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Rural Development in Botswana:
Experiences from Elsewhere and Emerging
Issues

by

Pelotshweu T. Moepeng

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Experiences from Elsewhere and Emerging Issues¹

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June 2013

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Rural Development in Botswana: Experiences from Elsewhere and Emerging Issues

Abstract

Poverty incidence is one of the most critical concerns in Botswana and the government has resolved to eradicate this problem and ensure that every citizen live in a dignified and acceptable condition consistent with the national aspirations as set out in the National Vision 2016. Currently, rural areas are persistently experiencing the highest poverty incidence compared to any other place in the country. This has been the case ever since we have measured the extent of the poverty problem in 1985/86. Rural development in Botswana has been a central policy and strategy of government effort to improve the welfare and standard of living since independence. Since the 1970s, a rural development council that was traditionally chaired by a Vice President demonstrates the importance that government takes about rural development. The membership of this council involves all permanent secretaries and key non-government stakeholders. The Council has made tremendous success in transforming Botswana from a primarily rural based population to a country where the majority of its residents live in urban areas. Initial rural development efforts that provided basic infrastructure countrywide contributed to Botswana’s urbanization as part of this process involved a reclassification of many former rural villages into urban villages, particularly after the 1991 Population Census. Rural population is now a minority but the problems of poverty and vulnerability remains higher than in other areas. The nature and outlook of rural areas have changed dramatically and so have the needs of the rural people. There is a need to review our definition of a rural area, and re-visit the policies and processes of facilitating rural development to make them more relevant to emerging issues and challenges. This papers proposes that the country should choose its programmes and projects for development based on their ability and past record to perform, target government support more efficiently and effectively, acknowledge emerging challenges and respond accordingly by improving the operations of a market system, even if it requires government intervention.

JEL Codes: O13, O15, O18
Keywords: agriculture, credit, cooperatives, globalization, indigenous knowledge land markets, poverty, property rights, rural development, sustainable employment, wildlife tourism.
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1. Introduction

Rural development in Botswana has traditionally been one of the major priorities of Botswana government, because at independence and until 1980s more than 80 per cent of the population was in rural areas. At independence, Botswana was also one of poorest countries in the world. More recently, all the studies measuring the extent of poverty in Botswana from 1985/86 to 1993/94, to 2003/04 and 2009/10 have shown that the incidence of poverty, although declining, is worse in rural areas than in towns and cities. Following the discovery of diamonds and a sustained macroeconomic management policy, the country successfully invested in infrastructure to develop road networks, potable water supply, schools, health service points and others. The results have been a rapid transformation of the country from a high rural population concentration to a population structure than is more urban in character. Most of the urbanization in Botswana was a result of re-classification of previously rural villages to urban villages by the Central Statistics Office after the 1991 Census.

Following the transformation of Botswana from one of the poorest countries to a middle income country, the incidence of poverty also declined from 60 per cent in 1985/86 to 30 per cent in 2003/04 and to 23 per cent in 2009/10 (Statistics Botswana, 2011a). Poverty incidence remains more pronounced in rural areas than any other area in Botswana. One of the explanations for this circumstance is the reallocation of the population in terms of skills match and demographic patterns. Moepeng (2010) has shown that rural areas of Botswana constitute a concentration of households headed by more females than male. Rural household heads have lower education levels and generally a higher average age than heads of households in urban centres. In general, people with these characteristics are more likely to be poor than otherwise. Thus a major problem of rural development in Botswana is identifying the characteristics of the population that is found in rural areas, understanding their capacity and matching their skills to prevailing rural areas’ opportunities. By obtaining more knowledge about the nature of rural areas in Botswana, and the people who reside in these areas, more relevant and appropriate incentives can be developed and put in place to promote more productive and sustainable exploitation of resources that are found in rural Botswana and thereby contribute to the National Vision 2016 objectives.
This paper will begin by discussing the definition of a rural area in Botswana and considering what rural development is expected to achieve. Then some socio-economic issues that contribute to the contemporary rural development issues will be outlined. Following this discussion institutional and structural issues that call for a re-examination of the existing rural development approach will be outlined. Finally, the paper will propose a ‘new look’ at rural development based on a livelihood approach that proposes a support of more proactive approach to embracing key sectors that have demonstrated success in Botswana and those, which exist but do not have organized structures of support and encouragement necessary to project them into the international market.

2. Defining a Rural Area in Botswana

Rural Botswana today, is a very different from rural Botswana in the 1980s and before in terms of outlook, population census and composition, infrastructure development, livelihoods base, communications etc. Nearly 90 per cent of Botswana was rural in 1987, less than three decades ago. Since, then there has been rapid urbanization. Although the initial Rural Development in Botswana report stated that improved infrastructure and public services, alone, would not bring about rural development, sustained government commitment in developing physical infrastructure in rural areas has brought about significant and unprecedented changes in the outlook of rural Botswana. Today, nearly all rural areas in Botswana are accessible from the capital Gaborone within a period of 24 hours. Although a rural area in the past based its livelihood in agriculture and availability of natural resources, today most rural households in Botswana attribute the most important source of their livelihood to monetary transfers (Moepeng, 2010).

A standard description of a rural village in contemporary Botswana is a place that has access to a road network, a minimum of a primary school, a health facility, a kgotla (a community council), mobile phone network access, and most likely a connection to the national electricity grid. Although a majority of people in rural areas have low level of education, more than 70 per cent of the rural population has been to a primary school (Moepeng, 2010). A rural village also has a population that depends on diverse sources of income. Those households with migrant members working outside the village receive private transfers as a source of livelihood and many
households in any rural area receive a government transfer from the many safety nets the Botswana government has already in place.

According to Statistics Botswana (2011a), the rural population is less than 40 per cent of the total population in Botswana. A decline in rural population in Botswana is a good sign that poverty situation is being reduced, because traditionally, rural poverty has been the highest in rural Botswana (CSO, 1986; 1994 and 2004). The standard definition of a rural area as adopted by Statistics Botswana needs to be reconsidered. Statistics Botswana defines it as an area where less than 75 per cent of the population depends on non-formal employment outside agriculture. Despite the length of time such definition has been in use, the general population including most government policies in rural development (Ministry of Finance and Development Planning 2002) use a different definition. The Ministry of Finance and Development Planning (2002) considers places like Molepolole, Serowe, Tonota, and Mahalapye and many others as rural. This definition arises from the observation that despite the increased urban character of these places, they retain a lot of rural characteristics.

Most urban villages now operate as service centres to smaller villages. Most are home to retired officers from the first generation workers. Many people in Botswana still prefer to maintain socio-economic linkages with rural areas and they wish to be buried in their home villages although they might have lived all their adult lives in cities. A village population sometimes is dominated by people who work in (commute to) nearby towns or cities. Many villages near to towns are used as bedroom villages. The fact that a village is very distant from the capital does not imply lack of basic amenities like water, electricity, roads etc, as was the case in past. Nowadays, circumstances differ from village to village. Therefore, while it was clear-cut in the past that rural development meant the development of infrastructure and agriculture, today’s rural development approach needs to identify the different potentials of each area, livelihood patterns, opportunities arising from international relations and globalization and how existing human capital and technology adoption could be harnessed to achieve optimal benefits to increase standard of living in rural areas. In this article, I adopt a rural area definition to mean any place where the land area is not under state land and all land ownership is under secure title. **Rural development** should involve the transition of an area from rural to urban, must entail an
empowerment programme and provide an incentive to promote productivity even in less productive areas.

