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How are we doing? Comparative Democratisation and Development between Namibia and Her Peers¹

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After achieving several milestones in her seventeen years of post independence democratic consolidation, Namibia seeks to achieve even higher standing in both democracy and development. Democracy continues to find popular support in Namibia and in Africa following reforms over the past two decades. Now seems to be a suitable time for Namibians to ask "How are we doing?" After a general discussion of democracy in Africa, this paper explores several recent indexes measuring performance according to social, economic, and governance indicators. It compares Namibia with five peer countries that are small, middle income democracies ranking above Namibia in development. These comparisons show Namibia to be generally competitive with some of the peers in many areas, but demonstrating particular weaknesses in human capital development, HIV/AIDS impacted health issues, and excessive state intrusion in the economy. Namibia exceeds the peers in gender achievements, but governance issues provide a more mixed case.

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Namibia's independence was finally attained on the cusp of Africa's entrance to the Third (or as some argue, the Fourth) Wave of democratisation. During the vote counting in 1989, as the Berlin Wall came down and former SWAPO allies in Eastern Europe perished before the eyes of the world, Namibia's leaders-to-be settled on the necessity of accepting the voters' will in order to determine the country's future. Returning to the bush was not an option.

Subsequently, Namibia became the first African country to author its own constitution.³ In the context of uncertainty in 1990 (given the still recent destabilising experiences in Angola and Mozambique, combined with the possibility that South Africa could have sent troops back in to Namibia as they had in Angola), Namibia's founding fathers and mothers crafted a document that was meant for a stable democratic future. Unlike many of the new constitutions of that period, Namibia's has not been altered to an unrecognisable form. The original document has served well and is a source of justified pride for the country and its leaders.

In the process of living their democracy, Namibians have now passed several milestones in terms of democratic consolidation: second, third and fourth elections, retirement of the Founding President Sam Nujoma in a controversial though successful succession process, and the stepping down of the Founding and only President of SWAPO. In many democracy and development reports over the past few years Namibia has featured near the top of the tables for Africa and Sub-Saharan Africa. In the 2007 Mo Ibrahim Index of African Governance Namibia ranks seventh. *Afrobarometer* surveys show high levels of trust and support for the country's political system and officials. (*Afrobarometer* Working paper #34: 31, 33, 35)

Additionally, Namibia has set a very ambitious goal for itself to become a developed country by 2030. This goal, embedded in *Vision 2030*, is probably too ambitious. However, the consensus of SWAPO leadership was for Namibia to become the most successful country in Africa. Given the inheritance from the apartheid regime at independence, such as the world's most unequal income distribution and an overwhelming dependence on South Africa (roads, rail, imports, currency, customs, etc.), this indeed is an ambitious goal.

Recent data releases from the World Bank and the World Economic Forum, among many others, provide an excellent opportunity for Namibians and scholars alike to take stock of how the country is performing in terms of consolidating democracy and developing the society and economy as a national unit. As a country that is both small and comparatively new in terms of independence, Namibians tend to focus extensively on personalities and on the country's uniqueness. This is quite understandable. However, the current challenge is to make broader comparisons to gauge how Namibia is performing relative to some important peer countries. A broader comparison helps to concentrate thinking on what has been accomplished and what needs attention during the next phase of development.

This paper will trace several types of comparison. First, six peer societies (discussed below) will be examined in terms of narrative descriptions and basic quantitative measures. A comparison of social performance will examine the consequences of government and societal actions in terms of the World Bank's *World Development Report* or the UNDP's *Human Development Report*, or other sources. Further, a comparison of

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³ There are still disagreements about this from certain perspectives. But they are countered by the crafters of the document, such as Chair of the proceedings, Hage Geingob, and others who were present. Further, the 1982 Principles that formed the basis for constitutional negotiations featured intense SWAPO participation.

⁴ These are public opinion surveys conducted through a network of researchers centered at Michigan State University to show opinion and opinion trends among previously under surveyed democratic countries in Africa (now 21 countries), Latin America, Asia, and the former Soviet sphere.

