

Appendix 1: Namibia at independence and Namibia today.

This rebuttal was triggered by allegations that there has been little or even no progress made in Namibia since independence. It is also alleged that Government spending priorities are misplaced. This rebuttal will show that this is not the case, and that tremendous progress had been made, precisely because Government had prioritized investment in social sectors. The article considers demographic dynamics, poverty dimension, the size and structure of the economy, education and health, and infrastructure development.

Demographic dynamics

With regard to demographics, our Nation has literally gone through a significant growth spurt. When the first comprehensive population census was taken in 2001, 1.4 million Namibians were counted. Twenty years later, in 2011, our population size stood at 2.1 million Namibians. It is estimated that during this year our population will hit the 2.3 million mark. We are, therefore, almost 1 million more Namibians today than at Independence, and by 2027 our population size would have doubled.

Whereas only 28 percent of Namibians lived in urban areas in 1991, by 2011 this figure has increased to 43 percent. We are projecting that two years from now, in 2018, for the first time in our history, there will be more Namibians living in urban areas than in rural areas. This figure will increase to about 67 percent in the year 2030.

As a result of increased urbanization the number of proclaimed towns have increased significantly since independence. These towns are flourishing and are characterized by a myriad of all economic activities. Case in point is the town of Omuthiya that has become the regional capital of the Otjikoto region.

Our population pyramid has gradually started to bulge. While we remain a young nation, with a median age of 21 years according to the 2011 census, more and more of our people is are living longer and healthier lives. Due to declining fertility rates, we are well positioned to benefit from a demographic dividend in the next two decades.

Census results show that people are moving freely in Namibia. This was not the case prior to Independence when the ability for our citizens to move freely was inhibited by a dehumanizing pass system of control and exclusion. Today, Namibia is more integrated and less segregated. This achievement alone is worthy to be celebrated. We shall never return to Bantustans.

Poverty dimensions

We have made good progress in reducing poverty levels in Namibia. When the first comprehensive poverty count was taken in 1993/94 the poverty rate stood at 69 percent. It has declined significantly to 29 percent in 2009/10, the latest year for which poverty estimates are available. Even more dramatic was the decline of poverty in a region such as Ohangwena, where shortly after independence close to 90 percent of people living in that region were rated as poor. That means that 9 out of 10 inhabitants of Ohangwena were poor. By 2009/10 the poverty rate in Ohangwena declined to 30 percent.

When the new poverty estimates will be released by the National Statistics Agency early next year, it is expected that the statistics will reveal that the poverty situation has experienced further improvement since 2009/10. This is due to the fact that subsequent to 2009/10, Government has injected more fiscal stimulus in the economy, through a combination of increased spending and significant tax relief to individuals and companies. Consequently, over the past five years our economy has expanded at the fastest rates ever since Independence, and in 2014 we started to see a downturn in the unemployment rate.

We have significantly expanded and improved on our social safety nets. At independence, the majority of our senior citizens were excluded from a decent old age pension. Today, we have a coverage rate of close to 99 percent, meaning 99 out of every 100 senior citizens that qualify for old age pension, receives an old age pension. At Independence white Namibians old age pension was 7 times higher than black Namibians, who received a paltry N\$75 per month. Believing in equality Government opted to adjust old age pension N\$120 in 1994. In 2015, Government increased the old age pension by N\$400 to N\$1000, and this year to N\$1,100. In 2017 the old age pension will be adjusted to N\$1200. If this is not considered as progress, then I, honestly, do not know what progress is.

Size and structure of the economy

The size and structure of the Namibian economy has changed significantly and income levels have increased. In 1990, our GDP was a mere N\$5.5 billion. By 2015, our GDP had increased to N\$147.3 billion, an increase of 26 times. Similarly, per capita income increased from N\$2,425 in 1990 to N\$64,592 in 2015, a 30-fold increase. Are you telling me that there was no change?

We are aware that per capita income, that is the average income, hides significant disparities. Although our gini-coefficient at 0.58 is still high by all measures, credit should be given to the fact that it has declined from a high of 0.7 at independence. Our redistributive policies are, therefore, working and we are definitely moving in the right direction.

Related to distribution is the issue of land reform. Here progress has been slower than we would like to see. However, it is important to acknowledge that since Independence Government has purchased 496 farms [measuring 2.9 million hectares] and resettled 5,199 thousand families. It is admitted that process of resettlement was not done properly. As outlined in my doctoral thesis there were some unintended consequences in the process of resettlement. To address these, I have proposed to set up management committee of four in the form of cooperatives. The idea is to team up experienced white farmers with resettled farmers, where the experience farmers will train resettled farmers in all aspects of farming. After some time ownership will be withdrawn and transferred to the resettled farmers.

