turned into alcohol at the first available opportunity. As men had more access to cash than women did, they also had more access to alcohol. Its excessive use leads to domestic violence and further inequality. Alcohol is the ultimate consumable and alcoholism is a reality that can no longer be ignored by any development programme. One of the reasons that people preferred not to share cash is the fear that the receiving person would spend it on alcohol.

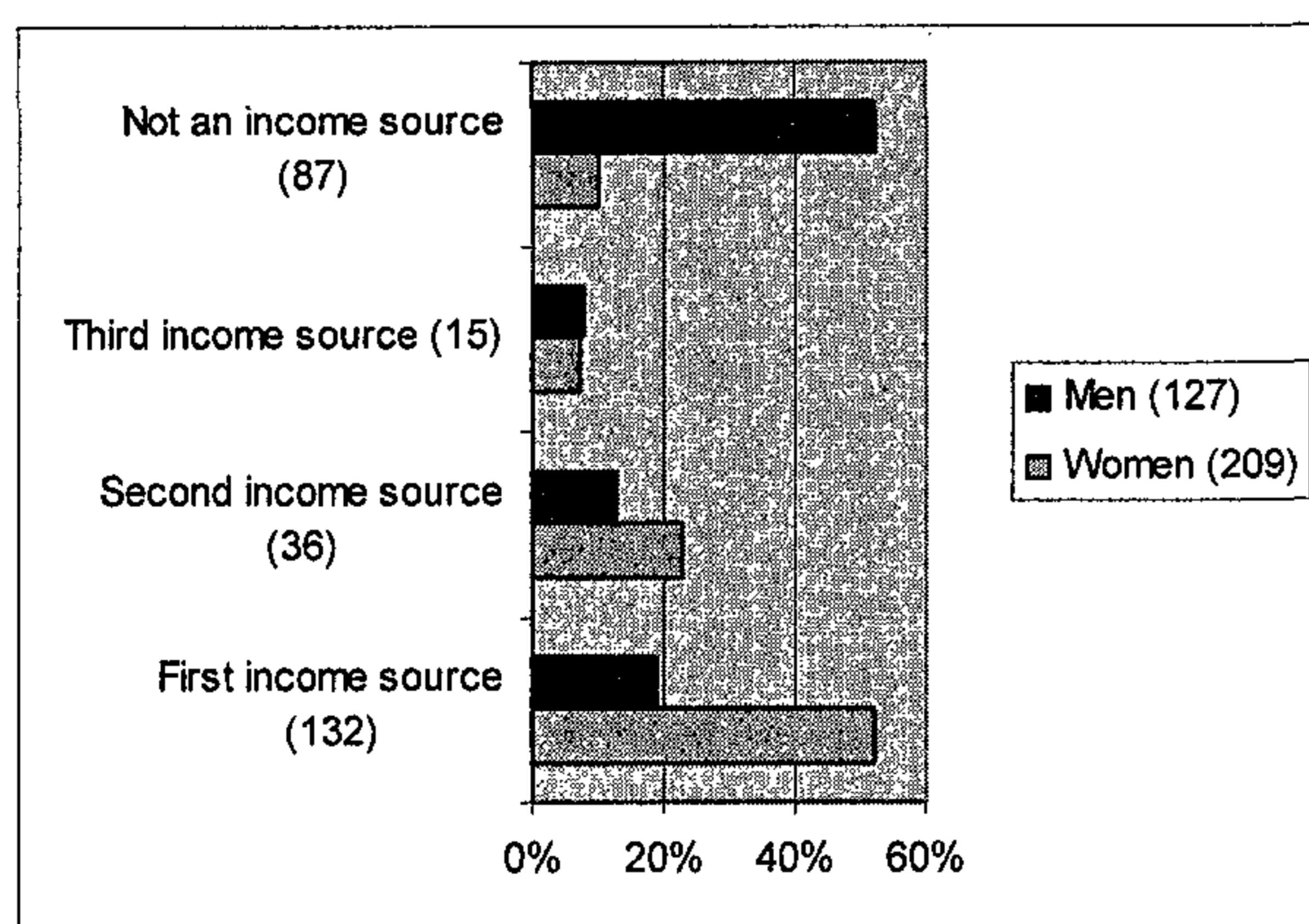
“ My brothers ... don't care for their parents. If they come to visit, they only come to ask for money and food, not to help. (They) will never come and help their family. It is really a problem. Like my brother. He was a good guy and clever. He was trained as a car mechanic and has a certificate. Because of the drinking he cannot do that job. He did private jobs for people with a car and would drink what he earned. That causes the problems in the home too. Sometimes my brother will be drunk and come looking for money. If I say that I don't have money he will start saying bad words to us, my father and my mother” (Xhlaka, 1999).

“My husband is drinking. Sometimes he uses all his money on drinking. I use my salary to buy food. Then he may come and be very angry with me and ask me if I think that I am a better person to buy food and not drink. He will ask if I think that he is naughty because he is drinking. I don't share my money with him when he drinks. If he will spend all his money on alcohol, I will not be able to even use my own soap to wash his clothes. I will wash my cloth and look nice, but he will be dirty “(laughter). (Kuru staff member Xaku, 1999).

6.9. CRAFT PRODUCTION

The number of craft producers that registered in the programme more than doubled between December 1999 and December 2001 to 258 San producers. For only a quarter of all participants, craft production was not an income source (see Table 9). From this table it is also clear that craft production was a main source of rural income.

Figure 17: Craft as income source by sex



Although men were also involved in the production of crafts, mainly by making hunting sets, the largest group of beneficiaries of craft production projects were women. Almost 40% of all producers listed crafts as their first source of income, but over 50% of the women did. Craft production was an income source for nine in ten

women but for less than half the men. Whereas 80% of both men and women considered the production of traditional jewellery and crafts important to maintain their culture and identity,

it was an activity that predominantly involved poor rural women. For those for whom craft production was the first source of income, more than 80% had average savings in 2000/1 of P100 or less. For those for whom crafts was a second or third source of income, savings deposits were larger.

Of the people who made no deposits at all during 2000/1, almost 90% listed craft production as their first or second source of income, suggesting that savings mobilisation among this group was less successful because of the pressures of poverty.

Yet savings mobilisation did take place and many craft producers involved themselves voluntarily, but usually for tiny amounts. Collecting savings deposits among craft producers was usually done in combination with craft buying and on three occasions their involvement was observed.

Table 13: Savings of craft producers in three settlements.

| Date | Place | Nr of craft sellers | Total bought | Average bought | Nr of savings depositors | Total saved | Average saved |
|-----------|--------------|---------------------|--------------|----------------|--------------------------|-------------|---------------|
| 7 Feb 02 | Bere | 46 | P 2768 | P 60 | 29 | 247 | P 8,50 = 9% |
| 12 Feb 02 | D'Kar | 25 | P 1390 | P 56 | 12 | 85 | P 7,10 = 6% |
| 21 Feb 02 | West Hanahai | 21 | P 1212 | P 62 | 8 | 81 | P 10,10 = 7% |

The table shows that on these occasions, between 40% and 60% of all those that sold crafts also participated voluntarily in the savings programme, an indication of how important savings was for many members of this group, in spite of their tiny incomes.

The savings programme is important because if you need you can borrow from the savings and loans and pay it back later. To us the programme is very important because in the old days we did not know where to save our money but now the project has come we know where to save. The savings programme is helping us, because as craft buyers, when we sell something we can put savings in our booklet (Craft producers, West Hanahai 2002).

“ I like the savings programme because I don't have a good life and I can put some money in there whenever I get some money somewhere. To me, the savings programme is very important because I have a lot of children and I want to keep the money for them” (female craft producer, East Hanahai, 2002).

At the same time participation of craft producers in the savings programme proved to be problematic. Of all production groups, they had the highest default rates on loans, they made

the fewest and smallest deposits, had the tiniest savings and the fluctuations in their accounts were the smallest. Overall they seemed to participate less in the cash economy than members of other groups, simply because they were poorer. It should be noted that those who practised craft making more frequently owed less money than those who did not. This is a further indication that indebtedness increases with increased access to financial resources.

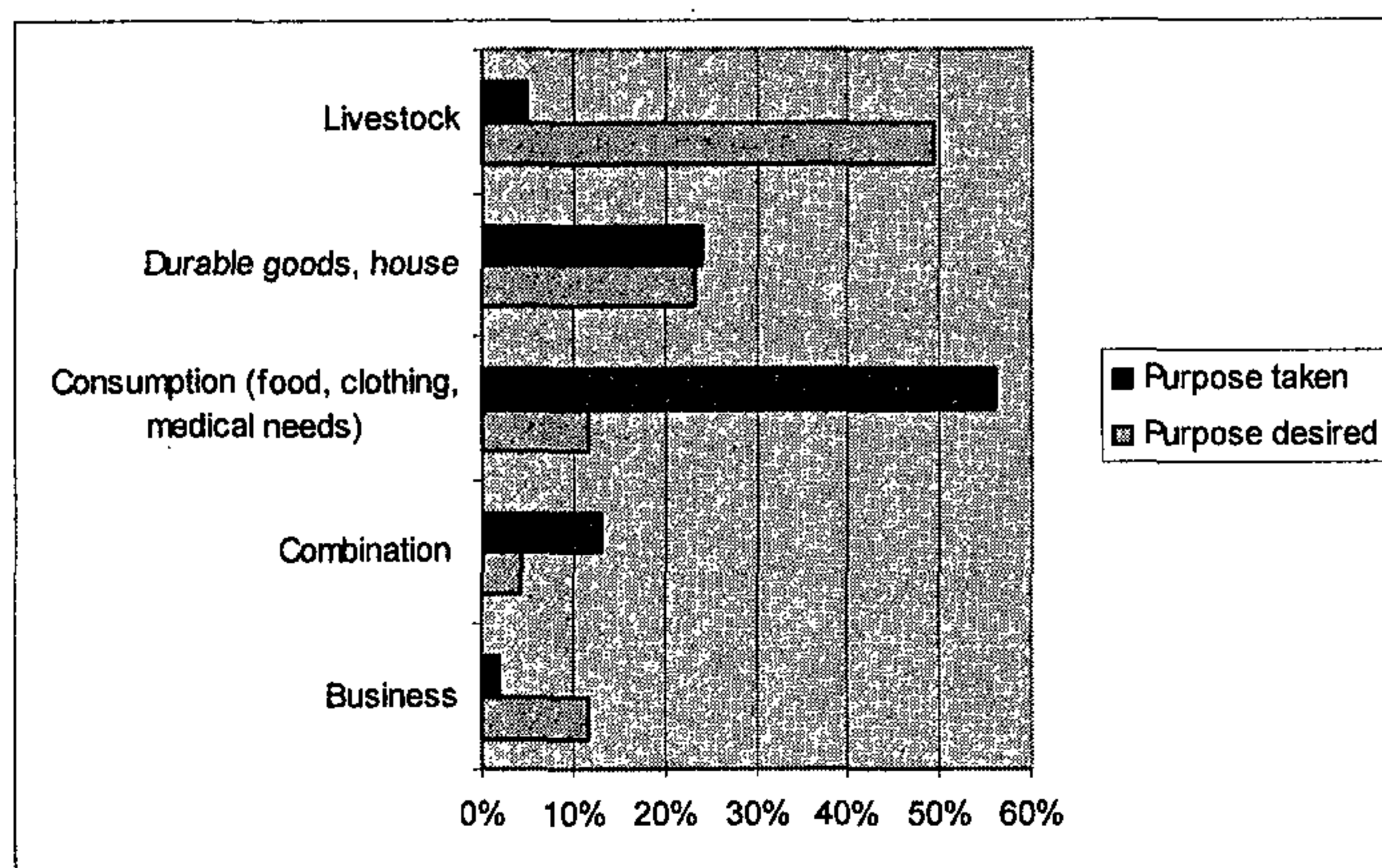
6.10. LOANS AND WITHDRAWALS

a. Purpose of the loans

During the interviews in 1998, only 12% of the people indicated that they would utilise a loan for immediate consumption. The rest wanted it for livestock purchases, business opportunities or durable investments. The people indicated a preference for large loans, usually over P1000. Men generally wanted larger loans than women.

When inspecting the financial records, it became clear that staff had kept irregular records of the purposes of the loan and that this type of record keeping was abandoned completely sometime in 2000.

Figure 18: Purpose of loans



However, when inspecting the available records of loans (n=145), it became clear that, contrary to the purposes stated in 1998, borrowing was in reality predominantly done for consumptive needs. In practise there was very

little difference between borrowing money and withdrawing money. The facility of withdrawing was not made available until sometime in 2000 and earlier borrowing provided

access to members savings under the then existing programme regulations and people made use of that. Borrowing rapidly dwindled to a trickle when the possibility of withdrawing money became available. At the end of 2001 only a few members still had outstanding loans. They were mainly those members who wished to maintain a loan account because of the stimulus it provided them to pay back into their savings account whilst keeping it in tact. As one craft producer said: "To make a withdrawal or a loan is not the same thing, because if you borrow money you will try to get money somewhere and pay it back to your savings." However, most of such loans were also in arrears at the end of 2001.

I would like to buy fencing materials for my plot from my savings, but the money in the savings is not enough, so I only use the savings to buy food at the moment (Cgaku, D'Kar, 2002).

Table 14: Purpose and size of loans/withdrawals

| | Average size (BWP) | % of number |
|------------------------|--------------------|-------------|
| Account | 359 | 6% |
| Building materials | 268 | 21% |
| Business | 1200 | 2% |
| Clothing | 193 | 8% |
| Food | 127 | 41% |
| Household equipment | 147 | 3% |
| Livestock | 754 | 4% |
| Medical needs | 225 | 2% |
| School | 232 | 2% |
| Wedding/funeral | 413 | 2% |
| Mixed/other/not stated | 270 | 7% |

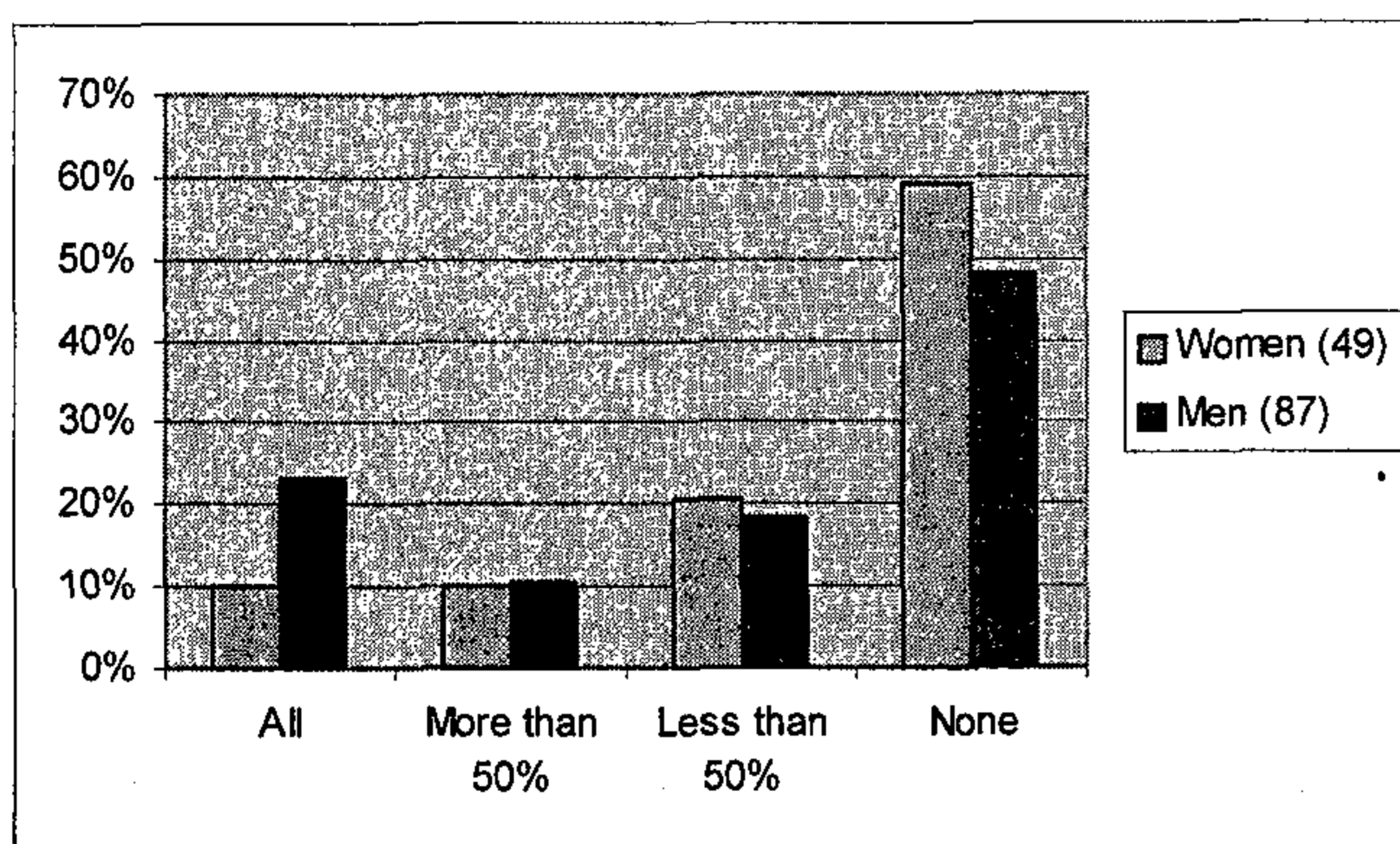
The reason that people spent the money they withdrew or borrowed on consumptive needs, rather than cattle and livestock is probably the fact that the amounts that were available were inadequate for larger investments and for the amounts they had requested, which were often thousands of Pula.

Therefore many people ended up spending it on consumption. Small loans and withdrawals encouraged immediate consumption. Still, a significant number of loans/withdrawals were made to improve participants' housing, even more in the settlements than in D'Kar, which means the savings achieved one of its aims, that is to save for larger needs and durable purposes, even though the amounts withdrawn were limited.

b. Repayment of loans

"In the beginning we had a good plan. The plan was that that, if I took money from my savings, I would have to pay it back. That was the right plan. That plan has suddenly changed. Many people have taken their money and not paid it back. And I think that that was the wrong thing, because with this way, you do not build up the savings and loans " (Kuru Board member, February 2002).