⁵ The Bank of Namibia recently suggested that Namibia needs to grow at 11% a year to attain many of the targets. This would be two to three times the best growth performance to date. (Katswara 2007)

the World Economic Forum's Global Competitive Index against the same peer countries on economic performance will be examined. This will emphasise the business context for both performance and remaining challenges. The paper also will feature a test of governance performance, as measured by the latest World Bank team's index of approximately thirty-three global indexes. Finally, a gender analysis will examine this important political performance in achieving greater equity in several aspects of empowerment.

Democracy as a Problem in Context

Democracy functions as an ideal and as a practical implementation of governance. As countries have brought together practical solutions to their immediate challenges, within the context of their own particular histories and the confluence of external forces at particular moments in history, their own practices become synonymous with their use of the term "democracy". Thus, some very contradictory elements become absorbed into the term. Amidst this variety of styles, it is unfair to expect *democracy* to be the solution to all problems. It is especially important to distinguish between democracy and policy preferences.

In Samuel Huntington's *Third Wave of Democracy* (1991), certain social, economic, and religious forces converged to topple failed authoritarian regimes in Southern Europe and Latin America, while in Asia authoritarian regimes that succeeded in development were unseated, because people, by then under more comfortable circumstances, desired to extend the control and choices afforded in their personal lives to the larger stage of the political arena as well. Perhaps by the 1990s a different dynamic was underway that has led some to think about a "Fourth Wave" of democracy.

In the African context a variety of political and economic circumstances led to the popular overthrow of exhausted regime types (one party states and military coups) together with external changes that included the growing marginalisation of Africa, loss of Cold War benefactors, and a crushing debt. The 1990s witnessed a dramatic turnaround in political regimes on the continent. Older approaches were rejected in large measure, despite lingering old timers and failed states.(Bratton et al. 2005: 77) New leaders initially embraced the new rules and procedures or found successful ways to manipulate or live with them.

At present two features seem especially troubling for African democracies. First, the elite tensions and weak commitments to democratic procedures remain a threat.(Bratton 2005: 68, 88) Uganda, Ethiopia, Algeria, Nigeria and Zambia are all former "poster cases" for African democracy, which currently face criticism for abrupt violations of democratic procedural necessities. Chinese influence recently has emphasised reasserting of **state sovereignty**, but this can undermine procedural democracy without advancing substantive democratic dimensions, and leaves human rights shortfalls untouched. Mkandawire (1999) also reminds us that many of the most important issues are beyond the ballot box, and not available for voters to decide, especially international issues that impact on their lives.⁶

Second, are the diverse wishes of Africans themselves about both democracy and development. (Bratton 2005:88) Political and economic reform does find some support among the public, together with a refreshing degree of optimism about the future. (*Afrobarometer* WP#60:6) Recent public opinion surveys show reasonably strong support for democracy in countries that have managed to sustain such a system. Gallup International (2005) in its Voice of the People Survey in 2005 found that 87% of those questioned found democracy to be "the best system of government", a figure comparable to that in North America. Sixty-five percent of Africans surveyed expressed "satisfaction with democracy," the same figure as the world average.

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⁶ Although some African intellectuals and NGOs whinged unmercilessly about the imposed neoliberal NEPAD agenda, none of the architects of NEPAD seems to have lost any votes over it.

The third round of the *Afrobarometer* Survey (WP# 60 2006: 17) found similar support for democracy, which averaged 61 % support for the twelve democratic countries, with a range from 38% in Tanzania to 75% in Ghana. A majority also rejected other governing alternatives such as military, one party, and one person rule. Public trust in key political institutions also increased to majority levels in 2005.(25)

In my view, African public opinion is convoluted (as it probably is everywhere) around some key dimensions of both democracy and development. Public opinion surveys, when asking about current democratic regimes versus those that came before, show that one-party and military regimes are as thoroughly rejected by the African public in currently democratic regimes as Apartheid is here in Southern Africa.(*Afrobarometer* WP #34: 53) At the same time support for democracy "as the only game in town" is only moderately strong and quite possibly not very deep. In popular opinion support focuses politically, on the liberty dimensions of freedom of speech, elections, political parties, media, and equality under the law. (Bratton 2005:88)

