

REPUBLIC OF NAMIBIA



**Opening Statement by His Excellency
Dr. Hage G. Geingob, President of the
Republic of Namibia, at the Leadership Seminar: Closing the Gap of
Inequality**

Windhoek Country Club and Resort

May 11, 2016

Check against delivery

Director of Ceremonies;

Comrade Nickey Iyambo, Vice President of the Republic of Namibia;

Honourable Immanuel Ngatjizeko; Minister of Industrialization, Trade and SME Development;

Honourable Calle Schlettwein, Minister of Finance;

All Cabinet members present;

To our special invited guests, Professor Joseph Stiglitz, Dr. Carlos Lopez and Dr. Anya Schiffrin;

Members of the Diplomatic Corps;

Captains of Industry;

Distinguished guests;

Members of the Media;

Ladies and gentlemen;

I am pleased to join you today, as we mark the opening of what I believe will not only be a fruitful two days in developing leadership capacity at a national level, but also a watershed moment in our war against poverty. Without effective leadership, meaningful and sustained development is not possible. That is why at the inception of the new Government last year, we held an introductory leadership seminar under the excellent leadership of Dr. Carlos Lopes, who is here with us today. The outcome of that seminar subsequently informed the declaration of intents and the performance agreements by all Ministers as well as aspects of the Harambee Prosperity Plan.

I have no doubt that the concentration of intellectual knowledge and capacity, as well as leadership experience that is present here today will result in the realization of tangible results in some of the key outcomes that we would like to achieve under the Harambee Prosperity Plan. These include: our resolve to eradicate poverty in all its forms; our commitment to growing the economy in a sustained and inclusive manner; and our commitment to steering our country towards a future of shared prosperity, characterized by equitable income distribution and fair economic participation for all our citizens.

Namibia is now in its 26th year of Independence. We can be proud that despite numerous challenges, we have made tremendous progress both politically, economically and socially. We have much to be grateful for as a nation. Our governance architecture has been robust, supported by a solid foundation of peace, stability and the rule of law. Without these important pre-conditions sustained development is not possible.

As a consequence of our stable political environment, our macroeconomic architecture is sound, with Namibia being one of the most highly rated countries in Africa. Our economic policies, be it fiscal and tax policy, monetary policy or industrial policy, have helped set us apart. We will continue to refine these policies, until we have become the most competitive economy on the African continent, and one of the most competitive economies in the world. We want to be competitive not for the sake of it, because ultimately we want to see a positive change in the livelihood of our people. Over the next two days the Minister of Finance and several experts will present in detail, an overview of Namibia's economy where I am sure they will provide deeper insight into what I am alluding to.

Despite the progress we have made over the years, social deficits still exist; such as high unemployment, poor income distribution, limited access to land and urban hunger and poverty. These deficits represent a looming threat to our peace, stability and democratic fundamentals. Inequality is a potential disruptor of sound governance. This has been known by scholars since ancient times, as captured by ancient Greek scholar Plutarch who said, “*An imbalance between rich and poor is the oldest and most fatal ailment of all republics.*” Namibia is a republic which wishes to rid itself of this ailment before it becomes fatal and thus, we have declared an all-out war against poverty and concomitant inequalities.

Our focal point in this war will be to address inequality, poverty and hunger and that will involve exploring a range of choices of how to go about tackling this issue. This is what warrants a seminar of this profile, where we are honored and privileged to be able to tap into the wisdom of renowned scholars and experts such as Professor Stiglitz who is a world renown expert on the topic of inequality and Dr. Lopes, who is one of the the most renowned African scholars, advocating for the economic transformation and the full economic integration of our beloved Continent. They will share with us their experiences on this subject matter and provide us greater insight on economic transformation and “Closing the Gap of Inequality”, which will be the overarching theme of this seminar.

Reducing inequality is no mean feat. If it were easy, many countries would have been successful at achieving this noble objective already. However, in the Land of the Brave we believe we will set a benchmark for the world to follow. In the Land of the Brave, we are not afraid of what could go wrong.

We are positive about what could go right, and if we approach this challenge with a collective and united mindset, there is no doubt we will attain the unattainable.

One thing we know about tackling inequality is that whether a country is classified as advanced, emerging or developing, not one size will fit all. Each country has its own unique characteristics, determined by politics, culture, demographics and history amongst others. Namibia is case in point. It is a fairly large country with a lot of natural endowments that contributes to GDP growth. However, with a population of only 2.3 million people, Namibia is one of the least populated countries in the world. This presents a number of challenges for our developmental drive. One, such challenge is the unfair classification of Namibia as an upper middle-income country due to the World Bank formula. The formula used by the World Bank simply divides Gross Domestic Product by population without taking into account distribution of income.

Although many an outsider would believe Namibia is doing well in terms of income, the fact is, due to historical imbalances, a large number of black Namibians remain on the margin of the economy. We are faced with a situation in which Namibia as a country is rich, but Namibians as people are poor. The challenge now is, how we redress the imbalances of the past. We have already made inroads into this challenge, but more needs to be done.

Namibia needs a tailor made approach to reducing inequality. Our strategy should, therefore, be like a suit, perfectly tailored to fit our unique body. We therefore cannot merely rent a suit. This is why over the next two days we will interrogate an array of subject matters with a Namibian perspective in mind. We will delve into the economic policies of a small economy, the role of

Government and Private Sector in a Developmental State, Transforming and economy and the challenges and lessons for Namibia and the role of media as the forth arm of democracy.

I am certain that our pending discourse will unearth a number of valuable gems that will add value to our efforts to achieve the next milestone in Namibia's development, that of economic growth and prosperity.

I therefore look forward to two days of engrossing, captivating and enlightening dialogue, as we strive to meet the challenge of closing the gap of inequality. Roger Crawford said the following about challenges, "*Being challenged in life is inevitable, being defeated is optional.*" In the war on poverty, defeat is not an option. We must, therefore, rise up and face the challenge of bringing prosperity to our people. I wish you all, fruitful deliberations.

I thank you.