Returning to the economy, it is worth noting that shortly after independence, in the year 1991, the annual average inflation rate was 17.7 percent, and the prime-lending rate was 21 percent. By 2015, the annual average inflation rate was 3.5 percent and the prime-lending rate 10.25 percent. To put this into perspective, the monthly installment on a 20-year mortgage loan at an interest rate of 21 percent is about N\$14,000, whereas at an interest rate of 12.25 percent, it is N\$7,000.

Furthermore, in 1990 our manufacturing sector was worth a paltry N\$298 million, but has grown to over N\$13 billion in 2015, representing a 44-fold increase. The total number of people employed when the first labor force survey was conducted in 1997 was 300 thousand and that figure has grown to 712 thousand in 2014. It is projected that this figure may have grown to 750 thousand in 2015. Considering that Government has introduced free primary and free secondary education, it is plausible to assume that more children between the ages of 15-18 years will be in school than before. Therefore, given the fact that we have youthful population that comprises almost half of all Namibian, the actual number of unemployed people maybe overstated.

With regard to Government budgetary operations, the budget tabled in 1990/91 was a meagre N\$2.1 billion, but has grown to N\$61.1 billion in 2016/17. In 1990/91, total revenue collected was N\$2.0 billion, compared to projected revenue collection of N\$54.1 billion in 2016/17. Even more insightful is the fact that in 1990/91 we allocated N\$240 million to capital projects, while in the current fiscal year alone, we have made provision for N\$9.1 billion to be spend on capital projects. Our international reserves increased from a mere N\$211 million in 1990, representing 2 weeks of import cover to N\$23.6 billion at the end of 2015, representing 2.8 months worth of import coverage.

Education and training

One of the sectors where progress had been astonishing is in education. This should not be surprising, as ever since Independence, the bulk of budgetary resources have been directed to this crucial sector. With regard to access, the number of primary and secondary school increased from 1,320 in 1992 to 1,779 in 2014. Within a period of 24 years 454 additional schools, or on average 19 new schools per annum were constructed. The number of students enrolled at tertiary institutions increased by a factor of 8 from 4,731 in 1992 to 39,160 in 2014, and the vocational education trainees increased from 1,064 in 1998 to 15,032 in 2014.

The number of students receiving financial assistance from Government increased from 1,284 in 1997 to 9,426 in 2014, while the amount spent on student financial assistance increased from N \$17 million in 1993 to N\$977 million in 2014. In recent years we have gradually introduced free primary and secondary education. We admit that we still have a long way to go to provide quality education, but we are on the right track.

We also invested significantly in bringing water and electricity to our schools. As of today most if not all of our public schools have safe water points, and by the end of the Harambee period, all schools would have been electrified and have access to broadband internet.

Health

With regard to the health sector, the narrative is equally impressive. We have significantly increased the number of clinics, health centers and hospitals countrywide. The total number of health facilities increased from 246 at Independence to 352 in 2015. Lifesaving drugs such as hypertensive and diabetic medicines are readily available. We have managed to reduce the infant mortality rate from 58 per 1000 life births 1992 to 33 per 1000 life babies born in 2015. Despite occasional challenges, we have managed to kick out Malaria from Namibia, and have responded quickly to arrest the spread of HIV/AIDS. Close to 100 percent of HIV/AIDS patients receive lifesaving anti-retroviral medicines. The United Nations lauded this achievement in 2015, when Namibia received an international prize for its response to the pandemic.

Infrastructure development

Finally, with respect to infrastructure, the following achievements are worth noting. The length of Namibia's bitumen road network increased from 4,572 km in 1990 to 7,561 km in 2015, representing an addition of 3,000 kilometer of tarred road. Journeys to some places that used to take up to a day to complete, now takes a few hours. We have continuously expanded our port capacity. For example at independence our port handled a meager 11,000 tons of cargo per annum, but by 2015 it has increased to 6.1 million tons per annum. Similarly in 1990 about 150 thousand passengers passed through our airport, and by 2015 we have exceeded the 1 million mark.

Mobile communication coverage is now almost country wide, compared to zero at independence. Access to rural electrification increased from zero percent at independence to 34 percent in 2015