Figure 19: Loan repayment by sex.



loan repayment. It is therefore not surprising that repayment discipline was poor. In the absence of any mechanisms to enforce repayment, it is even surprising that there was any repayment at all. Participants were aware that their own savings were collateral to the loans and that is probably why some did repay.

Men repaid better than women, probably because they had more access to cash. For the same reason repayment in D'Kar was better than repayment in the other settlements. It is not that people were unwilling to repay, it is that they were unable to do so, as well as the fact that they were not used to borrowing arrangements with strict terms.

Artist Xota took a loan some time ago and has not been able to pay it back. She does not really remember what has happened and why she took it. It seems that she borrowed it to buy food when there was no money at finance and there was no possibility of withdrawals yet. She was not able to replace it (Field notes February 2002).

There was no relationship between borrowing behaviour and education. People with more education were just as likely to repay when they borrowed, though participants with secondary education were less likely to borrow, probably because they had smaller savings against which to borrow. Non-San however achieved better repayment rates than San. Among the producer groups, the defunct cochineal farmers and the craft producers had the poorest repayment rates. This supports again the idea that participants with no access to regular income had great difficulties with loan repayment.

The group solidarity mechanism that was envisaged at the beginning of the project was never fully implemented and in the course of 2000 completely abandoned. As a consequence there was no social collateral to enforce

It is interesting to note that participants who stated that they owed money to others had somewhat better repayment rates of their loans than participants who did not owe. This was probably due to the fact that owing money indicates some kind of access to the cash economy and being conversant with its demands. To participants who had never owed money, the concept of borrowing and repayment may have been more foreign.

6.11. BORROWING FOR INVESTMENT

“The thing to take the money out and make business kills. Take me for example. I took P3000 out and put it into my shop. But the shop does not work nicely and my children that I put in the shop take out the food and now the shop eats up the money. So now the money is gone and how will I get it back? If you have the right plan for your business you may be able to pay it back, but if you don't, you will not be able to pay it back “ (Xoma, February 2002).

C'gara has a semausu that operates, but his chicken business has caused problems for him. It has not brought money back, since they developed a sickness. Therefore he concentrated on the semausu that sells food and that is doing well. (Field notes, February 2002)

One of the objectives of the programme was to make capital available for investment to rural entrepreneurs by giving them access to accumulated savings through loans or withdrawals. From the section on loans it can be seen that borrowing was predominantly done for consumptive purposes and short-term needs, though a sizeable number of people also invested in durable needs such as housing.

Only a handful of participants made withdrawals for business purposes. Of the projects visited these were three semausu's, one larger shop, chemicals for a tannery and a chicken project. Only the tannery project was in one of the settlements, all the other projects were in D'Kar. In February 2002, the three semausu's were still operating but the other projects had collapsed or were about to collapse. Two semausu's were using the micro-finance programme for their regular financial needs.

The attempt to support business opportunities was very limited during the project period. This was partly due to the lack of adequate savings capital available for most potential

entrepreneurs. The smallest scale projects, i.e. the roadside vendors, were most successful and all of these were in D'Kar where there was a significant circulation of capital.

6.12. DIGNITY AND SELF-RESPECT

“This programme has helped me. It has taught me how to work with the little money I have. But the programme has also pointed out to me that I am a human being. I am not just a dog that anybody can kick. If I walk in the day and lay down at night I think about this savings and those thoughts are sweet to me. I am very happy also for the people in the settlements what the savings has done for them. There is nobody in the world that has done something like that for them. It is like this. We that are under, we always think that we cannot go to the other people and stay with them. But this thing has opened our eyes and shown us that I can be with any other people and stay with them, because I also have savings. Always when I saw the people at the bank I was afraid to go in and be with them. But now this savings ... has opened my heart. I cannot always sit under the people and be kicked by them. Kuru has opened my mind”(C'gara, February 2002).

On a number of occasions, participants remarked that having a savings account has had a meaning for them personally. It gave them a sense of dignity and pride that they were able to take part in a banking system and make deposits and withdrawals just like other people. It made them a “human being”. This was in line with what participants remarked about owning cattle. In the dominant Tswana culture, you are a person if you own cattle. Being a Basarwa, someone who owns no cattle, puts one on the bottom at the tribal ladder. Now, in the new world of capitalism, having a bank account and having cattle shares something of the same value of affirming someone's personhood.

Vignette. The life of Cgaku. Based on interviews conducted in 1999 and 2002

I live in this house of card and thatch with my husband and six children. Four of these are from my previous marriage. Some of my children are in school, but not all. I have no income. Sometimes I do washing for a certain man and get some money. I use it to buy tea and sugar and that is the end of it. My husband used to do some work and we could use some of that money to help the children in school and buy soap, but the work stopped. We do not have any donkeys or cows, we have no horse or mule, no goats. As we have no income, there is no way that we can get hold of any livestock as we have to spend everything on food.

During the past weeks there has been some sharing between me and other people. Like for example yesterday I went to some of my family. They cooked some food and also served some to me. But my relatives never come to my place to eat. That is because I do not have any food. This means that I am the only person that goes to them, but they never come to me. I receive some bad words from time to time for not having anything to share with them. For example I have an auntie and she once came to my place and was teasing me about my house. She said that she could not stay in such a kind of place. Sometimes I go to my auntie's place and then I am told that I should go away. So these are some of the type of things that happen to me.

I can sometimes visit other people. They do not always have to be my relatives. But what happens is that these people can only share with me what they have cooked, what is in the pot. But they cannot give me some food to go and prepare at home.

Going to the people who have food when I am hungry is the only way I can survive. Otherwise I can only go home and die of hunger. People do not often share other things than food with me, no money or clothing. I myself never share with anyone, because the dress I am wearing is the only property that I have got. So if I will go and give it to someone, what will I do? There is no sharing now as in the past in our settlement and that is because some are now better off than others. And those that live better, live differently. There is a difference now. I do not understand why those that are better off do not share.

My problem is that I do not have a friend. My opinion is that this is because the alcohol abuse that is going on. If you don't drink, you never have friends. That is the problem. I don't drink.

I have only one friend. Sometimes we just go together. There is a lot of drinking, and that is the biggest problem for those that are not working. They can go to those people that brew alcohol and do some work for them. And then they are given drinks for payment. This is what I think causes a lot of alcohol abuse in this place.

I used to have some problems with alcohol within my family, but those people have passed away. My father and my brother also... and my husband also can drink, but he does not do it regularly, only from time to time. I do not know the reason why people drink like that. I can only explain why I myself do not drink, not why others do.

There have been a lot of changes in recent time. In the past, when you were working for someone, you were given a ration of food that you did not have to buy. Nowadays you cannot get food unless you have money. So that is a problem. Like now, I do not have money, so I also have no way of getting food. I was used to getting some food from the farmer's wife where I worked. These days, if you work, you only work for money and you have to spend that money on food, you cannot spend it on other things. But in the past you were given food. And that means that the salary you would also get, you would use it on different things, not on food only, because you already had food. I was given clothes when I was still working for them and I would also be given food and be able to help my brothers. Life is tough these days, more than in the past. There are no jobs these days. The only jobs are for the educated. But those who are illiterate...

The way people share their food and their money has changed since I was a child, but maybe it is only a problem for me. Others are still sharing. But I am not able to share. When somebody gives you something, you should also be able to give back something. I cannot cope and that is the reason that I cannot share. It is difficult to share food and money these days. But in the past it was easier. If somebody came to your place with a problem you could help the person. But these days you have to buy the food and that makes it very difficult to share the food without a problem.

Even if I would go to somebody's house right now, it would be a problem for the person to give me money or food easy. Because money these days, you use it to buy food, more than in the past. In my own situation, I do not borrow in any way. My level of income is not such that I can afford to borrow. There is no way that I can pay it back.

I owe money to a shop, but it was a difficult thing to get an account there, because they would not believe that I would pay them in time. I could not get money in time to pay them back, so this is the problem I am now having with this shop and it was because of hunger.

Wearing traditional jewellery and participating in other things like dancing was important in the past, but it has changed. People are not dancing in their own places. They have to be called to go and perform for other people. So I do not think that that is a good way for my culture. The kind of dances that we usually have in the village during the night are done for money. In the past it was not like that. But these days you have to hire the healer to cure your brother or yourself when you are sick. It is the only way healing is done now. The only way forward is to get better jobs and live like any other tribe, who live that kind of life. But our culture should not die in the coming years, but still be there.

Maybe the savings programme of Kuru will help us so that if we get money we can also save something every time, but it takes time for me to save and that means that it will not grow and increase. If the savings and loans stop, it will be a problem for us. Because you have to save and if you have problems you will go there and say "Will you help me?" So the savings is OK. I like the idea of having a savings account with a limit that I cannot withdraw from unless it has reached a certain amount. To take the money out always to buy food is also not good, because you have to buy things that you can keep, so I was always thinking that there should be a rule for me to leave my money there to continue.

6.13. TRAINING AND EDUCATION

"I am a little bit behind with this idea of saving. I need a help of someone to teach me why it is important to save. Because I take the money as soon as it comes in and need support to understand why it is important to save" (C'goise, February 2002).

This participant expressed a need for more training activities to be combined with income-generating projects. This need was most often expressed by participants with limited or no education who at the same time had access to opportunities to get a regular income. It has been discussed in the introduction to this chapter what the reasons were that training and education were neglected after a promising start in 1999 and that the concentration was increasingly on the programmes' administrative and financial requirements. It can be argued that by dropping this programme focus, the micro-finance project lost much of its essence. Providing educational services for helping participants to manage their cash resources and saving towards future needs is a vital rationale when the argument is made that long-term subsidies for a programme of this nature are a valid contribution to important social development goals.

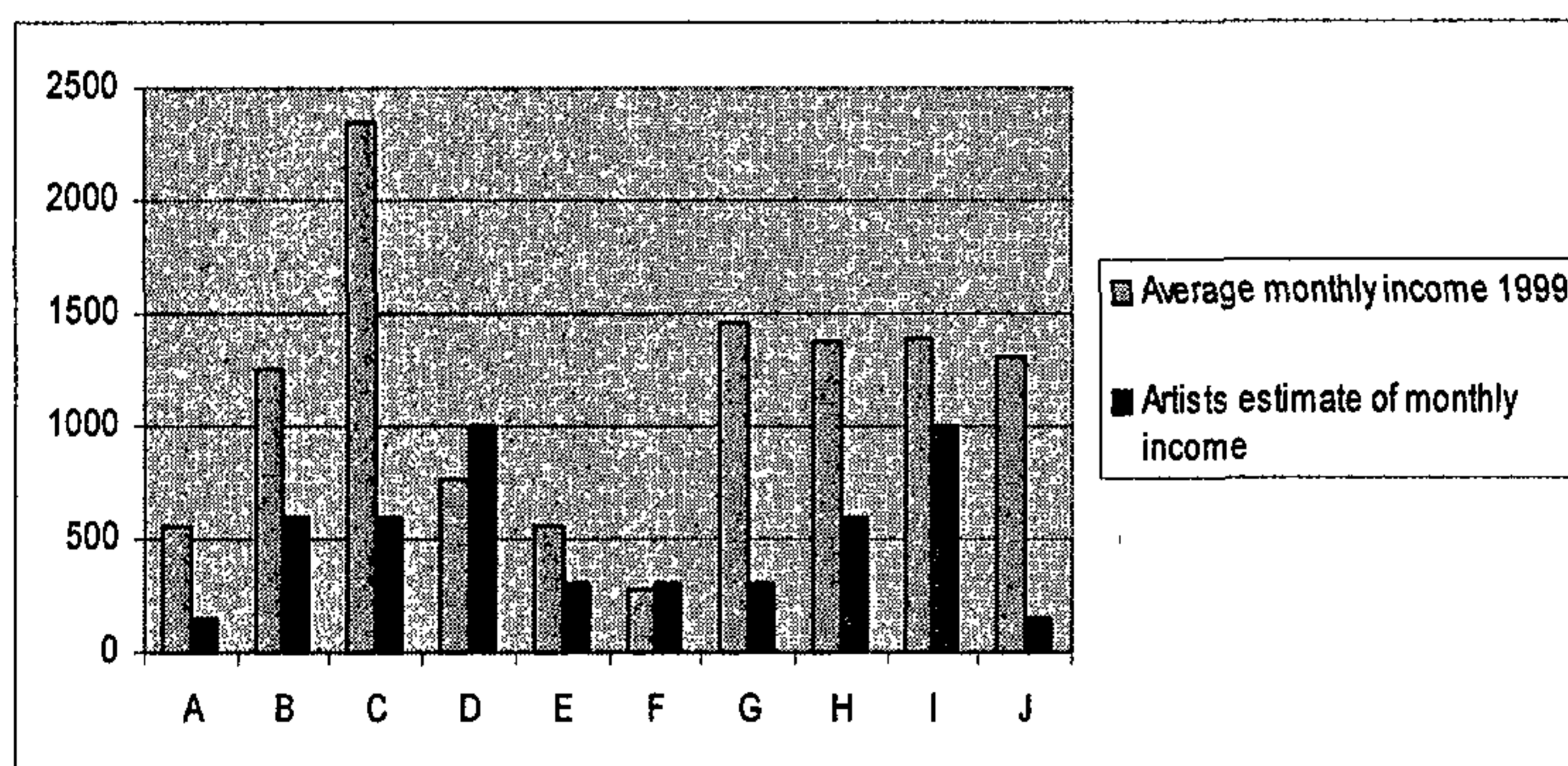
"I would like to continue with the savings programme. In the past I was afraid that Kuru would misuse the money. But at that time I did not understand that the money was also put in the computer, so now I believe it is safe and I can bring it to the Savings and Loans freely" (Bau Fretz, February 2002).

At the end of the project there was a general confidence in the programme among the participants. In 1999, several of the participants who were asked were of the opinion that Kuru might misuse the savings, but this had changed and people now believed the money was safe and they could withdraw it whenever they wanted it. This was an important achievement that could be attributed to consistent financial management as well as perhaps the fact that Kuru was still seen by many people as their organisation.

6.14. THE ARTISTS.

“ Sharing is different now from the way it used to be in the past. In the past, people would share many big items, clothing, crafts etc. Nowadays, people only want money from each other. Many people want to borrow money from me, and I refuse. Only within the family will I share P10 and the people may also give me P10. Sharing is not like the past. If you would go to a house then, you would receive a pile of food and a pile of glass beads and new clothing. The only thing people want now is money. I was always giving people money and they were not giving money to me. So why would they always borrow money from me? I thought, let me stop a little while and see if it will become difficult for me” (Tsebe, August 1999).

Figure 20: Artists' incomes and estimates



One of the projects of Kuru was a group of artists that produced oil paintings, lino cuts and lithographs for the international art market. Some of the

art work has been used in this thesis. The art project has become famous and as a result, the artists have a relatively high, but irregular income from art sales. At the same time, the majority of the artists were illiterate. It will be useful to take a closer look at this group and their performance, as there may be some general lessons to be learned.

Labour inputs from the artists varied significantly, but none of the artists worked more than an average 2 hours per day during the quarter in 1998 that records were kept of this. The

average net income of the individual artists varied between P300 and P3000 per month during 1999 to 2001. But there could be peaks when an individual artist would receive thousands of Pula after a successful exhibition, which could be followed by prolonged periods without income. When the artists were asked to estimate their income from sales (see the figure 20) all but one significantly underestimated their average income. Some were angry when told how much they had in fact received over a period of time. "If I had received that kind of money, my arms would not be so thin and I would have been able to build my house" one artist remarked. To many, especially the older ones, cash was a coveted, but strange commodity, that seemed to arrive and evaporate without leaving tangible benefits.

The problems that confronted the artists will probably be similar as those that other San will need to deal with if their cash incomes increased. A number of issues stood out in the discussion with both younger and older artists and after a study of the available records.

a. The social stress that income brings and the jealousy and resulting demands for sharing.

"People complain about me that I get a lot of money and then drink it out. I do not do this, but it is that people talk about me in that manner. That hurts my heart, these untrue accusations"...The accusation of wasting the money by the people is caused by the peoples' jealousy that the artists have that money. Yes, it is jealousy. Many people want to stop working, as the artists are getting so much money, much more than they, so they are jealous. People will fight and beat him, just because they are angry that they are getting so much money. The people demand money from the artists to buy animals, or are telling the artists that they should be buying animals. Tsebe says that the other staff at Kuru should not know how much money the artists are getting. It should remain a secret. Now, every time that they come to the office, Kuru staff accuses them of receiving so much money. She is now tired of that problem (from a taped group discussion with the artists, September 1994).

"People think I am rich. There were a lot of people who used to come and ask me for money, but nowadays it does not happen. They don't come, because I stopped giving them. It is only the relatives, the old ones and the ones on the farms that I must visit and help. The people that I stopped giving are complaining, but as they don't give me, I have also stopped giving them. They complain and become angry and say: Why don't you give me. Then I also become angry and say: why have you never given me? That's why I have stopped giving them money" (Young male artist, July 1999).

"I am now being accused of being a rich women and that makes me seem bad in the eyes of the people" (Older female artist. August 1999).

b. A desire by the artists to limit sharing

What is also clear is that there was a general desire from the side of the artist to reduce sharing, or at least reduce the circle within which sharing was done. This was the same sentiment expressed by many of the salaried staff of Kuru. But many of the artists who expressed a desire to reduce sharing in practice felt unable to do so. Many shared cash with friends or family more often than other participants. Some, but not all of the artists reported some success in limiting the circle of friends and relatives with whom they shared.

“The sharing I do is not good. Why would I always be sharing with people, but they would not be sharing with me? So I have concluded that sharing is not good for me and I want to stop sharing, though I haven’t done it yet. I used to feel very poor, but now my situation is getting better. That is because of the sharing. I used to share everything I had and have nothing left. Now I want to stop sharing with everyone, get back what people owe me and develop myself” (Young male artist Xhumo, July 1999).

