

**REMARKS BY TOM K ALWEENDO, MP
ECONOMIC ASSOCIATION OF NAMIBIA EVENT ON
INEQUALITY IN NAMIBIA
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I would like to first of all thank the organizers of this event for their invitation for me to speak at this event this morning, where the topic of discussion is inequality in society. We all know that of late the issue of inequality has become topical globally.

I would like to concentrate my remarks on three points pertaining to inequality. First, I want to reflect on why inequality matters and why should we be concerned about it. The second point is about how corruption impacts inequality; and thirdly to highlight the role of leadership in curbing corruption and therefore inequality.

In my view inequality does matter and all of us should be concerned about it. Unrestrained inequality is a poison that has the potential to destroy people's livelihoods; it takes away people's dignity and causes polarization in society. Inequality matters because we as human beings are social creatures and we do better when we are treated as equals. No one of us would prefer to be treated as a lesser being. We do better at our careers when we believe that we all have equal opportunities.

The contrary is equally true. We behave obnoxiously when we believe that we are being treated unequally. We adopt an attitude of "I don't care" when we believe that we are regarded as underserving. We become unimaginative when we live under the weight of greater inequalities. These are all very good reasons why all of us should be concerned about inequality in our societies.

There is now empirical evidence that suggests that global inequality is on the increase. While we may argue that the 21st century is characterized by economic globalization that has lifted millions of global citizens out of poverty, we have also witnessed greater social fragmentation and increased inequality.

Inequality is therefore a problem that must concern us all. However, we seem to have become immune to the inequality around us. We rationalize that it is not our problem. We say to ourselves that we did not cause it and therefore I have no responsibility to take any action. On a daily basis we witness inequality in its various forms and prefer to rather look away. That is what we have become. The question before us is therefore how much inequality in our society we are prepared to tolerate before we act. When will I cross that line and take individual action to actively promote a society of equal opportunities?

Inequality is pervasive and it affects many aspects of our lives. Some of the effects of inequality have become so entrenched in our society such that we see nothing wrong with it. Take for example education. It is said that education is the greatest equalizer of conditions of men. Therefore as parents we make all the necessary efforts to invest in the education of our children. Those of us with financial means take our children to private school for better education, so that they can have an edge over their peers.

Indeed it is a great thing to invest in the education of our children. This action on the part of the parents is admirable and should be encouraged. We now that in this 21st

century Nations are competing on a global scale and those with skilled labor force will do better than those who lack the necessary skills. Those that are innovative will climb the ladder of socio-economic development much faster than those who lack innovative ideas. However, if you look at this scenario with a discerning eye – a scenario where children from well-off families receive quality education, while those from poor background receive mediocre education – you will notice that what we are doing as a society is planting a seed of future inequality. Inadvertently we are creating an environment where the well-educated young people will do better in their adult lives than those who could only afford to go to poorly-resourced state schools for their education. At times they even grow up believing that they are more deserving than their counterparts that have attended poorly-resourced public schools.

Another example that has an important impact on inequality in society is what we have come to regard as success. Today we live in the world that encourages the acquisition of material wealth. We have become so addicted to believing that more is success; that bigger is always better. Today what we consume is no longer to fulfil our basic needs, but to prove to others that we are successful. To prove that we have arrived. This phenomenon is reinforced by our adoration of material wealth. We look up to those who have accumulated so much wealth to the point where they don't have much use for it; they become our role models. We want to be like them.

In order for us to satisfy our addiction for excessive material wealth, we adopt strategies that are exclusive; strategies that exacerbate inequality; we refuse to share with those who have less than us – justifying our position that we deserve what we have and they deserve what they do not have. For example if I am an employer, I devise measures to pay my employees the minimum wage possible in order for me to maximize my profit. We deny others economic opportunities and only take care of those closest to us.

Let me now focus on corruption and its impact on inequality. Corruption or even the perception of corruption, can have a negative effect on our socio-economic development and therefore on inequality. While Namibia ranks favorably on regional and international indices, such as the Transparency International's Corruption Perceptions Index, the Mo Ibrahim Index of African Governance and the Afro-Barometer Survey, challenges of corruption still remain.

It must be noted, however, that the Namibian Government takes the issue of corruption in a serious light. It is therefore no coincidence that improving our institutional framework and capacity to tackle corruption has been an important feature of our Government. We have enacted laws aimed at creating an enabling environment for the prevention of corruption and promotion of ethics and integrity. These are such as the Anti-Corruption Act, the Whistle Blowers Act and the Witness Protection Act. The President, His Excellency Dr. Hage Geingob, has gone a step further by, in 2015, publicly declaring his assets and those of the First Lady.

And why is corruption bad? Corruption has the potential to undermine our ability and capacity to collect tax revenue. When taxpayers evade and avoid their responsibilities to pay taxes, this is a form of corruption and it has an adverse effect on the Government's ability to provide social services to the citizens; it diminishes the Government's ability to fund programs aimed at poverty alleviation. Not only is

corruption bad for economic growth and enterprises; it is also bad for ordinary citizens, especially the poor and the most vulnerable. When the investment cost in large public infrastructure is highly inflated because of corruption, it reduces the Government's capacity to fund social welfare; thereby perpetuating the existing income inequality.

