

## Voluntarism and mutualism

Previous articles discussed the role of regulators and banks in organised and corporate crime, weaknesses in economic and banking systems as well as corporatocracy.

The American and Chinese systems are unsustainable. Trend analysis demonstrates that the American systems are due for failure because of inherent weaknesses that government, regulators and banks ignored over decades. Namibian banks do have much better risk management practices.

Over decades, society became so blind to sophisticated deception of corporate criminality that they perceive the giants of the corporate world as essential, as the "good guys", as opposed to organised crime as "evil per se". Vast sums of profit made from legal and unscrupulous practices, of which only a fraction is used for donating to social causes "buy" acceptability, justifying their abuse of the vulnerable in society.

In Peru, it is normal for banks to charge up to one hundred percent service fees based on the original transaction amount, for credit card transactions. At home, the Institute of Public Policy Research executed a study a few years ago and revealed that Namibian banking fees were of the highest in the world. Government has started to pressurise banks to lower their service fees. Banks have slightly reduced their fees.

### INEQUALITY

The Namibian society suffers from an inequality deficit (as measured by the Gini-coefficient out of one, with one an indication of one hundred percent inequality) of approximately 0.6 - 0.7, for 2003 and 2010 respectively.

The Gini-coefficient is an international indicator that measures the average gap in income between the rich and the poor. The bigger the gap, the more are problems related to inequality, e.g. crime, poverty and apathy.

Namibia is the fourth most skewed society in the world. In the context of this



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mega difference between the "have's and have not's", socio-economic inequality is one of the major drivers of corruption. Inequality, corruption, and poverty are indicators of serious and deep underlying problems for which the banking sector, government, and we as citizens are accountable.

For the poor and vulnerable, it may seem that banks abuse them with their unaffordable fees, which is in stark contrast to their corporate branding of community responsibility. It is possible to strike a balance between customer affordability and corporate profitability. One would expect the banking sector to voluntarily reduce their fees, without government forcing them to do so with compulsory regulations. Let us hope that banks will commit themselves to such a voluntary and vigorous drive for reducing their fees. Customers should assist banks in reporting phishing scams and/or frauds, not to provide our personal bank account numbers and or pin codes to anyone (and definitely not per email), to be more informed about cybercrime, the dark web and how to prevent identity theft. Let us assist banks in trying to minimise their increasing losses on fraud so that they can be in a better position to make their service fees more affordable.

#### •References

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