



THE RALLY FOR DEMOCRACY AND PROGRESS (RDP)



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CONTRIBUTION BY HONOURABLE MIKE RATOVENI KAVEKOTORA, MEMBER OF PARLIAMENT, ON THE DEBATE OF THE APPROPRIATION BILL 2017 / 2018

Thursday, the 16th March 2017

Honorable Speaker,
Honorable Members of the august House,

I concur with the Honorable Minister of Finance that this budget is presented at a difficult time of commodity price crash, a slowing global economy and a comparatively low growth in larger regional economies. These economic realities and some other internal factors led to a financial crisis second to none and the economy is estimated to have grown by a mere 1.3% in 2016.

Parliament is requested by the Honorable Minister to favorably consider the Appropriation Bill 2017 / 2018 and the 2017 / 2018 – 2019 / 2020 MTEF. Once again, this budget is tabled in Parliament for consideration without any input by parliamentarians. What is expected from us is to favorably consider the budget without having a clue on the assumptions made that informed the appropriation of funds to various sectors and ministries. It is about time for the Executive to stop this non-transparent practice of requesting Parliament to rubberstamp the Appropriation Bill.

The British parliament system that influenced Namibia and some other African countries to focus on ex-post budget supervision at the evaluation stage is not serving us well. It is not enough for the Office of the Auditor General and the Parliamentary Public Accounts Committee to review and report on events subsequent to budget implementation.

There is a serious need for budget supervision at preparation stage. Many countries, including some African states have changed to a system where they not only focus their oversight function on subsequent review by the Auditor General and Public Accounts Committee but focuses on budget supervision at preparation stage. This oversight is performed by a strong Budget Committee supported by a Parliamentary Budget Office.

Currently, parliament is focusing on numbers provided by the Executive without the understanding of the program design and the implementation plan. The link between budgeted figures and cost drivers is neither defined nor understood.

High emphasis is put on expenditure budget oversight versus revenue generation. The time is now for parliament to establish a Budget Committee and a Parliamentary Budget Office for the following reasons:

- To detect and prevent abuse of funds.
- To prevent illegal and unconstitutional conduct on the part of the government.
- To protect the rights and liberties of the citizens.
- To make government operation more transparent and increase public trust in the government.

Honorable Speaker,
Honourable Members,

There is very little we can do to the external economic environment of commodity price crash and natural disasters such as the prolonged droughts and the likes. However, there is a lot we can do to the internal environment to mitigate the impact of the external shocks.

Honorable Speaker,

Namibia is still failing to a larger extent to meet the needs and aspirations of ordinary Namibians. Poverty is still a burning issue. Unemployment in general is high and even higher among the youth of Namibia. The gap between the rich and the poor is still widening, perhaps with the exception of some of those politically well-connected to the ruling Swapo Party. The distribution of wealth in general is skewed. The resettlement policy has failed miserably and the provision of houses to the needy is still a challenge. Mass Housing Scheme has failed to make a dent in housing backlog to the needy. It failed because like most other government projects such as TIPEEG, it is politically motivated, with very little assessment on its social impact. The projects are meant to win elections and to transfer funds to relatives, friends and the politically connected tenderpreneurs, both local and foreigners.

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Article 40 (e)

I heard the Honorable Minister saying in his budget speech that sustainable development means development without depleting one's resources. He also said "Our children should never be worse off than we are". Honorable Minister, if one look at the current scene of unemployment rate, challenges in the education system and lack of service delivery, our children are already worse off. They are worse off because the government is failing in those areas that matter most to the man on the street and in the village, and succeed only in the areas where benefits do not accrue to the ordinary citizen:

- The government is failing in food security to the extent that some of our learners have to go to school on empty stomachs.
- The government has failed to provide adequate shelter to the needy.
- The government struggle to provide quality education to the nation.
- The government has failed to root out corruption that is robbing the nation of much-needed financial resources.