**The International Experience**

The international experience of rural development in many former colonized countries is primarily about redistribution of most of the land which was in the private hands of the former colonial masters. In the case of Botswana, which was a protectorate and which had limited interference in land affairs by the colonial power, the situation is quite different. Most of the land remained in communal ownership and there was small population pressure on the land. Nevertheless, in some countries, emphasis was in addressing the socio-economic hardships such as gender imbalance to make an inroad on poverty. In other cases, technology adoption was a primary vehicle through which rural development was achieved. While in others, discrimination and persecution of some members of society was undertaken to do away with discrimination which was an entrenched cultural practice that relegated some members of society to perpetual poverty. Examples follow for Kenya, Ghana and India.

**Kenya**

Empirical rural poverty studies in Kenya, based on case studies, provide insights into causes of poverty (Place, et al., 2007). Poverty in rural areas was primarily a problem of lack of socio-economic development. These case studies show why female-headed households were poorer or how other factors such as lack of education rendered households vulnerable to poverty. For example, education provided access to a wider choice of remunerative jobs that better cushioned these households against adverse shocks. The studies of rural poverty in Kenya further indicate that the associations identified between poverty status and household structure depended on the particular measure of poverty used. For instance, the results show that how different indicators of poverty have some influence over the characterization of who the poor are, can demonstrate that quantitative analysis, might show that a particular characteristic of the head of household were associated with being poor or non-poor regardless of the poverty indicator. In Kenya, rural development focused on increased agriculture and primary goods production to supply the modern sector in cities.
**Ghana**

In Ghana’s rural areas almost the entire labour force are traditionally engaged in agricultural activities and very few find themselves in non-farm activities of any significant level (Sackey, 2005). It is therefore not surprising that rural unemployment in Ghana has been very small at no more than 5.5 per cent. In contrast, the unemployment rate was high in 1992, at 11 per cent and increased to 13 per cent in 1999 in urban areas. The rural development policy in Ghana emphasised provision of small-scale irrigation facilities to minimize the dependence on rain-fed agriculture. Overall, irrigated agriculture increased the hours of work and because of the climate and rainfall patterns, increased overall earnings. Particular emphasis was placed on innovative processes in the area of small-scale agricultural machinery development and the diffusion of such technologies. Subsequently, adoption of new technology in rural localities enhanced productivity, income and subsequent improvements in the standards of living of these communities. However, empirical evidence also showed that agricultural land ownership in rural Ghana also reduced the likelihood of being poor in a statistically significant manner (Sackey, 2005). In these instances, rural development strategy of Ghana emphasized access to education as an important poverty reduction strategy.

**India**

A study of rural poverty in India has concluded that poverty in that country was caused by low levels of assets coupled with low and uncertain returns (Parker et. al., 2007). The results of that study further found that usually without fertile land, illiterate and frequently in ill-health, the poor suffer from lack of private assets. In addition, the poor have limited access to public assets such as community infrastructure, basic services, and government programs. They therefore suffer from poverty of access to public goods and services. Finally, they were often deprived of informal systems of support and social capital – poverty of social relationships. Many were headed by women without husbands or adult male relatives, while others were headed by disabled male breadwinners. Analysis of the survey results supported informants’ claims that the cost of medical care was a significant cause of extreme poverty. Parker et al. (2007) argued that the caste system and gender have long been recognized as important determinates of poverty in India; although caste and social inequities have been addressed in many villages studies. India’s
rural development strategy focused on adoption of new technology particularly new seed varieties, provision of education, elimination of discrimination against lower castes and import substitution.

3. Contemporary Rural Development Issues

3.1 Socio-Economic

3.1.1 Poverty, Inequality and Safety Nets

Although poverty is the single most problematic circumstance that prevents people from achieving a decent living, there is limited availability of poverty data showing trends of observations over the past 50 years. Worldwide data for different countries are sparse and not always comparable from one country to another (UNDP, 1990). Thus there is no available poverty data to describe the world poverty trends in previous decades. However we now know through the World Bank that over 1 billion people in the Third World lived in absolute poverty in 1990. Shares of the total population that lived in poverty by continent in 1990 were Africa, 24 per cent; Latin America and Caribbean, 12 per cent, and Asia, 64 per cent. In general, poverty has been highest in rural areas. Figure 1 shows the rural poverty rates in Botswana and selected countries that were measured between 2000 and 2009. In this figure, it is shown that between the period of 2000-2009, Chile had the lowest percentage of 19.9 with the highest in Namibia. Botswana had percentage of 44.8 which is amongst the highest in these selected countries. Such evidence could imply that, despite rural development being a very important part of the Botswana government policies and poverty eradication being one of the flagship programmes, something could be wrong in the way we identify our problems, or we might not be targeting our efforts appropriately to address our problems. We therefore need to review the problem identification processes that we have used, review whether the problems we know and are addressing are relevant to help achieve our objectives or not. Given the political will and resources allocated to address rural poverty, appropriate programmes and efficient targeting is expected to result in faster eradication of poverty.
Figure 1: Rural Poverty Rate in Botswana and Selected Countries (2000-2009)

Table 1: Poverty Trends in Botswana Using the UN Poverty Measure of Less than $1 a day

<table>
<thead>
<tr>
<th></th>
<th>1993/94</th>
<th>2002/03</th>
<th>2009/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cities/Towns</td>
<td>8.1</td>
<td>5.1</td>
<td>3.3</td>
</tr>
<tr>
<td>Urban Villages</td>
<td>17.1</td>
<td>19.3</td>
<td>6.1</td>
</tr>
<tr>
<td>Rural Areas</td>
<td>26.4</td>
<td>36.1</td>
<td>8.3</td>
</tr>
<tr>
<td>National</td>
<td>19.9</td>
<td>23.4</td>
<td>6.5</td>
</tr>
</tbody>
</table>

Source: Statistics Botswana, 2011b
Table 1 above shows poverty trends in Botswana from 1993/94 to 2009/10. The poverty line threshold is the UN poverty line measure of US$ 1 a day. The trends show that the relative incidence of poverty remained higher in rural areas than in urban centres throughout the last twenty years. However, there is evidence the incidence of rural poverty is fallen to one digit. Nevertheless, rural poverty of 8.3 per cent in 2009/10 compared to 6.1 per cent in urban villages and 3.3 per cent in cities and towns is still very high and a cause for concern. The second most important concern is that, although rural poverty has declined significantly compared to previous periods, it is not easy to explain the reasons for such decline because the economy is still not diversified, agriculture performance has not changed dramatically, unemployment remains very high and the beef sector is experiencing both disease outbreaks and market access problems. An explanation is that government safety nets are now wider in coverage and deep in magnitude. If that is the case, then there could be problems in maintaining the sustainability of observed declines in poverty rates because the economy remains highly dependent on diamond mining.

3.1.2 Gender

There is historical evidence of the relationship of gender with poverty and economic deprivation in most international economies (Danzinger and Haveman, 2001; Quisumbing et al., 2001; Rosenhouse, 1989). Compared to males, women are generally socially handicapped and face conditions that might keep them poor for generations unless a country has effective proactive policies to break this circle. Bardhan and Udry (1999) argue that women face socio-economic conditions that restrict them from acquiring and using human capital to break away from their poverty trap in many parts of the world. For instance, many women who dropped out of school in Botswana in the 1980s and before because of teenage pregnancy failed to continue with schooling to take advantage of human capital development opportunities due to lack of childcare facilities and school regulations that were prohibitive. This probably kept them in the low educated category and locked them perpetually into low paying jobs. The gender of an individual if often used to allocate certain duties in society based on culture and such traditions could lead to a greater incidence of poverty among women than men (Schiller 1998).
Currently, a majority of heads of households in rural Botswana are female (Moepeng, 2010; Wikan, 2004). Therefore the role of women as the source of income to rural households needs to be emphasised. Given that being a woman is more likely to be associated with the incidence of poverty among less educated women, rural development policy should identify and directly address problems that inhibit women from fully enjoying the incentives that are provided by government to improve rural livelihoods. In some traditions, including those in Botswana, women’s roles include being care-takers of sick relatives, daughters, sons and husbands. In the era of HIV/AIDS, women in developing countries are more exposed to health hazards than their male counterparts because of the limited health facilities and overstretched services. Women miss out on prime time for productive work during their care-taking responsibilities. This leaves them without income or with very few assets.

