THE NEXUS BETWEEN LOGISTICS AND REGIONAL DEVELOPMENT: INSIGHTS FROM NAMIBIA

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ABSTRACT

The positive contribution of logistics to regional development has a long pedigree. Most scholars and development practitioners alike converge on the common understanding that logistical activities (seaport, dry port, transport, Physical Distribution Management and facilities, warehousing and storage) spur regional development for coastal countries with functional ports and logistics systems. A few scholars, however, doubt the significance of logistics in regional development. This is because the utilization of logistics as an instrument for regional planning is relatively recent in the advanced economies. Namibian through its logistics Master Plan out to become a logistics hub for the Southern Africa region by 2025. With that in mind, logistics assumes an important role as an instrument of territorial planning because it can improve the transportation and communication structure, decreasing dead time on a regional scale as well as planning its future development. Therefore, this presentation attempts to analyse the potential contributions of enhancing regional development in Namibia, through the logistics lenses. The nexus between dry ports and regional development is then illustrated in a conceptual framework. The framework indicates that the logistics system provides long-term and short-term benefits from the regional development perspective. In the short run, logistics systems enhance seaport accessibility, boost production volume, increase the employment rate, and attract more investment.