“I did not stop sharing and borrowing money with a lot of people a long time ago, it was a short time ago. With my brothers I still share. At that time I did not understand how to work with money and I was always giving people money. So now I have thoughts and have ideas on my mind that make me not to give all my money away anymore. I was always spending the whole of my money and the next day I would not have any money and that is why I have stopped to work with money in this way. I plan to keep saving money now” (Female artist Tsebe, August 1999).

c. Increased consumption and increased debts

Desires increased with incomes and in practise most artists kept overspending the incomes they had. The four artists that were asked all admitted to owing much money to the shops. Only one artist said that he had no debts, whereas almost half the project participants had no debts.

“I now have many things that I did not use to have, but I know of so many more things that I would like to have like a TV and video and a vehicle. Since I now know about these things I want to have them. Life used to be better in the old days, when I had less as I have now. But even now I am not satisfied and want more things. That is because at that time, I did not know of money and goods and therefore also did not have these desires. Also money and goods have brought many quarrels that were not there before” (Older female artist, July 1999).

Most artists were not able to translate their increased incomes into increased wealth. They felt as poor as or poorer than the other project participants and their houses were only marginally

better than those of the other participants. Only one in four artists owned one or more head of cattle. The problems the artists listed were strongly related to problems of poverty such as lack of food, housing or jobs.

d. Understanding money

For many, especially the older artists, working with money and the demands of cash posed unfamiliar dilemmas and questions. Some, mainly the younger ones, expressed that their understanding increased over time and with training.

“To save money it is a good plan, but I myself do not benefit in any way. It depends on how you save money and how you use money whether you will benefit from it. But if you save money and then use it again, you will never know at the end whether you have benefited from it” (Older male artist, February 2002).

I am always thinking about this money. When I receive it, I am always thinking: what am I going to do? Should I buy food? Shall I buy cloths? Shall I save money? So that I will use it in the future when the people are no longer buying my paintings. But then sometimes I will think: why am I always using all the money and one day I won't have anything. I should save. I can then get money. So that's why I started saving money. But some of the artists, if they have money today, say: now I have money, I will buy a lot of food and eat and become fat and tomorrow I will go and ask for money from Kuru. They used to talk like that. Since I got this white savings booklet, I am now saving money for the future (Younger male artist. August 1999).

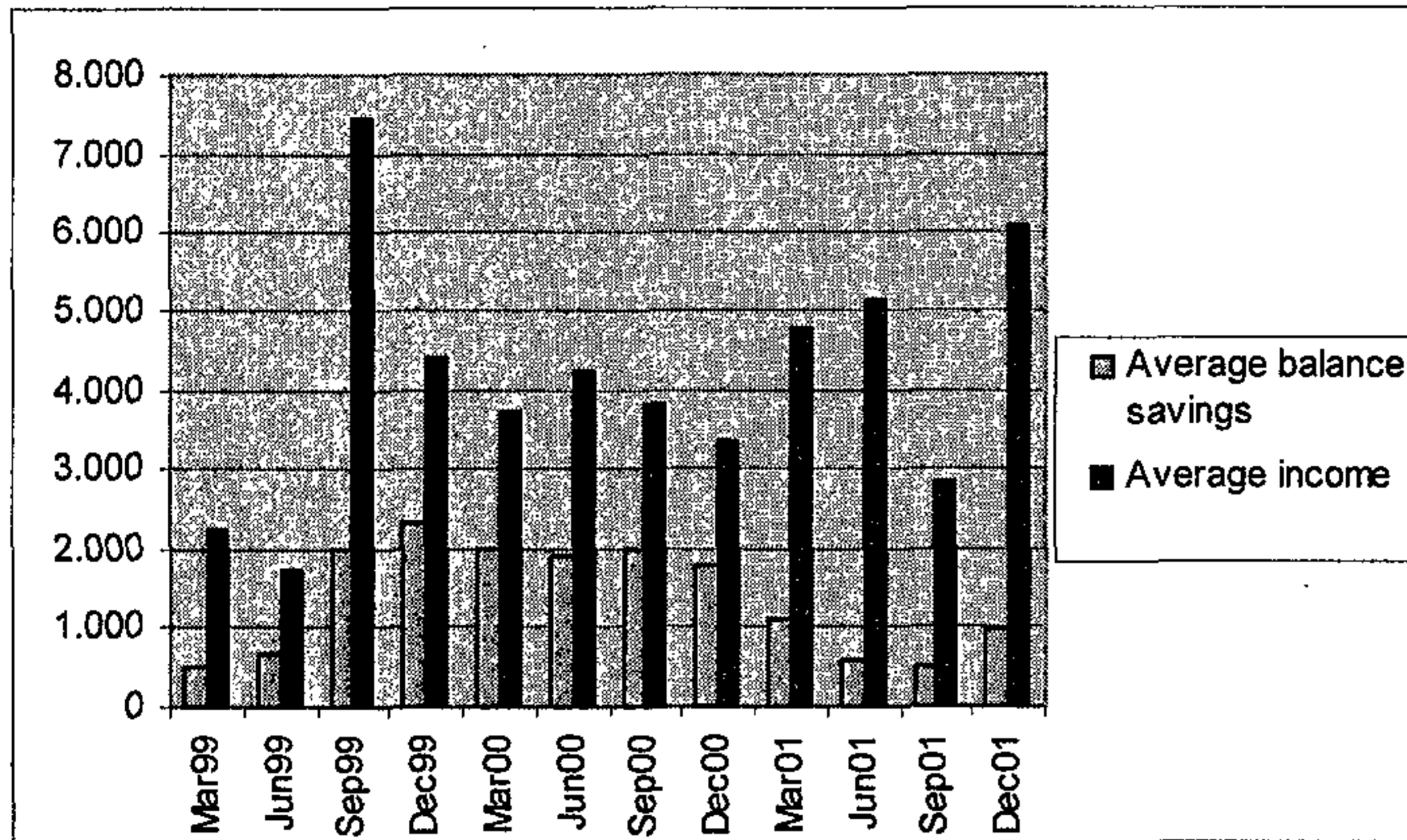
This reinforces what was said about training and education. Especially with a group such as the artists, combining income-generating activities with training was important. The activity of participating in the micro-finance programme was by itself an educational activity.

e. Lack of savings accumulation

None of the artists was able to translate their income into a steadily increasing savings account. From Figure 21 it is clear that accumulated savings in 2000 began to drop when withdrawals became possible. Though the artists income in the first half of 2001 was higher than average, this did not translate into higher savings account balances. In practise, some artists withdrew money from their accounts almost as soon as it was deposited. Others used their savings account to even out income flows. As their income was irregular and they never knew how long it would take before a painting was sold or an exhibition produced revenues,

they relied on the money in their savings account as well as accounts at the shops to see them through dry weeks.

Figure 21: Artists' average income and savings.



Many artists expressed a desire to find ways to do both, to have a source of regular income as well as building up security for the future, though some said cattle is a better way to do the latter.

“I am saving money, but at the end, I am earning nothing from it, as I also withdraw. The problem with saving money is that you end up withdrawing it. But when you rear cattle, you will take one heifer and sell, but the remaining ones will increase their number. So to rear cattle is better than saving”(X’aiga, February 2002).

“Cattle will just be there like that and I will not be able to sell from them. But as for the savings I will just be dependent on this. When the money grows, I will just take from the savings and if it grows, I will even buy more cattle” (C’gose, February 2002).

More participants expressed that cattle were a form of security that was safer from immediate consumption than savings because of its lower liquidity, and therefore it was a desired way of securing long term needs.

And finally, the art project has done more for the group of artists and the San people as a whole than just provide income. It has also increased their dignity and self-respect.

”Yes, the project has done something for me. Through the art project, Kuru has been able to show to the outside world the art and culture of the San and achieved some recognition for us as a people” (Xota, July 1999).



Thamae Kaashe. Trance Dance, 1999. Linoprint. © Kuru Development Trust and T. Kaashe.

The celebration of the trance dance, its social and emotional impact and the activation of its inherent symbolic and mythological contents, instill in the Bushmen a sense of identity and self-confidence, rebuilding and reinvigorating the integrity of their culture (Guenther 1996:237).

7. CONCLUSIONS AND RECOMMENDATIONS

“Our whole life is there in the Savings and Loans and we have to find the right plan to continue with it. The people who have nothing, how can they learn to work with money? We have to help the poor people and therefore we must really search for a good plan that will build up this little bank of ours. We know that this bank is our bank. And by putting money in there, we are building up our own bank. But at the moment the loans are the boss over us and have brought down our savings” (Kuru Board member Gaobolelwe Ngaekeaja, February 2002).

The objectives of the thesis that were set out at the beginning of the research activities and the pilot phase of Kuru’s rural finance programme in 1999 are detailed in Section 1.5.

In the following section the objectives set out at the beginning of the research are restated and related to the history of the project and the research outcomes in the previous chapter and concrete recommendations will be made for programme adjustment.

7.1. CONCLUSIONS

Objective 1) To assist the participants in the transition from an economy based on hunting and gathering to a monetised or cash economy

Objective 1a) To support the members of the programme to manage their cash resources wisely through training activities

“It is these small workshops that we are always having that taught me to think about the future. I like the workshops, because they help me with the ideas. If it was not for the workshops and the project, I would not have been able to receive the money which I have now got” (Thamae, August 1999).

“(T)his bank is a thing that can teach the people something. If you take your money to the bank, but I drink it away, I will begin to see after some time how your path goes up. And if I see you every time as your path goes up and I will throw my money away, perhaps I will begin to think. This thing will teach me, and I will also take your path” (Kuru Board member, August 1999).

“ I am happy with the workshop. I am learning something about money that I did not know before” (X’aiga, July 1999).

“The savings I cannot understand since I am illiterate and I do not know the procedures how I can ask for help. If I was literate I could know that I have saved some money and then ask for a loan and know how much. The Kuru people had a workshop explaining how the programme works. But I have not understood what was done in the workshop. The regulations of the savings programme will take me some time to understand and that means it is of no use to me at the moment” (X’aiga, February 2002).

Formal training is an area where the programme has performed really weak. Apart from some workshops in the early phase of the programme, there have been no consistent training efforts undertaken due to the developments at Kuru and the lack of staff, and the programme has concentrated on record keeping. Yet a number of members have remarked that they benefited from the few workshops that were conducted and that the very fact that they participated in the micro-finance programme had educational benefits. The existence of the programme itself raises awareness. It is significant that so many new members joined during the project period, especially craft producers and savings-only, when there was no obligation to do so. Some participants remarked that they began to plan the use of their money more consistently whereas they used to completely spend any money that came in. The training however, was inadequate to support the broad spectrum of clients. The effect of educational activities that were conducted on older and illiterate members was also modest as was shown by the participants of the art project and special training may be needed for them.

For some, the existence of the loan accounts provided a stimulus to keep their savings intact by repaying their loans and there is educational value in this. This was however a small minority of participants and does not warrant the continued existence of such a programme.

Objective 1b) To support member participation in savings and loans activities.

It is concluded that the loan activities with savings as collateral have not had the effect of assisting participants to build up savings capital, nor did it assist participants in managing cash and repayment. This was partly caused by the lack of social collateral mechanisms as group solidarity was not enforced. It is questionable whether the reintroduction of group solidarity rules for loan collection would be effective. The diffuse area between lending and giving and the indebtedness of many participants to family, friends and shops may have the

effect that such a reintroduction will mainly indebt groups rather than individuals and cause social stress.

“It is important to be able to save and it is important to be able to withdraw. Since we don't have work in the settlements it is difficult for us to pay back money. If you have some work, you borrow and pay back. That is the good way” (Craft producer, East Hanahai, February 2002).

Loan repayments were not enforced and almost half the men and more than half the women did not make a single loan repayment. The other reason for poor repayment rates, especially in the settlements, is that many people were simply unable to repay as they did not have a source of cash income. Without sustained income-generating possibilities, repayment rates of loans will be poor. This is also demonstrated by the fact that repayment rates in D'Kar, with its higher turnover of cash, were better than in the settlements. The loan component of the programme needs to be thoroughly redesigned and provide for much stricter rules for individual participation or it needs to be dropped altogether. The emphasis should be on savings mobilisation alone.

“P100 is too little to start a project. If you have P200 in your account and take out P100 to begin a project it will not be enough and the project will fail” (San man, West Hanahai, February 2002).

The size of the savings accounts of participants, and therefore the loans, was often inadequate to buy cattle or invest in business, something many people had expressed an interest in. Participants therefore ended up using their funds generally for immediate consumption.

Withdrawals in the settlements outside D'Kar exceeded savings by 340% during the project period, due to lack of income-generating opportunities, the pressures of poverty and the vast majority of clients in the settlements being dissavers. It is concluded that developing liquid assets for participants who were poorest in terms of assets was most difficult, irrespective of the fact that they may have had equal access to income-generating opportunities. The majority of these poorest were women. It is valid to single out women for targeted programme assistance.

Objective 1c) To promote a savings culture

“The only way to buy something you want is to buy it on account. If you have a small salary, you have to save for a long time and the price will go up in the mean time. So it is better to buy it on account and force yourself to repay”(Salaried participant. August 1999).

For those San people with little access to cash (i.e. the poorest participants and those in the settlements outside D’Kar), the programme provided an important stimulus to voluntarily save some of their tiny incomes. But it is concluded that increased access to the cash economy through education and borrowing opportunities often lead to increased indebtedness rather than accumulating savings. The higher the income of the people or the higher their educational attainment, the more they were in debt. For those San with some access to the cash economy, borrowing or withdrawing money just became another component of the varied foraging strategy of the people. They had accounts at the shops, borrowed from farmers, bought furniture on lay-by AND borrowed from Kuru. Repayment was done based on the needs of that moment and to whoever had a hold over them. A furniture company may reclaim, a grocery shop may refuse to extend credit. These then need to be settled first. In this, there is little difference with the surrounding Tswana society, where dissaving is the norm.

There was an additional benefit in providing access to savings accounts for San people. There is intrinsic value in offering deposit, withdrawal and especially savings services to remote and poor communities in the promotion of self respect, dignity and increased awareness. As such there is an important social development goal in a continuation of this service provision. This however would require long-term subsidies to the programme as deposits and withdrawals are small and would not cover the cost of the programme. The extremely small deposits and withdrawals in the settlements raises the issue of the cost of service provision. The need for such services to poor and remote communities can only be demonstrated when there is an effort to combine micro-finance activities with education and when social development goals are made explicit and are regularly evaluated.

The Savings and Loans programme has been successful in generating interest amongst voluntary savers. The membership of the savings-only group grew from 23 to 83 between 1999 and 2001 and the number of craft producers that saved voluntarily grew from 181 to

290 during the same period. The appreciation for the programme was wide spread and none of the participants interviewed advocated for its termination. The voluntary savings programme attracted two types of participants: those relatively well off who used the programme as an alternative to a bank and very poor people who wished to keep a portion of their tiny income in a safe place.

Objective 2). To provide participants with an alternative to cattle to participants so they can store financial resources and to provide a possibility for participants to save for long term needs.

“The problem is that sometimes we get the money from drought relief or pension. But there is no one available to take the savings at that time” (Craft producer, Bere, February 2002).

“Kuru's field workers used to come often. Now they don't come often. People get money and they don't know where to put it and where to save. The craft buyers are also not coming. If the savings and loans people are coming with the craft buyers, we can sell our crafts and save” (Craft producer, West Hanahai, February 2002).

Results in the area of savings mobilisation were poor, especially in the settlements, but also in D'Kar. People wanted to save, to build a house, to buy cattle or store cash for their children, but were generally unable to do so under the pressure of poverty and immediate consumption. The timing of savings activities was often poor as these frequently did not coincide with cash influx in the settlements.

“Cattle is for the future and the savings is for today” (C'goise, February 2002).

“I see both savings and cattle as beneficial. I want to do both. I also think that saving money is a better way as having cattle, because there is the problem of grass “(Dada, February 2002).

“The main reason that I am thinking of rearing cattle is the fact that I am used to is, that is true. It is also the fact that having cattle makes you a person”(Ennie, February 2002).

“I have not put the money in the bank. I do not believe in the bank, that is why I bought cattle. You can see cattle grow, but you cannot see what happens in the bank. You will have to keep adding money to the bank before it will increase and get to anything, whereas with cattle you will have a calf from time to time which you can sell “(Cgoise, August 99).

"I rather buy cattle than keeping the money in my savings, because to rear cattle is part of my culture. You are not grown if you don't have cattle, so it's part of our life and we know how to rear cattle. When his cattle has grown and gets some offspring I will also sell some of them and put the money in my savings account. My main reason for wanting to rear cattle is the fact that I want to rear them. Savings you can take at any time and spend it on anything, but cattle is there and you have to make a plan to go and sell it before you will see any money. So cattle is more safe"(Thamae, February 2002).

"Because when you have saved P200 and are hungry you will be forced to withdraw something and buy food. I will not do that with cattle. I will have to take care of them until they have grown up before I can have a chance to sell them. When you rear cattle and sell not even one, you can still feed your children with the milk. You will stay with them and look after them with hunger. With savings the only thing you can do is to withdraw again and use that money. If you breed cattle, you have small calves. But you cannot leave behind your savings and you know that you've got money and you've got hunger. You will have to use that money "(X'aiga, February 2002).

For most participants, saving money is no alternative to cattle rearing, and participants want both. Because of the status associated with cattle, the benefit from milk and offspring which are more visible than the interest that savings bring and because cattle are seen as less liquid, as a more secure way to store wealth for future use. It is therefore concluded that both cattle rearing and voluntary savings need to be supported as a way towards long term financial security. It is illustrative that only a few artists, with their higher income, had been able to convert this into better housing or cattle ownership and opportunities such as cattle buying schemes need to be created.

It is concluded that the existence of only voluntary savings accounts that allow immediate withdrawals is not adequate to promote savings accumulation and that extra initiatives are required to address this.

Objective 3). To help participants with short term needs and assist them to even out income flows by providing a safe place to store cash.

"When the money is in my pocket, my heart will say ...eat...eat. So we need someone in the village who will collect the money and keep it safe until it can go into the savings" (Pele Tabate, East Hanahai, February 2002).

"If you keep money in the house, you will quickly go and use it. The only way to keep it safe is to bring it to the savings. Keeping money in the house is not good. It will not work" (Bau Fretz, August 1999).

