

**REMARKS BY TOM ALWEENDO, CONFERENCE ON SOCIAL JUSTICE
ORGANISED BY THE FREDRICH EBERT STIFTUNG**

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I would like to thank the organisers of this conference for inviting me to make some remarks. The conference is organised to discuss the issue of poverty, inequality and unemployment.

There is no dispute that all human beings are entitled to live a decent life. There is no disagreement that we all need to feel that we live in an environment where opportunities to improve our lives are distributed fairly and equitably. Yet we know that in most of our countries, we have a number of citizens who are disproportionately affected by the scourge of poverty, inequality and unemployment. In most of the developing countries inequality, as measured by the gini-coefficient is still much higher than in developed countries. In many of our countries unemployment is at levels that are not sustainable, where many of the unemployed have given up hope of ever finding a job and might have lost the passion for life in general.

The right to a decent job that enables one to take care of oneself and his or her family speaks to the essence of human dignity as anchored in Article 8 of our Constitution. A person that cannot take care of herself and depends on hand-outs from benevolent members of the society to eke out a dejected life with no dreams or hope for a better future is not a free person and may feel robbed of his human dignity.

In Namibia we have acknowledged that we have an unemployment problem that need fixing urgently. We have passed the stage of discussing where we might have gone wrong or who might not have

done what they were supposed to do. The Government, in close collaboration with our stakeholders, is hard at work to design a targeted employment creation program. Given the fact that many of the majority of the unemployed Namibians are those without any or with little skills, one of the main features of the program is to create more jobs that require little skills.

We have also recognised that the unemployment problem cannot be resolved overnight. We can, however, bring down the level of unemployment significantly over the near to medium term if we do certain things differently and urgently. We can make a dent if we scale up our resources in the pursuit of employment creation. While it is understood that the type of employment opportunities that will be created might be of a short to medium term nature, we are also committed to create an environment that is conducive to longer term job opportunities by carrying out the necessary reforms, including that of economic competitiveness.

In this role the Government will make more financial resources available to invest in the necessary economic infrastructure and to continuously embrace reforms that will make it easier for our firms to do business and becoming globally competitive. This is imperative because in the long run it is the private sector that will create more long-term jobs.

In our quest to create more employment opportunities, we are making deliberate efforts that are supported by all role players, including the Government, private enterprises, organized labour and civil society. It is also now clear that the Government alone cannot solve the unemployment problem. Yes, the Government has certain responsibilities and obligations to fulfil; but so do all of us. Out of

necessity we will have to walk this difficult path together as partners to create the needed jobs for all our citizens; as partners who have everything to lose in equal measure if we do not succeed.

Let me also here mention that the role of finance in stimulating real economic activities cannot be overemphasised, and to achieve our objectives of employment creation certain financial sector reforms would be necessary. Our financial sector reforms should focus on a number of areas, such as financial inclusion through the promotion of innovative and affordable financial products; attraction of more players to promote competition in the financial system; deepening of the financial system, through promotion of new instruments; development and promotion of the capital market to stem capital outflows and promote domestic investment; and sound financial sector regulation, and consumer protection.

Given the level of our unemployment rate, one can safely assume that we have a number of our citizens that are not able to take care of themselves. In this respect the Government have a comprehensive social safety net program that aims to assist the most vulnerable members of the society. It is safe to say that in the sub-Saharan region Namibia is one of the few countries with significant social safety net program. Our social safety net program have a number of components such as the old-age pension where all citizens above the age of sixty are eligible for a monthly pension; the orphans and vulnerable children program where needy children receive a monthly allowance; the school feeding program where learners from poor family backgrounds are provided with a meal at school; and the veteran scheme where veterans of the liberation struggle are entitled to a monthly pension or a lump sum allowance.

The social safety net program is part of the Government's recognition that there is a need to assist those in need. We need to slow down the increase in poverty; we need to protect livelihoods; and we need measures to ease social pressure by helping households maintain access to basic needs such as food, health and education.

I am equally aware that there is not always consensus as to what kind of social safety net is more appropriate. A number of studies have been conducted and are still being conducted by a number of international bodies that are aimed at finding the best mode of assisting vulnerable members of the society. Empirical evidence has shown that for a social safety net system to be effective there is a need to be clear as to who is to benefit from the program. It is therefore my contention that using some sort of targeting method should be preferable to universal transfers; and this is in spite of the likely errors of a targeting system.

What is important to note is that it is the responsibility of the State to assist vulnerable members of societies. While doing so, we must however not lose sight of the fact that the long-term solution to poverty eradication is equitable and sustainable economic growth that is able to create the employment opportunities our people need.

I am aware that among the conference attendees we have distinguished speakers who will be sharing their experiences with us. I look forward to hear their views on this important subject matter and it is my hope that their experiences will assist us to improve our social safety net system.

Finally, I would like to call upon all the fellow citizens to make individual and collective commitments to do all what it takes to launch our economy on a faster growth trajectory. Above all, let us have the

necessary courage to make the difficult decisions and choices in the knowledge that it is in the best interest of our people.