Investment in education, especially in rural areas should focus on preparing females for wage employment. This proposal is adopted because of the experiences of other countries such as Chile, where it has been shown that women with necessary skills have access to or earn more than men in wage employment as compared to self-employment or in farm labour (Reardon and Berdegue, 2001). Overall, a summary of gender information from the study data might assist in understanding the behaviour of the household heads and their attitudes to incentives that aim to reduce poverty.

### 3.1.3 Household Size

Household size can have a strong influence on the ability of individual members to deal with their poverty status. There is conflicting evidence about the association between household size and poverty. For instance, the relationship between household size and poverty is sometimes associated with the view that per capita income falls as household size increases in agrarian societies (Todaro, 1981). It has been confirmed that a larger household size with more children than adults has a higher likelihood to be in poverty because of an increased financial need to cater for more people with limited employable opportunities (Cancian and Reed, 2001). However, in a household with a greater number of adults and fewer number of children, poverty is less likely to be a problem because the dependency ratio is lower as a rule (Danzinger and
In countries other than Botswana, the poverty situation for female-headed households has been found to decrease as household size increases (Barrientos et al., 2003).

Although the influence of size of a household as contributor to poverty is not conclusive from previous studies, smaller and affordable household sizes should be encouraged through existing family planning education and methods. In addition, rural development policy should discourage people from taking advantage of large families and their poverty status to enjoy undeserved government support. The government could provide institutional housing to those who need them on a loan basis, instead of transferring ownership of new homes built through charity to poor large households. When a household graduates from poverty, the same houses could be made available to future households in need.

3.1.4 Age of Household Head

The age of the head of household is a major factor that influences the pattern and volume of income in a household. In many developing countries concerns have been raised about changes in household structure, such as the disappearance of extended family structures, which can undermine informal old age support systems (Barrientos et al., 2003). Older people are vulnerable to poverty problems because their ability to generate income is considered to be less than those of younger age and they are sometimes marginalized in the development programmes. Barrientos et al (2003) found that the relationship between poverty and age in developing countries was “U” shaped with poverty rates being higher among the younger and older age groups. Some of the reasons for such results were that employment participation rates for older and younger groups were low.

The Botswana government has made significant effort to address the problems of economic vulnerability faced by old people. Since the late 1990s, the introduction of various programmes such as Old Age Pension award to all citizens, free health care to all pensioners in government health centres, donation of blankets and radios to pensioners who need them and so on, have assisted the aged. However, there is a need to consider the role of age of a household head beyond the pensioners. For instance, Moepeng (2010) results from a study of Nshakazhogwe revealed that women aged between 30 years and 45 years who are also raising young primary
and secondary school children cannot take advantage of opportunities enjoyed by their male counterparts through migration. Targeting of rural development programmes should also consider the age and gender of the individuals to ensure that relevant and appropriate members of society are included in programmes that aim to reduce and eradicate poverty.

3.1.5 Educational Attainment of Head

The level of educational attainment of a head of household influences the amount of income available for that household. There is evidence of a positive relationship between the education of an individual and that individual’s earnings (Schultz, 1988). Human capital investment, such as the implementation of a pro-education policy, can reduce poverty by improving an individual’s underlying skills and competencies (The World Bank, 1995). Schultz (1988) earlier provided evidence that literate and numerate workers were more productive than illiterate workers, which implies that education is an important factor in providing skills that can increase productivity and economic growth required to reduce poverty. Therefore, education is important in poverty reduction because it enables people to become more productive workers and more responsible members of society in both the short- and long-term. Investment in capital that enables easy access to basic education can reduce problems of social exclusion as beneficiaries develop skills that facilitate their ability to participate in the economy and in society (Ribich, 1968).

Given the above, it is not surprising that the role of education in poverty reduction has been at the centre of debate both in neoclassical and Marxian economic theory (The World Bank, 1975). Schultz (1988) has shown that education in rural areas provide increased opportunities for dual employment both on-farm and off-farm. Such evidence shows that when returns to education are larger elsewhere in the economy, the more educated farmers and their families are the first to migrate. If migrants are selectively those with human capital endowments, such as in case of rural Botswana, where migrants tend to be young successful school completers, rural out-migration cause a “brain drain” which has similar effect to capital flight. Such migration will lower the productivity and then the wages of complementary labour in rural migrant sending areas (Taylor and Martin, 2001). For this reason, most rural heads of households in a country like
Botswana are characterized by low level education status because, if one stays in rural villages, where returns to education are very low, poverty may be experienced.

Urban migrants are usually more educated than those remaining in rural areas – and the initial cost of that education is borne by the immediate family (Lucas and Stark, 1985). If remittances are interpreted as repayment of the principal plus interest invested by the family of the migrant, then educated migrants are likely to remit more than the uneducated ones to the rural sector. This implies that well-off households who are able to pay for education expenses of their family members are most likely to benefit more from sending out-migrants than less-well off households that cannot wait a long time while their family members acquire long-term education. The design of government policy for provision of basic education should be given adequate attention to protect those who have few resources because differences in educational opportunities can be a source of considerable income inequalities (Tisdell, 1996). Currently, access to government educational loans and support is based on the performance of a high school graduate against a national set level. Yet it is known that facilities in rural schools are poorer than in urban schools. Consideration, especially at the university level should be made to accept more rural students even when it might require them to undergo bridging courses, especially if they have attained higher grades close to those required for direct entry. If the situation is left as it is, there could be social animosity in the future if citizens from rural backgrounds consider that they were disadvantaged because of their geographical locations.

3.1.6 Access to Credit

Access to credit is an important input to investments that can increase incomes and create sustainable employment. Credit transactions are expected to take place in situations where production of outputs follows a considerable time-lag from the time inputs are put into production as is common in agricultural production (Bell, 1988). In risky production environments, credit is one of the important factors used to smooth out the shocks in a household’s income that can be the result of unexpected events that immediately require large amounts of funds.
In rural Botswana, such risks include drought, and the outbreak of animal disease and human disease. The role of credit might include increasing agricultural production and smoothing consumption patterns of rural households. Credit can also provide rural households with a choice of spending more on agricultural inputs while maintaining normal consumption levels before increases in incomes are realized (Bandyopadhyay, 1984; Floro and Yotopoulos, 1991). In general, credit has been seen as a critical contributor of poverty reduction in rural households of many developing countries (Zeller et al., 1997). However, previous studies have found that heads of household, irrespective of their gender, use friends and relatives as the major source of credit in most developing countries (Central Statistics Office Botswana, 2004).

In Botswana, the government has put in place different programmes that are meant to address problems of lack of credit to develop rural areas. These include CEDA, NDB, ISPAAD, LEA and poverty eradication programmes that provide loans and grants because commercial banks might consider such investment very risky given the environmental climate and market conditions in Botswana. Despite the availability of such programmes, people continue to complain about how onerous the application processes are and that the conditions are difficult to meet. In some cases, there are concerns about the capacity of those responsible for managing and monitoring these programmes is adequate because they are largely government or civil service trained personnel.

