

REPUBLIC OF NAMIBIA



**STATEMENT BY HIS EXCELLENCY DR. HAGE G.
GEINGOB, PRESIDENT OF THE REPUBLIC OF
NAMIBIA, AT THE UNCTAD WORLD INVESTMENT
FORUM, GLOBAL LEADERS SUMMIT I**

OCTOBER 23, 2018

GENEVA, SWITZERLAND

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Secretary General of UNCTAD Dr. Mukhisa Kituyi;

Your Excellencies, Heads of State and Government;

Madame Moderator;

Distinguished Panelists;

Ladies and Gentlemen

I wish to express my profound gratitude for the invitation by Secretary General Kituyi to participate in this forum. This forum allows us to deliberate on the backlash against globalization, stemming from its unequal developmental impact and the risks in rising protectionism. Concerningly, unilateralism is being promoted through protectionism, placing globalization and multilateralism under siege.

There is no doubt that the backlash against globalization is having an affect on international investment and development.

According to the 2018 World Investment Report, Global Foreign Direct Investment (FDI) fell by 23 percent to US\$1.4 trillion in 2017 from US\$1.8 trillion the previous year. During the same period, Foreign Direct Investment flows to Africa, as well as green field investments reduced by 21 percent and 14 percent respectively. More worrying for developing nations, is the fact that the number of greenfield investment projects in manufacturing have been consistently lower during the past 5 years, when compared to the preceding 5 years.

The above cited statistics raise a number of questions. Are the declines in investment a consequence of the backlash against globalization? Is it because of the disruptive effects of the dawn of the Fourth Industrial Revolution? Or is it a combination of both or other factors at play?

**Madame Moderator,
Excellencies,**

Globalization has brought enormous benefits to mankind by providing tremendous opportunity for economic growth which has improved the quality of life around the world. However, globalization has its own challenges. The greatest challenge for Southern Hemisphere countries is the lack of

industrial capabilities to take full advantage of the benefits associated with globalization. African countries are even more challenged because of the compounded effect of the advent of the Fourth Industrial Revolution that manifested in characteristics such as 3D printing, the Internet of Things, Big Data Analysis, robotics, cloud computing, and competition between human beings and machines to name but a few.

Madame Moderator,

Excellencies,

FDI is critical and remains the largest external source of finance for developing countries and one of the major sources of financing the

Agenda 2030. Therefore, a fall in investment would have a negative impact on the realization of the Sustainable Development Goals. The *2018 World Investment Report*, the *2018 Trade and Development Report* and the *2018 Global Investment Trends Monitor*, all confirm global flows of foreign direct investment fell by 23% in 2017. Growth was near zero in developing economies. It is of particular concern that in 2017, FDI to Africa was at a 10-year low. Even more worrying is the finding that the sharp decline in investment was driven by inward looking policies rather than by the economic cycle.

These negative trends in FDI call for viable remedies in the investment policymaking

area. The time has come for us to decide. Do we abandon multilateralism and turn inward, abandoning decades of progress, or do we decide to hold hands and pull together for the benefit of humanity.

**Madame Moderator,
Excellencies,**

As a result of falling FDI, many African governments have turned to international capital markets to meet their financing needs to finance infrastructure and other development needs. More should be done to enhance debt-capacity building and technical support for debt sustainability. Policy space is critical for the management of our economies. This is important for the implementation of

the SDGs as we strive to cope with globalization.

Similarly, countries such as Namibia and others, which are classified as Upper Middle-Income Countries, continue to face challenges in mobilizing resources to finance their development goals. The World Bank formula takes our GDP and divides it by our small population, thereby deriving a high per capita income. By so doing, the World Bank makes the faulty conclusion that Namibia is an Upper Middle-Income country. This reduces access to more affordable debt financing and grants. However, what this calculation fails to consider is the fact that due to past injustices, Namibia is still faced with a highly skewed income distribution. We must find a formula

to provide countries such as ours with assistance commensurate with their needs.

Madame Moderator,

Excellencies,

For globalization to work, it must be inclusive.

In this regard, I believe that the United Nations has a crucial role to play in identifying ways in which more people can benefit from globalization.

I have coined the expression, “inclusivity spells peace and harmony, while exclusivity spells discord and conflict.” I firmly believe that inclusivity is the most fundamental ingredient of policy making. When we exclude

certain nations and people feel left out, we create an environment for conflict and discord. In this regard, the United Nations, through UNCTAD, should ensure that all countries are involved in the process of promoting sustainable development and shared prosperity.

Madame Moderator,

Namibia is making headway in its pursuit of the Sustainable Development Goals, all of which are integrated into our national development plans.

We believe in multilateralism. We believe in international solidarity; for we are the Child of

international solidarity, midwifed by the United Nations. We believe that our world can only move forward if we hold hands and pull in the same direction, thereby developing new areas of growth. Together, we can bring about sustainable development and shared prosperity, for the good of all.

I thank you.