

REPUBLIC OF NAMIBIA



KEYNOTE ADDRESS BY

HIS EXCELLENCY DR HAGE G. GEINGOB,

PRESIDENT OF THE REPUBLIC OF NAMIBIA

AT THE LAUNCH OF THE NATIONAL DIALOGUE ON WEALTH DISTRIBUTION

AND POVERTY ERADICATION

AUGUST 14, 2015

NAMPOWER CONVENTION CENTRE

WINDHOEK

Check against delivery

Director of Ceremonies;

His Excellency Dr. Nickey Iyambo, Vice President of the Republic of Namibia;

Right Honourable Saara Kuugongelwa-Amadhila, Prime Minister of the Republic of Namibia;

Madame Monica Geingos, First Lady of the Republic of Namibia;

Cabinet Ministers present;

Madame Anita Kiki Gbeho, United Nations Resident Coordinator and UNDP Representative;
Regional Governors President;
Members of the Diplomatic corps;
All Permanent Secretaries;
Captains of Industry;
Members of the Media;
Ladies and gentlemen

It is a great privilege for me to take part in, and officially launch the start of the National Dialogue on Wealth Distribution and Poverty Eradication.

I would like to start my statement by quoting from the Holy Bible, and more specifically Proverbs 21:13, that states “*whoever closes his ear to the cry of the poor, will himself call out and not be answered*”. I would like to state unequivocally that as President, I have heard the cry of the poor in our country, and I have dedicated my Presidency to the complete eradication of poverty in this beautiful country of ours.

Director of Ceremonies,

The essence of the all-out war on poverty is that poverty eradication is only achievable if there is a collective effort from all Namibians.

This is why on the eve of the 31st of July, when I met with leaders of the Affirmative Repositioning group, I called on them to hold hands with Government in the spirit of Harambee and be part of the war on poverty.

Director of Ceremonies,

Ladies and gentlemen,

The visualization and manifestation of poverty and its accompanying ills are so heartbreaking that it is easy to forget that since attaining Independence, we have made significant achievements in improving the livelihoods of thousands of Namibians with the lifting of 400 000 Namibians out of poverty.

According to our National Statistics Agency, 69 percent of all Namibians lived below the poverty line in 1993. Moreover, 82 percent of the population in rural areas was estimated to be poor compared to 39 percent in urban areas.

By 2010, the overall poverty rate had been reduced to 29% from 69%. This is unprecedented progress in global terms. As articulated in my State of the Nation address of 21 April 2015, these statistics are testament to the immense work done in alleviating poverty. However, the cold facts are that we cannot allow ourselves to be consoled by a 40% poverty reduction rate. Our target is the immediate alleviation and eventual eradication of poverty through sustainable and targeted efforts.

The statistics reflected above confirm that poverty is a structural legacy of apartheid and highlight the challenges we face in addressing poverty. It also reveals the importance of detailed research, monitoring and evaluation which enables Government to target poverty eradication at appropriate levels.

Ladies and gentlemen,

The establishment of the Ministry of Poverty Eradication and Social Welfare is meant to ensure the co-ordination, implementation and evaluation of government programs aimed at poverty eradication. This Ministry comes as a realization that poverty eradication programs are cross-cutting, and are developed and implemented by various government Ministries but requires focus and co-ordination.

An immediate poverty alleviation strategy was implemented in favour of our senior citizens and children. According to the National Statistics Agency, the old age pension has played a major role in the prevention of childhood poverty in Namibia. In the absence of an old age pension, the childhood poverty rate would have been ten percent higher than the current figure. That is why one of the first priorities was to increase the old age pension by 66.7 percent from N\$600 per month, to N\$1,000 per month, starting this Financial Year.

These are two of the immediate steps Government has taken to address poverty in the country, but beyond that, we will be turning our focus towards several poverty eradication strategies.

While on the subject of our senior citizens, it pains me to have to remind the children of the Namibian house that a society is judged by how it treats its most vulnerable. My wish is that adult children remember their financial and emotional duty of care to their parents and the vulnerable within their communities. I also take this opportunity to remind all employed Namibians of the need to save adequately during their working life to ensure a dignified retirement. I wish to discourage the practice of employees who resign from their employers and utilizing their retirement or pension plans payouts for consumptive purposes.

Ladies and Gentlemen

A key poverty eradication strategy is education and skills development. Empirical research shows that children of average talent from high-income families have a higher chance of academic and financial success than above-average children from low income families. This disparity entrenches the poverty trap and forces the children of the poor to remain in the circumstances they were born into. We must assist children to escape this poverty trap by equalizing access to quality education and ensuring equal access to opportunities.

Another strategy is to introduce sustainable income generating activities in various communities, as well as broad-based empowerment programs. These activities should be supported through the setting up of sites and premises, but more importantly, through ensuring that there is a market for the produce of these projects in order for them to be sustainable and profitable. These projects can be in various sectors such as food production, bakery, brick- making, tourism, aquaculture, livestock and crop farming.

