

Namibia's own state capture?

By Herbert Jauch and Michael Gaweseb, published in The Namibian, 20 September 2019

Over the past few years, the term state capture was frequently used in South Africa to describe the influence that private capital has over elected politicians. The case of the billionaire Gupta brothers and former President Jacob Zuma served as a striking example of how the rich and powerful influence economic and political outcomes to serve their own interests. This is not limited to South Africa or Jacob Zuma but is also apparent in many other countries. Private businesses in the form of powerful Transnational Corporations (TNCs) frequently use a variety of “enticements” to gain access to politicians who are influential in the allocation of licenses, tenders etc. The enticements range from paid pleasure trips to houses and swimming pools, to well-paid consultancies or direct cash transfers into offshore accounts. They are essentially forms of corruption although they are often justified as “normal” practices amongst the elites.

In theory, the electorate should expect the representatives of the state to show moral integrity and to defend public interests. In practice, some members of parliament are even reluctant to disclose their wealth. In the absence of objective lifestyle audits, it is extremely difficult to hold officials accountable for ill-gotten wealth through the use of public office.

The events surrounding the Zambezi tobacco plantation and especially the proposed marine phosphate mining venture point to very dangerous developments. The Namibian (30 August 2019) has reported how a private businessman has established intricate links to the President and now tries to use them to get approval for marine phosphate mining. We must point out that this particular project is not just a “run-of-the-mill” investment but one with potentially catastrophic effects for the Benguela marine ecosystem and Namibia's fishing industry which depends on it.

As reported in The Namibian, the President wanted the issue of marine phosphate mining to be tabled in Cabinet and a decision to be taken. Such an intervention must be viewed from the balance of power at play. Members of Cabinet are appointed by the President and serve at his behest. Thus they are under pressure to adhere to the President's views which are likely to sway a Cabinet decision. This certainly undermines Cabinet's ability to take decisions in the public interest.

On the other hand, it is encouraging that the Minister of Environment and Tourism has taken a careful approach and also wants the legal process surrounding the marine phosphate venture to take its course. Likewise, the Ministry of Fisheries and Marine Resources has raised concerns and so have several former political

leaders and Cabinet members. Fishing workers and their unions have recently added their voice and sent a strong message against marine phosphate mining.

This debate must not be seen through the lens of political camps or used to settle political scores. Instead it requires a sober mind to consider the long-lasting economic and ecological effects of such a venture. It is certainly no coincidence that virtually every country in the world has so far refused to give permission for marine phosphate mining.

The tobacco plantation in Zambezi has also raised questions about whose interests it serves and was spearheaded by a local politician on behalf of a foreign company. Over the years, we noticed how some investors have claimed that their right to invest overrides everyone else's rights. The rights of citizens and workers as well as obligations towards the environment tend to be disregarded in the name of attracting investment. The tobacco plantation approval by Cabinet violates the national policy on tobacco and it was initially opposed by both the Ministry of Health and the Ministry of Agriculture. Also, the Minister of Agriculture was supposed to call for objections to the project as outlined in section 17 of the State Forest Act. However, it now seems that only a court case might halt the destruction of State Forest to make way for the tobacco plantation.

We have personally experienced how investors use intimidation to silence critics. Lawyers of the marine phosphate company warned that they would get a cost order against those opposing the venture. We believe that last year's court case was critical in establishing that citizens have a standing in decision-making processes involving the environment which is a public good to be preserved for future generations. In the aftermath of the trial, one of us (Gaweseb) experienced how the company tried to use the messenger of the court to claim his personal possessions. The point was to instil fear and to victimise for opposing the marine phosphate venture.

It is high time to recognise that it is naïve to believe that any investment is a good investment. Instead, Namibia needs to adopt a very selective and strategic approach. This can only happen if political leaders are able to free themselves from the web of personal and political links to vested business interests. As long as politicians and government officials act as business people themselves and thus personally benefit from the decisions taken, we are heading for state capture. This only serves the interests of the rich and powerful and must be stopped before it becomes permanently entrenched.

Herbert Jauch and Michael Gaweseb are trustees of the Economic and Social Justice Trust (ESJT)