On the other side, regime popularity and perhaps survival depends in large measure on the economics of "delivering the goods," either immediately or with some degree of certainty over the near term and beyond. The body politic retains serious commitments to some economic equality even at the cost of faster growth. African publics, for example, are generally opposed to retrenchment of public sector employees despite their unhappiness over inefficient and corrupt government services. In the grand scheme of things, unemployment remains the most important social problem in Namibia and in most African countries in the *Afrobarometer* surveys. (*Afrobarometer Working Paper* #61)

Opinion surveys suggest strong popular support in the abstract for equitable social outcomes. The problem is always in making a credible case that a party or movement can bring such an outcome together with development rather than with a "shared poverty" equality as in the past. Latin American populism, once again the "flavour *du jour*", usually formed a coalition of equity ideals with authoritarianism, where the equity portion rarely outlasted the authoritarian one.

Afrobarometer Round Three (2006) presents the attitudes of survey respondents in Botswana and Namibia. As indicated in earlier research by Keulder and Weise (2005) the supply of democracy in Namibia seems to outstrip the demand for it. Namibians express a relatively high degree of satisfaction for what democracy has done for them (57% prefer democracy and 69% are satisfied with government), but they do not demand or support it as strongly as respondents do in other African democracies, scoring the lowest of any of the surveyed countries in demanding democracy.

Alemika (2007) has suggested that countries that have free and fair elections tend to support democracy and express satisfaction with it more than African countries that have disputed elections. Namibians express strong feelings that elections are free and fair (77%). Interestingly the survey findings indicate greater expectation of democratic sustainability for Namibia than for Botswana: 63% to 56%. Despite the relatively weak popular support for democracy, Namibia seems to be on the way toward consolidation.

Fortunately, in the SADC Region the vast majority of countries (except DRC, Angola, and a few others in the past) have relatively strong democratic experiences, successful civilian dominance over the military, and above average economic performance. In making a success of reform efforts, it helps to be in a supportive neighbourhood. For long time partisans of SADC and democracy, this region has contributed greatly to optimism about the future for democratic success, strong sustained development, and more equitable social outcomes. Namibia is particularly well placed to learn from and avoid the mistakes of earlier experiences in Africa and beyond, as well as to become a model of leading and best practices for others to emulate.

Peer Group Review

For purposes of this paper, five peer countries have been chosen for comparison with Namibia to measure democratic and development experiences, shortcomings, and prospects. The five countries are: Botswana, Mauritius, Costa Rica, Jamaica, and Trinidad and Tobago. Three primary criteria were included for selection. First, the countries must be relatively stable democracies for governance comparisons to make sense. Secondly, countries were chosen because they are ahead of Namibia in development terms but still "middle income" countries with economic, social and global characteristics that are somewhat similar. These are the countries that Namibia should be trying to overtake in the near term. Finally, they have populations of a similar size, creating a reasonable comparability in scale and relevant variables. Of particular interest are their status as former colonies, similar small scale economies, similar impact of globalisation and international economic rules of the game, and a reasonable degree of political stability over the past two decades.

There are special circumstances for Namibia such as the prolonged armed struggle for liberation, the diversity of the population compared to all of the others included here, and some characteristics shared with Botswana, such as long distances to remote populations, extreme poverty at the start of independence for the vast majority, and a one party dominant political process that creates special circumstances and challenges. Namibia and Botswana also suffer very high levels of HIV/AIDS infection which presents developmental difficulties and democratic challenges. Nonetheless, the comparisons should be instructive for conditions of governance, social and economic performance, and shortcomings.

Table 1 below shows that Namibia falls in the middle in terms of population, with only Costa Rica as substantially larger and richer than the others. In terms of urbanisation Namibia remains by far a rural society compared to the rest. Although the pace of urban growth is steady, it will be some time before it joins the others as a predominantly urban country with all the social consequences that such a condition entails. On the per capita income front and the national income level, Namibia is in the middle of the pack. With growth showing signs of strength during a commodities price boom, Namibia should continue to perform well on the economic dimensions. In terms of the human development index and ranking, the impact of HIV/AIDS is clearly seen for both Botswana and Namibia. This is primarily manifested through the life expectancy variable that has been declining rapidly in affected southern African countries.