There is pressure for immediate consumption of savings. Pressures from family members, the pressure of poverty and hunger and the lure of consumer goods. If money was kept at home, it would be spent on immediate needs and with the rural finance programme it was safe from such pressure. The micro-finance programme has been able to build up a measure of trust among participants. Many participants remarked that the money was safe with the savings programme and the interest to open new accounts, especially in D'Kar with its good access to micro-finance services, was high. It is concluded that the purpose of the programme to even out income flows and withdraw funds from immediate consumption and provide for short term needs has generally been met.

A significant number of people, especially in D'Kar made frequent deposits and withdrawals. Almost 30% of the San participants in D'Kar recorded financial activities in at least half the quarters during 1999 to 2001 and almost 60% during at least three quarters. The number of account holders with voluntary savings accounts grew almost four fold between December 1999 and December 2001 and most of the other accounts were also voluntarily when the demand for compulsory savings deposits was dropped.

Objective 4) To develop communal capital and to provide participants and communities with self generated capital for investment purposes and business opportunities, as well as community projects through a loan system based on group solidarity using members savings as security.

A man remarked that making groups to put our savings together so that we can start a project sounds like a good way. We will make time to come together and think about it. An old man says that this is very difficult to do it this way. This because there is no work, so it is likely that the business will collapse and we will loose our savings (Field notes, February 2002, East Hanahai).

No formation of communal capital was achieved by the project. All accounts were managed as individual accounts and the accumulated capital in these accounts declined over time when withdrawals were made possible. There was also not much interest among participants to pool their resources as they feared that it might create problems and social stress. It is concluded that it would not be wise to revive such enforced pooling. Other avenues of work with communal capital may need to be explored by the project. Joint management of financial resources might be achieved when development funds from government or donors

have been made available to communities and are facilitated by project staff together with staff from the micro-finance programme.

Initiatives to establish business enterprises with savings or loans were limited and generally met with little success due to the inappropriateness of some of the projects and the lack of training and other support activities for entrepreneurs. The businesses that were started with funds from the micro-finance programme have largely failed. Only a few micro-enterprises were still functioning at the end of the project cycle. These were of the smallest scale and were all located in the community of D'Kar with its relatively high circulation of cash. Investment activities in business enterprises in other settlements were virtually non-existent. The lack of cash influx in these settlements and the absence of a local cash economy gave such enterprises little chance of success. The history of Kuru has shown that support for micro-enterprise development has generally been unsuccessful, in spite of countless training activities, "start-up" capital inputs and management support. The two notable exceptions to this were the art project, because of its high revenues, and the support for craft production. Craft production demanded very limited investments (a regular supply of the scarce ostrich eggshell was adequate), its labour was decentralised and could be done at leisure at home and it predominantly supported poor rural women. The programme needs to move away from the support for unsuitable and unsustainable income-generating projects as they are very management intensive as far as production and marketing is concerned.

A new and carefully monitored pilot project that combines financial support for micro-enterprise with market assessment, training and monitoring may be necessary.

Objective 5). To identify the most appropriate design of a micro-finance programme for San people, taking into account the available literature, the capacity of indigenous field staff with limited formal education, base-line information, further qualitative research and the lessons learned from a three-year pilot phase of the programme.

Objective 5a) To determine if and how a micro-finance programme can assist the San in the socio-economic realities and the problems of transition.

It is concluded that the programme was somewhat successful in providing a safe place for people to keep cash for short term needs and away from the pressures of immediate consumption. But the programme has been less successful in developing liquid wealth and an

increase in assets. Recommendations will be made to develop instruments specifically for this purpose, but it is not possible at this stage to predict whether these will be successful. This conclusion needs an additional comment: 6% of the recorded withdrawals and loans (n=107) were made for the purchase of cattle and 32% for building purposes and house improvements. This shows that there was a significant minority of participants that used these funds towards larger needs, whereas without the programme they might not have been able to accumulate enough funds towards these purposes.

Participation in the programme has made at least some participants more conversant with handling cash and has contributed to increased self-respect. This however needs to be integrated with renewed training activities.

Promoting micro-finance alone is not enough when opportunities for micro-enterprise are so limited. What is needed is a holistic approach, such as demonstrated in craft production and the art project where micro-finance was integrated with income-generating projects. Without such tangible projects in the settlements, savings mobilisation will be less successful.

It is therefore concluded that a micro-finance programme can definitely assist San people in the transition to a cash economy by meeting short term liquidity needs and to even out income flows. It can possibly also contribute to increased household assets and long term needs, to increased familiarity with the demands of a cash economy and increased self respect. These last objectives however will require programme adjustments for which concrete recommendations will be made.

Objective 5b) To identify the limitations imposed by the implementing agency, a grassroots development agency employing San field staff with limited formal educational qualifications.

It is evident that the events at Kuru placed severe restrictions on the programme. Within these restrictions, the programme was able to pursue some of its objectives with some success.

The programme was not able to follow up on outstanding loans and as a consequence repayment was poor. This had partly to do with the lack of a consistent presence in the settlements outside D'Kar. But even in D'Kar, follow up was poor due to capacity problems,

especially in the area of training, and the fact that group solidarity was not enforced and no other mechanisms existed to enforce repayment.

Due to the presence of generally competent financial staff, financial record keeping and account management was adequate, but continues to require the presence of non-San supervisory staff. The lack of dedicated training staff severely hampered the programme. Expansion of programme activities in line with the recommendations can be adequately administered with the present field staff, provided they are given enough training.

Participants generally trusted the programme and this may have been partly due to the fact that Kuru was a well-known San organisation and that the field staff of the micro-finance programme were all mother-tongue speakers. Consistent financial management has of course also been important.

Objective 5c) To determine what lessons can be learned from a three year pilot phase of the programme.

It is concluded that the programme emphasis on savings rather than the creation of debt through the provision of credit has been important and valuable, especially in the absence of concrete opportunities for micro-enterprises. The programme did not have adequate capacity to manage loan portfolios and issuing out loans without collateral would probably have caused the collapse of the programme.

The high interest rates paid on the savings account did not appear to be so important to the people. Much more important in the eyes of the participants was that there were no deductions made through ledger fees that are common at the banks.

The promotion of thrift will need special attention as the majority of men and about half the women were dissavers during the project period. Those with more dependents also had more difficulty developing assets as those with fewer dependents.

The events at Kuru proved to be determining factors in the development of the programme and it demonstrates that the study of a programme like this can not take place in isolation but needs to take cognisance of its context.

It will not be possible to make this programme sustainable in the foreseeable future. The programme needs to determine whether other goals, for example training outputs, increased self-respect, familiarity with the cash economy and appreciation for the programme can be achieved and are worth continued subsidies.

The difference in wealth between San and non-San participants and the fact that non-San often had better repayment rates on their loans confirms that San people are among the poorest, even within settlements. It validates a continued ethnic-specific approach that will focus on the San, without excluding other marginalised minorities.

Increased access to cash and income often lead to increased debt among the San participants, as was especially shown among the group of artists. It is not advised that this is encouraged by providing increased access to loans for which there is no collateral in the savings.

Objective 6) To determine whether a micro-finance programme can make a contribution to increased individual and community assets and to the ability of San participants to handle the demands of a cash economy in selected San communities in the Ghanzi District where traditional subsistence security has largely disappeared..

Savings towards durable investments such as housing or cattle is a valid and vital purpose of a micro finance programme. The programme has had modest success in this area as almost 40% of the recorded loans and withdrawals were used for such purposes. People were more likely to invest in durable goods when they had more money at their disposal. The success of the programme can therefore be increased if ways are found through which participants are encouraged to save towards larger needs.

There was a general appreciation for the programme by participants and a significant increase in the number of voluntary savings accounts. Voluntary savings continued after compulsory savings were stopped. This indicates a positive contribution of the programme to participants' self-sufficiency and an increase in participants' ability to function in a monetised economy. However, little or no savings for long term needs took place, even among a group with higher incomes, such as the artists. This needs to be addressed in the next phase.

It is concluded that no development of communal or private capital in the settlements outside D'Kar will be possible without a significant influx of capital in these settlements and a higher demand for Bushmen labour than is presently the case. Investment opportunities pre-suppose an adequate circulation of cash in rural communities. Almost all the supported business activities were conducted in D'Kar. There was inadequate circulation of capital in the other settlements to sustain a micro-enterprise. A string of failed projects and empty buildings in the communities attest to that. The chicken project and the larger shop were apparently too large or complex for the participants to manage and this raises the importance of on-going training and business support for those who venture into micro-enterprise.

Objective 7) To gain additional insight into the transition to a cash economy, in which the San find themselves, by identifying some of the changes that take place in exchange relationships because of sedentism and monetisation and some of the factors that may influence participants' performance such as age, sex and ethnicity.

Sharing is still wide-spread in San communities and San participants said 50% more often than non-San participants that they shared food or cash. Significant redistribution of wealth still took place through gift giving. But sharing circles are reduced to immediate family and close friends, or even just ones own children. People who were providers tended to have smaller sharing circles than those with less family responsibilities. They also had more significant balance decreases in their savings accounts than non-providers. It is valid to target providers specifically in projects.

Cash was shared less frequently than food and its sharing or lending often lead to conflicts. Some people invested in lineage as a security for old age.

Indebtedness increased with increasing cash incomes, as the desire for consumer goods also grew. In a location with a higher circulation of cash, such as D'Kar, indebtedness had also increased and people were less likely to repay their debts. Young and more educated people owed more than older people, but also claimed to share money more easily. This again points to the fact that creating income generating opportunities need to be combined with activities that promote investment and saving for long term needs.

It is concluded that a participants age and education did not significantly influence their performance in loan repayment. Participants' sex, family responsibilities and ethnicity were of influence. With savings mobilisation this was slightly different. Participants with no education more frequently had an average balance in their savings account of over P100 as participants with (some) primary or secondary education.

It is known that women normally attempt to maintain a larger sharing network than men, but sedentism and reduced mobility affected that negatively. Less access to cash may have forced them to reduce their sharing network and restricted it to joint activities such as cooking, gathering or traditional dancing. Women claimed to share cash less frequently than men did and also repaid borrowed money less consistently. It is concluded that women are more vulnerable than men in a cash-based economy and a special focus on women in projects is valid. San people and those with more dependents are also more disadvantaged than other groups and they may also be singled out for special assistance.

7.2. FINAL CONCLUSION

The research problem is that many San people and communities who live in a sedentised and monetised environment are not sufficiently equipped to handle the demands of a cash economy and remain dependent, due to cultural reasons and a history of extreme marginalisation.

Through this research, it has been demonstrated that a culturally sensitive and participatory rural finance programme can contribute to increased self-sufficiency and an increase in assets for at least some San individuals, through such achievements as an increase in self-esteem, an increased understanding of a cash economy, an increased ability to meet short-term liquidity needs, an increased ability to save towards larger needs and an increased number of voluntary savings accounts.

Due to changes in the context of the study which led to changes in programme regulations and a failure of the loan programme, a contribution of the programme to an increase in communal assets and in individual long-term economic security could not be demonstrated.

Based on the priority for projects and cultural activities that were stated by the participants, it can be concluded that projects that meet basic and immediate needs such as food, shelter and housing, should be integrated with programmes that address larger needs, such as loss of culture and land. Empowerment cannot be supported when rural poverty is not addressed.

A comparison of D'Kar with the other settlements suggests that a higher influx of cash in a community is likely to be unevenly spread and will increase the gap between the wealthier and poorer members of the community, and a redistribution of wealth will not automatically take place.

7.3. RECOMMENDATIONS

The recommendations stated below are put in operational terms as a logical conclusion of this phase of the Action Research process. Not all the research outcomes lead to operational recommendations and several of the recommendations relate to more than one of the research objectives.

Objective 1a

It is recommended that the micro-finance programme revive its training programme as a matter of urgency and creates capacity to do so. Simple modules dealing with numeracy and with cash can be developed. Such modules should distinguish between clients with none or with some education. Educational activities can for example be easily combined with "banking hours" when deposits and withdrawals are made, and Kuru field workers should be trained to implement these training activities.

Objectives 1b, 1c, 4, 5b, 5c

It is recommended that the loan component of the savings and loans programme be redesigned for a limited pilot period. It is not recommended to revive group solidarity mechanisms for loan management and debt collection purposes because of the social stress they may cause and because of the limitations caused by Kuru's operational capacity. Loans should be given on an individual basis, at least initially with 100% collateral in the members savings account. It is recommended that initially small individual loans may be given for a clear purpose and with a short maturity. Larger loans with a lower collateral can be

considered only when individual members make full repayment. When the pilot phase gives little or no results in the area of repayment rates or proves too complex to manage, it should be dropped altogether and efforts concentrated on savings mobilisation alone. It is also not wise to force participants to pool their savings for joint projects, but do this strictly on a voluntary basis and for self-selected groups, as the chances of such projects failing and causing social stress are significant. It is recommended to investigate possibilities for groups of participants to manage development funds jointly with input from both project staff as well as staff from the micro-finance programme.

Objectives 1c, 2, 5c

It is recommended that additional savings instruments be created that promote long term financial security. More specifically it is recommended that possibilities for two-year and five-year time deposit accounts with attractive interest rates are created and that the interest on current accounts is reduced to be in line with commercial banks. The programme should also consider linking up participants with the savings certificate schemes that are administered by the bank of Botswana through the Post offices. Finally, the programme should consider creating the possibility for participants to save for a specific amount and a specific need, e.g. housing.

It is recommended that the micro-finance continues not to charge ledger fees and other levy's to small depositors. Interest rates may need to be reviewed to compensate for this.

Objective 2

It is recommended that opportunities to combine savings activities with livestock and grazing schemes be investigated. Many participants have a strong desire to purchase cattle and accumulating savings is not an alternative to this for them. This could be done by entering into an agreement with participants to save for a dedicated purpose such as cattle or by combining a livestock rearing and marketing project with savings.

Objective 3

It is recommended that current accounts, where participants can deposit and withdraw money whenever they like, be maintained as they meet short term liquidity needs. The interest rate of these accounts may however be reviewed downwards to be more in line with commercial

banks and to make time deposit accounts aimed at savings mobilisation towards long term needs, more attractive to depositors.

Objectives 4, 5a and 5b

The businesses that were started with funds from the micro-finance programme have largely failed due to the inappropriateness of some of the projects and the lack of training and other support activities. It is recommended that a pilot project to support micro-enterprise is started by the micro-finance programme in close collaboration with Komku with a focus on cattle and/or goats. Special attention needs to be paid to a market assessment that investigates whether an adequate local market exists to support the enterprise, and to the training and on-going support of the entrepreneurs until they are well established. After the pilot phase the success of these projects needs to be carefully evaluated and conclusions made as to whether the benefits outweigh the cost of on-going support.

Objectives 5a, 5c

It is recommended that Kuru makes a special effort to support the production of traditional Bushman Craft through training and marketing in collaboration with other craft buying agencies in Botswana and abroad. It is of significant support to poor rural women and the poorest segments of the settlements in general and it requires only modest management support and is strongly valued by the people. It is also recommended that micro-finance activities coupled with training on financial issues are consistently combined with craft production training and purchasing activities. This requires joint planning of Komku, Kalahari Crafts and Savings and Loans.

Objectives 5b, 5c

Micro-finance activities in the settlements outside D'Kar should continue, but in the most cost-conscious fashion, for example by combining micro-finance activities with other project activities.

It is recommended to combine savings and withdrawal activities consistently with cash influx in the settlements, such as craft buying, drought relief funds and pension schemes. The possibility should be investigated of having permanent facilities for making deposits in the

settlements, for example through the cooperative shop, and provide these with adequate administrative support.

Objective 6, 7

It is recommended that the social development goals of the micro-finance project be made explicit and that progress towards these goals be monitored and evaluated regularly to determine whether enough progress is made to substantiate continued and long term subsidies.

“This is a project of the white people. I come with my crafts and you refuse to buy, but you bring a book and ask me to save money. How can I save?” (Craft producer, East Hanahai, February 2002 when micro finance staff came to collect savings deposits and there was no craft buying at the same time).

Objective 7

It is recommended that special attention be given by the programme to women, to the San and to those with most dependents as they were disadvantaged in terms of assets and/or loan performance and/or volume of savings activities. This can be done through special training activities or through targeted income generating activities. For example the choice to support craft production or women's groups is automatically a choice for poor rural women. In other projects, selection criteria for participation could be established that favour women, San people and those with many dependents. It should be noted that affirmative action favouring San in the selection of participants may not always be achievable for political reasons.

APPENDIX I: COPY OF INTERVIEW FORMAT FOR BASELINE SURVEY

Kuru Development Trust. Format for baseline interview about the projects and the savings and credit programme.

At the beginning of the interview, it should be explained that the interview is for the purpose of looking into the possibilities of starting a savings and credit programme through which people can save and borrow money. Also Kuru wants to find out and what kind of projects we can do best. Kuru needs to know what the situation and need is of the people, so that we also know how best to be of help to them.

