

Increased globalisation and unpredictable weather patterns have left many rural livelihoods more exposed to external shocks. Agricultural-based rural livelihoods are typically under-resourced, have low productivity and are the most affected by climate change. Unpredictable weather patterns, coupled with weak market institutions make rural subsistence farming very risky. Consequently, there has been increased discussions among researchers and policy makers regarding the need for alternative rural livelihoods that are more diversified. Diversified livelihoods are typically more robust and better suited to mitigate the negative effects of external shocks. Alternative rural livelihoods imply non-agricultural economic activities. In essence, alternative rural livelihood interventions aim to reduce the prevalence of economic activities perceived to be volatile and vulnerable to external shocks such as climate change. These high-risk activities are substituted with more resilient livelihood activities that provide at least equivalent benefits.

Alternative rural livelihoods are generated by rural transformation initiatives which work to transform ownership and usage of rural resources to meet basic human needs and contribute to national development. Rural transformation can be described as a transition from rural-agricultural to urban-industrial (or service-based) livelihoods, accompanied by declining shares of agriculture in GDP and employment.¹ Essentially, successful rural transformation can reduce pervasive socioeconomic inequalities by diversifying rural income streams and enhancing people's capacity to manage socioeconomic risks, which are more prevalent in rural areas.²

If policy makers are to successfully address poverty, targeting rural livelihoods needs to be prioritised. For example, Kuznets hypothesised that a reduction in economic inequality as a result of economic growth would occur as the economy transformed from rural to urban and from agricultural to industrial, resulting in an expansion of the labour force in the industrial sector and a decline in the agricultural sector.³

The National Vision 2016 of Botswana envisioned the elimination of absolute poverty by 2016. Crucial to poverty eradication was a commitment to rural development as a central policy and vehicle for improving welfare and livelihoods. Even though absolute poverty has not been

¹ Engel, E., Rettberg, S., Rauch, T., Neubert, S., Richter, D., Minah, M. & Berg, B. 2017. *Towards Inclusive and Sustainable Rural Transformation in Sub-Saharan Africa*, Centre for Rural Development: Berlin. Available At: <https://www.sleberlin.de/> [Last Accessed: 29 January 2018].

² WB 2016. *Poverty and Shared Prosperity 2016: Taking on Inequality*, World Bank Group: Washington, D. C. Available At: <https://worldbank.org/> [Last Accessed: 7 February 2018].

³ Kuznets, S. 1955. 'Economic Growth and Income Inequality', *The American Economic Review*, Vol. 45 (No. 1), pp.1-28. Available At: <http://www.jstor.org/> [Last Accessed: 23 May 2018].

eliminated, it has been reduced from 30% in 2002 to 18% in 2016.⁴ The face of poverty in Botswana is rural, young and female.

Between 1966 and 1999 Botswana's economic growth averaged about 9%, one of the highest in the world.⁵ However, growth stagnated from 2007 to 2017 and averaged 5%.⁶ Despite the country's impressive economic performance, poverty, unemployment and inequality remain notable economic hurdles. The persistent poverty has been labelled by commentators as 'poverty amidst plenty'.⁷

At independence in 1966, over 90% of Botswana was classified as primitively rural. Through rapid economic growth and various deliberate interventions, the country has managed to urbanise the majority of its population. A rural area in contemporary Botswana is characterised by access to a road network, health facilities, a minimum primary school education, mobile phone network access, a community council and in most cases, a connection to the national electricity grid.⁸ Accordingly, most rural areas in the country can be classified as being in the intermediate state of rural transformation. Although agriculture is still an important economic activity in rural areas, remittances form a vital source of livelihood.

Botswana has employed several multidimensional measures, both direct and indirect, in an effort to diversify rural livelihoods and encourage a shift toward non-farm livelihoods. One of the indirect strategies employed is education, which the government provides for free, up to university level. Income inequality exists, with workers in urban areas earning higher wages than their rural counterparts. The disparities in income can be attributed to differences in education levels. Rural dwellers tend to be relatively less educated and thus face structural unemployment.⁹ Despite the positive effects of free education, the policy may be ineffective for poor rural dwellers who frequently have to choose between continuing education and entering the workforce early to support their families.

In terms of land reform, Botswana has taken a less direct role by focusing more on sustainable human capital and social development. The reasoning was that increased skills development and social safety nets will more readily address both short and long-term poverty. In the 2017/18 budget, 14.2% was pledged to the Local Government and Rural Development Ministry and 2.2% to the

⁴ WB 2018. *The World Bank in Botswana*, on the World Bank Website, viewed on 7 February 2018, from: <http://worldbank.org/>.

⁵ Lewin, M. 2011. *Botswana's Success: Good Governance, Good Policies, and Good Luck*, Chuhan-Pole, P & Angwafo, M. (eds), in *Yes Africa Can: Success Stories from a Dynamic Continent*, World Bank Group: Washington, D. C. Available At: <http://worldbank.org/> [Last Accessed: 1 February 2018].