In my view the failure of good governance necessarily leads to corruption. It is also my contention that corruption is usually as a result of lack of ethical leadership – a leadership that is more altruistic in its outlook as opposed to a self-seeking one. Ethical leaders are those who will always aspire to leave things in a better shape than they found them. While it is necessary to have anti-corruption laws - like we do – it has been proven that laws in themselves do not prevent corruption. All what laws do is to hopefully catch those who are corrupt.

However, with ethical leadership – whether in Government, private sector or civil societies – you are assured of the absence of corruption and you are therefore likely to be effective in addressing inequality. It is therefore important that we make ethical and principled leadership a core issue in our choice of our leaders – be in the private sector or the public sector.

The American science fiction writer, Octavia Butler, had this to say about the importance of choosing leaders. *“Choose your leaders with wisdom and forethought. To be led by a coward is to be controlled by all that the coward fears. To be led by a fool is to be led by the opportunist who controls the fool. To be led by a thief is to offer up your most precious treasures to be stolen. To be led by a liar is to ask to be told lies. To be led by a tyrant is to sell yourself and those you love into slavery.”*

It is also important to ask ourselves the question as to what causes leaders to go astray. Does it mean that those leaders that turned out to be unethical are necessarily bad people even before they became leaders? Or did something happen to them in between?

We have heard of some famous names - either in the corporate world or in the world of politics - who fell from grace because of corruption. Iconic names that were admired and during their heydays every corporate leader or political leader wanted to be like them. They were admired; they were held in awe. And when you follow the stories of all these former icons that fell from grace, invariably you will find that the main cause of their troubles is that they lost their moral compass.

And why do leaders lose their moral compass, you may ask? There are a number of reasons why leaders lose their moral compass. The thing is that the more successful you become as a leader, the more temptations will surely come your way. As a leader in business or in public service, there will always be those who would want to tempt you to do the wrong things. There will always be those who will offer you inducements in exchange for what seems, at the time, to be a career-enhancing opportunity. It is therefore important – as a leader – to always be on the outlook for what could turn out to be career-ending rather than career-enhancing.

Another aspect of ethical leadership is that of examining my motive of wanting to be a leader. There are wrong reasons why someone may want to become a leader; and

there are also the right reasons to become a leader. It is therefore very important to ask myself the question – why do I want to become a leader?

Do I want to be the CEO of a company or the Minister of Mines and Energy because of the prestige that accompanies the leadership position? We all know that when you are the CEO or the Minister, most people tend to be polite to you. They even forget that you have a name and only call you sir or honorable; they will even stand up for you when you enter the room; they will insist to carry your bag even when it is empty. It feels rather invigorating.

If these are the most important reasons why I want to become a Minister, why you want to be the leader; then you are at risk of losing your moral compass and more often than not the end result is likely to be personal devastation. But it can be avoided if you stay grounded, if you continuously strive to be an ethical leader.

There are also cases where successful leaders fell from grace not necessarily because they did something wrong. These are leaders who year-in-year-out they deliver great results. Corporate CEOs who have made their shareholders wealthy. Political leaders who won elections with huge margins and in the process making their political parties symbols of success. In the process such leaders become famous; they receive accolades and they become sought-after keynote speakers at important events.

Unfortunately for some such leaders, the success becomes an end in itself. They start to desire more and more success, in the process becoming addicted to the prestige and the fame they have obtained. When that happens, such leaders start to believe that they are the alpha and omega – and nothing can happen without them. It is when they start to lose their moral compass.

The challenge to all leaders will be to master the necessary self-discipline to always do what is right and to do so even when it is not a popular thing to do; and also to do so irrespective of the consequence. It is not easy and it requires great courage, but it is what it takes if you as a leader wants to leave a lasting positive legacy.

We also need to realize that the world has changed where things no longer work as before. We live in times where trust between the leaders and the followers is no longer as strong; times where those we lead are no longer prepared to follow the leaders blindly. They demand integrity from their leaders; they want leaders with integrity; they want their leaders to be held to the highest standard of integrity where corruption is regarded as an abomination by all citizens. It therefore looks like if I want to be a successful leader, if you want to be a leader of note, you have no choice but to be a leader with a steady moral compass.

Let me conclude my remarks by saying that I am convinced that we as Namibians can do better in addressing inequality in our society, because we are not an ordinary country. We are a country that is capable of extraordinary things. Think of the remarkable men and women who - against all odds - waged a liberation war and today we have a free and sovereign Nation. Think of the exceptional leadership that, over the years, managed to promote and keep the peace and stability we all enjoy today.

Given what we were able to achieve over the years with regards to our socio-economic development, I see no reason why we should not be able to address the inequality in our society. In steering Namibia to the next level of development and prosperity, we need to create a caring Nation. A caring Nation where the strongest among us feel compelled to protect the weakest among us; where minorities do not feel to be made objects of scorn by the majority; where the most vulnerable are made to feel not abandoned; and where the younger ones are made to feel afforded the necessary opportunity to fulfill their dreams. A nation that feels as one, the one that recognizes and encourages the contribution of everyone, is in a better position to overcome the challenges that lie ahead, including that of inequality.

Going forward, all of us must make it our responsibility to address social ills in our midst. Our pledge should be to do everything in our collective abilities to make Namibia a better place to live in for all Namibians. Albert Einstein once said that "*The world will not be destroyed by those who do evil, but by those who watch them without doing anything*". To my mind the man-made inequality we are witnessing today can be equated to evil. The question I want to leave with you is this - Where do I stand and where do you stand in addressing inequality in our society?

I thank you.