Table 1. Basic Country Comparisons

Countries	Population In millions	Urban %	GDP USDm PPP (2005)	GDP/capita USD PPP	Development Index UNDP	Development rank UNDP 2007
Namibia	2.0	35.1	15.4	7,586.	0.650	125
Botswana	1.8	57.4	21.9	12,387.	0.654	124
Costa Rica	4.3	61.7	44.	10,180.	0.846	48
Jamaica	2.7	53.1	11.4	4,291.	0.736	101
Mauritius	1.2	43.4	15.8	12,715.	0.804	65
Trinidad & Tobago	1.3	76	19.1	14,603.	0.814	59

Source: UNDP Human Development Reports 2007/8.

Country narratives

Botswana constitutes the closest peer both geographically and politically. The main differences between Botswana and Namibia are the length of independence (Botswana from 1966; Namibia from 1990), and Namibia's prolonged, armed liberation struggle. Otherwise these two countries have many critical features in common. They both feature large, dry terrains with the consequence of high delivery costs for roads, phone lines, water, electricity, and social services. At independence both countries had very poor, traditional rural populations. They both depend on diamond production for a disproportionate share of exports and government revenue, while the majority of the population engage in livestock raising and agriculture.

Mauritius is an island nation that has recently joined SADC to reinforce the critical mass of countries in that grouping that have strong economic and governance performance. Over a twenty year period the country has moved from an agrarian sugar producer to a vibrant exporting economy with important fishing, textile⁷, and tourism sectors. A small island country, Mauritius continues to have small pockets of poverty (recently about 10% below the national poverty level) among its diverse racial and linguistic population, but its unemployment rate has been in single digits for many years. Another contrast to the southern African experience is the very low HIV/AIDS infection rate (recently below 1%).

Costa Rica is frequently referred to as the "Switzerland of Central America." It has a long uninterrupted history of democratic governance in an unstable, non-democratic neighbourhood. It is also marked by being richer, with a strong element of social and economic equality, compared to its neighbours. Costa Rica historically was settled by European small farmers (who maintained a middle income equality) and lacked a large indigenous or slave population to support the large landholding latifundia system typical of Latin America.

The economy is characterised by fishing, tourism, and agricultural exports. Some degree of eco-centric development, industrial diversity, and expatriate settlement has added to the economic mix in recent decades. Namibia has used Costa Rica as a comparison previously in legislative reform during the *Agenda for Change* process in 1996.

Jamaica, as a fellow Commonwealth member since independence in 1962, was similarly a comparator in the *Agenda for Change* process. It too has fishing, mining, agriculture, and tourism sectors driving the economy. There is also some textile and electronics Export Processing Zone activity in the country. Jamaica has been an important influence in both the struggle for southern hemisphere pressure on the unfairness of global economic relations as well as support for economic reform over the past several decades. From the early stages of Pan African influence, to the Michael Manley period of New International Economic Order arguments, and the more "market reform" stage recently seen, Jamaica has been a strong international influence despite its small size. Jamaica has also experienced more polarised and violent democratic processes than the other countries under consideration.

Finally, the islands that make up **Trinidad and Tobago** comprise the last of the peer countries. Again, this Commonwealth Caribbean state has agricultural, textile, and tourism sectors, combined with petroleum extraction and refining, to constitute a relatively successful small economy. This former British colony has a more diverse population than most countries in the region with populations brought from South Asia and Africa, featuring Hindu, Moslem, Catholic and Protestant religious trends among others. The connection to the

⁷ The textile and garment industries developed under earlier conditions in an Export Processing regime for the whole island before the expiration of the Multi-fibre Agreement that disadvantaged Africa in this industry. See Jauch and Traub-Merz 2007.

petroleum industry, like Namibia's uranium and diamond dependency, links the local economy to the more volatile global economic forces. Democracy in this country too has a more unstable character with sharper political party, ethnic, and religious conflict than most of the other peers in this analysis.

