

Prime Minister shoots down BIG

• NANGULA SHEJAVALI

PRIME Minister Nahas Angula yesterday shot down the Basic Income Grant as a means to address poverty in the country, arguing that this was "not a normal way of assisting people".

Angula was responding to the resolutions of the Political Youth Forum held last month, and presented to him at his office yesterday by members of the National Youth Council (NYC) and youth leaders from various political parties.

One of the 24 resolutions by the youth was that given the level of poverty and unemployment in the country, Government should consider expanding the BIG pilot-project to measure its true effect on mitigating poverty.

But Angula was unimpressed by this resolution, picking it out among the 24 resolutions, and responding to it at length.

While acknowledging the widespread poverty in the country, Angula said the BIG would be "making a joke out of the poor by saying that everybody – including myself as Prime Minister – should get N\$100". He added that this would "discriminate against those really living on the edge".

Angula highlighted the lack of productive assets, skills and jobs as major factors in the creation of poverty, saying the real question is "how do we deal with poverty".

"Would you rather invest money in giving out N\$100 per month for two million people, when we could use the money to build infrastructure to collectively get somewhere?"

He went on to say that "it is not a normal way of assisting people by giving them free things," adding that if the grant focused only on the poorest of the poor and the unemployed, then this could be con-

sidered.

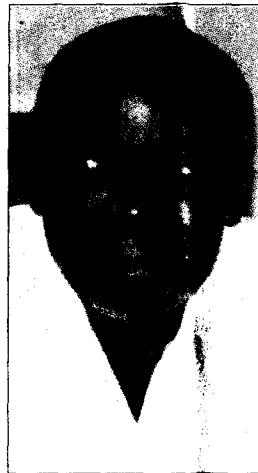
Urging the youth to think of different and more creative ways of addressing poverty, Angula also said that targeted assistance – as is the case with Government's social pension, the ex-combatants grant and the disability grant, would be the way to go.

"Perhaps, if we really want to assist, one can think of a campaign for an unemployment insurance or something like that to assist those who are unemployed or have lost their jobs, on the condition that they look for jobs," he said.

JOKE?

But evidence from the BIG pilot project being conducted at Otjivero/Omitara by the Namibian BIG coalition – of which the NYC is a member – suggests otherwise.

The Coalition – made up of unions, churches and several civil society



Nahas Angula

organisations – began the pilot project in November 2007 to test the Government-initiated idea of a basic income grant, providing all members of the community under 60 (the pensionable age) with a grant of N\$100.

In its one-year assessment report on the BIG pilot project, the Coalition recorded a huge decline in household poverty with the food poverty line falling from 76 per cent to 37

per cent; an increase in the number of people engaged in income-generating activity from 44 per cent to 55 per cent; a decrease in child malnutrition from 42 per cent to 10 per cent; and a decrease in school dropout rates from 40 per cent to almost 0 per cent.

The assessment also recorded an increase in the income of the local clinic as residents could now afford visits for medical attention; a reduction in household debt of close to N\$500 on average; and a 42 per cent reduction in crime, among other things.

The Coalition has said that while a national BIG would cost between 2,2 and 3 per cent of national income, "Namibia has the capacity to mobilise the necessary resources without undermining financial stability".

It has also stated that the BIG is not just about handing out money, but that the money extended through the grant would

be recouped, plus some, through a more efficient tax system.

"Moderate adjustments to VAT and income tax, alternatively royalties levied on natural resources, or a shift in budget priorities or a combination of these interventions, will make a national BIG an immediate option for Namibia. Its implementation is thus merely a question of political will," the coalition says.

The latest assessment report of the BIG pilot project has also argued that a national BIG would "reduce poverty and unemployment, increase economic activities and productivity, improve educational outcomes and the health status of most Namibians".

HOUSING

In his discussion with the youth, Angula also responded to concerns raised by NYC Secretary General Mandela

Kapere.

Kapere highlighted the issue of access to housing for both rural and urban youth, saying that because of the high costs of housing, "young people are not becoming homeowners, and this is creating structural problems." He called for Government's help in this regard.

To this, Angula said that it would be important for municipalities and central government to engage each other in considering subsidising land for the poor.

He also noted the importance of providing proper sanitation, and encouraged the youth to come up with solutions such as brick-making projects to address the housing problem.

He also told the group to approach the Ministry of Youth and their political parties to engage cabinet for more discussion of their resolutions.

nangula@namibian.com.na