

How to make Namibian corruption unattractive

To make corruption unattractive, every Namibian dollar/Rand increase in benefits from corruption should be matched with more than a Namibian dollar/Rand increase in costs.

The maximum penalty in Namibia for money laundering should be removed,

because the maximum penalty of N\$500,000 and/or 5 years in jail

reduces the number of small payoffs, but raises the size of larger payoffs.

The maximum penalty should be replaced with a sliding scale penalty that is directly linked with the cost and risk (and should always be more than the cost and the risk) to deter corruption.

Drug trafficking, for example, has huge profit margins after deducting the costs. Net costs of the cocaine business can include the following: growing coca (mainly in Peru and Bolivia); collection and transportation of coca leaf or coca paste; processing of coca into cocaine base and cocaine hydrochloride; transportation of the



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finished product to the United States of America; wholesale and retail distribution (re-packaging in smaller quantities for shipment to other markets such as South Africa and from there to Namibia); paying runners to find new addicts (customers); bribes for import and export at border posts; and payment to the police "to look the other way" (Williams).

References

Williams, P. 2001. *Networks and Netwars: The Future of Terror, Crime, and Militancy*. Santa Monica: Rand Publication.

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