A. Basic information

(Fill in the blanks in the questions below)

1. Number of form

2. Name of Community

3. Name of respondent

| | |
|--|--------------------------|
| Primary production group: (Cochineal, craft, leather, tanning, artists, Silk screen, fabric painting, etc.) | Account number allocated |
| 4a. | 4b. |

5. Male or female participant

6. Age (estimated if necessary)

7. Place of birth.

8. How many years have you lived in this community?

9. To what ethnic group do you belong?

10. What is your mother tongue?

11. What other languages do you speak?

12. (circle the right answer)

| | |
|--|---|
| What is the education that you have completed? | a. I have not gone to school |
| | b. I attended some primary, but did not complete. |
| | c. I have completed Standard 7 |
| | d. I have completed Form 2 |
| | e. I have completed Form two plus further education |
| | f. I have completed Form 5 |
| | g. I have completed Form 5 plus further education |

13.(circle the right answer)

| | |
|--|-----|
| Are you the main provider in your household? | YES |
| | NO |

14. Circle all the right answers. There may be more than one correct answer)

| | | | |
|--|--------------------|-----|----|
| Which other household members also help to take care of the needs of your home | a. husband or wife | YES | NO |
| | b. children | YES | NO |
| | c. relatives | YES | NO |
| | d. friends | YES | NO |

15. (Fill in the blanks in the questions below)

| | |
|---|--|
| a. How many children do you have? | |
| b. How many of your children are grown up, older than 16, and still live with you? | |
| c. How many of your children are grown up, older than 16, and live somewhere else? | |
| d. How many young children, younger than 16, do you have that are living with you? | |
| e. How many young children, younger than 16, do you have that are in boarding school or are staying with relatives? | |

16. (Fill in the blank to the questions)

How many people live with you in the compound:

| | |
|----------------------------------|--|
| a. Relatives, including yourself | |
| b. Non-relatives | |

17. (Fill in the blank to the question)

How many people depend on you for their food and clothing and other needs? Include those children that you help in their school.

| |
|--|
| |
|--|

B. Question on culture and cultural activities

We would like to understand if the work of Kuru might influence the way the people practise and think about their culture. That is why we are asking the following questions

18. (Tick the appropriate columns)

| Which of these activities do you practice | Never | Sometimes | Often |
|---|-------|-----------|-------|
| a. Traditional Dancing and singing | | | |
| b. Playing of traditional instruments | | | |
| c. Participation in trance dances and fire circles | | | |
| d. Spoor tracking, hunting and skinning | | | |
| e. Craft Production | | | |
| f. Veldfood collection | | | |
| g. Telling traditional stories and playing traditional games | | | |
| h. Wearing traditional clothes during cultural activities | | | |
| i. Learning about your history and traditions by discussing with elders. | | | |
| j. Learning about plants, trees and animals | | | |
| k. Teaching culture, traditional values and skills to children | | | |
| l. Reading in your own language | | | |
| m. Meeting with others to discuss common ethnic problems such as land rights, politics, the importance of preserving your culture, etc. | | | |

Now we would like to find out how important you find it that the San people practice traditional activities to maintain their culture?

19. (Tick the appropriate columns)

| | not important | a little important | very important |
|---|---------------|--------------------|----------------|
| a. Traditional Dancing and singing | | | |
| b. Playing of traditional instruments | | | |
| c. Participation in trance dances | | | |
| d. Spoor tracking, hunting and skinning | | | |
| e. Craft Production | | | |
| f. Veldfood gathering | | | |
| g. Telling traditional stories and playing traditional games | | | |
| h. Wearing traditional clothes during cultural activities | | | |
| i. Learning about our history and traditions by discussing with elders. | | | |
| j. Learning about plants, trees and animals | | | |
| k. Teaching culture, traditional values and skills to children | | | |
| l. Reading in your own language | | | |
| m. Meeting with others to discuss common ethnic problems such as land rights, politics, the importance of preserving your culture, etc. | | | |

We still want to learn more about your possibilities to practice a traditional way of life. This is why we want to ask about hunting and veldfood collection

If the respondent is a woman, skip question 20 and 21

20. Do you hunt regularly?

| | |
|-----|----|
| YES | NO |
|-----|----|

21. If the answer to the previous question is NO, what are the reasons?

| | | |
|---|--------|--------------|
| a. There is no place where I can hunt in our area | REASON | NOT A REASON |
| b. There is no game in our area | REASON | NOT A REASON |
| c. I do not have a license | REASON | NOT A REASON |
| d. I do not know how to do it | REASON | NOT A REASON |
| e. I am not interested in it | REASON | NOT A REASON |
| f. I have become too old for hunting | REASON | NOT A REASON |
| g. I have no dogs/gun/horse for hunting | REASON | NOT A REASON |
| h. Other (state) | REASON | |

22. Ask the following questions to men and women

Do you collect veldfood regularly?

| | |
|-----|----|
| YES | NO |
|-----|----|

23. If the answer to the previous question is YES, skip this question. If it is NO, what are the reasons?

| | | |
|--|--------|--------------|
| a. There is little to find in our area | REASON | NOT A REASON |
| b. I do not know many of the plants that the old people know | REASON | NOT A REASON |
| c. I am not interested in it | REASON | NOT A REASON |
| d. It takes too much time | REASON | NOT A REASON |
| e. Other (state) | REASON | |

C. Questions about Kuru projects

Now we want to ask you questions about your participation in the Kuru projects. We want to show you some pictures. First we want to know if this picture indicates a reason for you to participate. Then we want to find out what is the most important reason to you, which one the second, and so on.

24. What are your reasons for participating in a Kuru project?

| Write order of importance of these reasons in the boxes. If something is NOT a reason, the box should be crossed out. | Order |
|---|-------|
| a. To earn money | |
| b. Participate in savings and credit programme | |
| c. Access to land | |
| d. Grow own food | |
| e. To receive gifts | |
| f. Able to take care of family and solve my own problems | |
| g. Pride to work together as a community group | |
| h. Other reason (state) | |

Now we would like to find out what your opinion is of the kind of projects Kuru should be doing. The pictures show the different types of projects. Put them in the order of importance. If you think a certain type of project is NOT important, it should be excluded from the ranking.

25. What are the most important kind of activities Kuru should be doing to help the communities (write order of importance in the boxes)

| | order |
|---|-------|
| a. Education and training activities for the groups | |
| b. Pre-school and other educational activities for our children | |
| c. Income generation activities | |
| d. Activities that will give us land and will support our culture | |
| e. Savings and loan activities | |
| f. Health-related activities | |
| g. Others (State) | |

The pictures indicate the different types of training you could receive from Kuru. Put them in an order that shows which type you find most important.

(write order 1 to 5 in the boxes.)

26. What is the type of training you feel you need

| | Order |
|--|-------|
| a. Business skills such as marketing, accounting, customer relations, etc. | |
| b. General training such as Setswana and English reading and writing, literacy | |
| c. Scholarships for a better future for your children | |
| d. Skills for income-generating activities, such as craft production, cochineal, agriculture | |
| e. Training in how to lead a more healthy life | |
| f. Other (state) | |

D. Problems

We would like to know about the kinds of problems you are experiencing. Can you say of each picture if it is a problem to you? For those that are a problem, we would like to know what is the number 1 problem, what the number 2 and so on.

(write order 1 to 15 in the boxes. If someone indicates that a specific issue is not a problem to him or her, DO NOT rank it)

| 27. What are the biggest problems you experience | Order |
|--|-------|
| a. The fact that others in my family and community use alcohol | |
| b. My own use of alcohol | |
| c. Lack of money | |
| d. Lack of food | |
| e. Lack of job | |
| f. Accounts, money owed to others, debt | |
| g. Violence in the family | |
| h. Lack of education | |
| i. Sickness | |
| j. Lack of land to hunt and gather | |
| k. Lack of ability and strength to solve problems | |
| l. Loss of our culture and traditions | |
| m. Lack of political leaders and power. | |
| n. Lack of water | |
| o. Lack of a house/accommodation | |
| p. Other (state) | |

E. Things that belong to you

The following questions ask a few more things about the kind of house you live in and how well you are able to manage your life with what you have. It is important for Kuru to understand how well or not-so-well you are able to live. Then we can also know if our projects are helping people.

28. (circle the right answer)

| | |
|--|-----------|
| What is the position of your well being? | very poor |
| | poor |
| | not poor |

29. (circle the right answer)

| | |
|---|--------------------------|
| Who owns the plot and the house where you live? | a. Myself |
| | b. I borrowed it |
| | c. I live with relatives |

30. (circle the right answer)

| | |
|---|--|
| What are the building materials used for your home? | a. Plastic/paper/board with thatch or plastic roof |
| | b. Mud and sticks with thatch |
| | c. Mud and sticks with roofing sheets |
| | d. Cement with roofing sheets |

31. What are the kinds of animals that you own? (circle the right answer)

| | | | |
|------------|------|-----|---------------|
| a. Cows | None | One | More than one |
| b. Horses | None | One | More than one |
| c. Donkeys | None | One | More than one |
| d. Goats | None | One | More than one |
| e. Chicken | None | One | More than one |

F. Money – Earning money

The following questions talk a lot about money. If Kuru is going to begin a programme that helps people work with money, by saving money and borrowing money, we need to understand how people work with the money that they have. That is why we ask all these questions.

32. Here we have some pictures of ways to earn money. Can you choose your cash income sources from the following list and put them in the order of importance?

(If something IS NOT an income source, DO NOT include it in the ranking.)

| | Order |
|---|-------|
| a. Crafts | |
| b. Cochineal | |
| c. Regular paid job | |
| d. Piece job that someone gives you, such as offloading a truck or washing somebody's clothes that give you some cash from time to time. | |
| e. Veldfood collection and selling, such as melons and morama beans. | |
| f. Hunting and selling the meat | |
| g. Brewing | |
| h. Trading/Semauo for cash and other forms of self-employment (e.g. sewing, fabric painting, firewood selling, meat selling, leather work, and so on) | |
| i. Farming with cattle and other animals | |
| j. Help/Gifts from relatives and friends | |
| k. Barter/exchange of goods for goods | |
| l. Growing food crops and sell | |
| m. Other (state) | |
| T. Total number of income sources | |

33. (circle the right answer)

| | |
|---|--------------------------------------|
| What is your average cash income per month? | a. Less than P 100 per month |
| | b. Between P100 and P 200 per month |
| | c. Between P 200 and P 400 per month |
| | d. Between P 400 and P 700 per month |
| | e. More than P 700 per month |
| | f. Not able or willing to say |

G. Money – spending money

34. Ask the respondent how they spend the average cash income stated in the previous question. If they cannot recall or claim not to have any income, give them imitation money, equivalent to P 250. Then ask them how they would spend it. Count and fill the blanks.

| | |
|---|--|
| a. Food (coffee, tea, sugar, milk, rice, etc.) | |
| b. Meat | |
| c. Clothing and things for the household such as dishes, toiletries, soap | |
| d. House (furniture, cement, roofing sheets, furniture) | |
| e. Transport, medical expenses, school expenses | |
| f. Tobacco, alcohol and drinks | |
| g. Things for your business | |
| h. Gifts and loans to others | |
| i. Debts/Accounts | |
| j. Other (state) | |
| TOTAL | |

H. Money gifts

35. How many people have helped you with money gifts in the past month that you do not have to pay back? (circle the answer)

| | | | | |
|------|-----|-----|------|--------------|
| None | 1-2 | 3-5 | 6-10 | More than 10 |
|------|-----|-----|------|--------------|

36. If you have a problem and need some money, do you have any family or friends that will help you with money you since you have also helped them in the past? (circle the right answer)

| | | |
|----------------|----------------|----------------|
| There are none | There are some | There are many |
|----------------|----------------|----------------|

37. How many different people have you helped with a money gift during the last month that you do not expect to get back? (circle the right answer)

| | | | | |
|------|-----|-----|------|--------------|
| None | 1-2 | 3-5 | 6-10 | More than 10 |
|------|-----|-----|------|--------------|

I. Borrowing money from others

38. Do you sometimes borrow money that you have to pay back from the following people: (circle the right answer)

| | | | |
|------------|-------|-----------|-------|
| a. Family | Never | Sometimes | Often |
| b. Friends | Never | Sometimes | Often |
| c. Others | Never | Sometimes | Often |

If the answer to the previous question is three times NEVER, skip questions 39, 40, 41 and 42.

39. From how many different people have you borrowed money that you will have to pay back during the last month? (circle the answer)

| | | | | |
|------|-----|-----|------|--------------|
| None | 1-2 | 3-5 | 6-10 | More than 10 |
|------|-----|-----|------|--------------|

40. Do you always pay back the money you borrow? (circle the right answer)

| | | | |
|-------|-----------|------------------|--------|
| Never | Sometimes | Most of the time | Always |
|-------|-----------|------------------|--------|

41. If you borrow money from other persons, do you sometimes have to pay more money back as you have borrowed as an interest? (circle the answer)

| | |
|-----|----|
| YES | NO |
|-----|----|

42. If the answer to the previous question is yes, can you give an example of when and to whom you gave back more than you have borrowed?

43. At this moment, do you owe money to other people, shops or organisations?

| | | |
|----|---------------|--------------|
| No | Yes, a little | A big amount |
|----|---------------|--------------|

J. Lending money to others

44. To which people do you sometimes lend money that you expect to receive back from them? (circle the right answers)

| | | | |
|------------|-------|-----------|-------|
| a. Family | Never | Sometimes | Often |
| b. Friends | Never | Sometimes | Often |
| c. Others | Never | Sometimes | Often |

If the answer to the previous question is three times NEVER, skip questions 45 and 46.

45. To how many different people did you lend money during the last month that you expect to get back? (circle the right answer)

| | | | | |
|------|-----|-----|------|--------------|
| None | 1-2 | 3-5 | 6-10 | More than 10 |
|------|-----|-----|------|--------------|

46. Do the people to whom you have lend money in the past and that you expected to get back always pay it back? (circle the right answer)

| | | | |
|-------|-----------|------------------|--------|
| Never | Sometimes | Most of the time | Always |
|-------|-----------|------------------|--------|

K. Sharing food, clothes and money

47. Do you feel it as a responsibility to share your **food** with family and friends?

| | | | |
|------------|-------|-----------|-------|
| a. Family | Never | Sometimes | Often |
| b. Friends | Never | Sometimes | Often |

48. Do you feel it as a responsibility to share your **clothes** with family and friends?

| | | | |
|------------|-------|-----------|-------|
| a. Family | Never | Sometimes | Often |
| b. Friends | Never | Sometimes | Often |

49. Do you feel a responsibility to share your **money** with family and friends?

| | | | |
|------------|-------|-----------|-------|
| a. Family | Never | Sometimes | Often |
| b. Friends | Never | Sometimes | Often |

L. Keeping money

50. Apart from your savings book with Kuru, do you now have any other cash savings in the following ways:

| | | | |
|---|----|---------------|--------------|
| a. Bank or post office | No | Yes, a little | A big amount |
| b. Safekeeping with a friend or relative. | No | Yes, a little | A big amount |
| c. Participate in a lending circle | No | Yes, a little | A big amount |

51. If you have money that you do not need immediately for something urgent, what do you do: (circle the answers)

| | | |
|---|-----|----|
| a. Keep it in the house | YES | NO |
| b. Give it as gifts so that you can also receive gifts when you need money. | YES | NO |
| c. Give it as loan to others, so that you will get it back | YES | NO |
| d. Keep money in bank account or postal account. | YES | NO |
| e. Buy cattle or goats | YES | NO |
| f. Buy other goods such as donkey cart, radio or tv, bicycle | YES | NO |
| g. Build my house | YES | NO |
| h. Give it to a farmer or shopkeeper to keep for me | YES | NO |
| i. By participation in a lending circle | YES | NO |
| j. Other (state) | | |
| | | |

M. Repaying money

52. (Fill in the blanks in the questions below)

a. If you could borrow money from a bank that you would have to repay every month for a period with some interest, how much would you borrow?

P

b. For what would you use it/what would you buy?

53. (Circle the answers to the questions below)

| | | |
|---|--|--|
| a. Could you repay this amount in six months? | | |
| b. In more than six months? | | |
| c. In less than six months? | | |

Some notes with the questions.

Questions 1 to 10. Demographic information

These are basic demographic questions concerning name, age, sex, residence and ethnicity of the respondents. In addition, they document in which activity the respondent participates and allocate an account number for project management purposes.

Questions 11 and 12. Education

Categorise educational achievement.

Questions 13 to 17. Household

The questions are concerned with the position of the respondent within the household. The number of dependents, sharing- and living arrangements is recorded.

Questions 18 to 23. Culture

These ask about the most common cultural activities associated with the San people. Which of these are still actively practised? To which extent do the respondents feel strongly about the need to practice their culture and which factors may hinder them to do so?

Questions 24 to 27. Needs and Problems

What do respondents identify as their major problems and how do they expect a development organisation like Kuru to contribute to solving these.

Questions 28 to 31. Poverty

These questions determine how the respondent perceives his own economic position vis a vis those around him. The wording of question 28 was chosen after some debate with San informants as being the most suitable to find out how people viewed their own position. Questions 29 and 30 were selected as the most straightforward ways to establish a wealth ranking scale showing how respondents compared to each-other in terms of assets. (Question 30 inquires about liquid assets in bank or postal accounts as well, but it is anticipated that very few respondents will be maintaining such accounts.) After some deliberation, it was decided to exclude household assets such as furniture, cooking pots or radios from the interview. It was considered too open to misunderstanding. Question 31 did not attempt to determine exactly how many animals each respondent owned. Responses from other surveys have shown that it is almost impossible to get reliable information.

In order to achieve the score for relative asset poverty the following formula was used to determine livestock asset poverty (where as "more than one" was taken to mean an average of three for calculation purposes):

$Cows * 1000 + Horses * 800 + Donkeys * 100 + Goats * 150 + Chicken * 12$. (the index numbers relate to the BWP Pula average worth of each animal.

For those who owned the plots on which they lived, an figure of 500 was added for its average value as well as an estimated value for the type of house in which they lived (respectively 0, 100, 500 and 2000 for the types of dwellings listed).

Participants were subsequently grouped in the "poorest" category when the value of their assets was less than index value 1000, in the "average" category when it was between values 1000 and 4000 and in the "least poor" category when their assets were valued at more than 4000.

When a participant was either known or stated to have a regular paid job and/or claimed to have an income of at least P400 per month, he or she was automatically considered part of the "least poor" category.

Note: It should not be assumed that these are BWP asset values. Qualities of housing and sizes of herd may differ dramatically: "more than one" cow may signify 2 or 50! Nevertheless, for making a rough grouping of participants in terms of value of their housing and livestock assets, this method is considered adequate.

For the purpose of the study combining the results of these questions 29-31 with information on income size and sources is considered adequate to achieve a grouping of respondents in the three categories: "poorest", "average poor" and "least poor". It is accepted that the outcome will provide no more than a rough indication of wealth ranking as it largely depends on voluntary information that may be inaccurate. It was included in order to increase the understanding of possible trends across the group of participants.

Questions 32 to 34. Cash income and expenditure patterns

What are peoples' cash income sources and amounts and expenditure patterns.

Questions 35 to 49. Sharing, lending and giving.

A series of questions attempts to discover what sharing, borrowing, lending and giving relationships exist between respondents and their relatives and non-relatives concerning food, other goods as well as cash.

