

PUBLIC DIALOGUE, POLYTECHNIC OF NAMIBIA, AUDITORIUM – 16 OCTOBER 2008

The Impact of the Chinese Economic Expansion in Namibia: A Case Study of Retail and Construction Sectors in Windhoek

By: Sylvia Mundjindi, Project Officer – Friedrich-Ebert-Stiftung

OFFICIAL OPENING

Director of Ceremony

Members of the Diplomatic Corps

Distinguished Presenters

Representatives from the Polytechnic of Namibia

Representatives from the Media

All Protocol Observed

The Friedrich – Ebert-Stiftung feel honoured to be part of this project. We decided to fund the Chinese study because we believe that development can only be enhanced through research so that problems can be examined and addressed in order to bring about sustain development within Namibia.

We also decided to fund this study to test hypothesis that Chinese Enterprises are bringing neo-colonialisation rather than socio-economic development to Namibia and

the rest of Africa. As a result of this hypothesis, local businesses are reported to be unhappy because they believe that Chinese enterprises are destroying their enterprises.

Although Chinese business activities seemed not to be very welcome within Namibia, studies and reports documents that they bring advantages as well as disadvantages to the Namibian economy.

The advantages are;

- Chinese businesses open up the market which results into goods being affordable to Namibian consumers
- They offer employment to the local people
- In terms of Construction tendering, Chinese tender pricing are lower than Namibian Construction Projects
- They offer efficiency, for example projects are being completed before and in time
- Their Project technical specifications are on par with South African construction companies and higher than Namibian construction companies

The disadvantages are;

They offer products which are of poor quality

They exploit and disrespect employees

There are reported Capital outflows due to money not being invested within the Namibian Banks

The presence of the Chinese business activity increase population within Namibia

They treat employees unfairly because they do not comply with the Namibia labour Act

Although there are conflict views about the presence of Chinese enterprises in Namibia we hope that this platform offer an opportunity for stakeholders to discuss and address problems, perception and conflicting interest between local businesses, consumers and Chinese enterprises.

With these few remarks ladies and gentlemen I wish you successful deliberations and I declare the meeting officially opened.