3.2 Institutional and Structural Issues

3.2.1 Urbanization and Product Markets

The proportion of Botswana’s urban population increased from 18 per cent in 1981 to 54 per cent in 2001 and 64 per cent in 2011 (Statistics Botswana, 2011a). Such a sharp rise in urban population of Botswana reflects a rapid transfer from a traditional agricultural economy to a more modern urbanized economy. Urbanization of rural communities has also occurred in many countries with sustained high economic growth rates thereby, contributing to the urbanization of households who simultaneously remain in agriculture employment. In Chile, for instance, many rural households work outside the farm sector either in the modern sector or in the informal sector as self-employed persons (Reardon and Berdegué, 2001). In Brazil, rural employment is
no longer only about agriculture, but includes service provision for tourism and leisure, industrial activity, construction and maintenance of housing and production targeting niche markets (Berdegue, et al., 2001). Brazil has also experienced a drop in farm incomes and a rise in nonfarm self-employment income (this corresponds to the informal sector in Botswana). Thus, rural families in other countries are shifting from being primarily farming families to being participants in multiple income activities and non-farm employment, especially in regions that are not suitable for agricultural production. Berdegue et al. (2001) study has revealed that income transfers in the form of pensions and retirement incomes for farm families have become an important policy issue. Thus, social security as a means to combat poverty in more poor regions of the country has become central to rural development policy.

In recent years, Botswana has seen a growth of the number of unemployed persons, retirees and pensioners living in rural areas. These people are not necessarily working on farms or in any other sector. Urbanization of rural areas in Botswana could be primarily a result of improved changes in infrastructure provision and access to improved social amenities country wide. Consequently, a changed demographic structure requires rural development policy-makers to adjust accordingly. Public services required in rural areas of Botswana need to provide for the needs of the youth which include relevant recreational facilities, promotion of skills in non-agricultural activities that can enable people from rural Botswana to participate in globalization, and produce services necessary to compete in global markets. An important dimension of emerging rural development is the need for relevant skills and qualifications to take advantage of emerging opportunities and address dynamic issues arising from new developments locally and abroad.

Product markets in Botswana’s rural areas are not as fully developed as in urban areas. Many rural areas are not attractive to entrepreneurs who are keen to make profit because of distances from the main centres, in some instances poor road networks, low population density and a market that is characterized by a majority of customers who have no regular income and are highly dependent on transfers. Market failure in rural areas as a result of lack of attractive environment to investors similar to those found in urban areas requires government to consider alternative markets to provide incentives for rural development through productivity and market
exchange. In the early years of independence in the 1970s and 1980s, the government initially used cooperatives to address this very problem and at some point, this initiative was very successful (Ministry of Agriculture, 1985). This could be a relevant time for rural development policy to review the effectiveness of cooperative market societies and existing stock of human capital with a view to re-introducing them to serve the rural areas where large suppliers out compete small scale producers. The other area where cooperatives could be introduced is to encourage procurement and supply of locally produced indigenous products for the world market.

3.2.2 Security of Tenure

Security of tenure in most rural land in Botswana is weak because nearly 75 per cent of the land is held under customary land rights. In many rural areas, raising credit to invest in productive enterprises that can benefit from intensive land use is very difficult because of lack of land markets. In peripheral areas, land markets would not develop on their own because there is no pressure on demand compared to areas adjacent to cities. Berdegué, et al., (2001) suggested in a similar situation in Chile that government should take action and introduce land markets to help the poor to obtain land by purchase or rental and intensify production through increased productivity, technical assistance and access to credit. BIDPA (2001) also reported that the outcome of their consultations showed that many Government officials expressed the view that the system of access to communal land must remain because the poorest people were dependent on it. However, that view was not supported by tangible evidence which suggested that the poor had highly diversified livelihood strategies and that the development of a market in land rights would enable more productive use of resources, and increase benefits to all community members through productive activities, or through improved employment opportunities. Such an objective was compatible with the aspirations expressed in Botswana’s National Vision 2016 concerning the productivity of agriculture.

Deininger and Feder (2001) have shown that the main benefits of well-defined and secure individual property rights include greater incentives for long-term resource conservation and associated increased demand for investment. Secure individual property rights will also improve transferability of land to cultivators who have the resources to make better use of it if they have
economies of scale and the disincentives to rental; and ability to use land as collateral in formal credit markets. Higher levels of tenure security provide an important incentive for increased investment. There is evidence from Ghana that greater tenure security at the plot level significantly increased the probability that individuals would plant trees and undertake other investments such as drainage, and irrigation (Deininger and Feder, 2001). A new rural development policy in Botswana must promote increased security of tenure to facilitate land market transactions and ability of authorities to monitor trends is changes of land ownership.

3.2.3 Labour Market and Culture

Standard economic theory assumes that there is surplus labour in rural areas in developing countries that would be released to the modern sector to take up non-farm employment. In recent years, Botswana has experienced acute shortages of labour in rural areas, especially in small-scale arable farming and livestock holdings. Studies from Latin America have shown that rural household members often engage in activities outside the farm to seek wage employment or income from self-employment in manufacturing or services (Reardon and Berdegue, 2001). The current labour pool in rural areas is no longer destined for agriculture production alone.

In Botswana, unemployment is very high at 17 per cent and for the youth it is estimated as high as 50 per cent. Although there are many reported vacancies in home-based employment such as nannies, household hands, and farm employment, many Batswana who could fill these vacancies do not want to take them up. The reason is primarily cultural and availability of alternatives for those unemployed. As the available jobs in farming and livestock sector are culturally associated with serfdom, a practice that is despised and no longer accepted, skilled labourers are not willing to take up available vacancies. Botswana also has a wide range of safety nets, including labour-based programmes that provide an alternative and absorb unemployed people and pay them a living allowance. Sometimes, the difference between the wage rate between the minimum wage in agriculture labour and the living allowance from labour intensive projects is so small that it discourages labour to take up permanent jobs in agriculture. Future rural development policy should promote investments in agricultural pursuits that are sustainable and can pay competitive wages that can attract labour and pay decent wages.
Existing settlement policy and planning methods that are influenced by population concentration could also create shortages of labour in the rural labour market. This can occur because household labour supply is also a function of the individual’s capacity to undertake the activities determined by access to public assets such as roads and other assets such as education. Settlement policy in Botswana has discouraged provision of public assets to less populated areas because planning decisions were based on minimizing per unit cost of service provision. It also occurred that the less populated areas were also near places where agricultural activities also took place. As a result, agricultural production areas are characterized by poor roads, lack of schools and communication infrastructure. The outcome of such development planning was to influence labour to out migrate from areas with small populations to large village settlements. Hence, there is currently a problem of lack of access to labour supply in agriculture. Recent changes in land policy to allow mixed farming should also be harmonized with other institutional instruments such as settlement policy and planning policy to ensure that all policies are harmonized to encourage a non-conflicting approach towards achieving common rural development objectives.