Question 50 and 51. Liquid assets

Do respondents have any form of liquid assets? How are they likely to store liquid assets giving their availability?

Questions 52 and 53. Formal lending

If people could borrow money, for what purpose would they use it and what perspective do they have concerning repayment.

APPENDIX II: BASIC DESIGN OF THE SAVINGS AND LOANS PROGRAMME

Based on extensive discussions with members of the Board and field staff, the history of Kuru, a baseline survey of all participants, a desk study with regards to the operations of similar schemes elsewhere and the requirements imposed by the areas geography (small and scattered communities) as well as the background of the target communities (a hunter-gatherer society in transition to a monetised economy), the main features of a basic design was approved by the Kuru Board for a three year pilot phase of the programme from 1999 to 2001.

The following has been extracted from the draft procedures manual for the savings and loans programme and describes the set-up of the programme in some detail.

It needs to be emphasised that the action oriented nature of the research means that design features are adjusted as the programme develops and lessons are learned or problems crop up. The design features below are therefore a snapshot of the procedures that were in effect during the second half of 1999. At this time the loan component was about to start and the savings component had already functioned for about a year.

As is shown in Chapter 5 point 1, many of the design features that were part of the original procedures manual, most notably the compulsory nature of the savings and the use of group solidarity to encourage loan repayment, were dropped by the programme staff during the first half 2000, thereby rendering much of the initial design ineffective and leaving in practise only a system with current accounts operational. To those aspects of the initial design that were changed during the projects implementation phase, comments have been added in italics after the regulation details below.

A. Membership of the producer groups

a. Membership

- Local participants of income-generating activities will be organised into producers groups (e.g. craft producers, small farmers, leather workers, etc.) All members will register and without membership, no access to the savings and loan system is possible. Membership of production groups is restricted to those who meet the criteria of a Remote Area Dweller. This means it is for permanent residents of RAD settlements who have no dual residency or land holdings elsewhere. Where certain production groups have a large membership, these members elect to join sub-groups of between four and ten individuals as a solidarity group for the Savings and Loans activities.
- Members agree to follow the rules about attending meetings, training and the savings program as agreed between community and Kuru. (*was dropped in 2000*)

- Any land/equipment used during membership remains the property of the production group and has to be returned to the production group upon leaving the group. *(was never applied)*

b. Savings

- The savings programme is of a compulsory nature, which means that savings have to be made out of the proceeds of products sold. Groups will meet and agree on a certain percentage of production that they will save, but the minimum of saving is set by the Kuru Board at 5% of the proceeds, rounded of to the nearest Pula with a minimum of P1. *(was dropped during 2000, except for the artists where it is still operational in 2002)*
- Where possible, this amount will be deducted at source when they come to sell their produce e.g. through Kuru's wholesaler or through the local Co-op shops and transferred to their savings and entered into their booklet. Kuru will transfer these funds into one general bank account or invest these funds in low-risk government bonds. These funds will serve as collateral for members' loans and Kuru will be able to make a small profit through this reinvestment towards its own cost. Members will receive interest on this account. In order to encourage thrift, savings will be subsidised. This means that no activity or ledger fees will be charged, whilst the interest will be similar to that of commercial banks.
- The savings accounts of members are fixed-deposit accounts. During the first two years of membership OR after the first deposit is made, whichever is longer, it is not allowed to withdraw money from the savings account. *(was dropped during 2000)*
- If a member resigns his membership in the production group, the account will be closed and the balance will be paid out to the members. Three month notice however is required for resignation, unless the group expels the member.
- After two years of membership, withdrawals require a month notice period and any withdrawals above a certain maximum might result in a possible reduction of interest earned on the balance to the amount equal in the Savings-Only accounts. *(notice periods have not been applied consistently)*

c. Procedures for Loan Accounts

- Only individuals who hold a Production Group Membership account are eligible to apply for a loan. Application for a loan - by means of a loan bond form - has to be made to the group and approved by the group. The group will agree to the repayment plan. Group approval is conditional for loan approval by Kuru. The consequence is that the group is responsible for the management of the members' loan especially in case of default. Among other things, the Loan Bond will stipulate that Kuru will be entitled to repay loan defaults from the members' savings account.
- Loans can be for (limited) consumptive or investment purposes and have to be repaid over a six-month period with equal instalments made at the end of each month. The instalment will be made up of a repayment plus interest on principal. In exceptional cases (e.g. loans for agricultural purposes), loans may be exempted from this obligation and permission can be granted by the Kuru programme office to allow repayment of the full amount plus interest after the loan matures.

- The members' savings will be used as collateral for the members' loan. A loan – increased with interest - will never exceed (a percentage of) the amount of her/his savings until such time that a member can prove to be a reliable borrower.
- If a loan is not used within 7 days after being issued, this has to be reported to the production group, which will decide – in consultation with the program manager - upon continuation or termination of the loan agreement.
- Members will pay interest on outstanding loans equal to the interest earned on their savings account. In this way members do not have to indebt themselves to borrow and have an alternative way to access their savings, whilst keeping them intact.
- Members can only have one loan at a given time. Payment of monthly instalments will take place at the nearest field office or during visits of the extension team workers.
- When a loan is in arrears, interest payment on the savings account will be suspended. A loan will be in default after arrears exceed a three month period. When members default on a loan, savings will be used to reimburse the loan account. *(was not applied consistently)*
- If a member is in default then further loan activities for the production group will be suspended until the problem is solved. *(was never applied)*
- A group may suspend a member from loan activities when a member has defaulted on a loan twice. The right to end group membership, requiring a return of possible production assets to the group, is vested in the full production group.

B. Membership of “Savings-Only” accounts

In the absence of other rural banking facilities and in order to meet the request of non-project members, the possibility for a so-called “Savings-Only” account is created. The basic design is as follows:

- Membership is open to all residents of a project community where Kuru works and needs to be terminated when a resident moves elsewhere.
- Prospective members have to complete membership procedures and pay a one-time registration fee of BWP 20 (This amount may be reviewed from time to time). *(was not applied)*
- Savings deposits and withdrawals can be made whenever field officers of Kuru visit the settlements, subjects to minimum and maximum set in the relevant regulations in force at the time.
- Accounts are individual and no group solidarity rules apply.
- Savings-Only account holders are not eligible for loans. *(was not applied)*
- Interest paid on these accounts will not be subsidised by Kuru and will normally be below interest rates of commercial bank in order to cover the extra management cost. Kuru does not charge activity or ledger fees. *(was not applied)*
- Deposits and withdrawals can be made whenever staff from Kuru visits. The minimum deposit is P1, the minimum withdrawal is P5.
- Members can withdraw their full balance and close their account at any time. When they wish to open a new Savings Only account or have lost their booklet, the registration fee will have to be paid again at the then prevailing rate.
- A minimum amount of P10 has to remain in the account.

- When no activities have taken place in a Savings-Only account for more than two years AND when the balance of the account is less than BWP 20 after such a period of inactivity, Kuru will close the account and the balance will revert to Kuru as a closure fee.

III. A CHRONOLOGY OF MAJOR EVENTS IN THE GHANZI DISTRICT

Adapted from R. K. Hitchcock (1999c) by email

Pre 1800s: Foragers and agropastoralists occupy the western and central Kalahari regions. In the Ghanzi District, there were Nharo and Makaukau (+Dau//keisi, //au//ei, Auen) in the north, !Xo (!Ko) in the south, and G/wi and G//ana in the east (in the area now known as the Central Kalahari Game Reserve).

1849: David Livingstone, William Cotton Oswell, and Mungo Murray cross the eastern Kalahari Desert to the Botletle River, the first Europeans to do so; they came in contact with substantial numbers of San, Bakgalagadi, and Batswana.

1850s: J. Anderson passed through the Ghanzi area. The first European to settle on the Ghanzi Ridge was Hendrik van Zyl, who had a large house on Ghanzi Pan.

1874: Hendrik van Zyl established a settlement at Ghanzi that lasted from 1874 to 1878. Van Zyl was eventually murdered after having been forced to leave Ghanzi.

1877: The Dorsland Trekkers, a group of Afrikaners, crossed the Kalahari. In the east-central Kalahari they faced severe privation from thirst and hunger. The trekkers stayed briefly at Ghanzi on their way through the Kalahari to Namibia and eventually Angola.

1878: Hendrik van Zyl led a deputation for Moremi II, the chief of the BaTswana then at Lake Ngami. The Tswana had recognised Ghanzi as part of the Tswana State.

1885: Declaration of Bechuanaland as a Protectorate of Great Britain.

1887: Report on the situation of the San of the Bechuanaland Protectorate by J.S. Moffatt, A.I. Wookey, and Roger Price, three missionaries, to the Colonial Office in London

1894: Cecil Rhodes sends his agent Isaac Bosman to visit Chief Sekgoma of the BaTswana who convinces the chief to cede the Ghanzi area to the British South Africa Company. In the period from February to April, 1894 the first party of Afrikaner trekkers arrived in Ghanzi; they reported that the San were "well disposed toward white people" (BNA HC 144).

1895: Declaration of Ghanzi and Kgalagadi as Crown Land (later, after independence, the region was known as State Land). Cecil Rhodes makes promises to sell ranch land in the Ghanzi area to Afrikaner farmers.

1898: Founding of the Ghanzi Farms by Cecil Rhodes and the British South Africa Company (BSACO). Afrikaner farmers began to settle and establish holdings on the Ghanzi Ridge.

1899: Allocation by the British administration of 41 farms of 3,000 morgen each on the Ghanzi Ridge to Afrikaner farmers.

1888-1904: Anglo-Boer War. Some people from Ghanzi took part.

1904-1907: Herero leave South West Africa (now Namibia) as a result of pressure from the Germans in the German-Herero Wars. Some of them settle in Ghanzi..

1910: First effort on the part of Ghanzi farmers to request a special piece of land for the San. This was done in part to prevent competition over tsama melons which the Afrikaners used as cattle feed. As the petition stated, the San "should be given a strictly defined place to live in, for being in such a wild state they are very little use as servants"(BNA S.156/3). A white

woman who had struck a San died suddenly of stomach pains, giving rise to the rumour that she has been poisoned.

1920: Theunis Kotze, elder of the Nederduits Gereformeerde Kerk, establishes a farm and church in Ghanzi.

1922: A magistracy was established at Ghanzi. The Resident Magistrate at Gobabis in South West Africa, Mr. van Ryneveld, went hunting and was attacked by San. He was wounded and later died. Four San were killed in the firefight. The rest of the San party was believed to have left South West Africa and crossed into Botswana. The Resident Commissioner reported to the High Commissioner that "Everything tends to show that Bushmen in the Ghanzi District are quite satisfied." (BNA S.5/1)

1923: The League of Nations began inquiries into slavery in the Bechuanaland Protectorate.

1926: The High Commissioner stated that the British government did not regard San as slaves. He went on to say that the Government would not allow any tribe to demand compulsory service from another.

1927. The first store is started in Ghanzi by a farmer; it dealt mainly in wild animal skins. This shop was bankrupt within 5 years.

1929: A farmer in Ghanzi, A.G. Burton, flogged a San employee (Namukwe) severely because he had allegedly killed one of Burton's calves. Burton was prosecuted and convicted and given a sentence of a month of hard labour or a fine of 10 pounds Sterling. In this period trucks began to appear more frequently in Ghanzi District.

1930: A Ghanzi farmer who was trekking his cattle from Ghanzi to Lobatse was accused of abandoning some of his San and Bakgalagadi herders on the road without food or water.

1934: Locust invasions in the Kalahari. J.W. Joyce was appointed to undertake a survey of the San in the Ngwato District. The Resident Magistrate in Ghanzi complained that the Ghanzi farmers with whom he had to deal could be "classified as paupers and squatters" (BNA S.395/9).

1936: A proclamation on the abolition of slavery was made in the Bechuanaland Protectorate (Proclamation No. 15 of 1936).

1953: Recruitment of San from the western Kalahari for the mines of South Africa, especially Kgalagadi and Kweneng Districts.

1955: The Marshall family visits the Nharo near Okwa and carries out work among the G/wi in the central Kalahari at !A Ha !O Pan, later reported in Elizabeth Marshall Thomas' book "The Harmless People".

1958: The Kuke Veterinary Cordon Fence is constructed across the northern portion of the Ghanzi Farms, separating Ghanzi and Ngamiland Districts. George Silberbauer started the Bushman Survey in September. There were movements of San from the central Kalahari to the farms in Ghanzi in order to gain access to water (Silberbauer 1965:121).

1959: 130 new farms were offered for sale in Ghanzi. Some of the farms were repossessed as a result of the inability of their buyers to afford the payments and infrastructure.

1960: In April, 1960 Silberbauer begins to visit the G/wi in the Central Kalahari.

1961: Declaration of the Central Kalahari Game Reserve as part of the Fauna Conservation Declaration, 1961.

1962: Drilling of !Xade borehole in the central Kalahari. Reports of work done by Silberbauer in the Central Kalahari are filed with the Bechuanaland Protectorate Administration.

1964: The 1964 Bechuanaland Census (Palo ya batho) was carried out, part of which was devoted to the documentation of the distribution and numbers of San. This year the Ghanzi farmers challenged the San to an archery competition and the Ghanzi farmers won the match.

1965: Ipelegeng (food for work) and drought relief feeding schemes were implemented (e.g., in Ghanzi, Kweneng, and Central Districts). A Dutch Reformed Church known as Gereformeerde Kerk was established at D'Kar. A Tswana evangelist was engaged to offer church services.

1966: The 1961-66 drought breaks. September 30, Botswana gains Independence. Work begins at Bere by H.J. Heinz, which lasted until 1973. Bere became one of the first modern San settlement schemes.

1968: Mathias Guenther initiates research among Nharo in the Ghanzi District. His fieldwork lasts from August 1968 to April 1970.

1972: In 1972 there were 265 households (roughly a thousand people) in Ghanzi Camp (the former name of Ghanzi Township), 43% of whom were government civil servants; a survey was done of Ghanzi commonage that year

1974: The founding of the Bushman Development Program (BDP) in the Ministry of Local Government and Lands in Gaborone. Elizabeth Wily becomes the first Bushman Development Officer (BDO).

1975: Declaration of the Tribal Grazing Land Policy (TGLP) Initiation of a survey of the situation in and around the Ghanzi Farms by Gary W. Childers under the auspices of what was then the Basarwa Development Program (LG 32) of the Ministry of Local Government and Lands (see Childers 1976).

1977: Submission of a project memorandum entitled Land and Water Development for Ghanzi Farm Basarwa. This project was aimed at establishing four settlements in Ghanzi District: Groot Laagte, Rooibrak, East Hanahai, and West Hanahai.

1978: The government of Botswana inaugurated the Remote Area Development Program (RADP) in place of what had been the Bushmen Development Program and, later, the Extra-Rural Dwellers Development Program. The Attorney General's office issues a statement to the effect that San have no rights to land, only hunting. This position is later rescinded by the government of Botswana.

1984: The Kalahari Conservation Society (KCS) sponsors meetings between all government departments and non-government organisations concerned with potentially conflicting land use practices including ones in the CKGR. Work continues in Ghanzi District on remote area development.

1985: The Department of Wildlife and National Parks commenced drilling boreholes in the Central Kalahari to counter seasonal movements of wildlife out of the reserve. The Central Kalahari Game Reserve Fact Finding Mission is appointed.

1986: Kuru Development Trust is founded as a non-government development organisation and it is registered officially with the government of Botswana. On July 15 a Botswana Government White paper on remote area dweller (RAD) settlements in the CKGR stated that the government of Botswana policy for the CKGR is that existing settlements should be

relocated in areas outside of the reserve. On 12 October, 1986 the Honourable Moutlakgola Nkwako, Minister of Commerce and Industry, announces the Botswana Government's decision to move the central Kalahari Game Reserve communities to places outside of the reserve. On December 30, 1986, the Ghanzi District Council rejects the Government's decision to move the people out of the reserve.

1988: On February 22, 1988 Government announces a 30 million Pula plan for the construction of primary schools, clinics and other projects in remote area settlements known as the Accelerated Remote Area Development Program (ARADP), funds for which are provided by the Norwegian government. Residents of Grootlaagte settlement in the Ghanzi District are commended by Vice President Peter Mmusi for having agreed to have permanent homes to make it easier for the Council to provide them with social services.

1991: In 1991 the Ghanzi District Council passed the following Resolution: (1) that Xade be declared a permanent settlement, (2) that a 30 km zone should be created around Xade, (3) all residents of the CKGR should be resettled at Xade. The national population census for 1991 showed that the population of Ghanzi District was 23,725.

1992: Publication of the report *Who Was (T)here First? An Assessment of the Human Rights Situation of Basarwa in Selected Communities in the Gantsi District, Botswana* by Alice Mogwe through the Botswana Christian Council. An international meeting on San was held in Windhoek, Namibia in June, 1992, in which some members of San communities participated, though most not in an official capacity. A national seminar on a "Review of the Remote Area Development Policy" that was held from August 31 to September 4, 1992. The year was also characterised by controversy over the role of Kuru and some of its personnel, nearly resulting in the declaring of a Kuru staff person as *Persona Non Grata*. This decision was later reversed by the government of Botswana.

1993: In mid-August it was reported that a 40-year-old hunter, Gaolikwe of !Xade, died from injuries inflicted upon him by officers from the Department of Wildlife and National Parks. In September, 1993, San community representatives and non-government organisations (e.g. Kuru, Ditshwanelo) took part in a three-day seminar at Palapye which nominated delegates to the October, 1993 San Conference. This conference was held from October 11-13, 1993 at the Gaborone Sun conference centre and it was attended by a large number of people. First People of the Kalahari received official notification from the government of Botswana that it was a registered non-government organisation. In late 1993, there was a report of an alleged rape of five under-aged San women from Kuke by several Ghanzi farmers.

1994: At the end of the year the Bokamoso Early Child Care Development Program of Kuru Development Trust gave certificates to its first intake of pre-school teachers. The Bokamoso Program expanded its target group to include children with special needs. The Dqae Qare Farm, later to become a game farm was obtained by Kuru Development Trust.