It is ironic that the government is using education as a political tool. When the incoming President announced that secondary education was going to be offered for free, I knew that it was more of a political pronouncement rather than a well thought idea. My suspicion was confirmed by the Honorable Minister of Education when her Deputy responded to my question on free education in this august House. She informed the nation and this house that no study was conducted, and relied on research done on primary education. I am therefore not surprised that the sustainability of such a decision became questionable.

One year into "offering free secondary education", we find ourselves as a country cutting the education budget drastically to a level that it will have a detrimental effect on the future of education in this country. I urge the Honorable Minister of Education to go back to parents, apologize and request them to once again dig deeper in their largely empty pockets to fund the deficit.

Honourable Speaker,
Honorable Members,

I could not agree more with the Honorable Minister of Finance when he said "Corruption, or better the fight against it needs our full attention". Whether it is the misuse of office, soliciting and receiving bribes, inflating tender prices or whatever improper conduct of persons who further their personal gain to the detriment of common good must be dealt with, not only going forward but also retrospectively to recover some of the society's losses.

Research has revealed that in any given society, about 10% are incorruptible, about 10% will always behave corruptly, and 80% could go either way, depending on the circumstances. A lack of deterrence, poor understanding of the implications of behaving corruptly, poor law enforcement, impunity from the consequences and a culture of entitlement are all circumstances that fuel the incidences of corruption.

Conversely, strong institutions backed by strong laws that are effectively implemented; an educated public to the corrosive nature of corruption; independent and effective anti-corruption machinery, functional criminal justice system with resources and capacity to arrest, prosecute and convict those involved in corruption; and a culture of responsible, accountable and responsive governance, all combined to create circumstances in which corruption cannot thrive. These requisite elements are lacking in Namibia, hence rampant corruption.

With reference to recent debates in this august House, I want the Honorable Minister of Works and Transport to judge the extent of corruption in Namibia based on the above and draw his own conclusion whether corruption has been institutionalized or not.

Where are we and where is the 80% of our population that are waiting to be swayed either way. Who are more powerful; the incorruptible or the corruptible? What culture is prevailing in Namibia today? Aren't we giving the bigger segment of our society a wrong message and signal that corruption pays and corrupt citizens are wrongly perceived as successful businessmen and women? I leave all these up to your conscience.

I am happy that the Honorable Minister acknowledged the prevalence of corruption because it is only through acknowledgement that one move into action to address and eliminate an unwanted behavior. Corruption in our country has reached critical proportions. There is no doubt about it. It is not only that perception of corruption worsening have increased, there is hard evidence that actual levels of corruption have increased if newspaper reports are anything to go by.

In spite of investigations in cases of corruption, it would appear that certain highly placed individuals are evading investigations and in certain instances, evading prosecution, thereby flouting the rule of law. The government must insist on the adherence to the rule of law if we are to have any hope of rooting out all vestiges of corruption that is negatively affecting Namibia in all respects.

The Swapo Party-led government's adherence to the unwritten policy of "jobs for comrades" must come to an end. It not only eliminates fair access to jobs by all Namibians but it also denies the society services from qualified fellow citizens.

In addition, the government should consider establishing a new and effective anti-corruption unit similar to the dissolved South African Directorate of Special Operations also known as Scorpions.

Honourable Speaker,
Honourable Members,

I still stand by what I said during last year's budget debate:

- a) Privatize some of the commercial SOEs' such as Air Namibia, prudently.
- b) Invest in our railway system to stimulate economic growth.
- c) Unbundle NamPower to reduce their monopolistic tendencies. Allow independent power producers to enter the market.
- d) Stop wasting money on the failed Mass Housing Project.
- e) Reduce borrowing denominated in foreign currencies.
- f) Move away from preferring political pronouncements over economic considerations.
- g) Move away from initiating politically motivated projects and start running this country on prudent economic principles.
- h) Identify and curb financial outflows.
- i) Pay invoices on time to prevent bankruptcy in the private sector, particularly the SMEs.
- j) Fight poverty through economic growth.

I THANK YOU.