3.2.4 Climate Change, Risk and Multiple Income Sources

Botswana is vulnerable to climate variability and often experiences some drought and in some years flooding. The Intergovernmental Panel on Climate Change (IPCC) indicates that over the longer term Botswana will be affected significantly by climate change. This is likely to result in increased frequency and intensity of severe weather events including droughts and floods. While climatic change modelling is subject to uncertainty, a general synopsis for Southern Africa suggests that Botswana may, on average, experience up to 20% less rainfall each year and that average temperatures may rise by 1-2 Celsius (MEWT, 2006). Rural households in Botswana are aware of the risk of climate change and for years have adopted the use of multiple income sources as a coping strategy against the risk of climate change. Moepeng and Tisdell (2010) results from a survey of Nshakazhogwe village found that most heads of household depend on multiple sources of income as a coping strategy against household risk of poverty in arid environments. Thus, multiple sources of income (as supported by a recent land policy initiative
favouring mixed farming) need to be recognised as an important strategy towards reduction and eradication of poverty in rural areas.

As income per capita rises, in many developing countries in both Latin American and African countries, households or individuals earning income from more than one source increase (Reardon and Berdegue, 2001). In Africa the percentage of households depending on multiple sources of income was 94 per cent in Kenya, 37 per cent in Rwanda and 33 per cent in Cote d’Ivoire. In Latin American countries, the percentage of households depending on a multiple source of income increased from the poorest to the highest income quartile. Wikan’s (2004), BIDPA (2001) and Moepeng (2010) findings show that in general households in rural Botswana depend on several activities for their livelihoods. These findings are consistent with earlier arguments by Lucas and Stark (1985) who concluded that the dependence on multiple sources of income demonstrates the importance of diversifying income sources in a country where there are high risks of crop failure, livestock mortality and inadequate availability of agricultural work. Therefore there is a general agreement among scholars in the field of development economics that a strategy of depending on multiple sources of income is a useful risk aversion strategy (Dasgupta 1993), especially in rural areas.

4. A New Look at Rural Development

4.1 Agriculture: Livelihoods

Agricultural Performance, Incomes and Labour Supply

Arable agriculture is not attractive and is risky when the market institutions are either very weak or non-existent (Bardhan and Udry, 1999; World Bank, 2002). The most arable agriculture in Botswana is rain-fed and occurs under two production systems; the traditional and the commercial system. The traditional system dominates crop farming and accounts for 85 percent of total cultivated area and the commercial sector accounts for the remaining 15 percent (BIDPA, 2011). The traditional system is characterized by the use of low levels of technology, traditional methods of farming and low productivity.
Botswana’s sustained economic growth for the last two decades and more has created increasing opportunities for non-farm labour is able to earn an income higher than the marginal product of agricultural labour. Migration out of rural areas is an important source of remittances and extra income that is used for investment in homes back in rural areas. Transfers are also used for investment in livestock production which is more profitable in Botswana environment. Therefore, for rural heads of household in the upper middle-income and top of the income distribution structure are likely to own large herds of livestock which they use to raise capital for further diversification of their income sources.

Many rural household members migrate to seek employment in activities outside agriculture because they expect to earn higher incomes than in the agriculture sector (Reardon and Berdeque, 2001). In general wages in agriculture are low compared to wages outside this sector. For instance, in Botswana, the minimum wage for agricultural labour is P430.00 per month compared to a minimum wage of P726.00 a month for unskilled labour outside this sector. Hence, able bodied agricultural labour tends to migrate to urban centres where they expect modern jobs that can enable them to earn higher incomes per month and improve the standard of living for members of their family. The other reason members of rural households migrate to employment outside agriculture is to avoid and cope with problems of risk in agriculture, especially drought and disease outbreaks. Following severe losses due to problems of climate change such as drought, many farmers have migrated to towns and urban centres to seek employment outside of the agricultural sector, to engage in labour-based cash employment and some have started to harvest wild caterpillars such as phane worm to earn more income than from agriculture. In order to minimize risk in farming, there is an urgent need for introduction of insurance programmes that can cushion farmers in times of loss.

**New Agriculture Performance, policy and rural development**

**Poultry**

Although in general, the share of agriculture in the economy declined from 40 per cent of GDP in 1966 to 2 per cent in 2000 to the present, some new agriculture activities have also grown dramatically. For instance, despite Botswana importing nearly 80 per cent of her food needs, she
is now self-sufficient in poultry production. Such great success in reducing the import bill for chicken meat indicates that the country has potential not only to feed itself but also to compete in the international market. A major characteristic of the commercial poultry sector is that its ownership is concentrated in the hands of a few large poultry firms. Despite, Batswana having a rich tradition of keeping free range chicken as part of their multi-income source strategy, there is very little evidence that small-scale farmers participate and play any significant role in the poultry sector. There is a need for the rural development policy to revisit this sector, undertake a detailed study that can help to facilitate participation of small-scale farmers and women to benefit from a growing domestic and international market for chicken meat and eggs. One possibility would be to increase the number of trained extension workers in poultry production and disease management, develop poultry farm districts adjacent to all villages for letting of individual units and promoting cooperatives to market the output realized. Government should be responsible for quality assurance and provide an alternative to private providers’ standards which sometimes are used to crowd out small scale producers and the poor. Increased participation in the poultry sector could also help to widen the input output linkages to diversify the economy.

**Horticulture**

Horticulture production has doubled in the last decade and the country is more than 50 per cent self-sufficient in these products. However, the growth of the horticulture sector is also associated with concentration of output among a few large producers. Nearly all horticulture production depends on rainwater harvesting from rivers. Water extraction from the rivers is free. The existing agricultural policy does not include horticulture as one of its objective. Horticulture is mainly mentioned in passing in some government programmes such as CEDA, but there is no stated policy framework that government has committed to pursue towards the development of horticulture. There is a need to develop input support that is target efficient to encourage both large scale and small-scale producers to benefit from increasing demand of horticulture products. Currently, the agricultural extension service is strong in livestock and rain-fed arable production and nearly non-existent in horticultural production. There is a need to re-design our extension services and make provisions for coverage to include the horticulture sector beyond the
Gaborone region. Following rapid urbanization in Botswana, there is increased supply of wastewater country wide. The government should take responsibility of developing such wastewater into reusable water resource, and facilitate small scale horticulture growth in many rural areas.

4.2 Tourism: Livelihoods

Botswana is endowed with diverse and abundant wildlife and natural resources such as in the Okavango Delta and Chobe River Plains in the north, to the Kgalagadi Desert in the south, as well as diversity of vegetation. According to BIDPA and the World Bank (2006), the diversity in Botswana’s wildlife and natural resources provides the country with comparative advantage in the tourism sector. Thus, tourism as a major potential sector in the country can bring about shared economic growth and thus hasten the diversification of the economy. The Ministry of Finance and Development Planning (2009) has shown that “Travel and Tourism” contribute 10.6 percent of total employment and 16 per cent of non-mining GDP. In addition, this sector’s demand was forecast to average 5 per cent growth per annum over the Plan period 2010 to 2016, which exceeds growth for the Sub-Saharan Africa and the global average.