1995: In January, 1995, Kuru decided to collaborate on a regional effort at promoting San well-being in southern Africa. The settlement of Qabo was established in northern Ghanzi District.

1996: In February, 1996 a meeting was held in CKGR concerning future of the residents of the CKGR, the Hon. Minister Balopi of MLGLH attending. On February 14, 1996 representatives of communities in the CKGR visited the proposed site of New !Xade in the Ghanzi District. Kuru establishes a regional support program in Ghanzi District in 1996.

1997: In March, 1997 the Minister of Local Government, Lands, and Housing requested that the Botswana Parliament approve a vote of 6,000,000 Pula to help develop the settlements of

New !Xade in Ghanzi District and Kauduane in Kweneng District where the residents of the CKGR would be resettled. In May, 1997 the government began resettling the residents of !Xade in the CKGR to New !Xade. In June, 1997 the Botswana Council of Non-Government Organisations (BOCONGO) issued a report critical of the way in which the CKGR resettlement issue was being handled. Also in June, 1997, a Negotiating Team for the Central Kalahari Game Reserve was established that included two representatives from each of the villages in the central reserve along with representatives of First Peoples of the Kalahari, Ditshwanelo (the Botswana Centre for Human Rights) and Kuru Development Trust.

1998: In February, 1998 a communiqué was released by the Negotiating Team of the Central Kalahari Game Reserve based on a meeting held at D'Kar February 11-13, 1998 which included members of the Negotiating Team, FPK, Kuru Development Trust, the Working Group of Indigenous Minorities in Southern Africa (WIMSA), Ditshwanelo, and the Botswana Christian Council (BCC). The meeting reiterated its request for a meeting with the President of Botswana. On March 24, 1998 a formal meeting was held in Gaborone between the Negotiating Team of the CKGR and the out-going President of Botswana Sir Ketumile Masire concerning the Central Kalahari Game Reserve issue. Kuru Development Trust and the Working Group of Indigenous Minorities in Southern Africa (WIMSA) held an indigenous peoples' consultation on empowerment, culture, and spirituality in community development in Shakawe, Botswana from September 6-9 (see van Trijp and Oussoren 1999). Kuru began work in Ngamiland after receiving formal endorsement from the North West District Council in Maun.

1999: Work continued by Kuru Development Trust on a variety of tasks, including the savings program, community extension activities, craft purchases, education, training, and community development. The Huiku Trust is formed in May, consisting of members from Groot Laagte and Qabo in the Groot Laagte Wildlife Management Area in Ghanzi District. Representatives of FPK and WIMSA attend the 17th session of the United Nations Working Group on Indigenous Populations in July, 1999.

2000. Events at Kuru begin that lead to the disruption of many of its activities and the breaking up of the organisation in seven smaller organisations

GLOSSARY AND ABBREVIATIONS

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| Balanced reciprocity | Gift-giving transactions between people with immediate equal-value returns, i.e. barter or trade. |
| Basarwa | The official Botswana designation for the San, meaning "people without cattle". |
| BWP | Botswana Pula. National currency, worth about US\$1 = BWP 4.8 at the beginning of 1999. |
| CBO | Community Based Organisation. For the purpose of this document, these are defined as private voluntary organisations that draw both their membership and leadership from a single community. |
| CKGR | Central Kalahari Game Reserve. |
| CMI | Christian Michelsen Institute. Research institute in Norway that evaluated NORAD's involvement in the Remote Area Development Plan in 1995. |
| CSO | Central Statistics Office of the Republic of Botswana. |
| Delayed return system | Social systems in which people hold rights over assets such as production facilities, processed and stored food, or wild products that have been improved by human labour and that do not provide an immediate return on labour. |
| EC | European Commission |
| Economic viability of a financial institution | A financial institution reaches economic viability when the economic cost of funding of credit can be covered by income generated from lending operations. |
| FAP | Financial Assistance policy. A programme of the government of Botswana that is one of its main instruments of providing grants to small entrepreneurs as start-up capital. |
| Financial viability of a financial institution | A financial institution reaches financial viability when cost of the loans can be covered by the price of the loans. |
| FPK | First People of the Kalahari. San advocacy organisation based in Ghanzi, Botswana. |
| Generalized reciprocity | Generalised reciprocity refers to gift-giving transactions between people that are altruistic. This is not to say that handing over things...generates no counter-obligation, but the counter is not stipulated by time, quantity or quality and the expectation of reciprocity is indefinite (Sahlins 1972b). |
| Hxaro | The gift giving network that exists among Ju/'hoansi Bushmen in northern Botswana and Namibia and that is characterised by generalised reciprocity. |

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| Immediate return society | Societies that do not require an investment in labour with a return expected at a later date, but where people obtain a direct and immediate return. A distinguishing characteristic is the absence of a storage tradition. A number of hunter-gatherer societies can be considered as immediate-return systems. |
| Indigenous people | Indigenous communities, peoples and nations are those which, having a historical continuity with pre-invasion and pre-colonial societies that developed on their territories, consider themselves distinct from other sectors of the society and are determined to preserve, develop, and transmit to future generations their ancestral territories, and their ethnic identity, as the basis of their continued existence as peoples, in accordance with their own cultural patterns, social institutions and legal systems. (UN definition) |
| Informal finance | All financial transaction, loans and deposits, occurring outside the regulation of a central monetary or financial market authority |
| Institutional viability of a financial institution | A financial institution reaches institutional viability which when cost of administration and management as well as opportunity cost of the funds are fully covered by the income generated by the programme. |
| IUCN | International Union for the Conservation of Nature and Natural Resources (World Conservation Trust). |
| IWGIA | International Working Group of Indigenous Affairs. A Denmark-based NGO of researchers, publishers and activists concerned with the rights of indigenous peoples worldwide. |
| Kgotla | Tswana custom that secures communal democracy through village meetings, where everyone can speak. |
| Kuru or KDT | Kuru Development Trust. An indigenous peoples' organisation for the San in Western Botswana. Kuru is the organisation through which the rural finance programme as well as this research project is implemented. |
| MFDP | Ministry of Finance and Development Planning. Government ministry in Botswana responsible for the coordination of rural development activities. |
| Micro-finance | Financial services dealing with very small deposits and loans |
| MLGLH | Ministry of Local Government, Lands and Housing. |
| Mosarwa | Derogatory term for Bushmen in Botswana used till the mid-seventies, which indicated a sub-human category, equivalent to "nigger" or "kaffir" |
| Naro | Large San group in the Ghanzi district in Botswana. |

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| NDP | National Development Plan published every five years by the Government of Botswana. NDP 8, the most recent one, is valid for the period 1997 – 2003. |
| Negative reciprocity | Negative reciprocity refers to gift-giving transactions between people where one individual gets something without giving in return now or later. |
| NGO | Non Governmental Organisation. These are private voluntary organisations working in development that usually have a regional or (inter)national character, sometimes have a sectoral specialism and do sometimes, but not necessarily, draw their leadership from its constituency. |
| NORAD | Norwegian Agency for Development Cooperation, the main donor of the RAD programme from 1988 until 1995. |
| N!ore (n!oresi) | Term for traditional and hereditary hunting and gathering territory used by the !Kung San. |
| NRMP | Natural Resource Management Project. |
| PDL | Poverty datum line, defined by the Botswana government as the income below which an individual will not be able to meet his or her basic needs. |
| PRA | Participatory Rural Appraisal. |
| RAD | Remote area dweller. Socio-economic designation in official Botswana discourse for a landless inhabitant of small remote rural communities. In practice the vast majority of these are San. |
| RADO | Remote Area Development Office. A government department working with RAD communities. |
| RADP | Remote Area Development Programme. A government programme supporting services and development in RAD settlements. |
| RRA | Rapid Rural Appraisal. |
| San | The word means “those who gather wild food” or “aborigine” and was given by the Khoe, or Hottentots to the Bushmen. It is the term used by most anthropologists and emerging as a common name for the various Bushmen groups. |
| SIDA | Swedish International Development Authority. |
| TGLP | Tribal Grazing Land Policy. |
| WIMSA | Working Group of Indigenous Minorities of Southern Africa. San umbrella organisation with its headquarters in Windhoek. |

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ENDNOTES

¹ The word San means "those who gather wild food" or "aborigine" (Thou and Campbell 1984:17; Guenther 1986:9) and was given by the Hottentots to the Bushmen. The word Bushman comes from the Dutch word "Bosjesmanneken" which the early settlers in South Africa applied to the hunter-gatherers of the interior (Guenther 1986:8). The various Bushmen groups prefer to be called by their respective names, such as the Ncǃakhoë, meaning red people. This term is used for the Naro-speakers in the Ghanzi area and various other groups. There are indications that the term "San" may be emerging as the preferred choice by the various Bushmen organisations. Anthropologists also generally use this term. For the purpose of this document, the terms San and Bushmen will be used interchangeably to indicate any member of the various San bands and tribal groups, except when quoting authors who have used other designations.

² There are a number of definitions for the term "Indigenous people". The UN (UN Doc. No. E/CN.4/Sub.2/1986/87) states: "Indigenous communities, peoples and nations are those which, having a historical continuity with pre-invasion and pre-colonial societies that developed on their territories, consider themselves distinct from other sectors of the society and are determined to preserve, develop, and transmit to future generations their ancestral territories, and their ethnic identity, as the basis of their continued existence as peoples, in accordance with their own cultural patterns, social institutions and legal systems."

The World Bank (Operational directive OD 4.20: Indigenous peoples 1991) provides criteria such as attachment to ancestral territories, self-identification and identification by others as members of distinct cultural group, indigenous language, customary institutions, a subsistence-oriented production. All these in varying degrees.

A recent working document of the European Commission), after affirming the UN definition, states: "It can be noted that indigenous people will combine many, but not necessarily all, of the following characteristics: historical continuity with pre-colonial societies; a strong link to territories; distinct social, economic or political systems; distinct language culture and beliefs; they form non-dominant sectors of society; they identify themselves as different from national society; they are linked to the global network of indigenous peoples. (European Commission, SEC(1998) 773 final:2)

Finally, the most current legal instrument (though unfortunately only ratified by a limited number of countries) is ILO convention 169 of 1989 concerning "indigenous and tribal peoples in independent countries". This applies to "tribal peoples in independent countries whose social, cultural and economic conditions distinguish them from other sections of the national community, and whose status is regulated wholly or partially by special laws or regulations" (See Tomei and Swepston 1996). The convention applies to "peoples in independent countries who are regarded as indigenous on account of their descent from the populations which inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonisation or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural and political institutions." The convention also affirms that: "self-identification as indigenous or tribal should be regarded as a fundamental criterion for determining the groups to which the Convention applies." (Tomei and Swepston 1996: 36). From these legal and working definitions, the principles of "first-come", "non-dominance", "cultural difference" and "self-identification" emerge as four key criteria. There can be little doubt that the San people, living in their areas or origin, are indeed indigenous people according to these definitions (Saugestad 1998:43).

³ Basarwa is the official government designation for the San in Botswana. It means "people without cattle". It is less derogatory as the earlier term Mosarwa used till the mid-seventies, which indicated a sub-human category, equivalent to "nigger" or "kaffir" (Hitchcock and Holm 1991:6. See also Motzafi-Haller 1994a:427). Many San people though still take offence at this designation as cattle ownership and status are intimately linked in the pastoralist Tswana culture and the term Basarwa therefore indicates someone on the bottom of the tribal hierarchy.

⁴ Kuru's activities in Ngamiland are not elaborated as they are not included in this study.

⁵ Kuru's San board and staff members, frequent "victims" of inquisitive journalists and anthropologists have expressed that "Many people have come and gone with our words...they never return, and nothing ever happens" (Mogwe 1992:49. See also English et al 1980:3). They needed time to see that this was actually going to be their own project, their own research.

⁶ This excluded a significant number of craft producers of whom no details were available at that time as they were not organised in groups and sold their crafts irregularly.

⁷ I did e.g. not expect many participants to indicate that they were “not poor”, even those with higher incomes. But it might still be revealing to ask this question. In addition, the fact that Kuru staff was conducting the interview might be a further reason that participants would downplay their well being for fear of losing access to project resources.

⁸ This does not suggest that cash is not utilised also under pressure of poverty (Hossain 1988:20) but that there are additional cultural factors that hinder the development of savings among the San.

⁹ FAP stands for Financial Assistance Policy and is a government scheme that gives individuals access to funds for investment.

¹⁰ It was initially considered to charge market based interest rates on loans that had full collateral in savings, but was later thought unfair to request participants to indebt themselves to borrow, whilst not being able to access their savings. Interest rates on such saving and loan accounts will therefore be equal during the pilot phase, with a penalty charged for arrears.

¹¹ This is a claim though that has been made for other indigenous groups such as Maori, Aborigine people in Australia, Sami, Indian and First Nation peoples in Canada and the US (Smith 1999:3, 80).

¹² Tswana custom for peoples democracy on community level.

¹³ This is not completely unchallenged. Limited trading with Ghanzi Bushmen in British pounds took place as early as the beginning of the 19th century and goods were traded as far as East Asia, so some monetisation did take place. There is also a revisionist political-economic critique of this characterisation of the lifestyle of Bushmen inhabitants of these remote regions (see section 4.1.4). Though sympathetic to much of the revisionist thinking, I believe this particular criticism to be generally incorrect as such trading and interaction of the Ghanzi Bushmen with the wider capitalist world was probably quite limited. As late as 1980 an assessment of the CKGR population stated that “...most people are still very much on the periphery of the money economy” (English *et al* 1980:34).

¹⁴ For a chronological overview of events in the Ghanzi area see appendix III.

¹⁵ Naro and Nharo are both used in the literature for this ethnic group, whereas earlier ethnographers used Nharon. I prefer the term Naro as it is in line with the most recent orthographic and linguistic work done. Linguist Visser (email correspondence 1999) argues that the “h” in Nharo represents a breathy vowel that is not normally occurs in Naro and possible originates from KauKau (a Ju/’hoansi dialect) just as the word Naro itself. The “n” in Nharon is a simple mistake from the past and means “the”. I will therefore use the term Naro, except when directly quoting an author who has used another spelling.

¹⁶ Redefining tribal lands as “empty” or “waste lands” is a common pattern in the history of dispossession of indigenous peoples world-wide (e.g. Smith 1999:68).

¹⁷ This word seems to come from an old Dutch agricultural term indicating an area of land that a farmer could plough in one morning or “morgen”.

¹⁸ Many San farm workers are able to demonstrate great skills in cattle handling or fixing anything that is broken, but, rightfully or wrongfully, are thought to not always apply these skills consistently or appropriately.

¹⁹ The following quotation from Guenther (1986:134) elaborates this: “The fundamental problem with Bushmen labour is that it is based on practices and notions that are largely foreign to the traditional Bushmen pattern of labour. The European pattern has ingredients as regularity, punctuality and hierarchical organisation of labour...Bushmen labour tended to be ad hoc: a hunt was mounted whenever the supply of meat ran out, or ritual activities were performed. Labour also tended to move at a leisurely pace, both for men and women, and for the hunters, bouts of work were interspersed with often prolonged periods of inactivity. Finally, labour was organised not in terms of a set hierarchical structure, but in terms of generalized reciprocity, men taking turns in helping each other”.

²⁰ Meaning as a foraging way of life. Hunting and gathering to supplement the diet on cattleposts and settlements, legally or illegally, is still common today (see e.g. Twyman 1999:17, Taylor 1999 *passim*).

²¹ Their sense of ethnic inferiority and weakness is painfully manifested in the Naro term “K’amkwa Kweni”, used by the Naro San Farm Bushmen for self-designation. This literally means mouthless people, or people without a voice, weak, ineffectual, useless and dispensable (Guenther 1996a:236).

²² The exchange rate was approximately 1US\$=4BWP in 1998.

²³ Parasitologist turned anthropologist Heinz started Bere in 1968 as a private initiative to resettle four bands of !Xo Bushmen. A borehole was drilled in 1971 and around 150 San settled there (Childers, Stanley and Rick 1982:61).

²⁴ Attempts were e.g. made to set aside wildlife management areas which incorporated the age-old sip-wells and the idea was to ensure that e.g. the !Xo Bushmen could continue hunting and gathering in those areas (Thoma, personal communication August 1999).

²⁵ Currently freehold land comprises only 4% of Botswana's total land area of 579,276 km² and (the best quality) 9% of the 117,699 km² Ghanzi district. (MFDP 1997b:326). Many of these landowners are well-connected and high-ranking civil servants who, together with the Ghanzi farmers, form a powerful "cattle-lobby" that has for example succeeded in excluding farm labourers from minimum wage legislation (Wily 1981:53).

²⁶ **Integration** of indigenous people is defined as full, equal and freely chosen membership of the national society, offering them full citizenship rights without undermining their cultural identity. The objective of **assimilation** is homogeneity within the state, to be achieved by ensuring that minority groups abandon their ethnic identity and adopt the culture of the dominant group (Eade and Williams 1995:242). Official policy world-wide about the assimilation of their indigenous populations often has distinct condescending overtones that imply the superiority of the majority population. As e.g. Malaysian Prime Minister Mahathir Mohammed remarked to European and Asian leaders in 1990: "It is our policy to eventually bring all jungle dwellers into the mainstream...there is nothing romantic about helpless, half-starved and disease-ridden people." And James Wong, Malaysian minister for housing and public health said that "I don't want them running around like animals. No-one has the right to deprive the Penan of the right to assimilation into Malaysian society" (National Geographic Vol. 196:2, August 1999). These remarks are similar to Botswana's President Mogae who, when still vice-president in 1997, supported the removal of the San from their last hunting territory in Botswana, the Central Kalahari Game Reserve, with the comment: "How can you have a stone-age creature continue to exist in the age of computers?" (quoted by Good 1999:12).

There is ample evidence of the negative effect of development policies that aim at assimilation of indigenous groups in national societies. The deplorable state of affairs in tribal communities in India e.g. are a direct result of industrialisation, development and welfare policies of the government. Kaare (1994:318) criticises the education policies of the Tanzanian government towards the Hazda by concluding that "...development is seen as... injected into backward societies ... by unlocking cultural barriers that block development... Thus, the question of transforming nomadic societies in Tanzania was interpreted to require the annihilation of the backward culture." Assimilation is forced integration that can lead to annihilation. Others have termed this "cultural genocide" (Weiss 1988:128. see also Bodley 1988 *passim*). International declarations and laws such as the UN Covenant on Civil and Political rights of 1966 and ILO Convention 169 therefore increasingly recognise that a policy of assimilation is detrimental to the well-being of minorities and indigenous peoples and that integration requires forms of positive discrimination (e.g. Henriksen 1999:50-61).