Performance in Social Outcomes

Table 2 presents several key performance indicators for social outcomes and government efforts showing a mixed result for Namibia compared to the peer countries. In part this is due to the inheritance from the "old dispensation" in terms of poverty and income inequality at independence. Since then, decent progress toward narrowing the gap is the consequence of general and targeted government programmes and general growth. For example, the highest budget spending votes have consistently been education and health (especially preventive and primary care), which are known to be beneficial for long term development.

The improvement in several indicators belies the popular cliché that "The rich are getting richer and the poor are getting poorer." This progress in reducing inequality is captured in the **GINI Index**, which dropped from over 70 to about 60. At this rate by 2015 Namibia will have an ordinary income distribution for a developing country. Some of the peer countries (Costa Rica and Trinidad and Tobago) have quite low ratings, which might suggest a more equitable future for Namibia the country continues to perform at current pace.⁸

Adult Literacy Rate is another measure of development. However, as a self assessment it remains somewhat problematic as a real indicator of achievement. In Namibia's case the language that people claim to be literate in may or may not be the official language (English). At independence very few people were English first language, and the apartheid regime had imposed Afrikaans in the southern and central parts. English was adopted as the official language partly to break with the colonial past and partly to link with Commonwealth and SADC partners more effectively for development purposes. English language mastery is still a major challenge for the education system. (World Bank 2006)

Among other highly successful developing countries, high levels of literacy preceded rapid economic development. By this measure Namibia has become competitive with the peer countries. In other formal tests of learner accomplishment, however, Namibia does not score so well. Costa Rica has the highest literacy rate among the peers, but Namibia continues to improve despite criticism of the quality of the learning outcomes. Human capital shortcomings remain the most constraining factor slowing Namibia's development. In past education reviews the politicians have been a hindrance to reform implementation. The assumption is that overcoming the Apartheid legacy will require another generation, despite the high levels of spending on formal education. Bantu Education left a continuing negative legacy.

Figures for **life expectancy** at birth are in sharp contrast among the peers. The continental African countries (Botswana and Namibia) show the dramatic impact that the high levels of HIV/AIDS have on some conditions of life. This severe downward spiral of life expectancy among all southern African countries also negatively impacts the Human Development Index of the UNDP. Recovery in this measure is expected to take decades. Perhaps with this pandemic life expectancy is no longer such an accurate measure of social development.

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⁸ Botswana's data is too old to be useful except as an indication of prior poverty levels.

⁹ A World Bank sponsored study has created a fifteen year reform programme called Education Training Support Improvement Programme (ETSIP) in 2006. Reading and math tests at school level show Namibian learners behind those in other SADC countries. ¹⁰ For some countries life expectancy no longer seems to serve as an accurate measure of development or performance. For instance, should a vaccine be discovered and rolled out over the next fifteen years or a cure be discovered during the next twenty-five years, then HIV/AIDS would have negligible impact and the lifespan would dramatically increase without any real change in other aspects of development performance.

Table 2. Performance on Social Indicators

	GINI Inequality Index	Adult Literacy Rate	Life Expectancy at birth	Maternal mortality per 100,000** UNDP 07	Health Expenditure/ capita	Infant Mortality (per 1000 live births)**
Namibia	74.4 (1993) 60 (2003/4)	85	51.6	300**	407	55 36-23 UNDP'07
Botswana	63 (1993) 59 (PITT)	81.2	48.1	100** 380	504	59
Costa Rica	49.9	94.9	78.5	25** 30	592	11
Jamaica	38.1*	79.9	72.2	87**	223	15
Mauritius		84.4	72.4	24**	516	15
Trinidad & Tobago	40.3	98.4	69.2	110** 45	523	15

Source: UNDP, Human Development Report, 2006 and 2007/8; *CIA Factbook accessed 21 October 2007.** WEF, Gender Gap Index 2007.