In addition to traditional tourism based on national parks and reserves, wildlife ranching could be introduced to rural communities as a form of investment that can diversify their income generating opportunities. Wildlife ranches can be used maintain habitat that another land use such as agriculture or development would not be doing (Cousins, Sadlers and Evans, 2008). Maintaining environment can protect large numbers of critically endangered animals, plants and landscapes. Species kept in ranches can be monitored for the benefit of ranch owners in form of income as visitors tour these places. Wildlife ranches also encourage conservation of the most endangered animals like black rhinos, birds, elephants, lion and hyenas among others. The ranches can encourage breeding of endangered species to increase their population, and also provide land availability and reduced pressure on existing reserves were they can now breed quickly in new territory of ranches. In Botswana, there already community ranches providing employment to the poor and rural communities in Mmokolodi near Gaborone and at the Khama Rhino Centaury, near Serowe.
South Africa, Namibia, Zambia and Zimbabwe are internationally known for having ranches and benefitting substantially from them. To qualify to receive animals in a ranch, ranches need to provide and meet challenges of security, size of the available land, thorough monitoring and intensive management of both animals and the caretakers of the animals. In addition, such wildlife ranches should also provide the expected benefit of the neighbouring communities. The involvement of people in ranches can help communities especially in rural areas to form trusts and own a ranch in which they can create jobs for themselves and employ other people in rural areas. This can be cheaper and sustainable to them than when they keep domestic stock because wild animals are immune to many livestock diseases or are more resistant to diseases. Wildlife are ecological friendly because they adapt easily to the climatic and habitat of African rangelands. Their meat can also be sold to raise funds as it is highly nutritional. The dressed weight of African game animal is found to be 50 per cent to 63 per cent of the live weight as compared with 44 per cent to 50 per cent in domestic stock (Cousins, Sadlers and Evans, 2008). They can be used as learning platforms to students about conservation of maintained animals and how they are bred. The ranches also can promote photographic tourism. Thus a future rural development policy should consider this form of investment as a viable and sustainable rural development initiative necessary to promote jobs creation and decent incomes.

4.3 Indigenous Knowledge: Livelihoods

Indigenous knowledge refers to what indigenous people know and do, and what they have known and done for generations – practices that evolved through trial and error and proved flexible enough to cope with change (Eyong, 2007) Furthermore, for insight, indigenous people refers to culturally distinct ethnic groups with a different identity from the national society, draw existence from local resources and are politically non-dominant (Eyong, 2007). Indigenous knowledge is the information that has been there and utilized decades ago by different cultural groups as from generation to generation. It has enabled them to live on natural resources around them like plants, animals, natural environment and be able to manage them productively. In 2007, the government of Botswana adopted the development approach of Community-Based Natural Resources Management (CBNRM). CBNRM programme in Botswana is more wildlife based and ranges from the processing and marketing of veldt products (such as thatching grass,
herbal tea, marula fruits and medicinal plants) to handicraft production, campsites management, cultural tourism and trophy hunting, Joint Venture Agreements/ partnership with private sectors. This programme is mainly practiced in Tswapong through Kgetsiyatsie trust which its mandate includes phane worm processing and marketing. Another practice is in Gweta (Gwezotsha Natural Resources Trust) and the cochineal production in D’Kar which focuses in beads, leather wear which are in high demand for cultural dance attire. They also make paintings.

Examples of indigenous knowledge includes, cultural knowledge and tourism, historical sites tourism development, medicinal plants and modern day public health, livestock production and Tswana customs, trees and conservation. These types of indigenous knowledge mentioned above can create employment opportunities especially in rural areas which are highly affected by high rates of unemployment amongst the youth. Indigenous knowledge can provide rural communities with skills on trophy hunting, photographic and cultural tourism and crafts which can be part of diversified tourism demand in Botswana. Because of the benefits that can accrue to households in the areas where such developments are promoted, indigenous knowledge can be a useful tool in eradication of poverty, through the formation of social groups or trusts. The benefits to trusts can be used to provide monthly allowances to destitutes and elderly people, help destitutes in their areas by building them houses and by providing them with clothes and food. There may also be a cash flow for those employed in daily activities of the trusts.

To facilitate effective utilization of indigenous knowledge the government of Botswana can strengthen the management and organization of the community based trusts by employing skilled and experienced personnel to manage the community trusts and compile this indigenous information so that it can be passed on from generation to generation. This can help to avoid the cases where communities have no experience of managing large sums of money. Sudden possession of millions of Pula in trusts sometimes leads to theft and collapsing of community trusts. There should also be regular ecological monitoring by experts to track the rate at which the exploitation is occurring and to check on conservation of resources.
4.4 Other Nonfarm Activities: Livelihoods

Growth in other sectors such as tourism can be an incentive to increase demand for rural labour in sectors outside agriculture. For instance, agricultural labour can easily adapt and change to serve as garden keepers, porters, cleaners and tour guides in wildlife tourism and also earn higher wages than the agricultural sector minimum wage. In addition, the growth of tourism can increase demand for cash crops such as horticulture which can pay higher wages than traditional agriculture. In Botswana, most tourist centers such as Chobe do not experience problems of unemployment. With growing nonfarm agriculture sectors such as tourism, education and mining, rural development path could reconsider its agricultural development focus and identify areas of growth in food demand that the country can be competitive and self-sufficient. Currently, horticulture, poultry, and indigenous products have shown that sustained growth over the last 10 years. With regard to horticulture and poultry, these sectors are growing and given a chance they could become major agriculture products of the country. A major constraint is that the growth of the two sectors is mainly reliant on a few large-scale producers. The government could now consider supporting small scale farmers to enter the two sectors. These sectors have potential to provide the necessary linkage between the rural areas and the urban sector in a framework that could generate sustainable jobs and decent wages. The main constraint of small-scale farmers to enter into horticulture and poultry are access to credit and markets. Government could intervene through a rural development policy that promotes a re-development of cooperative societies which could provide credit and a market for the small scale producers.

4.5 Cooperative Market System

A business cooperative is an association of persons who voluntarily forms a business establishment through contributions to acquire required capital and accepting a fair share of risks and benefits of the undertaking. Cooperatives in Botswana played an important role in the development of agricultural production and in provision of services in rural areas (Ministry of Agriculture, 1985). At the peak of the development of the cooperative movement, many marketing societies had diversified into multi-purpose societies. Under multi-purpose approach,
many cooperative societies supplied consumer goods, building materials, agricultural requirements, agricultural loans, and were involved in the marketing of both livestock and crops. In particular, cooperatives provided services to small-scale farmers in both rural and remote areas through selling of their livestock to the Botswana Meat Commission. By 1985, cooperatives marketed small-scale farmer’s cattle and small stock, distributed basic food items at reasonable price margins, supplied livestock inputs, encouraged savings and advanced credit to farmers, and supplied building materials. The cooperative movement includes producer cooperatives such as Oodi Weavers for handicrafts, the Southern District Horticulture Producers’ Cooperative Society, and the Otse Bakery Producers’ Cooperative. Since the main constraint to producers in rural areas is access to markets, the cooperative society’s development needs to be reconsidered for support and promotion. This cooperative society model has been in operation in nearly all rural areas of Botswana and was effective. The potential members of the society today are more educated and there are better skilled individuals to run these operations than was the case in the past. The government needs to facilitate investment in the development of road networks across production areas, improve communication networks and put in place appropriate monitoring and auditing services to ensure a smooth functioning of the cooperative movement.

Once developed, the cooperative movement should be independent of government control and guidance from civil servants who might not be appropriate advisors to the private sector businesses. The society should develop networks across the country and facilitate the supply of various goods produced in the country to reach different destinations especially in the area of indigenous products, artifacts, fish products, horticulture produce and poultry products from small-scale producers. The initial target market for cooperatives, with the assistance of the EDD programme could be the supplementary feeding programmes across government safety nets and the school feeding programmes. Currently, most school feeding programmes in Botswana are considered deficient in micronutrient content and supplies of horticulture and poultry could be introduced to improve its nutritional value. The society could also trade in ICT services and promote e-governance.
4.6 Embrace Globalization

There is a need to develop a rural development policy that embraces globalization and acknowledges that as a country we are already in a global village, whether we are in a village or town or city in Botswana. For instance, most of the goods in many rural shops are imported not just from South Africa, but from as far afield as China, India, and elsewhere. Therefore, we are already competing with the global world even at the rural markets. However, most of Botswana’s economic empowerment policies are inward looking. For example, the Economic Diversification Drive (EDD), Citizen Economic Development Agency (CEDA) and others are focused on activities for the local market. Many of Botswana’s key trade and industrial policies are similarly inward-looking. An important sub-text of CEDA, for example, is that Batswana should be running businesses that sell to Batswana. On the contrary, an economic empowerment programme preceding it, FAP aimed to create sustainable employment for unskilled labour; to produce goods for export and import substitution; and to diversify the economy and provide skills training (BIDPA 2000). As another example, Botswana’s most important exceptions from SACU’s relatively low tariff structure are import prohibitions on certain agricultural products. And one of the main complaints of potential and existing foreign investors is the difficulty of getting or renewing work permits for non-national staff.

