

COUNTRY PROFILE



Namibia

GLOBAL RANK: 55th of 104



Namibia ranks 55th overall in the survey, performing extremely well in comparison to many sub-Saharan Africa countries. In terms of Comparative Liveability, Namibia is just below Croatia in 51st place, due to its favourable natural environment and the perception that hard work can lead to opportunities. In Economic Competitiveness, Namibia follows Saudi Arabia at 61st, constrained by the lack of high-tech exports.

● BACKGROUND

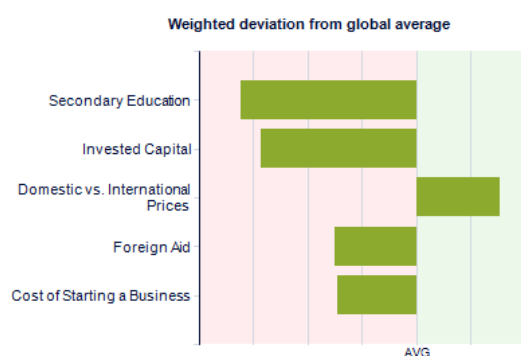
Although Namibia has achieved overall economic growth in recent years, driven by income from tourism and a large mining sector, a majority of the population still lives in extreme poverty. Droughts are a frequent occurrence, which has a direct negative impact on a nation in which 70% of the population is employed in agriculture. Over 20% of the population is infected with HIV, yet the government has made significant progress in prevention and treatment since 2003, and a majority of the affected population now has access to antiretroviral drugs.

FAST FACTS

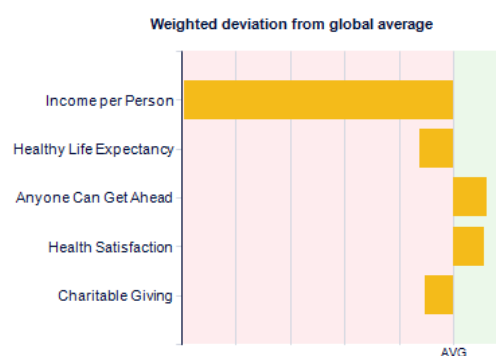
Population:	2.1 million (2008 est.)	FDI (net inflow):	6.60% (2003 est.)
Life Today	4.9 (2007 est.)	Exports	43.04% (2006 est.)
GDP (PPP)	\$10.72 billion (2007 est.)	Imports	43.20% (2006 est.)
GDP (Growth)	4.4% (2007 est.)	Unemployment:	5.2% (2007 est.)
GDP (per Capita)	\$5,200 (2007 est.)	Life Expectancy	49.89 years (2008 est.)
Political System:	Republic		
Foreign Aid:	2.10% (2006 est.)		

● KEY SCORE DRIVERS

ECONOMIC COMPETITIVENESS



COMPARATIVE LIVEABILITY



One of the more affluent states in Sub-Saharan Africa, Namibia is ranked among other mid-income countries from Asia, Latin America and Eastern Europe. Its recent development mirrors that of South Africa, from whom it gained its independence in 1990. As the national currency is pegged to the rand and more than 80% of the country's imports -- including electricity -- come from South Africa, Namibia is vulnerable to its neighbour's power cuts. Despite these close relations with its neighbour, Namibia's lack of participation in regional trade agreements is a detriment to the country's overall Economic Competitiveness score.

At about \$7,000 per year, the Namibian per capita income is one of the highest on the African continent, yet poverty still continues to restrain average life satisfaction. The distribution of this wealth is highly uneven: as a small class of mostly white commercial farmers and entrepreneurs still monopolize access to capital and arable land, Namibia's Gini coefficient of 0.71 (a measure of income inequality) is the highest of all countries sampled by the UNDP. Nevertheless, Namibians remain optimistic in the face of these problems: 96%⁹ of people agree that hard work is a means by which to get ahead, according to the Gallup World Poll.

SWAPO, Namibia's ruling party, has consolidated its hold on power over the last two decades, scoring a sweeping 75% victory in the 2004 presidential elections. This undisputed dominance, together with charges of corruption and sporadic assaults on the private media, represents a serious challenge to multiparty democracy and pushes Namibia's governance scores below those of neighbouring South Africa and Botswana.