Health Expenditure/capita reflects additional effort by governments. What this measure indicates is that countries make a commitment to invest in the health of the general population. Different priorities in spending between expensive treatment options and more broad based prevention (immunisations) can also produce different outcomes for health practices at the same spending levels. In addition there may be greater or lesser contributions from the private health sector. Most middle income countries, except perhaps those with a post communist tradition, will feature relatively well developed private health sectors. Reflecting the relatively lower per capita income level in Namibia, this factor finds Namibia's performance toward the bottom, but still higher than Jamaica's.

Infant Mortality (per 1000 live births) and maternal mortality (per 100,000 births) are additional measures that fall due to poverty and HIV/AIDS impacts. Namibia outperforms Botswana but is considerably behind other peers. Perhaps it is the remote, rural and low population density factors that influence this health measure more than government effort. A comparative trend in Namibia shows that progress toward the Millennium Development Goal for this indicator is in sight in 2005.(UNICEF 2007) Improvements are also noted in trained professionals attending births. Still, these are areas of human development where the peers are far ahead as indicated in the table. Namibia, Botswana, and Jamaica also trail in per capita health expenditures. This is despite the high expenditure for health in Namibia's national budget since independence.

In sum Namibia still trails similar countries in most development measures. In part this reflects the choices of more advanced countries to compare with and in part the unfulfilled social development agenda of the independence period.

Governance Measures: Does Democracy Matter?

In addition to the previous measures of policy performance, **Table 3** shows a comparison on governance issues as compiled by a World Bank team. This will be an important reflection of the influence of democracy on

several dimensions of governance sometimes referred to as "good governance". These indicators form the most robust measures of governance by combining a wide variety of subjective (opinions) and objective (measurements) accounts of country performance.

Table 3. Governance Indicators

	Voice and	Political	Government	Regulatory	Rule of	Control of
	Accountabi lity	Stability and Absence of Violence	Effectivenes s	Quality	Law	Corruption
Namibia	60.6	75.5	59.2	57.1	56.7	61.2
Botswana	66.8	92.8	73.9	65.4	67.1	78.2
Costa Rica	74	79.8	65.4	63.9	64.8	67
Jamaica	63.9	36.1	59.7	58.5	33.3	44.2
Mauritius	75	79.3	71.6	67.3	75.7	66.5
Trinidad & Tobago	62	41.3	63.5	71.2	48.1	54.9

Source: The World Bank, Worldwide Governance Indicators for 2006.

In this critical area of governance Namibia often holds its own against the poorer performing peers. For example in "Rule of Law," "Political Stability," and "Control of Corruption" dimensions, Namibia outperforms both Jamaica and Trinidad by a considerable margin, while trailing the others. In the other three dimensions "Voice and Accountability," "Government Effectiveness," and "Regulatory Quality," **Namibia trails** all of the other peers though not by very much in most cases.

This relatively weak performance in the governance area indicates that improvements in governance are important components of democratic reforms that still need to be pursued aggressively to meet established goals for the country. Complacency with the current level of achievement will not serve Namibia well. This comparison indicates the importance of democratic reforms on the quality of governance at the state level. Can Namibia achieve such reforms without participating in the Africa Peer Review Mechanism (APRM)? And can improvements toward democratic consolidation succeed without a more competitive party system?

In precisely those areas that Namibia trails, Botswana has at least a 10% lead. Since Botswana has neither joined the APRM, nor has competitive opposition parties, one must answer the above questions by saying that progress *could* be made without competitive parties or peer assistance. However, to continue to make progress and to achieve *Vision 2030*, further efforts at reform must be undertaken and brought to fruition. Some of these efforts are currently underway, while others will depend upon a new political approach. Increasingly, future improvements for Namibia depend on the effectiveness of her own current efforts and not on external pressures nor on blaming past limitations as recently stated by President Pohamba.

Gender Empowerment as a Measure of Democracy?

