

“Brexit: should Namibia be concerned?” By Grafton Whyte

I landed in the UK on the Monday after Brexit and the country was in turmoil. Most of the people I met in London were in shock, shaking their heads in disbelief. One person’s remark seemed to sum-up the prevailing mood, ‘Britain has gone mad’. One thing everyone was agreed upon was that Brexit is a game-changer, it’s just that no-one knows what the new game is.

It was clear in the days following the vote that no-one had expected the European leave-vote to win. Prime Minister David Cameron, fearing the far-right, promised the country a referendum on European membership during the last election. Having now lost, he dramatically resigns the following day, putting the highest office in the land up for grabs. Boris Johnson the main protagonist and supposedly premier-in-waiting, goes into hiding for four days and is unavailable to the press for comment! His wing-man, Michael Gove, politically assassinates his mentor and offers himself as the potential saviour of the country. The Labour party (the main opposition) who should now be rubbing their hands with glee at the confusion in government are facing their own problems. Their leader Jeremy Corbyn has seen almost his whole front-bench colleagues resign on him (including one minister who was in office less than a week), and he was massively defeated in a vote of no confidence, yet despite this has refused to step down. Meanwhile nearly 100,000 new members have joined the Labour party presumably to make sure when a leadership ballot is held Jeremy Corbyn will remain leader of



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the Labour party. Back to the Tory government who finally get their act together and appoint Theresa May as the new British Prime Minister- and this is just week four after Brexit. Britain has not seen such political machinations since the demise of Margaret Thatcher who was forced to resign by the ‘men in grey suits’, after a mauling at the hands of her former wing-man, Geoffrey Howe. Ironically, this is the same minister who was mercilessly ridiculed by the chancellor of the day Denis Healey who famously quipped: ‘being rebuked by the Honourable Minister (Geoffrey Howe) is like being savaged by a dead sheep!’ Clearly dead-sheep can be dangerous!

But this is just the appetiser- the main course is still to come. When the rest of the world is

creating ever-larger trading blocs, is the UK (and even the Union is now in doubt as Scotland is murmuring about another independence referendum) really planning to go it alone? Social scientists who have been scrutinising the leave-vote with its majority of 4% (52% vs 48%), say it was not really about leaving the EU but more about curbing the power of EU bureaucrats, who seem to dictate, rather than take instructions from elected member governments, and maintaining British values. They tell us that the 52% who voted to leave do not feel European, nor have they ever really experienced the benefits of Europe and were startled and perturbed by a vision of mass immigration from the Middle-East and North Africa. If these social scientists are correct, we can expect to see Theresa May and her counterparts in Europe put together a great British compromise which gives everybody in Europe most of what they want. Given that according to international lawyers disentangling the UK will in practical terms take years, and that a referendum is not legally binding and that the remain-voters (48%) will now be pushing for a new referendum, a compromise is probably the most likely outcome.

But this is only one scenario and this is really the point of this article. Namibia cannot afford to stand by and watch the predicament that Europe has found itself in, because whatever solution Europe comes up with will have a profound effect on our economies and trading relations. Though we are not party to the negotiations about

to take place in Europe, that does not stop us from applying our best minds to build scenarios that could possibly arise and start planning for those eventualities. For example, the UK is one of the largest contributors to the EU, inputting around 12% of its GDP. If the UK does pull out then the recently signed European Partnership Agreement (EPA) which took years to negotiate may become fatally compromised. During the weeks since Brexit, the Rand (and Namibian Dollar) has found itself on something of a roller-coaster ride in the wake of the Sterling and the Euro. These are the more obvious examples- I am sure there are a lot more. In response to Brexit, should we be re-doubling our efforts to solidify African trading blocs and should we be worried about our national debt and make more vigorous efforts to drive it down? Should we be looking for more bartering deals to help build our national infrastructure? Should we be looking to target the large African diaspora in the UK and Europe and entice them to invest in Namibia? Finally, will a focus on trading services and service excellence make a meaningful contribution? The answer is we don’t know, and the truth is nobody knows because we don’t know what the game is yet. But the main actors in this drama are busy applying their minds to craft the rules in their favour. So should Namibia be concerned? No, we should be doing likewise.

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