Botswana’s market is just too small to provide the basis for the kind of vibrant companies that drive rapid employment growth in the rest of the world. Although it could be easier for local entrepreneurs to understand the domestic market than international ones, almost every developing country that has experienced rapid growth has done so by aggressively inserting itself into global markets. For example, Botswana’s one great success, diamonds, depends on global markets. The next success story is the beef industry which has done well through its exports to the European Union. Although the South African economy could provide Botswana’s ‘global’ market, because it is a much larger economy, and it has a significant richer population who consume a wide variety of products, the results of a pursuit of this market is unlikely to be in Botswana’s favour. This would happen because South Africa has its own unemployment problems and competes aggressively to draw firms away from Botswana (and other SACU countries). Everybody in Botswana would remember the tragedy that befell Botswana when the
Hyundai Motor plant closed down because of the non-tariff barriers that South Africa imposed until the company relocated to that country. Thus, if foreign direct investment is to be a key input into Botswana’s globalization, then focusing on the South African market may not work. Botswana should, instead, aim for global markets. To do that, Botswana will have to adopt a somewhat proactive and active industrial policy that invests significantly in the emerging middle class and some of able bodied civil servants who could be retired to join international business world.

Botswana should re-examine its comparative advantages and the natural environment endowments at its disposal to reposition itself to the global market. One of the key natural assets we have as a country is a rich wildlife-based tourism and a peaceful environment than is the case in many countries including in the developed world. Thus Botswana could target the market of the global aging community and invest in luxury old age homes which have an easy access to tourism sector. In this case, Botswana would take advantage of experience Batswana nurses who had migrated to Europe to work in similar enterprises, attract foreign investment in high quality medical services that can also target international medical insurance schemes for funding. Thus, many of our rural women would find new work opportunities that also provide decent wages.

Botswana has a large stock of educated young population and recently invested heavily in internet services. It would be of great relief for the new rural development policy to consider internet-based services as an integral part of industry for support under its economic diversification policy. Internet-based services, including business process outsourcing (BPO) and call centres can be most promising because anywhere in Botswana would be as close to world markets as any other location, putting it on a level playing field with its competitors. Batswana also have good English language skills, facilitating communication with large parts of the rich world. Internet-based services are also labour-intensive, demanding a range of workers from junior secondary graduates for the most basic activities like data entry and call centres, to accountants, lawyers and radiologists. Even at the low end, the jobs are office work, which seems consistent with Batswana graduates’ preferences. Another advantage is that this is a rapidly growing global industry with plenty of demand for new providers. Even though internet-based services do not follow the traditional pattern of industrial change from agriculture to
manufacturing and then to services, other developing countries, most notably India, have shown that a leap to service industries is possible.

4.7 Introduce Incentives Conditions to Government Support Recipients

The Botswana Government has introduced several support programmes in agriculture. These have included ALDEP, ARAP and FAP and more recently CEDA, ISPAAD and Poverty Eradication programmes. These programmes were central to influence rural development, empower citizens and intervene in an imperfect market to stimulate growth. Such fiscal measures have been well received and also balanced the overall macroeconomic prudence. There is no doubt that these efforts have contributed to reduction in poverty and did attempt to influence markets and correct market imperfections. The government programmes were mainly grants, subsidies, and credit policies. A common feature of many of these incentives was that they were distributed upfront, before the recipient actually has to accomplish the thing that the incentive was meant to foster. That is eligibility for access to support was based on the applicant being able to either demonstrate that they are a citizen with an Omang card, or a “good” business plan, or showing up at the right time to assist the government officers to demonstrate that they were effective by reporting that they spent their budget.

The above was true of grants provided in the FAP, but also of credit that might be forgiven or uncollectable if the project fails as in CEDA. There a need to introduce incentives conditions for government grants and loans to support recipients who can demonstrate a positive performance with projects they have already initiated and are struggling to float in the market because of lack of credit or start-up capital. A key characteristic of incentives in East and Southeast Asia is that they are conditional on performance. If the incentive is meant to promote exports, it is not paid out until the recipient is exporting (or, at least, it is withdrawn if the recipient does not export). If the incentive is meant to promote employment, it is not paid until there are employees working. The advice we give here is that, it is not enough to provide support simply because the applicant has produced a good written business proposal of what they intend to do. But rather, government should allow any prospective applicant to invest something and start operating to demonstrate that indeed they are keen and willing to take risk in whatever venture the applicant believes it is a good business undertaking or opportunity. For instance, if a person engaged in Ipelegeng intends
to apply for funds for breeding goats, they could demonstrate why they are keen to be goat breeding farmers and what knowledge they have about such breeding.

5. Conclusions

Rural development in Botswana today is complex and very different from what it was in the early years of independence. In the early years, rural development was about provision of basic infrastructure in rural areas to facilitate improved agricultural productivity and access to basic amenities like primary health and education services. Most of the rural areas in Botswana have achieved their targets. Today, rural development is about transforming rural areas into urban centres. The most basic and primary requirement of rural development is for Botswana to review a definition of a rural area and use this as a basis to adopting a new definition of rural development. In the context of this paper, a rural area in Botswana is described as any area where the land is not under state ownership and such areas also happen to be characterized by insecure property rights.

Unlike most countries in the region, Botswana’s rural land areas are predominantly held under communal land rights system. Whereas most international experience in rural development has involved extensive land redistribution, in Botswana there was no need for land redistribution. Presently, urbanization has put pressure on rural lands adjacent to and near to cities and towns. As a result there are speculative tendencies which promote informal land markets. The outcome of this could be substantial land grab from the poor by the rich, especially foreigners. If the issue of secure land rights and markets is not attended to as a matter of urgency, conflicts arising from unfair land deals are likely to arise, particularly in areas nearer to urban areas and cities. Although the government has made changes to land access by introducing quota systems to land applications in rural areas nearer to cities and towns, introduction of a more formal land market would facilitate transparency in the exchange of land ownership. This will also help participants in land markets to be protected by the law.

Presently, rural areas are the most affected by the incidence of poverty in Botswana. Rural development is therefore, one of the most critical approaches to eliminate poverty in Botswana. In this paper, I have, on the basis of international experiments, identified the socio-economic
variables that are usually associated with the incidence of poverty. I therefore, encourage the Botswana government to develop policies that efficiently target these factors in order to achieve a faster and more effective rural development outcome that will eliminate poverty. I have also emphasized the need to acknowledge institutional and structural issues in Botswana so that we can provide more appropriate and effective policies and programmes that would generate faster growth and sustainable employment opportunities.