Namibia has been at the forefront of gender empowerment and equality issues since early in the independence period, despite the contrary outcome during the recent SWAPO Congress elections. Namibia was the "lead entity" for Africa during the UN's Beijing Conference. She has achieved a fifty-fifty school enrolment figure

from kindergarten through tertiary levels, generally met the SADC 30% of decision-makers target, and outperformed many developed countries in terms of female representation in both public and private management levels. When comparing this performance with pre-independence structures, democracy in terms of personal legal freedoms and equality, as well as competition for votes, seems to have played an important role in these accomplishments.

Compared with the peers chosen for this paper, Namibia is challenging for the top in all the gender categories in **Table 4**. Labour force participation rates and pay equity both favour Namibia in these data. In the legislative arena Namibia exceeds SADC gender standards at the elected local authority level (over 40% female) and is near the target in the lower house of parliament. It is especially in the managerial levels of decision-making in both public and private sectors that Namibia has pursued an effective campaign of affirmative action that has produced solid results and has created the conditions for future improvements as well. The public sector has achieved above 20% levels for women in both the Public Service and parastatal senior managerial workforce. At lower management levels even greater percentages of women in the pipeline points to a future improvement. In the private sector Namibia has pushed its Affirmative Action programme to meet SADC level targets on gender as well as to open opportunities for the "previously disadvantaged". In both areas Namibia has gained important ground in promoting more equitable access. On gender empowerment and equity (at least for the upper and middle class), Namibia excels.

Table 4. Gender Equity

	Female economic activity as % of male rate	Seats in parliament held by	Female legislators, officials and managers (% of total)	Female professional and technical workers (% of total)	World Econ. Forum Gender Gap rank	Ratio of est. female to male earned income (Gender Gap)
Namibia	74	26.9	30	55	29	0.57
Botswana	67	11.1	31	53	53	0.36
Costa Rica	54	38.6	26	40	28	0.46
Jamaica	73	13.6		60	39	0.57
Mauritius	53	17.1	25	43	85	0.40
Trinidad & Tobago	61	25.4	38	54	46	0.46

Source: Human Development Report, 2006 – UNDP. WEF, Gender Gap Index 2007.

Business Competitiveness Measures

Namibia adopted a mixed economy model of development at independence. Although some of the sixty or so state owned enterprises have been commercialised, none has been privatised yet. This slow change is typical of African governments compared to developing countries in other regions. Competition has slowly emerged in some sectors such as telecommunications (phone, radio, and television), mining, and others. Despite a few industries receiving "protection" under SACU or SADC regulations, Namibia's markets are relatively free for competition.

The conservative Fraser Institute of Canada gives an annual appraisal of its view of economic freedom that can serve as a common measure for the peer countries. Namibia scores poorly in terms of the size of government (too large) and State Owned Enterprises (too many), relatively poorly in terms of having sound money and freedom to trade. Better scores are found in impartiality of courts and regulation of business and labour. From this perspective Namibia continues to be held back by the imbalance between the state sector and the private sector. This is an old African story.

Namibia's inheritance of a statist and protectionist bias at independence acts as a drag on the competitive position relative to the peers. This is seen in the relative size of government and state owned enterprise measures. However, as local businesses (under Affirmative Action or Black Economic Empowerment policies) achieve greater standing, more private sector emphasis may be seen. The relatively low scores on money and trade are partly linked to South Africa and partly linked to Namibian inefficiencies. In the legal and regulatory domains Namibia tops the peers in this scheme, suggesting that Namibia could achieve better results by regulating economic activity than by doing it through state ownership.

Other Recent Comparisons

In terms of other measures of freedom and good governance such as the Media Freedom Index from Reporters Without Borders and Transparency International's Corruption Perception Index, Namibia scores in the middle of the pack. That means that Namibia performs on a par on these freedom measurements compared to the peer countries. Once again one can say that Namibia has benefited from democracy in terms of the freedoms usually defined as important dimensions of democracy, and from performance in terms of governance transparency and accountability in conformity with the standards of other small successful democracies in our peer sample.