²⁷ Most settlements were allocated an area of 20 x 20km or 40,000 ha. With population groups of several hundreds, grazing requirements of 10-20 ha per LSU (livestock unit) and a single borehole, this area became quickly overgrazed and degraded and veldfood resources were depleted, especially in a circle of approximately 10 km around the borehole.

²⁸ A new RAD policy has been promised since 1991, but has not yet been finalised.

²⁹ In 1997 the government relocated most of the remaining residents of the CKGR to a newly created settlement outside the game reserve. The limited compensation that was paid, the lack of clarity about the rights to continued access of those who were relocated, the lack of transparent negotiations surrounding this relocation and the government's termination of services to remaining residents of the reserve has led many observers to conclude that this could not be termed a voluntary resettlement, in spite of government claims to the contrary.

³⁰ Balala are not considered as San by all researchers. Many see them as Bantu with genetic and cultural influences of the San.

³¹ Childers (1976 *passim*) did an actual enumeration of the farm Bushmen and came to a number of 4,512, below Guenther's 4,900, but freely admits that this is at best a reasonable estimate in view of many migrant Bushmen.

³² It is interesting to speculate about the reasons for this population increase. Apart from increased family sizes associated with sedentism also to a shift in household economic strategies (i.e. the nuclear family replacing the extended family to cover future risks), another factor may be the current intense identity politics and the presence of tangible (potential or just perceived) benefits associated with San ethnicity. The last though might be more relevant in South Africa than Western Botswana.

³³ These are the settlements of D'Kar and Grootlaagte (Guenther 1998 and MLGLH 1994 respectively). Guenther enumerated a population of around 1,000, excluding the primary school in D'Kar and the MLGLH study enumerated 489 residents (including those reported absent), whereas CSO estimates are 910 and 404 respectively (CSO 1997:131).

³⁴ Guenther estimated 48% of the San to be Naro in 1969, whereas Hasselbring's 1995 linguistic information gives an estimate of 65% (or 10,000) for the northern and central part of the Ghanzi district. This indicates that the Naro are emerging as the most dominant Bushman group. Several thousand Naro Bushmen live in the Omaheke region of Namibia, making the Naro one of the largest San groups in the sub-continent.

³⁵ Poverty is defined as the inability to meet basic needs. (MFDPc 1997:i). Poor people are defined as those whose income is considered sufficient to meet minimum food requirements, but not other needs. Very poor people are defined as those whose income is inadequate to meet even minimum food requirements.

³⁶ Official documents generally avoid more than a cursory reference to Basarwa or – usually – “former hunter-gatherers”. There are some exceptions to this. For example the earlier quoted MFDP poverty study lists as a key underlying cause of poverty in Botswana the negative/discriminatory attitude towards particular groups in society, such as the Basarwa (MFDPc 1997: 10). But when the plight of the San is mentioned in any official documents, closer inspection shows that these have usually been produced by foreign consultants or advisors and invariably fail to influence official policy (e.g. English et al 1980, MLGLH 1994). Such remarks are then stated in circumspect terms and lack clear recommendations on how to address such issues. Others have also remarked that outside consultants, though well aware of the level of prejudice against the San, have refrained from discussing or analysing this further for fear that to do so would draw angry reactions from the government and jeopardise chances for further assignments or programme proposals (Hitchcock and Holm 1991:7).

³⁷ The settlements Ghanzi, Ncojane, Karakubis, Tsootsa, Charles Hill and Kule were disaggregated from the district statistics as being in majority non-San. The Census data did not provide further disaggregation that would provide additional opportunities for analysis of the remaining settlements and cattlepost.

³⁸ These figures agree with a study of the Kgalagadi district of Botswana that found that only just over 20% of all San were literate. (quoted by le Roux 1999). They are also in basic agreement with data from Namibia where ethnic-specific information is gathered by the government. 84% of Bushmen in Omaheke region age 6-24 are without schooling whilst other tribes vary from 14% to 39%. (Suzman 1995:36). 60% Of the San population in Southern Africa is thought to be non-literate (Thoma 1997).

³⁹ The other non-protected category is domestic workers.

⁴⁰ Among e.g. settler-farmers in Namibia, San were frequently abducted from their bands to serve on farms, a practice indistinguishable from slavery and known as blackbirding (Gordon 1992:169). As recent as 1997 a white farmer in the Omaheke region of Namibia was found to chain his San workers overnight to prevent them from leaving (Thoma, personal communication 1999).

⁴¹ Many San most probably still depend on occasional (il)legal hunting and gathering to supplement the irregular income they derive from labour intensive public work, piece jobs, occasional herding, craft producing, gifts from relatives, destitute feeding, pension, hand-outs etc. but this access is highly irregular and insecure.

⁴² I am especially indebted to Professors P. Wiessner, M. Guenther and R. Hitchcock as well as colleagues at Kuru and WIMSA for their generous and critical comments and suggestions on an earlier draft of this section without which the following discussion would not have done enough justice to the complexities of the situation. In order to improve the readability of this section I have not always referred to the discussions and correspondence that took place, except when quoting directly. The responsibility for the text is of course mine.

⁴³ To the extent that one observer notes that “...the Bushmen, more than any other human grouping in the annals of academic endeavour, have been made a scientific commodity” (Gordon 1992:3).

⁴⁴ This position has been criticised as imposing a western notion of the division of labour on a traditional economy, separating food gathering and preparation activities. It has also been said that these insights,

revolutionary in the 60s and 70s, understated the harshness and uncertainties of the hunting-gathering lifestyle. Lee's work has been criticised as having been carried out during the richest months of the year.

⁴⁵ Sahlins' ideas remain valuable (Bird-David 1992:34, Barnard 1992:244, Altman 1992:36). Yet they have also been criticised later as underestimating the great variation of hunter-gatherer life-ways in the world's various regions (see also par 4.1.5.), as making far too much of the discontinuity between the way of life of hunter-gatherers and agriculturalist and as being based on flawed and limited data (e.g. Yesner 1994:166, Shnirelman 1994: 188).

⁴⁶ The other recognised forms of reciprocity are balanced reciprocity (Receiving something for an equivalent return) and negative reciprocity (receiving something without giving in return now or at a later date). Wiessner herself called *hxaro* a system of delayed reciprocity to emphasise that expectations of returns are not specified but clearly exist. She qualifies (correspondence August 1999) generalised reciprocity by commenting that only in very few societies is generalised reciprocity really generalised. "...one does not share with anybody or everybody - -who has rights and obligations for sharing is stipulated by kinship and other means."

⁴⁷ According to Wiessner, Naro, /Gwi and !Xo San also do *hxaro* (1977:203). All these groups are to be found in the Ghanzi area. Barnard (1992:67, 141, 246) considers the Naro word //ai equivalent to *hxaro*, but doubts the existence of a similar network among the !Xo and sees the G/wi having more of a hand-me-down than an exchange relationship. According to him, *hxaro* is "a paradigm case" of a hunter-gatherer exchange mechanism. Linguist Visser (correspondence, August 1999) believes the Naro word for ownership (*kào*) has only weak connotations of reciprocity. Guenther (correspondence, August 1999) sees not much evidence of *hxaro*-type gift-giving networks and considers sharing among the Naro to be rather ad hoc, casual and non-formalised. Finally Sugawara, whilst describing a wide gift-giving network among central Kalahari San males also sees little evidence of the presence of consistent gift-giving relationships that are comparable to *hxaro* (1991:101, 115). *Hxaro* perhaps has more long-term and firm partnerships than reciprocity systems of other groups. What is important for this study though is that among foraging societies a sharing ethos and a system of generalised reciprocity are distinguishing features (Lee 1979:118).

⁴⁸ San groups have frequently been involved in small-scale agriculture, but this was never more than a supplementary element of a varied subsistence strategy, involving small fields.

⁴⁹ Cashdan (1980b:183-186) describes how Bantu and Bushmen groups that are both engaged in agriculture around the Botletli river show marked differences in production, related to the smaller field sizes of the Bushmen groups. She relates this to the Bushmen's larger mobility. I wonder if the organisation of labour (resulting in a lower yield per hectare) and the ideology of sharing (not growing more as you will have to share the rest anyway) should also have been considered as possible factors.

⁵⁰ It is worthwhile to illustrate this with a quote of Biesele (1999:1) : "There are basic contradictions between the foraging background of the San people and the way of life of pastoral and agricultural peoples: contradictions in everything from the way they use land to the way they plan work to the way they are related to their kinfolk. Both the pastoral and the foraging ways of life required immense knowledge, stores of information that were garnered over many generations and effectively passed on to children for the future. Experience has shown that human beings have made an immense investment in the knowledge, skills, and human relationships necessary for subsistence in these various modes. It is unrealistic to expect that either community can change or accommodate to another, hugely disparate mode, overnight" (See also Smith 1990:52, 57).

⁵¹ Though perhaps not by the Naro (Bleek 1928:17).

⁵² The absence of a storage tradition apparently does not cause some of its distinguishing characteristics, as generalised reciprocity is also common in some delayed-return systems (Peterson, N. 1993:869).

⁵³ Woodburn's label, though useful, can also be deceiving. As Wiessner (Personal correspondence, August 1999) points out: "...much planning and many delayed returns are involved when people store in social relations! One cannot say that San have no concerns for the future. They work daily at securing themselves for the future through social relations and invest in young people so that they will be supported in old age".

⁵⁴ In his arguments to demonstrate that the Bushmen are "invented", Wilmsen (1989a:299-311) examines cash expenditure patterns among a group of Ju/'hoansi in Cae Cae during 1976. He concludes that cash expenditure on food decreased during times of relative abundance of veldfoods and money was spent more on the purchase of livestock, peaking in the May-June period. Based on this he concludes (ibid 1989a:311): "Lee is not alone in finding Zhu unable to manage household budgets....These are dislocations of cause and effect that deflect

attention from the underlying structure of rural poverty that Zhu-along with other San speaking peoples-are struggling to transcend...such stereotypical thinking explains nothing... It is not the cash economy that has failed, certainly not the Zhu management of their part of it. Rather inequities in the overall political economy of Botswana reproduce the structural deprivation of a rural underclass deprived of a market for its labor, thus of the means of exchange necessary to achieve balanced household budgets. These inequities, themselves a modern legacy of the history of deprivation we have witnessed, have brought about current poverty at Cae Cae and throughout those areas called remote. The data on Cae Cae expenditures document clearly that Zhu at this place dispose of their tiny incomes rationally and with considerable skill, belying the prevailing prejudice that assigns to them an ethnographic bewilderment when confronted with the presence ... The Zhu...are forced to limit investment in longer range security in favor of immediate needs..." (Wilmsen 1989a:311). In this section, Wilmsen considers the purchase of livestock as investments in long term assets and concludes that budgetary planning therefore clearly took place. I support the opinion of other authors that structural inequities exist and should not be belittled, but that these cannot alone explain cash expenditure strategies among the San. Decreasing cash expenditures on food during times when veldfoods are available does not necessarily signify budgeting, nor does purchase of cattle necessarily indicate the presence of a long term investment strategy. Additional motives than investment are often behind livestock purchases, such as the status associated with cattle ownership, or the desire to withdraw resources from the hxaro network, with which cattle ownership is becoming associated (Wiessner 1992:82). Cattle may also have been slaughtered or neglected after purchase, negating investment. Wilmsen bases his arguments on a single case. Kuru's own experience in a variety of income-generating projects suggest that when San project participants realise cash incomes far above the Poverty Datum Line (PDL), this does not necessarily lead to increased food security or better living conditions. Debts often increase with income. Rational livestock purchases are not possible in the absence of secure grazing, yet take place and leading to sometimes dramatic losses during the lean season and are hardly "evidence" of a rational investment strategy. I therefore also find Wilmsen's arguments concerning the handling of cash by the Ju/'hoansi not convincing.

⁵⁵ See also Hitchcock (1990:129) who comments that "virtually every anthropologist who has worked among the San has taken note of the fact that they exhibit a wide array of adaptive strategies" and Kent (1990:131) states that "...one of the few pan-Basarwa traits is a general flexibility of culture".

⁵⁶ Though Sylvain (1997) aptly mentions that wandering has been largely replaced by walking and hitching along the roads.

⁵⁷ This is similar to the situation of the cattle post San in Namibia, where a common justification used by farmers and officials for low wages was that Bushmen did not appreciate the value of money as they did not accumulate it (Gordon 1992:142).

⁵⁸ Anecdotal evidence related to this abounds, such as for example a case when a project participant with a very limited income was observed to buy the most expensive blanket in a local shop, worth more than a month income, though more economically priced blankets were available. The reason was apparently because he wanted it and was able to buy it on credit, without any thought on how this would affect his expenditure or how to pay for it eventually. There are similar observations about e.g. occasions when big price differences between shops close to each other did not prevent individuals with very limited cash to buy on the spot what they saw and wanted, without apparently making efforts to compare prices.

⁵⁹ Again, This may not be equally true however for all immediate-return societies. Among the Batek, cash is said to be a new category of personal possession that does not require sharing (Endicott 1988:119).

⁶⁰ Earlier regional San conferences were held in 1992 and 1993 in Windhoek and Gaborone and were called by different government ministries with donor encouragement. The Shakawe conference was called by San organisations and focussed on development issues.

⁶¹ In delayed return systems people hold rights over assets such as production facilities, processed and stored food or wild products.

⁶² I do not argue that similar problems of the pressure to share resources with extended family members do not exist in most or all African societies (Dia 1991:11), but that the traditionally egalitarian ethos of the San, coupled with the absence of a storage culture may even make it more difficult for them to withstand such pressures and develop liquid assets.

⁶³ Several of the principles stated below, most notably 7, 9, 10 and 11 are based on email correspondence with Prof. Wiessner that took place in the course of 1999 during the design phase of the micro-finance programme and I am indebted to her for her perceptive insights.

⁶⁴ This seems to be common among indigenous peoples. After being robbed of their resources, indigenous peoples are often blamed for being dependent, in a general hopeless condition and responsible for their problems. It is often communicated to them that they also have no solutions themselves to these problems. All this may lead to deep resentment and a pessimistic outlook on life (Smith 1999:92).

⁶⁵ The Government of Botswana has now recognised dependency on hand-outs to be a major impediment for development (MFDP 1997c:1,97).

⁶⁶ An example: in the Tsumkwe school in Bushmanland Namibia, San teams play soccer with great enthusiasm, but do not keep score or name winners or losers. In D'Kar, Western Botswana, fierce competition exists when weekly matches are played between San teams from the various settlements.

⁶⁷ These are defined as all financial transaction, loans and deposits, occurring outside the regulation of a central monetary or financial market authority (Adams and Fitchet 1992:2)

⁶⁸ Micro-finance is defined as financial services dealing with very small deposits and loans (Johnson and Rogaly 1997:1).

⁶⁹ I do not fully agree with Bouman's arguments as the poorest may simply not have the possibility to withdraw resources from consumption since they need all income for survival. This will be true for many San.

⁷⁰ A programme reaches financial viability when cost of the loans can be covered by the price of the loans. It reaches economic viability when economic cost of funding used for credit can be covered by income generated from lending operations. It reaches institutional viability when cost of administration and management as well as opportunity cost of the funds are fully covered by the income generated by the programme (Khandker and Khalily 1995:36).

⁷¹ This notion of the "sharing environment" has been criticised as romantic and indeed may be more applicable to tropical than temperate and arid regions. It is argued that hunter-gatherers do not see nature as a bank that they avoid exploiting. They only moved on when its resources had been exhausted. Because they do not trust nature, see it not as benevolent and cannot control it, they control social relations to secure them.

⁷² Apart from commercial banks, two or three NGOs are known to provide financial services, but only in urban areas.

⁷³ In March 1999, the government, through the Minister of Finance and the Bank of Botswana, demonstrated his seriousness in this undertaking by waiving sections of the Banking Act on Kuru's request, allowing it to provide financial services to its members which are normally restricted to commercial banks.

⁷⁴ For the purpose of this document, Community-based organisations (CBOs) are defined as private voluntary organisations that draw both their membership and leadership from one geographic community. Non-governmental organisations (NGOs) are private voluntary organisations working in development that usually have a regional or (inter)national character, sometimes have a sectoral specialism and do not necessarily draw their leadership from their constituency.

⁷⁵ The only remark about the ethnic diversity in rural communities was made in a footnote (MFDPa 1997:7) about .."some communities in western Botswana where formerly nomadic remote area dwellers have settled in villages also inhabited by Tswana...". This is a startling reversal of history and makes the San people intruders in Tswana villages whereas in reality they are the original inhabitants of the area and dispossession has led to their villagisation.

⁷⁶ It is evident that an appreciation for depth of the demoralisation and the "fog of pessimism" (Guenther 1986:248) found in many RAD settlements is a precondition for appropriate development activities. The Naro themselves refer to this state as "Sheta". This term ..."contains the ingredients of poverty, unemployment, oppression, dependency, impotence, home- and landlessness, despair, sickness and death. Etymologically, the only root I can trace the term to is the non-Nharo and non-Tswana word "shit" (Guenther 1986:50).

⁷⁷ At the same time of course San might run their organisations only informally and in name, whilst the real power lies with the "technical experts" with their own agenda's, jobs to protect and businesses to promote.

⁷⁸ In a case in point, the Kuru Board decided that savings deposits should be mandatory for all project participants who generate income through these. During a following field visit, a Board member – part of this decision - was observed to physically run away with the cash-for-work component of the project without saving something out of this, shouting over her shoulder that it was a very inconvenient moment to save money for her (Rantsudu, personal communication, 1988).

⁷⁹ These words were written before competition for scarce project resources led to attempts by sections of the D'Kar community in 2000 to take over the whole organisation. See Chapter 5 for a description of these. By 2002 a more effective structure was achieved.

⁸⁰ Small local vendor.