In particular, this paper proposes a new look at rural development that focuses on developing livelihoods systems that have shown potential and growth, but which are currently receiving little policy attention. In agriculture, I noted that despite a general decline in this sector compared to other sectors in terms of contribution to GDP; there are some sub-sectors of it that have experienced significant growth such as poultry and horticulture. However, in Botswana high levels of growth in these sub-sectors also tends to contribute to existing high levels of income inequalities and worsens rural poverty. This occurs because ownership of firms in these subsectors is concentrated in the hands of a few large producers, who enjoy economies of scale and benefit from unfair competition which crowds out small-scale farmers. Wildlife tourism that attracts international market is another economic sector where Botswana has comparative advantage and there is room for the country to influence growth of this sector and enable more rural population to benefit from it. There is a lot of indigenous knowledge and talent that is currently under exploited and government is encouraged to support this sector and make it more attractive to the international market.

Botswana’s rural development should acknowledge that a rural area in Botswana is not just about agriculture and primary production. There is a need to develop various non-farm activities including recreation and leisure services that would enhance the capacity of the rural areas to participate in the globalization process. In developing new government support policies and programmes, consideration should be given to introducing incentive conditions that emphasize eligibility based on performance and not just a birth right and ability to write good and appealing project proposals. Finally, Botswana should re-visit the cooperative development societies and facilitate a re-emergence of this important marketing and credit facility in rural areas, to target
products from indigenous knowledge and skills, small-scale farmers and implementation of empowerment programmes like home-based school feeding projects.

6. Recommendations

1. Introduce more effective insurance programmes that can cushion small-scale farmers in times of loss.

2. Promote more meaningful participation of small-scale farmers and women in the poultry and horticulture sectors by updating the agricultural policy to include new sectors with potential.

3. Government should take responsibility for managing and coordinating new waste water resources, their quality and distribution to promote new small-scale irrigation investments.

4. Introduce and promote wildlife ranching in rural communities to influence local tourism along similar lines to the model of Khama Rhino Sanctuary and Mokolodi Game Reserve.

5. Support indigenous knowledge and skills to add value to locally available indigenous products such as phane, honey, skins and others to generate income for the rural poor.

6. Promote a re-development of cooperative societies that would market goods of small-scale producers and also provide credit to minimize the negative role of some private micro-credit businesses (bo-machonisa).

7. Embrace globalization and identify areas in which rural Botswana has comparative advantage to sell to the outside world and generate world demand for local skilled people. For example, consider investment in luxury old age homes that would be attractive to the international market.

8. The government should promote increased security of tenure in all areas, especially rural areas, to facilitate land market transactions and protect the rights of the poor.

9. Introduce incentive conditions for government grants and loans used to support recipients.
7. Acknowledgements

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8. References


APPENDIX

Copies of PowerPoint Slides Used in Presenting this Paper
Rural Development in Botswana: Experiences from Elsewhere and Emerging Issues

Dr. Pelotshweu Tapologo Moepeng

Outline

• Rural Definitions and International Experience
• Socio-Economic Factors Influencing Rural Poverty
• Rural Institutions that Slow Poverty Eradication
• Where Future Rural Development must Focus
  – Agriculture
  – Tourism
  – Indigenous knowledge
  – Non-farm economic activities
  – Cooperative market societies
  – Globalization opportunities
• Conclusions and recommendations
Rural Botswana has changed

Defining a rural area in Botswana

- Rural population depends on various sources of income instead of natural resources only.
- Urban villages are service centres to smaller villages.
- Rural development is more than infrastructure provision but must boost economic growth and sustainable jobs.
- Botswana definition of a rural area must change to a more practical one shared by everyone.
- We propose a rural area definition as any place where the land area is not under state land ownership.
- Thus rural development should mean a transition from rural to urban. Studies have shown that incidence of poverty is very minimal in urban areas of Botswana.
The International Experience

- The international experience is based on land shortage problems that did not apply to Botswana background.
- In many African countries, rural development included redistribution of land. In Botswana, redistribution addressed problems of desertification and drought problems (TGLP).
- Different countries emphasized a variety of options including education in Ghana, technology adoption in India, promoting small scale farming in Kenya and China.
- Education targeted the poor from the landless households in rural Ghana.

The International Experience

- In Kenya and China, rural development included support of small scale commercial farmers to compete in urban and international markets. Yet in Botswana, commercialization is only about large scale production.
- In Ghana, rural development included support of technology adoption by small scale farmers to enhance productivity. In Botswana ALDEP and ISPAAD do not. But in beef sector bio-technology adoption very good.
- In India, rural development was about adopting new seed varieties (technology adoption), import substitution, elimination of racism against the caste system. Botswana is quite on some of its past issues that might contribute to problems of lack of agriculture labour.
Socio-economic issues influencing rural poverty

• Poverty remains a rural area problem in Botswana despite multiple anti-poverty programmes in place.

• We need to review how our programmes impact on targets and redesign our targeting efficiency.

• E.g. Gender connection with incidence of poverty is well documented. In Botswana, majority of rural household heads are women.

• We need programmes that provide appropriate skills and empowerment programme that target appropriate women. Here we think of women with low level educated raising school children. Migration excludes them.

Climate change, risk and multiple income strategy
Climate change, risk and multiple income strategy

• For years rural households adopted the multiple income sources as a coping strategy against the risk of climate change.
• A recent land policy supporting mixed farming will strengthen this livelihood strategy.
• Some rural areas have good potential in non-traditional agriculture. For example, horticulture and poultry are very successful in Botswana.
• But small scale commercial farmers are not benefiting from this success. We need to assist them to participate and eradicate poverty.

Horticulture in Gulushabe and Tuli block
Tourism and rural jobs

• Already wildlife tourism is the second largest sector after the mining industry.
• Rural development could consider supporting introduction of community wildlife ranching in the model of Khama Rhino Santuary and Mokolodi Nature Reserve.
• Benefits would include wider participation of the rural population in conservation activities.
• And increased employment opportunities.
• Wild animals adapt easily to climate change and are resistant to disease.
Indigenous Knowledge

- This includes canoeing, handicraft production, thatching grass, phane harvesting, medicinal herbs, beads production etc.
- Trusts can be supported to facilitate management of the active utilization of these specialized skills.
- Cooperatives would need to be developed to store, transport and market these products to the world.

Indigenous knowledge market
Cooperative marketing society

- Is formed by an association of volunteers to form a business and also provide small credit.
- Most cooperatives closed when they were multi-purposes business enterprises.
- The main reason for their closure was poor governance.
- Given development achievement in terms of skills and governance, potential experience of cooperative members, the future cooperatives is the answer to access to market for small scale producers in rural areas.

Take advantage of Globalization

- Our market is small and we should think of ensuring our rural products enter the global market.
- Tourism is one way where we are doing well.
- Our young people are educated and know English very well. We could think of taking internet opportunities to open international call centres.
- We have the land, botho and peace. We could promote investment in luxury old age homes to attract rich old people to come and spend their money here.
Recommendations

1. Promote more meaningful participation of small scale farmers and women in the poultry and horticulture sectors by updating the agricultural policy.

2. Government should manage and coordinate new waste water resources, its quality and distribution to promote new small scale irrigation investments.

3. Introduce and promote wildlife ranching in rural communities in the model of Khama Rhino Sanctuary and Mokolodi Game Reserve.

Recommendations

4. Support indigenous knowledge and skills to add value to locally available indigenous products such as phane, honey to generate income for the rural poor.

5. Promote a re-development of cooperative societies that would market goods of small scale producers and also provide small credit.

6. Take advantage of globalization and find a market for rural produce and services. For example, consider investment in luxury old age homes that would be attractive to the international market.
Recommendations

- 7 Government should promote increased security of tenure in all areas, especially rural areas, to facilitate land market transactions and protect the rights of the poor.

- 8 Introduce incentive conditions for government grants and loans to support recipients promising entrepreneurs.

End
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