During my recent visit to the Kavango region, I visited one such project called the Agro-Marketing and Trade Strategy (AMTA). This fledgling organization is aimed at facilitating the marketing and trading of agricultural produce and promoting food security in Namibia.

Government is at an advanced stage of establishing a national Food Bank, with headquarters in Windhoek, and branches countrywide. The Food Bank will provide food and basic items to ensure that we are able to bring dignity to all our people. **This is not promoting a culture of handouts, but a necessary intervention to assist the most vulnerable members of the Namibian House to have at least one nutritious meal a day.**

It is imperative that Government takes time to listen to the people most affected by poverty on their proposed solutions. To this effect, I have commenced with nationwide community engagements. Town hall meetings will be held in each region to allow Namibians to articulate their solutions to national issues. I am encouraged from the community engagement in Zambezi, Kavango East and Kavango West. I look forward to visiting each region to personally engage and listen to the voices of the people.

Ladies and gentlemen,

The long-lasting solution to poverty eradication is reducing the high rate of unemployment. In order to achieve this, government AND the private sector needs to grow the Namibian economy in an equitable manner. The prerequisite for economic growth is business competitiveness, employee productivity, fair treatment of workers and the empowerment of black Namibians. These ideals are often treated as if they are mutually incompatible but they are not. We must not shy away from difficult discussions on the redistribution of wealth and empowerment of all Namibians as it is only through dialogue that sustainable solutions can be formulated.

One other aspect we have to consider in our war against poverty is access to land. In his book titled, *The Land Question*, Henry George says the following about the importance of land, "*Land is necessary to all production, no matter*

what be the kind or form; land is the standing-place, the workshop, the storehouse of labor; it is to the human being the only means by which he can obtain access to the material universe or utilize its powers."

Henry George wrote these words in 1881, but today, more than 130 years later we can still say that no truer words have been spoken with regards to just how important land is, as a tool for empowerment, wealth creation and distribution and the eradication of poverty.

The renaming of the Ministry of Land Reform and the Ministry of Urban and Rural Development underscores the change of focus and importance the new government attaches to this issue.

Ladies and gentlemen,

Our Constitution permits for the implementation of policies and programs aimed at redressing socio-economic imbalances. To the extent that our laws and/or policies are inconsistent with our constitutional ideals for human dignity and appropriate shelter, we will amend such laws and introduce new laws which support our drive for inclusivity and growth for all Namibians.

Coming back to my State of the Nation Address, you may recall that I had said that the issues of access to land and poverty are closely related and it is opportune to initiate a national dialogue under the over-arching theme of wealth re-distribution. Today I am here to deliver on that promise.

I also said that as President, I will personally chair some of the sessions of the dialogue to ensure that the legitimate concerns of our people are not only heard but also translated into effective strategies and action. I am here to inform you that I will deliver on that promise.

Any country which has been at war places peace at a premium. In order to maintain peace and stability, it is imperative to address the income inequality legacy of apartheid. Our economy has to grow in a manner which creates decent

jobs and wealth has to be redistributed in an equitable and fair manner. Intellectually, many of us believe in racial equality and express disdain for discriminatory practices. We however need to take a self-evaluation to ensure that our habits and attitudes do not unconsciously produce discriminatory results. An example of this is the 2014 Employment Equity Commission Report that states that white males occupy 66% of Executive Directorships. This is an anomaly in a country which is 90% black. In this regard, I call upon the private sector to apply greater and sincere efforts to ensure demographically diverse workforces which include black Namibians and women at all organizational levels.

The stratified nature of our economy should not lend itself to generalizations as if all white owned businesses behave in an uncaring manner. I am therefore heartened by the unsolicited offers to join the government in its crusade against poverty eradication.

Government resources are not limited and in order not to saddle the youth with unsustainable debt, it is imperative that affordable and appropriate strategies are formulated. Effective implementation of these strategies requires a national shift in mindset from all Namibians.

Key to private and public service delivery is effective governance and accountable leadership which avoids the pitfalls of corruption, tribalism, nepotism and lack of accountability.

I leave you with the words of Julius Nyerere who said, *“A man is developing himself when he grows, or earns, enough to provide decent conditions for himself and his family; he is not being developed if someone gives him these things.”* Let this national dialogue begin the process by which we come together as One Namibia, One Nation in order to give our people the means by which they can grow, earn a living and provide decent conditions for themselves so that the Namibian House becomes a house of shared prosperity, free of the effects and ills of poverty.

Let us resist the temptation to cheapen the issue of poverty or land with politics. If ever Namibians needed to unite to fight a common enemy, it is now. The war on poverty requires all of you to be the soldiers of prosperity.

Thank you.