The World Economic Forum is another agency that measures the performance of different countries with respect to their economic policies and governance efforts. This set of indicators is especially useful in showing which policies may be placing a country in a disadvantageous economic position. Countries can then choose to address or defend the identified policies. For example, restrictions on foreign ownership of land may be indicated as a disincentive for some foreign investors, but the Namibia government has a clear and resolute position on the issue that will not change due to negative international evaluations. In other cases such measures may indicate needed policy or procedural reform, especially compared to neighbouring countries and other competitors. For example, imports and exports seem to be more burdened by paperwork and delays in Namibia than in other SADC or SACU countries. Government may wish to address these matters at some point to improve competitiveness.

The Global Competitive Index reconfirms some expected strengths and weaknesses. Namibia trails the peers as may be expected for a young country, but the weaknesses emphasise past **under investment in human capital** and the impact of HIV/AIDS. The high levels of poverty in Namibia place a heavy burden on the state and society. Despite heavy spending on education and health since independence, these remain the weakest elements of Namibia's competitive position. Can Namibia's leaders rise to the challenge under the EDSIP reforms or will the weak human capacity continue as the main drag on progress? Here one sees a tension between the drive for equity through Affirmative Action and the drive for performance especially in high skill areas such as health and higher education. Government needs to bring performance and effectiveness to the fore and leave old party loyalties behind to catch these peer countries, who will not be standing still in their own competitive reform drives.

Table 5. Other Performance Measures

	Media	Corruption	Global	GCI	GCI
	Freedom Index	Perception	Competitive-	301	301
	(world	Index Score	ness		
	ranking)	[higher # is	Index	Two weakest	Two strongest
	[lower # is	better] 2007	2007	1 WO Weathest	1 wo strongest
	better]	better j 2007	score rank	areas rank	areas rank
Namibia	8.50	4.5	3.85 89	Health/ Pri. ed.	Infrastructure
1 (601110)			0,00	122	39
				Higher ed 107	Macroeco. 18
Botswana	23.50	5.4	3.96 76	Health /Primary	Fin. market 42
				ed. 119	
				market effic.	Institutions 42
				106	
Costa Rica	6.50	5.0	4.11 63	Macro stability	Labour
				111	efficiency 18
				Infrastructure	,
				95	Innovation 35
Jamaica	8.63	3.3	3.95 78	Macro stability	Financial 49
				120	sophistication
				Market size	Tech 43
				113	
Mauritius	8.50	4.7	4.16 60	Macro stability	Fin market 32
				109	Institutions 45
				Market size 103	
Trinidad &	5.00	3.4	3.88 84	Market size	Macro stab 16
Tobago				102	Fin market 45
-				Institutions 92	

Source: Annual Worldwide Press Freedom Index – 2007, Reporters sans frontiers www.rsf.org accessed 17 Oct. 2007; Global Corruption Report 2007, Transparency International www.transparency.org accessed 17 Oct. 2007; Global Competitiveness Index 2007-2008. www.weforum.org, accessed 19 December 2007.

Conclusion

Namibia performs relatively successfully, compared to the other small democracies in this study; yet it remains difficult to know whether this is the result of "democracy", SWAPO leadership and ideas, or the more general Namibian conditions that prevail in this particular historical setting. At present, Namibia's democracy seems quite robust and settling in for the long haul. However, it depends unduly on the good will of the ruling party's leadership and the lack of a real challenge from a viable opposition.(du Pisani and Lindeke 2008) With new competitive political challenges now on the agenda, both values and performance will be under greater scrutiny. Competitive economic challenges are also intensifying globally and in the region. Namibia has chosen not to use the Africa Peer Review Mechanism to enhance policy and governance improvements. This places additional pressure on internal processes to generate accelerated performance.

Namibia's social and governance performance has generally been a bright spot since independence. Long near the top of the indexes of good governance for African countries, Namibia appears very competitive with the middle income peers presented in this paper. However, Namibia needs to raise its performance level to maintain its good standing. That presents the most important challenge over the next few years. The question is: will party politics interfere with governance or will the leadership be able to maintain the proper focus?

In any case, Namibia has achieved democratic status and has much to be proud of in terms of policy performance and democratic achievement. Democracy has served Namibia well in overcoming much of the inherited legal and political inequality, in continuing to make social progress, and in embarking on economic improvements.

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