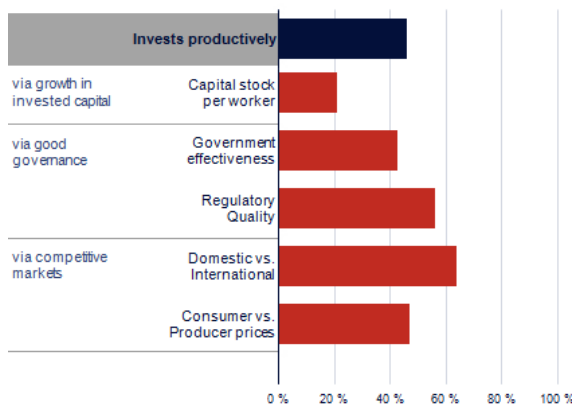
Namibia's economy, however, has experienced impressive growth since independence. Current GDP growth rates, estimated at 4-5%, are fuelled mainly by the increasing competitiveness of the mining sector (as indicated by relative movements in price levels). Mining accounts for half of national foreign exchange earnings. Low scores on capital investment and education, however, are a considerable barrier to greater economic diversification and may contribute to the poor innovation score. As a result, Namibia remains somewhat dependent on foreign aid, despite relatively high average incomes.

This legacy of the apartheid era, as well as the disconnect between urban centres and rural peripheries, are disruptive of the social fabric more generally and contribute to Namibia's low scores on social capital, particularly community life, for example in the low levels of charitable giving.

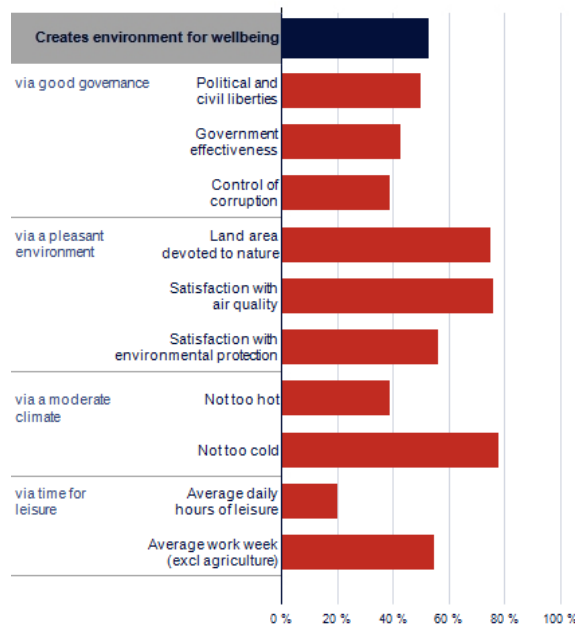
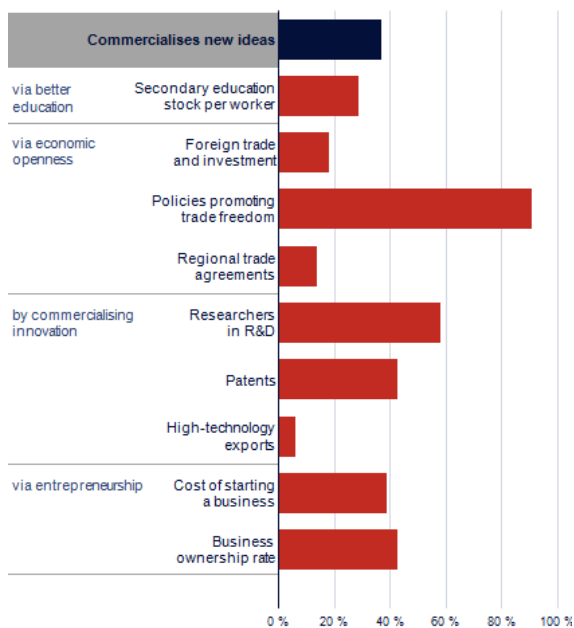
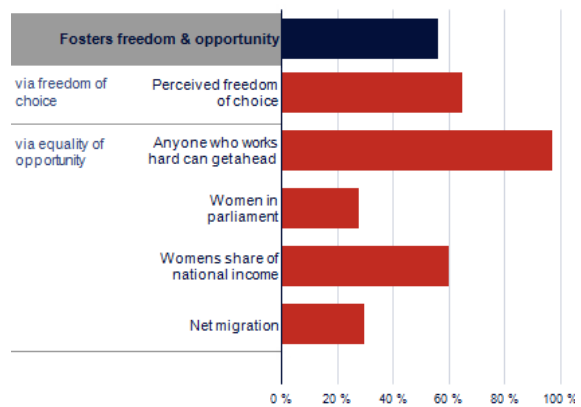
Namibia's vast and sparsely-populated landscapes, coupled with extensive and well-funded preservation programmes, make the country increasingly popular with tourists, and also ensure an excellent performance across a number of environment indicators.

