

Rural-urban migration – A blessing in disguise? - Klaus Schade

Namibia's urban population increased from 28 percent of the total population in 1991 to 47 percent in 2015 and is expected to rise further to 60 percent in 2030. This trend is not unique for Namibia, but can be observed in developing countries across the world. The visible signs of this trend are among others the mushrooming informal settlements at the outskirts of towns. Rural-urban migration is often perceived as being negative, because of these shacks.

However, there are a number of positive aspects to it as well. Providing basic services such as education and health facilities, water & sewerage, electricity, communication and transport is less costly in densely populated areas than in rural areas with a dispersed population. In addition to easier access to these services for the urban population, other government services such as civil registration, business registration, driver's licenses, etc. are more accessible to the urban than the rural population.

One other important aspect is often overlooked. While rural unemployment was lower than urban until 2012, this has changed. Since 2013, the urban unemployment rate dropped below rural unemployment at an increasing margin. Major public and private sector construction activities since then suggest that the trend has continued until recently when the construction boom came to an end. The regions that experienced the highest population growth rates between 1991 and 2011, namely the Erongo and Khomas regions, were the regions with the lowest (Khomas) and third lowest (Erongo) unemployment rate in 2014. Although average per-capita consumption in both regions increased below national average, the Khomas region remained the region with the highest per-capita consumption followed by the Erongo region. It can be assumed that the high per-capita consumption conceals strong differences between the consumption of the poor and rich.

This brief snapshot, however, suggests that administrative and industrial centres have the capacity to absorb migrants, integrate them into the – formal or informal - labour market and create income and wealth. Although policies are needed to develop rural areas in order to address poverty and to raise the standard of living, these policies will not stop rural-urban migration. In order to manage the consequences of migration better, we need to develop medium- to long-term strategies in line with the population projections to provide the necessary infrastructure such as housing, transport, water, electricity, health and education facilities. The timely provision of infrastructure can mitigate the negative consequences of migration, such as poor housing conditions and hygienic standards, lack of safety and lack of basic services. Last, but not least, we need policies that incentivise domestic and foreign direct investment and job creation in order to provide rural migrants with opportunities to improve their standard of living and live a meaningful life.