



SWANU

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Budget Review and Response SWANU of Namibia Version/Perspective

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Parliament Chambers

By: **Tangeni Cornelius Kakweno Iijambo - President: SWANU of Namibia**

deputy

Thank you very much Honorable Speaker. Honorable Members of the assembly, fellow Namibians, I rise to give my modest contribution on behalf of our party SWANU of Namibia to the Appropriation Bill. Let me start by thanking the Honorable Minister of Finance Mr. Calle Schlettwein for having tabled the 2019 – 2020 which some quarters refer to as a pro growth or developmental budget. This budget is tabled at a time that the country is in a crisis which now needs to be described as a depression.[†] The economy gradually declined especially from 2015 onward and Namibia experienced economic decline in 2017 and 2018.

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Honorable Speaker, Honorable Members, fellow Namibians, it is therefore, time for business unusual. Being aware of our country's socio-economic conditions as well as the harsh, if not unpredictable climatic conditions, we ought to have been prepared for dealing with challenging circumstances, including the need to harvest every drop of water that falls on our soil. Consequently, the water sipping through from the Cuvelai water system deserves to be properly harvested and stored for alternative usage. Some may be baffled as to how water is connected or linked to the budget. Water is fundamentally crucial factor to any development. As one presenter during a recent budget review meeting remarked "the budget was expected to be more on water, electricity, oil and gas". Several countries with desert climates desalinate the ocean and tame their deserts by "greening" them. Any budget must therefore, be geared towards the better usage of water resources to eventually benefit the Namibian people.

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Honorable Speaker, Honorable Members, fellow Namibians, the 2019/2020 development budget was increased by 42% to boost economic growth. Since the country is in a depression, the perhaps pivotal question to ask is which capital projects the government envisages to re-ignite socio-economic development? Not all infrastructure investments automatically have positive spin-offs and thus I want to ask the Hon Minister of Finance to elaborate on the development projects that are envisaged during this budget period. Secondly, how can all the budget rhetoric be translated into tangible realities? It is worth knowing what our country's specific priorities are and to direct expenditure accordingly.

That way, the budget should systematically ensure that its allocations support the greatest possible developmental impact. Meeting the basic needs of the population needs to be the central focus of all our interventions and this should be based on well informed research.

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Honorable Speaker, Honorable Members, fellow Namibians, it is high time that we consume what we produce and produce what we need or want to consume. The national budget should direct developments along those lines. Each imported item is enriching other economies while devaluing our own. Our young people need jobs, they are the majority of the population and they are the ones hardest hit by unemployment. The entire population is hungry for job creation. On page 5, the honorable Finance Minister asserts that the budget is; “as much about ensuring macroeconomic stability as it is about supporting economic recovery with jobs”. There is nevertheless, a visible mismatch between the budget allocation and the experiences of the Namibian youth. The youth is marginalized in terms of affirmative action, entry into the labor market due to the requirement of work experience and other hurdles. There needs to be a concrete intervention to create a large number of additional jobs in the public and private sectors if the honorable minister’s objectives are to be realized.

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Honorable Speaker, Honorable Members, fellow Namibians, the unsustainable public sector wage bill is partly a result of our bloated government structures. Countries with much higher populations than ours have fewer ministries compared to ours and some of our many ministries could be converted into directorates within key ministries. The public wage bill is the elephant in the room and the top-heavy structures of many Ministries and State-Owned Enterprises (SOEs) are consuming valuable resources. Cutting the top-heavy structures in the public sector can significantly reduce the wage bill without having to resort to large-scale retrenchments. Our government’s refusal to downsize the top levels of public institutions creates the danger of driving Namibia towards the structural adjustment programs of the Brettonwoods institutions, namely the International Monetary Fund (IMF) and the World Bank. This must be avoided by all means.

As per the Gini-Coefficient Namibia remains the second most unequal society in the world. The inequalities of opportunity in education, income, health, employment and housing to mention a few are rampant and deserve redress. These crises call for serious interventions which will require political will.

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Honorable Speaker, Honorable Members, fellow Namibians the wide expectation was that the three national development agendas namely vision 2030, National Development Plan NDP 5 and Harambee Prosperity Plan HPP would synchronize with the developmental budget. Ironically, either by design or by default none of them feature anywhere in this budget.

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Honorable Speaker, Honorable Members, fellow Namibians, corruption does a lot of harm and damage to the nation. The Finance Minister indicated that “corruption is the evil that touches almost every aspect in an economy. It is one of the most immoral causes for inequality as it disproportionately benefits the few and, harms the many”. Namibia has lost billions of dollars through corruption in various realms, despite the institution of the Anti-Corruption Commission. We must have allowed looters of the state with impunity, to determine our fate. Some of the country’s monies are stashed in off shore accounts of the elite hence, does not circulate in the country causing more poverty, social injustice and inequality. Perhaps the remedy is to strengthen the mandate of the ACC. However, that can only succeed if the entity does **NOT** owe allegiance to the powers that be. The minister of finance concluded his budget speech by stating that “we must not only approve the proposals. We must implement them prudently and timely. We must do that honestly, diligently with the common good as our only objective in mind”.

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Honorable Speaker, Honorable Members, fellow Namibians, my final contribution hinges on self-reliance. Once more without strong political will, we are bound to be dependent on former colonizers, on foreign investors and on emerging new superpowers. The rhetoric of a mixed economy in Namibia is misleading. The fundamental political ideology of capitalism underpins our economy and our budget without providing for other forms of economic activities such as workers’ cooperatives and communal ventures in rural areas. Recently, the European Union passed a motion and unanimously supported a resolution to recognize and redress the atrocities done on Africa. Yet, our leaders on the continent have not yet managed to concretely utilize such admissions and turn them into concrete initiatives because we are still characterized by sometimes fake and divisive sovereignties with weak currencies, weak governance structures and destructive xenophobic violence. It is therefore time to place our national development strategies in a regional and continental context to overcome the legacies of colonialism which still characterize our economic structures.

All in all, we receive the budget with mixed feelings. There are undoubtedly some good intentions but there is no concrete indication of how it will redress our burning socio-economic challenges in the years to come. We need to rethink our approach towards development based on research, innovation and a commitment to achieve social and economic justice.

I thank you.