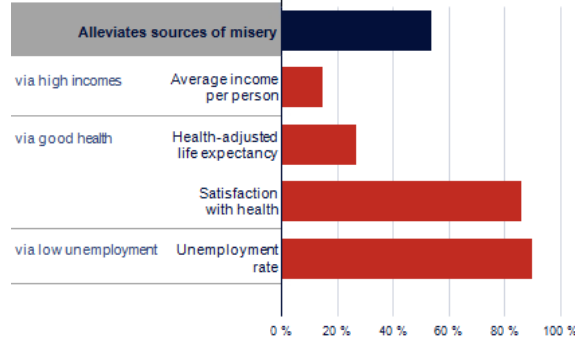
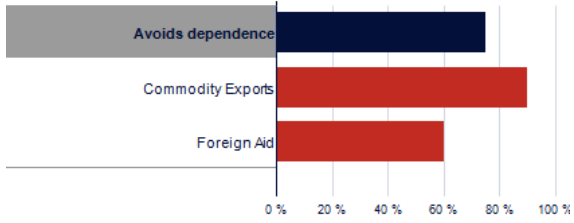
However, Namibia's extraordinary topography also puts a strain on its otherwise well-developed public services. In the remote northern regions in particular, access to the healthcare system is difficult and erratic. Together with an HIV prevalence rate in excess of 20%, this limits the average health-adjusted life expectancy to a mere 43 years. Nevertheless, in common with a number of other countries, satisfaction with personal health is high, with 87%⁹ of people reporting contentment, according to Gallup.

ECONOMIC COMPETITIVENESS: SCORECARD

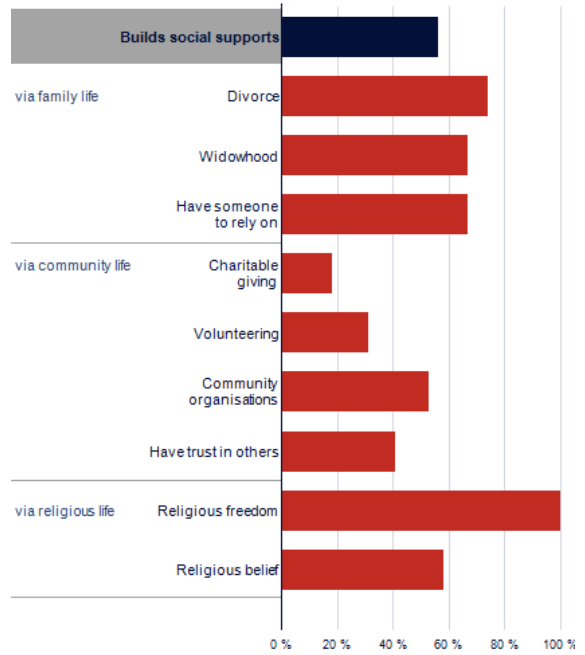


COMPARATIVE LIVEABILITY: SCORECARD





All subindicator scores in the Index are shown unweighted, expressed as a percentage of the score for the best-performing country in the Index. Indicator scores (in dark blue) are derived from the weighted average of relevant subindicators. For more information on how the subindicator scores are weighted to produce indicator scores and an overall Index score and ranking, see Chapter Two of this report.



References:

^{9, w} See www.prosperity.com/references.aspx for further details including date of survey, sample size, and margin of error.