⁶ WB 2018. *The World Bank in Botswana*, ibid.

⁷ Jefferis, K.R. & Kelly, T.F. 1999. 'Botswana: Poverty Amid Plenty', *Oxford Development Studies*, Vol. 27, No. 2, pp.: 211-231. Available At: <https://doi.org/> [Last Accessed: 27 May 2018].

⁸ Moepeng, P.T. 2013. *Rural Development in Botswana: Experiences from Elsewhere and Emerging Issues*, University of Queensland: Brisbane. Available At: <https://umn.edu/> [Last Accessed: 4 February 2018].

⁹ Lekalake, R. 2016. *Evaluating Botswana's Performance on National Vision 2016 Public Opinion on Development Pillars*, Afrobarometer: Legon-Accra. Available At: <http://afrobarometer.org/> [Last Accessed: 31 January 2018].

Ministry of Land Management, Water and Sanitation Services.¹⁰ The ministries are central to effective land reform and rural transformation. Tribal land, which is held under customary land rights, accounts for over 70% of land tenure in Botswana. Rural settlements mostly fall under this tribal category and most dwellers have title deeds to the land, with freedom to use it as they see fit. Despite higher levels of capital, such as land ownership, structural poverty in the country still persists.

Structural poverty can partly be attributed to the fact that tribal land cannot be used as security or collateral for any commercial or mortgage loan.¹¹ This limits the owners' livelihood choices and hampers their autonomy to derive income from the land. The Botswana government adopted a new Land Policy in 2015 which aimed to identify all land parcels in the country, their location, size and owners and produce a database of the outcomes.¹² The formal documentation of the land could potentially relax commercial banks and other financial institutions' risk appetites and improve rural credit access, and thus lead to increased productivity and robust livelihoods.

Another method employed by the Botswana government to diversify rural livelihoods has been the extension of access to credit. Credit can help in mitigating the risks associated with external and unexpected economic shock. In the rural Botswana context, these shocks can come in the form of drought and outbreaks of animal and human diseases. Commercial banks often view rural subsistence farmers as risky investments and seldom grant them credit. In response, the government offers loans and grants through various agencies like the Citizen Entrepreneurial Development Agency (CEDA), Integrated Support Programme for Arable Agricultural Development (ISPAAD), Local Enterprise Authority (LEA) and the National Development Bank (NDB).

CEDA was established to provide financial and technical support for business development with a view to the promotion of viable and sustainable citizen owned business enterprises.¹³ In addition to funding, the programme also provides training and mentoring for new and seasoned entrepreneurs and business advisory services to entrepreneurs in various skills, as identified through the needs assessment that is conducted during project monitoring. ISPAAD is an agricultural support programme that aims to address challenges among farmers such as poor technology adoption rates and low productivity.¹⁴ Other programmes, such as the Accelerated Rainfed Agricultural Programme (ARAP), and the Small livestock communal Assistance programme (SLOCA) are offered to rural farmers in order to strengthen their livelihoods and reduce

¹⁰ MFED 2017. *The 2017/18 Budget-In-Brief*, Botswana Ministry of Finance and Economic Development: Gaborone. Available At: <https://cabri-sbo.org/> [Last Accessed: 27 May 2018].

¹¹ AfDB 2016. *Review of Land Tenure Policy, Institutional and Administrative Systems of Botswana*, African Development Bank: Abidjan. Available At: <https://afdb.org/> [Last Accessed: 4 February 2018].

¹² AfDB 2016. *Review of Land Tenure Policy, Institutional and Administrative Systems of Botswana*, ibid.

¹³ Sekwati, L. 2010. 'Botswana: A Note on Economic Diversification', *Botswana Journal of Economics*, Vol. 7, No. 11, pp.: 79-85. Available At: <http://dx.doi.org/> [Last Accessed: 27 May 2018].

¹⁴ Morapedi, W.G. 2016. 'ALDEP Re-Designated as ISPAAD: An Appraisal of Continued Stagnation of Crop Production in Post-Independence Botswana', *Botswana Notes and Records*, Vol. 48, pp.: 288-300. Available At: <http://journals.ub.bw/> [Last Accessed: 27 May 2018].

poverty.¹⁵ In addition to these programmes, government also provides institutionalised regular drought relief programmes to all rural citizens and livestock farmers.¹⁶

As Africa's longest continuous multi-party democracy and one of the most politically stable countries, Botswana is generally regarded as the continent's model for good governance. The country's democratic government prioritises transparency, accountability and decentralised decision-making programmes and structures. Good governance is a critical component of any successful and sustainable poverty reduction strategy. Poor governance in developing countries can intensify poverty and bolster underdevelopment. Rural settlements have community councils (Kgotla), which are large tribal assemblies used by Tswana chiefs to discuss important issues, policies and legislation with their communities. This gives rural dwellers a chance for their voice to be heard regarding any developmental concerns they may have. Part of Botswana's poverty reduction success can be attributed to free and open democratic processes.¹⁷

Botswana is a signatory to the Gaborone Declaration for Sustainability in Africa, which aims to forge a new model of development that takes into account the role of natural capital in development, by bringing the value of natural resources and placing them at the centre of all economic decision-making.¹⁸ The definition of natural resources was expanded in this case to include vital natural resources like land, forests and fresh water. The Declaration, along with the commitment to the National Vision 2016 and the Millennium Development Goals ensure that any rural transformation strategies employed by the government are both environmentally friendly and socioeconomically sustainable.

Like any developing country, Botswana faces various structural impediments against its quest for rural transformation and land reform. These impediments include inadequate infrastructure, unemployment and limited institutional capacity. High rural unemployment makes the generation of alternative livelihoods challenging, as constituents often lack the skills needed to diversify their livelihoods. Market failure is more prevalent in rural Botswana because of the distance from main centres coupled with low population density and inadequate infrastructure. This results in low levels of external investment, along with low productivity, which puts further pressure on rural livelihoods.

¹⁵ Morapedi, W.G. 2016. 'ALDEP Re-Designated as ISPAAD: An Appraisal of Continued Stagnation of Crop Production in Post-Independence Botswana', *ibid*.

¹⁶ Sebudubudu, D. 2010. 'The Impact of Good Governance on Development and Poverty in Africa: Botswana - A Relatively Successful African Initiative', *African Journal of Political Science and International Relations*, Vol. 4, No. 7, pp.: 249-262. Available At: <http://academicjournals.org/> [Last Accessed: 27 May 2018].

¹⁷ Sebudubudu, D. 2010. 'The Impact of Good Governance on Development and Poverty in Africa: Botswana - A Relatively Successful African Initiative', *ibid*.

¹⁸ GD 2017. *Ecosystem Valuation and Natural Capital Accounting*, on the Gaborone Declaration Website, viewed on 2 February 2018, from <http://gaboronedeclaration.com/>.

Batswana rural areas have been radically transformed from the primitive to the intermediate stages of development since independence. Poverty has also declined significantly. The progress can be attributed to Botswana's economic growth which is undergirded by good governance. In an effort to improve rural livelihoods, the government employed a mix of strategies which both encouraged livelihood diversification and mitigation of risks associated with agricultural rural livelihoods. Botswana's economy relies heavily on diamond mining, which can expose the country to the risk of "resource curse". Therefore, there is an increased need for a diversified economy that has multiple stable income streams in order to intensify sustainable alternative rural livelihoods.

Worldwide, women are most affected by poverty and the majority of Batswana rural households are female headed. Women tend to be employed in low-paying occupations with structurally lower incomes than men.¹⁹ Since women tend to have a larger share of family responsibilities, they generally spend fewer years in the labour force compared to men, further contributing to the structural wage disparities. Women's poorer earning capacity often results in low saving for later years. In order to ensure the sustainability of rural households, rural transformation strategies need to target women, as they are most vulnerable.

In conjunction with other rural transformation strategies, governments should encourage ecotourism and monetisation of local cultures in order to promote alternative livelihoods. The cultural assets such as indigenous knowledge, crafts, art, architecture and fashion are poorly monetised to benefit rural households. Supported by appropriate policies and development programmes, cultural assets can create a potential for significant wealth creation. Between 2002 and 2011 the global trade of creative goods and services, mostly from developing countries, doubled to USD 624 billion in 2011.²⁰ Apart from the potential for diverse rural livelihoods generation, creative industries can aid in globalisation and poverty reduction.

Concluding Remarks

Rural transformation and increased non-farm activities represent a risk mitigation strategy and strengthens sustainability of rural livelihoods. This is an essential part of rural transformation, which requires the engagement of the government and society as whole. Depending on how the strategy is carried out, there can be potential negative effects associated with rural transformation and livelihood diversification. These can include mass rural-urban migration, unemployment and increased vulnerability among rural dwellers who have limited capacity to implement the strategies as set out by governments.

In addition, uneven rural transformation process can end up disadvantaging the very population it is intended to help. Essentially, rural transformation strategies need to be even, economically viable and sustainable in the long run. Botswana tends to take a less direct route to rural

¹⁹AfDB 2011. *Gender Employment: Case Study of Botswana*, African Development Bank: City. Available At: <https://afdb.org/> [Last Accessed: 29 January 2018].

²⁰ UNESCO 2013. Creative Industries Boost Economies and Development, Shows UN Report, on the United Nations Educational, Scientific and Cultural Organisation Website, viewed on 7 February 2018, from <http://unesco.org/>.

transformation by emphasising sustainable human capital and social development, through free education and other government support. The current President, Ian Khama, is set to step down following a 10-year reign and Mokgweetsi Masisi will take over the country's highest position in April. The new president has not yet commented on land governance and rural transformation, but has pledged commitment to aggressively tackling poverty, income inequality and unemployment

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Note:

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